

SOUTH AFRICAN **TOURISM** ANNUAL REPORT 2025/26



CONNECTED TO GROWTH:
DRIVING GROWTH THROUGH TOURISM
AND GLOBAL ENGAGEMENT



SOUTH AFRICAN TOURISM



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A



General Information



CONNECTED TO GROWTH:
DRIVING GROWTH THROUGH TOURISM
AND GLOBAL ENGAGEMENT



PUBLIC ENTITY'S GENERAL INFORMATION

Registered Name South African Tourism

Registration Number n/a

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Acting Company Secretary Tshepo Nkomo





COUNTRY OFFICES



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2. Germany

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EXTERNAL AUDITOR'S INFORMATION

Auditor-General of South Africa (AGSA)
4 Daventry Street
Lynnwood Bridge Office Park
Lynnwood Manor
Pretoria
South Africa
0001





BANKING INFORMATION

Office	Institution
Head Office	Absa, 5 th Level Banking Mall, Sandton City, Rivonia Road, Sandhurst, Sandton, 2196
	Standard Bank, 5 Simmonds Street, Selby, Johannesburg, 2001
	Investec, 100 Grayston Drive, Sandown, Sandton, 2196
	Nedbank Business Pretoria, 655 Jan Shoba Street, Hatfield, Pretoria, 0083
	Nedbank, 135 Rivonia Road, Sandown, Sandton, 2196
Tourism Grading Council of South Africa (TGCSA)	Nedbank, 135 Rivonia Road, Sandown, Sandton, 2196
New York	Bank of New York, 51 West 51 st Street, New York, NY 10019
London	Nedbank Private Wealth Millennium Bridge House, 2 Lambeth Hill, London EC4V 4GG
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
Frankfurt	Frankfurter Volksbank e.G. Boersenstr. 7-11, D-60313 Frankfurt, Germany
Paris	Societe Generale Bank. 40 Avenue Niel - 75017 Paris
Amsterdam	ABN-AMBRO Bank, Box 75580, 1070 AN, Amsterdam, Netherlands
China	Bank of China, 6 Gong Ti North Road, Chaoyang Beijing China 100027
Sydney	Westpac Bank, corner Market St & Clarence Street, Sydney
Nigeria	Stanbic IBTC Bank, Churchgate Towers: PC 30, Afribank Street, Victoria Island, Lagos





LIST OF ABBREVIATIONS/ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor General of South Africa
APP	Annual Performance Plan
ARCO	Audit and Risk Committee
B2B	Business-to-Business
B-BBEE	Broad-Based Black Economic Empowerment
BONDay	Business Opportunities Networking Day
BQV	Basic Quality Verification
CAE	Chief Audit Executive
CCBO	Chief Convention Bureau Officer
CEL	Central, East and Land Markets
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CMO	Chief Marketing Officer
COO	Chief Operating Officer
COVID-19	Corona Virus Disease
CSI	Corporate Social Investment
CTR	Click-through Rate
DigiTech	Digital Transformation and Technology
DIRCO	Department of Internal Relations and Co-operation
DOA	Delegation of Authority
DRC	Democratic Republic of the Congo
ERRP	Economic Reconstruction and Recovery Plan
ETA	Electronic Travel Authorisation
ExCo	Executive Committee
FY	Financial Year
G20	Group of Twenty
GAAP	Generally Accepted Accounting Practices
GDP	Gross Domestic Product
GNU	Government of National Unity
GTA	Gauteng Tourism Authority
HCREMCO	Human Capital and Rewards Committee
HCREMSEC	Human Capital, Remuneration, Social and Ethics Committee
IBTM	Incentives, Business Travel and Meetings
ICT	Information Communication and Technology
IFWE	Irregular, Fruitless, Wasteful Expenditure
IGR	Intergovernmental Relations
IMEX	Exhibition for International Meetings and Events
IMEX-MPI	Exhibition for International Meetings and Events – Meetings Professionals International
ITB	Internationale Tourismus-Borse
JEC	Johannesburg Expo Centre
LATAM	Latin America





MARCACOM	Marketing, Commercial and Awards Committee
MARCOM	Marketing and Commercial Committee
MEETS	Meetings, Events, Exhibitions and Tourism Schemes
MICE	Meetings, Incentives, Conferences and Exhibitions
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MPIF	Marketing Prioritisation and Investment Framework
MTDP	Medium-Term Development Plan
NAP	National Association Project
NDP	National Development Plan
NTSF	National Tourism Sector Forum
NTSS	National Tourism Sector Strategy
OOH	Out of Home
PFMA	Public Finance Management Act, Act 1 of 1999
PR	Public Relations
PTA	Provincial Tourism Authority
R	Rands
SAA	South African Airways
SADC	Southern African Development Community
SANCB	South African National Convention Bureau
SAPO	South African Product Owners
SA Tourism	South African Tourism
SCM	Supply Chain Management
SMME	Small, Medium and Micro-Enterprises
SOP	Standard Operating Procedure
SPEPM	Strategic Planning, Evaluation and Programme Management
TBCSA	Tourism Business Council of South Africa
TGCSA	Tourism Grading Council of South Africa
TGPP	Tourism Growth Partnership Plan
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
TTCSA	Tourism Transformation Council of South Africa
TTOS	Trusted Tour Operator Scheme
UA	Universal Accessibility
UK	United Kingdom
USA	United States of America
VIC	Visitor Information Centre
VTSD	Villages, Townships and Small Dorpies
YOY	Year-on-Year





MESSAGE BY THE MINISTER OF TOURISM



Ms. Patricia de Lille: Minister of Tourism

Beyond the successful hosting of meetings and events, South Africa's G20 Presidency has created a lasting legacy for tourism. Through dedicated tourism working groups and collaborative programmes, South Africa advanced important discussions on sustainable tourism development, digital transformation, skills development, and enhanced connectivity across emerging economies.





The 2025/26 financial year marked an important point in the growth of South Africa's tourism sector. International tourist arrivals reached 10.48 million during the financial year, up 19.4% from the previous year and the highest to date. International tourist spend increased to R102.4 billion. Domestic tourism remained the critically important foundation of the sector, with 46.4 million domestic overnight trips recorded during the year.

Our task now is to translate tourism growth into greater economic value, more jobs, increased investment and opportunities that reach communities and destinations across all nine provinces.

The results contained in this Annual Report demonstrate why the next phase is important. While domestic travel volumes increased significantly, domestic tourism spend declined by a small percentage. The geographic spread of both international and domestic tourism also remains below the levels we seek to achieve. We must therefore ensure that tourism growth is not concentrated in a small number of established destinations, but supports a broader and more inclusive tourism economy.

Cabinet approved the Tourism Growth Partnership Plan (TGPP) in December 2025. The TGPP provides a delivery-focused partnership between government and the private sector to accelerate tourism growth. It focuses our collective efforts on five priorities: ease of access; coordinated destination marketing; tourism safety; tourism products and infrastructure; and skills development and job creation.

Our objective is clear: South Africa must compete more effectively for international travellers, increase the value generated from tourism, strengthen domestic tourism and use the sector's labour-intensive nature to create meaningful employment.

Ease of access is fundamental to achieving our ambition. Work to improve visa facilitation, introduce the Electronic Travel Authorisation system and expand air connectivity is therefore critical. The Tourism Route Development Marketing Plan provides an important framework through which South Africa can better connect destination demand with aviation growth and expand access to our provinces and tourism regions.

South Africa's G20 Presidency during the year also provided an important global platform for tourism. Through the G20 Tourism Working Group, we advanced discussions on innovation, digital transformation, skills, sustainability and connectivity, while demonstrating South Africa's capacity to host major international meetings and events. Investment must accompany this growth. The inaugural Tourism Investment Summit brought government, investors, development finance institutions and tourism businesses together around a portfolio of investment opportunities. We must now move from identifying opportunities to facilitating bankable projects and converting investor interest into tourism infrastructure, enterprises and jobs.

South African Tourism achieved 39 of its 41 Annual Performance Plan targets during the year. This is encouraging. However, annual target achievement must ultimately translate into measurable progress against our wider sector outcomes: increased tourism value, improved geographic spread, stronger stakeholder partnerships and sustainable employment.

The governance and institutional performance of South African Tourism therefore remain equally important.





The Auditor-General issued a qualified audit opinion for the 2025/26 financial year. The matters giving rise to this qualification must be addressed decisively. The organisation must continue strengthening financial controls, governance, accountability and consequence management, while resolving outstanding historical matters and cooperating fully with all relevant oversight and investigative processes.

Public confidence and industry confidence in South African Tourism depend not only on what the organisation delivers, but also on how it conducts itself.

As we enter the next phase of the tourism growth agenda, our focus must increasingly be on execution. Government cannot achieve these ambitions alone. Success will require the Department of Tourism, South African Tourism, provinces, municipalities, the private sector, airlines, airports, the tourism industry and communities to work together behind a common growth agenda.

South Africa has an extraordinary tourism proposition. Our opportunity now is to convert that strength into sustained economic growth, investment and jobs, while ensuring that the benefits of tourism reach more South Africans in more parts of our country.

I thank the employees of South African Tourism, our tourism industry and all our partners for their contribution during the year.

Together, we must ensure that tourism delivers its full potential as an engine of inclusive economic growth and job creation.

P. de Lille

Ms. Patricia de Lille

Minister of Tourism, Member of Parliament

Date:





FOREWORD BY THE BOARD CHAIRPERSON



Dr. Mzamo Masito: Board Chairperson

As we look ahead, the Board's priorities remain clear: to further strengthen governance and compliance, consolidate organisational stability, reinforce leadership cohesion and deepen collaboration across the tourism sector.





The 2025/26 financial year has been a defining period for South African Tourism, characterised by a deliberate focus on governance, compliance, organisational stability and institutional resilience. During a period of significant organisational transition, the Board remained steadfast in its commitment to strengthening oversight, ensuring accountability and maintaining the highest standards of corporate governance across the organisation. The mandate of South African Tourism remains central to advancing national development objectives, leveraging tourism as a catalyst for economic growth, employment creation, investment attraction and the sustainable transformation of communities throughout South Africa.

Through targeted destination positioning campaigns, strategic public relations initiatives and integrated marketing efforts across key source markets, South African Tourism continued to strengthen South Africa's competitiveness as a preferred global tourism destination, enhancing brand visibility, driving positive destination sentiment and showcasing the country's diverse tourism offering. The organisation also continued to strengthen partnerships and collaboration across the tourism ecosystem. Industry collaboration remains a cornerstone of South Africa's tourism growth agenda, and we have continued to work closely with the private sector, industry associations, convention bureaus, provincial tourism authorities and other stakeholders to enhance destination competitiveness and unlock new opportunities for growth. These partnerships have been instrumental in ensuring that South Africa maintains a coordinated and compelling presence in key international markets.

Strategic platforms such as Africa's Travel Indaba 2025 and Meetings Africa 2026 continued to demonstrate the power of collaboration between government and industry. Likewise, South Africa's participation in leading global trade and business events platforms, including ITB Berlin, IMEX Frankfurt, WTM London and IBTM World, reinforced our position as a leading global tourism and business events destination while creating valuable market access opportunities for tourism businesses of all sizes.

A key milestone during the year was the successful appointment of critical executive leadership positions, including the Chief Convention Bureau Officer, Chief Financial Officer, Chief Audit Executive, Chief Marketing Officer and Chief Operating Officer. These appointments have strengthened organisational capacity, enhanced decision-making capability and contributed significantly to leadership stability across the organisation. These interventions aimed towards safeguarding institutional integrity while maintaining confidence among stakeholders, employees and industry partners.

Beyond organisational leadership, South African Tourism continued to strengthen its governance frameworks, risk management practices and compliance mechanisms to support sustainable growth and effective delivery against its mandate. The Board remains committed to fostering a culture of ethical leadership, transparency and accountability that supports long-term organisational success.

The year was not without its challenges, including governance and leadership matters that resulted in the suspension of senior executives, including the Chief Executive Officer. Throughout this period, the Board prioritised continuity, compliance and sound governance. Appropriate acting arrangements were implemented, oversight structures were strengthened, and measures were put in place to ensure the continued and uninterrupted delivery of organisational operations.

As we look ahead, the Board's priorities remain clear: to further strengthen governance and compliance, consolidate organisational stability, reinforce leadership cohesion and deepen collaboration across the tourism sector. The Board remains committed to leading the organisation in a manner that enables South African Tourism to deliver fully on its mandate while ensuring that strategic objectives are achieved, public resources are responsibly managed and stakeholder confidence is maintained.





The Board will continue to provide strategic oversight and direction to ensure that South African Tourism effectively markets the country, grows demand for travel to and within South Africa, and delivers measurable value for the economy, the tourism sector and the people of South Africa.

Central to this commitment is driving sustainable tourism growth, contributing to economic growth and job creation, supporting national efforts to reduce unemployment, and positioning South Africa as the world's best tourism destination.

Through collective effort, sound governance, strong leadership, industry collaboration and strategic partnerships, South African Tourism is well-positioned to unlock future growth, enhance destination competitiveness and maximise tourism's contribution to inclusive economic development. The Board remains confident that the strong foundations established during this period will support the organisation's continued success and ensure that South African Tourism remains a trusted and effective steward of the nation's tourism mandate.

Dr. Mzamo Masito
Board Chairperson
South African Tourism
Date: 31 August 2026

Due to the end of term of the SA Tourism Interim Board on 11 August 2026, the administrative requirement of appending the signature of the Board Chairperson could not be realised by the time of submitting the FY2025/26 Annual Report to the Department of Tourism.





CHIEF EXECUTIVE OFFICER'S OVERVIEW



Mr. Sechaba Motsieloa: Interim Chief Executive Officer

Generating R73 million in exhibition income from our own platforms demonstrates the strength of our brands and our ability to unlock new revenue streams. It is a clear reflection of the value we create for the tourism sector, while strengthening our financial sustainability.





General financial review of the public entity

South African Tourism delivered a strong financial performance during the year, generating total revenue of R1.4 billion, underpinned by continued government support, with grant funding contributing 93% of total revenue. The entity also demonstrated its ability to diversify revenue streams, with Exhibition Income from our owned platforms contributing R73 million, while Grading Income generated R24.7 million, reflecting the continued relevance and value of our quality assurance programmes across the tourism sector.

In addition, prudent cash management and effective stewardship of available resources enabled the SAT to earn R24.8 million in interest income from funds invested across our financial institutions. These results reflect South African Tourism's commitment to financial sustainability, operational excellence, and creating a strong foundation to support the growth South Africa's tourism industry.

Spending trends of the public entity

During the current fiscal year, South African Tourism continued to invest strategically in initiatives that advance the country's tourism objectives and strengthen South Africa's position as a destination. The largest portion of expenditure, R808 million, was directed towards marketing activities, enabling the successful delivery of impactful campaigns and destination promotion initiatives across key domestic and international markets.

Investment in our people remained a priority, with employee-related expenditure amounting to R229,9 million, supporting the talent and expertise required to execute our mandate effectively. In addition, administration and management expenses of R114,8 million were incurred to support operations across our 10 international offices and Head Office, Bojanala House, ensuring the entity maintains a strong global presence and operational capability. A further R17 million was invested in rental costs associated with our international office footprint.

Supported by strong revenue performance and disciplined financial management, South African Tourism achieved an operating surplus of R189.6 million for the year. This positive result reinforces the entity's financial sustainability and provides a solid foundation to continue driving tourism growth, enhancing destination marketing, and delivering long-term value to the South African tourism sector.

Capacity constraints and challenges facing the public entity

The approved organisational structure comprises of 202 positions, with a vacancy rate of 15.4% by the end of the reporting period. Appointments, terminations, and staff movement was monitored throughout the financial year. Early in the year, the Ministerial moratorium constrained the initiation of new recruitment processes, although recruitment processes already underway were allowed to proceed.

Discontinued key activities / activities to be discontinued

South African Tourism implemented activities aligned to its mandate. The FY2025/26 was the first year in the new five-year term of government and was thus fully aligned to the Five-Year Strategic Plan 2025 – 2030. No activities were discontinued.

New or proposed key activities

There were no new or proposed activities beyond the FY2025/26 APP.

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 R414 328 072. This surplus is calculated after deducting commitments of R211 506 253, contingent





liabilities of R69 278 279, and a rollover of prior year unspent private sector funds totalling R133 543 522. In the application to the National Treasury, strategic projects were detailed that aim to promote South Africa's tourism both domestically and internationally, while also fostering transformation within the tourism industry.

Supply chain management including processes and systems in place

South African Tourism's supply chain management operates in compliance with the Public Finance Management Act (PFMA), National Treasury Regulations, and an approved Preferential Procurement Policy. An in-house developed e-Procurement system hosted on Microsoft Azure supports the procurement environment and enhances scalability, data security, workflow resilience, and transactional efficiency. Core processes are governed through clean governance compliance frameworks, monthly monitoring of audit action plans, and regular compliance and ethics workshops focused on procurement planning, Code of Conduct adherence, and Bid Committee effectiveness.

To enable advanced enterprise reporting, procurement data is ingested into the central Data Services platform, providing real-time data visibility and insights under ongoing ICT oversight. As part of continuous digital modernisation, the entity is actively refining system capabilities, including expanding RFQ integrations and enhancing Oracle API management data pipelines to support agile, end-to-end data exchange across organisational workflows..

All concluded unsolicited bid proposals for the year under review

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

Audit report matters in the previous year and how would 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 97% of audit findings, raised by the Auditor-General South Africa (AGSA) in the prior year, and by the IA BU in the FY2025/26.

Economic Viability

South African Tourism remains a going concern, demonstrating both solvency and liquidity, with total assets exceeding liabilities.

Acknowledgements & Appreciation

The organisation extends gratitude to the Honourable Minister of Tourism for her steadfast and strategic leadership throughout the year. Appreciation is extended to the South African Tourism Board for their support and guidance.

To each and every staff member a special vote of thanks is extended for their dedication and excellence.

Mr. Sechaba Motsieloa

Interim Chief Executive Officer

South African Tourism

Date: 31 August 2026





STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

All information and amounts disclosed in the Annual Report are consistent with the annual financial statements audited by the Auditor-General.

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

The Annual Report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The annual financial statements (Part F) have been prepared in accordance with the South African Statements of Generally Accepted Accounting Practices (GAAP) standards applicable to the public entity.

The Accounting Authority is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Authority 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 annual financial statements.

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

In our opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31st March 2026.

Yours faithfully

Mr. Sechaba Motsieloa
Interim Chief Executive Officer
South African Tourism
Date: 31 August 2026

Dr. Mzamo Masito
Board Chairperson
South African Tourism
Date: 31 August 2026

Due to the end of term of the SA Tourism Interim Board on 11 August 2026, the administrative requirement of appending the signature of the Board Chairperson could not be realised by the time of submitting the FY2025/26 Annual Report to the Department of Tourism.





STRATEGIC OVERVIEW



Vision

To inspire and attract local and global travellers to explore and experience the richness of South Africa and her people.



Mission

Marketing South Africa domestically and internationally to increase the volume and value of both leisure and business travellers, while promoting quality and excellence across all tourism experiences. The mission will be implemented through a focus on four strategic pillars aligned to the pathways of the corporate strategy:

- Building and strengthening our tourism brand to increase market share and improve our competitive position;
- Leading the advancement, quality assurance and sustainable development of the sector, and improving visitor experience;
- Striving to become a trusted advisor and thought leader in the industry through mutually beneficial partnerships and delivering tourism intelligence; and
- Building an organisation with the best culture, that attracts, develops and retains the best people, while optimally leveraging technology to deliver exceptional results.

Values

South African Tourism subscribes to the following organisational values, informed by 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 act with appreciation of diversity.
	Authentic Caring We show and act with genuine care to each other, customers, stakeholders, 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 AND OTHER MANDATES

The Public Finance Management Act (No. 1 of 1999, as amended) (PFMA) lists South African Tourism as a Schedule 3A national public entity, which is accountable to the Minister of Tourism and Parliament. All prescripts and regulations arising from the PFMA are applicable to South African Tourism's governance and operations.

The Constitution of the Republic of South Africa, 1996 (the Constitution), forms the legal foundation of a democratic South Africa, sets out the rights and duties of its citizens and defines the structure of the government. The Constitution requires that all spheres of government work together to address poverty, underdevelopment, marginalisation of individuals and communities, and other legacies of apartheid and discrimination. Key provisions and schedules relevant to tourism include:

- **Section 22:** Enshrines the freedom to choose one's trade, occupation, or profession, which underpins the rights of those participating in the tourism industry, ensuring open and equitable opportunities for all South Africans.
- **Section 24:** Enshrines the right to a protected environment, which includes the sustainable use of natural resources, informing a focus on ensuring that tourism development is environmentally sustainable and respects South Africa's natural heritage.
- **Section 41:** sets out principles of cooperative governance, ensuring collaboration across spheres of government to align tourism strategies with broader developmental goals.
- **Part A of Schedule 4:** Identifies tourism as a concurrent national and provincial competence, necessitating aligned efforts to enhance tourism's contribution to economic growth and social development.

South African Tourism is established in terms of the Tourism Act (No. 3 of 2014), which aims to promote the practise of responsible tourism for the benefit of the Republic of South Africa and for the enjoyment of all its residents and foreign visitors, provide for the effective domestic and international marketing of South Africa as a tourist destination, promote quality tourism products and services, promote growth in and development of the tourism sector, and enhance cooperation and coordination between all spheres of government in developing and managing tourism. The Tourism Act establishes South African Tourism as an entity. Chapter 3 sets out the functions of the South African Tourism Board, which are to:

- Market South Africa as a domestic and international tourist destination.
- Market South African tourism products and facilities internationally and domestically.
- Develop and implement a marketing strategy for tourism that promotes the objectives of the act.
- Advise the Minister on any other matter relating to tourism marketing.

With the approval of the Minister, establish a National Convention Bureau to market South Africa as a destination for business events by:

- Coordinating bidding for international conventions.
- Liaising with other organs of state and suitable bodies to promote South Africa as a destination for business events.
- Reporting to the Minister on the work of the National Convention Bureau.





The South African Tourism Board must perform any function imposed on it, in accordance with a policy directive of the Minister, and not in conflict with the act.

Further, the functions of the Tourism Grading Council of South Africa (TGCSA) have been delegated by the Minister of Tourism to the South African Tourism Board. According to Chapter 4 of the Tourism Act, a function of the TGCSA is to implement and manage the national grading system for tourism, as contemplated in Section 28.

The Intergovernmental Relations (IGR) Framework Act (No. 13 of 2005, as amended) establishes a framework for national government, provincial governments, and local governments to promote and facilitate intergovernmental relations, and through its regulations aim to localise and synergise objectives, targets and directives in relation to the 52 district and metropolitan spaces (IGR impact zones).

Further to the above, various legislation directs the governance and control environment and the institutional arrangements of South African Tourism. Thus, it is recognised that South African Tourism must comply with 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.

Where the legislation defines the scope of the mandate and regulates how South African Tourism must operate, various policy and strategy frameworks give effect to how the mandate should be implemented, and have direct bearing on the priorities and focus areas for the 2025 to 2030 period, notably.

South African Tourism's work is informed by key international and regional frameworks, which provide context for sustainable tourism development and regional economic integration. These include:

- United Nations 2030 Agenda for Sustainable Development: Positions tourism as a key driver of economic growth, poverty reduction, and environmental conservation, with a focus on sustainable tourism practices.
- African Union Agenda 2063: Envisions a prosperous and integrated Africa through equitable social, economic, and technological transformation. Tourism is identified as a key sector for promoting cultural heritage, fostering pan-African unity, and advancing regional development.
- Southern African Development Community Vision 2050 and Regional Indicative Strategic Development Plan 2020 -2030: Focuses on long-term regional development, driven by industrialisation, infrastructure development, and human capital growth. Tourism is a priority sector for regional integration, economic diversification, and creation of employment opportunities across Southern Africa.

At a national level, South African Tourism responds to South Africa's long-term development goals:

- National Development Plan Vision 2030 (NDP): The NDP serves as South Africa's blueprint for eliminating poverty, reducing inequality, and reducing unemployment by 2030. It emphasises tourism as a priority sector that generates employment, promotes inclusive growth, and enhances social cohesion. The NDP focuses on empowering marginalised groups, including women, youth, and persons with disabilities, and ensuring that tourism contributes to socio-economic upliftment.
- Priorities of the Government of National Unity (GNU) for 2024-2029: Following the 2024 elections, the GNU laid out its foundational principles and priorities for the seventh administration. These priorities include rapid and inclusive economic growth, social justice, investment in people, local government stabilisation, strengthening state capacity, enhancing law enforcement and national security, enhancing social cohesion, and advancing a foreign policy rooted in human rights, international cooperation and advancing South Africa's interests.





- Informed by the Indlulamithi Scenarios 2035 process and evaluative reviews of the National Development Plan (NDP), 30 Years of Democracy, and the 2019–2024 development period, the Medium-Term Development Plan (MTDP) 2024–2029 aligns with the priorities of the Government of National Unity (GNU) and integrates them into the government planning system to advance the achievement of the NDP 2030 goals.
- The MTDP 2024 - 2029 serves as the bridge between the long-term aspirations of the NDP and the actionable, immediate interventions required to address the country's socio-economic challenges. It positions tourism as an essential component of inclusive growth, poverty reduction, and state development, ensuring that efforts align with South Africa's broader development agenda.
- While South African Tourism indirectly contributes to MTDP Priority 2: Reducing Poverty and Tackling the High Cost of Living and MTDP Priority 3: Building a Capable, Ethical, and Developmental State, the work and focus of the organisation is directly aligned to MTDP Priority 1: Inclusive Growth and Job Creation by promoting tourism as a labour-intensive sector and enhancing the tourism sector's contribution to economic growth. South African Tourism is also dedicated to promoting the rights of women, youth, children, and persons with disabilities, ensuring their full participation in the economy.
- The Economic Reconstruction and Recovery Plan (ERRP), published in late 2020, is the country's plan for overall economic recovery after the COVID-19 pandemic. The ERRP identifies the eight priority interventions to drive the reconstruction and recovery of the South African economy, which includes support for tourism recovery and growth.

Tourism's development in South Africa is further guided by sector-specific policies that aim to ensure growth, inclusivity, and sustainability within the sector, notably:

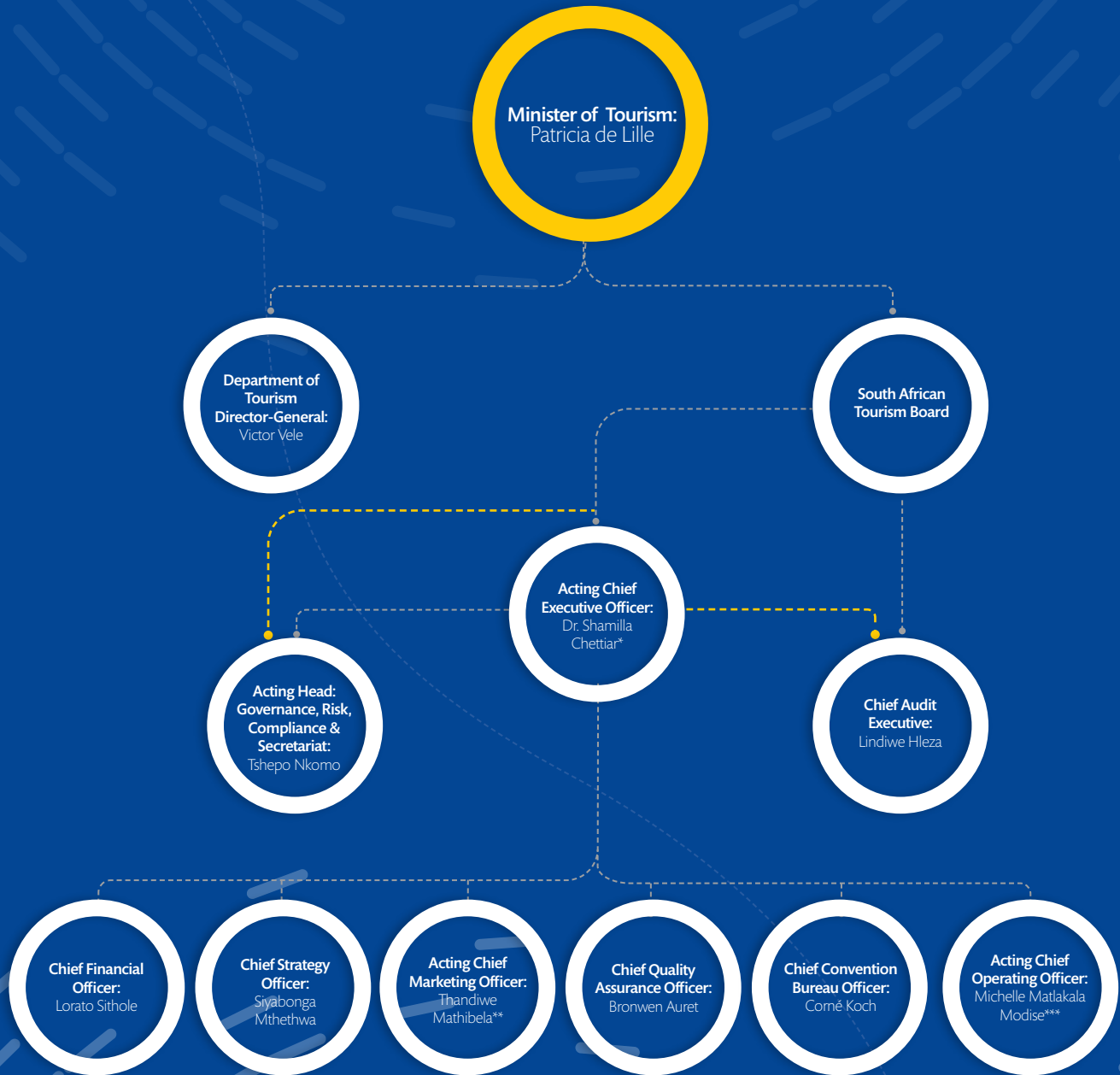
- White Paper on the Development and Promotion of Tourism in South Africa (1996): Provides a framework and guidelines for tourism development and promotion in South Africa. The White Paper 2024 was gazetted on 4th October 2024.
- Green Paper on the Development and Promotion of Tourism in South Africa (2023): Outlines a strategy for boosting inclusive and sustainable tourism growth, job creation, and economic contribution to South Africa.
- National Tourism Sector Strategy (NTSS) 2016 - 2026: Provides a strategic framework for the growth of a "rapidly growing, inclusive, and sustainable tourism economy," leveraging the country's natural beauty, cultural diversity, and heritage.
- Tourism Sector Masterplan, 2023 (TSMP): Builds on the foundations laid by the NTSS and is designed to provide an updated, action-oriented roadmap to further position South Africa as a competitive, resilient, and inclusive tourism destination. It incorporates the objectives of the NTSS and aligns with the national development goals set out in the NDP.
- Tourism B-BBEE Charter (the Charter): Seeks to transform the tourism sector by promoting equitable economic opportunities and empowering historically disadvantaged individuals and communities.
- TGCSA grading criteria: As part of the Tourism Act, the TGCSA is responsible for establishing and maintaining the country's official grading system for tourism establishments.

The Market Prioritisation and Investment Framework (MPIF) is a strategic tool used by South African Tourism to optimise its marketing investments across priority source markets. The framework is periodically reviewed to ensure it remains relevant and effectively aligned with the goal of achieving sustainable tourism growth by 2030.





ORGANISATIONAL STRUCTURE



*With effect from 1st June 2026, Sechaba Motsieloa was appointed as the Interim CEO.

**With effect from 1st April 2026, Ms Sithembile Ndaba was appointed as the Chief Marketing Officer.

***With effect from 1st May 2026, Mr Ismail Dockrat was appointed as the Chief Operating Officer.





B



Performance Information



CONNECTED TO GROWTH:
DRIVING GROWTH THROUGH TOURISM
AND GLOBAL ENGAGEMENT



1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

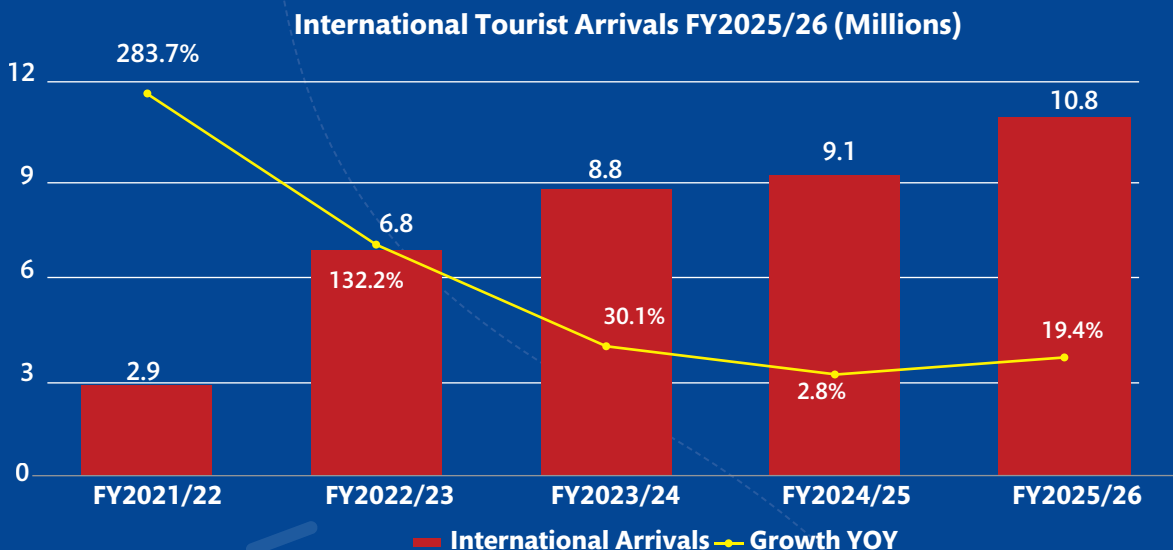
Refer to page 141 of the Auditor-General's Report for FY2025/26 for the outcome on the audit of predetermined objectives, published in Part F: Annual Financial Statements of the Annual Report.

2. OVERVIEW OF PERFORMANCE

2.1 Service Delivery Environment

International Tourism Performance

International tourist arrivals to South Africa maintained a strong trajectory, reaching 10.8 million arrivals in FY2025/26, up from 9.1 million in FY2024/25. This represents a 19.4% year-on-year increase, signalling renewed global travel confidence and growing demand for South Africa as a destination. Arrivals nearly quadrupled over the last five years demonstrating a renewed acceleration and positions the sector closer to sustained long-term growth.



Source: Statistics South Africa P0350 International Tourism Report 2026

Regional arrivals continued to strengthen during FY2025/26 having contributed 8.4 million arrivals, accounting for 77.4% of total arrivals. Land-based travel continued to underpin performance and highlighted the importance of regional connectivity and cross-border movement. Encouragingly, all source regions recorded growth compared with FY2024/25.

Europe retained its position as the largest overseas source market, contributing 1.5 million arrivals and representing 13.6% of total arrivals. The Americas recorded 549 063 arrivals, while Australasia and the Middle East achieved the strongest growth rates, increasing by 20.2% and 26.3% respectively, albeit from smaller arrival bases. These trends reflect the continued recovery and diversification of South Africa's international tourism market.

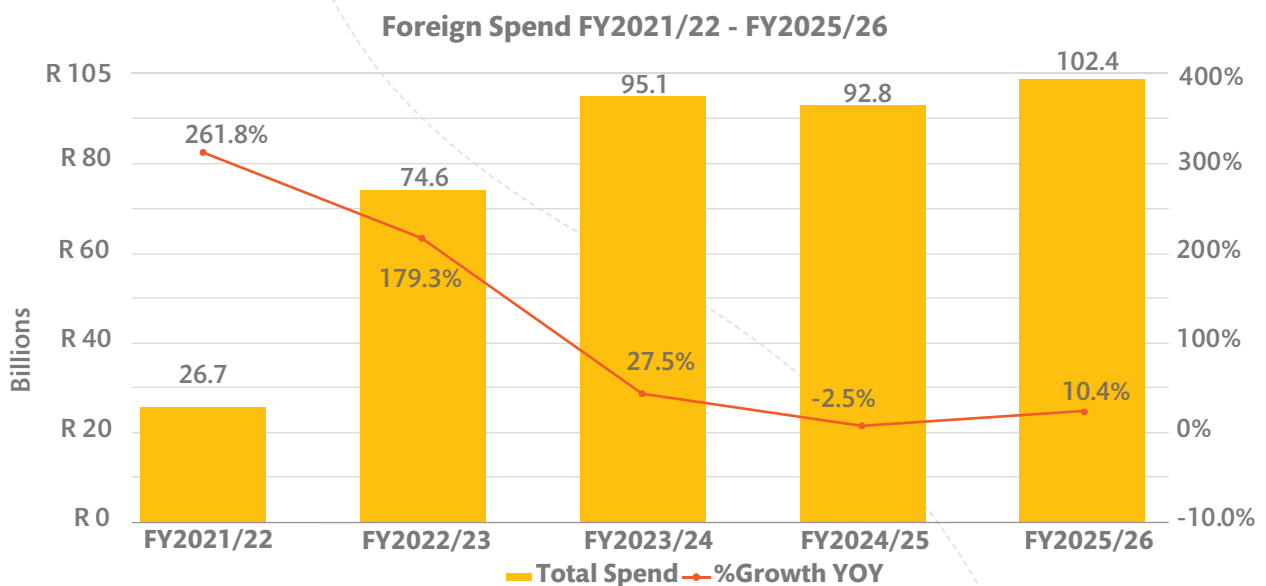




Tourist Arrivals by Region	FY2024/25	FY2025/26	FY2025/26 % Growth	FY2025/26 Share of Arrivals
Africa	6 891 040	8 376 465	21.6%	77.4%
Africa Land	6 579 381	8 014 840	21.8%	74.1%
Africa Air	311 659	361 625	16.0%	3.3%
Europe	1 267 234	1 467 815	15.8%	13.6%
Americas	512 596	549 063	7.1%	5.1%
Asia	208 955	210 833	0.9%	1.9%
Australasia	121 614	146 206	20.2%	1.4%
Middle East	45 796	57 861	26.3%	0.5%
Total	9 059 419	10 819 998	19.4%	100.0%

Source: South African Tourism Departure Survey FY2025/26

Total foreign direct spend increased to R102.4 billion in FY2025/26, up from R92.8 billion in FY2024/25, representing 10.4% year-on-year growth. Africa and Europe remained the largest contributors, together accounting for 77.5% of total foreign tourism expenditure. Africa generated the highest spend at R46.9 billion, representing 45.8% of total spend, driven mainly by Africa Land markets. Europe contributed R32.5 billion, or 31.7% of total spend, reflecting its strong value contribution relative to its arrivals share. The Americas remained the third-largest spending region at R14.6 billion, while Australasia and the Middle East recorded the strongest growth rates at 26.3% and 29.2% respectively. Asia was the only region to record a decline, decreasing by 1.2% year-on-year.



Source: South African Tourism Departure Survey FY2025/26

Tourist arrivals from Africa and Europe continue to account for the majority of foreign tourism expenditure, as these regions remain the largest sources of international arrivals. However, their respective shares of expenditure differ markedly from their shares of arrivals. Africa accounted for 77.4% of arrivals but only 45.8% of total spend, while Europe contributed 13.6% of arrivals yet generated a disproportionately higher 31.7% of expenditure. Compared with FY2024/25, most of the regions recorded growth in tourism spend.





Spend by Region	FY2024/25	FY2025/26	FY2025/26 % Growth	FY2025/26 % Share
Africa	R42 550 997 684	R46 913 913 889	10.3%	45.8%
Africa Land	R36 638 371 100	R40 707 468 004	11.1%	39.7%
Africa Air	R5 912 626 584	R6 206 445 885	5.0%	6.1%
Europe	R28 401 867 061	R32 514 485 446	14.5%	31.7%
Americas	R14 367 921 849	R14 576 819 530	1.5%	14.2%
Asia	R3 845 461 017	R3 797 592 226	-1.2%	3.7%
Australasia	R2 524 181 734	R3 188 193 018	26.3%	3.1%
Middle East	R1 099 994 006	R1 421 101 717	29.2%	1.4%
Total	R92 790 423 352	R102 412 105 827	10.4%	100.0%

Source: South African Tourism Departure Survey FY2025/26

South Africa's Macro-Economic Environment

The FY2025/26 was a year of mixed economic signals for South Africa. While headline indicators pointed to a gradual recovery, many households continued to feel the strain of rising costs and unemployment. These factors directly influenced how much South Africans chose to travel during the period. The South African economy gained momentum as the year progressed. Gross Domestic Product (GDP) grew by 0.8% between April and June 2025, moderating to 0.3% between July and September 2025 and 0.4% between October and December 2025. During the 2025 calendar year, the economy expanded by 1.1%, the highest annual growth rate since 2022, driven mainly by finance and business services, agriculture, and trade, catering, and accommodation.

Inflation held steady and within the South African Reserve Bank's target range throughout the year. The Consumer Price Index (CPI) was 3.0% in June 2025, rising to 3.4% in September and 3.6% in December, before easing to 3.5% in January 2026, 3.0% in February 2026, and settling at 3.1% in March 2026. For the full 2025 calendar year, average inflation came in at 3.2%, the lowest in 21 years. The South African Reserve Bank cut the repo rate three times during this period, from 7.3% in May 2025 to 7.0% in July 2025 and 6.8% in November 2025, before holding steady at 6.8% in January and March 2026, citing global uncertainty from ongoing geopolitical tensions.

Petrol prices dropped considerably in the final quarter of the financial year, falling from R21.55 per litre in September 2025 to R19.85 in January 2026, the lowest level since 2022, before increasing slightly to around R20.30 by March 2026.

Despite the positive macro-economic outlook, conditions at household level remained difficult. Unemployment rose to 33.2% in Quarter 2 of 2025, then gradually declined to 31.4% by Quarter 4 of 2025, before increasing again to 32.7% in Quarter 1 of 2026, as 345 000 people lost their jobs during the quarter. Youth unemployment remained particularly high, at 60.9%, among those aged between 15 and 24 in Quarter 1 of 2026.

Household debt as a share of disposable income remained elevated at 62.7% in the first half of 2025, edging down to 61.6% by Quarter 3 of 2025 as debt servicing costs fell slightly from 8.9% to 8.5%, reflecting the gradual impact of interest rate cuts. Financial constraints were reported as the main reason for not travelling by 41.8% of non-travelling South Africans in 2025, a notable increase from 33.0% in 2024.

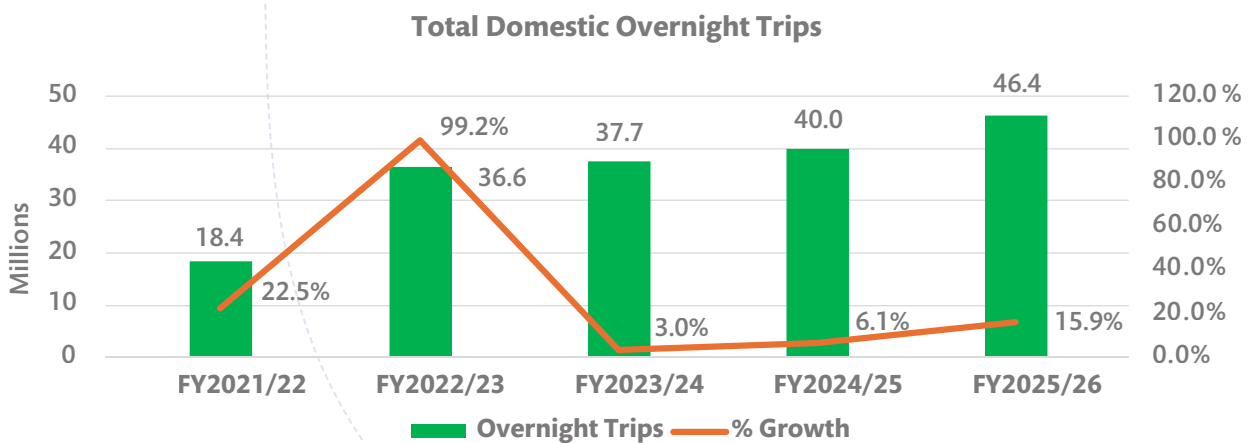




Impact on Domestic Tourism

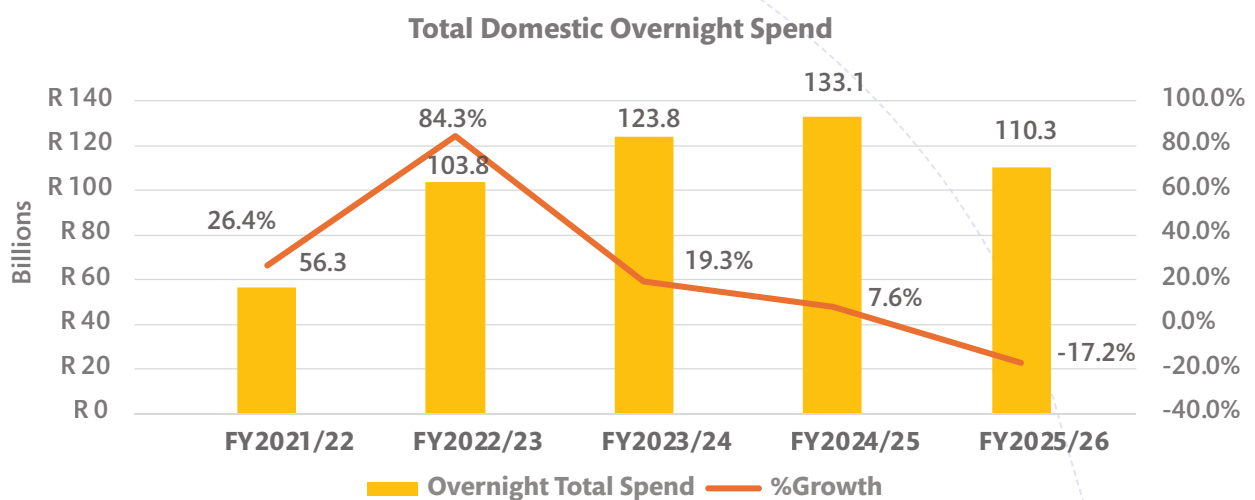
The macroeconomic environment during FY2025/26 directly shaped domestic tourism. Gradual interest rate cuts and easing petrol prices, particularly in the final quarter, gave more South Africans the means to travel, supporting the 15.9% growth in total overnight trips. At the same time, unemployment remained high throughout the year, and household debt stayed elevated, which squeezed what people could afford to spend, reflected in the 17.2% decline in total overnight spend. The sharp rise in financial constraints is cited as the main reason for not travelling, from 33.0% in 2024 to 41.8% in 2025, tells the same story: South Africans want to travel, but their pockets are not as deep as they used to be.

Domestic Tourism Performance



Source: South African Tourism Domestic Survey FY2025/26

The FY2025/26 was a strong year for domestic overnight travel, with domestic trips increasing to 46.4 million from 40.0 million in the previous fiscal, representing a 15.9% increase. This indicates a willingness by South Africans to travel their own country. The growth in overnight trip volumes was largely driven by tourists taking more frequent, shorter trips.



Source: South African Tourism Domestic Survey FY2025/26





Total overnight spend decreased by 17.2% from R133.1 billion in FY2024/25 to R110.3 billion in FY2025/26. While more trips are being taken, tourists are cost conscious, opting for shorter, more cost-effective trips, rather than cutting out travel altogether.

Overall domestic tourism performance trends reflect a sector navigating a tough economic climate. South Africans are still travelling, but doing so more deliberately and within tighter budgets.

2.2 Organisational Environment

During the reporting period, seven employees on management level were suspended and subsequently taken through disciplinary processes, of which five cases were concluded within the financial year. The suspensions placed pressure on the organisation and adversely impacted the atmosphere in the workplace. Employee wellness and cultural transformation initiatives became critical in keeping employees focused and motivated.

The financial year began with a high vacancy rate in the executive echelon; however, the organisation closed the financial year with a full executive complement after the appointment of the Chief Financial Officer, Chief Convention Bureau Officer, Chief Operating Officer and Chief Marketing Officer. The Chief Audit Executive was also appointed.

There were no ICT systems failures during the reporting period.

During FY2025/26, two cases of alleged corruption were reported through the hotline. Both cases have since been referred to management for further action. In addition, one case identified through an Internal Audit assessment and review relating to possible fraud is currently still under investigation.

2.3 Key Policy Developments and Legislative Changes

There were no changes to relevant policies or legislation that may have affected South African Tourism's operations during the reporting period.

However, it is important to note the introduction of the Tourism Growth Partnership Plan (TGPP) 2025 – 2030, a sector-wide delivery framework, that positions tourism as a key driver of inclusive growth, job creation and economic recovery over the medium to long term. The TGPP prioritises key catalytic interventions and sets national targets for international arrivals, domestic trips, tourism spend and employment by the end of the seventh administration.

The TGPP identifies five priority intervention areas - ease of access, coordinated destination marketing, tourist safety and security, tourism product development, and job creation - supported by cross-cutting enablers relating to economic empowerment, data and analytics, community inclusion, and investment mobilisation. It adopts a whole-of-government and whole-of-sector approach to tourism growth. For South African Tourism, the TGPP functions as a primary delivery framework that informs planning, prioritisation and collaboration, rather than direct ownership of all sector levers.



3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

South African Tourism's impact statement, that is informed by legislative and policy mandates, as well as the organisation's strategic focus, is:

A tourism sector that drives sustainable economic growth and job creation, ensures inclusive benefits, and promotes environmental and cultural sustainability.

3.1 Progress Towards Five-Year Targets

Four outcomes direct the efforts and focus of South African Tourism over the period to 2030, with progress recorded for FY2025/26 as follows:

MTDP Priority 1: Inclusive Growth and Job Creation				
- Drive growth in tourism as a labour-intensive sector, including through the finalisation and implementation of masterplans; and - Strengthen economic diplomacy with our largest trading partners and potential trading partners.				
Outcome	Outcome Indicators	Baseline	Five-Year Target	Progress as at 31 st March 2026
1. Strengthened market position and tourism growth	International tourist arrivals	8.81 million as at March 2024: Leisure: 8.48 million MICE: 333.9 thousand	15 million: Leisure: 14.63 million MICE: 374.3 thousand	10.8 million
	International tourist spend	R95.1 billion as at March 2024: Leisure: R90.47 billion MICE: R4.63 billion	R115.2 billion: Leisure: R109.59 billion MICE: R5.61 billion	R102.4 billion
	Geographic spread of international tourist arrivals	9.7% as at March 2024	13.9%	8.7%
	Domestic tourist trips	37.9 million as at March 2024	45.1 million	46.4 million
	Domestic tourist spend	R123 billion as at March 2024	R139.4 billion	R110.3 billion
	Geographic spread of domestic tourist arrivals	3.3% as at March 2024	4.0%	2.3%
	Number of bids won (MICE)	227 as at March 2024	366	66
	Economic impact of bids won (MICE)	R3.9 billion as at March 2024	R6.3 billion	R1.2 billion
	South Africa Leisure Brand Strength Index	45.6 as at March 2024	51	49.8
2. Enhanced visitor experience and responsible tourism offerings	Tourist Satisfaction Rating	4.6 as at March 2024	4.8	4.6
3. Insights-led sector thought leadership and advocacy	Satisfaction Score with South African Tourism's engagement	3.5 as at March 2024	4	3.1
MTDP Priority 3: Build a capable, ethical and developmental state				
Improve the governance and performance of public entities.				
4. Organisational excellence and a high-performance culture	External audit outcome	Qualified audit outcome as at August 2024	Clean audit outcome	Qualified audit outcome
	Staff engagement survey score	52.2% as at March 2023	90%	42.6%
	Productivity tracking matrix score	New indicator: Establish baseline in FY2025/26	Improvement from FY2025/26 baseline	Established baseline in FY2025/26: 790 / 1 000 (Moderate)





3.2 Significant achievements

As at 31st March 2026, South African Tourism recorded positive progress across several indicators contributing to MTDP Priority 1: Inclusive Growth and Job Creation.

International tourist arrivals increased from the baseline of 8.8 million to 10.8 million, reflecting continued recovery and growth in international demand for South Africa as a tourism destination. International tourist spend also improved, increasing from R95.1 billion to R102.4 billion, demonstrating the sector's continued contribution to economic activity and foreign revenue generation.

Domestic tourism continued to provide important support to the sector. Domestic tourist trips increased from 37.9 million to 46.4 million, indicating strong growth in domestic travel activity. However, domestic tourist spend declined from R133.1 billion to R110.3 billion, suggesting that while more South Africans travelled, overall spend levels remained constrained.

Geographic spread remained an area requiring further attention. The geographic spread of international tourist arrivals decreased from 9.7% to 8.7%, while the geographic spread of domestic tourist arrivals declined from 3.3% to 2.3%. This indicates the need to strengthen initiatives that promote travel to a broader range of destinations and support wider distribution of tourism benefits.

In the business events segment, 66 MICE bids were won, with an associated economic impact of R1.2 billion. This reflects continued activity in securing business events for South Africa, while also highlighting the need to strengthen the bids pipeline and conversion of high-value events.

The South Africa Leisure Brand Strength Index improved from 45.6 to 49.8, reflecting positive progress in strengthening South Africa's destination brand and market appeal. The Tourist Satisfaction Rating remained stable at 4.6, indicating that the destination continues to maintain a positive visitor experience.

The satisfaction score for South African Tourism's engagement with stakeholders was recorded at 3.1, compared with the baseline of 3.5. This points to the need for improved stakeholder engagement, responsiveness and the continued provision of relevant insights to the sector.

In support of MTDP Priority 3: Building a Capable, Ethical and Developmental State, South African Tourism continued to focus on governance, accountability and institutional performance. The clean audit outcome remains a key governance priority, with a qualified audit outcome achieved in FY2025/26.

The Staff Engagement Survey score was recorded at 42.6%, compared with the baseline of 52.2%, indicating a need for targeted interventions to strengthen employee engagement, internal communication and organisational culture. The Productivity Tracking Matrix baseline was established at 790 out of 1 000 that is classified as moderate and provides a basis for future productivity improvement and performance tracking.

Overall, the figures reflect progress in key areas such as international arrivals, international tourist spend, domestic trip volumes and brand strength. Areas requiring focused management attention include tourism spend, geographic spread, MICE performance, stakeholder engagement and staff engagement.

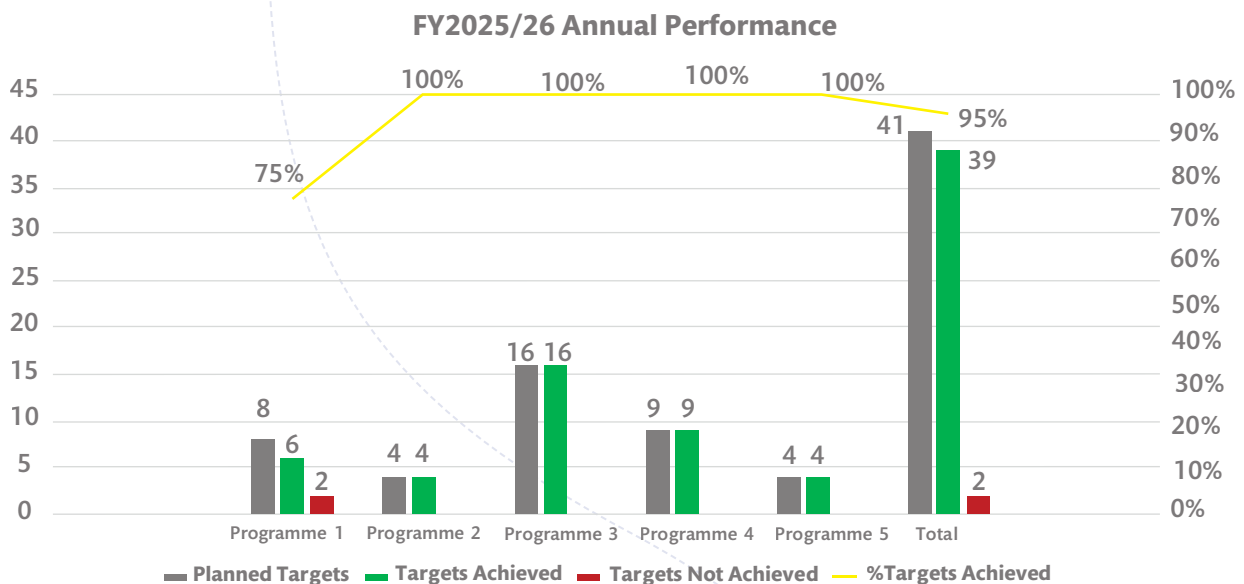


4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

South African Tourism has five budget programmes which informs the FY2025/26 Annual Performance Plan:



For the reporting period, South African Tourism achieved 39 of the 41 planned annual targets, recording 95% performance, an improvement on the 88% recorded in FY2024/25.



4.1 Programme 1: Corporate Support

OVERVIEW OF THE PROGRAMME

The purpose of the programme is to provide effective support services to the organisation, as well as ensure compliance with statutory requirements, and ensure strategy development and integration with business performance monitoring, governance, and evaluation.





The programme includes the following business units:

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

In contributing towards the South African Tourism impact statement of “a tourism sector that drives sustainable economic growth and job creation, ensures inclusive benefits, and promotes environmental and cultural sustainability,” the Corporate Support Programme provides the institutional capabilities and enabling environment required to support the delivery of all four organisational outcomes. The programme contributes to the achievement of specific interventions and five-year targets outlined in the Five-Year Strategic Plan 2025 – 2030, particularly within the following outcome areas:

Institutional Outcome	Outcome Indicator	Baseline (2024)	Five-Year Target (2030)
Outcome 4: Organisational excellence and a high-performance culture	External audit outcome	Qualified audit outcome as at August 2024	Clean audit outcome
	Staff Engagement Survey score	52.2% as at March 2023	90%
	Productivity Tracking Matrix score	New indicator: Establish baseline in FY2025/26	Improvement from FY2025/26 baseline

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

INTERNAL AUDIT

The Internal Audit business unit contributed to the Annual Performance Plan by monitoring and tracking the implementation of all internal and external audit recommendations. On a quarterly basis, Internal Audit provided management and the Board with updates on the status of these recommendations, including details on how corrective actions were executed. As at 31st March 2026, management successfully implemented 97% of the internal and external audit recommendations. This represents significant progress compared to FY2024/25, which closed at 73%.

FINANCE AND SUPPLY CHAIN MANAGEMENT

The Finance and Supply Chain Management (SCM) business units contributed to the Annual Performance Plan by implementing the Operation Clean Audit Programme. This programme 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 conducted by the Auditor-General of South Africa (AGSA), together with audits undertaken by Internal Audit, comprehensive audit action plans were developed for all identified findings and monitored monthly. These plans were implemented in close collaboration with the organisation's internal assurance partners to ensure timely corrective action and sustained improvement. This structured approach promotes collective accountability, strengthens governance and internal controls, and contributes to reducing the risk of adverse audit outcomes. During the year under review, the Operation Clean Audit initiative was implemented as planned.





The second contribution of the business unit to the Annual Performance Plan was the implementation of initiatives aimed at promoting compliance, integrity, and ethical conduct in the procurement of goods and services. These initiatives were undertaken quarterly, with a total of eight successfully delivered during the reporting period. Key focus areas included the Code of Conduct, cost-containment measures, the functioning of procurement committees, procurement planning, ethics, and compliance with the Public Finance Management Act (PFMA).

HUMAN CAPITAL MANAGEMENT

The Human Capital business unit achieved most of its planned targets during the reporting period. Progress in strengthening employee engagement and morale was driven through the implementation of the Staff Engagement Survey Two-Year Improvement Plan, publication of Human Capital newsletters, rollout of the Peer Recognition Programme, delivery of employee wellness initiatives, completion of the staff engagement survey, and tabling of the Staff Engagement Survey Report at the Executive Committee (ExCo).

The business unit also achieved its productivity-related deliverables through the development of a Productivity Matrix and the establishment of a baseline to support the ongoing measurement and assessment of productivity levels across the organisation. These initiatives provide a foundation for monitoring workforce effectiveness and informing continuous improvement efforts.

The target that was not fully achieved related to the implementation of the reviewed organisational structure. This target initially commenced as a structural optimisation exercise, with the review of the operating model. However, as the work progressed, it became evident that the existing organisational structure required a broader and more comprehensive review. The structural optimisation process therefore needed to evolve into a full-scale organisational redesign process to ensure that the organisational structure, operating model, capabilities, and resourcing requirements are aligned to South African Tourism's Five-Year Strategic Plan 2025 - 2030. This shift was necessary to ensure that the structural adjustment would adequately respond to the organisation's long-term strategic and operational requirements.

The efforts of Programme 1 contributed towards Outcome 4 focusing on organisational excellence and a high-performance culture.

INFORMATION AND COMMUNICATION TECHNOLOGY

The Information and Communications Technology (ICT) business unit successfully delivered several initiatives in accordance with the ICT Governance Framework. Implementation demonstrated mature governance and alignment with the organisation's outcomes. Modernisation efforts included enhancements to the eProcurement system, implementation of a disaster recovery firewall, improvement of the Total Quality in Tourism (TQiT) system, establishment of a secure Software Development Life Cycle, data centre upgrades, penetration testing and cloud migration. A key achievement was the successful migration of critical organisational systems and datasets to Microsoft Azure.

The systems migrated included eProcurement, TQiT, Shot' Left, and all data integration workloads. This migration significantly improved system availability, scalability, resilience, and the long-term sustainability of the ICT environment. During the reporting period, cybersecurity controls were materially strengthened. Multi-factor Authentication was fully implemented across the organisation, using Microsoft Authenticator for Microsoft 365 services and Beyond Identity for non-Microsoft platforms, thereby facilitating authentication without the need for a password and enhancing endpoint security.





Continuous cybersecurity awareness training further supported risk mitigation and prepared the organisation for potential threats. From a governance and assurance perspective, the ICT business unit demonstrated strong control maturity. All software licenses, subscriptions, and ICT support contracts were maintained to ensure uninterrupted business operations. The ICT audit findings raised by the Auditor-General and Internal Audit were fully resolved and closed by the end of the year, reflecting effective governance, accountability, and responsiveness to assurance recommendations. These accomplishments position the organisation on a strong footing for continued digital transformation and enhanced service delivery in the next financial year.

STRATEGIC PLANNING, EVALUATION AND PROGRAMME MANAGEMENT

The Strategic Planning, Evaluation and Programme Management (SPEPM) business unit ensured that South African Tourism remained compliant with organisational planning, performance information management, monitoring, reporting, and evaluation requirements through the production of key statutory plans and reports. These included the Five-Year Strategic Plan 2025 - 2030 the FY2026/27 Annual Performance Plan (APP), the FY2024/25 Annual Report, and the FY2025/26 Quarterly Performance Reports.

The business unit led the development of the FY2026/27 APP, Annual Operational Plan, and Divisional Operational Plans, guided by the outcomes and targets of the Five-Year Strategic Plan 2025 - 2030 the Medium-Term Development Plan, prior-year performance, evaluation findings, and lessons from the End-of-Term Report. Quarterly Business Review Sessions were also conducted to strengthen accountability, monitor performance against the APP, identify implementation challenges, and develop corrective actions to improve organisational performance.

During FY2025/26, South African Tourism completed its End-of-Term Report for the 2020 - 2025 government term, assessing progress against the Five-Year Strategic Plan 2020 - 2025 and capturing lessons from the sector's recovery journey following a particularly challenging period. In addition, evaluations were undertaken on two programmes concluded in FY2024/25, namely the Number of Graded Establishments Programme and the Number of Business Events Hosted in Villages, Townships and Small Dorpies (VTSDs) Programme. These evaluations sought to:

- Assess whether the identified implementation programmes successfully delivered their intended outcomes and impacts as reflected in their plans.
- Determine the benefits that have been derived from the identified implementation programmes and the link to the outcomes of South African Tourism.
- Provide recommendations that may be used during future planning to improve the impact of South African Tourism's implementation programmes.

The SPEPM Business Unit also provided project management support for priority projects and ensured alignment with project management methodologies, processes, and reporting standards.



Programme 1: Corporate Support

Outcome	Output	Output indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation From Planned Target To Actual Achievement 2025/2026	Reasons for Deviation
4: Organisational excellence and a high performance culture	Enhanced internal control environment and mitigation of audit findings	Percentage of valid internal and external audit recommendations implemented	91% implementation of valid audit recommendations	73% of valid audit recommendations were implemented	Implement 100% of valid audit recommendations	Implemented 97% of valid audit recommendations	Target not achieved as 3% of audit recommendations were not implemented	Six audit recommendations were not implemented by the due dates in the Finance, Human Capital, Facilities and National Convention Bureau business units.
	Operation Clean Audit implemented towards an improved audit outcome and sound governance	Annual Operation Clean Audit Programme implemented	FY2023/24 Corporate Compliance Campaign (Operation Clean Audit) was implemented with the exception of one activity	The FY2024/25 Corporate Compliance Campaign (Operation Clean Audit) was implemented	Implement the FY2025/26 Operation Clean Audit Programme	Implemented the FY2025/26 Operation Clean Audit Programme	None	None required
	Strengthened compliance, integrity and ethical conduct in procurement (as per PFMA Section 57)	Number of initiatives that promote compliance, integrity and ethical conduct in the procurement of goods and services implemented	Six SCM ethics and integrity initiatives implemented	Six SCM ethics and integrity initiatives were implemented	Implement eight initiatives that promote compliance, integrity and ethical conduct in the procurement of goods and services	Implemented eight initiatives that promote compliance, integrity and ethical conduct in the procurement of goods and services	None	None required
	Improved staff engagement and morale	Staff Engagement Survey Two-Year Improvement Plan implemented	Staff engagement score of 2.61 was achieved	Staff Engagement Survey Two-Year Improvement Plan was implemented	Implement the annual deliverables of the Staff Engagement Survey Two-Year Improvement Plan	Implemented the annual deliverables of the Staff Engagement Survey Two-Year Improvement Plan with additional activities focusing on employee wellness	Target exceeded as additional activities were implemented	Emerging needs in the internal environment related to employee well-being.
	Organisational design enabling optimal functioning of the entity	Reviewed organisational design implemented	N/A	New indicator	Conduct a staff engagement survey to assess engagement levels	Conducted a staff engagement survey to assess engagement levels	None	None required
					Review the operating model for the entity	Reviewed the operating model for the entity	None	None required
	Track productivity to enable a high-performance culture	Productivity Matrix established	N/A	New indicator	Implement the reviewed organisational structure	The reviewed organisational structure was not implemented	Target not achieved	While the structural optimisation process was initially considered appropriate, diagnostic findings confirmed the need for a comprehensive organisational redesign in order to address systematic inefficiencies and align SA Tourism's operating model with the corporate strategy.
					Establish the baseline for the Productivity Matrix	Established the baseline for the Productivity Matrix	None	None required



Strategy to overcome areas of underperformance

Target	Mitigating Action/s
Implement 100% of valid audit recommendations	Management should ensure implementation of audit recommendations as per the agreed action date.
The reviewed organisational structure was not implemented	A service provider will be appointed to undertake a holistic organisational redesign process.

4.2 Programme 2: Business Enablement

OVERVIEW OF THE PROGRAMME

The purpose of the programme is to enhance collaboration with various stakeholders, and provide centralised tourism intelligence to support evidence-based decision-making.

The programme includes the following business units:

Business Unit	Purpose
Industry and Government Relations	To enhance collaboration with various stakeholders.
Digital Transformation (DigiTech)	To enable visualisation and interaction with data obtained from digital channels, dynamic reporting, and data-driven digital marketing execution.
Analytics and Insights	To provide centralised tourism intelligence and establish South African Tourism as a thought leader in the sector.

In contributing towards the South African Tourism impact of: “A tourism sector that drives sustainable economic growth and job creation, ensures inclusive benefits, and promotes environmental and cultural sustainability”, the Business Enablement Programme supports delivery of all four outcomes, but delivers against specific interventions of the following outcome and five-year target in the Five-Year Strategic Plan 2025 - 2030:

Institutional Outcome	Outcome Indicator	Baseline (2024)	Five-Year Target (2030)
Outcome 3: Insights-led sector thought leadership and advocacy	Satisfaction Score with South African Tourism's engagement	3.5 as at March 2024	4

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

ANALYTICS AND INSIGHTS

The Analytics and Insights business unit made considerable progress during the FY2025/26 in advancing its role as a central enabler of data-led decision-making within South African Tourism. A key milestone was the successful centralisation of priority tourism datasets into a secure, cloud-based environment, creating a unified and scalable data repository. This has significantly strengthened data governance, improved accessibility, and enhanced consistency across the tourism information system. Complementing this, Phase 1 of the dashboard development programme was completed, with stakeholder-facing dashboards scheduled for release in the first quarter of FY2026/27. These dashboards will enable real-time monitoring of key tourism indicators, improving the timeliness, accuracy, and usability of insights across the sector.

The business unit maintained consistent delivery of core research programmes, including the Departure Survey, Domestic Tourism Survey, and Business Events Brand Equity Survey. These efforts were further strengthened through the establishment of a national Sentiment Index baseline, enabling performance tracking at national, provincial, and product level. Quarterly Global Trends Reports and monthly insights reporting to the Department of Tourism on the markets identified in the MPIF ensured that stakeholders remained informed of key developments and performance





dynamics. In addition, the business unit continued to provide critical market intelligence, performance tracking, and planning support across domestic and international portfolios, reinforcing its role as a strategic partner to the organisation.

Investment in segmentation studies across key markets, namely the United Kingdom, United States, India, Kenya, and China, represents a significant step forward in deepening market understanding. Segmentation enables more precise targeting by identifying distinct traveller groups based on behaviours, needs, and motivations, while segment personas bring these groups to life, allowing for more tailored marketing, product development, and experience design. Insights from these studies are shared with trade and product stakeholders to enhance market relevance and conversion.

Further strengthening its analytical capabilities, the business unit continued work on the Corporate Reputation Index, providing a comprehensive measure of South African Tourism's reputation among both domestic and international stakeholders. The business unit also expanded its thought leadership role, producing insights-driven content to guide industry stakeholders on emerging trends and opportunities to grow demand. In the business events space, impact assessments were conducted for key platforms, including Meetings Africa and Africa's Travel Indaba, alongside ongoing evaluation of international strategic platforms and brand health tracking for the business events sector. All key performance indicator data collected by the business unit was consolidated into quarterly and annual reports, shared publicly, ensuring transparency and accessibility of performance information to the broader industry. These outputs continue to serve as a critical evidence base for policy, planning, and investment decisions.

Looking ahead, the Analytics and Insights business unit will focus on advancing the analytical maturity of the centralised data eco-system through the development of artificial intelligence-driven models. These initiatives are expected to enhance predictive analytics, unlock deeper insights, and further support evidence-based strategic planning. The business unit remains committed to strengthening its position as a trusted source of insights, driving a data-led and insights-driven approach to tourism growth in South Africa.

GOVERNMENT AND INDUSTRY RELATIONS

The successful delivery of the tourism mandate is partially dependent on effective coordination among diverse stakeholders. South African Tourism has continued to strengthen collaboration and partnerships across the sector. Key highlights during the reporting period include:

Recognition of Stakeholder Contributions to Tourism Sector Achievements

- The Johannesburg Expo Centre (JEC) was recognised for striving for excellence in the venue segment. The JEC is the proud home of some of the country's most iconic exhibitions and trade shows, including the Rand Show, Electra Mining Africa, and Automechanika Johannesburg, which draws thousands of local and international visitors each year. In recognition of its outstanding facilities, operational excellence, and readiness to host high profile international gatherings, the Tourism Grading Council of South Africa (TGCSA) awarded the JEC a 4-Star grading in both the Events Venue and Convention and Exhibitions categories. This prestigious accolade underpins the JEC's support for the hosting of large global events in South Africa such as the successful hosting of the Group of 20 (G20) Summit and affirmed its position as a benchmark for excellence in South Africa's events and exhibitions sector.





- South African Tourism has expressed its appreciation to the Department of Home Affairs by recognising its proactive support for its Meeting, Events, Exhibitions and Tourism Schemes (MEETS) initiative. This initiative was established to assist international delegates at key business events with visa processing by setting up a dedicated support desk. Event organisers simply need to register their accreditation request through MEETS. This intervention was designed to ensure seamless access for confirmed international exhibitors, hosted buyers, and delegates.

Industry Engagements

- The Marketing Committees of South African Tourism and the Tourism Business Council of South Africa (TBCSA) Boards held structured meetings on 25th April and 20th June 2025 respectively. The purpose of the two meetings was to define ways of working, and establish structures that will deliver collaborative activities, guided by the Memorandum of Agreement (MOA) signed between the two entities in December 2024. The MOA outlines key areas of collaboration, which are geared towards advancing strategic destination development and marketing programmes for both leisure and Meetings, Incentives, Conferences and Exhibitions (MICE) market segments. These programmes will be deployed across all key global and domestic source markets, with the aim of increasing arrivals into South Africa by 2030.
- The Destination Marketing Workshop and dialogue with the tourism sector was held on 17th September 2025 on the first day of the TBCSA Leadership Conference. The full conference was held from 17th to 19th September 2025. The Destination Marketing Workshop focused on global and domestic tourism trends, including key market drivers, challenges, and strategic imperatives. Other areas included inbound travel initiatives outlining a positive outlook in terms of recovery. The area of geographic spread remains a challenge and requires a collaborative approach between the public and private sector. The discussion on business events highlighted the value of global, African and South African Business Events which is projected to grow from \$10.4 billion in 2025 to \$17.0 billion by 2029 - an increase of 13.1% over the period. This presents a great opportunity for this segment.
- The MOA between South African Tourism and Small Tourism Enterprise Association was concluded on 7th October 2025. The MOA aims to drive the collaboration between the two entities as part of South African Tourism's transformation agenda.
- A further South African Tourism TBCSA collaboration took place in Kimberly for the Northern Cape industry roadshow on 6th November 2025. The engagement was attended by Provincial Tourism Authority (PTA) stakeholders and was aimed at strengthening partnerships, sharing industry insights, and exploring opportunities for collaboration.
- SA Tourism and the TBCSA met on 10th November 2025 to align and agree on tourism data intelligence, the origin of tourist arrivals and the credibility of key metrics such as arrivals numbers, spend, geographic spread, and the process needed to revise targets based on industry performance and external factors.
- A discussion was held between South African Tourism and TBCSA on 9th December 2025 to agree on a collaborative approach to the Tourism Marketing South Africa (TOMSA) levy. It was agreed that the parties will formulate a Joint Marketing Plan that will be funded by the TOMSA levy.
- South African Tourism and TBCSA participated at the North-West industry roadshow at Mmabatho Palms Hotel, Casino and Convention Resort on 19th February 2026. The collaborative engagement was attended by Provincial Tourism Authority (PTA) stakeholders and aimed at strengthening partnerships, sharing industry insights, and exploring joint opportunities. SA Tourism shared key programmes that the entity implements in support of the tourism sector. Many stakeholders voiced their concerns over their lack of knowledge of national tourism programmes geared towards tourism development and transformation at both provincial and local levels, which is an area that SA Tourism will address going forward.





- South African Tourism and the Gauteng Tourism Authority (GTA) convened an engagement with industry stakeholders that took place on 30th March 2026 under the theme “Reconnecting with Gauteng”. The session formed part of South African Tourism’s drive to build relationships and grow partnerships for effective implementation of tourism initiatives.
- The objective of the event was to reintroduce South African Tourism to Gauteng stakeholders, share South African Tourism’s key collaboration initiatives available to tourism stakeholders and to gather insights from local and provincial stakeholders for the purpose of enhancing stakeholder engagement plans to improve on the Corporate Index Score.

Engagements with the Public Sector

- South African Tourism, in collaboration with Tourism Transformation Council of South Africa (TTCSA) convened the CEO Forum with the PTAs on 30th June 2025. The session focused on tourism transformation. TTCSA provided an overview of the council, including its formation, structure, and key focus areas, which include finance, enterprise and supplier development, skills development, and ICT. The council further emphasised the importance of transformation and the need for collaboration with provincial authorities. TTCSA further stressed the need for building relationships and collaboration with PTAs to collect data on tourism products and ensure effective transformation efforts.
- The entity participated in the Presidential eThekweni Revitalisation project meetings throughout the reporting period. This project has been hailed as the model structure to be replicated nationally. The success of the project presented an opportunity for the city to be selected to host of the Southern African Development Community (SADC) Heads of Summit in 2026.
- South African Tourism participated at the meetings of the National Tourism Sector Forum (NTSF) throughout the review period. This structure includes public and private sector role-players and is aimed at sharing key sector information, insights and developments and provides an opportunity for collaboration across the tourism sector.
- The quarterly CEO Forum meetings continued to serve as a key platform for collaboration between South African Tourism and the Provincial Tourism Authorities (PTAs). A joint CEO and CMO Forum held on 22nd September 2025 focused on identifying priority areas for collaboration in FY2026/27. Key opportunities identified included the National Association Project (NAP), aimed at driving the geographic spread of business events, strengthening the capacity of associations and provinces, improving infrastructure data collection, and promoting local procurement. The 5th December 2025 meeting focused on preparations for the 20th anniversary of Meeting Africa 2026, including progress updates and discussions on domestic tourism initiatives. A further meeting on 25th February 2026 provided updates on developments within South African Tourism, including the proposed Joint Marketing Plan between the public and private sectors. The session also created an opportunity for PTAs to highlight key challenges and priorities affecting tourism growth within their respective provinces.
- South African Tourism participated at the launch of a joint committee between South Africa and Kenya on 20th – 21st January 2026 and Namibia from 28th to 29th January 2026. The Department of Tourism signed a Memorandum of Understanding (MOU) with both Kenya and Namibia on cooperation in the field of tourism in 2023.





Corporate Brand Index

The Corporate Brand Index survey for FY2025/26 was conducted to assess current stakeholder perceptions of the entity, inform strategic direction, guide stakeholder engagement initiatives, and evaluate the effectiveness of these engagements. The survey also measures the South African Tourism Corporate Brand Index against a targeted score of 76.2 for the financial year. The assessment was based on a four-dimensional corporate brand model, encompassing Responsiveness, Communication, Partnership Formation, and Support.

The overall score for FY2025/26 was 57.8, which fell significantly short of the target and represents a decline from the FY2024/25 score of 66.9. To address the declining score, South African Tourism is advancing its Stakeholder Engagement Framework, which is intended to strengthen partnerships and promote meaningful collaboration with PTAs, as well as public and private sector role-players across the tourism value chain. The framework will guide the organisation in delivering impactful sector initiatives.

Through clear strategic direction and effective implementation, the organisation will define how engagement opportunities are identified, planned, executed, monitored and evaluated with external stakeholders, and establish mechanisms through which stakeholder insights are systematically integrated into organisational planning. As part of its short-term priorities, South African Tourism is currently developing a joint marketing plan with the private sector to advance coordinated destination marketing efforts. In parallel, customised agreements are being finalised with PTAs to ensure that clearly defined, high-quality outcomes are achieved.

DIGITAL TRANSFORMATION AND TECHNOLOGY

The DigiTech business unit continued to underpin and accelerate destination marketing efforts, enabling a more data-driven, responsive and future-focused marketing environment. The successful rollout and enhancement of the Traveller Application, the consolidation of social media platforms and the introduction of artificial intelligence enabled tools have strengthened the entity's ability to connect with audiences in more personalised and meaningful ways. Importantly, digital has become the primary engine for conversion, ensuring that inspiration translates into tangible travel decisions.

The efforts of Programme 2 contributed towards Outcome 3 which seek to position South African Tourism as a thought leader and advocating for the tourism sector.



Programme 2: Business Enablement								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation From Planned Target To Actual Achievement 2025/2026	Reasons for Deviation
Outcome 3: Insights-led sector thought leadership and advocacy	Tourism information tracking to monitor arrivals, spend, and brand performance	Number of tourism information tracking surveys conducted	Five tourism information tracking surveys completed	Five tourism information tracking surveys were completed	Conduct three tourism information tracking surveys	Conducted three tourism information tracking surveys	None	None required
	Assessment of tourist perceptions of South Africa as a destination	Sentiment Index established	N/A	New indicator	Establish the Sentiment Index baseline	Established the Sentiment Index baseline	None	None required
	Enhanced public and private sector collaboration on tourism	Number of stakeholder engagement activities implemented	South African Tourism Corporate Brand Index score of 71.81 was achieved	The South African Tourism Corporate Brand Index score of 66.91 was achieved	Implement 16 stakeholder engagement activities	Implemented 16 stakeholder engagement activities	None	None required
	Enhanced visitor experience through digital platforms	Number of digital platforms implemented	Integrated Digital and Analytics Operating Framework Annual Year 2 Roadmap Implemented	The Year 3 Roadmap of the Integrated Digital and Analytics Operating Framework was implemented	Implement one digital platform	Implemented one digital platform	None	None required



4.3 Programme 3: Leisure Tourism Marketing

OVERVIEW OF THE PROGRAMME

The purpose of the 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 programme includes the following business units:

Business Unit	Purpose
Brand and Marketing	To grow 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	To showcase 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	To create 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: "A tourism sector that drives sustainable economic growth and job creation, ensures inclusive benefits, and promotes environmental and cultural sustainability", the Leisure Tourism Marketing Programme delivers against the following outcomes and five-year targets in the Five-Year Strategic Plan 2025 - 2030:

Institutional Outcome	Outcome Indicator	Baseline (2024)	Five-Year Target (2030)
Outcome 1: Strengthened market position and tourism growth	International tourist arrivals	8.81 million as at March 2024: Leisure: 8.48 million MICE: 333.9 thousand	15 million: Leisure: 14.63 million MICE: 374.3 thousand
	International tourist spend	R95.1 billion as at March 2024: Leisure: R90.47 billion MICE: R4.63 billion	R115.2 billion: Leisure: R109.59 billion MICE: R5.61 billion
	Geographic spread of international tourist arrivals	9.7% as at March 2024	13.9%
	Domestic tourist trips	37.9 million as at March 2024	45.1 million
	Domestic tourist spend	R123 billion as at March 2024	R139.4 billion
	Geographic spread of domestic tourist arrivals	3.3% as at March 2024	4.0%
	South Africa Leisure Brand Strength Index	45.6 as at March 2024	51
	Number of bids won (MICE)	227 as at March 2024	366
	Economic impact of bids won (MICE)	R3.9 billion as at March 2024	R6.3 billion
Outcome 3: Insights-led sector advocacy and thought leadership	Satisfaction Score with South African Tourism's engagement	3.5 as at March 2024	4

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

BRAND AND MARKETING

The FY2025/26 has been a defining period for South African Tourism's Brand and Marketing business unit, characterised by both complexity and opportunity in an evolving global tourism landscape. The work undertaken during the financial year under review reinforced South Africa's position as a globally competitive, emotionally resonant and experience-led destination.





At the centre of marketing and brand strategy development work was a deliberate focus on a more integrated, insight-led and impact-driven approach. Anchored on the global brand platform, “South Africa Awaits. Come Find Your Joy”, the Brand and Marketing business unit focused on building emotional resonance, strengthening global credibility and ensuring that all marketing interventions contributed meaningfully to demand generation, economic growth and job creation. These interventions supported strong brand performance, as measured by the Brand Health Tracker throughout the brand journey.

During the review period, the business unit successfully executed a fully integrated marketing ecosystem that brought together brand, public relations and digital capabilities in a cohesive and co-ordinated manner. The Brand and Marketing business unit ensured that the global brand campaign adopted an always on approach and was visible and relevant across key markets. This was further strengthened by leveraging high-impact platforms and partnerships to grow brand awareness and consideration. Strategic placements in global transit hubs, coupled with the amplification of cultural, lifestyle and sporting events, allowed the entity to showcase South Africa not only as a destination, but as a vibrant, diverse and experience-rich country.

GLOBAL PUBLIC RELATIONS AND COMMUNICATIONS

Global PR and Communications played a critical role in shaping perception and strengthening South Africa’s voice on the global stage reaching R30.1 billion in coverage value. Through the amplification of key platforms such as the G20 Summit hosted by South Africa in 2025 and the World Economic Forum in Davos in January 2026, the business unit positioned South Africa at the intersection of tourism, investment and global dialogue.

The year also demonstrated the power of event-led marketing as a catalyst for growth. The business unit leveraged major cultural, lifestyle and sporting events that took place during March 2026 including the inaugural LIV Golf event, the National Basketball Association Africa games, the Cape Town International Jazz Festival and the Montreux Jazz Festival. Through these events, South African Tourism was able to drive demand, expand global reach and generate economic impact. These platforms not only elevated South Africa’s visibility but also reinforced the country’s ability to host world-class events and deliver high-quality visitor experiences.

Concurrently, targeted campaigns and strategic media engagement ensured that South African Tourism maintained narrative control, built stakeholder confidence and reinforced South Africa’s reputation as a competitive and credible destination.

Whilst the Brand and Marketing and the Global PR and Communication business units experienced operational challenges, performance remained strong achieving all planned APP targets with some targets exceeded. Reflecting on the financial year, the global tourism environment is becoming increasingly competitive, with destinations investing heavily in digital innovation, storytelling and differentiated value propositions, targeting diversified messaging. In this context, South African Tourism’s focus remains on strengthening execution, deepening market diversification and accelerating digital transformation to ensure that South Africa not only remains competitive as a leading destination.

Ultimately, the work of the organisation continues to be guided by a simple but powerful ambition: to position South Africa as a destination that inspires, connects and delivers value, not only for visitors, but for the people and communities who are at the heart of our tourism sector.





TOURISM EXECUTION

The Tourism Execution business unit contributes directly to the outcome of “Strengthened Market Position and Tourism Growth”, through the implementation of regionally nuanced marketing strategies designed to engage diverse audience segments. These interventions are aligned to the TSMP and advance key strategic levers, including brand equity enhancement and tourism demand growth, while also supporting the NDP Vision 2030 objectives of economic growth, employment creation, and poverty reduction.

DOMESTIC TOURISM

The year under review saw an increase in overnight domestic travel performance. The number of overnight total trips taken increased by 15.9% to 46.4 million. The total overnight spend of R110.3 billion saw a decrease of 17.2% compared to the same period last year. The decline was mainly due to South Africans choosing visiting friends and relatives (VFR) trips.

To grow domestic tourism, and as part of the domestic tourism 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 improve seasonality, three sub-campaigns were activated:

- The “Seat at the Table” campaign emphasised the idea of South Africans setting a table anywhere during Easter. In this period, luxury travel was promoted with the aim of catering to the defend segment. The experience showcased luxury rail travel as well as the rich culture of South Africa to South Africans through food and music. This campaign also included TV, Radio, out of home (OOH) and was supported by 437 deals throughout the country.
- Travel Week, where, in collaboration with trade, South Africans were given up to 50% off travel if they booked travel in that week for any future date. Experiences ranged from safaris and wine tastings to coastal and mountain retreats, showcasing the country’s beauty and culture. The campaign reached an estimated 174.4 million consumers with 719 deals. South African Tourism’s new Chatbot, Mothusi, engaged nearly 60 000 users, helping them navigate, refine their searches, and discover the right deals. The conversion rate of 11.4% from deal views to booking enquiries was more than double the industry benchmark of between 2.0% and 5.0%.
- The “Gimme Summer that Sho’t Left” Campaign aimed to inspire South Africans to enjoy the festive season. A total of 437 deals from the provinces were promoted with a consumer reach of 115.6 million.

The campaigns also continued #TravelWiseMzansi as part of the personal safety messaging. This messaging encouraged patriotism to ensure that South Africans look after the environment and support small businesses. On average, the Sho’t Left website promoted 400 businesses throughout the year on all platforms, including Facebook, X, Instagram and TikTok.

The targeted number of distribution channel initiatives was exceeded which created opportunities for the distribution channel to access the domestic market to enable them to drive, promote and sell South African travel effectively as preferred by consumers, thereby increasing conversion.





TOURISM FROM THE AFRICA REGION

Africa markets are classified into air and land markets, reflecting how the majority of travellers from those markets travel to South Africa. These markets are then configured into four Hubs, namely:



The Africa Central, East, and Land (CEL) Hubs are serviced by the South African Tourism Head Office, while the West Africa Hub is serviced by the Lagos office.

The strategic intent for the Africa region 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 and closure ratios in all markets. The marketing initiatives were executed through a localised global marketing campaign of exceptionalism to inspire first-timers and repeat travellers, to drive destination appeal and grow top-of-mind brand awareness, arrivals, spend, and overcome travel barriers. Promoting hidden gem experiences in less-visited provinces, coupled with exhibiting at key tourism expos ensured that South African Tourism could showcase Small, Medium and Micro Enterprises (SMMEs), black, female, and youth-owned products and offer them access to the Africa markets in a deliberate and structured manner. The marketing activities in the Africa region thus contributed towards increasing inclusive economic growth, through demand creation initiatives of seasonal campaigns and distribution channel initiatives.

Four localised marketing campaigns in the Africa region were executed during the year under review. Key highlights of the four regional campaigns include:





LOCALISED BRAND CAMPAIGN

This campaign sought to build awareness, inspire travel, and convert demand for South Africa through localised storytelling and distribution partnerships, with a focus on increasing arrivals from the continent.

Campaign Performance

	Metric	Target	Achievement
	Impressions	52.2 million	470.9 million
	Reach	10.6 million	70.5 million
	Engagements	91 322	10.4 million
	Video Views	8.0 million	38.6 million

The campaign successfully positioned South Africa under the “South Africa Awaits, Come Find Your Joy” platform, generating large-scale destination awareness and inspiring travel through culturally relevant and locally resonant storytelling. It stimulated strong interest in South African tourism products and experiences offered by South African Product Owners (SAPO) partners, while high click-through rates on product amplification content demonstrated strong traveller consideration and a clear potential to convert interest into bookings and travel demand.

CEL SUMMER CAMPAIGN

The objective of this campaign was to stimulate peak-season demand through distribution-led campaigns and targeted travel offers.

Market Reach

	Market	Key Performance
	Botswana	Strong audience growth
	Kenya	High traffic volumes and new user acquisition
	Lesotho	Strong reach and audience growth
	Eswatini	Strong reach and audience growth
	Namibia	Steady reach driven by organic search
	Zimbabwe	Strong destination awareness and new audience reach

The campaign reached 161.4 million consumers, demonstrating significant market penetration across target audiences. Experiential and creator-led storytelling proved to be the most effective engagement driver, achieving click-through rates (CTRs) of between 3.4% and 4.7%, substantially exceeding the destination awareness benchmark of 0.2% to 0.4%. The results underscore the effectiveness of integrated campaigns that combine authentic, experience-led storytelling with targeted travel offers, successfully converting destination inspiration into measurable travel demand.



WEST AFRICA SUMMER CAMPAIGN

The campaign aimed to position South Africa as a welcoming destination offering authentic experiences, cultural richness, scenic beauty, and value for money.



Digital Channel Performance as detailed on the table below indicate that impressions, reach and engagement targets were exceeded.

Platform	Impressions	Reach	Engagements	CTR
Instagram	78.4 million	31.1 million	6.1 million	-
Facebook (Nigeria)	76.0 million	42.2 million	9.3 million	12.3%
Facebook (Ghana)	38.5 million	21.4 million	4.9 million	12.6%
X	43.1 million	25.3 million	5.9 million	13.6%
Pinterest	28.1 million	16.5 million	2.1 million	7.4%
Google Display	57.0 million	33.5 million	4.8 million	8.4%
TikTok	28.7 million	19.1 million	2.1 million	7.4%

WEST AFRICA FESTIVE CAMPAIGN

The campaign was designed to promote South Africa as a friendly and welcoming destination offering immersive leisure experiences, cultural authenticity, value for money, and scenic beauty.



Digital Channel Performance as detailed on the table below indicate that impressions, reach and engagement targets were exceeded.





Platform	Impressions	Reach	Engagements	CTR
YouTube	48.4 million	30.3 million	2.3 million	4.7%
Facebook (Nigeria)	78.7 million	47.0 million	9.8 million	12.4%
Facebook (Ghana)	39.2 million	18.5 million	4.8 million	12.3%
Instagram	80.8 million	32.0 million	6.3 million	-
X	44.4 million	26.1 million	6.0 million	13.6%
TikTok	29.5 million	19.7 million	2.2 million	7.4%
Pinterest	28.9 million	17.0 million	2.2 million	7.4%

The campaigns demonstrated that experiential and creator-led storytelling was the most effective approach for driving engagement and destination interest. The strongest click-through rates were achieved on X (13.6%), Facebook Ghana (12.6%), and Facebook Nigeria (12.3% – 12.4%), reflecting high audience responsiveness to the campaign content. Collectively, the campaigns increased destination awareness across Africa, strengthened consideration of South Africa as a leisure destination, expanded audience reach and new user acquisition, supported tourism demand generation and peak-season bookings, and successfully localised the “Come Find Your Joy” brand platform across multiple African markets.

Distribution channels are a tourism network of traditional and non-traditional organisations, individuals, and direct marketing involved in building destination brand awareness, positivity and/or increasing conversion, i.e., trade, SAPO, media, influencers, corporates, and stakeholders. Distribution channel initiatives are platforms that allow South African Tourism to engage and communicate with distribution channels to drive brand messaging to the distribution channel themselves and, in other instances, to different audiences. In this regard the number of distribution channel initiatives was exceeded for the reporting period. Distribution-led promotions and targeted travel offers also exceeded planned reach and engagement while driving strong travel consideration across key markets.

The Africa portfolio remains a critical growth market for South African Tourism, contributing significantly to arrivals and spend. Total tourist arrivals from Africa reached 8.4 million, representing 21.6% growth against FY2024/25. Land arrivals increased by 21.8% (8.0 million), and air arrivals grew by 16.0% (361 625). The total tourism direct spend grew by 10.3% (R46.9 billion) compared to FY2024/25.

Although the visa processing in Nigeria, Uganda, the Democratic Republic of Congo (DRC), and Ethiopia has improved, it remains a key travel barrier. South African Tourism continues to lobby through the Department of Tourism and engaging the South African Missions in these markets for solutions.





TOURISM FROM THE EUROPE REGION

To optimise market execution and strengthen regional accountability, the Europe Region is structured across four strategic hubs, namely;



The Europe Region supports demand generation initiatives driven by integrated marketing communications and strategic collaboration with the European distribution channel, aimed at positioning South Africa as a preferred long-haul destination. Delivery is focused across Europe's six core markets, the United Kingdom (UK), Germany, the Netherlands, France, Italy and Spain, as well as six watchlist markets comprising Ireland, Austria, Switzerland, Portugal, Belgium and Sweden.

The region's plans for the reporting period focused on strengthening brand equity and stimulating demand among priority consumer and trade audiences to drive travel to South Africa. Delivery centred on five strategic areas:

- Reinforcing South Africa's differentiated destination appeal through its people, culture, natural beauty, food and wine, and adventure experiences.
- Strengthening the value-for-money proposition, particularly in the context of elevated air access costs.
- Showcasing the breadth and accessibility of the country's coastal, urban, scenic and wildlife experiences.
- Leveraging culinary tourism as a key demand driver through authentic storytelling and local connection.
- Improving market access for SMMEs by addressing in-market value chain barriers and aligning offerings to market and trade insights.

Europe and UK travellers represent a substantial portion of air arrivals and spend, making their travel patterns crucial for South Africa's tourism industry. For the reporting period, South Africa saw an increase in tourist arrivals from Europe and the UK, contributing positively to the country's economy. Total Europe and UK tourist arrivals to South Africa for the fiscal was 1.5 million, representing 15.8% growth against the prior year. The top three European countries by arrivals were the UK with 413 846 arrivals, Germany with 312 465 and Netherlands 142 001 arrivals. France was the fourth-largest market, recording 136 311 arrivals. Overall, Europe and UK arrivals compared to the prior year, indicate a positive trend in tourism from this region to South Africa. Seasonal variations were observed, with peak months coinciding with European summer holidays.





Europe and UK tourists contributed significantly to the local economy through spending on accommodation, dining, transportation, souvenirs, and experiences. The total expenditure by Europe and UK tourists for FY2025/26 amounted to R32.5 billion, representing a substantial contribution to South Africa's GDP. The top three European countries by spend were the UK at R10.0 billion (+11.6%), Germany at R7.0 billion (+26.5%), and the Netherlands at R2.9 billion (+3.7%).

The campaigns implemented in the Europe region continued the localisation of the approved global brand campaign, anchored in the creative platform "South Africa Awaits - Come Find Your Joy". Execution in the region focused on localising this positioning into market-relevant campaigns that highlighted South Africa's core leisure strengths, including scenic beauty, wildlife, culture, food and wine, climate, and adventure. The messaging to European travellers was "Come Find Your Joy, South Africa awaits 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."

Four campaigns were executed during the reporting period with the following key highlights:

The North Europe hub recorded 219 671 arrivals, reflecting a 7.6% increase compared to the prior year. The Netherlands, the third-largest European source market, delivered 142,001 arrivals for the period, representing 6.3% growth year-on-year. Belgium and Sweden achieved 49 779 (+10.2%) and 27 891 (+10.1%) arrivals respectively, demonstrating strong and sustained growth across the hub. The hub achieved award-winning status, driven by insights-led creative excellence. Awards were secured for content that showcased responsible tourism initiatives, highlighted small and women-owned businesses, and promoted lesser-known experiences and provinces.

South Africa welcomed a total of 247 879 travellers from the South Europe region (+8.8%). Growth was recorded in France at 136 311 (+6.8%), Italy at 56 228 (+10.6%) and Spain at 34 262 (+12.8%). The South Europe Hub delivered a campaign aimed at increasing destination awareness, growing arrivals and driving higher visitor spend from key source markets. By strengthening South Africa's appeal in responsible, wildlife-based and wide-open nature travel, the campaign responded directly to the evolving expectations of discerning travellers seeking sustainable, meaningful and high-value experiences. The campaign reached 55.0 million consumers against a target of 6.0 million alongside 6.6 million digital consumer engagements against a target of 5.0 million.

The global brand campaign "Come Find Your Joy" was the backbone of the Central Europe's marketing approach, which inspired travellers to reconnect with the real joy of discovery through rich culture, nature, and adventure by activating a 360° marketing campaign that leveraged storytelling, digital engagement, distribution channel collaborations, and content to position South Africa as an immediate and must visit travel destination. During the campaign execution, over 61.4 million consumers were reached, with over 215.5 million impressions. A total of 88 SMMs were introduced to the market. Despite economic and political challenges in Central Europe, the travel industry in Central Europe closed 2025 with a record year. The region's arrivals grew by 22.5%, demonstrating the industry's resilience to external influences and strong demand. South Africa welcomed 387 837 visitors from the Central Europe market: Austria at 25 988 (+20.9%), Germany at 312 465 (+23.8%), and Switzerland at 49 385 (+15.7%).

The UK and Ireland remained among South Africa's most important air markets in FY2025/26, delivering arrivals despite continued pressure on airlift availability and consumer cost sensitivity. In 2025, the UK regained its position as South Africa's leading overseas source market. Arrivals reached 413 846 (+16.5%). Ireland also recorded continued growth, welcoming 32 058 visitors (+13.8%). Activity throughout the year focused on promoting first time travel and expanding regional coverage across all activity. This spanned consumer inspiration through media partnerships, trusted third party





storytelling across broadcast and YouTube, all activity underpinned by strong call to action initiatives throughout the year. The localised “Come Find Your Joy” platform anchored all activity, supporting paid, owned and earned channels.

The Europe distribution channel initiatives focused on improving Europe and UK’s presence through collaborative mutual relationships with networks of traditional and non-traditional tourism companies, media, individuals, and direct marketing platforms. These initiatives aimed to increase travel demand and conversion ratios to drive tourism growth in international and domestic markets.

South African Tourism incorporated SMMEs and black-owned tourism businesses in brand affinity initiatives which were embedded across various distribution channel activations that the entity leads and participates in. For some of these platforms, South African Tourism provided market access in collaboration with the Tourism Incentive Programme (TIP) of the Department of Tourism. During the financial year, a significant number of SMMEs and black-owned tourism businesses directly benefited from Europe region’s international marketing initiatives and support.

Constraints, including airlift capacity which remains at 96.3% of 2019 levels, elevated airfares, and ongoing safety and security perceptions continued to impact recovery to pre-pandemic tourist arrival levels. Strong competition from alternative long-haul destinations perceived as more accessible, safer or cheaper. The operating environment in the Central Europe Hub was characterised by considerable uncertainty. The restructuring of the German economy and rising energy costs led to an economic slowdown and placing an increasing strain on Germany as a business location. Political uncertainties (e.g. the war in Ukraine and the Middle East) contributed to a sense of unease among the public. Consumers are responding by increasing their savings rate in order to be prepared for potential changes.

Notwithstanding these challenges, Europe and UK arrivals to South Africa recorded 15.8% growth in FY2025/26, reflecting the resilience of demand and the sustained appeal of South Africa as a destination.

TOURISM FROM THE AMERICAS REGION



The North Americas Hub comprises of the United States of America (USA) and Canada and is serviced by the New York office. The marketing focus was on attracting consumers out of major source cities in the East Coast, West Coast,





Mid-West and the South. The South Americas Hub is made up of Brazil as a core market serviced out of Sao Paulo through a representation agency as South African Tourism does not have an office in Brazil. The marketing focus in Brazil is attracting consumers mainly based in Sao Paulo as the largest metropolis and growing awareness and interest in Afro-Brazilian communities based in Salvador da Bahia as the hub of Afro-Brazilian culture.

North America remains a strategic long-haul source market within the MPIF, delivering high value travellers, strong spend, and consistent year-round demand. The USA continues to be one of South Africa's most important overseas markets, with Canada also maintaining a strong position in the top ten. During FY2025/26, the USA ranked second, with arrivals increasing by 2.5%, while Canada, now the ninth largest overseas market, recorded growth of 10.4%. The region is expected to remain a key contributor to future growth, supported by sustained demand for experiential and value-driven travel.

The North America Hub continued to position South Africa as a distinctive, emotionally resonant, and highly bookable destination through localised marketing campaigns and targeted distribution channel initiatives. The rollout of the global "Come Find Your Joy" Campaign in North America, launched at the Hongkong and Shanghai Banking Corporation Rugby Sevens Championships in Los Angeles, amplified visibility and reinforced South Africa's appeal as a destination defined by meaningful, culturally enriching, and adventurous experiences. South African Tourism supported the SACG Los Angeles with their pop up at the Fan Festival that took place around the venue which had 30 000 consumers attending throughout the weekend and resulted in 786 000 in-venue media impressions and 7 938 social media impressions. Following the launch, integrated marketing activity combined consumer facing conversion campaigns with focused engagement across key trade partners, consortia, and industry associations, reinforcing the travel trade as a key contributor to demand and bookings for South Africa from this region.

Key achievements included the launch of Siyanda, a custom Artificial Intelligence-powered travel assistant supporting real-time, personalised engagement with travellers and trade, and the introduction of the Meaningful Travel Map of South Africa in collaboration with Tourism Cares, which expanded access for SMMEs and strengthened South Africa's leadership in sustainable and community-based tourism. Market access was further deepened through an integrated trade engagement programme combining virtual, in-person, and digital platforms, connecting South African suppliers with thousands of North American advisors.

Additionally, South African Tourism partnered with TourRadar on a phased B2C campaign, designed to move North American travellers from inspiration to booking through multi-day tour content, deal-led promotions, paid social and display, email marketing, a travel planner quiz, a contest giveaway and influencer-led storytelling. Across the campaign, TourRadar email placements reached 27.6 million qualified consumer contacts, while the January contest generated 34 700 sign-ups. Paid media activity delivered 10.1 million impressions across Meta, Google and Criteo placements, while key sale and landing page placements generated over 433 000 views and more than 6 100 clicks. The influencer activation with G Adventures added 21 content pieces, generating 43 464 views, 28 940 reach and 362 engagements. Overall, the campaign combined high-volume visibility with booking-led conversion tactics, supporting South African Tourism's objective of increasing destination consideration and conversion among high-intent North American travellers.

North America continues to operate within a complex global environment shaped by shifting economic conditions and geopolitical uncertainty. In this context, South Africa's performance reflects the strength of the destination's distinctive value proposition and its unique combination of affordable luxury and authentic experiences.





Arrivals from Brazil are recorded at 67 548, representing a strong 32.2% growth. The reinstatement of direct airlift by South African Airways (SAA) and Latin America (LATAM) connecting Brazil to South Africa served to solidify marketing and conversion efforts. A three-month OOH advertising campaign, was executed jointly with SAA, at the largest airport in the South Americas, Guarulhos Airport Sao Paulo. This enabled South African Tourism to drive brand visibility not only to Brazilian consumers but to regional and global travellers moving through the airport and ensured effective destination recall as travellers encountered the messaging multiple times throughout the airport access routes and parking areas. The digital campaign which was implemented achieved 418.5 million impressions and steady engagement, with 1.51 million clicks at a CTR of 0.4%.

The implementation of distribution channel initiatives were designed to encourage conversion and ensure that the trade is empowered to sell South Africa, which included hosting of a 24-member Brazilian delegation at Africa's Travel Indaba 2025. Extensive engagement with trade over the financial year resulted in the annual target being exceeded.

TOURISM FROM THE ASIA AUSTRALASIA REGION



The Asia Pacific region is a major geopolitical and economic region of the world with five major sub-regions, including East and North Asia, North and Central Asia, South and South East Asia, South and South West Asia, Australia and New Zealand. About 60% of the world's population lives in the Asia Pacific region, with the region being the largest contributor of long-haul tourism travel in the world, led by China and India. The Asia Australasia Region includes the following hubs India, Australia, Japan and China. Campaigns were executed in each hub with the following highlights:

India

The Global Brand Campaign, "Come Find Your Joy," was localised and executed in India, highlighting South Africa's diverse offerings, including wildlife, adventure and cultural experiences. The campaign aimed to position the destination as a safe, aspirational and value for money. The global creative was strategically adapted and localised to reflect Indian consumer preferences, cultural nuances, and travel motivations, ensuring stronger relevance and engagement within the market. The Trusted Tour Operator Scheme (TTOS) was promoted, with a strong focus on addressing one of the key barriers to travel, visa processing. The campaign highlighted the benefits of faster visa facilitation through approved tour operators, thereby improving ease of travel and boosting traveller confidence. The targeted reach, impressions and CTR were exceeded.





Overall, there is steady momentum from the India market, with our efforts translating into stronger demand and a more resilient recovery. During the financial year, the India Hub supported SMMs primarily through the India Roadshow conducted across four cities as a transformation initiative. The platform allowed SMMs to directly meet travel agents, tour operators and other industry partners from India, helping them showcase their products and build business relationships. In addition, the office actively engaged SMMs to support on ground arrangements for trade and media familiarisation trips, thereby enhancing their visibility, participation, and integration into key market development activities. The roadshow provided participation opportunities to female owned SMMs. Their flights, accommodation and booth space was sponsored by South African Tourism.

China

The China Hub executed one localised global brand campaign, “South Africa Awaits. Come Find Your Joy,” and exceeded its target on the number of distribution channel initiatives. The campaign executed in China achieved 41.36 million impressions and 437 600 social media engagements. Key achievements included digital marketing across different social media platforms, hosting the largest-ever Indaba delegation with 39 buyers and 6 media representatives, hosting a three-city roadshow which strengthened trade partnerships and positioned South Africa as a joyful, accessible long-haul destination for Chinese travellers.

China remains a high priority strategic source market for South African tourism, but post-pandemic recovery has been slow. China arrivals reached 34 477 with a spend contribution of R779.5 million. The slow recovery can be attributed to China’s economic downturn, as reflected by its declining Consumer Confidence Index, travel safety advisories issued by Chinese embassy and a lack of direct flights. The geographical location of South Africa from the region as well as the Middle East crisis has led to high air ticket prices coupled with the perception that destination South Africa is not safe. The two hijacking incidents of Chinese celebrities in Cape Town and Johannesburg in 2025 have led to large group cancellations that negatively affected arrivals from the region to South Africa.

Japan

In the localised brand campaign, South Africa was positioned as a destination where travellers can fully experience the richness and joy of life as seen through the eyes of a child, in line with the ‘Come Find Your Joy!’ campaign ethos. Alongside the global campaign logo, the key visuals illustrated a series of adventures designed to awaken pure curiosity. The campaign highlighted South Africa’s appeal to the Japanese traveling public as a unique destination where one can break new ground, while encountering new vitality and genuine inspiration.

During the campaign period, South African Tourism Japan’s local website, including the campaign landing page, showed a 617.0% year-on-year growth to 220 425 over the same period in the prior year. The total number of active users also grew by 737.0% to 19 770 compared to the same period last year. The total number of Japanese visitors to South Africa grew by 21.5% to 20 931.

According to the Japan Tourism Bureau’s outlook on the Japanese tourism market for 2026, the outbound market is expected to continue the upward trend in recovery, but the pace of growth will slow down. The Japanese outbound market is facing significant headwinds due to escalating tensions in the Middle East, leading to a cautious outlook for long-haul travel. The Japanese yen is still at historically weak levels. The unfavourable exchange rate has been another major barrier for Japanese outbound market to recover. The weaker yen has pushed up the costs of visiting overseas countries, together with higher airfares and fuel surcharges.





The Ministry of Foreign Affairs in Japan has maintained the Level 2 travel advisory in Johannesburg, Pretoria and Durban, as well as Level 1 for the rest of the country since April 2023. Level 2 calls to avoid non-essential travel (Japanese nationals are advised to avoid non-essential travel and stay alert to the security situation and take appropriate safety measures should they decide to travel), while Level 1 calls to exercise caution (Japanese nationals traveling to and residing in the country or area are advised to stay alert to the security situation). These travel advisories, along with several safety alerts being issued by the Japanese Embassy in Johannesburg, places South Africa in a disadvantageous position against competitor destinations. A lack of direct airlift increases the perception of poor accessibility, high cost and long distance.

Australia

South African Tourism delivered a localised Global Brand Campaign in Australia through a strategic mix of brand advertising, content integration, advocacy, and collaborative partnerships. The campaign significantly exceeded expectations, achieving 46.6 million impressions against a target of 27.3 million. Central to the campaign was the “Come Find Your Joy” brand narrative, which was integrated into popular television and media content to engage the growing “set-jetter” audience—travellers who draw inspiration from television and film—and to address perceptions around safety and security through authentic destination storytelling.

A key feature of the campaign was Season 3 of Food Trail South Africa, South African Tourism Australia’s bespoke television series that taps into Australians’ leading travel interest—gastronomy—to showcase South Africa’s people, culture, landscapes, and hidden gems. Each ten-episode season reached more than 1.1 million viewers, while the accompanying cookbook won the Celebrity Chef Cookbook of the Year award at the Gourmand Food Awards. The programme also secured international distribution that included several African countries. Additional high-profile exposure included a week of live broadcasts from South Africa on Australia’s leading breakfast programme, Sunrise, reaching approximately 1.5 million viewers per episode, and the filming of the finale of The Golden Bachelor in South Africa, which attracted an audience of more than 2 million viewers. Community-owned lodges, anti-poaching initiatives, and tourism SMMEs featured prominently throughout these integrations.

The campaign also supported tourism distribution initiatives such as The Mega Lekker Escape, which benefited 60 SMME businesses. These efforts contributed to strong tourism growth from the region, with Australia recording 122 912 arrivals, an increase of 21.7%, and New Zealand recording 23 069 arrivals, up 14.1%. Despite ongoing challenges, including perceptions that South Africa is an expensive destination, rising fuel costs linked to instability in the Middle East, and strong competition from closer destinations, Australasia remains South Africa’s best-performing long-haul growth market. The region has also benefited from significant improvements in air access, with direct services between South Africa and both Perth and Sydney operated by South African Airways and Qantas.

The medium and long term tourism outlook from the region is forecasted to significantly improve which requires South African Tourism to take a long-term investment view in the region in order to contribute to the 2030 arrival targets.

TOURISM FROM EMBASSY SUPPORT MARKETS

South African Tourism, through the embassy support markets, plays a strategic role in supporting global tourism promotion through South Africa’s diplomatic network in collaboration with the Department of International Relations and Cooperation (DIRCO). The embassy support function is particularly critical in non-traditional and emerging markets, where in-market representation is limited. During FY2025/26, the core activities undertaken in these markets included:





- Supporting South African Missions with tourism marketing tools and campaigns;
- Driving brand alignment through the Global Brand Campaign;
- Enabling in-market activations and trade engagement;
- Building capacity through training and knowledge transfer; and
- Strengthening bilateral tourism promotion through embassy-led initiatives.

During the reporting period, the embassy support markets demonstrated consistent growth in global footprint, mission support, and campaign execution, despite operational and resource constraints. This was evident in the successful execution of the Global Brand Campaign across multiple regions, with an assessment of these regions as follows:

- Mexico, Chile and Jamaica are high-performing regions, with Mexico emerging as a key Tier 1¹ market demonstrating strong engagement and responsiveness;
- Berlin, Denmark, the Czech Republic, Sweden, and Hungary show that Europe remains a strategic and stable region, with consistent demand;
- Asia is a priority growth region, showing strong momentum, especially in South East Asia; and
- The Africa region presents emerging opportunities but requires targeted investment and strategic focus to unlock growth.

In FY2025/26, the embassy support markets received 280 378 arrivals with a spend contribution of R6.0 billion. This represents an increase of 43 174 arrivals, translating to 18.2% growth. The performance reflects sustained demand from embassy support markets and reinforces their continued importance as a contributor to South Africa's international arrivals base.

Air connectivity has played a pivotal role in supporting this growth, with flight seat capacity to and from embassy support markets recording notable improvements. A key example is the recent introduction of direct flights between Algiers and OR Tambo International Airport by Air Algérie, which presents a timely opportunity for the Embassy to strengthen market-development mechanisms, improve destination visibility, and unlock tourism flows between Algeria and South Africa. Airlines therefore remain critical enablers in expanding access to priority markets and supporting continued growth in inbound travel to South Africa.

The embassy support markets function demonstrated its value as a critical enabler of international market access, particularly in emerging and under-served regions, laying a strong foundation for scalable and sustainable growth. While challenges persist, especially in relation to resource allocation, content localisation, digital asset development, and event support, the insights gained over the period provide a clear and actionable roadmap for improvement. Looking ahead, with a sharper strategic focus, improved coordination, and continued collaboration with Missions and key stakeholders, the embassy support markets function is poised to drive increased demand, deepen global partnerships, and enhance international market engagement. Collectively, these efforts will contribute meaningfully to advancing South African Tourism's growth objectives and reinforcing the country's global competitiveness in the tourism sector.

The efforts of Programme 3 in the reporting period contributed significantly to achieving outcome 1 that seeks to ensure that the destination has a strengthened market position and promotes tourism growth.

¹ Tier 1 market is a high priority market and include bigger embassy support markets which show strong potential or already delivery a significant number of arrivals.



Programme 3: Leisure Tourism Marketing

Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation From Planned Target to Actual Achievement 2025/2026	Reasons for Deviation
Outcome 1: Strengthened market position and tourism growth	Global Tourism Brand Campaign to create demand for South Africa as a premier tourist destination	Global Tourism Brand Campaign implemented	The FY2023/24 Global Tourism Brand Campaign Plan was implemented	The FY2024/25 Global Tourism Brand Campaign was launched but not implemented	Implement the FY2025/26 Global Tourism Brand Campaign Execution Plan	Implemented the FY2025/26 Global Tourism Brand Campaign Execution Plan	None	None required
	Integrated digital marketing to increase brand visibility for destination South Africa	Integrated Digital Marketing Strategy implemented	N/A	New indicator	Implement the FY2025/26 Integrated Digital Marketing Strategy	Implemented the FY2025/26 Integrated Digital Marketing Strategy	None	None required
	Destination South Africa profiled through strategic events	Number of communication activities to profile destination South Africa through strategic events implemented	N/A	New indicator	Implement four communication activities to profile destination South Africa through strategic events	Implemented eight communication activities to profile destination South Africa through strategic events	Target exceeded as four additional communication activities were implemented	Collaboration with the tourism industry.
Outcome 3: Insights-led sector advocacy and thought leadership	Global public relations and communications to strengthen the destination brand	Number of global public relations and communications activities to strengthen the destination brand implemented	N/A	New indicator	Implement 36 global public relations and communications activities to strengthen the destination brand	Implemented 61 global public relations and communications activities to strengthen the destination brand	Target exceeded as an additional 25 global public relations and communications activities were implemented	Leveraged sector insights to drive destination coverage and publicity.
Outcome 1: Strengthened market position and tourism growth	Leisure tourism campaigns to increase demand in South Africa	Number of domestic leisure tourism campaigns executed	Three domestic seasonal campaigns were implemented	Three domestic seasonal campaigns were implemented	Execute three domestic leisure tourism campaigns	Executed three domestic leisure tourism campaigns	None	None required
	Brand affinity to increase conversion in South Africa	Number of distribution channel initiatives in the domestic market implemented	19 distribution channel initiatives were implemented in market	23 distribution channel initiatives were implemented in market	Implement 16 distribution channel initiatives in the domestic market	Implemented 26 distribution channel initiatives in the domestic market	Target exceeded as an additional ten distribution channel initiatives were implemented in the domestic market	Collaboration with Provincial Tourism Authorities, trade and non-travel partners.
	Localised marketing campaigns to increase demand in the Africa region	Number of localised marketing campaigns in the Africa region executed	Four regional seasonal campaigns were implemented	Four regional seasonal campaigns implemented	Execute four localised marketing campaigns in the Africa region	Executed four localised marketing campaigns in the Africa region	None	None required
	Brand affinity to increase conversion in the Africa region	Number of distribution channel initiatives in the Africa region implemented	24 distribution channel initiatives were implemented in market	32 distribution channel initiatives were implemented in market	Implement 26 distribution channel initiatives in the Africa region	Implemented 38 distribution channel initiatives in the Africa region	Target exceeded as an additional 12 distribution channel initiatives were implemented in the Africa region	Leveraged sector opportunities

Programme 3: Leisure Tourism Marketing									
Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation From Planned Target to Actual Achievement 2025/2026	Reasons for Deviation	
Outcome 1: Strengthened market position and tourism growth	Localised marketing campaigns to increase demand in the Europe region	Number of localised marketing campaigns executed in the Europe region	Four Europe Hub localised brand campaigns were implemented	Four Europe Hub localised brand campaigns were implemented	Execute four localised marketing campaigns in the Europe region	Executed four localised marketing campaigns in the Europe region	None	None required	
	Brand affinity to increase conversion in the Europe region	Number of distribution channel initiatives in the Europe region implemented	126 distribution channel initiatives were implemented in market	148 distribution channel initiatives were implemented in market	Implement 36 distribution channel initiatives in the Europe region	Implemented 145 distribution channel initiatives in the Europe region	Target exceeded as an additional 109 distribution channel initiatives were implemented in the Europe region	Leveraged sector opportunities.	
	Localised marketing campaigns to increase demand in the Americas region	Number of localised marketing campaigns executed in the Americas region	Two Americas Hub localised brand campaigns implemented	Two localised brand campaigns were implemented in Americas hubs	Execute two localised marketing campaigns in the Americas region	Executed two localised marketing campaigns in the Americas region	None	None required	
	Brand affinity to increase conversion in the Americas region	Number of distribution channel initiatives in the Americas region implemented	99 distribution channel initiatives were implemented in market	80 distribution channel initiatives were implemented in market	Implement 12 distribution channel initiatives in the Americas region	Implemented 50 distribution channel initiatives in the Americas region	Target exceeded as an additional 38 distribution channel initiatives were implemented in the Americas region	Leveraged sector opportunities.	
	Localised marketing campaigns to increase demand in the Asia Australasia region	Number of localised marketing campaigns executed in the Asia Australasia region	Four localised brand campaigns implemented	Four localised brand campaigns were implemented	Execute four localised marketing campaigns in the Asia Australasia region	Executed four localised marketing campaigns in the Asia Australasia region	None	None required	
	Brand affinity to increase conversion in the Asia Australasia region	Number of distribution channel initiatives in the Asia Australasia region implemented	42 distribution channel initiatives were implemented in market	51 distribution channel initiatives were implemented in market	Implement 16 distribution channel initiatives in the Asia Australasia region	Implemented 51 distribution channel initiatives in the Asia Australasia region	Target exceeded as an additional 35 distribution channel initiatives were implemented in the Asia Australasia region	Effective stakeholder collaboration.	
	Localised marketing campaigns to increase demand in the Embassy Support markets	Number of localised marketing campaigns executed in the Embassy Support markets	One localised brand campaign implemented	One localised brand campaign was implemented	Execute one localised marketing campaign in the Embassy Support markets	Executed one localised marketing campaign in the Embassy Support markets	None	None required	
	Brand affinity to increase conversion in the Embassy Support markets	Number of distribution channel initiatives in the Embassy Support markets implemented	26 distribution channel initiatives were implemented in market	17 distribution channel initiatives were implemented in market	Implement 16 distribution channel initiatives in the Embassy Support markets	Implemented 23 distribution channel initiatives in the Embassy Support markets	Target exceeded as an additional seven distribution channel initiatives were implemented in the Embassy Support markets	Collaboration with Missions.	



4.4 Programme 4: Business Events

OVERVIEW OF THE PROGRAMME

The purpose of the programme is to grow the nation's business events industry.

The programme includes the following business units:

Business Unit	Purpose
Business Development and Support Services	To generate qualified leads and inform targeted positioning of South Africa as a business events destination.
Meetings, Incentives, Conferences and Trade Exhibitions (MICE) Sales	To capacitate and enable a relevant and competitive business events destination through bidding.
Strategic Events and Platforms	To create 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: "A tourism sector that drives sustainable economic growth and job creation, ensures inclusive benefits, and promotes environmental and cultural sustainability", the Business Events Programme delivers against the following outcomes and five-year targets in the Five-Year Strategic Plan 2025 - 2030:

Institutional Outcome	Outcome Indicator	Baseline (2024)	Five-Year Target (2030)
Outcome 1: Strengthened market position and tourism growth	International tourist arrivals	8.81 million as at March 2024: Leisure: 8.48 million MICE: 333.9 thousand	15 million: Leisure: 14.63 million MICE: 374.3 thousand
	International tourist spend	R95.1 billion as at March 2024: Leisure: R90.47 billion MICE: R4.63 billion	R115.2 billion: Leisure: R109.59 billion MICE: R5.61 billion
	Geographic spread of international tourist arrivals	9.7% as at March 2024	13.9%
	Domestic tourist trips	37.9 million as at March 2024	45.1 million
	Domestic tourist spend	R123 billion as at March 2024	R139.4 billion
	Geographic spread of domestic tourist arrivals	3.3% as at March 2024	4.0%
	South Africa Leisure Brand Strength Index	45.6 as at March 2024	51
	Number of bids won (MICE)	227 as at March 2024	366
	Economic impact of bids won (MICE)	R3.9 billion as at March 2024	R6.3 billion
Outcome 3: Insights-led sector advocacy and thought leadership	Satisfaction Score with South African Tourism's engagement	3.5 as at March 2024	4





OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

BUSINESS DEVELOPMENT & SUPPORT SERVICES

The Business-to-Business (B2B) Global Campaign was centred on thought leaders excelling in different sectors, positioning South Africa as a business events destination. The Domestic Campaigns created awareness about the bid support program and national association program to build the future bidding pipeline.

The global campaign positioned these outstanding figures to engage audiences and drive them to the marketing funnel for creating awareness and conversion. By showcasing world-class leaders across sectors, the global campaign reinforced why South Africa nurtures, celebrates, and harnesses exceptional talent, highlighting South Africa's capabilities within the knowledge economy. Additionally, there was a deliberate focus on three sectors namely; Life Sciences, Medical Sciences and Business Outsource Processing for delegate boosting. The upcoming business events that will be hosted are concentrated within the three sectors.

Key pillars of the B2B Global Campaigns were:

- **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.

Key pillars of the Domestic Campaign focused on amplifying the following:

- Bid Support Program
- National Association Program

A total of 111 social posts went live on the various South African Tourism social media platforms including X, LinkedIn, Facebook and YouTube), from September 2025 to March 2026. The sentiments expressed included:

- South Africa excels as a top business events destination, offering stunning locations, world-class venues, and a culture of innovation, making it ideal for global collaboration and knowledge sharing;
- South Africa offers an exceptional setting for business events, blending urban sophistication, adventurous experiences, and small-town charm, backed by innovative advancements like 3D-printed surgeries and dynamic conferences;
- South African Tourism drives international events and economic growth, empowering youth and positioning South Africa as a global hub for innovation and exchange; and
- South African Tourism drives economic growth and youth empowerment, fostering development in small towns and inspiring future leaders while showcasing South Africa's warm hospitality and planning expertise.





ACADEMIC WORKSHOPS

The South African National Convention Bureau (SANCB) targets academics to build the pipeline for future business events to be hosted in South Africa. The SANCB therefore identified academic institutions as a potential instrument to drive lead generation as most academics belong to regional and international associations. The table below depicts the academic workshops hosted:

Academic Institution	Date
1. University of Pretoria	25 th April 2025
2. University of Johannesburg	19 th May 2025
3. University of South Africa	22 nd May 2025
4. Tshwane University of Technology	25 th June 2025
5. Durban University of Technology (Virtual)	2 nd September 2025
6. Mangosuthu University of Technology	3 rd September 2025
7. Durban University of Technology	4 th September 2025
8. University of KwaZulu Natal	5 th September 2025
9. Walter Sisulu University of Technology	9 th September 2025
10. Nelson Mandela University of Technology	10 th September 2025
11. Rhodes University of Technology	11 th September 2025
12. University of Zululand	14 th October 2025
12. University of Johannesburg	13 th February 2026
13. Cape University of Technology	20 th March 2026

Emanating from these workshops, the following are potential business events that could be hosted in South Africa:

Name of the Potential Conference	Potential Number of Delegates	Potential Number of Days	Estimated Economic Impact	Academic Institution
The Association of Technical Universities and Polytechnics in Africa International Conference	400	5	R12 800 000	University of South Africa
International Conference on Cross-Field Research	100	3	R1 920 000	University of South Africa
Evidence-Based Medicine, Evidence-Based Health and the Future of HIV Management in Sub-Saharan Africa	60	2	R768 000	University of Johannesburg
Southern African Association for Research in Mathematics, Science and Technology Education 2026 Reimagining STEM Education	200	4	R5 120 000	University of Johannesburg
International Consumer Law Conference	200	4	R5 120 000	University of Pretoria
Public Health Alliance for Genomic Epidemiology - PHA4GE Conference	305	3	R5 856 000	University of the Western Cape
Annual AFRE Health Conference	300	3	R5 760 000	Durban University of Technology
Anthropology Southern Africa 2025 Conference	100	3	R1 296 000	Rhodes University
Total Economic Estimated Impact			R38 640 000	

SUSTAINABILITY VILLAGES

The concept of a Sustainability Village offers an eloquent solution to tailored gifting in the form of a seamless gift voucher system at an event. The advantage is that SMMEs are invited to showcase and sell their products to a ready market. This approach upholds all three key principles of sustainability:





Sustainability Village activations during the reporting period included:

Event Name	Province/City	Number of Vendors
Commonwealth Conference of the Heads of Anti-Corruption Authorities in Africa	Cape Town, Western Cape	5
Zoological Society of South Africa Conference	Rawsonville, Western Cape	5
Municipal Tourism Development Conference	Empangeni, KwaZulu-Natal	5
World Recreational Fishery Conference	Port Alfred, Eastern Cape	5
Evidence-Based Public Health and the Future of HIV Management in Sub-Saharan Africa	Muldersdrift, Gauteng	3
Township and Rural Tourism EXPO	Soshanguve, Gauteng	16
Total Number of Vendors		39

MEETINGS AFRICA 2026 FUTURE LEADERS FORUM

The SANCB, in conjunction with the Tourism Educators of South Africa (TESA), hosted the Exhibition for International Meetings and Events – Meetings Professionals International (IMEX-MPI) Future Leaders Forum at Meetings Africa 2026. The event took place on 23rd February 2026 at the Sandton Convention Centre. The IMEX-MPI Future Leaders Forum stands as a meticulously crafted programme with the ambitious 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 three best performing students from each institution to compete against their counterparts. Eligible students are enrolled in National Qualifications Framework 7 and level 8 qualifications in Tourism and Hospitality, encompassing Bachelors' degrees, Honours, National Diploma, Post Graduate Diploma, and Diploma students. 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, represent their country, and compete 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 2026 is awarded a sponsored prize, including flights, accommodation, and a travel allowance to attend the Future Leaders Forum at IMEX Frankfurt in May 2026. The SANCB supports 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), and Emile Coetzee (2019 - North West University) and Hlohelohelo Zwane (2024 - Tshwane North College). Tshepo Mkhwanazi from the Vaal University of Technology is the winner for 2026.

The Business Development and Support Services business unit will continue to implement the approved plan for B2B Global and Domestic Campaigns for the FY2026/27. The campaigns will be premised on positioning South Africa as a business events destination. Additionally, delegate will promote upcoming business events to South Africa that are scheduled as far as 2032.

MEETINGS, INCENTIVES, CONFERENCES AND TRADE EXHIBITIONS SALES

The SANCB focuses on supporting bids for MICE events to be hosted in South Africa, thereby attracting international delegates and enhancing the country's global competitiveness as a business events destination. This aligns with the NTSS, which identifies business and events tourism as growth areas and supports the role of the National Convention Bureau in growing demand for South Africa as a destination and attracting more business events.

It is further aligned with the TSMP through its direct contribution to demand stimulation, sector growth and economic impact. The Masterplan specifically recognises business events as part of South Africa's tourism offering and identifies domestic and global business events campaigns, as well as international bid support, as actions to increase the number of events hosted in South Africa. In addition, the work supports Outcome 1 of South African Tourism's Five-Year Strategic Plan, which seeks to increase the tourism sector's contribution to inclusive economic growth. The SANCB's successful bidding activities contribute to this outcome by stimulating demand, attracting international and regional delegates, enhancing South Africa's visibility as a business events destination, and generating measurable economic impact.

The SANCB delivered strong performance against the FY2025/26 Annual Performance Plan target, reflecting the effectiveness in driving demand for South Africa as a global MICE destination. Since the start of the financial year, the SANCB supported 107 bids for international business events to be hosted in South Africa between 2025 and 2030, exceeding the target of 105 bids. These bids represent a combined estimated economic impact of approximately R2.1 billion and has the potential to attract 73 972 international and regional delegates.

Of the 107 bids supported, South Africa successfully secured 66 international and regional conferences during the 2025/26 financial year. These confirmed wins are projected to contribute an estimated R1.21 billion to the economy between 2025 and 2030 and attract 42 187 delegates. To achieve this, the SANCB invested R28.4 million through its Bid Support Programme, ensuring alignment with national government priorities and reinforcing South Africa's competitiveness in the global business events market. The secured MICE events are scheduled to take place across a range of cities and towns, including Bela-Bela, Cape Town, Durban, Grabouw, Hermanus, Johannesburg, Makhanda, Mbombela, Polokwane, Skukuza, Sun City and Tshwane, thereby supporting destination diversification and spreading the benefits of business events beyond the main metropolitan centres.

The National Association Project (NAP) is a strategic intervention aimed at empowering national associations to host conferences in VTSDs, thereby advancing inclusive growth and enhancing geographic spread within South Africa's business events sector. Through targeted support, capacity building, and partnerships with local stakeholders, the project enables the integration of emerging destinations and SMMEs into the tourism value chain while strengthening authentic, community-based visitor experiences. In this context, the NAP is aligned with the NTSS through its contribution to transformation, inclusive participation and improved geographic spread of tourism activity.





It also supports the TSMP by contributing to demand stimulation, supply development and inclusive sector growth, particularly through the development of association-led business events in underrepresented areas. In addition, the project contributes to Outcome 1 of South African Tourism's Five-Year Strategic Plan 2025 - 2030 by supporting the tourism sector's contribution to inclusive economic growth. Its primary impact is most strongly reflected in inclusive development, geographic spread and the strengthening of South Africa's domestic business events pipeline, rather than as a direct driver of global market positioning.

The SANCB, through the NAP, facilitated and supported the successful hosting of 16 business events across various VTSDs in South Africa, attracting 3 841 delegates over 50 event days and generating an estimated economic impact of R41.7 million from an investment of R3.6 million. These results reflect implementation of targeted interventions to support business event hosting in underrepresented areas. The geographic spread of events across destinations such as Rawsonville, Malelane, Empangeni, Makhanda, Thohoyandou, Tsolo, Soweto, Secunda, Clarens, uMnambithi and Soshanguve is aligned with the broad objectives of the NTSS relating to transformation and spatial distribution of tourism activity.

The inclusion of multiple secondary and rural destinations is further aligned with the TSMP priorities of inclusive growth and demand development in emerging areas. Collectively, these outputs are consistent with the intent of Outcome 1 of South African Tourism's Five-Year Strategic Plan 2025 - 2030, which focuses on strengthening market position and supporting tourism growth, noting that the contribution is evidenced through reported delegate volumes, event activity and associated estimated economic impact. The events supported during the reporting period include:

Event	VTSD	Number Of Delegates	Dates
Public Health Association of South Africa Conference	Rawsonville, Western Cape	385	6 th - 9 th April 2025
4 th Digital Transformation in Mining Conference	Muldersdrift, Gauteng	89	25 th - 26 th June 2025
South African Institute of Agricultural Engineers Mpumalanga Two-Day Packhouse Conference & CPD Event	Malelane, Mpumalanga	45	26 th - 27 th June 2025
Municipal Tourism Development Conference	Empangeni, KwaZulu-Natal	80	30 th - 31 st July 2025
Anthropology Southern Africa Conference	Makhanda, Eastern Cape	126	20 th - 22 nd August 2025
Southern African Wildlife Management Association Conference	Port Alfred, Eastern Cape	156	31 st August - 5 th September 2025
South African Association of Public Administration and Management Conference	Thohoyandou, Limpopo	822	22 nd - 26 th September 2025
Southern African Shark and Ray Symposium	Makhanda, Eastern Cape	135	15 th - 19 th September 2025
Mifano Drone Tech Expo	Tsolo, Eastern Cape	150	8 th - 9 th October 2025
ArtVenturous Travel Conference	Soweto, Gauteng	246	20 th - 21 st October 2025
4 th Environmental Assessment Practitioners Association of South Africa Regional Conference	Secunda, Mpumalanga	200	29 th - 31 st October 2025
Community Development Conference	Clarens, Free State	197	12 th - 14 th November 2025
Township and Village Tourism Intra-Trade Conference	uMnambithi, KwaZulu Natal	500	13 th - 14 th November 2025
BIO26 Conference	Makhanda, Eastern Cape	264	26 th - 29 th January 2026
Developments in Evidence-Based Public Health and the Future of HIV Management in Sub-Saharan Africa	Muldersdrift, Gauteng	46	25 th - 27 th February 2026
Township and Village Tourism Expo	Soshanguve, Gauteng	400	6 th - 7 th March 2026





STRATEGIC EVENTS & PLATFORMS

The SANCB aims to position South Africa as a globally competitive tourism and business events destination through the successful delivery of Meetings Africa 2026 and Africa's Travel Indaba 2025, while creating inclusive global market access opportunities for South African tourism products. This included facilitating the promotion of at least 246 South African tourism products across key international trade platforms, namely IMEX Frankfurt, Arabian Travel Market, World Travel Market London, Incentives, Business Travel and Meetings (IBTM) World and Internationale Tourismus-Borse (ITB) Berlin.

Africa's Travel Indaba 2025 took place from 13th to 15th May 2025 in Durban, preceded by Business Opportunities Networking Day (BONDay) on 12th May 2025. The event recorded 1.348 exhibitors, 314 hosted buyers and 723 non-hosted buyers from 42 countries, and generated 24.203 confirmed meetings through the diary system.

Meetings Africa 2026 took place from 24th to 25th February 2026 in Johannesburg, preceded by Business Opportunities Networking Day (BONDay) on 23rd February 2026. The event recorded 338 exhibitors, 309 hosted buyers from 48 countries, and 6.764 confirmed meetings through the diary system.

Through the hosting of Meetings Africa and Africa's Travel Indaba, together with participation in global trade platforms, the SANCB created structured opportunities for South African tourism products to access international markets and engage with global buyers. These platforms support export-led growth by enabling business-to-business engagements, generating leads and strengthening trade relationships in key source markets. At both Meetings Africa 2026 and Africa's Travel Indaba 2025, the unit created opportunities for youth to participate in the delivery of the events, providing hands-on experience in event operations, hospitality, registration and on-site support. The BONDay programme at Meetings Africa 2026 included dedicated involvement of youth and women, ensuring representation in industry engagement and knowledge-sharing sessions.

South African Tourism participated in the following international strategic platforms:

- Arabian Travel Market from 28th April to 1st May 2025
- IMEX Frankfurt from 20th to 22nd May 2025
- World Travel Market London from 4th to 6th November 2025
- IBTM World Barcelona from 18th to 20th November 2025
- ITB Berlin 2026 from 3rd to 5th March 2026

Key trade achievements included:

- Arabian Travel Market generated 3 205 meetings and 840 leads
- World Travel Market London generated 553 meetings and 254 leads
- IMEX Frankfurt generated 406 meetings and 357 leads
- IBTM World generated 644 meetings and 180 leads
- ITB Berlin generated 846 meetings and 423 leads





The SANCB implemented targeted initiatives to ensure inclusive participation and access to global markets as follows:



The delivery of these platforms strengthened South Africa’s global tourism position and created measurable opportunities for the sector. Tourism products were showcased across key international markets, resulting in increased visibility and engagement with global buyers. The volume of meetings and leads generated created direct opportunities for business growth and future conversion. The consistent presence across global platforms ensured that South Africa remained competitive and visible in priority markets, while also supporting the pipeline of buyers for domestic events such as Meetings Africa and Africa’s Travel Indaba. This contributed to demand generation, sector recovery and long-term growth.



Programme 4: Business Events

Outcome	Output	Output Indicator	Audited Actual Performance 2023/2024	Audited Actual Performance 2024/2025	Planned Annual Target 2025/2026	Actual Achievement 2025/2026	Deviation From Planned Target to Actual Achievement 2025/2026	Reasons for Deviation
Outcome 1: Strengthened market position and tourism growth	Increased economic benefits and job creation through bidding and hosting of events	Meetings Africa hosted	Hosted Meetings Africa 2024 reimagined	Hosted Meetings Africa 2025	Host Meetings Africa 2026	Hosted Meetings Africa 2026	None	None required
		Africa's Travel Indaba hosted	Hosted Africa's Travel Indaba 2023 reimagined	Hosted Africa's Travel Indaba 2024	Host Africa's Travel Indaba 2025	Hosted Africa's Travel Indaba 2025	None	None required
	Enhanced sustainability (economic, environmental, social) of South African Tourism owned platforms	Number of bid submissions for the MICE industry supported	Submitted 95 bids	Submitted 104 bids	Support 105 bid submissions for the MICE industry	Supported 107 bid submissions for the MICE industry	Target exceeded as an additional two bid submissions for the MICE industry were supported	Intensified sales activities.
		Number of business events hosted in VTSDs	Hosted five business events in VTSDs	Hosted nine business events in VTSDs	Host ten business events in VTSDs	Hosted 16 business events in VTSDs	Target exceeded as an additional six business events were hosted in VTSDs	Collaboration with industry.
		Business model for the growth and sustainability of South African Tourism owned strategic platforms implemented	N/A	New indicator	Implement a business model for the growth and sustainability of South African Tourism owned strategic platforms	Implemented a business model for the growth and sustainability of South African Tourism owned strategic platforms	None	None required
Outcome 3: Insights-led sector thought leadership and advocacy	Promotion of South African tourism products at global platforms	Number of South African tourism products promoted at global market access platforms	N/A	New indicator	180 South African tourism products promoted at global market access platforms	246 South African tourism products promoted at global market access platforms	Target exceeded as an additional 66 South African tourism products were promoted at global market access platforms	Strengthened industry partnerships.
		Number of B2B brand campaigns to create demand for South Africa as a premier business events destination executed	One domestic B2B campaign was implemented	One domestic B2B campaign was implemented	Execute one domestic B2B brand campaign	Executed one domestic B2B brand campaign including additional activities	Target achieved with additional activities executed	Collaboration with stakeholders.
	B2B Campaign to create demand for South Africa as a premier business events destination	Number of B2B brand campaigns to create demand for South Africa as a premier business events destination executed	One global B2B campaign was implemented including additional activities	One global B2B campaign was implemented	Execute one global B2B brand campaign	Executed one global B2B brand campaign including additional activities	Target achieved with additional activities executed	Collaboration with stakeholders.
		Number of assessments to demonstrate the economic impact of bids awarded conducted	Four business events bidding impact reports were produced	Two business events bidding impact reports were produced	Conduct two assessments to demonstrate the economic impact of bids awarded	Conducted two assessments to demonstrate the economic impact of bids awarded	None	None required
		MICE sector capacitated for future growth						



4.5 Programme 5: Tourist Experience

OVERVIEW OF THE PROGRAMME

The purpose of the programme is to ensure the delivery of quality assured tourist / visitor experiences, which are diverse, unique, and enriched.

The programme includes the following business units:

Business Unit	Purpose
Tourism Grading Council of South Africa	To grow 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	- To enable 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 - To recognise and celebrate 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	- To seek new offerings, products, and operators to package in exciting itineraries for the use of South African Tourism's hosting needs; and - To enable inclusive growth through itineraries that incorporate emerging/transformed businesses, encourage geographic spread across the country, and address the misperceptions associated with seasonal travel.
Global Trade	- The enhancement of Global Trade will focus on initiatives that support local and internal trade and distribution channels, as well as other interested stakeholders to better sell South Africa; and - The Tourism Route Development Marketing Plan (TRDMP) aims to maximise South Africa's domestic and international route development and maintenance through various marketing initiatives that increase market volumes and brand awareness to ensure sustained connectivity.

In contributing towards the South African Tourism impact of: "A tourism sector that drives sustainable economic growth and job creation, ensures inclusive benefits, and promotes environmental and cultural sustainability", the Tourist Experience Programme delivers against the following outcomes and five-year targets in the Five-Year Strategic Plan 2025 - 2030:

Institutional Outcome	Outcome Indicator	Baseline (2024)	Five-Year Target (2030)
Outcome 1: Strengthened market position and tourism growth	South Africa Leisure Brand Strength Index	45.6 as at March 2024	51
Outcome 2: Enhanced visitor experience and responsible tourism offerings	Tourist Satisfaction Rating	4.6 as at March 2024	4.8

OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENT

The Tourist Experience Programme continued to play a critical role in delivering South African Tourism's brand promise by ensuring that visitors experienced South Africa as a welcoming, high-quality, and memorable destination. While global marketing creates desire and drives demand, it is the lived visitor experience, from arrival at ports of entry to accommodation, attractions, transport, and service interactions, that ultimately defines destination reputation, visitor satisfaction, and advocacy.

Through integrated interventions across quality assurance (TGCSA), visitor experience, brand experience, and global trade, the Programme sought to ensure that South Africa consistently delivered on its promise of warm hospitality, authentic experiences, quality service, and exceptional value. In doing so, the Programme not only strengthened destination competitiveness and visitor confidence but also contributed to sustainable tourism growth, inclusive economic participation, and the long-term credibility of the South African tourism brand in an increasingly competitive global environment.





TOURISM GRADING COUNCIL OF SOUTH AFRICA

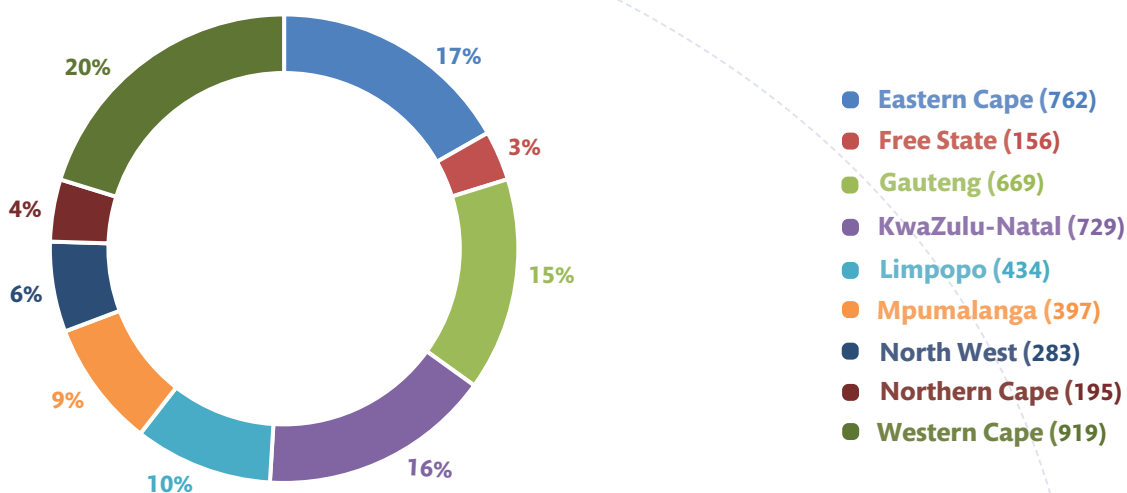
Tourism Grading continued to serve as a critical economic enabler that strengthened South Africa's tourism competitiveness by providing independent assurance of quality, safety, and service standards. As a trusted quality assurance mechanism, grading reduced information gaps for consumers and the travel trade, supported destination conversion and repeat visitation, protected the integrity of the South African tourism brand, and contributed towards investor confidence and business sustainability across the tourism value chain.

During the reporting period, the TGCSA commemorated 25 years of advancing tourism quality assurance in South Africa. Supported by a national network of trained assessors and an expanding geographic footprint, the TGCSA continued to promote consistent quality standards across provinces, destinations, and tourism product categories. The strategic value of grading was further demonstrated through South Africa's successful hosting of high-profile international events that relied on verified quality infrastructure and service excellence. This included G20-related engagements hosted at the 4-star graded Johannesburg Expo Centre (JEC), Nasrec Johannesburg, as well as the LIV Golf tournament hosted at the 5-star graded Steyn City facility.

These events highlighted the important role that graded establishments play in supporting business events tourism, global media exposure, visitor expenditure, destination reputation, and job creation. In recognition of its facilities, operational excellence, and readiness to host major international events, the TGCSA awarded the JEC a 4-star grading in both the Events Venue and Convention and Exhibitions categories. This achievement affirmed the venue's capability to support global events such as the G20 Summit hosted at JEC in November 2025 and reinforced its position as a benchmark for excellence within South Africa's business events and exhibitions sector.

Against the annual target of 4 500, the business unit has quality assured a total number of 4 544 establishments with a provincial distribution as follows:

Provincial Distribution of Graded Establishments





There are currently 45 active assessors that conduct assessments throughout the country, who are stringently managed by Provincial Quality Assurance Specialists.

The TGCSA 5-star premium classification continued to represent the highest level of luxury accommodation recognition within the country. This exclusive designation distinguished exceptional establishments from standard 5-star properties and was awarded only to establishments that demonstrated outstanding quality, highly personalised service, and exceptional guest experiences. Premium graded establishments continued to set the benchmark for excellence across the full guest journey, offering superior finishes, world-class amenities, exceptional cuisine, and attentive service standards that enhanced South Africa's positioning within the global luxury tourism market.

During the reporting period, Sala Beach House and The Oyster Box Hotel were welcomed as 5-star premium establishments in KwaZulu-Natal. This marks an important milestone for the province, which previously had no establishments within this elite category. This increased the national footprint of premium graded properties to 22 establishments and further strengthened South Africa's premium tourism offering.

Universal Accessibility (UA) remained a key component of the TGCSA's commitment to promoting inclusive tourism and ensuring that South Africa's tourism offering remained accessible to all travellers. Through the implementation of UA, the TGCSA continued to encourage graded establishments to adopt inclusive tourism practices aligned with global standards and international best practice. UA grading assessed accessibility across three core areas: Mobility Grading for individuals with physical limitations; Communication Grading for individuals with audio and cognitive limitations; and Visual Grading for individuals with sight limitations.

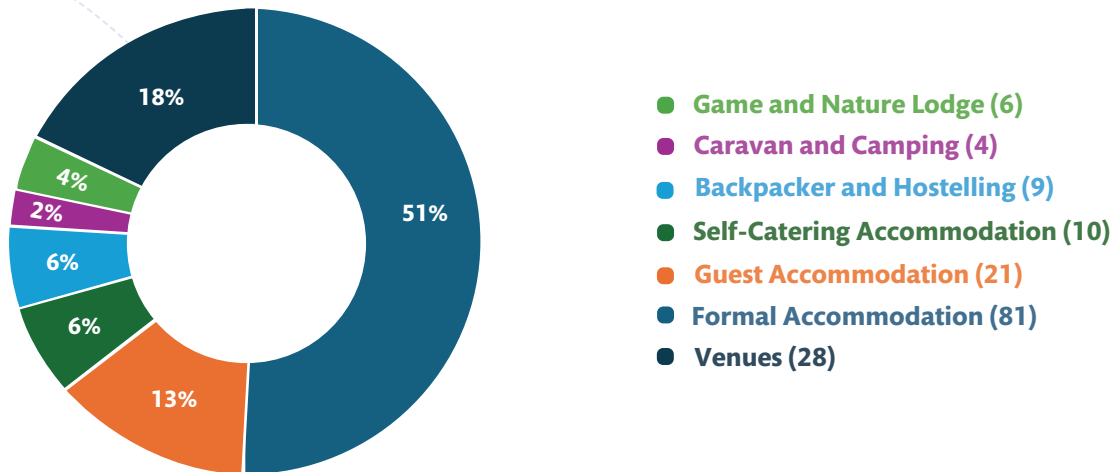
Each category was evaluated across three levels of achievement, ranging from basic compliance to outstanding accessibility standards. Since the introduction of the UA Minimum Entry Requirements and UA Grading Criteria in 2015, approximately 159 establishments nationally had achieved UA accreditation. During the reporting period, all new and renewing establishments within the TGCSA membership database continued to be assessed against the UA criteria, reinforcing the organisation's commitment to embedding accessibility within the national tourism quality assurance framework.

Formal Accommodation establishments accounted for most UA-accredited properties, representing 51% of the national footprint, followed by Venues at 18% and Guest Accommodation at 13%. Additional categories included Self-Catering establishments, Backpacker and Hostelling facilities, Game and Nature Lodges, and Caravan and Camping sites.

A significant highlight during the reporting period was the recognition of Ximuwu Safari Lodge, located within the Klaserie Private Nature Reserve in Mpumalanga, which achieved both the prestigious TGCSA 5-Star premium grading and a Level Three Mobility UA accolade. This dual recognition reflected the lodge's commitment to delivering exceptional luxury experiences while ensuring accessibility and inclusivity for all guests. The achievement reinforced South Africa's growing reputation for offering world-class tourism experiences that combine service excellence, inclusivity, and responsible tourism practices.



UA Accredited Establishments by Membership Type



The Tourism Grading Support Programme (TGSP) has demonstrated significant reach across all nine provinces of South Africa, supporting a total of 2 842 establishments. The programme disbursed R12 580 042.40 in funding, benefiting products through financial assistance with grading fees. The MOA for the TGSP was concluded on 4th June 2025.

The programme has successfully supported the South African tourism sector and achieved nationwide coverage with participation from all provinces with KwaZulu-Natal (609 representing 21%) leading in establishment count followed by Western Cape (540 representing 19%), Eastern Cape (481 representing 17%), Gauteng (412 representing 15%), Limpopo (231 representing 8%), Mpumalanga (191 representing 7%), Northern Cape (148 representing 5%), North West (137 representing 5%) and Free State (93 representing 3%). The TGSP agreement has been renewed for FY2026/27 and will end on 31st March 2027.

Quality Assurance Workshops continued to serve as a key stakeholder engagement platform utilised by the Quality Assurance, Training, Development and Monitoring function. The workshops focused on educating stakeholders, including municipalities and provincial tourism structures, on the role and mandate of South African Tourism and the TGCSA, while also promoting the benefits of tourism grading and quality assurance.

During the reporting period, workshops were conducted across multiple regions, including Mandeni District Municipality, Emfuleni Municipality, Vryheid, Hoedspruit, Kimberley, Mahikeng in the Ngaka Modiri Molema District, Dr. Kenneth Kaunda District Municipality in Klerksdorp, Ekurhuleni District, and Umkhanyakude District Municipality. These engagements strengthened partnerships between the TGCSA, municipalities, provincial tourism authorities, and industry stakeholders, including the TBCSA, Small Enterprise Development Agency (SEDA), and South African Tourism. The workshops also improved stakeholder awareness of the benefits of grading, equipped tourism product owners with knowledge on quality assurance standards and compliance requirements, and created direct engagement opportunities with ungraded establishments.

Key outcomes included strengthened provincial and local partnerships, improved coordination for future joint initiatives, and the identification of barriers impacting grading uptake, including cost perceptions, lack of information, and operational constraints. Insights gathered during these engagements informed ongoing improvements to training material, workshop content, and support mechanisms for tourism establishments and assessors.





Additional stakeholder engagement initiatives included participation in Tourism Career Expos and the International Association of Amusement Parks and Attractions Conference and related workshops, which provided valuable insights into the development of new grading criteria for experiences and attractions. Information sharing and stakeholder support remained central to the unit's activities throughout the financial year, contributing towards increased awareness, improved stakeholder collaboration, and growth in the number of graded establishments nationally.

The TGCSA hosted its Annual Assessor Conference as a strategic platform for strengthening quality assurance capacity, sharing emerging tourism trends, reinforcing standard operating procedures, and supporting assessors in the execution of their roles. During the reporting period, the conference proudly commemorated 25 years of the TGCSA, marking a significant milestone in advancing tourism quality assurance and service excellence within South Africa's tourism sector. The celebration reflected on the organisation's achievements, recognised the contribution of assessors and Basic Quality Verification (BQV) evaluators, and reaffirmed the TGCSA's commitment to maintaining world-class tourism grading standards.

The FY2025/26 Annual Assessor Conference was held from 18th to 21st August 2025 at the Wild Coast Sun in the Eastern Cape. The event provided an important platform for collaboration, knowledge sharing, and stakeholder engagement, while also recognising top-performing assessors for their contribution throughout the financial year. The conference further strengthened alignment between assessors and South African Tourism, enhanced assessor capacity and capability, and reinforced the important role assessors play as TGCSA-appointed service providers responsible for implementing quality assurance standards across the country.

BASIC QUALITY VERIFICATION PROGRAMME

During the FY2025/26, the BQV Programme continued its strategic expansion through a focused rollout across Gauteng. The programme remained a key intervention aimed at integrating emerging and informal accommodation establishments into the mainstream tourism economy, particularly within VTSDs.

The Gauteng rollout built on the successes of previous provincial implementations by strengthening both enterprise development and capacity-building components. A cohort of 15 unemployed graduates representing the City of Johannesburg, City of Tshwane, Emfuleni, Sedibeng, Ekurhuleni, West Rand and Midvaal regions was recruited and trained to support programme implementation. These graduates received practical training in quality assessment, compliance monitoring, and stakeholder engagement, contributing to both effective programme delivery and meaningful skills transfer.

During the reporting period, 216 tourism establishments across Gauteng were assessed, of which 175 establishments successfully met the BQV criteria and were certified. The properties underwent a structured verification process aligned to minimum quality standards, resulting in improved service delivery, enhanced safety standards, and increased market readiness. The highest number of assessed establishments was recorded within the City of Tshwane and City of Johannesburg regions, followed by Sedibeng and Ekurhuleni, demonstrating strong uptake and participation across Gauteng's priority tourism nodes.

The implementation further demonstrated the scalability and impact of the BQV Programme as a catalyst for sector development, unlocking economic opportunities, promoting sustainable tourism practices, and strengthening the competitiveness of South Africa's accommodation offering. The rollout also strengthened collaboration with provincial and local stakeholders, improving coordination, oversight, and programme support mechanisms. Continuous monitoring and reporting processes were implemented to track progress and ensure ongoing compliance with programme standards.





MARKET ACCESS

The speed marketing platform continued to serve as a strategic market access mechanism connecting tourism providers with key buyers, including tour operators, destination management companies, media, and trade stakeholders. Through structured presentations, round-robin engagements, and B2B networking opportunities, the platform enabled emerging and established tourism products to showcase their offerings to domestic and international markets, while strengthening alignment between tourism supply and market demand. During the reporting period, more than 120 tourism products participated across Africa's Travel Indaba, Meetings Africa, and provincial familiarisation programmes, engaging with over 950 trade delegates, buyers, media representatives, and tourism stakeholders.

Africa's Travel Indaba showcased themed tourism experiences aligned to Active Adventure, Cultural Roots, and Scenic Wonders, with 52 tourism products collectively engaging 656 attendees across the three themed sessions. Accessibility interventions, including sign language interpretation and stage accessibility, reinforced South Africa's commitment to inclusive tourism and universal accessibility standards. Familiarisation programmes in the Northern Cape and KwaZulu-Natal further supported geographic spread and destination diversification objectives, with 51 tourism products and 30 domestic buyers and trade partners participating across the two programmes. These initiatives successfully exposed buyers and stakeholders to lesser-known tourism offerings while strengthening collaboration with provincial tourism authorities and regional tourism stakeholders.

At Meetings Africa, speed marketing workshops provided tourism businesses with direct access to international buyers and media representatives, with 36 tourism products showcased across Business Incentives and Accommodation and Venues sessions attended by 273 delegates. Key successes during the financial year included strong stakeholder collaboration, improved destination visibility, enhanced market access opportunities, and increased participation from tourism businesses across multiple regions. Operational learnings identified for future implementation included the need for earlier appointment of activation agencies, strengthened participant management processes, enhanced buyer engagement, and the integration of more structured networking and matchmaking opportunities to improve business conversion and programme effectiveness.

VISITOR EXPERIENCE AND WELCOME PROGRAMME

A significant milestone during the reporting period was the launch of South Africa's first Smart Tourism Visitor Information Centre (VIC) at Oliver Reginald Tambo International Airport, developed through a collaborative partnership between South African Tourism, Airports Company South Africa (ACSA), the GTA, and the Department of Tourism. Officially unveiled by the Minister of Tourism on 19th November 2025, the fully digital and paperless VIC incorporated UA functionality and global best-practice technology, including interactive digital displays, real-time travel and safety information, paperless destination content for all nine provinces, Wi-Fi connectivity, and mobile integration. The Smart VIC also introduced an automated tourism complaints management system, contributing towards enhanced transparency, accountability, and visitor servicing within the sector.

Strategic partnerships remained central to advancing the visitor experience agenda during the year. South African Tourism entered into a first-ever three-year MOU with the Border Management Authority, focused on improving service excellence, reducing barriers at ports of entry, and strengthening South Africa's positioning as a welcoming and quality-assured destination. In support of South Africa's G20 Presidency, collaborative engagements with TBCSA and private sector partners further supported the development of tourism packages and itineraries aimed at encouraging delegates and visitors to explore the country beyond official conference activities. Additionally, a three-year MOA was concluded between South African Tourism and South African Tourism Services Association (SATSA)





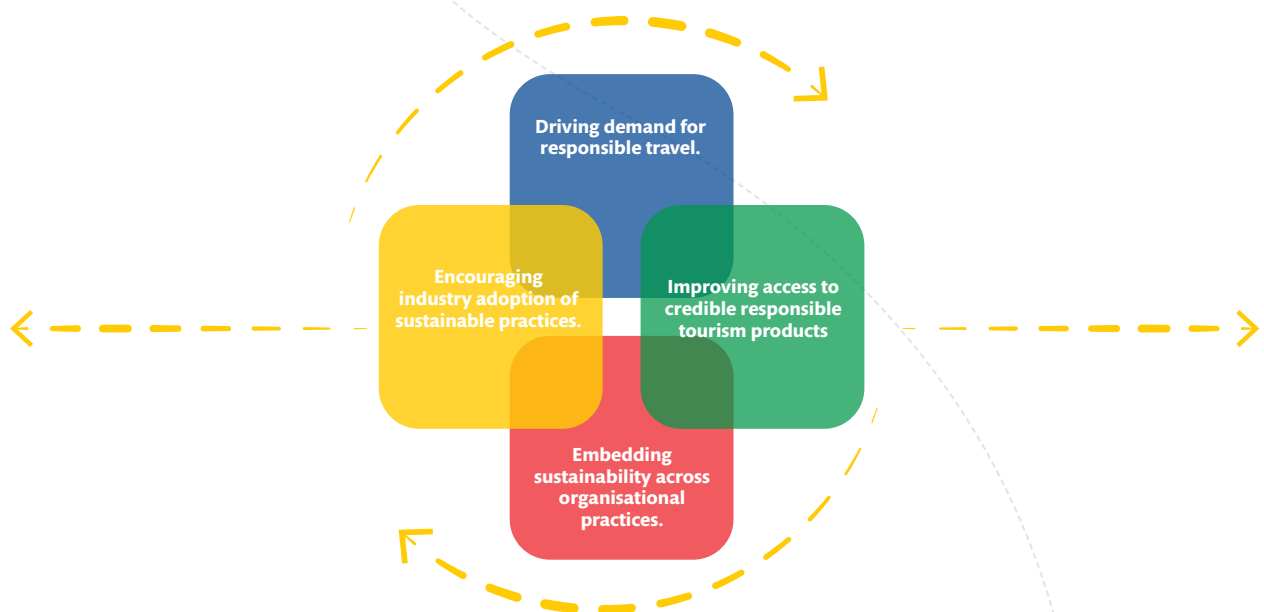
to strengthen collaboration with the inbound tourism sector and support the implementation and visibility of South African Tourism's campaigns, activations, and APP-aligned initiatives.

During the FY2025/26, the Welcome Programme continued to support the implementation of the Three-Year Tourism Value Chain and Barrier Strategy, aimed at enhancing the competitiveness and sustainability of South Africa's tourism sector through improved visitor experience and stakeholder collaboration. The programme focused on inspiring and educating tourism role-players and ordinary South Africans to exceed visitor expectations through warm, authentic interactions and service excellence.

Through the "Make Someone's Day" initiative and a series of welcome training programmes and activations, the programme sought to strengthen awareness of the important role frontline staff play across the tourism value chain. Key initiatives included welcome activations at Africa's Travel Indaba and Meetings Africa, support for airline launches and tourism safety initiatives, G20 welcome activations in Durban and Mpumalanga, cruise tourism training, and welcome training for Gauteng's Safety and Traffic Wardens (Amapanyaza). Furthermore, Welcome Training was provided for approximately 100 DIRCO deployments.

SUSTAINABILITY AND RESPONSIBLE TOURISM

South African Tourism continued to advance its sustainability agenda in alignment with national and regional priorities, while recognising that the overarching sustainability measurement framework remains under the custodianship of the Department of Tourism and regional stakeholders. Progress during the year remained linked to the ongoing development of the Statistical Framework for Measuring the Sustainability of Tourism. An internal Sustainability Business Plan was developed and approved, anchored on four strategic outcomes:



The plan was informed by stakeholder engagement and aligned to emerging global sustainability standards, positioning South Africa to respond to evolving traveller expectations and growing demand for authentic, community-based, and conservation-led experiences.





Operationally, performance exceeded annual targets for sustainability content development, with 21 sustainability-focused content pieces produced across seven provinces against a target of 10. The initiative showcased a diverse portfolio of responsible tourism products and experiences aligned to South Africa's core tourism pillars, including wildlife, culture and heritage, scenic beauty, lifestyle, and adventure tourism. Featured products included Curiosity Backpackers, The Peech Hotel, Leshiba Wilderness Lodge, Constitution Hill, Thonga Beach Lodge, Shamwari, !Khwa ttu Heritage Centre, Graskop Gorge Lift, Black Mambas, Coffee Bay, and other responsible tourism experiences demonstrating environmental sustainability, social enablement, and small business economic development.

The launch of a dedicated Sustainability Landing Page further enhanced destination visibility, stakeholder engagement, and access to responsible tourism content. Key insights from the initiative highlighted strong alignment between sustainability and premium travel experiences, as well as increased opportunities to position lesser-known destinations through responsible tourism storytelling.

Organisational hosting performance also improved during the reporting period, with 64 hostings completed compared to 52 in the previous financial year, while cancellations declined significantly from 42 to 24. This improvement was supported by opportunities linked to the G20 Summit 2025 and increased domestic hosting activities, which contributed to enhanced destination exposure. Improved planning, stakeholder coordination, and alignment processes further strengthened operational efficiency. While challenges remained regarding delays in finalising the national sustainability framework and historical coordination constraints, mitigation measures were implemented, including strengthened stakeholder collaboration, enhanced planning mechanisms, and the introduction of an outcomes-based tracking approach for the FY2026/27. Collectively, these initiatives contributed towards positioning South Africa as a competitive and responsible tourism destination that supports long-term sustainability, sector resilience, and inclusive growth.

AIR ACCESS

The Tourism Route Development Marketing Plan (TRDMP) continued to play a strategic role in South Africa's domestic and international air connectivity by driving tourism demand, increasing market access, and supporting sustainable route development. Central to the strategy was the strengthening of global trade relations and collaboration with aviation stakeholders to improve destination accessibility and enhance South Africa's competitiveness within the global tourism market.

During the reporting period, several strategic aviation and trade initiatives were implemented to advance the objectives of the TRDMP. Africa's Travel Indaba Airline Pavilion recorded significant growth, hosting 15 airlines represented through 10 aviation stakeholders, more than double the participation recorded in the previous year. The platform facilitated over 300 engagements between airlines, trade stakeholders, and tourism partners, with demand driven by both domestic (43%) and continental African carriers (57%). This growth reinforced the value of the platform in accelerating airlift partnerships and strengthening collaboration between tourism and aviation stakeholders.

Global aviation engagement remained a key priority through participation in platforms such as Routes World, which provided opportunities to engage airlines, airports, and aviation partners on future air service development and connectivity opportunities. Strategic engagements focused on priority markets and route opportunities aimed at strengthening direct connectivity into South Africa. Key route development achievements during the year included the launch of Qantas' Johannesburg - Perth route that boosted connectivity with Australia, and SAA Cape Town -





Mauritius service, which achieved full capacity on its inaugural flight, reflecting strong market demand and continued tourism recovery momentum. Overall, South Africa was serviced by 49 international carriers during the reporting period, including 23 African carriers, supporting a network of 155 active international routes. Domestically, seven airlines operated across 154 active domestic routes during the year.

Performance trends demonstrated that seat capacity recovery was largely driven by growth from the Americas and African markets, which continued to contribute positively towards the recovery of international arrivals. International arrivals growth remained strongest from Africa and the Americas, while Europe and parts of Asia continued to recover at a more gradual pace. These trends reflected the increasing importance of regional connectivity and diversified source markets in supporting tourism growth and route sustainability.

	Arrivals 2025	Seats 2025	% 2025 Compared To 2019				Seats 2025
Africa East	355 408 (YOY +19%)	1 841 705 (YOY +11%)	Middle East Seats 85%	Asia & Australasia Seats 71%	Africa Land Seats 100%	Africa Air Seats 104%	1: Middle East 108%
Middle East	60 102 (+32%)	1 613 038 (+6%)					2: Asia & Australasia 82%
Africa Land	7 739 760 (+20%)	2 608 564 (+15%)					3: Africa Land 106%
Americas	552 318 (+9%)	428 208 (+24%)	Domestic Seats Capacity 90%	Total Seats Capacity 92%	American Seats 110%	Europe Seats 82%	4: Africa Air 110%
Europe	1 417 572 (+13%)	1 590 609 (+11%)					5: Domestic Trips 157%
Asia & Australasia	361 564 (+11%)	484 073 (+15%)					6: Arrivals to SA 103%
							7: Americas 99%
							8: Europe 91%

Further progress was achieved during Meetings Africa 2026, which recorded a peak participation of 16 airlines within the Airline Pavilion and facilitated ongoing ministerial and stakeholder engagement aimed at driving coordinated route development initiatives.

Following Cabinet's approval of the TRDMP, South African Tourism advanced a range of tourism and aviation initiatives and appointed a service provider to support the establishment phase of the TRDMP. The 18-month establishment phase focused on the development of a business implementation plan for a nationally-led route development vehicle, the creation of a public-private partnership model to support sustainable route development, and the coordination of route development negotiations and engagements across local and international platforms. These interventions were supported through governance, compliance, monitoring, and evaluation mechanisms to ensure accountability and long-term sustainability.

Collectively, these initiatives reinforced the critical role of air connectivity in unlocking tourism growth, strengthening trade and investment opportunities, and positioning South Africa as a globally accessible and competitive tourism destination.

GLOBAL TRADE

There was significant progress in global trade initiatives aimed at advancing and easing the sale of South Africa across the tourism value chain. A key focus area was collaboration around the highly anticipated Club Med Resort development in KwaZulu-Natal. This included a Global Senior Leadership introductory and training session led by South African Tourism in partnership with industry leaders, as well as training sessions for staff and distribution channel partners. Site inspections with key stakeholders were also conducted to strengthen alignment and collaboration.





In addition, South African Tourism established a strong working relationship with the Department of Home Affairs. One of the key joint activities was the rollout of visa facilitation workshops focused on the Electronic Travel Authorisation (ETA) and TTOS. These sessions were attended by a wide range of distribution channel partners, including tour operators, travel agents, airlines and media representatives, helping to improve industry understanding of the system and support travel facilitation efforts.

The Global Trade business unit also strengthened engagement with cruise industry stakeholders. A key milestone was the Interprovincial Cruise Workshop, hosted in partnership with Durban Tourism, which focused on improving coordination within the cruise sector and identifying collaborative opportunities to enhance the industry's contribution to tourism growth.

Furthermore, South African Tourism participated in the Africa Coastal Marine Tourism Trade Market, where South Africa Specialist and the work of the Grading Council were presented to attendees. South African Tourism further maintained an exhibition booth throughout the event, contributing to stakeholder engagement and destination visibility.



Programme 5: Tourist Experience

Outcome	Output	Output indicator	Audited actual performance 2023/2024	Audited actual performance 2024/2025	Planned annual target 2025/2026	Actual achievement 2025/2026	Deviation from planned target to actual achievement 2025/2026	Reasons for deviation
Outcome 2: Enhanced visitor experience and responsible tourism offerings	Enhanced visitor experience through quality assurance of tourism establishments	Number of graded establishments	4 668 graded establishments	4 586 graded establishments	4 500 graded establishments	4 544 graded establishments	Target exceeded as an additional 44 establishments were graded	A high number of establishments maintained their grading status.
	Product development and job creation through basic quality verification	Basic Quality Verification (BQV) Programme implemented	N/A	New indicator	Complete the BQV Programme in Gauteng	Completed the BQV Programme in Gauteng	None	None required
Outcome 1: Strengthened market position and tourism growth	Global trade equipped to better sell South Africa	Number of initiatives to equip global trade to better sell South Africa implemented	FY2023/24 Global Trade Plan was implemented, including additional activities	FY2024/25 Global Trade Plan was implemented	Implement two initiatives to equip global trade to better sell South Africa	Implemented five initiatives to equip global trade to better sell South Africa	Target exceeded as an additional three initiatives to equip global trade to better sell South Africa were implemented	Collaboration with industry partners.
	Promotion of increased air access for destination South Africa	Number of initiatives to support air access through the Tourism Route Development Marketing Plan implemented	N/A	New indicator	Implement four initiatives to support air access through the Tourism Route Development Marketing Plan	Implemented 11 initiatives to support air access through the Tourism Route Development Marketing Plan	Target exceeded as an additional seven initiatives to support air access through the Tourism Route Development Marketing Plan were implemented	Collaboration with industry partners.



5. LINKING PERFORMANCE WITH BUDGETS

Programme / activity / objective	2025/2026			2024/2025 RESTATED		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme 1: Corporate Support	203 595	123 665	79 930	225 336	212 697	12 639
Programme 2: Business Enablement	90 232	67 216	23 016	82 422	73 360	9 062
Programme 3: Leisure Tourism Marketing	705 858	724 599	(18 741)	774 736	773 805	931
Programme 4: Business Events	300 957	239 337	61 620	269 162	259 434	9 728
Programme 5: Tourist Experience	83 000	78 615	4 385	80 299	70 041	10 258
Total	1 383 642	1 233 433	150 209	1 431 955	1 389 337	42 618

6. REVENUE COLLECTION

Sources of revenue	2025/2026			2024/2025 Restated		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Government Grants & Subsidies	1 300 207	1 300 207	0	1 243 555	1 243 555	0
Grading Income	14 467	24 789	(10 322)	13 804	25 580	(11 776)
Interest Income	31 316	24 853	6 463	29 881	52 936	(23 055)
Sundry Income	37 652	73 196	(35 544)	65 809	113 136	(47 327)
Voluntary TOMSA Levy	0	0	0	108 787	0	108 787
Total	1 383 642	1 423 045	(39 403)	1 461 836	1 435 207	26 629

7. CAPITAL INVESTMENT

Infrastructure projects	2025/2026			2024/2025 Restated		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
None	0	0	0	0	0	0
Total	0	0	0	0	0	0





C



Governance



CONNECTED TO GROWTH:

DRIVING GROWTH THROUGH TOURISM
AND GLOBAL ENGAGEMENT

1. INTRODUCTION

Corporate governance is an important cornerstone in ensuring that a public entity is appropriately managed in discharging its mandate. The 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.

2. PORTFOLIO COMMITTEES

In exercising its oversight role, South African Tourism was required to report to Parliament as follows:

Date	Subject Matter
22 nd April 2025	Five-Year Strategic Plan 2025 - 2030 & FY2025/26 Annual Performance Plan
24 th June 2025	Progress made in addressing 2024 Audit Findings
15 th July 2025	FY2024/25 Quarter 4 Performance Report
14 th October 2025	FY2024/25 Annual Report
28 th October 2025	Contracts with Service Providers
4 th November 2025	Court Cases
18 th November 2025	Promoting Domestic Tourism
25 th November 2025	FY2025/26 Quarter 1 Performance Report
17 th February 2026	FY2025/26 Quarters 2 & 3 Performance Reports
10 th March 2026	Tourism Route Development Marketing Plan

Key issues raised by the Portfolio Committee included:

- Improved air connectivity should complement destination marketing to grow tourism including tourism in rural areas. Domestic airlift should be prioritised.
- Provinces should be supported to improve geographic spread of both international and domestic tourism.
- Dedicated programmes should be implemented in VTSDs.
- Domestic tourism should promote visits to heritage sites.
- Focus efforts on improving seasonality to ensure resilience of the tourism sector.
- Measure return on investment of global marketing campaigns.
- Enhance internal controls and risk management to ensure improved performance on financial and non-financial performance.

3. EXECUTIVE AUTHORITY

The following reports were tabled with the Executive Authority during the reporting period:

Date	Subject Matter
30 th April 2025	FY2024/25 Quarter 4 Performance Report
31 st May 2025	Draft FY2024/25 Annual Performance Report & Annual Financial Statements
30 th July 2025	FY2025/26 Quarter 1 Performance Report
30 th July 2025	End of Term Report 2020 - 2025
6 th August 2025	FY2025/26 Quarter 1 Tourism Masterplan Report
29 th September 2025	FY2024/25 Annual Report
30 th October 2025	Draft FY2026/27 Annual Performance Plan





Date	Subject Matter
30 th October 2025	FY2025/26 Quarter 2 Performance Report
7 th November 2025	FY2025/26 Quarter 2 Tourism Masterplan Report
29 th January 2026	FY2025/26 Quarter 3 Performance Report
29 th January 2026	Final FY2026/27 Annual Performance Plan
2 nd February 2026	FY2025/26 Quarter 3 Tourism Masterplan Report
30 th March 2026	Amended FY2026/27 Annual Performance Plan

The Executive Authority raised the following issues:

- Turnaround times for responses should be improved.
- To strengthen governance and improve audit outcomes, South African Tourism should prioritise key performance areas linked to internal controls, audit action implementation, and compliance with the PFMA. The momentum of Operation Clean Audit should be maintained, especially in dealing with the root causes of audit findings.

4. THE 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, always, ensures that the interests of the shareholder are promoted and protected and that the resources of the entity are properly managed for its intended purposes. The Board ensured full and ultimate accountability to the Minister of Tourism 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:	
	Role of the Chairperson
	Roles and responsibilities of the Board
	Frequency of meetings
	Quorum requirements
	Attendance of Board members
	Disclosure and conflicts of interests
	System of delegation to Management and the Board Committees
	Induction and training of Board members
	Evaluation





As per the Board Charter, the Board consists of a minimum of nine, and a maximum of 13, non-executive directors, who are 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:	
1.	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.
2.	Lead ethically and effectively by cultivating the characteristics of integrity, competence, fairness, transparency, accountability, and responsibility.
3.	Govern the ethics of the organisation by approving and overseeing the implementation of codes of conduct and ethics policies.
4.	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.
5.	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.
6.	Govern risk, information and technology in a way that supports the organisation in setting and achieving its strategic objectives.
7.	Ensure that the evaluation of its performance, committees, the Chairperson and individual members, supports continued improvement in its performance and effectiveness.
8..	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.
9.	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.
10.	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 CFO, COO, CAE, CMO and CCBO.
- Providing strategic direction for the Five-Year Strategic Plan 2025 - 2030 and FY2026/27 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.
- Improving the policy environment, as well as the internal control and audit environment.



Composition of the Board

The Minister of Tourism appointed the South African Tourism Board as follows:

Current Board								
Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	Number of Meetings Attended
Dr. Mzamo Masito	Chairperson of the Board	22 August 2025	Current	- University of Cape Town - PhD Business Science (Advertising & Behavioural Science) - Gordon Institute of Business Science – MBA, Dean's Merit List - University of Cape Town – Postgraduate Studies in Marketing & Management - University of Cape Town – Bachelor of Social Science (Statistics & Economics) - University of South Africa – Psychology I & II Supplementary Studies	- Strategic and Commercial Leadership - Business, Brand and Revenue Growth - People and Talent Development - Change and Transformation Leadership - Strategic Communication and Storytelling	- Advisory Board Member – Gordon Institute of Business Science (2014 – Present) - Advisory Board Member – Gautrain (2024 – Present)	- Human Capital, Remuneration, Social and Ethics Committee - Marketing, Commercial and Awards Committee	31
Kholeka Zama	Deputy Chairperson of the Board	22 August 2025	Current	- BCom Accounting Degree - BCompt Honours Degree - Chartered Accountant	- Audit and Financial Management - Management Accountant - Governance	Communicare Cape Town International Convention Centre	Audit and Risk Committee	29
Siobhan Leyden	Member	22 August 2025	Current	- Masters of Law (LLM) in Labour Law - Bachelor of Laws Degree (LLB)	Legal and Governance	- CCMA Board. - Director of Bluebird Pre-Primary School, NPC - Director of Siobhan Leyden Consulting (Pty) Ltd - Consultant and Director to the Retail Association of South Africa, NPC	Human Capital, Remuneration, Social and Ethics Committee	23

Current Board								
Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	Number of Meetings Attended
Dr. Shakir Jeeva	Member	22 August 2025	Current	- Bachelor of Business Science - Master of Commerce - MBA - PhD Business Administration	- Finance - FMCG Retail - Smart Metering and Grids - Commercial and Private Property - Hospitality and Tourism - Fintech	Kwantu Private Game Reserve	- Audit and Risk Committee - Marketing, Commercial and Awards Committee	17
Brian Mosehla	Member	22 August 2025	Current	Bachelor of Accounting Science (CA)	- Finance - Investment Banking - Corporate Finance - Audit and Tax - Trustee Membership	Mosomo Investment Holdings	- Human Capital, Remuneration, Social and Ethics Committee - Marketing, Commercial and Awards Committee - Audit and Risk Committee	25
Dr. Shamilla Chettiar	Member (Shareholder Representative)	22 August 2025	2 February 2026	- PhD Integrated Tourism Infrastructure Planning - M.Sc. Community Psychology - B.Sc. (Hon) Psychology - B.Sc. Psychology - Higher Diploma in Education	- Public Sector Leadership - Tourism Infrastructure Development - Strategy, Policy Development and Implementation - Project Management	None	- Human Capital, Remuneration, Social and Ethics Committee - Marketing, Commercial and Awards Committee - Audit and Risk Committee	24
Tasneem Carrim	Member (Shareholder Representative)	2 February 2026	Current	BA Honours in Industrial Sociology	- Behaviour Change - Crisis Leadership - Strategic Communication and Institutional Reform - Capability Building and Organisational Leadership	Trustee – Pretoria Legacy Foundation	- Human Capital, Remuneration, Social and Ethics Committee - Marketing, Commercial and Awards Committee - Audit and Risk Committee	4

Former Board							
Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams
Ikaneng Pilane	Member	8 March 2024	22 August 2025	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
Ayanda Mazibuko	Member	8 March 2024	22 August 2025	- Hospitality Leadership Short Course - Management Development - Hospitality Management	Tourism	Board Member: Cape Town Tourism	- TGCSA Awards - Marketing and Commercial Committee
Professor Gregory Davids	Board Chairperson	8 March 2024	30 July 2025	- 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

Former Board								
Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	Number of Meetings Attended
Maija de Rijk-Uys	Member	8 March 2024	22 August 2025	UNISA BCompt Honours	Tourism	None	- TGCSA Awards - Marketing and Commercial Committee	11
Uveshnee Pillay	Shareholder Representative	8 March 2024	22 August 2025	- ND: Tourism Management - MBA - Tourism	Tourism	None	- TGCSA Awards Committee - Human Capital and Remuneration Committee	4
Judi Nokwedi	Member	27 September 2024	22 August 2025	- 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	14
Jonathan Gadiah	Member	27 September 2024	22 August 2025	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	4
Tumelo Selikane	Member	27 September 2024	22 August 2025	- 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	8

Former Board							
Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams
Nozipho Rachel Nxele	Member	27 September 2024	22 August 2025	- 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 - 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
Miller Matola	Member	27 September 2024	22 August 2025	- Post-Graduate 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

Number of Meetings Attended

18

11

Former Board								
Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	Number of Meetings Attended
Lawson Naidoo	Member	27 September 2024	22 August 2025	- LLM - Cambridge University, Girton College - LLB – Southampton University	- Law - Corporate Governance and Compliance	- Chairperson Board of Cricket South Africa - International Cricket Council	- Audit and Risk Committee - Human Capital and Remuneration Committee	11
Sizakele Mzimela	Member	27 September 2024	16 May 2025	- 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	4
Nombulelo Guliwe	Chief Executive Officer	01 March 2024	Current	- Chartered Accountant - Bachelor Honours Degree in Accounting (CTA)	- Supply Chain Management - Finance and Accounting	None	None	14

Former Board								
Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	Number of Meetings Attended
Takalani Ramovha	Acting Chief Financial Officer	30 October 2025	31 December 2025	• 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 • Finance • Chartered FCIPS	• None	• None	13
Lorato Sithole	Chief Financial Officer	01 January 2026	Current	• Chartered Accountant • Master's Degree in Business Leadership • Bachelor of Commerce (Honours) • Bachelor of Commerce	• Organisational Leadership • Governance and Financial Management	• None	• None	5



Committees

Committee	Number of Meetings Held	Number of Members	Name of Members
Audit and Risk Committee (ARCO)	***11	5	Former: *Siza Mzimela *Rachel Nxele *Lawson Naidoo *Jonathan Gadiah *Miller Matola
		4	Current: **Kholeka Zama **Brian Mosehla **Dr. Shakir Jeeva **Tasneem Carrim #Dr. Shamilla Chettiar
Human Capital, Remuneration, Social and Ethics Committee (HCREMSEC)	***8	5	Former: * Judi Nokwedi * Siza Mzimela * Miller Matola * Lawson Naidoo * Uveshnee Pillay
		4	Current: **Siobhan Leyden **Brian Mosehla **Dr. Mzamo Masito **Tasneem Carrim #Dr Shamilla Chettiar
Marketing, Commercial and Awards Committee (MARCOM/MARCACOM)	***4	5	Former: *Ikaneng Pilane *Maija de Rijk Uys *Ayanda Mazibuko *Tumelo Selikane *Uveshnee Pillay
		4	Current: **Dr. Shakir Jeeva **Dr. Mzamo Masito **Brian Mosehla **Tasneem Carrim #Dr. Shamilla Chettiar
Tourism Grading Council of South Africa Committee (TGCSA Awards)	***2	4	Former: *Ayanda Mazibuko *Ikaneng Pilane *Maija de Rijk Uys * Uveshnee Pillay

*Former ARCO/HCREMCO/MARCOM/ MARCACOM/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.

#Former on Current ARCO/HCREMSEC/MARCACOM





Remuneration of Board Members

Name	Remuneration	Other Allowance	Other Re-imbursements	Total
Current Board				
Dr Mzamo Masito	146 718.00	0	0	146 718.00
Kholeka Zama	108 976.00	0	0	108 976.00
Dr. Shakir Jeeva	45 866.00	0	0	45 866.00
Siobhan Leyden	62 054.00	0	0	62 054.00
Brian Mosehla	64 752.00	0	0	64 752.00
**Dr. Shamilla Chettiar	0	0	0	0
**Tasneem Carrim	0	0	0	0
Former Board				
Professor Gregory Davids	102 258.00	0	0	102 258.00
Ikaneng Pilane	191 558.00	0	0	191 558.00
Maija de Rijk Uys	59 356.00	0	0	59 356.00
Judi Nokwedi	75 544.00	0	0	75 544.00
Jonathan Gadiah	29 678.00	0	0	29 678.00
Nozipho Rachel Nxele	75 544.00	0	0	75 544.00
Tumelo Selikane	45 866.00	0	0	45 866.00
Miller Matola	94 430.00	0	0	94 430.00
Lawson Naidoo	51 262.00	0	0	51 262.00
Sizakele Mzimela	35 074.00	0	0	35 074.00
*Ayanda Mazibuko	0	0	0	0
**Uveshnee Pillay	0	0	0	0

* Board member requested not to be paid board fees.

** Shareholder Representative.





5. RISK MANAGEMENT

RISK CULTURE AND CAPACITY

South African Tourism maintained an effective system of risk management during the financial year under review. Strategic and operational risks were identified, assessed and monitored in accordance with the entity's approved Risk Management Policy and Risk Framework. During FY2025/26 a formal risk maturity assessment was not undertaken as management focused on implementing recommendations arising from prior years' maturity assessments to enhance the effectiveness and integration of risk management processes across the entity.

South African Tourism established a dedicated risk management function within the Governance, Risk, Compliance and Company Secretariat Business Unit. This function is responsible for embedding a risk aware and intelligent culture by ensuring adherence to the Risk Management Policy and Framework across the entity.

RISK MANAGEMENT DOCUMENTATION

The entity has an approved Enterprise Risk Management Framework and Policy aligned to ISO 31000 Risk Management Standard, the King IV Report on Corporate Governance and PFMA that guides the risk management processes. The framework establishes the methodology, structures, processes, and implementation requirements through which risk management is applied consistently across the entity. The Risk Management Framework and Policy are further supported by a comprehensive annual risk implementation plan which outlines key risk management activities, responsibilities, and timelines planned for the financial year.

During the period under review the Risk Appetite and Tolerance Framework was reviewed and will be finalised for approval during FY2026/27. The framework defines acceptable levels of risk, escalation thresholds, boundaries for decision-making and alignment with entity's strategy and public sector requirements.

RISK ASSESSMENTS

South African Tourism applies a standardised and continuous risk assessment process at both strategic and operational levels, to ensure that risks are identified, assessed, treated, monitored, reviewed, and reported in a consistent and systematic manner across the entity. This process includes communication and consultation, establishing the context, risk identification, risk analysis, risk evaluation, risk treatment, monitoring and review, and reporting on risk exposure and management action. Risks are formally assessed annually, supplemented by quarterly risk reviews to uphold the relevance and comprehensive implementation of organisational risk management processes. Continuous environmental scanning is also undertaken to identify emerging risks that might affect the achievement of the set objectives.

RISK GOVERNANCE

The Board, as the Accounting Authority, maintained a rigorous oversight role on governance, compliance, and enterprise risk management. This oversight ensured adherence to the PFMA and reinforced the application of King IV principles, particularly in relation to risk governance, ethical leadership, and accountability. To support the execution of its oversight responsibilities, the Board established the ARCO. The Committee assists the Board in overseeing the effectiveness of the overall risk management system, ensuring that material risks and opportunities that may impact the entity are identified, evaluated, effectively managed, and reported in a timely manner. The ARCO convened at least four times during the financial year under review on a quarterly basis, to evaluate the entity's risk profile, review mitigation progress and consider emerging risks, with additional meetings held as required.





INTERNAL CONTROL ENVIRONMENT

The Internal Audit Function provided independent assurance on the adequacy, and the effectiveness of the controls and risk management processes. During the period under review, gaps were identified in the entity's risk management system. However, a roadmap to address the gaps was developed and implemented accordingly. Additionally, the ARCO provided effective oversight on risk management and the entity's control environment. Furthermore, a Combined Assurance Framework was developed to assist with strengthening the control environment.

RISK MONITORING

South African Tourism's risk maturity level is low, and therefore the progress in the management of risks has not fully transmitted into improvements in the entity's performance. The entity has developed a comprehensive risk management implementation plan to address the gap. Furthermore, the organisation's risk landscape is continuously monitored so that risks that impact our strategic objectives are proactively identified and consistently managed. By doing so, South African Tourism ensures that appropriate structures and plans are in place to treat these risks and respond to, and recover from, incidents that could threaten the entity's ability to achieve its mandate.

SOUTH AFRICAN TOURISM'S KEY RISKS

South African Tourism applies a standardised and continuous risk management process to proactively identify, assess and monitor risks it faces in a consistent manner across the entity using the approved risk management framework.

The key strategic risks identified were as follows:

Strategic Outcome	Key Risks	Risk Mitigations
Strengthened market position and tourism growth	Global economic volatility: Economic downturns, inflation, and currency fluctuations may impact tourism spend and travel budgets, affecting growth targets. Limited budget and resources: Budget constraints and resource limitations may hinder effective marketing and brand-building efforts. Increased competition: Competing destinations, both in Africa and globally, are enhancing their tourism offerings, creating intense competition for market share. Travel barriers: Air connectivity issues, travel restrictions, and complex visa processes may reduce tourist arrivals from key markets.	Use the MPIF Framework to prioritise high-impact marketing activities in defend and growth markets, ensuring efficient use of limited resources. Emphasise South Africa's unique tourism experiences, leveraging sustainability and community-based tourism as differentiators. Continuously innovate brand messaging to maintain market appeal. Work closely with airlines to enhance direct connectivity. Advocate for policy reforms to streamline visa processes and improve ease of travel to South Africa.
Enhanced visitor experience and responsible tourism offerings	Safety and security concerns: Issues around crime, social unrest, and health risks could negatively impact the visitor experience and South Africa's brand image. Operational inefficiencies: Delays in service delivery, inconsistent tourism standards, and poor infrastructure may reduce visitor satisfaction and competitiveness. Limited capacity for responsible tourism initiatives: Insufficient investment in sustainable and community-based tourism can limit the appeal for eco-conscious travellers and responsible tourism growth.	Implement proactive communication strategies to manage perceptions and promote positive narratives. Improve tourism grading criteria through the TGCSA and ensure consistent service standards across the sector. Support responsible tourism practices for local businesses. Promote experiences that align with global sustainability trends, like nature reserves, cultural heritage sites, and eco-friendly accommodation.





Strategic Outcome	Key Risks	Risk Mitigations
Insights-led sector thought leadership and advocacy	Data gaps and lack of timely market insights: Insufficient or outdated data on market trends, visitor behaviour, and sector performance may limit South African Tourism's ability to make informed decisions and advocate effectively. Fragmented stakeholder coordination: Inconsistent collaboration and communication among stakeholders, including government departments and private partners, may hinder policy advocacy and market growth.	Implement advanced data management systems for real-time analytics, improving market insights and enabling agile decision-making. Develop partnerships with research institutions and data providers for comprehensive sector intelligence. Establish regular communication forums and collaborative platforms to ensure coherent brand advocacy.
Organisational excellence and a high-performance culture	Skills gaps and talent retention challenges: Insufficient skills in key areas, such as digital marketing, technology use, and data analytics, may hinder organisational performance. Retaining high-performing staff can be difficult in a competitive talent market. Governance and process inefficiencies: Outdated internal systems, fragmented workflows, and delayed decision-making may affect operational efficiency and delivery against strategic objectives. Limited technological integration: Low adoption of digital tools and outdated ICT infrastructure limit operational capacity and hinder effective service delivery.	Implement comprehensive training programmes for staff development in key skills areas. Develop a culture of recognition, inclusion, and development to enhance staff retention and build a diverse talent pipeline. Review and optimise internal processes to enhance agility and efficiency. Develop clear performance management systems and implement best practices in governance. Invest in upgrading ICT systems and integrating digital solutions across all operations to improve efficiency and enhance service delivery. Adopt digital collaboration tools and data-driven decision-making platforms to build a high-performance culture. Review and optimise internal processes to enhance agility and efficiency.

The detailed South African Tourism Strategic Risk Register was reviewed monthly by ExCo and quarterly at the ARCO meetings.

6. INTERNAL AUDIT AND CONTROL UNIT

Purpose and Mandate

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 Internal Audit function enhances South African Tourism's:	
	Successful achievement of its objectives.
	Governance, risk management, and control processes.
	Decision-making and oversight.
	Reputation and credibility with its stakeholders.
	Ability to serve the public interest.





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 Board of South African Tourism with a written assessment regarding the effectiveness of the system of internal control and risk management.

South African Tourism's Internal Audit function complies with PFMA and National Treasury Internal Audit Framework and the Global Internal Audit Standards in all aspects.

Strategy of the Internal Audit Function

Internal Audit developed a five-year strategy which is linked to the organisation's strategic objectives. This multi-year strategy is an actionable plan that focuses on risk-based coverage, stakeholder expectations, and value creation. It includes a vision, strategic objectives, and initiatives, such as adopting technology and upskilling talent, to proactively manage evolving risks.

Charter, Methodology and Internal Audit Plans

Internal Audit developed a charter which is mandatory that defines Internal Audit activities purpose, authority, responsibility, and position within the organisation. Internal Audit has an approved methodology which is a structured step by step framework for planning, fieldwork, reporting and follow-up that ensures consistency. Internal Audit developed an annual plan and a three year- rolling plan which are a risk-based plans, that are approved by the Board.

Independence and Objectivity

The Chief Audit Executive (CAE) is positioned at a level in the organisation that enables Internal Audit services and responsibilities to be performed without interference from management, thereby establishing the independence of the Internal Audit function. The CAE reports functionally to the ARCO and Board and administratively to the CEO. This positioning provides the organisational authority and status to bring matters directly to senior management and escalate matters to the Board, when necessary, without interference and supports the internal auditors' ability to maintain objectivity.

The CAE ensures that the Internal Audit function remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. If the CAE determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others, either in fact or appearance.

Internal Audit Modality

South African Tourism's Internal Audit function has adopted a structured and systemic approach to evaluate and improve the organisation's risk management, control, and governance processes. It is an independent, objective assurance and consulting activity designed to add value and enhance operational efficiency.

Core components of Internal Audit modality include:

- **Internal Audit Methodology:** A structured step-by-step framework for planning, fieldwork, reporting and follow-up that ensures consistency.
- **Risk-Based Approach:** South African Tourism's Internal Audit function adopted a risk-based approach as required by the National Treasury Regulations, PFMA and the Global Internal Audit Standards. It focuses audit resources on the most significant areas of risk to the organisation.





- **Independence and Objectivity:** The function reports functionally to the ARCO and administratively to the CEO, to ensure that it remains free from operational inference.
- The key modalities of South African Tourism's Internal Audit are Operational Audits, Compliance Audits, Financial Audits, ICT Audits, Strategic, and Performance Audits.

Staffing

Internal Audit is capacitated with resources that are knowledgeable and competent, with a wide range of experience to ensure that assurance and advisory work are performed in alignment with the organisation's expectations and in conformance with the accepted principles and standards.

Quality Assurance and Improvement Programme

- Internal Audit has developed, implemented, and maintained a quality assurance and improvement programme that covers all aspects of the Internal Audit function. The programme includes external and internal assessments of the Internal Audit function's conformance with the Global Internal Audit Standards, as well as performance measurement to assess the Internal Audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The programme also assesses, if applicable, compliance with laws and/or regulations relevant to internal auditing. Also, if applicable, the assessment includes plans to address the Internal Audit function's deficiencies and opportunities for improvement.
- Annually, the CAE communicates with the Board and senior management about the Internal Audit function's quality assurance and improvement programme, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments. External assessments are conducted at least once every five years by a qualified, independent assessor or assessment team. The last external assessment was conducted in 2024 with the overall results of General Conformance with the internal audit standards. "Generally Conforms" is the top rating and means that the relevant structures, policies, and procedures of the function, as well as the processes by which they are applied, comply with the requirements of the individual standard or element of the Code of Ethics in all material respects.

Stakeholder Relationships

Internal Audit reports quarterly to the Board and senior management regarding the:

- Internal Audit function's mandate.
- Internal Audit plan and performance relative to its plan.
- Internal Audit budget.
- Significant revisions to the Internal Audit plan and budget.
- Potential impairments to independence, including relevant disclosures as applicable.
- Results from the quality assurance and improvement programme, which include the Internal Audit function's conformance with the Institute of Internal Auditors' Global Internal Audit Standards and action plans to address the Internal Audit function's deficiencies and opportunities for improvement.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the Board.
- Results of assurance and advisory services.
- Resource requirements.



- Management's responses to risks that the Internal Audit function may determine unacceptable or acceptance of a risk that is beyond South African Tourism's risk appetite.

Combined Assurance

Internal Audit co-ordinates with other assurance providers within the organisation to map, align and optimise risk coverage. As a key component of the third line of assurance, Internal Audit helps reduce duplication of efforts, close assurance gaps, and provides independent, objective assurance to management and the Board.

Value Add of Internal Audit

The Internal Audit business unit adds value to the organisation by providing independent assurance that the organisation's risk management, governance, and internal control processes are effective. It improves operations by identifying efficiencies, fostering compliance, protecting assets, and offering strategic insights as a trusted advisor to management, helping to ensure that objectives are achieved.

Key Activities During the Reporting Period

Internal audit concluded the following during the reporting period:

PART A: Combined Assurance 	Part B: Internal Audit Work Completed 	Part C: Investigations and Related Reviews 
Combined Assurance Universe	• Brand and Marketing Review • Global PR and Communications Review • Finance Processes Review • Human Capital Review including Payroll and Leave Management • Campaigns and Projects Review • ICT Follow Up Audits (User Access Management, ICT Cyber Security) • Africa's Travel Indaba 2025 • ICT Microsoft Migration • Warehouse Management • Contract Management, MOUs and Partnership Agreements Review • Meetings Africa 2026 Review • Assets Management Review • Performance Information Audit for Quarters 1 - 4 • Supply Chain Management Review • Corrective Action Tracking for Quarters 1 - 4 • External Quality Assurance Review Implementation Quarters 1 - 4	• Corruption: Alleged Corruption (Employee benefitting from service providers) • Corruption: Alleged Corruption (Employee making payments to a friend) • Possible Fraud: Service provider paid for the services that was out of scope of contract • SCM Probity Assessments • Human Capital Leave Pay-Out Reviews • Assessments of Wasteful, Fruitless and Irregular Expenditures - Three assessments were completed



Audits Rolled Over

Internal Audit conducted and concluded 37 audits out of 40 planned audits. Three audits that were planned could not be conducted for operational reasons outside of Internal Audit business unit's control. No audits were rolled over to the FY2026/27.

Ad Hoc Projects

Apart from the planned audits, Internal Audit conducted various ad-hoc projects for the period FY2025/26 which includes review of leave payouts, cost of living adjustments and assessments of wasteful, fruitless and irregular expenditures.

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.

Status of Audit Findings

The status of audit findings are as follows:

	Number of Findings	Total Number of Findings Addressed	Total Number of Findings Not Yet Due	Total Number of Findings Not Addressed	Number of Recurring Findings: Last 3 Financial Years
Internal Audit Findings	135	131	0	4	6
AGSA Findings	44	42	0	2	5

Limitations to the Activities and Objectives of the Internal Audit Function

The Internal Audit function reports functionally to the ARCO and the Board, and administratively to the CEO. For FY2025/26, the Internal Audit business unit did not encounter any limitations affecting its activities, independence, or objectivity. There were no restrictions imposed by management regarding the scope of reviews, and access to information was not limited.

In terms of the approved Internal Audit Plan, the business unit conducted and concluded 37 out of 40 planned audits during the period under review. Three planned audits relating to country offices could not be conducted due to operational challenges that were beyond the control of the Internal Audit business unit.

Overall opinion

Based on the outcomes of audit engagements, consultancy services provided, and reports reviewed on governance, risk management, and internal controls (both financial and non-financial), the overall Internal Audit opinion is that South African Tourism's control environment requires improvement in all significant respects, with the exception of performance information which has been satisfactory over the past three financial years.





7. AUDIT AND 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 FY2025/26:

- FY2024/25 Annual Report.
- FY2025/26 Annual Performance Plan through Quarterly Non-Financial Performance Reports.
- FY2025/26 Annual Procurement Plan.
- Adjusted Audited Financial Statements.
- Materiality Irregularity submission.
- Retention and/or surplus of funds.
- Prepayments.
- Africa's Travel Indaba and Meetings Africa EMC.
- Quarterly Financial Reports.
- Quarterly Internal Audit Reports, Strategies, Frameworks and Plans.
- Amended Delegations of Authority.
- Quarterly Risk Management Reports, Policies and Frameworks.
- Quarterly ICT & DigiTech Reports.
- Quarterly updates on the entity's Litigation and Contingency Liability Register.
- Five-Year Strategic Plan 2025 - 2030.
- Annual Performance Plan for FY2026/27.
- Recommendations from the Bid Adjudication Committee.





Composition of the Audit Committee and Meeting Attendance

The table below discloses relevant information on the ARCO members:

Name	Qualifications	Internal or External	If internal, Position in the Public entity	Date Appointed	Date Resigned/ Retired/ Dismissed	Number of Meetings Attended
Former Board						
Sizakele Mzimela	- BA (Economics and Statistics) – University of Swaziland - Certificate in Management – Henley College - Transnet Development Programme, GIBS	External	N/A	27 September 2024	16 May 2025	1
Nozipho 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 September 2024	22 August 2025	6
Lawson Naidoo	- LLM – Cambridge University, Girton College - LLB – Southampton University	External	N/A	27 September 2024	22 August 2025	6
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 September 2024	22 August 2025	6
Jonathan Gadiab	Management Development Programme – Durban University of Technology	External	N/A	27 September 2024	22 August 2025	1





Name	Qualifications	Internal or External	If internal, Position in the Public entity	Date Appointed	Date Resigned/ Retired/ Dismissed	Number of Meetings Attended
Current Board						
Kholeka Zama	- Chartered Accountant - BCompt Honours Degree - BCom Accounting Degree	External	N/A	22 August 2025	N/A	6
Dr. Shakir Jeeva	- Bachelor of Business Science - Master of Commerce - MBA - PhD Business Administration	External	N/A	22 August 2025	N/A	5
Brian Mosehla	Bachelor of Accounting Science (CA)	External	N/A	22 August 2025	N/A	4

Remuneration of Audit Committee members

- R2 896 rate per meeting and R3 892 for Deputy Chairperson.
- ARCO members who worked or are working for an organ of state are not remunerated.
- Total ARCO expenditure for the reporting period was R107 336 for meeting attendance.

8. COMPLIANCE WITH LAWS AND REGULATIONS

No material instances of systemic non-compliance were reported during the year.

9. FRAUD AND CORRUPTION

Management has implemented an Anti-Fraud Policy and Plan, as well as an Ethics Policy, which outline the way fraud and unethical conduct are managed within the organisation. The organisation has also established a Fraud and Ethics Hotline, managed by Vuvuzela, through which all fraud and ethics-related cases are reported.

Internal Audit is responsible for managing the Fraud and Ethics Hotline and conducting investigations into reported allegations. Upon completion of investigations, final reports are submitted to management and the Board for the implementation of recommended corrective actions arising from the investigation outcomes.

During FY2025/26, two cases of alleged corruption were reported through the hotline. Both cases have since been referred to management for further action. In addition, one case identified through an Internal Audit assessment and review relating to possible fraud is currently still under investigation.





10. 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 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 a yearly basis through the use of the computer-assisted audit techniques, and no conflict was identified in this process.

11. CODE OF CONDUCT

The Code of Conduct, as well as the Disciplinary Code and Procedure, were reviewed and approved by the Board. The Human Capital business unit continued to monitor adherence to the Code of Conduct.

12. HEALTH SAFETY AND 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, No. 85 of 1993 (OHS Act).

South African Tourism has a representative in terms of section 16(1) and 16(2) of the Act. In the year under review, nominated employees representing different business units underwent a debriefing as health and safety representatives, emergency evacuation, firefighting training courses as well as emergency first-aid level 1-3 courses. The cohort which attended training received their certificates of competency, enabling them to perform emergency procedures should the need arise. All the trained employees are serving as first-aiders and health and safety representatives in terms of the Act.

In FY2025/26, South African Tourism undertook due diligence on occupational health and safety in South African Tourism at the head office and the countries in which it operates. All recommendations have been implemented and risks mitigated including continuous improvements on the overall workplace health and safety measures. Compliance on occupational health and safety is aimed at:

- Providing and maintaining a healthy and safe workplace for all employees.
- Conducting activities in an environmentally friendly manner to ensure the health and safety of people in the organisation's vicinity.
- Preventing personal injury and protecting the health of employees and others on the premises, in compliance with the requirements of the Compensation for Occupational Injuries and Diseases Act, No. 130 of 1993.
- 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 are aware that they are responsible 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 occupational health and safety within its scope of operations.

13. 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.

14. SOCIAL RESPONSIBILITY

South African Tourism revised its Corporate Social Investment (CSI) Standard Operating Procedure during FY2025/26 to widen its scope. The standard operating procedure is aligned to the ERRP, TSMP, NDP and the B-BBEE Act which provide guidance on the implementation of impactful CSI initiatives. The CSI Committee was established, and the CSI Terms of Reference was adopted. An application form, evaluation criteria and assessment form were drafted and will be finalised in the new fiscal. South African Tourism implemented one social responsibility initiative during FY2025/26. The initiative focussed on a revenue-generating project for a school for blind children based in Pretoria, Gauteng. South African Tourism is committed to being a responsible corporate citizen by fostering inclusive growth, environmental sustainability and community empowerment.

15. AUDIT AND RISK COMMITTEE REPORT

PART 1: ANNUAL REPORT HIGHLIGHTS – AUDIT AND RISK COMMITTEE REFLECTION FOR FY2025/26

1. INTRODUCTION

The Audit and Risk Committee (ARCO) is pleased to present its reflection on the organisation's governance, risk management, internal control environment, compliance, and assurance processes for the financial year ended 31 March 2026.

The Committee executed its responsibilities in accordance with its approved Terms of Reference, the Public Finance Management Act (PFMA), Treasury Regulations, and King IV principles of good governance. Throughout the year, the Committee maintained oversight over financial reporting, performance information, risk management, internal audit, ICT governance, compliance, and combined assurance processes.

The Committee is satisfied that the organisation continued to strengthen its governance environment and institutional controls during FY2025/26, while acknowledging areas requiring continued improvement following observations raised by the Auditor-General South Africa (AGSA) in the prior year's audit outcome.





PART 2. COMPOSITION OF THE COMMITTEE, GOVERNANCE AND EFFECTIVENESS

The Committee confirms that all members are independent non-executive members, as contemplated in applicable governance standards and relevant legislation. The Chairperson of the Committee is an independent member and was appointed by the Board in accordance with the applicable governance requirements.

The Committee further confirms that its members, collectively, possess the requisite financial literacy, skills and experience to enable the Committee to discharge its responsibilities effectively. This includes an appropriate understanding of financial reporting, internal control, risk management and auditing.

In assessing its effectiveness, the Committee notes that the formal annual performance evaluation for FY2025/26 is scheduled for conclusion shortly. Based on its oversight activities during the year, including the level of attendance at meetings and the quality of deliberations, the Committee is satisfied that it has discharged its statutory and governance responsibilities for the period under review.

PART 3. AUDIT COMMITTEE FOCUS AREAS

3.1 Effectiveness of Internal Control Systems

The Committee has reviewed the effectiveness of the system of internal control in respect of financial reporting, performance reporting and compliance with laws and regulations. Based on the information and explanations provided by Management, Internal Audit and the Auditor-General South Africa, and on the Committee's oversight work during the year, nothing has come to the attention of the Committee to indicate that the system of internal financial controls was not effective in all material respects.

The Committee considered progress made in addressing matters previously reported by AGSA, including findings relating to internal financial and performance controls and the management of irregular, fruitless and wasteful expenditure.

The Committee noted that Management continued to implement corrective actions during the year to strengthen the control environment, including the following:

- Financial controls.
- Procurement and contract management controls.
- Record management practices.
- Monitoring and reporting controls.
- Audit action plan implementation.
- Compliance oversight and accountability mechanisms.

The Committee is satisfied that appropriate processes were in place to support a sound system of internal control. The Committee, however, noted that continued improvement is required in certain areas, particularly procurement administration, supporting documentation and contract management, which will continue to receive focused management attention and monitoring.

3.2 Effectiveness of The Internal Audit Function

The Internal Audit function operated in accordance with a risk-based internal audit plan approved by the Committee, which is aligned to the organisation's key strategic and operational risks.





The Internal Audit function continued to provide independent and objective assurance to the Committee and the Board throughout FY2025/26. The Committee noted improvements in the execution of the approved internal audit plan, quarterly reporting, audit tracking and assurance coordination.

Internal Audit provided assurance over key operational, financial, governance, ICT, procurement, and performance management processes, while also supporting oversight over the implementation of management action plans.

During the year, the organisation strengthened the Internal Audit function through the appointment of a Chief Audit Executive (CAE), which enhanced leadership, coordination of assurance activities, and alignment with global internal audit standards.

The Committee is satisfied that the Internal Audit function remains independent, adequately positioned, and effective in discharging its responsibilities..

3.3 Effectiveness of Risk Management

The Committee is satisfied that risk management processes are effective and continue to improve in maturity, and that appropriate systems are in place to identify, assess, manage, and monitor key organisational risks on an ongoing basis.

The Committee reviewed the following elements of the risk management process during the year:

- Quarterly risk assessments and reporting.
- Integration of risk management into operational planning.
- Monitoring of strategic and emerging risks.
- Improved risk reporting and escalation processes.

The Committee considered the key risks facing the organisation, including procurement and contract management, cybersecurity and ICT, reputation, litigation exposure, capacity constraints, and compliance and audit risks.

The Committee noted that management continued to implement mitigation strategies to address identified risks and strengthen organisational resilience.

3.4 Adequacy and Reliability of Financial and Performance Information

The Committee reviewed the quality, adequacy, and reliability of financial and non-financial performance information submitted throughout the year, including the implications of the audit qualification relating to accumulated surplus and the prior-period error note.

The legislated monthly and quarterly reports submitted in terms of the PFMA were consistently reviewed by the Committee and were found to be materially reliable and aligned with reporting requirements.

The Committee further noted improvements in the integration of financial and performance reporting processes, supported by strengthened oversight and assurance reviews.

The organisation strengthened financial leadership and strategic performance management capacity during the year through:





- The appointment of a Chief Financial Officer (CFO).
- Enhanced alignment between financial planning, budgeting, and organisational performance monitoring.

The Committee believes these interventions contributed positively towards improving accountability, reporting quality, and financial governance.

With regard to annual performance reporting, the Committee noted the positive audit outcome on the selected programme, Programme 3: Leisure Tourism Marketing. The programme achieved or exceeded all planned targets, and no material misstatements were identified in the annual performance report.

The Committee further noted the strengthening of organisational leadership capacity during the year through key executive appointments, including:

- Chief Financial Officer (CFO).
- Chief Convention Bureau Officer (CCBO).
- Chief Marketing Officer (CMO).
- Chief Operating Officer (COO).
- Chief Audit Executive (CAE).
- General Manager: Human Capital.
- General Manager: ICT.

These appointments contributed positively towards organisational stability, operational oversight, strategic execution, and governance enhancement.

The Committee particularly welcomed the appointment of the GM: ICT, noting the strategic focus placed on digital transformation and modernisation of organisational systems and processes.

3.5 Adequacy and Effectiveness of ICT Governance

The Committee is satisfied that ICT governance improved significantly during FY2025/26.

Key achievements included:

- Cloud migration to Microsoft Azure.
- Implementation of multi-factor authentication.
- Strengthening of cybersecurity controls.
- Closure of ICT-related audit findings.
- Improvements in disaster recovery and backup processes.
- Progress towards implementation of integrated HR and payroll systems.

The appointment of the GM: ICT further strengthened ICT governance leadership and supported the organisation's strategic objective of digitising operations and modernising internal systems.





The Committee will continue overseeing the implementation of digital transformation initiatives and cybersecurity resilience measures.

3.6 Accounting and Auditing Concerns Identified

The Committee monitored accounting and auditing matters raised by both Internal Audit and AGSA throughout the year.

The following concerns continued to receive focused oversight attention:

- Recurring procurement and contract management findings.
- Delays in implementation of agreed audit action plans.
- Record management weaknesses.
- Supporting documentation deficiencies.
- Compliance monitoring gaps.
- Administrative inefficiencies impacting financial processes.

While progress was noted in addressing several findings, the Committee emphasised the need for sustained management focus to prevent recurrence of repeat findings and strengthen preventative controls.

The Committee noted that the main basis for the audit qualification related to unresolved limitations concerning accumulated surplus and the prior-period error note. Although management addressed prior-year qualifications relating to trade payables from exchange transactions and the cash flow statement, the audit team could not obtain sufficient audit evidence to confirm all historical adjustments recorded through accumulated surplus or the completeness and accuracy of the disclosures relating to prior-period errors.

3.7 Compliance with Legal and Regulatory Provisions

The Committee monitored compliance with applicable legislation, regulations, policies, and governance frameworks throughout the year.

The Committee is satisfied that the organisation remained materially compliant with relevant legal and regulatory requirements, including:

- Public Finance Management Act (PFMA).
- Treasury Regulations.
- Corporate governance requirements.
- Internal governance frameworks and delegated authorities.

No material instances of systemic non-compliance were reported during the year.

The Committee noted a material irregularity involving a non-compliant upfront supplier payment, tracked management and Board responses, noted policy/control improvements and consequence management, and will continue monitoring preventative controls.





The Audit Committee further notes the ongoing SIU investigation, authorised by Proclamation 297 of 2025, into alleged irregularities in procuring media buying services and payments for services not rendered. The Committee will monitor progress through management updates and ensure South African Tourism fully cooperates with the SIU.

3.8 The Quality of Monthly/Quarterly Reports

The Committee is satisfied that the in-year management reports, including the monthly and quarterly financial and performance reports submitted in terms of the Public Finance Management Act (PFMA), were prepared timeously and were of a satisfactory quality to support oversight, accountability, and decision-making processes.

These reports were regularly submitted to the Accounting Authority, Executive Management, and relevant oversight structures, including the Portfolio Committee, in compliance with legislative and governance requirements.

3.9 Combined Assurance

The Committee continued overseeing the implementation of the approved Combined Assurance Framework during FY2025/26.

The framework strengthened coordination between:

- Management.
- Internal Audit.
- Risk Management.
- Compliance.
- External Audit.
- Other assurance providers.

The Committee noted improved alignment of assurance activities, reduced duplication, and enhanced visibility over organisational risks and controls..

3.10 Annual Financial Statements and IFWE Assessment

The Committee reviewed the Annual Financial Statements for FY2025/26 and considered the appropriateness of the accounting policies applied, significant accounting matters and disclosures, and the basis on which the financial statements were prepared.

In reflecting on the previous financial year's AGSA assessment relating to Internal Financial and Performance Control Weaknesses and Irregular, Fruitless and Wasteful Expenditure (IFWE), the Committee noted AGSA's recommendations aimed at strengthening governance, accountability, financial management discipline, and compliance processes within the organisation.





Key areas of focus included the following:

- Ensure that all cases of alleged IFWE are assessed, investigated, and concluded within prescribed regulatory timeframes;
- Maintain clear and complete documentation evidencing the formal reporting date of alleged IFWE matters, as this triggers the applicable assessment timelines;
- Engage National Treasury timeously regarding disputes, condonation matters, or approved departures where required.

The Committee noted management's ongoing efforts to strengthen IFWE management processes, improve documentation controls, enhance monitoring mechanisms, and reinforce accountability processes.

The Committee further noted the importance of accurate, transparent, and credible Annual Financial Statements in demonstrating sound financial management and accountability.

The Committee will continue to monitor the finalisation of the Annual Financial Statements and the implementation of corrective measures in respect of IFWE-related matters.

3.11 External Audit and Auditor Independence

The Committee oversaw the external audit process conducted by the Auditor-General South Africa during the year under review.

The Committee satisfied itself as to the independence, objectivity, and effectiveness of the external auditor in accordance with applicable regulatory requirements.

The Committee reviewed the scope of the external audit, the audit plan, and the outcomes of the audit process, including significant findings and key audit matters.

The Committee is satisfied that the external auditor remained independent and that no matters were identified that could impair such independence.

The Committee confirms that it recommended the appointment of the Auditor-General South Africa as the external auditor of the organisation in line with statutory requirements..

3.12 Committee Performance Evaluation

The Committee notes that the annual performance evaluation of the Audit and Risk Committee has not yet been undertaken for FY2025/26.

The process is scheduled to be conducted shortly in line with governance best practice requirements and the Board governance evaluation framework.





3.13 Conclusion

The Audit and Risk Committee is satisfied that the organisation maintained an overall stable governance, risk management, compliance, and assurance environment during FY2025/26.

The Committee acknowledges the progress made in strengthening internal controls, ICT governance, assurance coordination, and executive management capacity during the year.

Notwithstanding the positive progress achieved, the Committee emphasises the need for continued focus on:

- Timely implementation of audit action plans;
- Procurement and contract management controls;
- Record management;
- Preventative controls;
- Accountability and consequence management;
- Sustained clean audit initiatives.

The Committee further acknowledges that management resolved prior-year audit qualifications relating to trade payables from exchange transactions and the cash flow statement. The remaining qualification matters require continued focus on historical accumulated surplus adjustments and the completeness and accuracy of prior-period error disclosures.

The Committee remains committed to supporting the Board and Management in strengthening governance, improving operational effectiveness, and driving continuous improvement across the organisation.

Ms. Kholeka Zama

Chairperson Audit & Risk Committee

South African Tourism

Date: 27 August 2026



16. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the B-BBEE requirements of the B-BBEE Act of 2013 and as determined by the Department of Trade, Industry and Competition:

Has the 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	Discussion
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
Developing and implementing a preferential procurement policy?	Yes	Procurement Policy is in line with the National Treasury focus of balancing efficient, cost-effective service delivery with socio-economic transformation.
Determining qualification criteria for the sale of state-owned enterprises?	No	Not applicable
Developing criteria for entering into partnerships with the private sector?	Yes	South African Tourism enters into strategic MOUs and MOAs with the private sector for meaningful collaboration, strengthening relationships and driving impactful joint initiatives, projects and programmes with defined outcomes.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	Not applicable



In accordance with the Codes of Good Practice issued under Section 9(1) of the Broad-Based Black Economic Empowerment Act No 53 of 2003, as amended on 11 October 2013

This is to certify that

SOUTH AFRICAN TOURISM

COMPANY REGISTRATION NO:	N/A
VAT REGISTRATION NO:	N/A
CLIENT VERIFICATION NO:	BE13393-210826
ADDRESS:	Bojanala House, 90 Protea Road, Chiselhurst, Johannesburg, Gauteng, 2196

Has a current overall Broad-Based BEE Status of

NON-COMPLIANT

In terms of the Amended DTIC Specialised Sector Codes – Generic Scorecard (Gazette No: 38766)

SCORECARD ELEMENT	ENTITY SCORE	WEIGHING POINTS	VALIDATIONS	
MANAGEMENT CONTROL	7.92	20.00	Principle Applied	FTP
SKILLS DEVELOPMENT	0.00	25.00	Black Owned percentage	N/A
ENTERPRISE AND SUPPLIER DEVELOPMENT	23.83	50.00	Black Women Owned Percentage	N/A
SOCIO-ECONOMIC DEVELOPMENT	0.33	5.00	Designated Group Supplier	NO
TOTAL	32.08	100.00	Black Designated Group percentage	0.00%
EMPOWERING SUPPLIER	YES		Black Youth percentage	0.00%
DISCOUNTING PRINCIPLE APPLIED	YES		Black Disabled percentage	0.00%
PARTICIPATED IN Y.E.S	NO		Black Unemployed percentage	0.00%
ACHIEVED YES TARGET + 2.5% ABSORPTION	NO		Black People in Rural areas percentage	0.00%
ACHIEVED YES TARGET + 5% ABSORPTION	NO		Black Military Veterans percentage	0.00%
ACHIEVED 2 X YES TARGET + 5% ABSORPTION	NO		Exclusion Principle	NO
			Financial Year End	MAR 2026

And a BEE Procurement Recognition Level of 0%

Period of Validity: 12 Months from Issue Date

Issue Date: 21-08-2026

Expiry Date: 20-08-2027

Hlumelo Mavume
Technical Signatory



VERIFIED RATING

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✈ Human Resource Management



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INTRODUCTION

During FY2025/26, South African Tourism's Human Capital business unit continued to position itself as a strategic enabler of organisational performance, culture, engagement, and governance. The year's Annual Performance Plan deliverables were focused on three key areas, namely improving staff engagement and morale, enabling optimal organisational functioning through organisational design, and tracking productivity to support a high-performance culture.

Human Capital achieved most of its planned deliverables for the year. In relation to staff engagement and morale, progress was made through the implementation of the Staff Engagement Survey Two-Year Improvement Plan, the publication of Human Capital newsletters, implementation of the Peer Recognition Programme, delivery of employee wellness activities, conducting the staff engagement survey, and tabling the Staff Engagement Survey Report with ExCo. Human Capital also achieved the productivity-related deliverables through the development of the Productivity Matrix and establishment of a baseline to support the assessment of productivity levels across the organisation.

The only deliverable that was not fully achieved related to the implementation of the reviewed organisational structure. This deliverable initially commenced as a structural optimisation exercise. However, as the work progressed, it became evident that the existing organisational structure required a broader and more comprehensive review. The structural optimisation process therefore evolved into a full-scale organisational redesign process to ensure that the organisational structure, operating model, capabilities, and resourcing requirements are properly aligned to South African Tourism's Five-Year Strategic Plan 2025 - 2030. This shift was necessary to avoid implementing a limited structural adjustment that would not adequately respond to the organisation's long-term strategic and operational requirements.

Notwithstanding this, the Human Capital business unit sustained progress in key foundational areas during the year, including employee engagement, organisational development and culture, workforce planning, policy development, performance management compliance, learning and development, and audit-responsive governance interventions. These interventions contributed to strengthening the Human Capital function's role in supporting organisational effectiveness and positioning South African Tourism for improved performance in the medium-term.

Strategic priorities for the financial year included implementation of the Staff Engagement Survey Two-Year Improvement Plan, execution of the Organisational Development and Culture Programme, review of the operating model and organisational structure, establishment of the Productivity Matrix, strengthening performance management compliance, improving policy governance and audit readiness.

These priorities translated into a range of interventions during the year, including:

- Monthly SmartHR newsletters.
- Implementation of the Peer Recognition Programme
- Employee engagement focus groups, culture co-design initiatives under the theme *"We the people, the spirit of Africa,"* leadership development work.
- Development of the Competency Framework, Employee Value Proposition, Human Capital Strategy, and Employee Engagement Strategy and Plans.





The Human Capital business unit also continued to invest in learning and development through bursaries, short-course training, internship preparation, employee induction, and the establishment of the Employment Equity and Training Committee.

Workforce Planning Framework and Strategies

Workforce planning efforts during FY2025/26 reflected gradual improvement, although capacity constraints remained significant. The approved organisational structure comprised 202 positions, and the vacancy rate was recorded as 15.4% by the end of the financial year. The Human Capital business unit continued to monitor appointments, terminations, and internal staff movement across the year, with employee headcount increasing over the reporting period as targeted recruitment progressed in priority areas.

Early in the year, the Ministerial moratorium constrained the initiation of new recruitment processes, although recruitment processes already underway were allowed to proceed. The business unit also maintained its focus on disability inclusion through awareness sessions and workplace readiness interventions. Importantly, the structural review evolved during the year from a structural optimisation exercise into a broader organisational re-design process after diagnostic work identified duplication of roles, outdated job profiles and grading, fragmented governance, capability gaps, and misalignment between the existing structure and the Corporate Strategy.

Employee Performance Management

Performance management remained a key focus area throughout the year. In Quarter 1, Human Capital reported that 87% of employees had submitted the previous Period 1 reviews and 72% had submitted Period 2 reviews, while only 24% of employees had submitted signed performance contracts for the 2025/26 cycle at that stage. Focused business unit follow-up and management accountability measures were then implemented to improve compliance. By September 2025, submission of performance contracts had improved to 89%, and by December 2025, 85% of performance reviews for Period 1 of the current financial year had been received. Human Capital also continued engaging ICT on the replacement of the Word-based performance management process with a more user-friendly system. In Quarter 4, communication was issued to staff to complete final reviews for the period 1st October 2025 to 31st March 2026 by 30th April 2026.

Employee Wellness

Employee wellness and engagement remained a priority throughout FY2025/26. Interventions included regular wellness communication through SmartHR and internal communications on webinars and wellness sessions, peer recognition initiatives, and emotional intelligence wellness session in Quarter 1, a Heritage Day wellness activity in Quarter 2, and employee engagement focus groups aimed at gathering feedback on team dynamics. These initiatives formed part of the broader Employee Engagement Two-Year Action Plan.

The 2026 Staff Engagement Survey reflected a significant deterioration in employee sentiment when compared to the 2024 baseline. Overall engagement declined from 52.2% to 42.6%, disengagement increased from 17.0% to 28.0%, participation declined from 67.0% to 48.0%, and the organisation recorded an Employee Net Promoter Score of -58.5%. The findings highlighted material concerns relating to senior leadership, business alignment, reward and recognition, wellbeing, enablement, employee growth, trust, communication, and employee voice. Human Capital accordingly recommended a focused recovery plan to stabilise engagement, morale, retention, and organisational culture.



Policy Development

Policy development and governance remained a significant area of focus during the year. In Quarter 1, the Grievance Policy, Harassment Policy, and Employee Wellness Policy were submitted to HCREMSEC for review. By Quarter 3, these policies had been approved by the Board and communicated to the workforce, with awareness sessions planned. Additional policies and governance instruments progressed during the year, including the Bursary Policy, Disciplinary Code and Procedure, Code of Conduct, Total Reward Strategy and Policy, and the Performance Incentive Scheme. In Quarter 4, the Hybrid Working Policy was also advanced. The Human Capital business unit further supported remuneration governance through year-end submissions on salary scale alignment and notch increases / pay progression, aimed at addressing audit findings, restoring policy compliance, and strengthening internal equity and reward governance.

Human Resource Oversight Statistics

Personnel Cost by Programme

Programme	Total Expenditure for the Entity (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	123 665	74 878	60.6	59.00	1 269
Programme 2: Business Enablement	67 216	14 145	21.0	15.00	943
Programme 3: Leisure Tourism Marketing	724 599	104 992	14.5	64.00	1 641
Programme 4: Business Events	239 337	16 641	7.0	14.00	1 189
Programme 5: Tourist Experience	78 615	19 196	24.4	19.00	1 010
Total	1 233 433	229 852	18.6	171.00	1 344

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	12 745	6.27	5.00	2 549
Senior Management	38 059	18.73	15.00	2 537
Professional Qualified	103 300	50.84	80.00	1 291
Skilled	45 368	22.33	59.00	769
Semi-skilled	3 716	1.83	12.00	310
Unskilled	0.00	0.00	0.00	0.00
Total	229 852	100.00	171.00	1 188





Performance Rewards

Level	Performance Rewards	Personnel Expenditure (R'000)	% of Performance Rewards to Total Personnel Cost (R'000)
Top Management	0	0	0
Senior Management	0	0	0
Professional Qualified	0	0	0
Skilled	0	0	0
Semi-skilled	0	0	0
Unskilled	0	0	0
Total	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	74 878	420	0.6	27.00	16
Programme 2: Business Enablement	14 145	165	1.2	4.00	41
Programme 3: Leisure Tourism Marketing	104 992	300	0.3	5.00	60
Programme 4: Business Events	16 641	0	0.0	0.00	0
Programme 5: Tourist Experience	19 196	59	0.3	2.00	30
Total	229 852	943	0.4	38.00	25

Employment and Vacancies

Programme	2024/2025 Number of Employees	2025/2026 Approved posts	2025/2026 Number of Employees	2025/2026 Vacancies	% of Vacancies
Programme 1: Corporate Support	52	60	59	1	1.7
Programme 2: Business Enablement	12	18	15	3	16.7
Programme 3: Leisure Tourism Marketing	65	86	64	22	25.6
Programme 4: Business Events	13	17	14	3	17.7
Programme 5: Tourist Experience	18	21	19	2	9.5
Total	160	202	171	31	15.4

Level	2024/2025 Number of Employees	2025/2026 Approved Posts	2025/2026 Number of Employees	2025/2026 Vacancies	% of Vacancies
Top Management	4	7	5	2	28.6
Senior Management	15	25	15	10	40.0
Professional Qualified	72	89	80	9	10.1
Skilled	57	67	59	8	11.9
Semi-skilled	12	14	12	2	14.3
Unskilled	0	0	0	0	0.0
Total	160	202	171	31	15.4





Employment Changes

Salary Band	Employment at Beginning of Period	Appointments	Terminations	Employment at End of the Period
Top Management	4	2	2	5
Senior Management	15	3	2	15
Professional Qualified	72	9	4	80
Skilled	57	5	2	59
Semi-skilled	12	2	3	12
Unskilled	0	0	0	0
Total	160	21	13	171

Reasons for Staff Leaving

Reason	Number	% of Total Number of Staff Leaving
Death	0	0.0
Resignation	8	61.5
Dismissal	2	15.4
Retirement	1	7.7
Ill Health	0	0.0
Expiry of Contract	2	15.4
Other	0	0.0
Total	13	100

Labour Relations: Misconduct and Disciplinary Action

Nature of Disciplinary Action	Number
Verbal Warning	0
Written Warning	1
Final Written Warning	1
Dismissal	2
Total	4



Equity Targets and Employment Equity Status

Level	Male								
	African		Coloured		Indian		White		Non-South African
	Current	Target	Current	Target	Current	Target	Current	Target	Current
Top Management	1	2	0	1	0	1	0	0	0
Senior Management	4	3	0	1	0	2	1	0	0
Professional Qualified	24	24	0	2	0	2	2	0	8
Skilled	6	12	1	1	1	1	1	0	4
Semi-skilled	5	3	0	1	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0	0
Total	40	44	1	6	1	6	4	0	12

Level	Female								
	African		Coloured		Indian		White		Non-South African
	Current	Target	Current	Target	Current	Target	Current	Target	Current
Top Management	2	3	1	0	0	1	1	0	0
Senior Management	8	3	1	2	1	1	0	0	0
Professional Qualified	31	28	4	5	2	1	1	0	8
Skilled	32	27	3	4	2	2	1	0	8
Semi-skilled	7	6	0	1	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0	0
Total	80	67	9	12	5	5	3	0	16

Level	Staff with a Disability			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional Qualified	0	2	0	2
Skilled	0	2	0	2
Semi-skilled	0	2	0	2
Unskilled	0	0	0	0
Total	0	6	0	6



Executive Remuneration

Surname	Name	Date Engaged	Date Terminated	Basic Salary	13 th Cheque	Performance Bonus	Other Earnings	Total Company Contribution	Total Cost
Auret	Bronwen	2018/02/01	N/A	2 097 678.90	0.00	0.00	121 148.07	160 181.48	2 379 008.45
Erasmus	Darryl	2025/01/07	2026/02/13	2 398 380.00	0.00	0.00	405 129.00	148 110.00	2 951 619.00
Guliwe	Nombulelo	2024/03/01	N/A	2 742 089.52	0.00	0.00	117 951.45	188 217.03	3 048 258.00
Koch	Corne	2025/12/01	N/A	715 150.76	0.00	0.00	17 000.00	49 139.68	781 290.44
Mthethwa	Siyabonga	2024/03/01	N/A	2 437 586.00	0.00	0.00	246 273.00	168 301.27	2 852 160.00
Sehloho	Thembisile	2024/04/01	2026/01/16	2 009 644.30	0.00	0.00	405 663.64	147 417.83	2 562 725.77
Sithole	Lorato	2026/01/01	N/A	653 356.47	0.00	0.00	12 750.00	44 723.49	710 829.96
Ramovha	Takalani (Acting CFO)	2024/11/01	2025/12/31	1 459 384.00	N/A	N/A	472 961.00	102 134.00	2 034 479.00
Thandiwe	Mathibela (Acting CMO)	2025/08/01	2026/03/31	1 191 145.00	N/A	N/A	329 518.00	83 073.00	1 603 736.00
Total				15 704 414.00	0.00	0.00	2 128 394.00	1 091 296.00	18 924 104.00



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PFMA Compliance Report



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IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

1. IRREGULAR EXPENDITURE

a. Reconciliation of irregular expenditure

Description	2025/2026 R'000	2024/2025 R'000
Opening balance	87 901	86 047
Adjustment to opening balance	2 331	-
Opening balance as restated	-	-
Add: Irregular expenditure confirmed	14 269	1 854
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	104 501	87 901

Reconciling Notes

Description	2025/2026 R'000	2024/2025 R'000
Irregular expenditure that was under assessment	-	0
Irregular expenditure that relates to the prior year and identified in the current year	-	1 854
Irregular expenditure for the current year	14 269	0
Total	14 269	1 854

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

Description	2025/2026 R'000	2024/2025 R'000
Irregular expenditure under assessment	115 852	0
Irregular expenditure under determination	0	0
Irregular expenditure under investigation	0	0
Total	115 852	0

c. Details of irregular expenditure condoned

Description	2025/2026 R'000	2024/2025 R'000
Irregular expenditure condoned	0	0
Total	0	0



**d. Details of irregular expenditure removed (not condoned)**

Description	2025/2026 R'000	2024/2025 R'000
Irregular expenditure NOT condoned and removed	0	0
Total	0	0

e. Details of irregular expenditure recoverable

Description	2025/2026 R'000	2024/2025 R'000
Irregular expenditure recoverable	0	0
Total	0	0

f. Details of current and previous year irregular expenditure written off (irrecoverable)

Description	2025/2026 R'000	2024/2025 R'000
Irregular expenditure written off	0	0
Total	0	0

*Additional Disclosure Relating to Inter-institutional Arrangements***g. Details of irregular expenditure where an institution is involved in an inter-institutional arrangement (where such institution is responsible for the non-compliance)**

Description	2025/2026 R'000	2024/2025 R'000
None	0	0
Total	0	0

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

Disciplinary Steps Taken
None

1.2 Fruitless and Wasteful Expenditure**a. Reconciliation of fruitless and wasteful expenditure**

Description	2025/2026 R'000	2024/2025 R'000
Opening balance	6 415	6 415
Adjustment to opening balance	0	0
Opening balance as restated	0	0
Add: Fruitless and wasteful expenditure confirmed	2 263	0
Less: Fruitless and wasteful expenditure recoverable	4 100	0
Less: Fruitless and wasteful expenditure not recoverable and written off	0	0
Closing Balance	4 578	6 415





Reconciling Notes

Description	2025/2026 R'000	2024/2025 R'000
Fruitless and wasteful expenditure that was under assessment	0	0
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	0	0
Fruitless and wasteful expenditure for the current year	2 263	0
Total	2 263	0

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

Description	2025/2026 R'000	2024/2025 R'000
Fruitless and wasteful expenditure under assessment	1 206	0
Fruitless and wasteful expenditure under determination	0	0
Fruitless and wasteful expenditure under investigation	0	0
Total	1 206	0

c. Details of fruitless and wasteful expenditure recoverable

Description	2025/2026 R'000	2024/2025 R'000
Fruitless and wasteful expenditure recoverable	4 100	0
Total	4 100	0

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

Description	2025/2026 R'000	2024/2025 R'000
Fruitless and wasteful expenditure written off	0	0
Total	0	0

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

Disciplinary steps taken
None

1.3 Additional Disclosure Relating to Material Losses in Terms of PFMA Section 55(2)(b)(i) &(iii)

a. Details of material losses through criminal conduct

Description	2025/2026 R'000	2024/2025 R'000
Theft	0	0
Other material losses	0	0
Less: Recoverable	0	0
Less: Not recoverable and written off	0	0
Total	0	0



**b. Details of other material losses**

Nature of Other Material Losses	2025/2026 R'000	2024/2025 R'000
None	0	0
Total	0	0

c. Other material losses recoverable

Nature of Losses	2025/2026 R'000	2024/2025 R'000
None	0	0
Total	0	0

d. Other material losses not recoverable and written off

Nature of Losses	2025/2026 R'000	2024/2025 R'000
None	0	0
Total	0	0

2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of Invoices	Consolidated Value R'000
Valid invoices received	9 602	1 438 124 768.14
Invoices paid within 30 days or agreed period	9 372	1 265 310 022.77
Invoices paid after 30 days or agreed period	108	8 415 939.53
Invoices older than 30 days or agreed period (<i>unpaid and without dispute</i>)	114	3 360 169.07
Invoices older than 30 days or agreed period (<i>unpaid and in dispute</i>)	8	68 701 885.64





3. SUPPLY CHAIN MANAGEMENT

3.1 Procurement by Other Means

Project Description	Name of Supplier	Type of Procurement by Other Means	Contract Number	Value of Contract
Providing insights into international and domestic tourism	Visa International Service Association	Single Source	N/A	R1 009 930.00
ATI 2025 Exhibition Infrastructure	GL Events Pty Ltd	Multiple Source	N/A	R5 867 572.00
ATI 2025 Venue Hire Services	Inkosi Albert Luthuli International Convention Centre	Single Source	N/A	R4 360 345.00
ACSA Media Buy at Airports	Provantage (Pty) Ltd	Single Source	N/A	R5 230 731.00
Office Lease Accommodation	Elevated NY	Multiple Source	N/A	R3 817 381.00
Routes World 2025 Exhibition Participation and Space Fee	Informa Markets (UK) Limited	Single Source	N/A	R1 337 557.00
Tourist Data Insight - Sentiment Index, the Sustainability Index and Detailed Analytics One Exhibitions	The Data Appeal Company	Single Source	N/A	R3 299 958.00
Routes World 2025 - Stand Build	Pico International (HK) LTD	Single Source	N/A	R1 232 797.00
Exhibitor Contract to Build Brand Affinity	Unicomm, LLC	Single Source	N/A	R1 258 684.00
Trade Engagement and Event Participation	South African Airways	Single Source	N/A	R2 205 395.87
Host City for Meetings Africa	Johannesburg Tourism Company	Single Source	N/A	R30 691 753.00
Legal Services	Bowman Gilfillan	Single Source	N/A	R1 500 000.00
Magical Kenya Exhibition, Brand Experiential Agency	Active8 Brand Agency	Multiple Source	N/A	R8 729 766.41
Oracle Annual Support Renewal or 12 Months	Oracle South Africa	Single Source	N/A	R2 301 692.65
World Travel Market (WTM) Landon 2025 Participation Space	Reeds Exhibitions	Single Source	N/A	R3 368 074.00
World Travel Market (WTM) Landon 2025 Exhibition Stand Build	Smart Space	Single Source	N/A	R4 594 975.00
IBTM World 2025 Participation	Reeds Exhibitions	Single Source	N/A	R5 101 814.00
Bole Airport Premium Out-Of-Home (OOH) Advertising Placements	Alliance Media	Single Source	N/A	R4 548 318.00
OTM 5th to 7 th Feb 2026 Exhibition Participation (Single Source Approval Vide WMS no. 43336)	Fairfest Media Limited	Single Source	N/A	R3 779 242.00
Brand Tracker Survey	Grail Insights	Single Source	N/A	R9 418 070.00
Media Buying for Radio, TV and Digital	SABC	Single Source	N/A	R5 000 000.00
Exhibition Stand Build	Jaarbeurs Utrecht BV	Single Source	N/A	R2 800 000.00
Oracle Human Resources Management System	Oracle South Africa	Single Source	N/A	R5 773 184.38
ITB Berlin 2026 Space Contract	Messe Berlin	Single Source	N/A	R1 854 721.38
LIV Golf Tournament	LIV Golf	Single Source	N/A	R 200 000.00
Media Buy – West Africa	Alliance Media	Single Source	N/A	R 456 059.51
Beijing Office Lease Extension	Beijing Shengya Realty Management Co. Ltd	Single Source	N/A	R218 068.00
NBA Africa and Basketball Africa League	BAL Properties Ltd	Single Source	N/A	R1 000 000.00
The Cape Town International Jazz Festival	ESPAfrica	Single Source	N/A	R1 000 000.00
Total				R141 956 089.20





3.2 Contract Variations and 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
Oracle Support Services	AppSolve (Pty) Ltd	Expansion	N/A	R11 746 215.00	R1 078 328.55	R1 439 103.08
Total						R1 439 103.08





F



Financial Information



CONNECTED TO GROWTH:
DRIVING GROWTH THROUGH TOURISM
AND GLOBAL ENGAGEMENT



Report of the auditor-general to Parliament of South Africa 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 147 to 194 which comprise the statements of financial position as at 31 March 2026, statement of financial performance, statement of changes in net assets and cash flow statement 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 possible effects of the matters described in the basis for qualified opinion section of this auditors report, the financial statements present fairly, in all material respects, the financial position of the SAT as at 31 March 2026, and financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (Standard of GRAP) as issued by the Accounting Standards Board of South Africa and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Basis for qualified opinion

Accumulated surplus

3. Management made direct adjustments to accumulated surplus in the statement of changes in net assets to correct prior period errors. However, sufficient appropriate audit evidence was not provided to support and reconcile these adjustments to the underlying supporting documents. I was unable to confirm these adjustments by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to accumulated surplus in the statement of changes in net assets.

Prior period errors

4. Not all prior period errors were disclosed in note 29 to the financial statements, as required by *GRAP 3 - Accounting Policies, Changes in Accounting Estimates and Errors*. The amounts of the corrections for some financial statement items affected, and the amounts 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 note 29 to the financial statements.

Context for opinion

5. 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.
6. 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.
7. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matter - Irregular expenditure

8. As disclosed in note 32 to the financial statements, irregular expenditure of R 14 269 137 was incurred, as supply chain management prescripts were not complied with.
9. My opinion is not modified in respect of this matter.





Responsibilities of the accounting authority for the financial statements

10. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the Standard of GRAP as issued by the Accounting Standards Board of South Africa 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.
11. 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

12. 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.
13. 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 145, forms part of my auditor's report.

Report on the annual performance report

14. 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.
15. I selected the following material performance indicators related to programme 3: Leisure Tourism Marketing presented in the annual performance report for the year ended 31 March 2026 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.
 - Global Tourism Brand Campaign implemented
 - Integrated Digital Marketing Strategy implemented
 - Number of communication activities to profile destination South Africa through strategic events implemented
 - Number of global public relations and communications activities to strengthen the destination brand implemented
 - Number of domestic leisure tourism campaigns executed
 - Number of distribution channel initiatives in the domestic market implemented
 - Number of localised marketing campaigns in the Africa region executed
 - Number of distribution channel initiatives in the Africa region implemented
 - Number of localised marketing campaigns in the Europe region executed
 - Number of distribution channel initiatives in the Europe region implemented
 - Number of distribution channel initiatives in the Americas region implemented
 - Number of localised marketing campaigns in the Asia Australasia region executed
 - Number of distribution channel initiatives in the Asia Australasia region implemented
 - Number of localised marketing campaigns in the Embassy Support markets executed
 - Number of distribution channel initiatives in the Embassy Support markets implemented





16. 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 public entity's planning and delivery on its mandate and objectives.
17. 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-achievement of targets.
18. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
19. I did not identify any material findings on the reported performance information for the selected indicators.

Report on compliance with legislation

20. 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.
21. 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.
22. 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 public 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.
23. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual Financial statements

24. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by section 55(1) (a) and (b) of the PFMA.





25. Material misstatements of liabilities, revenue and disclosure items identified by the auditors in the submitted financial statements were corrected, but the supporting records that could not be provided resulted in the financial statements receiving a qualified opinion.

Consequence management

26. Investigations were not conducted into all allegations of financial misconduct committed by some of the officials, as required by treasury regulation 33.1.1.

Other information in the annual report

27. 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.
28. 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.
29. 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.
30. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

31. 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.
32. 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.
33. Due to inadequate 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.
34. Management did not ensure that some instances of financial misconduct were investigated due to inadequate oversight.

Material irregularities

35. 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.





Status of previously reported material irregularities

Expenditure incurred on dome activities without delivery of services

36. 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.
37. The accounting authority was notified of the material irregularity on 03 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.
 - The Board instituted consequence management efficiently on the outcomes of the findings of the investigation by the independent forensic firm.
 - Amounts from monies owed to the supplier was withheld for settlement against the prepayment.
38. Based on my evaluation of the information and evidence provided by the accounting authority, this matter will not be pursued further as an MI and is therefore closed.

Other reports

39. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

Investigation

40. The Special Investigating Unit was authorised, through Proclamation 297 of 2025, to investigate allegations of serious maladministration and improper conduct in the affairs of the South African Tourism Board relating to the procurement of media buying services and payments made for services not rendered. The investigation covers allegations that took place between 1 March 2020 and 21 November 2025, including any related unauthorised, irregular, fruitless and wasteful expenditure incurred by the public entity or the State. The investigation was still in progress at the date of this auditor's report.

Auditor General

Pretoria

07 August 2026



**AUDITOR - GENERAL
SOUTH AFRICA**

Auditing to build public confidence





Annexure – Auditor-general’s responsibility for the audit

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 public 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 public 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

1. 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.
2. 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.





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)
Treasury Regulations, 2005	Regulation 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 Regulation 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; 31.1.2(c) 33.1.1; 33.1.3
Construction Industry Development Board Regulations, 2004	CIDB Regulation 17; 25(7A); 25(10); 25(9)(a)
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); 4.7; 7.2 Paragraph 7.6
National Treasury Instruction note No.4 of 2022/23	Paragraph 4.12; 4.15
National Treasury Instruction note No.09 of 2017/18	All
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 5 of 2009/10	Paragraph 3.3
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 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
Prevention and Combating of Corrupt Activities Act N o.12 of 2004	Section 34(1)





Statement of Financial Position as at 31 March 2026

	Note(s)	2026	2025 Restated
Assets			
Current Assets			
Receivables from exchange transactions	8	56 307 551	30 392 431
Staff advances	7	2 733	71 701
Cash and cash equivalents	9	648 803 662	554 722 059
		705 113 946	585 186 191
Non-Current Assets			
Property, plant and equipment	3	51 062 779	68 977 912
Intangible assets	4	5 761 729	7 145 824
Receivables from exchange transactions	8	816 158	-
		57 640 666	76 123 736
Total Assets		762 754 612	661 309 927
Liabilities			
Current Liabilities			
Finance lease obligation	10	-	2 575
Operating lease liability	5	74 626	39 467
Payables from exchange transactions	12	233 460 460	289 336 962
Provisions	11	7 885 853	7 885 853
Employee Benefit Obligation	6	25 776 000	20 033 000
		267 196 939	317 297 857
Non-Current Liabilities			
Employee Benefit Obligation	6	17 764 000	18 175 000
Total Liabilities		284 960 939	335 472 857
Net Assets		477 793 673	325 837 070
Reserves			
Revaluation reserve		40 145 677	50 681 978
Accumulated surplus		437 647 996	275 155 092
Total Net Assets		477 793 673	325 837 070





Statement of Financial Performance

	Note(s)	2026	2025 Restated
Revenue			
Revenue from exchange transactions			
Sundry Income	13	73 196 237	113 136 378
Grading Revenue	14	24 789 272	25 580 133
Interest received	15	24 853 344	52 936 301
Total revenue from exchange transactions		122 838 853	191 652 812
Revenue from non-exchange transactions			
Transfer revenue			
Government grants	16	1 300 207 000	1 243 555 121
Total revenue	13	1 423 045 853	1 435 207 933
Expenditure			
Employee related costs	17	(229 852 231)	(224 426 796)
Administration and management fees	18	(114 785 147)	(103 282 597)
Depreciation and amortisation	19	(10 418 123)	(12 583 148)
Finance costs	21	-	(427)
Lease rentals on operating lease		(17 056 997)	(21 611 493)
Debt Impairment	22	(61 804)	-
Bad debts written off		(31 960)	(82 569)
Loss on disposal of assets		(218 073)	(699 549)
Loss on foreign exchange		(7 918 617)	(32 431 837)
Travel Expenses	23	(18 037 107)	(18 642 392)
Marketing expenses	20	(807 974 309)	(914 987 485)
Auditors Remuneration	24	(13 633 651)	(13 773 989)
Grading Expenses	14	(13 445 242)	(13 499 679)
Total expenditure		(1 233 433 261)	(1 356 021 961)
Surplus (deficit) for the year		189 612 592	79 185 972





Statement of Changes in Net Assets

	Revaluation reserve	Accumulated surplus	Total net assets
Opening balance as previously reported	44 381 978	316 658 105	361 040 083
Adjustments			
Correction of errors 29	-	79 886 352	79 886 352
Prior adjustment	-	(25 880 607)	(25 880 607)
Prior year adjustments	-	43 257 429	43 257 429
Balance at 01 April 2024 as restated*	44 381 978	413 921 279	458 303 257
Correction of prior year errors	-	(17 011 862)	(17 011 862)
Movement directly in net assets	-	28 203 704	28 203 704
Surplus Surrendered	-	(229 144 000)	(229 144 000)
Net income (losses) recognised directly in net assets	-	-	-
Surplus for the year	-	79 185 972	79 185 972
Changes in Revaluation	6 300 000	-	6 300 000
Total changes	6 300 000	79 185 972	85 485 972
Restated* Balance at 01 April 2025	50 681 978	275 155 092	309 459 719
Changes in Revaluation	(22 786)	-	(22 786)
Total Changes	(22 786)	-	(22 786)
Surplus for the year	-	189 612 592	189 612 592
Total recognised income and expenses for the year	(22 786)	189 612 592	189 589 806
Movement directly in net assets	(10 513 794)	(2 607 993)	(13 121 787)
Correction of prior year errors	-	(18 965 081)	(18 965 081)
Surplus Surrendered	-	(5 546 614)	(5 546 614)
Total changes	(10 536 580)	162 492 904	151 956 324
Balance at 31 March 2026	40 145 677	437 647 996	477 793 673





Cash Flow Statement

	Note(s)	2026	2025
Cash flows from operating activities			
Receipts			
Sale of goods and services		58 216 600	148 090 220
Grants		1 300 207 000	1 243 555 121
Interest income		26 332 809	50 940 071
TOMSA levy		-	133 543 522
		<u>1 384 756 409</u>	<u>1 576 128 934</u>
Payments			
Employee costs		(229 665 142)	(224 909 142)
Suppliers		(1 041 344 097)	(1 107 034 198)
Other payments		<u>(2 555 640)</u>	<u>1 011 554</u>
		<u>(1 273 564 879)</u>	<u>(1 330 931 786)</u>
Net cash flows from operating activities	25	<u>111 191 530</u>	<u>245 197 148</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(388 664)	(5 851 739)
Purchase of other intangible assets	4	(1 464 928)	(5 352 737)
Net cash flows from investing activities		<u>(1 853 592)</u>	<u>(11 204 476)</u>
Cash flows from financing activities			
Finance lease payments		(2 575)	(12 280)
Surrender of surplus		(5 546 614)	(229 144 000)
Net cash flows from financing activities		<u>(5 549 189)</u>	<u>(229 156 280)</u>
Net increase/(decrease) in cash and cash equivalents		103 788 749	4 836 392
Cash and cash equivalents at the beginning of the year		554 722 059	549 885 667
Cash and cash equivalents at the end of the year	9	<u>658 510 808</u>	<u>554 722 059</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

Trade and other receivables include deposits, accounts receivables, pensioners receivables and interest receivable. These trade receivables are financial assets that are accounted for at amortised cost. They are subject to the ECL model for impairment testing purposes. South African Tourism assesses its trade receivables for impairment at the end of each reporting period.

Expected credit loss

The determination of ECL's involves forward looking information which involves areas of significant judgement. Refer to note 30 for more information on the key inputs and factors to determine ECL's.

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.





Significant Accounting Policies

1.4 Significant judgements and sources of estimation uncertainty (continued)

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.

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.

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.





Significant Accounting Policies

1.5 Property, plant and equipment (continued)

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, its 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 is 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.





Significant Accounting Policies

1.5 Property, plant and equipment (continued)

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

Item	Depreciation method	Average useful life
Buildings	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
Air-conditioning	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.





Significant Accounting Policies

1.6 Intangible assets (continued)

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.





Significant Accounting Policies

1.6 Intangible assets (continued)

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 costs	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.

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 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 with another entity under conditions that are potentially unfavourable to the entity.

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.





Significant Accounting Policies

1.7 Financial instruments (continued)

Classification

The South african Tourism has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class

Trade and other receivables
Cash and cash equivalents
Staff advances

Category

Financial asset measured at amortised cost
Financial asset measured at amortised cost
Financial asset measured at amortised cost

The South African Tourism has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Class

Trade and other payables

Category

Financial asset measured at amortised cost

Recognition

Financial instruments are recognised in the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument.

Measurement of financial assets and financial liabilities

A financial asset is measured at amortised cost if both of the following conditions are met - the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

.A financial liability is measured at amortised cost:

Subsequent measurement of financial assets and financial liabilities

At initial recognition, a receivables and payables are measured at their transaction price if they do not contain a material financing transaction.

After initial recognition a financial asset is measured at amortised cost.

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 the 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 for financial assets, adjusted for any loss allowance.

Impairment

South African Tourism recognises a loss allowance for expected credit losses on a financial asset .

To determine the loss allowance, the credit risk assessment is reviewed on a collective basis at each reporting date to assess whether it has increased significantly since initial recognition, considering all reasonable and supportable information, including that which is forward-looking





Significant Accounting Policies

1.7 Financial instruments (continued)

At each reporting date, the entity assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, then entity uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the entity compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. Where relevant, the entity assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

If reasonable and supportable forward-looking information is available without undue cost or effort, the entity cannot rely solely on past due information when determining whether credit risk has increased significantly since initial recognition. However, when information that is more forward-looking than past due status (either on an individual or a collective basis) is not available without undue cost or effort, the entity uses past due information to determine whether there have been significant increases in credit risk since initial recognition.

Where the credit risk on a financial instrument has not increased significantly since initial recognition, the entity measures the loss allowance at an amount equal to 12-month expected credit losses

The entity recognises in surplus or deficit, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised Derecognition

Financial assets are derecognised only when the contractual rights to the cash flows from the financial asset expire, are settled or waived; the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity derecognises the asset; and recognises separately any rights and obligations created or retained in the transfer.

Financial liability (or a part of a financial liability) is removed from the statement of financial position when, and only when, it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non- exchange transaction, are accounted for in accordance with GRAP 23





Significant Accounting Policies

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.





Significant Accounting Policies

1.10 Employee benefits (continued)

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.





Significant Accounting Policies

1.10 Employee benefits (continued)

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.





Significant Accounting Policies

1.11 Provisions (continued)

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.





Significant Accounting Policies

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 are disclosed in the notes to the financial statements, where 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.





Significant Accounting Policies

1.13 Revenue from exchange transactions (continued)

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.

Interest received is recognised as the interest accrues.

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.





Significant Accounting Policies

1.14 Revenue from non-exchange transactions (continued)

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 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.





Significant Accounting Policies

1.15 Accounting by principals and agents (continued)

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.

1.16 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.





Significant Accounting Policies

1.16 Translation of foreign currencies (continued)

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.

1.17 Comparative figures

Where necessary, comparative figures have been reclassified and adjusted for errors 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.

1.18 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.





Significant Accounting Policies

1.19 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 23 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 3 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 32 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.

1.20 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.





Significant Accounting Policies

1.20 Segment information (continued)

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.

1.21 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.

1.22 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).





Notes to the Financial Statements

1.22 Events after reporting date (continued)

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.

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the entity has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• iGRAP 22 Foreign Currency Transactions and Advance Consideration	01 April 2025	The impact of the is not material.
• GRAP 104 (as revised): Financial Instruments	01 April 2025	The impact of the is not material.

2.2 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2026 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 107 Mergers	01 April 2009	Unlikely there will be a material impact
• GRAP 106 Transfer of Functions Between Entities Not Under Common Control	01 April 2009	Unlikely there will be a material impact
• GRAP 105 Transfer of Functions Between Entities Under Common Control	01 April 2009	Unlikely there will be a material impact
• GRAP 103 (as revised): Heritage Assets	Effective date still to be determined by ASB	Unlikely there will be a material impact

The Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors (GRAP 3) applies to the selection of accounting policies. Entities apply the accounting policies set out in the Standards of GRAP, except when the effect of applying them is immaterial. This means that entities could apply alternative accounting treatments to immaterial items, transactions or events (hereafter called "items").





Notes to the Financial Statements

2.2 Standards and interpretations issued, but not yet effective (continued)

The Board received questions from entities asking whether past decisions to not apply the Standards of GRAP to immaterial items effect future reporting periods. Entities observed that when they applied alternative accounting treatments to items in previous reporting periods, they kept historical records on an ongoing basis of the affected items. This was done so that they could assess whether applying these alternative treatments meant that the financial statements became materially “misstated” over time. If the effect was considered material, retrospective adjustments were often made.

This Interpretation explains the nature of past materiality decisions and their potential effect on current and subsequent reporting periods.

iGRAP 21 addresses the following two issues:

- Do past decisions about materiality affect subsequent reporting periods?
- Is applying an alternative accounting treatment a departure from the Standards of GRAP or an error?

The effective date of these interpretation have not yet been set. 01 April 2023.

The entity expects to adopt the interpretation for the first time in the 2023/2024 01 April 2023.

The Board issued the Standard of GRAP on Employee Benefits (GRAP 25) in November 2009. GRAP 25 was based on the International Public Sector Accounting Standard on Employee Benefits (IPSAS 25) effective at that time. However, GRAP 25 was modified in some respects where the Board decided the requirements of the International Accounting Standard on Employee Benefits (IAS® 19) were more appropriate. Specifically, the Board:

- Eliminated the corridor method and required recognition of actuarial gains and losses in full in the year that they arise.
- Required the recognition of past service costs in the year that a plan is amended, rather than on the basis of whether they are vested or unvested.

Since 2009, the International Accounting Standards Board® has made several changes to IAS 19, including changes to the recognition of certain benefits, and where these changes are recognised. The IPSASB made similar changes to its standard and as a result of the extent of changes, issued IPSAS 39 on Employee Benefits to replace IPSAS 25 in 2016.

When the Board consulted locally on the proposed amendments to IPSAS 25 in 2016, stakeholders welcomed the amendments to align IPSAS 25 to IAS 19 and supported the changes that resulted in IPSAS 39.

In developing GRAP 25, the Board agreed to include the guidance from the IFRS Interpretation on IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IFRIC 14®) partly in GRAP 25 and partly in the Interpretation of the Standards of GRAP on The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (IGRAP 7).





Notes to the Financial Statements

2.2 Standards and interpretations issued, but not yet effective (continued)

Key amendments to GRAP 25

The Board agreed to align GRAP 25 with IPSAS 39, but that local issues and the local environment need to be considered. As a result of this decision, there are areas where GRAP 25 departs from the requirements of IPSAS 39. The Board's decisions to depart are explained in the basis for conclusions.

The amendments to GRAP 25 are extensive and mostly affect the accounting for defined benefit plans. A new renumbered Standard of GRAP (e.g. GRAP 39) will not be issued, but rather a new version of the current GRAP 25.

The effective date of these revisions have not yet been set. 01 April 2023.

The entity expects to adopt the revisions for the first time in the 2023/2024 financial statements.

The Board issued the Standard of GRAP on Employee Benefits (GRAP 25) in November 2009. GRAP 25 was based on the International Public Sector Accounting Standard on Employee Benefits (IPSAS 25) effective at that time. However, GRAP 25 was modified in some respects where the Board decided the requirements of the International Accounting Standard on Employee Benefits (IAS® 19) were more appropriate. Specifically, the Board:

- Eliminated the corridor method and required recognition of actuarial gains and losses in full in the year that they arise.
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The effective date of these revisions have not yet been set. 01 April 2023.

The entity expects to adopt the revisions for the first time in the 2023/2024 01 April 2023.

Every three years, the Accounting Standards Board undertakes periodic revisions of the Standards of GRAP, in line with best practice internationally among standard setters.





Notes to the Financial Statements

2. New standards and interpretations

Improvements to Standards of GRAP are aimed at aligning the Standards of GRAP with international best practice, to maintain the quality and to improve the relevance of the Standards of GRAP.

Amendments include,

- For general borrowings, borrowing costs eligible for capitalisation determined by applying a capitalisation rate
 - Clarify that borrowings made specifically for purposes of obtaining a qualifying asset are excluded until substantially all the activities necessary to prepare asset for intended use or sale are complete

GRAP 13 – Leases

- Operating leases & Sale and leaseback transactions are currently assessed for impairment in accordance with GRAP 26
- Clarify that these arrangements may also be assessed in accordance with GRAP 21

GRAP 16 – Investment Property

- Clarify that GRAP 21 may be applied to assess investment property for impairment
- Include heading “Classification of property as investment property” (par 6 and 7) & delete existing headings
- Investment property under construction (within scope of GRAP 16)
 - Added heading “Guidance on initially measuring self-constructed investment property at fair value”
 - Added clarification that investment property is measured at fair value at earliest of:
 - o completion of construction or development; or
 - o when fair value becomes reliably measurable
- Clarify requirements on transfers to and from Investment property
 - Change in use involves an assessment on whether:
 - o property meets, or ceases to meet definition of investment property and
 - o evidence exists that a change in use has occurred
 - List of examples of a change in use is regarded as non-exhaustive

GRAP 17 – Property, Plant and Equipment

- Delete example indicating that quarries and land used for landfill may be depreciated in certain instances
 - Land has an unlimited useful life and cannot be consumed through its use

GRAP 20 – Related Party Disclosures

- Clarify that entity, or any member of a group of which it is part, providing management services to reporting entity (or controlling entity of reporting entity) is a related party:
 - Disclose amounts incurred by the entity for the provision of management services that are provided by a separate management entity
 - If an entity obtains management services from another entity (“the management entity”) the entity is not required to apply the requirements in paragraph .35 to the remuneration paid or payable by the management entity to the management entity’s employees or those charged with governance of the entity in accordance with legislation, in instances where they are required to perform such functions
 - Management services are services where employees of management entity perform functions as “management” as defined





Notes to the Financial Statements

2. New standards and interpretations (continued)

GRAP 24 – Presentation of Budget Information in Financial Statements

- Terminology amended
 - Primary financial statements amended to “financial statements” or “face of the financial statements”

GRAP 31 – Intangible Assets

- Extend requirement to consider whether reassessing useful life of intangible asset as finite rather as indefinite indicates that asset may be impaired
 - Both under cost model or revaluation model

GRAP 32 – Service Concession Arrangements: Grantor

- Clarify disclosure requirement for service concession assets
 - Disclose carrying amount of each material service concession asset recognised at the reporting date

GRAP 37 – Joint Arrangements

- Application guidance clarified
 - When party obtains joint control in a joint operation where activity of joint operation constitutes a function (GRAP 105 or GRAP 106), previous held interest in joint operation is not remeasured

GRAP 106 – Transfer of Functions Between Entities Not Under Common Control

- When party obtains control of joint operation and entity had rights to assets, or obligations to liabilities before acquisition date, it comprises an acquisition received in stages
 - Apply the requirements for an acquisition achieved in stages, including remeasuring previously held interest in joint operation

Directive 7 – The Application of Deemed Cost

- Clarify that bearer plants within scope of Directive

The effective date of these improvements is 01 April 2023.

The entity expects to adopt the improvements for the first time in the 2023/2024 financial statements. Amendments to this Standard of GRAP, are primarily drawn from the IASB's Amendments to IAS 1.

Summary of amendments are:

The amendments clarify that:

- information should not be obscured by aggregating or by providing immaterial information;
- materiality considerations apply to all parts of the financial statements; and
- even when a Standard of GRAP requires a specific disclosure, materiality considerations apply.

The amendments clarify that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements.





Notes to the Financial Statements

2. New standards and interpretations (continued)

The amendments add examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need not be presented in the order listed in GRAP 1.

Remove guidance and examples with regards to the identification of significant accounting policies that were perceived as being potentially unhelpful.

An entity applies judgement based on past experience and current facts and circumstances. The effective date of this amendment is for years beginning on or after 01 April 2025.

The entity has adopted the amendment for the first time in the 2025/2026 financial statements.

Income statement for the year 31 March 2027

3. Property, plant and equipment

	2026			2025		
	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	15 800 000	-	15 800 000
Buildings	40 489 411	(17 755 646)	22 733 765	40 489 411	(5 792 290)	34 697 121
Furniture & Fixtures	15 200 808	(9 230 180)	5 970 628	15 393 779	(7 791 078)	7 602 701
Motor vehicles	1 854 552	(1 754 523)	100 029	1 854 552	(1 716 821)	137 731
Computer equipment	29 110 442	(22 766 017)	6 344 425	30 783 224	(20 251 121)	10 532 103
Leasehold improvements	2 581 855	(2 467 923)	113 932	2 581 855	(2 373 599)	208 256
Total	105 037 068	(53 974 289)	51 062 779	106 902 821	(37 924 909)	68 977 912

Reconciliation of property, plant and equipment - 2026

	2026			2025		
	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
Buildings	34 697 121	-	-	(10 513 794)	(1 449 562)	22 733 765
Furniture and fixtures	7 602 701	145 181	(16 835)	-	(1 760 419)	5 970 628
Motor vehicles	137 731	-	-	-	(37 702)	100 029
Computer equipment	10 532 103	243 483	(204 066)	-	(4 227 095)	6 344 425
Leasehold improvements	208 255	-	-	-	(94 323)	113 932
	68 977 911	388 664	(220 901)	(10 513 794)	(7 569 101)	51 062 779





Notes to the Financial Statements

3. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2025

	2026			2025		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
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

Pledged as security

No assets pledged as security.

Expenditure incurred to repair and maintain property, plant and equipment

Repairs and maintenance relating to property, plant and equipment amounted to R4.1m (2025: R2.2m)

4. Intangible assets

	2026			2025		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Marketing rights	3 371 204	(1 467 934)	1 903 270	6 670 981	(4 055 032)	2 615 949
Computer software	21 778 908	(20 429 092)	1 349 816	22 552 831	(20 052 041)	2 500 790
Website costs	6 089 745	(3 581 102)	2 508 643	4 624 817	(2 595 732)	2 029 085
Total	31 239 857	(25 478 128)	5 761 729	33 848 629	(26 702 805)	7 145 824

Reconciliation of intangible assets - 2026

	Opening balance	Additions	Amortisation	Total
Marketing rights	2 615 949	-	(712 679)	1 903 270
Computer software	2 500 790	-	(1 150 974)	1 349 816
Website costs	2 029 085	1 464 928	(985 370)	2 508 643
Total	7 145 824	1 464 928	(2 849 023)	5 761 729





Notes to the Financial Statements

4. Intangible assets (continued)

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
Total	6 528 441	5 352 737	(41 086)	(4 694 268)	7 145 824

Pledged as security

None of the above intangible assets have restrictions in title or have been pledged as security.

5. Operating lease liability

Current liabilities

74 626

39 467

6. Employee benefit obligations

Post-Employment Health Care Benefits

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 two-thirds of the 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.





Notes to the Financial Statements

6. Employee benefit obligations (continued)

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

Carrying value

Current Members	25 776 000	20 033 000
Non-current Members	17 764 000	18 175 000
	43 540 000	38 208 000

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 Present Value of Defined Benefit Obligation (PVDBO) due to the passage of time.
- Remeasurements: Actuarial gains or losses, which arise due to changes in actuarial assumptions or experience adjustments.

Service cost	1 574 000	1 608 000
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

Opening balance	38 208 000	30 220 000
Current service costs	1 574 000	1 608 000
Interest costs	5 024 000	4 506 000
Actuarial (gains)/loss	727 000	3 928 000
Benefits Paid	(1 993 000)	(2 054 000)
	43 540 000	38 208 000





Notes to the Financial Statements

6. Employee benefit obligations (continued)

Key assumptions used

The following are the key actuarial assumptions used in the valuation of the post-retirement health care benefits as of 31 March 2026.

Discount rate: Yield curve

Medical cost inflation rate: CPI + 3%

Retirement age: 65 years

The nominal and real zero curves as at 31 March 2026 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.

2026	1% increase	1% decrease
Total Accrued liability	50 734 000	37 781 000
Interest cost	5 414 000	3 992 000
Service Cost	2 352 000	1 541 000
2025	1% increase	1% decrease
Total Accrued liability	44 125 000	33 413 000
Interest cost	5 831 000	4 371 000
Service Cost	1 934 000	1 290 000

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:

2026	20% increase	20% decrease
Total Accrued liability	39 718 000	48 412 000
Interest cost	4 208 000	5 154 000
Service Cost	1 717 000	2 121 000





Notes to the Financial Statements

6. Employee benefit obligations (continued)

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

Actuary

The valuation was conducted by ZAQ Consultants and Actuaries (Pty) Ltd. There is no conflict of interest.

7. Staff Advances

Staff advances at year end	2 733	71 701
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Staff advances consists of study loans and travel advances made to staff members. The advances are interest free and are repayable within 12 months.

8. Receivables from exchange transactions

Trade receivables	33 039 588	17 625 670
Deposits	4 157 360	5 150 728
Prepaid expenses	19 926 761	7 616 033
	57 123 709	30 392 431

Trade receivables held by South African Tourism at 31 March 2026 amounted to R31.5 million (2025: R17.6 million). 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.

Non-current assets	816 158	-
Current assets	56 307 551	30 392 431
	57 123 709	30 392 431





Notes to the Financial Statements

8. Receivables from exchange transactions (continued)

Trade and other receivables impaired

As of 31 March 2026, trade and other receivables of R61 804 were impaired.

The amount of the provision was R2 022 791 as of 31 March 2026 (2025: 2 020 079).

The ageing of these receivables is as follows:

3 to 6 months	369 327	804 656
Over 6 months	1 653 464	1 215 423
	2 022 791	2 020 079

Reconciliation of provision for impairment of trade and other receivables

Opening balance	2 020 079	2 693 735
Provision for impairment	(61 804)	(673 656)
Amounts written off as uncollectible	(31 960)	-
Unused amounts reversed	96 476	-
	2 022 791	2 020 079

9. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	65 614	65 740
Bank balances	648 738 048	554 656 319
	648 803 662	554 722 059

10. Finance lease obligation

Minimum lease payments due:

- within one year	-	2 575
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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%.

Interest rates are fixed at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

11. Provisions

Reconciliation of provisions - 2026

	Opening Balance	Total
Provision for withholding tax	7 885 853	7 885 853





Notes to the Financial Statements

11. Provisions (continued)

Reconciliation of provisions - 2025

	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.

12. Payables from exchange transactions

Trade payables	109 721 107	213 712 007
Accrued liabilities	104 822 373	57 239 056
Accrued leave pay	18 916 980	18 385 899
	233 460 460	289 336 962

13. Revenue

Sundry income	73 196 237	113 136 378
Grading income	24 789 272	25 580 133
Interest received	24 853 344	52 936 301
Government grants	1 300 207 000	1 243 555 121
	1 423 045 853	1 435 207 933

The amount included in revenue arising from exchanges of goods or services are as follows:

Sundry income	73 196 237	113 136 378
Grading income	24 789 272	25 580 133
Interest received - investment	24 853 344	52 936 301
	122 838 853	191 652 812

Sundry income is mainly related to receipts from Exhibition income.

The amount included in revenue arising from non-exchange transactions is as follows:

Transfer revenue

Government grants & subsidies	1 300 207 000	1 243 555 121
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14. Grading income and expenses

Grading revenue	24 789 272	25 580 133
Grading Expenses	(13 445 242)	(13 499 679)
	11 344 030	12 080 454





Notes to the Financial Statements

15. Investment Income

Interest revenue

Bank	24 853 344	52 936 301
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16. Government grants

Operating grants

Government grants	1 300 207 000	1 243 555 121
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17. Employee related costs

Basic	185 602 123	177 040 888
Medical aid - company contributions	2 870 718	9 734 508
UIF	356 606	356 885
SDL and staff training	1 240 747	626 531
Leave pay accrual	2 499 665	2 230 295
Long service awards	494 309	-
Defined contribution plans	10 256 145	10 173 865
Allowances	11 426 498	13 277 049
Social Insurance	6 420 787	5 592 069
Other employee related costs	8 684 633	5 394 706
	229 852 231	224 426 796

Other employee related costs comprise of staff welfare, recruitment, relocation and post retirement benefits.

18. Administrative expenditure

Administration and management fees - third party	113 412 514	101 544 862
Administration and management fees - related party	1 372 633	1 737 735
	114 785 147	103 282 597

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

Property, plant and equipment	7 569 101	7 888 880
Intangible assets	2 849 022	4 694 268
	10 418 123	12 583 148

20. Marketing expenses

Marketing costs	807 974 309	943 949 960
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Marketing expenses mainly consists of costs toward media placements, content generation and marketing activations for brand campaigns, digital marketing and stimulating domestic tourism.





Notes to the Financial Statements

21. Finance costs

Finance leases	-	427
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22. Debts Impairment

Debt impairment	61 804	-
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23. Travel Expenses

Travel Expenses relating to marketing expenditure	18 037 107	18 642 392
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24. Auditors' remuneration

Fees	13 633 651	13 773 989
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25. Cash generated from operations

Surplus	189 612 592	79 185 972
Adjustments for:		
Depreciation and amortisation	10 418 123	12 583 148
Loss on sale of assets	218 073	699 549
Loss on foreign exchange	7 918 617	32 431 837
Finance costs - Finance leases	-	427
Debt impairment	61 804	-
Bad debts written off	31 960	82 569
Movements in operating lease assets and accruals	35 159	(293 055)
Movements in retirement benefit assets and liabilities	(4 792 000)	7 988 000
Unrealised foreign exchange difference	(9 173 938)	(16 732 794)
Changes in working capital:		
Receivables from exchange transactions	(26 731 278)	9 373 704
Consumer debtors	-	144 262
Other receivables from non-exchange transactions	-	133 543 522
Payables from exchange transactions	(56 407 582)	(13 809 993)
	111 191 530	245 197 148





Notes to the Financial Statements

26. Commitments

Authorised capital expenditure

Already contracted for but not provided for:

Computer Equipment	19 697 253	-
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Total capital commitments

Already contracted for but not provided for	19 697 253	-
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Authorised operational expenditure

Already contracted for but not provided for:

Subvention Funding	10 180 000	10 509 000
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Not yet contracted for and authorised by members

Subvention Funding	1 629 000	-
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Total operational commitments

Already contracted for but not provided for	10 180 000	10 509 000
Not yet contracted for and authorised by members	1 629 000	-
	11 809 000	10 509 000

Total commitments

Authorised capital expenditure	19 697 253	-
Authorised operational expenditure	11 809 000	10 509 000
	31 506 253	10 509 000

This committed expenditure relates to Marketing expenditure and will be financed by retained surpluses, and existing cash resources.

Operating leases - as lessee (expense)

Minimum lease payments due

- within one year	12 318 563	12 680 781
- in second to fifth year inclusive	3 724 930	6 719 592
	16 043 493	19 400 373

Operating lease payments represent rentals payable by the entity for office premises with escalation clauses between 1.3% and 6%. Leases are negotiated for an average term of four to ten years. No contingent rent is payable.





Notes to the Financial Statements

27. Contingencies

Litigation relates to labour related matters, tender administration matters and alleged breach of contract. The gross contingent liabilities are estimated to be R69 278 297 (2025: R7 490 487), while gross contingent assets are undeterminable at this stage (2025: R10 130 269). 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:	R576 412
Invoices under dispute:	R68 701 885

Contingent Assets

Breach of Contract: SAT vs Swift Thinking	Undeterminable
Tender Administration matters: GF Angeleri and 24 others	Undeterminable

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 R 648 803 662 (2025: 554 722 059). Subsequent to the year-end, an application will be lodged with National Treasury for the retention of surpluses.

Cash Surplus

Cash and Cash Equivalents	648 803 662	-
Trade and other receivables	56 310 284	-
Less: Current liabilities	(267 196 939)	-
	437 917 007	-

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 R 1 300 207 000 (2025: R 1 243 555 121). Related party relationships exist. However, all purchasing and selling transactions were concluded at arm's length.





Notes to the Financial Statements

28. Related parties (continued)

Remuneration

Board members

2026

Name	Board Fees	Other re- imbursements	Total
1. G Davids	102 258	-	102 258
2. M De Rijk-Uys	59 356	-	59 356
3. J Gadiah	29 678	-	29 678
4. S Jeeva	45 866	-	45 866
5. S Leyden	62 054	-	62 054
6. M Masito	146 718	-	146 718
7. M Matola	94 430	-	94 430
8. R Nxele	75 544	-	75 544
9. P Parmananda	51 262	-	51 262
10. E Pilane	191 558	-	191 558
11. T Selikane	45 866	-	45 866
12. CK Zama	108 976	-	108 976
13. K Mosehla	64 752	-	64 752
14. S Mzimela	35 074	-	35 074
15. J Nwokedi	75 544	-	75 544
	1 188 936	-	1 188 936

28. Related parties (continued)

2025

Name	Board Fees	Other re- imbursements	Total
1. M Khanyile	262 314	3 052	265 366
2. M Toni	48 564	-	48 564
3. S Bvuma	67 450	-	67 450
4. R Mahabeer	59 356	-	59 356
5. N Haya	56 658	-	56 658
6. G Davids	172 406	41 727	214 133
7. M De Rijk-Uys	51 262	-	51 262
8. J Nwokedi	26 980	-	26 980
9. T Selikane	40 470	-	40 470
10. M Matola	16 188	-	16 188
11. L Naidoo	51 262	-	51 262
12. S Mzimela	43 168	-	43 168
13. CK Zama	30 476	-	30 476
	926 554	44 779	971 333





Notes to the Financial Statements

28. Related parties (continued)

Management class: Executive management

2026

Name	Basic Salary	Company Distribution	Other Earnings	Acting Allowance	Total
1. N Guliwe Chief Executive Officer	2 742 089	188 217	117 951	-	3 048 257
2. S Mthethwa Chief Strategy Officer	2 437 586	168 301	174 397	71 876	2 852 160
3. L Sithole Chief Financial Officer (Engaged 1 January 2026)	653 356	44 723	12 750	-	710 829
4. T Ramovha Acting Chief Financial Officer	1 459 384	102 134	60 522	412 439	2 034 479
5. B Auret Chief Quality Assurance Officer	2 097 679	160 181	121 148	-	2 379 008
6. T Sehloho Chief Marketing Officer (Terminated 16 January 2026)	2 009 644	147 417	405 664	-	2 562 725
7. T Mathibela Acting Chief Marketing Officer	1 191 145	83 073	28 500	301 018	1 603 736
8. D Erasmus Chief Operating Officer	2 398 380	148 110	267 618	137 511	2 951 619
9. (Terminated 13 February 2026)					
10. C Koch Chief Convention Bureau Officer (Engaged 1 Decemebr 2025)	715 151	49 140	17 000	-	781 291
	15 704 414	1 091 296	1 205 550	922 844	18 924 104

2025

Name	Basic Salary	Company Distribution	Other Earnings	Total
1. N Guliwe Chief Executive officer	2 646 725	155 339	102 300	2 904 364
2. S Mthethwa Chief Strategy Officer	2 353 804	138 378	88 806	2 580 988
3. T Sadik Chief Financial officer (Terminated 15 September 2024)	1 217 610	71 567	174 945	1 464 122
4. B Auret Chief Assurance Officer	2 024 709	134 194	139 589	2 298 492
5. T Sehloho Chief Marketing officer (Engaged 1 April 2024)	2 459 396	144 529	90 308	2 694 233
6. D Erasmus Chief Operating Officer (Engaged 1 January 2025)	600 483	36 863	12 226	649 572
7. N Ndlovu Chief Operating Officer (Terminated 30 April 2024)	57 484	11 747	288 988	358 219
	11 360 211	692 617	897 162	12 949 990

29. Prior period errors

In accordance with GRAP 3: Accounting Policies, Changes in Accounting Estimates and Errors, the comparative figures have been restated to correct these misstatements.





Notes to the Financial Statements

29. Prior period errors (continued)

Period Error Note 29

In the previous years, it was found that there was material overstatement of liabilities, administration and marketing expenditure. Previously, purchase orders instead of valid supplier invoices were used to recognise liabilities. As such, Payables from exchange transaction consisting of accrued expenses and accounts payables from prior periods were found to be overstated. This was as a result of liabilities being recognised where goods and services were never received, expired contracts, variances between the original purchase orders and final invoices, and invoices which were already settled.

Other prior period errors were identified on accounts receivables from exchange transactions which resulted in an overstatement of grading revenue. This occurred as a result of applications for grading being received without fees were not paid. Although the amounts were insignificant, it was appropriate to correct the errors.

During the current and previous two financial years, management corrected the above as prior -period errors. The total adjustment to the payables from exchange transactions amounted to R117 703 929 over the three years whilst to the receivables from exchange transactions amounted to R573 053.

In accordance with GRAP3: Accounting Policies, Changes in Accounting Estimates and Errors, the comparative figures have been restated to correct these misstatements.

The impact of these changes affected the statement of financial performance, statement of financial position, statement of changes in net assets, cash flow statement, various notes as well as the segment reporting.

The impact of the correction of these prior year errors is as follows:

Statement of Financial Position	Previously reported 2024/25	Restated 2024/25	Movement
Statement of Financial Position			
Payables from exchange transactions	323 825 186,00	289 336 962,00	34 488 224,00
Accumulated Surplus	240 666 868,00	275 155 092,00	34 488 224,00
Statement of Financial Performance			
Marketing expenditure	943 949 960,00	914 987 485,00	28 962 475,00
Administration costs	107 635 433,00	103 282 597,00	4 352 836,00
Cashflow Statement			
Cash flow from sale of goods and services	125 723 745,00	148 090 220,00	22 366 475,00
Cash paid to suppliers	1 091 695 462,00	1 107 034 198,00	15 338 736,00

Expenditure amounting to R1 853 770 was incurred in the previous financial year. The assessment and confirmation of the expenditure being irregular was completed during the financial year necessitating the adjustment to prior period.

Irregular expenditure	-	1 853 770,00	1 853 770,00
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Notes to the Financial Statements

30. Financial Instruments

Financial risk management

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. The use of short term deposits assists to mitigate liquidity risk as the entity has an opportunity to withdraw funds from the account at any time to meet its operational needs.

The amounts exposed to the liquidity risk are as follows:

Financial liabilities at amortised cost	R214 543 480	R270 951 063
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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 by subjecting the balances to the ECL model for impairment testing purposes. Accordingly, the entity has no significant concentration of credit risk.

The overall credit risk on the financial instrument has been performed with the adoption of the revised GRAP 104.

Where the credit risk on a financial instrument has not increased significantly since initial recognition, the entity measures the loss allowance at an amount equal to life time expected credit losses.

Assumptions used

Long standing debtors with existing staff members is unlikely to default hence low loss rates.

Long standing debtors with existing pension funds ex-staff members is in the process of implementing the policy to pay 2/3 thus minimising SAT exposure.

Concentration of debtors is suppliers which have less than 360 days overdues thus relatively low risk due to contractual requirements.

Current economic forecasts (inflation, interest rate, national treasury fiscal outlook) .

Forward-looking information incorporated in the ECL models

A reasonable and supportable forecast of future events and economic conditions at the reporting date is incorporated in the calculation of expected credit losses/loss allowances. Loss allowances are automatically adjusted in response to forward-looking macroeconomic information.

Loss allowance - Financial assets at amortised costs

Opening balance	R2 020 079
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Notes to the Financial Statements

30. Financial Instruments (continued)

Changes during the period

loss allowance (12 month expected credit losses)	R61 804
Total	R2 081 883

The amounts exposed to the credit risk are as follows:

Financial assets at amortised cost

Financial assets at amortised cost	2026	2025
Trade and Other Receivables	37 196 948	22 776 398
Cash and Cash Equivalents	648 803 662	554 722 059

31. Events after the reporting date

Subsequent to the financial year-end, a settlement agreement was concluded. As a result, the amount payable has been recognised as a liability, thereby reducing the contingent liabilities previously disclosed.

32. Irregular and Fruitless and Wasteful Expenditure

Irregular expenditure incurred in the current year	14 269 137	1 853 770
Fruitless and wasteful expenditure	2 263 430	-
Closing balance	16 532 567	1 853 770

***Refer to reconciling notes in the annual report**

The irregular expenditure results from non-compliance with SCM prescripts.

33. Segment information

General information

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





Notes to the Financial Statements

33. Segment information (continued)

Segment surplus or deficit, assets and liabilities

2026

	Head Office	International Marketing	Total
Revenue			
Revenue from non-exchange transactions	1 300 207 000	-	1 300 207 000
Interest revenue	24 711 456	141 888	24 853 344
Sundry income	70 785 484	2 410 753	73 196 237
Grading revenue	24 789 272	-	24 789 272
Total segment revenue	1 420 493 212	2 552 641	1 423 045 853
Entity's revenue			1 423 045 853
Expenditure			
Employee related costs	182 655 345	47 196 886	229 852 231
Marketing expenditure	544 261 228	263 713 081	807 974 309
Travel Expenses	9 734 570	8 302 536	18 037 106
General Expenses	145 945 750	23 705 249	169 650 999
Forex gain/(loss)	(1 544 760)	9 463 376	7 918 616
Total segment expenditure	881 052 133	352 381 128	1 233 433 261
Total segmental surplus/(deficit)	539 441 079	(349 828 487)	189 612 592
Assets			
Segment assets	638 945 552	123 809 060	762 754 612
Total assets as per Statement of financial Position			762 754 612
Liabilities			
Segment liabilities	207 355 210	77 605 729	284 960 939
Total liabilities as per Statement of financial Position			284 960 939





Notes to the Financial Statements

33. Segment information (continued)

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	668 496 328	246 491 157	914 987 485
Travel Expenses	11 290 551	7 351 841	18 642 392
General Expenses	85 751 813	79 781 638	165 533 451
Forex gain/(loss)	858 178	31 573 659	32 431 837
Total segment expenditure	938 826 065	417 195 896	1 356 021 961
Total segmental surplus/(deficit)	493 472 602	(414 286 630)	79 185 972
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	235 535 461	99 937 396	335 472 857
Total liabilities as per Statement of financial Position			335 472 857

Following a change in the composition of its reportable segments, the corresponding items of segment information for earlier periods has been restated.

34. Accounting by principals and agents

The entity was a party to a principal-agent arrangement(s).

Details of the arrangement(s) is/are as follows:

Management of Exhibitions

The Africa's Travel Indaba and Meetings Africa are exhibitions owned by South African Tourism. Synergy Business Events were appointed to manage the exhibitions on behalf of the organisation. The agent collects revenue from exhibitors and pays all the exhibition-related costs. The resulting residual is remitted to South African Tourism in line with a binding agreement between the two entities.





Notes to the Financial Statements

34. Accounting by principals and agents (continued)

Risk identification and assessment of internal controls

The Africa's Travel Indaba and Meetings Africa 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.

Fee paid

Management fees	12 231 416	8 120 719
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Management fees are levied by the agent at 15%, 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.

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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