



LOCAL GOVERNMENT

TOURISM DEVELOPMENT AND GROWTH SUPPORT PROGRAMME



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA



SALGA

South African Local Government Association



Inspiring new ways







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1. RATIONALE FOR THE PROGRAMME

The National Tourism Sector Strategy (NTSS) recognises Local Government as a key partner/stakeholder in growing tourism and achieving its outcomes. Tourism is a Local Economic Development directive that is mandated by the South African Constitution, 1996, and the Tourism Act, 1993. Local Government has a mandate to plan for, impact upon and monitor tourism development. The White Paper on the Promotion and Development of Tourism in South Africa reflects tourism as a concurrent function, meaning that all spheres have a role in tourism development.

Despite the clear legislative requirements, some tourism practitioners at Local Government still perceive tourism as an unfunded mandate. This has hindered the development of tourism at Local Government level.

Not all municipalities have a deeper understanding of how to market and manage tourism assets within their areas. Legal framework that provides for tourism planning at the local sphere of government is complex. Some municipalities are faced with challenges when it comes to the development of plans due to capacity constraints and lack of technical resources. The maintenance of tourist's facilities, which are largely located at local government, is still a challenge. Also, as a result of its multi-disciplinary nature, tourism is not well understood by local policy makers and officials, and so are its benefits. This often results in lack of resources, be it financially, personnel, etc. Again, the shortage of tourism related skills in local government makes it difficult to deliver on the tourism mandate.

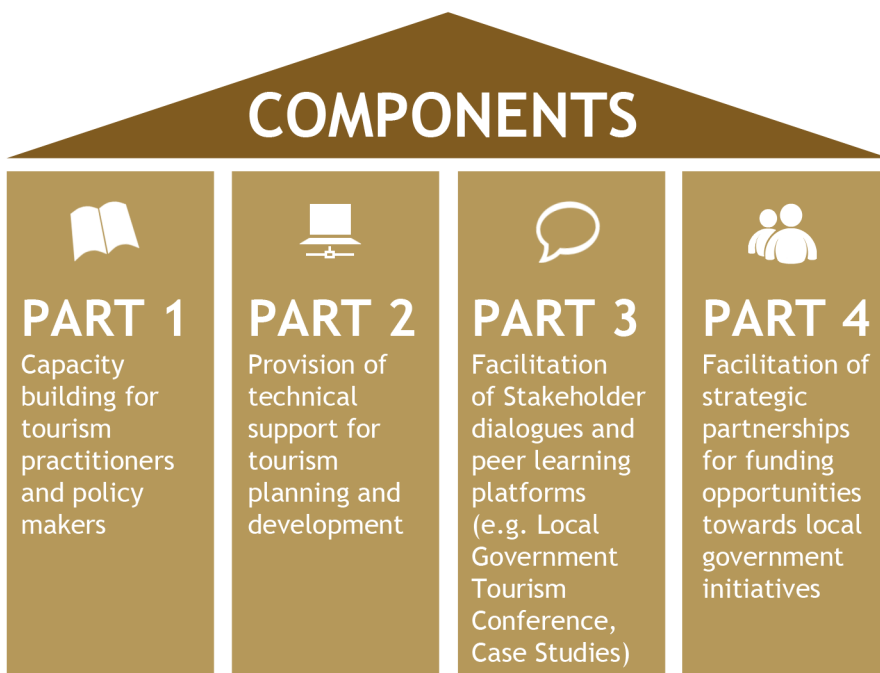
The above mentioned realities necessitated an intervention from the National Department of Tourism in the form of what is termed as a "Local Government Tourism Development and Growth Programme", a brainchild of a partnership with the South African Local Government Association (SALGA).



2. OBJECTIVES OF THE PROGRAMME

- *To provide education, training and technical support to municipalities, with a view to grow tourism at local government level;*
- *To facilitate financial support by linking municipalities with Development Finance Institutions;*
- *To establish partnerships with Development Finance Institutions in order to facilitate financial support to municipalities;*
- *To contribute to job creation at local government;*
- *To ensure alignment of municipal tourism plans with national and provincial tourism plans*

3. COMPONENTS OF THE PROGRAMME





3.1 CAPACITY BUILDING FOR TOURISM PRACTITIONERS AND POLICY MAKERS

Tourism practitioners and policy makers at Local Government will be prioritised for training interventions in key areas that were identified through a number of workshops, literature and observations. This training intervention will also be extended to tourism practitioners and policy makers at Provincial level as they are equally important stakeholders. The objective of training is that stakeholders at Provincial, District Municipalities and consequently Local Municipalities will be exposed to the understanding of the following tourism aspects:

	An Introduction to Tourism
	Integrated Tourism Planning
	Tourism Legislation, Policies and Strategies
	Tourism Marketing
	Information Provision to Tourists
	Tourism Asset / Infrastructure Management
	Tourism Statistics, Research and Knowledge Management



3.1.1 An Introduction to Tourism

Different interpretations and assumptions exist on the definition of tourism and its value chain. This module will focus on supplying tourism practitioners with information on the fundamentals of tourism. A comprehensive introduction on what tourism is all about, including definitions and key relationships between the various sectors in the supply and use of tourism products.

3.1.2 Integrated Tourism Planning

Some municipalities in South Africa are faced with challenges when it comes to the development of tourism plans due to capacity constraints in terms of skills and lack of technical resources. As a result, some municipalities fail to undertake effective tourism planning. There is therefore a need to train tourism practitioners and policy makers at municipalities on tourism planning with a special focus on equipping them with skills on preparing for strategic planning processes and development of integrated sector plans.

3.1.3 Tourism Legislation, Policies and Strategies

The legal and policy framework that provides for tourism planning at the local sphere of government is complex and changes from time to time; therefore its interpretation has always been a subject of debate by stakeholders. Some tourism practitioners and policy makers at local government still think that tourism is an unfunded mandate. This has hindered the development of tourism at municipalities and contributed to the insufficient resourcing of the sector.

Local government officials and policy makers are expected to understand all tourism related Acts, Strategies and Plans that come from National and Provincial Government, e.g. The Tourism Act, White Paper on the Promotion and Development of Tourism in South Africa (1996), National Tourism Sector Strategy (NTSS), Provincial Growth and Development Strategies (PGDS), Provincial Tourism Master Plans, etc. The training re-



ferred to above will emphasise this point so that officials understand the rationale of understanding various policies that shape local government's role in tourism.

3.1.4 Tourism Marketing

Not all municipalities have a deeper understanding of how to market and manage tourism assets within their areas and the level of investment necessary to acquire such skills. Therefore there is a need to capacitate tourism practitioners at local government to undertake effective tourism promotion and marketing. This will enable destination marketing officials to effectively respond to increasingly sophisticated market needs and trends. Equally important is understanding the needs of the market segments and also know the role of South African Tourism (SAT), Provincial Tourism Authorities and destination marketers within local government.

3.1.5 Information Provision to Tourists

The effective and efficient supply of tourist information is fundamental to ensuring that maximum tourism value is extracted from visitors. Tourists have information needs that should be met prior, during and after their visits. However, the methods of supplying information to tourists are inconsistent and vary between municipalities. Some local authorities are finding it increasingly difficult to perform such function because of capacity constraints and lack of know how. There is a need to provide them with skills on how to supply information to tourists in an effective and efficient way. Equally important to the supply of information, are the mechanisms through which such information is supplied, for instance:

- *There is a need to empower local authorities to understand general application processes for amenities e.g. develop a manual to empower local authorities on application processes for issues such as tourism signage, tour guiding, tour operator licences and how to apply for a Bread and Breakfast (B&B), etc;*



- *Many tourists to a local municipality may not be aware of a range of South African laws that could negatively affect their experiences. Therefore there is a need to empower local authorities on the provision of tourist information, including destination laws and regulations that warrant compliance with by tourists;*
- *The intervention may also empower locals and tourism practitioners about the importance of having information about the local attractions, local events and forms of entertainment that could be of interest to tourists;*
- *There is also a need to ensure that tourism information centres at local level are fully functional and meet the expected standards.*

3.1.6 Tourism Asset / Infrastructure Management

Municipalities are the custodians of an inventory of natural and cultural tourism assets. The maintenance of parks, beaches, historic buildings, leisure, arts facilities and NDT Social Responsibility Implementation (SRI) projects post hand over is still a challenge. There is therefore a need to train tourism officials on how to keep, manage, update an inventory register of natural and cultural assets and sustenance of NDT SRI projects within municipalities.

3.1.7 Tourism Statistics, Research and Knowledge Management

One of the key issues relating to tourism research as highlighted in the NTSS is the lack of information on trends to help guide investment by the private sector. Tourism statistics and their reliability in South Africa are a challenge, and this is more a fact in Local Government, which is where development should take place. Often some municipalities do not have personnel with sufficient skills on conducting tourism research and interpreting statistics. There is therefore a need to train municipal tourism practitioners on basic research methodology to enable them to undertake tourism research, so as to provide a base for investment decision making.



3.1.8 Training Outcome

The outcome of the training is that Local Government will have well capacitated tourism practitioners that are developed and have an insight on all facets of tourism. Each subject has distinct but complimentary outcomes. It is assumed that that an accredited tourism training institution will execute the training and that NDT will fund the development of the training. The training programme will be user friendly, with practical examples and assignments that will be performed and submitted by delegates. It is also envisaged that this will be a short term programme, with duration of not more than five days, given the responsibility that officials have in their work stations.

3.2 PROVISION OF TECHNICAL SUPPORT FOR TOURISM PLANNING AND DEVELOPMENT

This component, unlike the aforementioned training that will be provided by a University which is more theoretical, will provide practical technical support and zoom into the actual municipality, based on the municipal profiles, which would have preceded such interventions.

One of the challenges facing tourism practitioners and policy makers at Local Government is the lack of capacity to develop tourism strategies and lack of expertise to manage and sustain partnerships with potential investors/private sector. Some municipalities have tourism strategies but do not have the means or capacity to implement them, while others do not have these at all. This has resulted in a number of Private Public Partnerships being unsuccessful and investment lost, at a cost to tourism development.

It is proposed that, provision of technical support, through a number of support tools and other interventions be adopted as a means of dealing with this. These tools and other means will assist with development of strategies to influence alignment with the NTSS and other NDT strategies. For those who do not have strategies, it will be better for the NDT



to be involved at the conceptualisation phase, so as to be able to influence alignment of the strategies with the NTSS at a conceptual phase or level, which has currently proved to be a difficult exercise given the investment made by local government in their development.

What this entails is that, the municipalities will be provided with technical support to deepen their experience and understanding of tourism, NTSS, Tourism Toolkit and other tourism strategies. The support will be provided as and when required and will assist with dual functions, i.e. development and implementation of the tourism strategies. Part of the funding for the technical support could be sourced from Development Finance Institutions such as Development Bank of Southern Africa (DBSA), Industrial Development Corporation (IDC), and National Empowerment Fund (NEF) etc. The National Department of Tourism (NDT) will need to fund a part of this project in partnership, and so are Provinces.

3.2.1 Expected outcomes

It is expected that through the provision of technical support for tourism planning, local government will have tourism practitioners and policy makers that are able to develop and implement tourism strategies that are aligned to the NTSS

3.3 FACILITATION OF STAKEHOLDER DIALOGUES AND PEER LEARNING PLATFORMS

The implementation of tourism activities at local government requires a highly organised interaction with other spheres of government, local communities and the private sector. Ongoing and consistent information sharing on national frameworks, strategies and developments in the tourism sector is critical if we are to grow tourism collectively.

When government policy frameworks and stakeholder's private beliefs are not aligned, tourism development becomes the victim of self sabotage, short term thinking and not seeing the bigger picture.



As a result of its multidisciplinary nature, tourism is not well understood by some policy makers and officials, and so are its benefits. Thus, it is not prioritised in terms of resourcing, be it financially, personnel, etc. There is therefore a need for a platform where each sphere would be appraised of the challenges of other spheres and concerns. The platform could also be used to develop a common approach to tourism amongst spheres and resolutions agreed to will be implemented by all.

Tourism has a concurrent mandate between local, provincial and national government spheres, without an agreement of what the different spheres should or should not focus on. There is a problem of overlapping and often competing functional jurisdiction. For some municipalities, tourism is perceived as an unfunded mandate. The equitable share at local government is mainly used for priority areas like water, sanitation, electricity, refuse removal and there is not a section of the equitable share that is for tourism.

In light of the above, there is therefore a need for NDT to create regular stakeholder dialogue platforms to deliberate on local government policies/by-laws impacting tourism as well as success stories that involve tourism development. This part of intervention will be better coordinated by a dedicated Local Government Support Unit, whose responsibility is to drive the programme, amongst other services focused on local government. These platforms will take the form of Local Government Tourism Conference and Tourism Exchange Programme.

3.3.1 Expected outcomes

It is expected that through exposure to real situations and best practices, there will be a shift of mindset on the side of local government leaders, who will be better informed on the benefits of tourism and the job opportunities likely to be created.

3.4 FACILITATION OF STRATEGIC PARTNERSHIPS



FOR FUNDING OPPORTUNITIES TOWARDS LOCAL GOVERNMENT TOURISM INITIATIVES

The funding of tourism nationally is currently, arguably, the weakest link in the development and sustainability of tourism in South Africa. This factor is worse and felt at local government level. Insufficient funding for tourism related programmes and projects hamper tourism growth. In most cases, tourism is neglected in favour of other more pressing service delivery elements. The current lack of a specific budget allocation towards the development of tourism in most municipalities is particularly problematic. There is also lack of know-how in the development of partnerships and packaging of project proposals for funding.

A number of funding institutions that are available for funding tourism development projects and feasibility studies are not known in municipalities and potential investors sometimes withdraw due to municipalities not cooperating or frustration due to slow progress emanating from complex governance processes.

In light of the above, there is a need for NDT to create and facilitate strategic linkages with Development Finance Institutions (DFI's) and other investors. The NDT can enter into partnerships with DFI's whereby funding could be directed to projects that are aligned to the NTSS or those with high impact. An institution like Tourism Enterprise Partnership (TEP) or any other could be identified and appointed to assist municipalities with capacity to develop proposals, business networking skills and assist with understanding of the Public – Private Partnership (PPP) models.

It is envisaged that this intervention or capacity will sit within the Social Responsibility Implementation (SRI) unit within NDT and institutions like TEP could also be approached to assist with developing the capacity of local government tourism practitioners on the development or improvement of project proposals.



3.4.1 Expected Outcomes

- *It is expected that such intervention will assist municipalities to develop and secure funding for tourism infrastructure projects;*
- *Better and efficient linkages with DFI's and other investors that will create capacity within municipalities;*
- *Sufficient funding for tourism development and growth;*
- *More streamlined SMME development, which will result into opportunities for small entrepreneurs and increased job creation.*

4. TARGET GROUPS

The successful implementation of the programme will require the participation of the following:

- *Tourism practitioners and Local Economic Development (LED) officials in municipalities,*
- *Councillors, Municipal Managers (MMs), Members of the Municipal Mayoral Committee (MMC) responsible for Economic Development at local government.*
- *Integrated Development Plans (IDP) Managers.*
- *Provincial Tourism Departments to partner with NDT in funding some of the components.*



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