



# *REPORT:* LOCAL GOVERNMENT TOURISM CONFERENCE

**DATE:** 26 – 27 FEBRUARY 2013

**VENUE:** SANDTON CONVENTION CENTRE GAUTENG

**THEME:** “TOURISM DEVELOPMENT:  
WHY LOCAL GOVERNMENT MATTERS”



**tourism**

Department:  
Tourism  
REPUBLIC OF SOUTH AFRICA



**SALGA**  
South African Local Government Association



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## ACRONYMS

<b>CATHSSETA</b>	Culture, Art, Tourism, Hospitality and Sport Education and Training Authority
<b>CEO</b>	Chief Executive Officer
<b>COGTA</b>	Department of Cooperative Governance and Traditional Affairs
<b>CTA</b>	Community Tourism Association
<b>CTO</b>	Community Tourism Organisation
<b>DG</b>	Director–General
<b>DDG</b>	Deputy Director – General
<b>DCoG</b>	Department of Cooperative Governance
<b>DTF</b>	District Tourism Forum
<b>DTGS</b>	Domestic Tourism Growth Strategy
<b>EDP</b>	Economic Development and Planning
<b>EIA</b>	Environmental Impact Assessment
<b>EPWP</b>	Expanded Public Works Project
<b>FEDHASA</b>	Federated Hospitality Association of Southern Africa
<b>HOD</b>	Head of Department
<b>HICA</b>	Hospitality Investment Conference Africa
<b>IDC</b>	Industrial Development Corporation
<b>IDP</b>	Integrated Development Plan
<b>LED</b>	Local Economic Development
<b>LTF</b>	Local Tourism Forum
<b>GDP</b>	Gross Domestic Product
<b>GTA</b>	Gauteng Tourism Authority
<b>GTSS</b>	Gauteng Tourism Sector Strategy
<b>KZN</b>	KwaZulu-Natal
<b>MEC</b>	Member of the Executive Committee
<b>MIG</b>	Municipal Infrastructure Grant
<b>MMC</b>	Member of the Mayoral Committee
<b>MoU</b>	Memorandum of Understanding
<b>NDT</b>	National Department of Tourism
<b>NEF</b>	National Empowerment Fund
<b>NT</b>	National Treasury
<b>NGP</b>	National Growth Path
<b>NTSS</b>	National Tourism Sector Strategy
<b>PPP</b>	Public Private Partnerships
<b>PTC</b>	Provincial Tourism Committee
<b>PTF</b>	Provincial Tourism Forum
<b>PGDS</b>	Provincial Growth and Development Strategies
<b>SALGA</b>	South African Local Government Association
<b>SAT</b>	South African Tourism
<b>SATSA</b>	Southern Africa Tourism Services Association
<b>SATTIC</b>	South African Travel and Tourism Industry Conference
<b>SMMEs</b>	Small Medium Micro Enterprises
<b>TBCSA</b>	Tourism Business Council of South Africa
<b>TECSA</b>	Tourism Empowerment Council of South Africa
<b>TGCSA</b>	Tourism Grading Council of South Africa
<b>TOMSA</b>	Tourism Marketing South Africa
<b>TSI</b>	Tourism Safety Initiative
<b>UA</b>	Universal Accessibility

## ACKNOWLEDGEMENTS

The National Department of Tourism (NDT) would like to express its appreciation to all individuals who made an outstanding contribution to what was widely considered to have been a successful Local Government Tourism Conference.

In particular, we would like to thank our guest speakers, presenters, facilitators and rapporteurs who took time out of their busy schedules to share their knowledge with delegates. Most importantly to all the delegates who made the time to attend, participate and demonstrate their commitment towards the growth and development of the tourism sector.

We would also like to acknowledge the wonderful support and enthusiastic cooperation received from our partners, the South African Local Government Association (SALGA) and the Industrial Development Corporation (IDC) in particular for sponsoring the conference networking dinner.

Sincere thanks to a team of organisers within the National Department of Tourism whose hard work and dedication ensured that the conference was a success.

# I. BACKGROUND AND INTRODUCTION

The National Department of Tourism (NDT) has acknowledged that the capacity of local government to deliver on the tourism mandate presents a challenge to the growth and development of the tourism sector. In addressing this challenge, the department saw a need to provide support and leadership, through the development of the Tourism Planning Toolkit for Local Government, which was launched at the 2009 Local Government Indaba, and the Local Government Tourism Development and Growth Support Programme, developed in 2012.

The successful implementation of the National Tourism Sector Strategy (NTSS) at local government requires highly organised interaction with other spheres of government, local communities and the private sector. On-going and consistent information sharing on national frameworks, strategies and developments in the tourism sector is therefore critical if we are to grow tourism collectively.

Tourism touches so many aspects of society and cuts across a wide range of local government functions. This therefore requires that it should be addressed at a higher level, including political principals at local government. This will help to ensure that it is taken into account, both at a strategic and planning level at local government.

It is in view of the above, that the National Department of Tourism (NDT) hosted a Local Government Tourism Conference under the theme: "Tourism Development: Why Local Government Matters". The conference was held on 26 – 27 February 2013 at the Sandton Convention Centre in Gauteng. The event provided a platform for dialogue between public and private sector stakeholders and leadership to engage, share information on challenges and best practices on tourism development at local government.

## 2. LOCAL GOVERNMENT TOURISM CONFERENCE OVERVIEW

The Local Government Tourism Conference was divided into seven sessions which ran over two days. Session one was setting of the scene and focused on key political principals, which included a key note address by the Honourable Minister of Tourism, Mr Marthinus van Schalkwyk.

Remarks were also delivered by MEC for Local Government and Housing in Gauteng, Ms Lentheng Helen Mekgwe, MEC for Economic Development and Environmental Affairs in Eastern Cape, Mr Mcebisi Jonas, MEC for Economic Development in Gauteng, Mr Nkosiphendule Kolisile, MMC for Economic Development and Planning in the City of Tshwane, Councillor Subesh Pillay and the Executive Mayor for the City of Johannesburg, Councillor Parks Tau.

Session two included presentations from various speakers in both public and private sector on the role of local government in tourism, integrated planning for tourism development, alignment of tourism marketing efforts and private sector partnerships for tourism growth. In session three, case studies on key topics related to the conference theme were shared with delegates.

Session four in the afternoon was dedicated to commissions. There were five commissions which addressed core issues on the growth and development of tourism in South Africa. Each commission was facilitated by an experienced expert, with in depth knowledge and understanding of tourism.

Day one of the conference culminated in a networking dinner (session five) that was sponsored by the Industrial Development Corporation (IDC).

The second day which was the sixth session, began with an opening and welcome address followed by report backs by rapporteurs from commissions as the seventh session. This was followed by closing remarks and vote of thanks by Ambassador LM Makhubela, Director-General of the National Department of Tourism.

The conference also saw the launch of the Local Government Tourism Development and Growth Support Programme, as an NDT and SALGA initiative for building tourism capacity at local government.

### **3. CONFERENCE PROCEEDINGS: 26 – 27 FEBRUARY 2013**

#### **3.1 SECTION 1: SETTING THE SCENE**

##### **3.1.1 Objectives of the Conference**

The conference commenced on 26 February 2013 with the Programme Facilitator, Ambassador L M Makhubela, Director-General (DG) of the National Department of Tourism (NDT) thanking all delegates for their attendance and recognising all the important dignitaries that were present.

The DG shared information on the research conducted by the NDT three years ago and whose findings revealed that R3 billion was spent across the three spheres of government for the promotion of tourism. There is a need for a discussion on how best could such resources be used for maximum impact.

The Department then decided that it would be beneficial to have a dialogue with individuals that are involved in driving the tourism sector in the country, from local, provincial and national government. The NDT anticipated that such a dialogue could assist in streamlining resources with respect to spending on tourism.

The Director-General also shared information on progress made since the last conference in 2009. He acknowledged the development of the National Tourism Sector Strategy (NTSS) which has a great deal of buy-in from both the public and private sectors, and the commencement of implementation. He then highlighted that the strategy has targets and flagged the contribution to the Gross Domestic Product (GDP) by close to half a trillion rands by 2020 as crucial.

He also mentioned that implementation of the NTSS requires platforms such as the Local Government Tourism Conference, that could be used for interaction amongst stakeholders and mobilise various sectors for more collaboration. This includes utilisation of such a platform to converse on how human and financial resources can be channelled to ensure achievement of targets.



Furthermore, he stated that the NDT is in the process of amending the Tourism Act which will assist in defining specific responsibilities across the three spheres of government. It is anticipated that this will provide support in channelling energies and resources to achieve the desired results.

Subsequently, he also stated that the National Growth Path (NGP) recognises tourism as one of the job drivers and therefore it was deemed necessary that there should be a dialogue to understand how efforts and resources can be streamlined in an attempt to attain the desired results of the Growth Path.

The DG furthermore indicated that NDT came to the recognition that more focus must be given to domestic tourism. To this effect, the sector has seen the development of the Domestic Tourism Growth Strategy (DTGS) with clear deliverables as critical. He reiterated the concurrent nature of the tourism mandate which therefore demands collaboration and coordination of activities across the spheres of government in order to strengthen the domestic tourism portfolio.

In conclusion, the Director-General stated that the conference will be used as a platform to:

- Achieve a common understanding on collaboration and coordination of activities and efforts across the spheres of government, including private sector;
- Share ideas on how to optimally allocate resources such that NTSS targets are achieved collectively;
- Develop concrete proposals on dealing with challenges in the sector;
- Address challenges imposed on the sector, particularly at local government;
- Communicate national tourism policies and strategies and how they impact on the tourism sector;
- Deliberate on how best to capacitate and support Local Government to deliver the tourism mandate;
- Clarify the roles of all spheres of Government (national and provinces) in tourism development;
- Share best practices on tourism models in order to demystify the perceived unimportance of tourism at local government.

The Director-General thanked the South African Local Government Association (SALGA) for their contribution in convening the event and greatly appreciated their presence and participation in the conference.

### **3.1.2 Welcome Address by Councillor Mpho Parks Tau, Executive Mayor for the City of Johannesburg**

The Executive Mayor opened his address by stating that the City of Johannesburg, is not only proud to be hosts of the Local Government Tourism Conference, but are keen participants in the discussions about local government and tourism. The Executive Mayor welcomed the initiative by NDT and SALGA to gather different stakeholders under one roof to discuss various roles played collectively and individually by local government, business and practitioners in the tourism sector.

The Executive Mayor highlighted that the City of Johannesburg “believes that South Africans and municipalities have shown the capacity to be able to expand the tourism sector”. As a city very active in tourism, they continue to attract major events that come to Johannesburg and have also demonstrated the capacity to host such events.

The Executive Mayor agreed that the purpose of the conference is one that needed different stakeholders to meet under one roof and discuss the role that local government play in enhancing tourism, “while still competing for tourists as cities and benefitting from assets possessed throughout the country for the benefit of all citizens”.

He further stated that the conference would also discuss how cities compete and cooperate to ensure that tourism opportunities are maximised for both domestic and international tourists. He indicated that it is not uncommon for cities to find each other in various destinations promoting their respective areas.

As a closing remark, the Executive Mayor welcomed the Minister, all officials from various departments, all practitioners in government and the industry, who are the primary drivers of tourism. He stated that “for it is in cooperation with industry that government would be able to put its best foot forward for our cities and country”. The Executive Mayor also welcomed members of the media and highlighted his belief in working together with them, which in turn will demonstrate that South Africa and its cities have the capacity and products for tourists to enjoy.

### **3.1.3 Provincial Welcome Address by MEC Lentheng Helen Mekgwe, Local Government and Housing, Gauteng**

In her address, MEC Mekgwe stated that tourism is becoming the key contributor to the economy. With Africa and South Africa taking its place in the international space, tourism becomes the key economic driver to usher in foreign investments into the continent and therefore to the country. Being the economic hub of the continent, the Gauteng Province becomes the conduit into the country and to the whole of Africa.

She further stated that the Gauteng Province together with all the other eight Provinces, must ensure that the experience of tourists lingers on in their minds forever. She said the experience must lead them to recommend South Africa as a preferred tourist destination to their friends and families. “It means therefore, that each and every South African must become a tourism ambassador and is responsible for promoting our country”, she said.

The MEC also mentioned that local government has a mandate to plan for, impact upon, improve and monitor tourism development. Tourism, amongst other industries, relies on having municipal resources in a healthy state.

Local government provides the core utilities and infrastructure on which the tourism industry is based. This includes District and Municipal roads, lighting, water and sewerage, public transport systems, signage, airports and ports of entry. She emphasised that local government has a role to play in the operation of attractions such as museums, art galleries, sports stadia, convention centres, parks, gardens, events, tours, and other amenities. Also, tourism should be built into Integrated Development Plans (IDPs) of all municipalities, and therefore each municipality should have a specific and targeted strategy for promoting tourism.

The MEC shared that the Gauteng Province is excited about the Local Government Tourism Conference and hopeful that the deliberations will lead to new ideas on how to improve and grow the tourism sector, thereby increasing much needed revenue and creating jobs. In conclusion, the MEC welcomed all delegates to Gauteng as the host Province for the conference.

### **3.1.4 Message of Support and Introduction of the Minister of Tourism by Councillor Subesh Pillay, MMC for Economic Development and Planning, South African Local Government Association**

MMC Pillay started his address by thanking the NDT for affording SALGA the opportunity to partake at the Local Government Tourism Conference. He acknowledged the decision of the department and the leadership of the Minister for taking a bold and effective step forward for tourism development by having a specific focus on tourism and local government, appropriately under the theme “Tourism Development: Why Local Government Matters”

He mentioned that as highlighted in the NTSS, enhancing local government’s role and profile will serve as a tool to drive change and improve the performance and competitiveness of the sector.

Local government tourism represents the third sphere of public sector tourism. While National and Provincial tourism organisations are chiefly responsible for the design and implementation of tourism strategies and national and international marketing campaigns, it is the lesser-known local government authorities that often shoulder the responsibility for promoting and supporting local tourism.

He stated further that there is a need to widen Local Government’s own view on how they manage their socio-economic environment and how it impacts, positively or negatively on tourism. However, the National and Provincial Government must also be aware and ensure that municipalities do receive greater support, capacity building and funding to better support tourism from the local level.

He said that, the importance of intergovernmental relations cannot be overemphasised. The development of tourism at the local level is dependent on the better coordination of funding of tourism projects, particularly:

- Improving the working relationships between municipalities, national and regional stakeholders will result in better planning for tourism;
- Ensuring an integrated and coordinated approach to tourism at all levels of government, including paying attention to local government, its tariff policies on tourism and how it affects the broader sector;
- Nature of governance under which tourism projects can be funded;
- Ensuring that, there is a meaningful investment into the capacity of local government to realise tourism opportunities.

The MMC stated that SALGA is therefore excited, both about the partnership-led approach evident in the conference and also within the larger Local Government Tourism Development and Growth Support

Programme, which has been added to the list of priority projects for the National Department of Tourism (NDT) in the upcoming financial year.

He took the opportunity to welcome and thank the Keynote Speaker, Honourable Minister of Tourism of the Republic of South Africa, Mr. Marthinus van Schalkwyk.

MMC Pillay concluded by saying that the South African Local Government Association (SALGA) will continue to support the ability to build and nurture strong partnerships between national, provincial and local government and the industry, around tourism. SALGA will continue to support the implementation of the National Tourism Sector Strategy (NTSS) and in turn the Local Government Tourism Development and Growth Support Programme.

### **3.1.5 Key Note Address by Mr. Marthinus van Schalkwyk, Minister of Tourism, Republic of South Africa**

Minister Marthinus van Schalkwyk stated that the Local Government Tourism Conference has been convened to better streamline coordination and planning across spheres of government, in order to boost tourism which is acknowledged as an important economic sector that is now a cornerstone of the National Growth Plan.

He mentioned that travel and tourism is one of the fastest-growing sectors in the world. In 2012, South Africa continued to entrench its status as a major international tourist and business events destination, with tourist arrivals growing at an impressive 10,4% between January and October 2012.

While the tourism stakeholders are very satisfied with the growth in international tourist arrivals, domestic tourism remains the lifeblood of the South African tourism industry, and there is determination to stimulate and grow it.

The Minister further mentioned that between January and September 2012, 18,6 million domestic trips were undertaken by South Africans, contributing R15,1 billion to the economy. In 2011, the total direct and indirect contribution of tourism to the GDP was R250 billion.

The Minister added that the benefits of tourism are felt in local communities. Tourism enhances the image of cities and towns; it attracts additional commercial investments beyond the tourism sector; it creates employment opportunities and contributes to economic growth.

He said that cities like Cape Town, Durban and Johannesburg have some of the best tourism offerings, but there are towns like Oudtshoorn, Grahamstown and Clarens that have not only diversified their products but invested in niche tourism offerings which has made a big economic and social impact in the lives of their local communities. Oudtshoorn for example showcases the Klein Karoo National Arts Festival, which was last year attended by 100 000 tourists, with an economic impact of around R5 million - R10 million.

Also, Clarens in the Free State boasts diversity, natural, cultural and historical tourism product offerings. The town is endowed with many Art and Crafts shops which offer the visitor a wide range of curios and original South African artwork. It furthermore offers 4x4 routes, fly fishing and river rafting. Another feature which adds to the picturesque atmosphere of the village is the numerous sandstone buildings.

He stated that, the village has become known as the "Jewel of the Free State". It is also the gateway to the Golden Gate Highlands National Park, ancient San Rock Art and Dinosaur remains and fossils, which attract thousands of tourists annually.

Grahamstown is also a vibrant mix of all the best that Africa has to offer. It is one of the premier tourist routes in the Eastern Cape, and is also one of the most diverse ecological regions in South Africa, with a variety of biomes that provide unspoilt and spectacular scenery. The area offers much for the outdoor enthusiast and adventurer. Activities in the area include skydiving, hunting, game viewing, fly-fishing, hang-gliding, abseiling, river rafting and mountaineering.

Grahamstown also hosts the National Arts Festival, a vibrant celebration of South Africa's rich and multi-faceted culture, which draws approximately 50 000 tourists to its town annually.

This, he stated, shows that local governments therefore play an important role in the economic and social development of their communities. Local Government need to work with the various private and public stakeholders in the tourism sector to ensure that their communities derive maximum benefit. If tourism is to grow, there is a need for a concerted, well-coordinated approach to manage it, which includes a well-managed approach to visitor servicing.

The Minister emphasised that there are two matters that need further discussion; which are the following:

Firstly, many municipalities with some of the best tourism offerings in the country have cut tourism budgets, or do not have a tourism budget at all, whilst local government has the obligation to deliver basic infrastructure upon which tourism is built.

In his view, this can have a negative impact on the future economic growth and development of those municipalities, as tourism has the potential to create local jobs. The Minister therefore called on municipalities to make tourism a high priority in their budgets. To create the same quality of jobs in the tourism sector as in other economic sectors, the investment required is much less.

Furthermore, he stated that local governments will also find that, the NDT, through the Social Responsibility Implementation (SRI) programme, is a willing partner, which will make money available for concrete development plans. He shared examples of three successfully implemented SRI projects, i.e.

1. Hector Peterson Memorial Square in Soweto
2. Zithabiseni Resort, Mpumalanga
3. Mukumbani Falls Project, Limpopo

Secondly, the Minister mentioned that there is much to celebrate in terms of achievements to mainstream and integrate tourism in government policy, planning frameworks, and economic and development agenda. For that reason, the department has developed the Local Government Tourism Development and Growth Support Programme, in partnership with the South African Local Government Association (SALGA).

This programme will equip tourism practitioners and policy makers at local government level with much-enhanced tourism skills in key areas. Minister added that the NDT is also committed to working with all stakeholders to make tourism an integral part of planning and, most importantly, implementation at the local government sphere.

He pointed out that the department will continue to work with provinces and municipalities to ensure the integration of tourism priorities in the Provincial Growth and Development Strategies (PGDSs) and Integrated Development Plans (IDPs).

In conclusion, the Minister stated that the implementation of the NTSS will require strong partnerships across public and private sectors, but, most importantly, appropriate structuring, capacitation and resourcing in all spheres of government. He thanked all delegates and wished them productive deliberations as they tackle challenges and celebrate achievements together.

### **3.1.6 Tourism Development: A Provincial Perspective by Eastern Cape MEC for Economic Development and Environmental Affairs, Mcebisi Jonas**

MEC Mcebisi Jonas emphasised the significant importance of the tourism sector from the economic perspective, through its contribution to the Gross Domestic Products (GDP) and job creation. He said, as a result, tourism remains a critical sector.

He also stated that tourism is a growing sector globally and nationally, and continues to carry a huge potential. The MEC highlighted that there is a need for more emphasis on the potential connection between tourism and the green economy, which is also a critical dimension with potential for job creation. He indicated that the Province is in a process of ensuring that green economy initiatives are embedded in the provincial strategies and drive for promoting tourism in the Eastern Cape.

He stated that despite the growth and potential of the tourism sector, it is not always easy to translate the potential and growth into local benefits. There is almost a disjuncture between the growth of tourism and the extent to which it is translated into real benefits for the local community.

The MEC emphasised that local government is a critical component of any rigorous tourism strategy. The National and Provincial spheres must also ensure that there is greater integration between strategies of Municipalities and their strategies. The most fundamental role of local government relates to delivering the required basic services such as water, sanitation and infrastructure in a manner that creates a favourable environment for growing tourism.

He stated that building and enhancing the capacity of local government to perform at a basic level of delivering services more consistently and reliable is one of the fundamental points that needed to be made at a conference of that nature.

The other related issue was planning. A lot of resources are being spent on planning at a National, Provincial and Local government level. The problem is in many instances the same material and data is being recycled and this results in a lot of duplication in a manner in which issues are being dealt with. There is a need to address issues around planning and ensure that it is effective and well-coordinated.

The MEC lamented the absence of real-time data collection capability that can report on tourism numbers, movement and behaviour, which makes it impossible to plan and execute high impact strategies and operational plans. Real time data is crucial for effective planning. There is an improvement in the manner in which IDPs are being constructed from a content perspective, but they still remain weak as a barometer for determining local action, generally. This remains a challenge that still needs to be addressed.

On the issue of budgeting and finance, the MEC stated that compared to the global environment and the national fiscal, it is clear that as a country, South Africa is not moving in the direction of making more resources available for the public sector. This implies that all role players in the sector have to be more thoughtful around how resources are being spent for promoting tourism.

The MEC concluded his address by proposing the following key issues that need to be addressed moving forward, for collaboration with local government:

- Creating a better planning framework for tourism promotion
  - Coordination and integration of National, Provincial and Local planning
- Thinking more creatively around syndication of resources
  - Collaborating with municipalities to support certain initiatives, such as the Eastern Cape LED fund and job stimulus fund. The disjuncture from a funding perspective is a problem.
- Skills development
  - There is a need to develop specific unique skills to ensure that our municipalities and entities function better in promoting tourism
- Job creation and Local Economic Development (LED) interventions
  - There is no distinction between tourism development and LED. In many municipalities tourism promotion and LED are driven from different areas and there is no integration.
- Research
  - There should be alignment and collaboration between National and Provincial's research agenda for tourism.
  - Each sphere of government need to make a contribution, in terms of resources, for research.
- Enterprise development
  - Tourism is a business and focus must be on the development of sustainable enterprises to ensure sustainable tourism
  - There must be a conscious effort to link some of the enterprise development initiatives nationally and in provinces with the tourism promotion drive

- Investment promotion
  - An understanding of what is entailed in investment promotion must be developed or enhanced
  - Investment promotion should not be done in isolation from tourism promotion
- A Promotion Strategy for tourism is as critical as investment promotion in general and there must be integration between the two strategies
- Signature events
  - Ensure collaboration across spheres of government in signature events
  - Avoid concentration of events in one area / Province and spread them evenly

### **3.1.7 Tourism Development: A Provincial Perspective by Gauteng MEC for Economic Development, Nkosiphendule Kolisile**

MEC Nkosiphendule Kolisile stated that many people still perceive Gauteng as Johannesburg and the province has since taken a view to market Gauteng as a province with all its offerings from respective municipalities.

He indicated that the New Growth Path (NGP) identifies tourism as one of the important growth areas and there is a need to intensify work around tourism in order to achieve the targets. The Gauteng Province is widely recognised as a gateway into the country and in the continent. It is the home to Africa's busiest airport, i.e. O.R Tambo International Airport, which serves more than 20 million people per annum.

This however, also places a colossal responsibility on Gauteng as the tourism port for all. It is in this province where tourists and visitors formulate their first impressions about South Africa, hence the critical importance of investing in effective service excellence, to encourage repeat visits and willingness to recommend destination Gauteng and by extension, destination South Africa. Tourism also thrives more where there is service excellence; therefore the quality of service in the tourism space is of paramount importance.

The gateway status ushers other opportunities such as the Aerotropolis concept that is geared towards building a local economy anchored around airport activity, which is an initiative driven by the City of Ekurhuleni in collaboration with various partners. In all recorded history, Gauteng received the highest number of international tourists in the market share, but that is gradually declining. This means the province must invest in marketing and spend time on producing innovative products with service excellence and focus on visitor safety.

On the positive side, the MEC said Gauteng leads by share of bed night spent by tourists in the country is at an average of 30% per annum and this dispels the notion that the province is more of a corridor than a real



tourist destination. Shopping was identified as one of the important elements of tourism in Gauteng and improvements in this area will lead to gaining more tourists.

Gauteng is facing fierce competition in terms of the African gateway status, particularly from the likes of Kenya. The steady increase of direct international flights and competition is likely to become more intense after Kenya's recent announcement of an investment in conferencing facilities to supplement their International Convention Centre and diversify their tourism economy.

The MEC stated that tourism partnerships in the cooperative governance space are very important. Municipalities are at a central point, which is where everything happens. Without municipalities, not much will be achieved in tourism.

The Gauteng Tourism Sector Strategy (GTSS), which is fully aligned to the National Tourism Sector Strategy (NTSS), seeks to position Gauteng as a global city region, with each region capitalising on its strengths to provide a big city experience. The province does recognise that some regions are stronger than others in terms of tourism.

To overcome the disjuncture between Provincial strategies and Local Government Master Plans, the Province developed a new approach that involves working together with Section 80 Committees, as structures that deal with local economic development issues to elevate the focus of tourism.

The MEC also indicated that, over the last year, working collaboratively with local government, the Province has completed the Tourism Strategy and Plan, as well as the Tourism Project Portfolio. Collectively, these two projects provide the basis for the development of tourism strategic infrastructure projects. Gauteng now has a comprehensive Tourism Atlas, comprising of global information systems repository, not only of tourism products, but also of the facilities and services that are supporting tourism. The Province has also developed the Gauteng Visitors Information Centre Services Strategy, in partnership with local government. The strategy has four pillars, namely:

- Understanding the visitors;
- Providing information that the visitor needs;
- Effective distribution of information;
- Providing information in a sustainable and consistent manner.

The MEC concluded his address by emphasising that there is a need to capacitate the local sphere of government. Tourism must not be taken as a cost factor, it is a very important sector that must be capacitated and provided with resources. Intergovernmental relationships are very important and crucial for the growth of the tourism sector.

## **3.2 SECTION 2: PLENARY PRESENTATIONS**

### **3.2.1 The National Tourism Sector Strategy (NTSS) and its implications for Local Government by Ambassador LM Makhubela, Director-General: National Department of Tourism (NDT)**

The Director-General (DG) indicated that the National Department of Tourism (NDT) championed the process of sourcing inputs as part of the development of the National Tourism Sector Strategy (NTSS). He stated further that the NDT also championed the tourism related inputs into the New Growth Path (NGP) and has been working in partnerships with the private sector and local government. Further to that, the Director-General highlighted two issues. Firstly, how do we deal with tourism and secondly, the issue around international and domestic tourists?

The Director-General highlighted an inclination in the past to focus on the international aspect i.e. international tourists. In relation to that, the DG also pointed out that forecasts show that there is a potential growth in the Chinese tourists by 2016, and posed the question to the conference on how can these international (Chinese) tourists be attracted.

Whilst still on potential Chinese tourists, the Director-General expressed a concern about international tourists, who are in many instances affected by perceptions. He made an example of how the intense media spotlight affected the country as a result of the events in the past few weeks.

With regards to domestic tourism, the Director-General indicated that China was self-sufficient because they paid more attention to domestic tourism. There was also an indication of a decline in South African domestic travel. Thus, he pointed out that the NDT will be spending close to a R100 million in promoting domestic tourism.

The Director-General also reflected on the NTSS objective of job creation and tourism's contribution to the GDP and emphasised the need to do something at local government level. He highlighted the need to create capacity for strategic planning and to work closely with local government to create such. With regards to priorities, the Director-General pointed out that tourism is the first to suffer if there are demands for resources in some areas at local level. More often, the short term approach is to move funds away from tourism, but in the long term, tourism suffers.

Apart from that, the Director-General expressed concern around the management and impact to Brand South Africa by the country's competing destinations. Thus, he emphasised the importance of managing negative publicity. The Director-General made an example that some destinations market themselves as malaria free areas. In relation to that, the issue of spending money on the same service by different spheres of government was identified as a problem that ought to be resolved.

Lastly, the Director-General pointed out that the National Department of Tourism (NDT) has in some instances invited Heads of Departments (HODs) to participate in the NDT's Strategic Planning. Encouragingly, the NDT has also been invited to participate in some provinces. The Director-General concluded that such initiatives may assist in streamlining our efforts and need to be encouraged.

### **3.2.2 Integrated Planning for Tourism Development at Local Government by Ms Phumla Ndaba, Chief Director: Department of Cooperative Governance**

Ms Ndaba outlined the Department of Cooperative Governance's (DCoG) mandate, which is "to promote and strengthen cooperative governance across the three spheres of government, through the implementation of an effective system of intergovernmental relations".

Linked to the above, she then touched on what the Department of Cooperative Governance (DCoG) envisages as its role in the facilitation of integrated planning for tourism development at local government. She mentioned that, "As tourism is an economic sector, the direct linkage with DCoG's work and the work of municipalities is through the Local Economic Development (LED) function of the Department i.e. coordination and facilitation of economic development programmes that have an impact in the local sphere of government".

She then highlighted the fact that, "the main challenge currently faced by municipalities is sectorial planning in the development planning processes, as many municipalities struggle to develop sector plans, such as Tourism Plans". Responding to this challenge, she mentioned that, DCoG has established a National IDP Support Team, whose function is to support development planning processes in municipalities. This includes assisting municipalities to develop sector plans. The National Department of Tourism (NDT) was therefore invited to join the National IDP Support Team.

NDT, "not just Provincial chapters" was also invited to "get involved in some of the IDP review sessions to understand the process and better position itself to influence the process". Furthermore, she pointed out that beyond the strategies, municipalities need to be guided in terms of minimum requirements to properly discharge the tourism support function e.g. what are the guidelines and opportunities for funding?

In conclusion Ms Ndaba, mentioned that capacity building is essential, and the two Departments can work together in this area to maximize the impact of the NDT's current capacity building initiatives and avoid duplication. "DCoG can rally the support of provincial DCoGs who have provincial structures targeting LED officials, and in return NDT can use such platforms to communicate its own plans".

### **3.2.3 Alignment of Tourism Marketing Efforts: Issues and Challenges by Mr. Thulani Nzima, Chief Executive Officer: South African Tourism (SAT)**

The presentation focused on the South African Tourism's mandate in relation to the National Tourism Sector Strategy (NTSS). Further to that, the presentation touched on the current programmes being pursued.

The Chief Executive Officer (CEO) of SAT pointed out that the NTSS is the product of industry collaboration and theirs was marketing and branding.

The CEO also emphasised the importance of ensuring that the NTSS targets for the year 2020 are met by intensifying the marketing role. This includes encouraging people to travel, contributing to the goal of increasing domestic travel from 52 percent to 60 percent and increasing the number of tourists so that they can spend more money in the country.

Further to that, the CEO acknowledged that, there is an insufficient budget, hence the need to understand market segments that may give the country quick returns. In addition, the CEO pointed out the need for SAT to focus on its lobbying role, wherein stakeholders like the Department of Home Affairs will be lobbied to remove barriers to tourism growth, through its migration policies.

Lastly, the CEO highlighted key projects that SAT is embarking on, in order to align tourism marketing efforts and these are:

- Promotion of domestic tourism through Vaya Mzansi;
- Re-launch new improved strategic domestic campaign, and teaser campaign to be unveiled at Indaba 2013;
- Partnerships with strategic associations i.e.
  - Stokvels associations
  - South Africa National Parks (SANParks)
  - Federated Hospitality Association of Southern Africa (FEDHASA)
  - Southern Africa Tourism Services Association (SATSA)
- Apply digital best practice, integrated into new campaign execution;
- Engage low cost airlines (Mango Airline) to improve regional distribution in the Eastern Cape, Kwa Zulu Natal and North West Regional Routes.

### **3.2.4 The Role of Local Government in Tourism: Public Sector Perspective by Mr. Xolile George, Chief Executive Officer: South African Local Government Association (SALGA)**

Mr Xolile George, the Chief Executive Officer (CEO) of SALGA began his address by stating that no one knows the beauty of our areas better than locals. Local government, as the elected representatives of the people is well placed to access the knowledge and resources of local people and in doing so, can provide access to our country's lesser known, but truly memorable tourism assets.

He mentioned that SALGA, as a representative of local government, cannot afford to ignore tourism as an economic sector, as many of delegates know, South Africa's growth in tourism visitors has outperformed global averages.

He further stated that the focus of the nation on tourism, as outlined in the National Tourism Sector Strategy (NTSS), is in part about creating jobs and reducing poverty because more than other sectors, tourism has the ability to spread its benefits to remote and impoverished areas.

The CEO then posed questions below to the conference delegates:

- Is our current tourism growth path achieving the desired targets?
- How has municipalities benefited, or have they perhaps suffered from tourism development?
- Have opportunities been created for the local people, or can more be done?

He mentioned that those are the questions that a developmental local government need to ask and all stakeholders attending the conference may best be able to answer. Furthermore, he outlined that it must be understood that local government has a unique and critical role in the tourism sector and South Africa as a nation has done the following with regards to tourism:

- The Constitution lists Local Tourism as a local government competence;
- It enabled municipalities to create Regional Tourism Offices to provide marketing and information services through the Municipal Systems Act;
- Outlined the tourism mandate of Local municipalities in the Tourism Act of 1993 and of District municipalities in the Municipal Structures Act;
- Included and outlined local government's role in tourism in a range of strategy and policy documents.

Within this regulatory environment, local governments have undertaken many different projects and actions, some of which have had a sustained impact, others which have cost plenty and amounted to little. All of these initiatives provide all stakeholders with important lessons.

The goal is to have local government implementing initiatives with a sustained and multiplier effect. These are initiatives that take municipalities closer to their goals of reducing poverty and unemployment and delivering a safe and healthy environment for communities.

The CEO stated that there are many challenges facing municipalities in reaching their goals. Some of the challenges include the following:

- With the many responsibilities of local government in service delivery, tourism often falls low on the list of priorities, with little funding allocated to it;
- There is also limited understanding of the tourism sector and the factors affecting it;
- Within government, there is a debate as to where one sphere's responsibilities end and the other's begins.

He continued by saying all spheres of government have a constitutional mandate to address tourism. It is therefore vital that the different levels of government work together. As in any relationship, this comes with its difficulties. Aligning the tourism plans of government has proved an immense challenge.

He stated that local government has the primary role of ensuring that the environment that both our locals and visitors encounter is clean, safe, healthy, accessible and stimulating.

Succeeding as a tourism destination requires mobilizing the social, financial and natural capital of a place towards the common vision, goals and objectives of the local community.

The Integrated Development Plan (IDP) is a key tool in aligning this common vision and goals. Through the IDP, the economic development, land use management, tourism and other sector plans should come together.

Partnerships were identified as essential to the development of any economic sector, including tourism. The CEO of SALGA stated that the collective wisdom of local operators far exceeds that of a single municipal official. Municipalities need to tap into this knowledge, at the same time facilitating new partnerships, investments and ensuring that growth benefits the poor and is accepted by the wider community.

He highlighted that capacitating municipalities to be able to facilitate the development of their local tourism sector and support implementation of the National Tourism Sector Strategy (NTSS), requires a concerted effort and partnerships from all levels of government and other stakeholders. These efforts need to be focused and consolidated, yet at the same time, flexible enough to accommodate the differences in municipalities.

The CEO concluded his address by saying that the Provincial and National government need to take time to understand the conditions in municipalities, especially budgeting and planning cycles. In addition, mechanisms for accessing funding and support must be shared with all municipalities. He stated that SALGA was positioned as a key stakeholder in tourism development.

“Capacitating local government to respond effectively to the tourism sector needs to be a key priority of all levels of government and hosting the Local Government Tourism Conference was a great step forward and shows a commitment to working together from all stakeholders”, he said.

### **3.2.5 Local Government and Private Sector Partnership for Tourism Growth by Ms Mmatšatši Ramawela, Chief Executive Officer: Tourism Business Council of South Africa (TBCSA)**

Ms Mmatšatši Ramawela indicated her appreciation for the revival of the Local Government Tourism Conference and apologised for the minimal number of the private sector leaders present at the conference. She indicated that, this is due to pre-planned engagements and other critically important obligations, like the one currently taking place in KwaZulu Natal.

Subsequent to that, the CEO outlined the mandate of the Tourism Business Council of South Africa (TBCSA), which she said it is to:

- Provide the voice of private sector within the industry and be a conduit with the public sector;
- Provide a unified platform for the private sector to engage with the public sector and other stakeholders

As a result “TBCSA has over the years played a pivotal role in tackling macro-economic issues faced by the sector, which include transformation in tourism, tourism marketing, skills development and quality assurance”, she said.

With regards to milestones, the CEO highlighted the introduction of the Tourism Marketing South Africa (TOMSA) levy and the BEE Scorecard. Other include the establishment of Public Private Partnerships, such as the Tourism Grading Council of South Africa for quality assurance, Tourism Empowerment Council of South Africa (TECSA), Tourism Safety Initiative (TSI), hosting of Hospitality Investment Conference Africa (HICA) Imvelo Tourism Awards by Federated Hospitality Association of Southern Africa (FEDHASA), South African Travel and Tourism Industry Conference (SATTIC), etc.

On the relationship with the NDT, the CEO indicated that there have been formal meetings with the Minister, which happen twice annually. The TBCSA was also a partner in the development of the NTSS and continue to participate in its implementation. TBCSA also participate as co-hosts of the Tourism Leadership Dialogue.

On the issue of the relationship between the private sector and provinces, the CEO indicated that there are inroads in some provinces such as KwaZulu-Natal (KZN), but generally, there are no formal relationships between provinces and local government as it is the case at national level.

On local government relationships, she also pointed out that there are formal relationships between TBCSA and Local Government, as such, businesses at local level are often frustrated. Engagements in Public Private Partnerships are limited, as well as fragmented Small Medium and Macro Enterprises (SMMEs) development initiatives which are sometimes duplicated.

As an attempt to move forward, she highlighted the following recommendations:

- Align activities in the implementation of the NTSS with national, provincial and local government;
- Establishment of structured relationships through Memoranda of Understanding (MoUs), etc;
- Engage local government on reducing cost of doing business e.g. utility costs, municipal taxes, etc;
- Form partnerships in the implementation of projects;
- Encourage businesses at local government level to join trade organisations;
- Local Government must register and record data on tourism businesses.

### **3.3 SECTION 3: CASE STUDIES AND FACILITATED PANEL DISCUSSION**

#### **3.3.1 Community Beneficiation in Tourism by Mr. Victor Sibeko, Founder: CountryStyle Community Tourism Network South Africa**

Mr. Sibeko stated that South Africa has committed itself to adopting strategies that would create employment opportunities and to alleviate poverty. He further stated that, “community tourism in particular offers enormous opportunities to achieve government’s strategic objectives”. He then outlined community tourism objectives as follows:

- To capacitate and empower communities;
- To grow the local economy;
- To create employment and own business opportunities;
- To reduce poverty;
- To improve the lives of the people living in the community;

- To protect the environment, culture and heritage of the community.

Mr. Sibeko also expressed the fact that when developing community orientated strategies, the following components should be considered:

- Business and economic considerations.
- Management considerations.
- Social and cultural considerations.
- Environmental and accessibility considerations.

He also emphasised on the importance of understanding “local conditions, culture and knowledge” when developing community tourism or beneficiation projects. Each community has its own identity and values, tourism works within a system and the system defines the rules for local tourism. International standards play a significant role in product development and marketing.

Each individual on the Community Tourism Development Committee has a specific role to play in the development of the community based tourism product. He also cautioned by saying “Failure to learn the rules and to effectively and efficiently manage the process will result in wastage or disastrous consequences”.

He highlighted the fact that, “A key aspect of community development is the identification and capacitation of entrepreneurs to create income generating opportunities for the benefit of communities”. He went further to say that effective community tourism plans will attract sustainable numbers of tourists to a community. Mr Sibeko added that, “the success of community tourism ventures is dependent on seven primary features which are:

- Planning.
- Empowerment.
- Protection of stakeholder interests.
- Accountability.
- Implementation.
- Monitoring and evaluation.
- Reporting, consulting, adapting and revising.

In conclusion, Mr. Sibeko said that adopting good practises in community based tourism contributes to each of the three pillars of sustainability i.e. social, environmental and economic benefits. Overall sustainability is best achieved when environmental, economic and social objectives are all being met through the same initiatives. This means effective community based tourism can address social needs, contribute to building a more sustainable environment and be commercially viable.



### 3.3.2 A Practical Approach towards Coordination at Provincial and Local Government: KZN Model by Mr. Sipho Mkhwanazi, Senior Manager: Tourism, Department of Economic Development and Tourism, KwaZulu Natal

Mr. Mkhwanazi introduced his presentation by stating that the White Paper on the Development and Promotion of Tourism in South Africa (1996) stipulates that “Tourism is Government led, Private Sector driven and Community based. The Province of KwaZulu-Natal acknowledges and recognizes the need for a range of role players to “ignite the engine of tourism growth”.

He indicated that tourism coordination in the province is thus set against the above premise to ensure effective policy development, planning and implementation at all levels. “Government needs to ensure effective alignment of all role players through appropriate tourism coordinating structures”, he said.

Key partners in the coordination of Provincial tourism as highlighted are – the Private Sector, Communities, Government, Media and labour. The founding pillars were also identified as the Constitution of the Republic of South Africa, Act no 108 of 1996, KwaZulu Natal Tourism Act, Act no 11 of 1996 and other Local Government prescripts.

He then went further by giving a breakdown of structures that constitute the Provincial Coordinating mechanisms, including objectives. These are highlighted in the table below:

Structure	Objectives
Provincial Tourism Committee(PTC)	To coordinate the formulation of the provincial tourism policy with municipalities.  To assist municipalities to develop municipal tourism policies within the framework of national and provincial tourism policies and legislation
Provincial Tourism Forum (PTF)	To serve as a technical committee to the Provincial Tourism Committee and is a clearing house for the PTC. Detailed deliberations happen at this level.
District Tourism Forum (DTF)	To coordinate all tourism related activities within a particular District and Local Municipality e.g. cross boundary projects.  To integrate provincial tourism objectives into District and Local plans/priorities. It makes recommendations to the council.
Local Tourism Forum (LTF)	To strengthen local tourism potential and facilitate integration of tourism plans to the broader development objectives of the municipalities  To identify gaps for possible tourism development and facilitate intervention by National and Provincial bodies.

Structure	Objectives
Community Tourism Association (CTA)	To provide an institutional framework for uniform establishment and functioning of the CTOs in the province.
Community Tourism Organisation (CTO)	<p>To ensure coordination of tourism marketing and publicity activities at a local level.</p> <p>To facilitate equal access to tourism opportunities by local communities.</p> <p>To ensure legality of tourism business operators.</p> <p>To establish linkages between communities, private sector and government.</p>

He also indicated the fact that, as a success factor, the Province has been able to assist municipalities to formalise local coordinating structures, informed reporting which talks to the entire province and alignment of marketing, product development and management initiatives of the District and Its Local Municipalities.

“Although, there are successes, there are also few challenges”, he said, which are identified as follows:

- Limited and lack of understanding of tourism within municipalities hinders effectiveness and collaboration of structures
- Inadequate capacity and budgeting to fully perform tourism functions
- Lack of tourism prioritisation in some municipalities hinders the tourism growth potential.

He concluded by recommending the following:

- Other provinces should consider establishing and legislating the Provincial Tourism Committee;
- Provincial guidelines be developed to guide the establishment and functioning of coordinating structures;
- Linkages between public and private sector be established and promoted;
- Programmes geared towards capacitating municipal officials are developed and formalised;
- Provinces to assist municipalities in developing tourism guiding frameworks;
- Municipalities should recognize tourism as an integral part of local economic development and ensure adequate resourcing of the tourism function.

### **3.3.3 Tourism and Local Economic Development: Issues for Local Government by Professor Christian Rogerson, School of Tourism and Hospitality Management: Faculty of Management, University of Johannesburg**

Professor Rogerson indicated that Local Economic Development is one of the core functions of local government in South Africa. Tourism is one alternative driver for local economic development. For that reason, “Tourism planning is about creating localities as centres for consumption”, he mentioned.

He further stated that “Localities can emerge as successful tourism spaces for essentially three reasons”.

- First, many localities, such as beach resorts or spas, are ‘discovered’ by private sector entrepreneurs or developers who identify, in these places, certain opportunities for development, triggering the growth of accommodation and recreational facilities, tourist attractions or conference centres;
- Second, other localities become tourism spaces as a result of local initiatives which sometimes are driven out of necessity for new economic opportunities;
- Finally, other localities emerge as tourism spaces by default, if not against the will of the local inhabitants then at least often without their direct encouragement, as a result of much enhanced levels of personal mobility.

Prof Rogerson highlighted the fact that, for a locality to be successful in making tourism as a driver for development, certain preconditions need to be met. Firstly, you need a strong tourism asset base - there is a fundamental requirement for localities to develop a total tourism product or portfolio of products which will attract visitors. Secondly, appropriate and effective planning and management of tourism at destinations is critical.

He outlined the following ten key principles which he said can be useful for South African policy makers and “these can be viewed as good practice for local government and tourism planning”.

- There is a need for realism by policy-makers as to whether tourism is a viable option for particular localities, whether in urban or rural areas;
- Do not divorce economic development from social development and the environment;
- Link tourism development to pro-poor initiatives;
- Do not plan tourism in isolation – create synergies with other sectors;
- Planning should try and avoid tourist enclaves or ghettos;
- Plan opportunities for tourism developments, led by small businesses as well as large enterprises;
- Do not just plan for growth in visitor numbers – instead plan to maximise local impacts;
- Establish research and monitoring systems;

- Community participation is important but be realistic;
- Good governance is critical.

In conclusion, Professor Rogerson stated that, the challenge of developmental local government and the promotion of LED is one that must be mainstreamed in the activities of South African local government. International records shows that tourism can be a critical driver for local economic development for some, but not for all localities.

### **3.3.4 Tourism Sector Development: A Theewaterskloof Model by Ms Joanna Dibden, Manager: Local Economic Development, Theewaterskloof Local Municipality, Western Cape**

Ms Dibden's provided an overview of the Theewaterskloof Local Municipality. She explained that, Theewaterskloof is a small municipality in the Overberg District, Western Cape Province. The Municipality incorporates towns of Grabouw, Villiersdorp, Botrivier, Genanadel, Greyton, Caledon, Tesselaarsdal and Riversonderend. The economy of Theewaterskloof is primarily dependant on agriculture. With the growth of unemployment in the municipality, tourism was then identified as a potential sector for the stimulation of the local economy and infrastructure development.

The process started with the development of a tourism strategy, which identified the need for a centralised brand and marketing platform, across all of the eight towns in the region. Amongst other things, the strategy prioritised product development, information, visitor services, branding and marketing, skills development, transformation and enhancement of the environment. She stated that over and above the support received from other partners, the Development Bank of Southern Africa (DBSA) also came on-board and injected R1.5 million for the development of a long term vision, plan and institutional strategy to support tourism growth.

The money invested by the DBSA was used for the development of the Cape Country Meander brand, marketing plan and various media outputs. This includes a map capturing tourism attractions and business in the region, a website with details on each of the offerings and a booklet providing an overview of the key offerings. Through such an initiative, the following were stated as achieved outcomes:

- Increased profile of the entire Theewaterskloof region, and the eight towns within it (current media exposure valued at R3mil per annum);
- Developed the Brand;
- Significantly increased the number of tourists visiting the area (7% growth in the sector);
- Increased LTB membership and revenue by 10%;
- Jobs created through sector growth;
- Increase in Private sector tourism Investment to the area.

### **3.3.5 Re-thinking Public Private Partnerships (PPP) in Tourism by Mr. Bongumusa Ntuli, Municipal Manager: Jozini Local Municipality and Mr Nathi Thusi, Chief Executive Officer of Nzenga and Partner at the Jozini Tiger Lodge**

Mr Ntuli and Thusi jointly presented on the Jozini Tiger Lodge's success story and the role of the local municipality. Mr Ntuli presented on the role of a municipality in LED promotion as being the following:

- Intervention on second and first economy dichotomy gap;
- Address income poverty and past racial and socio-economic discrimination;
- Through integrated spatial planning – provide infrastructure and services;
- Become a centre of coordination of development efforts;
- Facilitate coming together of private and public partners;
- Fight poverty and unemployment by supporting BEE initiatives;
- Mobilisation of role players.

Mr Thusi further illustrated the history behind the partnership that includes Jozini Tiger Lodge, Municipality and the community. The Jozini Tiger Lodge is built on the Jozini Dam, close to the dam wall. The Jozini Tiger Lodge is located in the Jozini Local Municipality, within the uMkhanyakude District Municipality, in Northern KwaZulu Natal. This is a Partnership between the community represented by a Trust, and Private Sector, which is responsible for the day to day management of the Lodge.

He stated that the Jozini Tiger Lodge is built on land that is owned by the Ingonyama Trust. The same location where the Lodge has been built was formerly an old hotel. The site was identified by business people who then approached the community and the local municipality to develop the Jozini Tiger Lodge. This included expanding the accommodation service in the area and creating employment opportunities and long term investment opportunities in the form of shares for the locals.

The National Empowerment Fund (NEF) was also approached for co-funding of the project and the institution invested a sum amount of 28 million in the four star establishment. The NEF is a member of the board and also attends shareholders meetings.

Prior Jozini Tiger Lodge, the area had a couple of unregistered Bed and Breakfasts (B&Bs) and in its first year of operation from March 2010 – February 2011, the lodge recorded 17,321 guests. Demand for accommodation and other services is on the increase. The lodge now works with and refers overflow business to other properties, including a recently built 21 room B&B across the lake.

The terms of investment by the NEF were that a large number of employees of the Lodge must be locals. The Lodge is managed by the Three Cities Hotel and currently employs a total of seventy nine (79) staff, of which eighty per cent (80%) are from the Jozini community. Myeni community owns thirty one per cent (31%), of Jozini Tiger Lodge through a community trust and Private Investors own sixty nine per cent (69%).

All key stakeholders are hands on, have a keen and vested interest in the long term growth and sustainability of the lodge, in particular, and the area of Jozini in general in that everybody plays a part on the sustainability of the project. He explained that:

- Private investors – Came up with concept plus project plan; provided seed plus venture capital
- Community – made LAND available for development;
- National Empowerment Fund (NEF) funded the community interest, plus provided initial working capital to the project;
- Municipality – provision of services & necessary approvals.

He reiterated the key success factors and stated that these include:

- Unity of purpose among all key stakeholders which is equal to a common vision;
- Differences in stakeholders plus diversity in management is equal to growth.

In conclusion, Mr Thusi tabled the following as lessons learnt:

- Municipality remains the catalyst in Private Public Partnership;
- Mobilisation of community and partnerships is key to rural tourism success;
- Land ownership and security of tenure arouse investor appetite;
- Real say and management responsibility by role-players also key;
- Integration of tourism products with historical and heritage product's is important;
- Government support is key in increasing investor and community confidence;
- Profit and greed motives are enemies of Private Public Partnerships.

### **3.4 SECTION 4: OUTCOMES OF THE CONFERENCE**

The Conference was divided into both Plenary and Commissions. Almost all speakers acknowledged the important role that tourism can play in the economic and social development of the country. All delegates agreed that local government, in its current form, is not geared to deliver on the tourism mandate.

The Conference delegates also noted that tourism does not enjoy priority status, both in terms of planning and resourcing at the local government sphere. It also surfaced that the National and Provincial spheres of

government need to play a more supportive role to deepen the understanding of tourism and its benefits to local government.

The issue of funding, infrastructure development, and lack of critical tourism skills and the importance of partnerships between public and private sectors featured prominently in the deliberations. For detailed discussions, delegates were allocated into Commissions, where the following recommendations were tabled:

### **3.5 PROPOSED CONFERENCE RECOMMENDATIONS**

Below are recommendations from stakeholders who participated at the conference and these have been summarised into five categories, namely:

#### **3.5.1 Integrated Tourism Planning and Coordination**

- The National Tourism Sector Strategy will remain the guiding strategy for the Sector at all levels;
- NDT to work with Provinces in supporting local government to align tourism strategies and plans to the NTSS targets;
- Need to ensure proper and timeous planning that takes into cognisance all approval processes and functions;
- Effective participation by the tourism sector, Provinces and NDT, in the IDP development processes is critical;
- KZN Model for Provincial Tourism coordination could be considered by other Provinces in their pursuit to ensure alignment, coordination and integration;
- A call for Industry/Private Sector participation in local government led initiatives was made (including visibility of organized private sector at local level);
- District municipalities to play a more effective coordinating role in terms of planning; and
- Call for effective participation of local government during the hearing of the Tourism Bill driven by the National Council of Provinces.

#### **3.5.2 Capacity Building / Skills Development**

- NDT, with support from Provinces to accelerate the implementation of the Local Government Tourism Development and Growth Support Programme;
- Increased access to training / capacity building opportunities offered by NDT and awareness national plans or strategies to support municipalities;
- Involve CATHSSETA in building capacity at local government, standardise curriculum and professionalise the sector;

- Tourism experts to mentor municipal officials about tourism development and promotion;
- Volunteerism to be considered as a way of creating capacity and skills development; and
- Local Economic Development function is overstretched and not able to effectively provide for tourism in areas with active tourism economy.

### **3.5.3 Funding for Tourism Growth and Development**

- Need to create local government's capacity for the development of clear and costed project proposals that can attract funding from investors and Development Finance Institutions;
- Syndication of resources for tourism development (funding) is fundamental;
- Proposal made for the Municipal Infrastructure Grant (MIG) to make an allocation for tourism related infrastructure development;
- All spheres of government to prioritise and allocate resources for tourism growth and development; and
- Where tourism is important for the particular local economy, the municipality should accordingly prioritise it and this should be followed by resource allocation.

### **3.5.4 Enablers of Domestic Tourism Growth and the Role of Local Government**

- Assist in creating community awareness on the benefits of tourism and capacitate communities to sustain tourism projects;
- Municipalities should create a conducive environment for tourism development, identify domestic tourism products for profiling and maintenance e.g. Tourism friendly by-laws, Municipal parks etc;
- Ensure inter-provincial coordination/cooperation in product development more especially at municipal level (tourism routes know no boundaries);
- Advance co-operation versus competition to enhance destination development and promotion by establishing forums / learning networks amongst municipalities; and
- Establish national programme for Tourism Safety (Safety Monitors) to ensure safety of tourists.

### **3.5.5 Information Management, Global Competitiveness and Measuring Performance**

- Sector needs to embrace the South African Statistical Quality Assessment Framework (SASQAF) to coordinate the collection of sub-national data that can stand up to scrutiny;
- Undertake proper research to determine viability/feasibility/ sustainability of tourism projects;
- The tourism sector need to adopt standardised classification of tourism businesses;



- Local government to share information with National and provinces in relation to tourism products and services at their respective municipalities for statistical and planning purposes;
- TBCSA and other organized business structures to impress upon membership to share data, feedback and intelligence; and
- Invest in capacitating local structures as the most effective way to collect tourism data – that is where products are and tourism activity happens;

### **3.6 SECTION 5: CLOSURE AND VOTE OF THANKS**

The National Department of Tourism’s Director-General concluded the conference by thanking the team for a conference well organised and thanked all delegates for their participation and valuable contributions. He highlighted some issues that local government officials need to deal with moving forward.

The first issue related to the concurrent function of tourism, which implies that all spheres of government needs to have the capacity to carry out the tourism mandate and should allocate resources. The Director-General stated that there is no such thing as an unfunded mandate, tourism is also the responsibility of local government and resources need to be allocated. He cautioned local government against depending on others in terms of resources and emphasised that this needs to be managed going forward and avoid shifting of the blame somewhere else.

The Director-General highlighted that there has been a lot of cooperation from National Treasury (NT) and all requests made by NDT so far were considered positively. He said this brings him back to the concept that money must follow projects with clear deliverables and value for money. He further stated that when the department develops the model for funding, it looks at the benefits for the entire country and is not confined to a particular locality. That is why tourism contributes in terms on the two streams, i.e. through job creation and contribution to the fiscus. He emphasised that there is a need to create and strengthen viable local government structural institutions and capacity to address social and developmental challenges in the sector.

He briefly spoke about issues related to the Expanded Public Works Programme (EPWP) Project. He mentioned that across the government system, there is about R1 trillion allocated for the implementation of the EPWP.

From the tourism sector, the department is trying to strengthen its contribution through the development of Municipalities in areas such as Metsimatsho in Phuthaditjhaba, Free State, Zithabiseni Resort in Mpumalanga and Wupperthal in the Western Cape. He stated that from the projects mentioned above, there is a clear indication on how resources are being utilised to address issues of poverty alleviation.

As a response to some of the concerns that were raised during conference regarding considering requests based on political affiliations, the Director-General stated that the incentive programme that is coming to the NDT will not be politically driven. Incentives will be used for changing the lives of ordinary people regardless of any political affiliation, but to people who happen to be in a particular area which is depressed and deserving, of support which will result in creating employment opportunities.

The Director-General also touched on the issue of the Tourism Grading Council of South Africa (TGCSA), which has also been included in the current amendment of the legislation. He highlighted that about five years ago a decision was taken by Cabinet that all government departments should make use of graded establishments. This was aimed at protecting the credibility and quality of the products that we are selling.

He concluded by stating that the conference was not meant to come up with concrete resolutions that are binding across. From the discussions, participants have learned that there are areas where activities need to be synergised. A great level of inter-dependence exists in the sector and all stakeholders need to know how that should be managed.

Key issues that must be dealt with by all stakeholders, i.e. both public and private sectors were identified and the National Department of Tourism (NDT) will also carry out some of the issues that falls within its areas of responsibility. The Director-General thanked everyone again for their efforts and contributions.

## 4. KEY RECOMMENDATIONS


Key recommendations have been summarised as follows:

- National and Provinces should support Local Government to be able to plan for tourism;
- All spheres of government should provide resources, both human and financial, for tourism development in line with their prioritisation;
- All Provinces should establish coordinating and integration structures, modeled or using the Kwa-Zulu Natal model as a benchmark where all stakeholders are represented;
- There should be integrated tourism planning between National, Provincial and Local Government;
- Undertake proper research, including data collection and statistics to determine viability/feasibility/sustainability of tourism projects;
- There is a need to ensure that all spheres, particularly local government, budgets for tourism growth and development, including allocating a percentage of the Municipal Infrastructure Grant (MIG) for tourism infrastructure development;
- Increased access to training / capacity building opportunities offered by institutions such as NDT, CATHSSETA, etc, so as to assist with implementation of the tourism mandate at local government; and
- Elevate the status of tourism at local government by establishing dedicated and fully fledged tourism units / directorates within all municipalities.





**tourism**  
Department:  
Tourism  
REPUBLIC OF SOUTH AFRICA



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South African Local Government Association

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A woman in a black blazer is speaking at a podium. Behind her is a backdrop featuring a scenic view of a canyon and a train. The backdrop also includes the text "South Africa" and "Department: Tourism REPUBLIC OF SOUTH AFRICA".



Four people are seated in armchairs on a stage. From left to right: a woman in a black and white polka-dot dress, a man in a grey suit and red tie, a man in a dark suit and pink shirt, and a woman in a black and white striped dress. They are all looking towards the speaker. A wooden coffee table with water bottles and a bowl is in front of them.

THANK YOU VERY  
MUCH FOR YOUR  
PARTICIPATION.



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