# Mitigating COVID-19 in Tourism: Evaluating the South African Government's Response

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#### **Abstract**

This paper analyses the impact of the COVID-19 pandemic on the global tourism industry, with a focus on South Africa. The study examines the mitigation strategies implemented by the National Department of Tourism, using the Results-Based Management (RBM) method. Compared with a selection of other countries, the findings show that South Africa implemented effective interventions to support the tourism industry during the pandemic. The Tourism Relief Fund (TRF) provided aid to vulnerable businesses, while the Relief Fund for Tourist Guides helped freelancers. The Tourism Sector Recovery Plan (TSRP) fostered cooperation between the government and the private sector to support the sector's long-term recovery. Although there were implementation challenges, the interventions achieved their objectives, and their compatibility with national and international programs demonstrated their effectiveness. However, some businesses did not receive funding due to the inadequate capitalization of the TRF. Overall, the study highlights the importance of efficient resource utilisation in managing crises like the COVID-19 pandemic.

**Keywords**: COVID-19; tourism; relief funds/grants; mitigations

#### Introduction

The COVID-19 pandemic has had devastating health and socio-economic consequences worldwide, leading to a global public health crisis that extends far beyond epidemiology (Rose-Rosewood et al., 2020). The pandemic has caused multiple, profound, and overlapping scars on societies and economies, including in economic, health, environmental, and tourism systems (Gössling et al., 2020; Zenker & Kock, 2020). Governments worldwide have responded to the pandemic with measures such as testing and tracking, airspace and border closures, quarantine and stay-at-home orders, social distancing, restrictions on business operations, closures of educational institutions, halting of sports and entertainment events, and most recently, mass vaccination campaigns (Greer et al., 2020; Nhamo et al., 2020). In general, it is widely agreed that the economies of destinations and areas that rely heavily on tourism are the most vulnerable to the global disruption caused by the pandemic. This viewpoint is supported by various sources such as Mooney and Zegarra (2020) as well as Rogerson and Rogerson (2021). In South Africa, the COVID-19 outbreak led to a national state of disaster in April 2020 and a nationwide lockdown aimed at curbing transmission rates by requiring people to stay indoors and not travel (Rogerson & Rogerson, 2022). This approach had devastating outcomes for the tourism industry, leading to a 71% drop in foreign arrivals from just over 15.8 million in 2019 to less than 5 million in 2020 (Statistics South Africa, 2020). The overall number of travellers decreased by 71.0% between 2019 and 2020, and by 50.7% over 15 years from nearly 24.6





million recorded in 2006 to 12.1 million travellers recorded in 2020 (Statistics South Africa, 2020).

To assist the tourism sector through this crisis, the South African Department of Tourism intervened with several measures inclusive of financial support, tax relief measures as well as Tourism Industry Standard Protocols for Covid 19 measures among others. Tourism and hospitality-specific relief measures included the Tourism Relief Fund (TRF), the Tourist Guides Fund, and the Tourism Recovery Plan, implemented through the South African Tourism Agency (SA Tourism) responsible for marketing South Africa as a tourism destination, both locally and internationally (Rogerson & Rogerson, 2022). The Agency has been instrumental in the operationalisation of COVID-19 relief efforts by the Department (Rogerson & Rogerson, 2022).

This paper aims to contribute to the existing body of knowledge on tourism by examining the impacts of COVID-19 on the tourism industry in South Africa and the government's mitigation measures to assist the sector. By analysing the impact of the pandemic on the industry and assessing the effectiveness of the government's response, valuable insights and recommendations for policymakers, researchers, and industry stakeholders could be derived. Such research would be particularly relevant considering the ongoing challenges the tourism industry faces worldwide and the urgent need for evidence-based solutions to support its recovery. The effectiveness of government measures to mitigate the impact of Covid-19 on the tourism industry is interrogated within the scope of this paper. The South African government has implemented various measures to assist the tourism industry, including financial support, regulatory relief, and marketing support. Analysing the effectiveness of these measures can provide insights into the most effective strategies for governments to support the tourism industry during crises. Furthermore, this paper aims to broaden the debate on the impacts of Covid-19 on tourism in South Africa and the government's mitigation measures to assist the tourism industry and provides valuable insights into the specific challenges faced by the South African tourism industry, the effectiveness of government measures to support the industry, and lessons for other tourism destinations facing similar challenges.

#### Literature review

As of December 2022, South Africa's recovery of inbound arrivals from overseas was at 74% of December 2019 levels, indicating that the country's recovery has lagged that of the rest of Africa and the global average of 65%. Total arrivals for the year were at just 56% of 2019 (Tourism Update, 2023). According to the World Travel & Tourism Council, the travel and tourism industry contributes significantly to the South African economy, accounting for 6.1% of its gross domestic product (GDP) and providing employment for 9.1% of its workforce (World Travel & Tourism, 2022). Research indicates that the industry generates employment opportunities, with one new job created for every 30 new tourists who visit a destination (World Economic Forum, 2017). Furthermore, the travel and tourism sector has almost twice as many women employers as other industries (World Economic Forum, 2017). The industry is also a significant contributor to exports, accounting for 30% of global services exports and being the largest export category in many developing countries (World Economic Forum, 2017).

In 1995, South Africa's tourism revenues were USD 2.65 billion, which represented approximately 1.5% of the country's gross national product. At that time, approximately 4.68 million tourists visited the country, and each person spent roughly USD 567 (World Data, 2023). Over the following 25 years, the country's dependence on tourism increased, with sales amounting to USD 9.06 billion in 2019, equivalent to 2.3% of its GDP. On average, each visitor spent USD 613 on their vacation in South Africa (World Data, 2023). However, the COVID-19 pandemic had a significant impact on the tourism industry, causing tourist receipts in 2020



to plummet. Only USD 2.72 billion of the USD 9.06 billion generated in 2019 remained, representing a 70% decline in South Africa's tourism revenues (World Data, 2023).

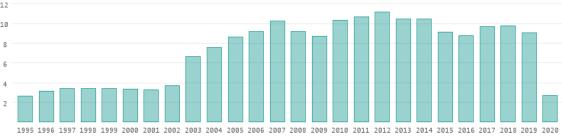


Figure 1: Tourism receipts 1995-2020 (World Data, 2023)

The COVID-19 pandemic has had a profound impact on the tourism and hospitality sector, endangering the survival of businesses throughout the tourism ecosystem (OECD, 2023). Despite governments' impressive efforts to cushion the blow and build recovery, more needs to be done in a coordinated way, as the World Travel and Tourism Council estimates that up to 174 million jobs are at risk globally in 2020 (World Travel & Tourism Council, 2020). In a rapid assessment of initial evidence about international COVID-19 impacts (Gössling et al., 2020) argues that the pandemic should lead to a critical reconsideration of the global volume growth model for tourism. The authors call for a reorientation of the global tourism system towards addressing the United Nations Sustainable Development Goals (SDGs), rather than prioritizing growth as an abstract notion benefiting the few. They contend that the pandemic presents an opportunity to transform the tourism system more aligned with the SDGs, rather than returning to business as usual after the crisis is over.

Other scholars offer similar messages, such as Niewiadomski (2020), who argues that the temporary de-globalization underway offers an opportunity to reboot the tourism industry in line with sustainability requirements and shed its darker side in terms of economic exploitation, environmental degradation, and exacerbating global climate change. Prideaux et al. (2020) maintain that lessons emerging from the pandemic can be applied to strategies for dealing with climate change, in particular, the concept of "flattening the curve." Kock et al. (2020) observe that COVID-19 will reshuffle taken-for-granted determinants of tourism and potentially alter tourists' psyche, leading to a new equilibrium. This paradigm shift represents an opportunity for tourism policymakers to better understand altered tourist behavior and decision-making. Wen et al. (2020) agree with Kock's view that COVID-19 is expected to have far-reaching impacts on domestic tourists' consumption behavior, and a return to the pre-COVID-19 normal should not be taken for granted, despite the potential for vaccines. According to Rogerson and Rogerson (2021), there is already substantial international evidence indicating shifts in consumer demand and changes in the nature and trends of domestic tourism across North America, Europe, and Australia. It is possible that unforeseeable changes could also arise in the future. Visser and Marais (2021) maintains that the tourism industry has experienced significant transformations in its core operations and continues to do so as it adapts to survive.

Governments worldwide have implemented various measures to mitigate the impact of COVID-19 on the tourism industry. Financial support is one of the common measures, where governments have provided financial assistance in the form of loans, grants, and subsidies. For instance, on March 11, 2021, President Biden signed into law the American Rescue Plan Act (ARPA), a massive \$1.9 trillion COVID-19 economic relief bill. The U.S. Department of Treasury established the Coronavirus Relief Fund with a total of \$150 billion, as part of the



CARES Act. Eligible recipients of payments from the Fund included States, units of local government, the District of Columbia, U.S. Territories (such as the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands), and Tribal governments (US Department of Treasury, 2020). The U.S. Travel Association reported that they successfully fought to secure billions of dollars in additional federal relief for all segments of the travel industry in the ARPA. The specific amounts of funding allocated to each segment can be found in Table 1.

**Table: 1 Travel industry segment allocations** 

Fund	Amount
Coronavirus fiscal recovery fund	\$350 billion
EDA Grants	\$3 billion
Airline payroll support	\$15 billion
Airport relief	\$8 billion

Source: U.S. Travel Association (2022)

Tourism contributed £59.7 billion to the United Kingdom's economy in 2017. 1 This was 3.2% of the total economic output in the UK. The COVID-19 pandemic and the lockdowns that occurred during this time created a decline of 60% to 80% in the international tourism economy (Keep & Ward, 2020). The UK government created four main government-backed financial loan schemes for businesses of different sizes affected by the coronavirus:

Table 2: UK Government back loans

Government-backed loan	Loan amount
Bounce Back Loans Scheme (BBLS)	Up to £50,000 or 25% of turnover
Coronavirus Business Interruption Loan Scheme (CBILS)	Up to £5 million for businesses with a turnover under £45
	million
Coronavirus Larger Business Interruption Loan Scheme	Extends the standard CBILS approach to larger businesses
(CLBILS	with turnover over £45 million.
Future Fund	loans up to £5 million to UK-based companies

Source: Keep and Ward (2020)

In addition, councils in the UK distributed more than £11 billion to 880,000 to small hospitality businesses that were struggling (Local Government Association, 2021). According to Gov. UK (2020), businesses in England in the retail, hospitality, and leisure sectors were entitled to a one-off cash grant of up to £25,000 from their local council. If the business had a property with a rateable value of £15,000 or under then they qualified for £10,000. However, if the business had a property that has a rateable value of over £15,000 but less than £51,000, then it would qualify for a grant of £25,000.

Tax relief is another measure that governments have offered to tourism enterprises. Tax relief includes the deferral of tax payments and the reduction of tax rates. For example, the Canadian government announced a series of tax relief measures, including the deferral of tax payments and the extension of filing deadlines (Government of Canada, 2020). Furthermore, the government of Canada (2022) also established a TRF to the value of \$500 million program to support the tourism sector in Canada, with \$485 million in regional priorities funding administered by Canada's regional development agencies and the \$15 million National Priorities Stream administered by Innovation, Science and Economic Development Canada. Moreover, a minimum of \$50 million of the TRF's regional priorities funding was specifically used to support indigenous tourism initiatives. Additionally, Innovation, Science, and Economic Development Canada was said to deliver \$15 million to support the advancement of national tourism priorities aligned with Canada's Federal Tourism Growth Strategy (Government of Canada, 2022). In addition to the TRF, Canada had the Tourism and



Hospitality Recovery Program (THRP) program which tourism, hospitality, arts, entertainment, or recreation business, charity, and non-profit organisations in Canada benefited from. This program is for those who have been affected by the COVID-19 pandemic or businesses and organisations affected by a qualifying public health restriction and may be eligible for a wage subsidy, a rent subsidy, or both (ISED, 2021). ISED (2021) shows that the Sectoral Initiatives Program (SIP) — tourism and hospitality was another mitigation method used to support Canada's tourism and hospitality sector by helping employers and industry stakeholders to attract and retain skilled workers, building capacity through training and resources, and removing barriers for groups — including women, youth, Indigenous peoples, newcomers, persons with disabilities and LGBTQ Canadians to ensure inclusivity.

To ease the regulatory burden on tourism enterprises, governments have provided regulatory relief by reducing red tape and streamlining processes. For example, the Australian government introduced a range of measures to reduce regulatory burdens on businesses, including temporary changes to regulations governing business operations (Australian Government, 2020). Furthermore, Grants Assist (2020) states that the Australian government had announced a recovery program worth \$14.4 million to provide financial assistance to businesses in the tourism industry that are negatively impacted by Coronavirus. There were two separate funding programs under this initiative. This first was the Survival Grant programme which totals \$10.4 million. Tourist operators in the state who could demonstrate significant loss of earnings due to the pandemic were eligible to receive grants ranging from \$25,000 to \$100,000. The Recovery Fund program was set up with \$4 million in funding to support affected businesses in the tourism industry. Eligible businesses could receive a one-time financial assistance of \$6,500 to help them survive and stay afloat during these difficult times.

Additionally, according to the Australian Government (2020), there was a fund for Indigenous Art Centres where payments were being made directly to IVAIS-funded Indigenous Art Centres and IVAIS-funded Art Fairs to maintain operations and employment levels, ensuring that they continue to support artists and their communities. This included payments of up to \$85,000 made to each IVAIS-funded Indigenous Art Centre, spread across 2019-20 and 2020-21. Another method of support to businesses such as national parks were providing temporary relief from license fees and permit charges levied by the Director of National Parks for the period of 1 January 2020 to 31 March 2021 (Australian Government, 2020). Marketing support is another measure that governments have provided to the tourism industry. The aim is to help tourism enterprises attract visitors. For example, in New Zealand, the government launched a campaign to promote domestic tourism and encourage locals to support local businesses (Tourism New Zealand, 2020).

Infrastructure investment is another measure aimed at supporting the tourism industry. Governments have invested in infrastructure to support tourism enterprises, including the development of new attractions and the improvement of transport links. For example, in Thailand, the government has launched a plan to invest in tourism-related infrastructure (Saxon, et al., 2021). Tourism has been of great importance to Thailand. Tourist numbers grew exponentially from 14.1 million foreign arrivals in 2009 to 39.7 million. Thailand's GDP from travel and tourism made up 20% and sustained 8 million jobs, which accounted for 21% of total employment (Abd, 2020). Unfortunately, this success was short-lived. During the pandemic, in March 2020, it was estimated that foreign tourist arrivals would decline by 65% that year (Abd, 2020). Furthermore, to support the sector, there were tax incentives and soft loan programs worth \$4.8 billion to help Thai companies, especially SMEs were also implemented. The Bank of Thailand will also provide soft loans worth \$15.9 billion for SMEs, including \$317.5 million dedicated to tourism-related businesses (Abd, 2020). Furthermore,



the government has dedicated \$12.7 billion to economic and social recovery projects. Additionally, social assistance programs were developed to help informal workers who received B5,000 per month for three months. This was in addition to online skills training for tourism sector employees affected by COVID-19. These measures have been aimed at stabilising the tourism industry, which has been severely impacted by the COVID-19 pandemic. However, the effectiveness of these measures may vary depending on the country and the stage of the pandemic.

# National Department of Tourism measures *TRF*

The South African government implemented several measures to mitigate the impact of Covid-19 on the tourism industry, including the TRF. The TRF provided once-off grants to assist qualifying Small, Medium, and Micro Enterprises (SMMEs) involved in the tourism value chain to remain sustainable during and post the implementation of government measures to curb the spread of COVID-19 in South Africa. The Department of Tourism transferred R100 million in the 2019/20 financial year to SA Tourism to fund the TRF, which was further increased to R200 million in the 2020 budget (Department of Tourism, 2020). Eligible enterprises included those in the accommodation sector such as bed-and-breakfast accommodation (B&Bs), hotels, guest houses, lodges, and backpackers; hospitality and related services including conference venues and restaurants not attached to hotels; attractions; professional catering; and travel and related services such as travel agents, tour operators, tourist guiding, car rental companies and coach operators. The application criteria required that the business had been in operation for at least one year, and the annual turnover was less than R5 million (Department of Tourism, 2020).

The application process opened on the 7th of April 2020 and closed on the 31st of May 2020, and the Department received more than 13,000 applications for disbursements from the relief fund. However, due to the limited amount of funds, only 4,000 applications out of 7,284 were approved and paid. The fund was capped at R50,000 per entity that applied, and the business owner had to provide an extensive list of documentation to be considered. The Department received, evaluated, and processed applications within 30 days and paid out seven days after having been successful (Department of Tourism, 2020). The TRF aimed to distribute funds equitably, ensuring that SMMEs in all provinces benefited. The Tourism Broad-Based Black Economic Empowerment (BBBEE) Codes of Good Practices explicitly guided this process. However, AfriForum and Solidarity Union challenged the use of BBBEE codes as a criterion for accessing the fund in a court case. The High Court ruled in favour of the Minister of Tourism, Ms. Mmamoloko Kubayi-Ngubane, but the Supreme Court of Appeal overturned the ruling, stating that the minister had committed an error in law. The legal process did not cause significant delays in processing payments (Subramoney, 2021). Challenges in the automated system by the Department led to changes in the criteria for evaluating beneficiaries, with successful applicants ranked on a first-come, first-served basis using a compliance checklist. The Auditor General reported on delays in expediting payment due to IT and human resource problems with officials working from home. Due to these challenges, the application process was dealt with manually before submission to the deputy director-general for approval and SA Tourism for payment. The last payment was made on the 11th of August 2020, and the Auditor General reported that 32 beneficiaries did not meet the criteria required for receiving funds, 36 beneficiaries did not comply with the criteria, and 35 state employees unduly benefited from the TRF (AGSA, 2020).



# Relief fund for tourist guides

The South African Department of Tourism responded to the outcry for assistance from tourist guides affected by COVID-19 restrictions by establishing the Relief Fund for Tourist Guides, which was capped at R30 million. The Fund was administered through a no-application process, with information on guides sourced from Provincial Registrars of Tourist Guides in all provinces and verified by the Unemployment Insurance Fund (UIF) and the Department of Home Affairs (DHA). The primary objective of this relief fund was to provide coverage to tour guides, such as freelancers and independent guides who were ineligible for aid under the R200 million tourism relief fund (Nyawo, 2020).

Registered tourist guides who had valid identification according to DHA, were not registered with UIF and had not claimed financial support through the TRF were eligible for the Relief Fund for Tourist Guides. Payments of R1,500 per month for three months were made to qualifying tour guides, with 9,380 registered guides assessed by the Fund to avoid double dipping from the UIF. According to the National Department of Tourism, up to 4,650 freelancing tourist guides received payments of R1,500 per guide per month for three months. Payments began in August 2020, with just under R18 million disbursed for the 2020/21 period, leaving R12 million unspent. The final payment date for grants was not verified. However, the Auditor-General of South Africa (AGSA) found that 58 Relief Fund for Tourist Guides beneficiaries were either state employees at a municipal level or public entity employees at a departmental level who had benefited unduly from the Fund. Of these beneficiaries, 17 were deceased or received the benefit using deceased people's identities, while 26 received duplicate payments. Additionally, 273 beneficiaries received SASSA grants, with 100 of these double dipping by receiving money from both the Tour Guide Relief Fund and the TRF The AGSA also found that 1,172 recipients did not have valid IDs, and 641 received payment outside of the established time criteria.

## Tourism recovery plan

The Tourism Sector Recovery Plan (TSRP) forms part of the government's broader post-COVID South African Economic Reconstruction and Recovery Plan (ERRP) and is a short-to medium-term response by the tourism and hospitality sector and its constituent partners to the multi-dimensional challenges that were brought about by COVID-19. In an earlier statement, the cabinet described the TSRP as representing the "collective response by government and the tourism sector to the devastation caused by the COVID-19 pandemic". The recovery plan offers a series of measures that aims to protect and rejuvenate tourism and hospitality supply, reignite demand, and strengthen the supportive capability of the sector over two years (National Department of Tourism, 2021b).

The TSRP recognises the need for well-coordinated and targeted action/interventions to mitigate the impacts of the pandemic and to guide transformation, recovery, and long-term sustainability of the sector (National Department of Tourism, 2021b). Acknowledgment is given in the targeted actions/interventions to the importance of key 'enablers' to implement the plan, which includes, the forming of targeted and strategic partnerships between the government and the tourism and hospitality industry, and partnering with relevant departments such as Home Affairs, Transport, Health, Employment and Labour, and Safety and Security. These partnerships were considered crucial to ensure the implementation of other enablers such as eVisas, improving tourist safety, increased airlift capacity and improved turnaround times with the processing of tour operator licences; assistance with the vaccination of frontline workers (tourist guides, drivers, etc.) and participating in international efforts to support safe travel; and boosting domestic demand through government consumption and expenditure. The Department indicated that it anticipated that the implementation of these enablers or



partnerships would be led by other government departments in close cooperation with the Department of Tourism and all sector partners (National Department of Tourism 2021b). During a briefing to a parliamentary select committee on the Department's 2021/2022 Annual Performance Plan, the Department indicated that they have not received any additional funding or resources for the implementation of the TSRP. However, they did indicate that they had aligned their APPs to actions relevant to implementation so that funds are spent to support the implementation of the TSRP (National Department of Tourism 2021a).

#### **Methods**

As mentioned in the introduction, the National Department of Tourism implemented three programs to mitigate the harm done to the tourism industry due to the COVID-19 pandemic. This paper evaluates these programs using the Results-Based Management (RBM) method. RBM is a performance management approach that focuses on achieving results through efficient and effective resource utilization (Shera, 2016). The Results-Based Management (RBM) approach has its roots in the development sector, particularly in the United Nations Development Programme (UNDP), which started using RBM as an approach to managing results in the early 1990s. RBM was developed as a response to criticisms that development projects were not producing tangible and sustainable results and that traditional project management methods focused too much on inputs and outputs rather than outcomes and impacts. The evaluation criteria used in the RBM method, such as relevance, coherence, effectiveness, impact, efficiency, sustainability, and comprehensiveness, were employed to assess the program's success in achieving its intended outcomes. The paper's evaluation aimed to identify areas for improvement and to determine the three programs' overall effectiveness in mitigating the negative impact of the pandemic on the tourism industry. Documentary evidence from sources including government documents and reports, official government news releases, journal articles, and popular media articles was used during the evaluation process.

#### **Results**

## Relevance

The interventions implemented by the South African tourism sector in response to the Covid-19 pandemic appear to have been well-chosen. The strategies were adaptable, with a focus on addressing the needs and mandates of the Department and the Agency while attempting to accommodate those who felt left out or were unable to be assisted due to limited resources. The TRF targeted vulnerable businesses with a turnover of less than R5 million while excluding businesses such as Conference Venues and Restaurants attached to hotels. The Department justified this exclusion due to limited funds. However, the Relief Fund for Tourist Guides achieved its purpose of aiding registered freelancers for three months. The TSRP did not offer funding or grants to tourism and hospitality entities similar to the TRF. However, it was designed to foster close cooperation between the government and the private sector to support the longer-term recovery of the sector. Overall, the tourism sector's interventions were carefully crafted to address the unique challenges posed by the pandemic. Despite some limitations due to funding constraints, the government provided much-needed support to the industry through targeted relief measures and longer-term recovery planning.

## Coherence

The tourism sector's interventions in response to the Covid-19 pandemic demonstrate a high degree of compatibility between each other and with the wider context of the country. The Department has put in place various criteria to ensure fairness and some accommodation for people in different sectors. If one intervention falls short in accounting for those who need it,



another is designed to offset the imbalance. This approach is evident in the creation of a fund specifically for freelance tour guides who were not eligible for relief measures provided by other interventions, such as the UIF. This targeted intervention highlights the government's commitment to ensuring that no one is overlooked. Furthermore, the interventions show a level of consistency with national and international support programmes that are monitored by the OECD. This suggests that the government is not only focused on providing immediate relief but also on implementing long-term solutions that align with best practices globally. Overall, the tourism sector's interventions reflect a comprehensive and coordinated response to the challenges posed by the pandemic. By ensuring compatibility and fairness across interventions, the government is demonstrating its commitment to supporting the tourism sector and the wider economy during this trying time.

#### **Effectiveness**

The implementation of the tourism sector's interventions in response to the Covid-19 pandemic was not without its challenges. While the TRF successfully paid out the full amount of R200 million to 4,000 successful applicants, it was acknowledged that the funding was inadequate to meet the needs of all qualifying businesses. However, the TRF did achieve its original mandate of prioritising Broad-Based Black Economic Empowerment (BBBEE) Codes of Good Practices, despite some criticism. On the other hand, the Relief Fund for Tourist Guides (RFTG) was less effective, with not all the available funding being disbursed within the specified three-month timeframe. The eligibility criteria and application process for both the TRF and RFTG required a fairly long list of mandatory documentation, which favoured longrunning prominent businesses over relatively new start-ups, small shops, and local catering businesses. This was contrary to the objective of targeting businesses in villages, townships, and small towns. Moreover, TRF payments were delayed due to information technology challenges. However, the RFTG was successful in providing funding to eligible freelance tourist guides. Information on guides was obtained directly from provincially based registrars and verified with the Department of Home Affairs and the UIF. Unregistered guides needed to register before they could benefit, requiring the completion and submission of documentation required by provincial tourism departments. Despite these challenges, the TRF and RFTG achieved their broad objectives. The TSRP focuses on coordinated activities and targeted action to mitigate the impacts of the pandemic. Media reports on the implementation of the e-Visa reflected on the late implementation with a "dismal e-Visa service" that does not offer travellers visas on arrival (Crouth, 2022). The Department of Home Affairs website has faced significant backlash from both South Africans and visitors for its challenging navigation, drawing widespread criticism of its service. While it is still early to make a final assessment of whether the TSRP has achieved its intended objectives, it can be said that the TRF and RFTG have successfully provided relief measures to the tourism sector.

#### **Efficiency**

The announcement of emergency funding for the tourism sector was met with a positive response from stakeholders, but the distribution of funds did not match the output since a significant number of applicants were unsuccessful. The targets set for the number of recipients who received funding were not all met. The application process for the TRF was simplified by only using English, which may have disadvantaged individuals who do not have a good command of the language. Additionally, the cost of applying for funding from the Tourism Equity Fund (TEF) may have been prohibitive to some applicants who would have needed access to the internet, printing facilities, and electronic means to submit extensive documentation. The Relief Fund for Tourist Guides (RFTG) did not require an application



process, as the information on guides was sourced from databases maintained by the Provincial Registrars of Tourist Guides. This simplified and expedited the disbursement process, but the disadvantage was the exclusion of unregistered and informal guides. Despite several challenges identified by the Department and the Auditor-General of South Africa (AGSA) to disburse funds, delays to processes were limited and the efficiency of pay-outs was likely as good as could have been expected under the prevalent circumstances.

# **Impact**

In response to the devastating impact of the COVID-19 pandemic on South Africa's tourism and hospitality sector, the government established the TRF to provide financial assistance to businesses and tourist guides. The TRF received thousands of applications, with successful applicants having a countrywide geographical footprint, and just under 50% of them being black-owned businesses. However, media reports indicated that a significant number of applications, around 3,284, did not receive funding due to the inadequate capitalisation of the TRF. Some business owners who did receive the R50,000 grants reported that it did not match the amount of finance they required to survive the economic downturn caused by the pandemic. Furthermore, the full impact of the pandemic on the tourism and hospitality industry remains unknown, which makes it difficult to determine the extent to which the grant funding interventions assisted businesses and tourist guides to survive. Despite these challenges, the TSRP has the potential to significantly assist the industry, with a two-year timeframe and a wider audience that will benefit from the successful implementation of the plan.

#### Sustainability

The South African government introduced the TRF and the COVID-19 Tourism Relief and Recovery Fund (RFTG) to provide temporary financial assistance to businesses and other tourism stakeholders that were negatively impacted by the COVID-19 pandemic. The funds were designed to subsidise expenses and fixed costs, operational costs, supplies, and other high-pressure cost items. Funding applications were processed weekly, and successful applicants received capped benefits until the funds were exhausted within a relatively short period. However, these interventions were not planned primarily with sustainability in mind, and it is questionable whether the R50,000 grant was sufficient to keep many businesses' doors open. The TRF was also insufficiently capitalised, and many businesses continued to face poor trading conditions. From a comparative international perspective, South Africa's support for the tourism industry was relatively meagre due to the poor state of public finances. As noted by Turok and Visagie (2021:1), "South Africa's response was limited by the poor state of public finances." Therefore, it can be concluded that these interventions may not have reached the desired level of sustainability due to limited funding and the short duration for which support was intended.

#### **Comprehensiveness**

The TRF was established to provide support to a large number of tourism and hospitality small, medium, and micro enterprises (SMMEs) to ensure their survival beyond the COVID-19 pandemic. This was in line with similar initiatives by OECD countries to provide COVID-19 relief to SMMEs. The TRF also aimed to assist entities in line with the Department of Tourism's objectives of economic transformation and sustainable and inclusive tourism development. However, the lack of support for larger establishments has resulted in the closure of several well-established hotels and restaurants. Eligible businesses were able to apply for assistance from 07 April to 30 May 2020, but the TRF and COVID-19 Tourism Relief and Recovery Fund (RFTG) provided temporary relief only to registered businesses and tourist guides that met



selected criteria, which excluded many survivalist businesses. Despite the disbursement of TRF and RFTG monies being undertaken in a fair and spatially equitable manner across provinces, it, unfortunately, excluded larger tourism establishments. This suggest that only a limited section of the tourism and hospitality sector qualified for support, and many businesses outside of this sector have been left to fend for themselves.

#### Conclusion

The interventions implemented by the South African tourism sector in response to the Covid-19 pandemic were well-chosen, adaptable, and focused on addressing the needs and mandates of the Department and the Agency while attempting to accommodate those who felt left out or were unable to be assisted due to limited resources. The country has taken several steps that are comparable to those taken by other major tourism countries in providing financial support, implementing tax relief measures, and establishing Tourism Industry Standard Protocols to address the Covid-19 pandemic. Tourism-specific relief measures included the TRF targeting vulnerable businesses with a turnover of less than R5 million while excluding businesses such as Conference Venues and Restaurants attached to hotels. The Relief Fund for Tourist Guides achieved its purpose of aiding registered freelancers for three months. The TSRP fostered close cooperation between the government and the private sector to support the longer-term recovery of the sector.

Interventions were compatible with each other and with the wider context of the country, demonstrated a level of consistency with national and international support programmes monitored by the OECD, and reflect a comprehensive and coordinated response to the challenges posed by the pandemic. The implementation of the interventions was not without challenges, but they achieved their broad objectives. While the distribution of funds did not match the output, delays were limited, and the efficiency of payouts was likely as good as could have been expected under the prevalent circumstances. The TRF received thousands of applications, with successful applicants having a countrywide geographical footprint, and just under 50% of them being black-owned businesses. However, some business owners who applied did not receive funding due to the inadequate capitalisation of the TRF. Some stakeholders in the tourism industry have praised the TRF for providing much-needed financial support to struggling businesses during the pandemic. They have also noted that the fund has helped to preserve jobs and prevent further economic damage to the industry. Other stakeholders have criticised the fund for being slow and bureaucratic in its implementation. Some have also suggested that the fund has not been adequately targeted to reach the businesses that need it the most. However, there have been some positive developments and early indications of progress. For example, South Africa has gradually reopened its borders to international travelers, and there has been an increase in domestic travel as restrictions have eased. The government has also implemented several measures to support the industry, such as financial relief programs and tax incentives for tourism businesses.

In addition, the government has engaged with industry stakeholders and partners to develop targeted marketing campaigns and initiatives aimed at stimulating demand and promoting South Africa as a safe and attractive travel destination. These efforts have been supported by investments in tourism infrastructure and the enhancement of visitor experiences in key destinations. While these interventions have not yet fully reversed the impact of the pandemic on the tourism industry, they have helped to mitigate some of the negative effects and have provided a foundation for the sector's recovery. Ongoing monitoring and evaluation of the TSRP will be critical to ensure that it continues to be effective and responsive to the changing needs and challenges facing the industry. It is important that the TSRP effectively harness the opportunities created by altered tourist behavior and decision-making which may



have far-reaching impacts on both international and domestic tourists' consumption behavior. The implementation of an eVisa system has been criticised for its delayed rollout and various issues, highlighting the need for urgent attention. Overall, the success of government measures such as the TRF and other measures will likely depend on various factors, including the severity and duration of the pandemic, the effectiveness of the measures in supporting businesses, the urgency of implementation, and the ability of the tourism industry to recover in the long term.

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