

White Paper on Sustainable Tourism Development and Promotion in the Western Cape

as submitted to Cabinet in March 2001



*Department of Economic Affairs, Agriculture and Tourism
Provincial Administration of the Western Cape*

Acknowledgements

The Western Cape Government is pleased to present its White Paper for sustainable tourism growth in the Western Cape.

This White Paper is the product of extensive input both from stakeholders in the tourism industry and other interested parties. Numerous individuals and organisations, especially the Western Cape Tourism Board have provided constructive support and assistance. Comments received are gratefully acknowledged.

The key messages of this policy centre around the recognition of the economic significance of tourism to the provincial economy, the importance of promoting sustainable tourism activities and attractions and the promotion of co-ordinated tourism development.

This policy signals the shift in thinking about tourism. It is driven by the challenges of transforming our society and economy in the Western Cape. It recognises the value of tourism since it provides immense direct and indirect benefit to the people of the Western Cape. It also sets out a people centred approach and stresses the powerful contribution that can be made to development in the Western Cape through facilitating sustainable tourism development ad promotion.

The policy highlights a host of opportunities that tourism can offer as the world's largest generator of jobs, the creator of substantial entrepreneurial opportunities and the fact that it may bring development to underdeveloped and rural areas, provided it is managed properly. These factors highlight the need for government to lead in making the most of tourism potential of the Western Cape in partnership with the private sector and other stakeholders.

Thanks are due to the Western Cape Tourism Board, regional tourism organisations and local tourism bureaux and local government structures, which, despite existing constraints, put the Western Cape on the world-wide tourism map. Without their support and contribution we would not be where we are today.

I extend my thanks to representatives of both government and civil society who have contributed to the process. I urge you to continue to participate actively in the implementation of a policy that can be embraced by all the people of the Western Cape.

Leon Markovitz

Provincial Minister for Finance, Business Promotion and Tourism
Western Cape Provincial Government

Executive summary

Introduction

Tourism in the Western Cape and its related components and activities have not been managed and developed in accordance with a clear, collective policy and strategy. As a result, the various components of the industry are largely uncoordinated and inwardly focused. This has resulted in *ad hoc* and fragmented strategies which failed to capitalise on our diverse tourism resources, thereby limiting the ability of the tourism sector to effectively provide much-needed entrepreneurship, employment and skills development opportunities. The White Paper on Sustainable Tourism Development and Promotion in the Western Cape provides the policy foundations and a competitive strategy for the Western Cape to become a leading global tourism destination. It sets out:

- ◆ the background to the drafting of the tourism policy and strategy
- ◆ the foundations for the tourism policy for the province, the vision, goals and objectives
- ◆ the proposed strategic framework to achieve the vision and objectives of the policy
- ◆ the proposed institutional and funding arrangements to support the implementation of this strategy.

Background

The October 1999 Green Paper on tourism in the Western Cape was published and extensively revised after interaction between the provincial government and stakeholders from tourism marketing organisations, business associations, training and educational institutions, hospitality corporations, local government and civil society. In its revised form, the Green Paper was discussed by over 200 tourism industry representatives. This White Paper now provides an agreed policy framework and guidelines for tourism development and promotion in the Western Cape.

Situational analysis

The Western Cape is one of the premier tourist destinations in South Africa and has a wide variety of established attractions, for example Table Mountain and Robben Island. Constraints to tourism growth in the province include security concerns, inadequate resources and funding, a seasonal market, air travel and infrastructure constraints, HIV/AIDS and limited involvement in the industry by previously neglected communities. There are a host of opportunities for expanding the province's share of the domestic and international tourism market, but exploiting these will require strategic

intervention, including increased funding and mutually beneficial public sector-private sector partnerships.

A vision of tourism in the Western Cape by 2010 is presented, together with clear targets for increasing the volume of domestic and international tourists to the province. It is proposed that a monitoring and evaluation system be established to measure improvements in qualitative measures such as customer satisfaction with service and value for money.

The Tourism Policy

The tourism policy is based on the fundamental principles of social equity, environmental integrity, economic empowerment, co-operation and partnership and sustainability and is driven by the challenges of transforming the society and economy of the Western Cape.

Tourism development must play a critical role in supporting the Constitution's commitment to improving the quality of life of all citizens, while protecting the natural environment for the benefit of present and future generations. The policy is informed by the goals of reconstruction and development – to meet basic needs, to develop human resources, to build the economy and to democratise the state and society.

The tourism policy has also been developed in the context of the provincial government's economic growth and development strategy:

- ◆ making the Western Cape the premier learning region in Southern Africa
- ◆ strongly linking it to the rest of the world
- ◆ supporting entrepreneurship and innovation
- ◆ improving job creation, raising the quality of basic services to the poorest citizens, and promoting the development of sectors which are able to absorb more low-skilled labour.

The policy emphasises the value of tourism and the importance of facilitating sustainable tourism development. It emphasises the importance of a style of management that views tourism as a system, that uses co-operation and partnership, and that promotes learning from experience.

Critical success factors include:

- ◆ meaningful involvement of previously neglected communities
- ◆ improved funding for tourism development and destination marketing
- ◆ better co-ordination of public tourism resources
- ◆ a safe and clean tourism environment
- ◆ constant innovation in the tourism product portfolio
- ◆ improved levels of service, product quality and value for money
- ◆ sustainable environmental practices

- ◆ dealing effectively with the impact on tourism development of the HIV/AIDS pandemic.

An integrated framework for tourism development

Tourism development is an intersectorial function which requires integrating various issues, activities and actors. The goals and objectives of putting the tourism policy in place must complement other policies and laws across a host of sectors, including environmental management, education, labour, safety and security, economic development, agriculture, transport and arts and culture.

An integrated framework for tourism development is therefore proposed, taking into account the external factors of institutional and financial structures and trends in the competitive environment, as well as the industry factors of the need to provide support systems, encourage competition, develop products, and engage in marketing activities. It must be emphasised that the goals and objectives in the strategic framework should not be viewed in isolation from one another. The goals are to:

- ◆ develop and promote a clear tourism development strategy
- ◆ increase tourism safety and security
- ◆ ensure tourism-related infrastructure and facilitate its provision
- ◆ legislate for compulsory registration for tourism enterprises and introduce an effective channel for complaints
- ◆ invest in tourism skills development and training programmes
- ◆ implement a tourism awareness, education and customer service programme
- ◆ develop a state of the art, integrated provincial tourism information system
- ◆ encourage sustainable tourism practices and promote general destination upkeep
- ◆ package tourism themes and attractions in the form of suggested routes and itineraries
- ◆ promote unique selling propositions and initiate special attraction programmes
- ◆ establish private-public partnerships
- ◆ keep the industry market-driven and as free from unnecessary regulation as possible
- ◆ promote entrepreneurship, with special emphasis on neglected communities
- ◆ improve participation of local communities in tourism development
- ◆ promote investment opportunities and establish incentives to stimulate investment in underdeveloped areas
- ◆ promote a single brand for the province, incorporated into the national branding

- ◆ focus on the lucrative end of the international market and provide affordable travel opportunities for domestic tourists
- ◆ complement the national (South African Tourism) marketing programmes and compete provincially for the domestic market
- ◆ initiate collective marketing opportunities to bring together private sector and local tourism organisations
- ◆ diversify the existing market base
- ◆ manage the potentially negative effects of tourism.

Each goal is accompanied by its own set of strategic objectives for realising the vision of the White Paper.

Proposed institutional and funding arrangements

Current institutional arrangements are inadequate for putting the strategy of the White Paper into place. Problems include inadequate funding, duplication of activities and fragmentation of resources, confusion among clients concerning branding of Western Cape tourism products, and confusion among stakeholders about functional responsibilities. Responsibility for tourism development and maintenance of infrastructure which should functionally be a government responsibility is inappropriately located in regional tourism organisations (RTOs) and local tourism bureaux (LTBs).

A clear role differentiation is proposed in the White Paper. Tourism development functions will in future be the responsibility of government, and tourism marketing functions will be done by marketing agencies.

At the provincial level it is proposed that one marketing agency for the Province be established which will incorporate all provincial marketing activities within one structure, with a unified brand for the province. This proposed body will primarily be responsible for co-ordinating all marketing activities in the province. Tourism marketing will operate as one unit of the agency. The tourism unit will be responsible for domestic and international marketing for tourism in the Western Cape. Other functions will include maintaining a system for accrediting tourism information centres, managing a provincial database of tourism information, providing guidelines and support to local government marketing structures, promoting tourism awareness, and promoting arts and crafts in the province.

In the spirit of partnership, it is proposed that the board of the proposed institution comprise representatives from the private sector, the CEO of South African Tourism, the CEO of the Western Cape Nature Conservation Board and representatives of local, metropolitan and provincial government. It is proposed that the marketing agency be funded by provincial government, local authorities, private sector based on a commonly agreed strategy.

The provincial government will be responsible for tourism development, including tourism safety, planning and development, public infrastructure, business advisory services and entrepreneur support, education and awareness raising, developing new tourism products, facilitating the entry into the industry of previously disadvantaged people, setting and monitoring norms and standards, and minimising the negative effects of tourism.

A provincial Tourism Protector who would hear complaints against registered tourism service providers is proposed to protect the interests of consumers and the long-term interests of the industry. A code of conduct for tourism is also proposed to promote quality service and standards and to strengthen confidence among tourists that they can expect internationally acceptable standards in the Western Cape.

A Ministerial Provincial Tourism Forum is proposed to facilitate and enhance communication and the spirit of co-operative governance. It will comprise the political representatives from provincial, metropolitan and district, and local government, the CEO of the marketing agency, and a private sector representative when necessary. Its role would be to promote a comprehensive account of all the needs of tourism stakeholders, provide a platform to exchange views and co-ordinate action on matters of mutual interest.

The White Paper strongly suggests that the metropolitan and district councils integrate their tourism marketing efforts with those of the marketing agency. It is proposed that the regional tourism function of these councils should be mainly developmental, including co-ordination with LTBs and other tourism stakeholders, providing local infrastructure, financially supporting regional tourism offices, implementing training programmes, and leading local tourism safety.

It is proposed that local municipal councils take responsibility for tourism development, including the provision of infrastructure, financial support to the relevant LTB, maintaining and beautifying the area, and providing public amenities. It is proposed that LTBs operate at the level of local municipal councils to market local tourism in their areas and implement local tourism policy, to promote tourism, to protect and advance emerging businesses or the entry into the industry of previously disadvantaged people, to promote the development of appropriate tourism infrastructure, and to compile a database of tourism information which is integrated with that of the marketing agency. According to the proposal, LTBs will comprise members from the local area, including tourism establishments, the general public, business organisations and the local municipality. The primary source of funding for LTBs is expected to be the relevant local council.

In summary, an integrated family of institutional structures is proposed which address responsibilities for development and marketing, responsibilities within different spheres of government, the need to integrate private sector input into

planning at all levels, and the ways in which these proposed structures can be funded.

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Acronyms

B&B	bed & breakfast
BEECom	Black Economic Empowerment Commission
CBO	community-based organisation
CEO	chief executive officer
DEAT	national Department of Environmental Affairs and Tourism
DEAAT	Western Cape Department of Economic Affairs, Agriculture and Tourism
FIT	foreign independent traveller
GDP	gross domestic product
GIS	geographic information system
GRP	gross regional product
LTB	local tourism bureau
MEC	member of the Executive Council (member of a provincial Cabinet)
MICE	meetings, incentives, conventions and events market
MINMEC	forum of national ministers and MECs of the provinces
MIPTEC	MINMEC Interprovincial Technical Committee
NGO	non-governmental organisations
PCO	professional conference organiser
PR	public relations
RTO	regional tourism organisation
SMMEs	small, medium and micro enterprises
SMT	Strategic Management Team
SAPS	South African Police Service
SATI	South African Tourism Institute
SETA	Sector Education and Training Authority under the Skills Development Act
SA Tourism	South African Tourism
TDF	Tourism Development Fund
Theta	Tourism, Hospitality and Sports Education and Training Authority
USP	unique selling proposition
VFR	visiting friends and relatives
WCTB	Western Cape Tourism Board
Wesgro	Western Cape Investment and Trade Promotion Agency
WTTC	World Tourism and Travel Council

Glossary of terms

Cultural tourism	‘cultural phenomena which are of interest to the visitor and can be marketed as such, including the customs and traditions of people, their heritage, history and way of life’ (DEAT 1996:v)
Day visitor	a person who travels away from home for other than commuting purposes, staying less than 24 hours in the place visited
Demand-led tourism development	tourism development which is focused on the needs, expectations and wants of the tourist rather than the suppliers of the tourism product or the supply of physical infrastructure. See also <i>supply-led tourism development</i>
District council	a district municipality
Domestic tourist	a person normally resident in South Africa who spends at least one night away from home in another place in the country
Economic empowerment	‘an integrated and coherent socio-economic process located within the context of national transformation...aimed at redressing the imbalances of the past by seeking to substantially and equitably transfer ownership, management and control of South Africa’s financial and economic resources to the majority; to ensure broader and meaningful participation in the economy by black people. Empowerment processes include job creation, rural development, poverty alleviation, specific measures to empower black women, skills transfer and management development, education, meaningful ownership, access to finance to conduct business’ (BEECom 2000a)
Ecotourism	‘environmentally and socially responsible travel to natural or near natural areas that promotes conservation, has low visitor impact and provides for beneficially active socio-economic involvement of local people’ (DEAT 1996:v); ‘purposeful travel to natural areas...to understand the culture and natural history of the environment...taking care not to alter the integrity of the ecosystem, while... producing economic opportunities that make the conservation of natural resources beneficial to local people’ (Gartner 1996:149)
Emergent SMMEs	‘small, micro and medium-sized enterprises owned and/or operated by the previously neglected/disadvantaged population groups that are entering the market’ (DEAT 1996:v)
Emerging markets	‘population groups entering the market in increasing numbers as domestic tourists, especially those previously neglected’ (DEAT 1996:v)
Empowerment	see <i>economic empowerment</i>
Environment	‘natural, urban, human living and cultural environments’ (DEAT 1996:v)
International tourist	‘a person who travels to a country other than that in which she/he has her/his usual residence, but outside her/his usual environment, for at least one night but less than one year, and the main purpose of whose visit is other than the exercise of an activity remunerated from within the country visited.
	Due to markedly different travel and expenditure patterns, a distinction is drawn between international tourists from the rest of Africa (called regional tourists) and those from other countries (called overseas tourists)’ (DEAT 1996:v). See also <i>tourist</i>

Local community	that body of people who come together around a common objective or common purpose
Local council	a duly elected local municipality
Local tourism organisation	any duly-constituted tourism structure, publicity association or community body involved in tourism and operating at community or local government level. Also known as an LTO
Multiplier effect	the ability of economic development to create employment both direct, indirect and induced employment. For example: one job created in tourism can create a further three jobs in the broader economy
Non-government sector	all of civil society: small businesses as well as large ones; organised labour, business and industry associations and the communities who are hosts to the tourist, community based organisations (CBOs), non governmental organisations (NGOs), local tourism organisations (LTOs), development forums, publicity associations, information centres and so on
Organised business	any formally-constituted business organisation, association or chamber
Overseas tourist	an international tourist from a country outside Africa. Tourists from other countries in Africa are referred to as regional tourists. See also <i>international tourist</i>
Parastatal	an institution, industry or agency established by and run in consultation with the state which takes on some of the roles of civil government or political authority at the national or provincial level
Platteland	rural areas in the Western Cape
Previously disadvantaged communities	those members of society who, through the discriminatory policies and practices of the past, have been deprived of equal access to a range of opportunities and services such as infrastructure, education, health, welfare, employment opportunities and political power. They include blacks, women and the disabled
Previously neglected communities	population groups that were largely excluded from mainstream tourism activities
Regional tourism organisation	an organisation established in terms of section 3 of the Western Cape Tourism Act of 1997. Also known as an RTO
Regional tourist	an international tourist from another country in Africa. International tourists from countries outside Africa are referred to as overseas tourists. See also <i>tourist</i>
Responsible tourism	'tourism that promotes responsibility to the environment through its sustainable use; responsibility to involve local communities in the tourism industry, responsibility for the safety and security of visitors and responsible government, employees, employers, trade unions and local communities' (DEAT 1996:vi)
Spatial development framework	planning term to describe integrated and interrelated relationships in space whose organisation will facilitate development (DEAT 1999)
Stop-over visitor	'a person who travels away from home for reasons other than commuting, staying less than 24 hours in the place visited' (DEAT 1996:vi)

Supply-side tourism development	tourism development which focuses on the suppliers of the tourism product (for example, the people, the services and the facilities) and the physical infrastructure rather than the tourists themselves. See also <i>demand-led tourism development</i>
Sustainable tourism development	'tourism development, management and any other tourism activity which optimises the economic and other societal benefits available in the present without jeopardising the potential for similar benefits in the future' (DEAT 1996:vi). Sustainability has environmental, social, economic and institutional facets
Tourism business sector	all stakeholders in tourism who have a financial investment in tourism, comprising individuals and businesses who bear the risk of tourism investment
Tourism industry	'all recipients of direct spend incurred by tourists. This includes pre-trip expenditure on travel and booking, travel and en-route expenditure, and all spending at the destination' (DEAT 1996:vi); 'all those firms, organisations and facilities which are intended to serve the specific needs and wants of tourists' (Cooper et al. 1993:5)
Tourism	'all travel, for whatever purpose, that results in one or more nights being spent away from home' (DEAT 1996:vi). Tourism can be thought of as a whole range of individuals, businesses, organisations and places which combine in some way to deliver a travel experience or 'the temporary movement to destinations outside the normal home and workplace, the activities undertaken during the stay and the facilities created to cater for the needs of tourists' (Cooper et al. 1993:4)
Tourist	'a person who travels away from home, staying away for at least one night. A tourist could be a domestic tourist (for example a resident of Johannesburg staying one night in Knysna), a regional tourist (for example, a visitor from Zimbabwe spending one or more nights in the province) or an overseas tourist (for example, a resident of Germany staying one or more nights in the province). A tourist travels for different purposes including business, leisure, conference and incentive' (DEAT 1996:vi). See also <i>international tourist</i> and <i>regional tourist</i>
Traditional domestic markets	'previously advantaged domestic leisure tourists' (DEAT 1996:vi)
Western Cape Tourism Board	the Western Cape tourism body established in terms of section 3 of the Western Cape Tourism Act 3 of 1997. It has been proposed that this body be replaced by a new entity called Cape Tourism

How to read this document

The White Paper on Sustainable Tourism Development and Promotion in the Western Cape provides the policy foundations and competitive strategy for the Western Cape to become a leading global tourism destination.

The document is divided into four sections:

- ◆ Section A provides the background to the policy formulation process. It explains why there is a need for a tourism policy for the province, summarises the key messages of the policy and how the approach differs from existing policies, and provides information on tourism within the provincial economic context.
- ◆ Section B establishes a vision and growth targets for tourism in the Western Cape. It sets out the fundamental policy principles that underpin the new policy for future tourism.
- ◆ Section C identifies clear strategies, goals and objectives (grouped into four major themes) for tourism development and promotion in the Western Cape with a view to establishing a competitive advantage and maximising tourism growth in the medium to long term. These strategies are presented under the four key pillars of economic development identified by the provincial Department of Economic Affairs, Agriculture and Tourism (DEAAT).
- ◆ Section D sets out the proposed institutional and funding arrangements to support the implementation of the strategy at provincial, regional and local level.

The tourism policy formulation process

The White Paper on Sustainable Tourism Development and Promotion in the Western Cape provides the policy foundations and a competitive strategy for the Western Cape to become a leading global tourism destination.

It provides a framework for synergising and directing the efforts of the various players, both public and private, in the tourism industry in the province.

The White Paper is the product of an extensive consultation process of public participation and a specialist study carried out in 1998 by the Strategic Management Team (SMT) together with the Western Cape Tourism Board. The SMT was appointed to investigate the Western Cape tourism system and suggest appropriate improvements. The SMT report highlighted a number of key areas which require attention, including the need for:

- ◆ institutional realignment and synergy in tourism
- ◆ greater ownership of and participation in tourism by previously neglected persons and communities (economic empowerment)
- ◆ effective communication channels
- ◆ improved funding for tourism development and promotion
- ◆ a clear focus on:
 - ❖ tourism human resources development
 - ❖ the maintenance of standards
 - ❖ effective marketing and promotion.

In October 1999, the draft Western Cape Tourism Policy Framework and Strategy (Green Paper) was published. The public was invited to comment and more than 100 written submissions were received. In addition a number of bilateral meetings took place between the Western Cape Provincial Government and tourism stakeholders from tourism marketing organisations, business associations, training and educational institutions, hospitality corporations, local government and civil society. The various inputs received caused substantial changes to be made to the proposals in the Green Paper.

On 9 December 1999, the Western Cape Tourism Conference was hosted by the provincial Minister responsible for tourism at the time, Hennie Bester. This brought together over 200 representatives of the tourism industry in the Western Cape to discuss issues raised following publication of the Green Paper.

One-on-one sessions were held with tourism stakeholders in January 2000 aimed at refining outstanding issues and reaching consensus on the institutional arrangements. Consensus was reached on several issues relating to tourism. This White Paper now provides an agreed policy framework and guidelines for tourism development and promotion in the Western Cape.

The White Paper sets out:

1. The background to the drafting of the tourism policy and strategy.
2. The foundations for the tourism policy for the province, the vision, goals and objectives.
3. The proposed strategic framework to achieve the vision and objectives of the policy.
4. The proposed institutional and funding arrangements to support the implementation of this strategy.

SECTION A

1 Why a tourism policy?

1.1 Background

The global tourism marketplace is becoming increasingly competitive. This is due to a number of factors, including a ‘shrinking’ globe as a result of improved aviation technology and electronic information systems, the increasing awareness among business and government leaders of the economic significance of travel and tourism, and the advent of globalisation (the dramatic increase in the past few years in the flow across national borders of goods, services, capital and knowledge).

These trends have resulted in tourism companies and destinations becoming increasingly focused and strategic in their approach in order to maintain and improve their competitive positions. The global trend is to move away from broad, generic marketing campaigns that promote traditional products and use mass distribution channels towards focused, experience-based marketing aimed at meeting the needs, desires and motivations of specific market segments. This is necessary to stimulate the demand for international and domestic tourism. Meeting the expected increase in demand will require co-ordinated and adequately-resourced supply-side measures such as the provision of adequate infrastructure and facilities, transport, human resource development, the establishment and maintenance of standards, and the creation of an environment that is attractive to investors.

At the same time, tourism must be part of a balanced integrated development plan in which agriculture, industrial and infrastructure development, health, welfare, education and other areas of endeavour continue to receive the necessary investment and attention. International experience has shown that developing countries which become too reliant on tourism (or any other industry) find it very difficult to cope with changes in the market. Productive resources which have been invested in tourism are lost to other sectors. In order for this order of priorities to be justifiable, the benefits and opportunities of tourism must tangibly be felt, not only by the relatively affluent and well-educated, but also by the poor and previously disadvantaged. Sustainability is a watchword – elements of the natural and cultural environment which are

destroyed in the search for short-term gain will be lost to future generations.

The establishment of the national private-public tourism funding partnership, the changes to national tourism legislation and funding and the appointment of a new-look South African Tourism Board are clear signals of a national effort to improve South Africa's tourism competitiveness. As the foremost South African tourism destination, the Western Cape intends to position itself firmly within the national context. A well-founded, competitive tourism strategy is the key to increasing the Western Cape's share of South Africa's domestic and international tourism markets.

1.2 The need for a tourism policy framework and strategy

Tourism in the Western Cape and its related components and activities have not been managed and developed in accordance with a clear, collective policy and strategy. As a result, the various components of the industry are largely unco-ordinated and inwardly-focused. This has resulted in *ad hoc* and fragmented strategies which failed to capitalise on our diverse tourism resources, thereby limiting the ability of the tourism sector to effectively provide much-needed entrepreneurship, employment and skills development opportunities.

This document outlines the policy and strategic direction for Western Cape tourism. It serves as a framework for synergising and directing the efforts of the tourism industry in the province.

At present, management efforts are typically focused on the short term, and are reactive, fragmented and unco-ordinated. As a result, development opportunities are being squandered. A dedicated policy is therefore needed to promote the integrated management of tourism, in order to harness its resources for sustainable tourism growth.

Key roleplayers who need to be taken into account in the formulation of a strategy include the provincial government, regional government – the Cape Town Unicity Council and the various district councils, local municipalities, South African Tourism, the Western Cape Tourism Board, the private sector (including SMMEs), civil society formations such as NGOs and CBOs, and previously disadvantaged groups such as black people, women and the disabled.

1.3 The key messages of the policy

This policy signals a shift in thinking about tourism. The policy is driven by the challenges of transforming our society and economy in the Western Cape. It is essential that tourism development should support the Constitution's commitment to improving the quality of life of all citizens, while protecting the natural environment for the benefit of present and future generations.

The policy is informed by the goals of reconstruction and development – to meet basic needs, to develop human resources, to build the economy and to democratise the state and society.

The tourism policy has also been developed in the context of the Western Cape government's economic growth and development strategy (DEAAT 2000), which is based on the following principles:

- ◆ The Western Cape as a *premier learning region*, one which successfully equips its people and businesses to acquire and apply knowledge effectively in a rapidly changing world. The emphasis is on a high-quality primary and secondary education system, the encouragement of sectoral training institutions, and the establishment of links between the business sector and world-class tertiary educational institutions.
- ◆ The Western Cape *linked to the world*, an outward looking region effectively linked to the rest of the world through the upgrading of international transport facilities and the effective use of information technology, making it the most attractive place for investment and establishing it as a world-famous brand.
- ◆ The Western Cape as a *centre for entrepreneurs and innovation* which supports start-ups and new firms and building a strong equity and venture capital sector.
- ◆ The *Cape of Good Hope for all* by improving job creation, raising the quality of basic services (for example, health care and education) to the poorest citizens, and promoting the development of sectors which are able to absorb more low-skilled labour.

In order to establish and enhance its competitive position, the Western Cape will increasingly have to position its unique selling points within the national and global environment. It is crucial that a strategic approach should be followed in this regard and that the provincial tourism industry should clearly focus its efforts on

strategies which will facilitate the most lucrative, sustainable returns on its investment. All strategies should complement and support the policy framework.

The framework advocates the following shift in emphasis:

- ◆ It outlines the importance of ***recognising the value of tourism***. Tourism provides immense direct and indirect benefits to the people of the Western Cape. Our tourism resources will be wasted unless we maintain sustainable environmental practices, that is, manage our tourism so as to recognise the complex, interconnected nature of the components of the industry and prevent them from being degraded and overused.
- ◆ Tourism in the Western Cape and its benefits are concentrated in the hands of the few who were privileged above others under apartheid. This policy now sets out a people-centred approach and stresses the powerful contribution that can be made to reconstruction and development in the Western Cape through ***facilitating sustainable tourism development***. Sustainability has economic, institutional, environmental and social dimensions.
- ◆ Tourism in the Western Cape has been managed in a fragmented and unco-ordinated manner. This policy promotes a holistic way of thinking by promoting co-ordinated and integrated tourism management among the wide range of actors whose activities impact upon tourism by ***managing tourism as a system***.
- ◆ The international and local experience of tourism management shows that it is most effective when government adopts ***a co-operative style of management***, in which responsibility is shared between different spheres of government and a range of other stakeholders, including business and civil society.
- ◆ It recognises the ***need for a provincial vision***, and provincial principles, goals and objectives to guide tourism development efforts within a broader national effort. This is especially important, given the diversity of Western Cape tourism, the need for partnership when it comes to marketing, and the variability of local circumstances which necessitate a locally relevant tourism development response that is consistent with this policy.
- ◆ This policy promotes a style of management that allows for ***learning from experience***. It proposes that an honest approach be adopted to learning from our successes and failures in

tourism management. Only through an ongoing cycle of monitoring, review and evaluation and revision of the policy and its implementation can we ensure the continued improvement of our efforts.

2 The Western Cape tourism picture

2.1 Introduction

The pre-1994 apartheid system severely limited the scope of the Western Cape tourism industry and caused various social and economic imbalances. Many international tourists abstained from travelling to the country during the apartheid years. Previously disadvantaged groups were not afforded the opportunity to participate freely in the sector.

This situation resulted in a number of tourism constraints as highlighted in the national White Paper on Tourism. These included an inadequately resourced and funded tourism industry, a myopic private sector, limited involvement of local communities and previously neglected groups in tourism, inadequate training, education and awareness, poor environmental management, poor service, a lack of tourism infrastructure (particularly in rural areas), a land transport system not geared towards tourists, the lack of appropriate institutional structures at all spheres of government to develop, maintain and promote tourism, and high levels of crime and violence on visitors (DEAT 1996:5).

While the Western Cape has over the years been privileged to be at the forefront of tourism growth, many of the constraints identified nationally also apply to the province. The following information gives an indication of the tourism situation in the province.

2.2 Tourism performance

South African tourism has increased substantially during the past five years. It should be emphasised that available statistics are a guideline, they are not absolute.

2.2.1 Overall tourism contribution

At national level, tourism contributes approximately 8.2 per cent to the GDP (WTTC 1998). It is estimated to contribute a total of R53.2 billion, directly and indirectly, to the South African economy and employ 7 per cent of the country's workforce (GTFK 2000). Bloom (1998) estimated the contribution made by tourism to the provincial GRP at approximately 13 per cent. These figures clearly demonstrate the extremely important and significant contribution of tourism to the economy of the Western Cape and the country more broadly.

2.2.2 Overseas tourism market

The Western Cape attracts the majority of overseas tourist nights. However, the following figures indicate that there is a clear seasonal pattern and that the Western Cape market share diminishes considerably during the winter season.

Total overseas tourist arrivals in SA (1999)	1.5 million
Total annual bed nights sold to overseas tourists (1999)	24.5 million
Overseas tourists visiting the Western Cape (1999)	Approximately 790 000
No. of annual bed nights in the Western Cape (1999)	Approximately 8.5 million
Total annual overseas tourist expenditure in Western Cape (1998)	Approximately R9.7 billion

	Summer	Winter
% of overseas tourists visiting the Western Cape	59%	50%
Western Cape % of total overseas visitor nights	40%	26%
No. of Western Cape attractions in top 15 SA attractions	9	7

Source: South African Tourism and Statistics South Africa..

2.2.3 Domestic tourism market

The following figures indicate that domestic tourism remains the backbone of the Western Cape tourism industry and that domestic tourist expenditure is substantially greater than international expenditure.

No. of annual domestic tourist trips to the Western Cape (1999)	4.7 million
Total average expenditure per trip (1999)	R3 580
Total annual domestic tourism expenditure (1999)	R8.2 billion

Source: Western Cape Tourism Board Domestic Market Survey, 1999.

2.3 Strengths and opportunities

2.3.1 Strengths

Some of the comparative advantages which have led the Western Cape to become the premier South African tourism destination include:

- ◆ the range of tourism magnets or ‘icons’ which provide a strong branding to the Western Cape, including Table Mountain, Robben Island, Kirstenbosch, the Cango Caves, the Namaqualand flowers, whales, wines, events such as the Two Oceans Marathon, the Argus Cycle Tour, the Klein Karoo Kunstfees, and others.
- ◆ Cape Town as a rapidly recognised international city
- ◆ the incredible environmental diversity of mountains, oceans, landscapes, fauna and flora
- ◆ the rich socio-cultural heritage that has provided the province with a unique canvas of cultural experiences, shaped by its African roots and European and Asian influences and links
- ◆ Cape Town as a well-developed global gateway city leading to the many unexplored, less populated areas in the hinterland which offer rewarding tourism experiences
- ◆ well-developed and well-maintained public infrastructure that facilitates ease of travel
- ◆ a sophisticated and mature tourism business sector
- ◆ the ‘spirit’ of the Cape, that is, its image as an area of relaxation, entertainment and outdoor activity.

However, there is no room for complacency. As richly endowed as South Africa and the Western Cape are, the competitive advantage of tourist destinations all over the world has more and more to do with human-made factors such as science, technology, information and innovation than with natural assets (DEAT 1996:1). Maintaining a competitive edge in a globalising world requires ongoing investment in marketing as well as providing the necessary support to keep the industry vibrant and healthy.

2.3.2 Opportunities

Tourism offers a host of opportunities. It:

- ◆ is the world’s largest generator of jobs, is labour-intensive and can generate immediate employment opportunities as it grows
- ◆ employs a multiplicity of skills and offers training opportunities
- ◆ creates substantial entrepreneurial opportunities, particularly for SMMEs
- ◆ may bring development to underdeveloped and rural areas, provided it is managed appropriately

- ◆ can be beneficial to the environment if it is well-managed
- ◆ potentially builds cross-cultural relations and is a vital force for peace
- ◆ is a final good that is fully created in the Western Cape with low levels of economic leakage
- ◆ has a high multiplier effect throughout the economy
- ◆ provides many linkages with other sectors of the economy such as agriculture, retail goods, and financial services
- ◆ is often the catalyst that attracts trade and investment to the province.

All of these factors highlight the need for government to lead in making the most of tourism potential of the Western Cape in partnership with the private sector and other stakeholders. At the same time, this list of opportunities serves as a guide to the issues which must be held in balance within a framework for the sustainable development and promotion of tourism. For example, the creation of jobs is a desirable outcome. If, however, the creation of these jobs results in unacceptable changes to the environment, the benefit will be short-lived

There is a clear need for the Western Cape to enhance, protect and promote its tourism assets and to take advantage of underutilised opportunities. These include:

- ◆ **Exploiting the many opportunities for emerging communities**, including:
 - ❖ operating tourism infrastructure such as bed and breakfast establishments, agri and rural tourism, farm stays, guest houses, taverns, bars, restaurants, transport services, attractions (such as township experiences, *platteland* hospitality, historical/cultural attractions and museums), entertainment (music, dance, story-telling) trails (hiking, 4x4, horseback) and many others
 - ❖ providing services to the industry: tour operators, shuttle services, travel agencies, tour guides, marketing services, booking services, baby sitters, training and so on
 - ❖ acting as suppliers to the industry: crafts, interior décor (rugs, wall hangings, furniture), laundry services, construction, provision of building materials, maintenance of plant and equipment, portage, environmental services (gardening, bush clearing), agritourism services (vegetables,

herbs, milk, natural medicines), catering services and others.

- ◆ **Establishing the Cape Town as a global meetings, incentives, conventions and events (MICE) destination.** The MICE industry has experienced major international growth during the past 15 to 20 years. Despite being a sought-after corporate and group travel destination, the Western Cape has not been able to respond to this opportunity until recently. The opening of the world-class convention centre in 2003 and the establishment of a professional convention bureau should see Cape Town's current position as the 28th most popular global convention destination improve significantly.
- ◆ **Expanding and promoting our cultural assets and experiences.** These could relate to the development of historical areas, communities and events as well as the 'living' culture of the province. Examples include *platteland* lifestyles and hospitality, palaeontology (for example, fossil sites), religious diversity, struggle history, township life, cuisine, arts, music, language, and Cape history. It is about promoting and packaging the rich 'soul' of the Western Cape.
- ◆ **Improving our entertainment opportunities.** Tourism is about an entertaining experience. While various entertainment facilities and events have developed during the past few years, much could be done to further develop this area by encouraging the development of nightlife, festivals, heritage sites, theme parks and staged events.
- ◆ **Capitalising on our potential as a premier environmental and outdoor destination.** The Western Cape is already well established as an environmental and outdoor paradise. This image could be further enhanced by capitalising on the global trend towards niche experiences (adventure travel, sport tourism, hiking, environmental interests such as birding, stargazing and others) and environmental awareness and appreciation (sustainable practices and planning).
- ◆ **Developing our conservation assets to the advantage of tourism.** The opportunity presented by the large number of provincial and national parks located in the Western Cape has not been fully developed. These provide major opportunities for expanding our tourism attractions in *platteland* areas. The introduction of big game species on private and public conservation land and the further proclamation of conservancies provide much scope for substantially expanding

our tourism resource base. Our unique fynbos floral kingdom (one of only seven in the world, and the most diverse on earth) holds vast tourism potential in addition to its great bio diversity value.

Taking advantage of these opportunities will require the dedicated investment of time and resources at provincial, metropolitan, district and local level. Mechanisms must be created to enhance co-operative governance and development. Public sector investment must be geared towards providing the necessary infrastructure and support for tourism. At the same time, an enabling legislative and policy environment must be created for private sector investment.

2.4 Constraints and threats

There is every indication that the post-1994 tourism boom is tailing off and that competition is increasing. As with all products, tourism destinations have a product life cycle and require constant innovation and improvement in order to sustain a competitive edge. In addition, it has often been proven that tourism growth is dependent upon the support of other sectors and the community at large. In this regard, much work is still required to put tourism at the forefront of economic development. The following are some of the most substantial threats and constraints facing the Western Cape industry:

- ◆ **Tourism security concerns.** The perception in the marketplace that South Africa is an unsafe tourism destination is no doubt the most important threat facing the industry in the short to medium term.
- ◆ **Limited involvement of previously neglected communities.** Past policies have neglected some areas of the country (in particular the hinterland and townships) and constrained the involvement of certain population groups in the industry. Various factors limit the involvement and growth of local communities and previously disadvantaged entrepreneurs in the tourism industry. These include:
 - ❖ lack of information and awareness about tourism due to not having been meaningfully exposed to the industry. This includes the perception that tourism caters mainly for the upper and middle class and that it is not within reach of the previously disadvantaged. There is also suspicion and mistrust due to people having been forcibly removed so that their land could be proclaimed as conservation areas

- ❖ limited training opportunities for previously disadvantaged groups and entrepreneurs, thereby effectively limiting meaningful participation in tourism in those quarters
- ❖ lack of involvement in decision-making, and in the development and promotion of tourism
- ❖ limited access to finance to take advantage of the entrepreneurial opportunities provided by the sector or to enjoy the benefits of tourism themselves
- ❖ poor access to the market due to the fairly rigid tourism distribution channels which exist and the fact that tourists are poorly informed about alternatives to mainstream tourist activities. They therefore keep to the confines of ‘sanitised’ places of interest
- ❖ negative attitudes in some sections of the established tourism industry towards community tourism products, which are sometimes viewed as being inferior.
- ◆ **Inadequate resources and funding.** It is clear from the limited budgets allocated to tourism that the true wealth-creating potential of the sector has not been fully grasped by decision-makers.
- ◆ **Institutional fragmentation.** The various tourism organisations in the province have not been operating within an agreed-upon strategic framework. This has resulted in a failure to establish consolidated branding and also resulted in the dilution of resources.
- ◆ **Destructive competition** often occurs between provinces, between urban and rural areas, between metropolitan and local councils, between towns and districts and even within towns (that is, between the town centre and the townships).
- ◆ **Limited co-operation and partnerships between the private and public sectors.** The private and public sectors in the province have not effectively joined forces to achieve a collective vision for promoting tourism within the province.
- ◆ **Stereotyped generic images.** The Cape icons (for example, Table Mountain, scenic routes, Kirstenbosch, wines and so on) have for years been projected as the sole content of the Western Cape tourism product. Culture, adventure and social hospitality have not adequately featured in promotional material and branding efforts.

- ◆ **Cape Town not being positioned as a major global destination** in competition with, for example, London, Sydney, Hong Kong or Miami. The lack of world-class standard sports and convention facilities and the perception of criminality have severely constrained its competitiveness.
- ◆ **A seasonal market and perceived inhospitable winter climate.** There is a need to promote special attractions of the winter season with regard to food and wine, romantic occasions, arts and music and various outdoor experiences in the hinterland.
- ◆ **Imbalances in the development of the Cape Metropole and the hinterland.** Cape Town accounts for 75 per cent of provincial tourism, yet the hinterland is in great need of employment creation and also offers some of the most exciting new product opportunities. Rural areas lack exposure and experience to tourism.
- ◆ **Service quality and pricing limitations.** While the Western Cape is generally service conscious, industry service levels sometimes reflect the lack of a true service culture. An introductory standard for entering the industry is also lacking. Concern has also been expressed with regard to overpricing and declining value for money.
- ◆ **Inadequate environmental management.** Environmentally insensitive development along the coastline and inland urban sprawl mar the landscape. Tourism concerns have not yet been effectively integrated into planning processes. Littering and smog are not adequately managed.
- ◆ **Infrastructure constraints.** Tourism-specific infrastructure such as parking, ablution facilities, public transport, visitor information, entertainment and landscaping at local attractions is inadequate. Appropriate road signage is needed, especially in rural areas where attractions and tourist areas are located on travel routes.
- ◆ **Air travel constraints.** Recent indications are that flight capacities to South Africa from Europe are inadequate during peak season periods, thus also having a negative effect on tourist flows to the Western Cape. Specifically, direct flights to Cape Town from a range of cities in our source markets (particularly from Europe and the new markets in North America and Asia) are limited.

- ◆ **Tourism development may take resources away from the needy.** For example, land used for tourism takes land away from other productive uses such as agriculture. Land values may be affected by tourism development in such a way that local residents are priced out of the market. Money spent on providing infrastructure to tourism projects means less money is available to provide infrastructure for local residents. Facilities may be built to serve the needs of as many tourists as possible at the busiest time of year, but stand empty for most of the rest of the year.

A package of financial and other measures will have to be found to deal with the constraints facing tourism. Support for SMMEs and economic empowerment is already an established priority and must be strengthened. Institutional arrangements will have to be devised which improve co-ordination and coherence, promote partnership, integrate information systems, overcome problems and stimulate demand for tourism. New products and itineraries will have to be developed to give tourists exposure to parts of the province outside greater Cape Town. Serious attention will have to be given to good environmental management so that the tourism assets of the Western Cape are preserved in the long term.

2.5 HIV/AIDS

Although the Western Cape has lower rates of HIV infection than some other provinces, the disease will nonetheless have a catastrophic effect on tourism (and every other industry) in the province. HIV/AIDS has been described by some as the only important development issue in South Africa. All other problems are secondary because of the cross-sectoral impact of the disease. Even if no more people become infected, this pandemic will affect the country for the years to come because impact will be felt directly and indirectly by several generations of people:

- ◆ An estimated 4.2 million South Africans are HIV-positive. HIV/AIDS affects the economically active population most seriously – the group which holds the skills, does the work, pays the taxes, brings up the children, votes in elections, and provides the leadership. Unless treatment is made available, these people will suffer from increasing ill-health and almost all of them will die prematurely. Many of these people will work directly or indirectly in the tourism sector.
- ◆ Productivity is expected to decline by 2.5 per cent by 2010. This may impact negatively on levels of service.

- ◆ Labour supply will be 27 per cent lower by 2015. A lack of labour may constrain the development of the tourism industry.
- ◆ Nationally, the number of children orphaned as a result of AIDS will be close to two million by 2010. The state currently has the capacity to provide institutional care for only about 50 000 children and it is estimated that there are already 10 000 street children. The number of street children will rise dramatically, and many will turn to crime to survive, exacerbating the already poor security situation. Others will turn to prostitution and, of these, many may well become carriers for HIV infection.

2.6 Economic empowerment imperatives

- ◆ Economic empowerment has been defined as ‘an integrated and coherent socio-economic process located within the context of national transformation...aimed at redressing the imbalances of the past by seeking to substantially and equitably transfer ownership, management and control of South Africa’s financial and economic resources to the majority; to ensure broader and meaningful participation in the economy by black people’ (BEECom 2000a). Empowerment processes include job creation, rural development, poverty alleviation, specific measures to empower black women, skills transfer and management development, education, meaningful ownership, access to finance to conduct business’ (BEECom 2000a). The recommendations of the Black Economic Empowerment Commission to the President in this regard are likely to impact strongly on tourism.

2.7 Conclusion

This section sets out the background and reasons for the development of a Western Cape Tourism Policy. It seeks to define the strengths of the industry in the province, some of the constraints under which it operates and the opportunities for development.

The next section sets out the Tourism Policy, the vision for tourism in the province, aspirations and principles that should guide tourism in the Western Cape.

SECTION B

3 The Tourism Policy

The main thrust of this policy document is summarised in the vision below. Its principles, goals and objectives are the foundation for achieving the objective of long-term sustainable tourism growth in the Western Cape.

3.1 Our vision

The tourism industry strives towards achieving the following vision:

By the year 2010 the Western Cape is renowned as a premium world tourism area

We will know we have achieved this vision when:

- ◆ *Visitors from South Africa and across the globe flock to the province and tourism is growing at rates well above the national and international averages.*
- ◆ *The province prides itself on offering visitors a unique, Cape-'flavoured' combination of nature, culture, entertainment and top-class convention opportunities in a safe, well-maintained and hospitable setting.*
- ◆ *A network of exciting tourism attractions in the metropolitan area and hinterland combines the attractiveness of the globally renowned Cape Town brand and icons with a variety of innovative travel experiences.*
- ◆ *Tourism facilities and services are of the highest quality and offer some of the best value for money in the world.*
- ◆ *Tourism is regarded as a priority sector within the provincial economic strategy and is supported and valued by the community at large.*
- ◆ *Tourism provides the bulk of new jobs and increasing numbers share directly and indirectly in the benefits derived from the industry.*
- ◆ *Tourism promotes and encourages the movement of people within the province between urban and rural areas and from place to place.*

The vision seeks to provide a clear statement of intent for the policy. It addresses the province's intention to strengthen its position as the strongest tourism region in Africa, to turn the job

creation element of tourism into a reality and to see tourism supported by and benefiting the whole population of the Western Cape.

3.2 Growth targets for 2010

Currently available tourism statistics concentrate on quantitative measures such as the number of tourist arrivals and tourist expenditure. The current growth in the number of tourists is 16 per cent per annum. We expect this rate to slow down as the number of tourists increases. The estimated growth in the number of international tourists is expected to be 14 per cent in the period 1999–2001, 12 per cent in the period 2002–2005 and 8 per cent in the period 2006–2010. The number of domestic tourists is expected to grow by 3–4 per cent growth per annum, based on the assumption that tourism will grow in accordance with the expected economic growth rate.

Our targets are to:

- ◆ increase the number of overseas tourists visiting the Western Cape from approximately 790 000 in 1999 to 4 million by 2010
- ◆ increase overseas tourist expenditure in the province from R9.7 billion to 30 billion by 2010 (1999 prices)
- ◆ increase the annual share of the overseas tourist nights accruing to the Western Cape from 40% to 48% during summer and from 26% to 40% during winter by 2010
- ◆ increase the number of domestic tourism trips from 2.3 million per year to approximately 4.7 million
- ◆ increase annual domestic tourism expenditure in the province from R8.2 billion to 14 billion (1999 prices).

Several of the targets implicit in our vision are more qualitative and subjective than what is measured by the statistics above. Nevertheless, we must be able to monitor our progress in achieving them so that we are able to constantly improve our performance. A monitoring and evaluation system based on specific, measurable indicators will have to be established to measure, among other things:

- ◆ how safe and how welcome tourists to the Western Cape feel
- ◆ how tourists experience quality of service, value for money and the quality of the environment
- ◆ how efficiently and effectively problems are dealt with

- ◆ how aware tourists are of the variety of exciting tourism attractions in the metropolitan area and hinterland
- ◆ how successfully the range of things for tourists to see and do is being expanded, particularly in rural areas and previously disadvantaged areas
- ◆ the extent to which infrastructure and facilities for supporting tourism is in place
- ◆ the extent to which integrated development planning takes tourism into account
- ◆ the contribution that tourism makes within the provincial economic strategy and the extent to which it is supported and valued by the community at large
- ◆ how successfully tourism is creating jobs and opening new opportunities for the people of the province, especially those in disadvantaged and rural areas and those who are unfairly discriminated against.

3.3 Fundamental principles

Tourism should be market-driven and the needs, requirements and travel patterns of consumers must be instrumental in directing the development of the industry. At the same time, a responsible and sustainable development philosophy must be followed, based on the principles of social equity, environmental integrity, economic empowerment, co-operation and partnership, and sustainability.

3.3.1 Social equity

- ◆ Tourism should benefit the population at large.
- ◆ Every effort should be made to encourage the participation of and benefit of women, the disabled, the youth and neglected or disadvantaged groups.
- ◆ The full spectrum of cultures inherent in the province should be reflected in tourism promotions.
- ◆ The potentially negative social impact of tourism should be minimised.

3.3.2 Environmental integrity

- ◆ The environment should be acknowledged as the cornerstone of the Western Cape tourism industry and environmental assets must be constructively developed to the benefit of tourism.

- ◆ The environmental impact of all tourism development plans must be carefully considered. Appropriate tourism strategies should be pursued in specific locations. For example, mass tourism is appropriate in a developed urban area because the environment has been built to cope with heavy use. In a rural area, low impact forms of tourism such as eco-tourism are more appropriate.
- ◆ All industrial, commercial, residential and agricultural development proposals must consider the potential impact on and conflicts with the potential for tourism growth. At the same time, tourism concerns should not necessarily take precedence over others.
- ◆ Spatial development plans and conservation efforts must take into account the tourism potential of the areas in question. Unique features should, as far as possible, be preserved and newly constructed projects should take place on less intrinsically valuable land.
- ◆ Visual, sound, water and air pollution must be limited and the effects of these hazards on tourists and the local population must be recognised.

3.3.3 Economic empowerment

- ◆ The industry must be free of unnecessary regulation as far as possible. Regulation should be geared towards directing economic growth appropriately, protecting people and the environment from abuse, and protecting tourists from unacceptable consumer practices, poor health and safety standards.
- Since tourism has many backward and forward linkages with other sectors of the economy, participation in decision-making must be broadened to include stakeholders in other sectors of the economy.
- Emerging entrepreneurs, in particular SMMEs, should be encouraged and facilitated to participate in the industry.
- Special efforts should be made to substantially facilitate participation and ownership in tourism among previously disadvantaged entrepreneurs.

3.3.4 Co-operation and partnership

The development and growth of the industry will be based on collaboration and partnerships between government, the private

sector, the labour force and the population at large. While tourism development and promotion should be collectively planned and executed, the following are the primary roles and responsibilities of these parties:

- ◆ The government should guide the direction of tourism by providing the social, economic and environmental policy framework, public infrastructure, skills training, a generic image and branding and a safe, well-maintained and sustainable environment that is conducive to tourism growth.
- ◆ The private sector should capitalise on the framework by investing in tourism and competing for a growing share of the tourism market, with increased profits.
- ◆ A motivated, skilled, adequately remunerated, protected and productive labour force should provide consistent, high-quality service levels comparable to the best in the world.
- ◆ The community at large should be encouraged to receive tourists in a hospitable manner and should be assisted to fulfil a watchdog role with regard to their tourism resources.

3.3.5 Sustainability

- ◆ For tourism development to be economically sustainable, it should diversify opportunities, provide jobs and facilitate access to productive resources.
- ◆ For tourism to be institutionally sustainable, it should involve creative partnership between government, civil society and the private sector.
- ◆ For tourism to be environmentally sustainable, the need to conserve and protect that which is of value must be balanced with the need to facilitate access at a level appropriate to the sensitivity of the area.
- ◆ For tourism to be socially sustainable, host communities must actively participate in an ongoing way in its management, including the mitigation of its potentially negative effects such as environmental degradation, prostitution and exposure to abuse of drugs, alcohol and gambling. (See appendix for more about sustainable tourism).

3.4 Critical success factors

In view of the preceding analysis, the following factors are considered critical to the achievement of the vision:

- ◆ meaningful involvement of previously neglected communities
- ◆ improved funding for tourism development and destination marketing
- ◆ better co-ordination of public tourism resources to achieve greater synergy
- ◆ a safe and clean tourism environment
- ◆ constant innovation of the provincial product portfolio in the areas of conservation and wildlife, agri and rural tourism, convention business and cultural tourism
- ◆ creative and innovative marketing and promotion
- ◆ improved service levels, product quality and value for money
- ◆ greater involvement of other (supportive) sectors of the economy and allow more inflow of direct flights to Cape Town
- ◆ improved awareness of tourism and access to training opportunities, advisory services and finance for tourism enterprises
- ◆ sustainable environmental practices
- ◆ dealing effectively with the effects on tourism development of the HIV/AIDS pandemic.

3.5 Conclusion

The Tourism Policy introduces a specific vision for the development of the tourism industry in the Western Cape. The principles reflect the very broad range of factors which relate to the tourism industry. The joint, collaborative roles of all spheres of government and of the private sector are recognised. The next section presents the strategic framework in which it is anticipated that the vision will be achieved and the province's Tourism Policy implemented.

SECTION C

4 The Strategic Framework

4.1 Introduction

The goals and objectives in this strategic framework provide guidance on how to achieve the vision of sustainable tourism development. They address key issues of concern. They also apply, build upon, integrate and clarify directives outlined in related policies and legislation applicable to tourism development.

Tourism development is an intersectoral function, requiring a dedicated effort that focuses on the integration of various issues, activities and actors. The goals and objectives outlined in this policy are distinctive because of their tourism focus. These goals and objectives should therefore be seen as complementing other policies, but specifically directing decision-making and action with respect to tourism development and promotion.

Many national and provincial laws and policies are directly relevant to realising the ideal of sustainable tourism development. These policies and laws include those relating to environmental management, education, labour, safety and security, economic development, agriculture, transport, and arts and culture.

4.2 An integrated framework for tourism development

Tourism development should be market-driven and it is acknowledged that the viability of the industry is in the first instance dependent upon a growth in tourist numbers. However, sustained growth will only be possible if all facets of tourism are developed in an integrated manner, if broader development imperatives are met at the same time, and if they address the qualitative aspects of the strategy. The key factors that form part of such an integrated approach are:

External factors, including:

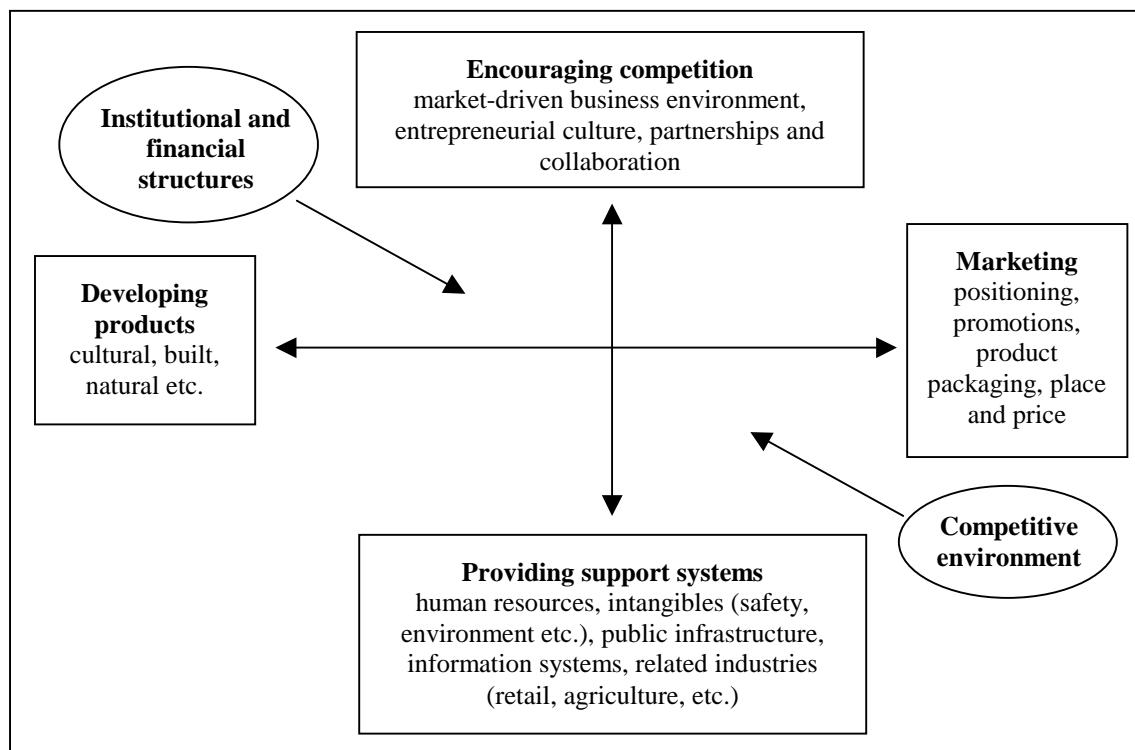
- ◆ Factors in **the broader environment**, including economic, political, social and technological trends that could impact on the internal tourism scene.

- ◆ **Government institutional and financing policies** in support of the industry.

Industry factors, including:

- ◆ **Encouraging competition** which is conducive to tourism growth, including a deregulated business environment, the encouragement of entrepreneurship and a focus on partnerships and collaboration.
- ◆ **Stimulating tourism demand through an appropriate marketing strategy** that includes the appropriate positioning of the province, the identification of target markets, effective product packaging, promotions, and distribution mechanisms.
- ◆ **Developing and maintaining a ‘bouquet’ of marketable tourism products.** These include tourism attractions and plant (environmental, cultural, inorganic and others), tourism services (guiding, booking and others) and investment in commercial plant (accommodation, transport and others).
- ◆ **Providing relevant support systems**, such as public and private infrastructure, tourism service levels (human resources), information systems and the intangible facets such as a safe, clean and user-friendly environment.

The Porter Diamond below has been used to organise the elements of a competitive strategy for the Western Cape: (Porter:1990)



A number of strategic goals and their associated strategic objectives are presented below. These goals and objectives should not be viewed in isolation from one another – they must be considered as a whole. Goals are statements that direct action – we strive to achieve them through our action. Objectives are more explicit statements about how we can work towards the goal within a reasonable period of time. No one goal and objective has greater importance than another. Under each goal and its accompanying objectives, policy recommendations are presented. Attention is also drawn to key implementation measures that will need to be considered when addressing each specific objective.

4.2.1 The competitive environment

Any tourism development and promotion strategy must respond to an assessment of the broader competitive environment. The most important trends are summarised here.

Economic and competitor trends

- ◆ The global economy is recovering from a recession phase and the available discretionary consumer spending is limited. The implications are that developing destinations such as South Africa will have to compete aggressively for a growing share of the global and domestic tourism market. This suggests that marketing budgets will have to increase.
- ◆ Given the slowdown in the Asian economies, competitors such as Australia and South East Asian countries, which have traditionally focused on the Asian markets, will increasingly target South Africa's primary markets in Europe and the USA.
- ◆ Aggressive marketing strategies are being followed by competitor destinations which are faced with economic difficulties, fuelled by their favourable currencies and the need to improve their trade balances. These include Egypt, the Pacific Islands, and South East Asian countries.
- ◆ While interprovincial competition in the South African domestic market will further increase, international competitors in sub-Saharan Africa, South East Asia, South America and Europe are becoming increasingly attractive alternatives for the top end of the South African market. The fact that English is widely understood and spoken in South Africa helps to attract international tourists.

Technological changes

- ◆ The rate at which electronic communication and commerce is developing through the Internet, e-mail, videoconferencing and cellular telephones is having a very substantial effect on the nature of the international tourism distribution network. There is no doubt that the ability of our tourism industry to remain at the cutting edge of information technology will become a key factor in determining South Africa's global competitiveness. This will require investment and education in a sector where skills are in great demand.
- ◆ As global aviation alliances are consolidated and aviation technology constantly improves, it is likely that long-haul flights will become increasingly affordable. A liberal airspace policy and direct-flight options will be essential to encourage competition and ensure maximum consumer benefits.

Political factors

- ◆ Consumers in source markets such as the USA and Europe are constantly exposed to news about conflicts in central Africa. Research indicates that South Africa is often (mistakenly) perceived by the average resident of such countries to be directly affected by these conflicts.
- ◆ The positive publicity opportunities following the political transformation of 1994 are decreasing and an aggressive marketing effort will be essential to compensate for this change.

Social factors

- ◆ Tourism is increasingly being recognised by government, labour and the private sector at large as a major economic contributor. However, awareness among the population at large is still limited and people have generally been slow in accepting and supporting tourism.
- ◆ There is an increasing global awareness, particularly in the Northern Hemisphere source markets, of the need for an environmentally and socially responsible tourism practice. This offers an additional incentive for the Western Cape to invest in such practices and to capitalise on this through advertising and investment.
- ◆ The new generation of tourists are mature travellers and are seeking an intensive experience (exploring culture, nature, lifestyles, entertainment and so on) rather than the somewhat superficial traditional package tour itineraries.

4.2.2 Institutional and financial structures

These elements are dealt with in Section D of this document.

4.2.3 Providing support systems

Introduction

The provision of supply-side support systems is primarily the responsibility of all spheres of government – national, provincial and local. While tourism products are directly experienced and consumed by visitors, these need to be complemented by a range of indirect systems and services that are vital to facilitating an enjoyable and hassle-free experience. These support systems include service quality levels (human interfaces and operating standards), intangibles (safety, environmental integrity, general destination upkeep), tourism-related infrastructure (public transport, roads, utilities, road signs and so on) and tourism information networks and systems (for example, information offices, electronically-accessible information and services, market intelligence, planning information.)

The total tourism experience includes:

- ◆ appropriate tourism products and services that are of direct value to the tourist (activities, attractions and commercial ‘plant’)
- ◆ relevant support systems that are in support of the tourism products and services and are indirectly experienced by the tourist. These include:
 - ❖ service quality levels (human interfaces and operating standards)
 - ❖ intangibles, such as safety, environmental integrity and general destination upkeep
 - ❖ tourism-related infrastructure (for example, public transport, roads, utilities, road signs, access to information, energy, water and sanitation, communications)
 - ❖ tourism information networks and systems (for example, information offices, electronic access, market intelligence, planning information)
 - ❖ support to SMMEs and emerging businesspeople.

Strategy 1: Develop a clear tourism development strategy

The concept of tourism development is frequently misconstrued and misdirected and tends to address limited component(s) of the overall spectrum of tourism resources. The following guidelines are central to the tourism development strategy:

- ◆ Tourism development (that is, developing new activities and attractions, improving service, offering value for money products, increasing income and economic activity attributable to tourism) is an integral part of the overall tourism value chain and is aimed at producing a total experience that is most appealing (of most value) to our target audiences, more so than those of our competitors. This implies that the approach to tourism development must be based on programmes and initiatives related to current and potential market trends and requirements.
- ◆ Tourism development must be integrated with broader government economic initiatives.

Strategic objectives

- ◆ Assess proposed development projects with a view to limit, restrict or reduce any negative impact on natural environmental features that are, or have the potential to be, tourist resources and are considered to have economic value as tourist resources.
- ◆ Link the provincial tourism department with the planning and local government and housing department in developing a spatial tourism development framework for the province, especially for tourism planning in the coastal zone.
- ◆ Plan, locate and implement tourism-dependent bulk and service infrastructure, including roads, railway lines and airports, in accordance with new tourism attractions and features, especially in underdeveloped areas while trying to ensure that such expenditure also benefits local people directly.
- ◆ Encourage the development of viable tourism facilities in underdeveloped areas which are in keeping with acceptable limits to change in the environment.
- ◆ Improve and expand attractions to ensure that the provincial product base remains attractive and sought-after as the priority market segments grow.

- ◆ Develop products in accordance with the requirements of priority market segments.
- ◆ Reduce the current pattern of over-concentration of tourism facilities and physical development by encouraging the proposed development of tourism in underdeveloped areas. This should be undertaken as an attempt to spread the availability of tourism facilities to a greater proportion of the province's population and to create job opportunities.
- ◆ Provide legal protection for sites previously neglected and associated with historical and political events, especially sites associated with the liberation struggle, and sites of geological, ecological, archaeological, religious and cultural significance, using the natural heritage sites programme and the National Monuments Framework as a basis.
- ◆ Strengthen the representation of arts and cultural expressions on the tourism landscape in the form of South African architectural designs.
- ◆ Research the levels at which arts and culture promote and are promoted by tourism.

Strategy 2: Increase tourism safety and security

The Provincial Administration of the Western Cape is committed to ensuring the safety and security of all tourists. The perceived and real threat of criminality against tourists is acknowledged as the most important short-term threat facing both the South African and Western Cape tourism industries. As part of a broader public safety programme, a tourism safety programme must be initiated by the Western Cape provincial and local governments to safeguard tourist areas. Such a programme will include the expansion of the surveillance camera network, appropriate signage to indicate suggested tourist routes, and a special force of tourist police to patrol tourist areas.

It would be appropriate to identify priority zones for the application of the safety programme and to commence the programme at a local ('precinct') level. The programme must combine and co-ordinate the efforts of the SAPS, private security companies, other initiatives such as Business Against Crime, and citizens in order to develop successful working models that can be replicated in other areas. The current visible policing capacity could be supplemented by the community patrol officers system and consideration should be given to large private property owners financing such supplementary costs.

A public awareness programme is required to counteract negative perceptions about tourism safety and communicate a balanced view of the state of affairs. Tourism authorities should co-operate closely with existing safety and security forums and organisations involved in safety and security initiatives to ensure that tourist safety forms part of the core security strategy of the province.

The following strategic objectives are recommended:

- ◆ Work with the relevant provincial departments to implement short and long-term strategic objectives to reduce crime and violence in key tourism destinations.
- ◆ Provide adequate information to visitors to assist them to take steps to improve their own safety and security.
- ◆ Undertake research concerning tourism security trends and monitor the effectiveness of safety and security measures.
- ◆ Motivate for a co-ordinated range of local government tourism safety initiatives.
- ◆ Work with the SAPS and media to publicise successes in the fight against crime and lawlessness.
- ◆ Work with community policing forums to encourage participation in monitoring the environment and keeping it free of crime.

Strategy 3: Provide tourism-related infrastructure and facilitate its provision

As part of the spatial development framework for the province, a thorough evaluation of tourism-related infrastructure is required in the province. Such assessment must include the identification of under-utilised public assets, access roads that need to be improved to facilitate tourist movement, gaps in public infrastructure such as ablution facilities and parking, road signs and public transport. The identified infrastructure gaps and requirements must be communicated to all relevant authorities for redress.

Strategic objectives

- ◆ Work with the appropriate authorities and airlines to have Cape Town International Airport clearly identified and equipped as a major international gateway to South Africa.
- ◆ Work with the government and private sector to expand public transport facilities and to provide better access to tourist sites. Work with the appropriate authorities to have existing facilities

upgraded and/ or maintained, for example, road signage, security at railway stations and bus terminuses, cycle tracks and public footpaths.

- ◆ Request the Property Management Chief Directorate of the province to play an active role in identifying provincial assets that might be used for tourism purposes and generate revenue for the province.
- ◆ Establish a close working relationship between the provincial tourism department and the provincial branches dealing with Transport, Works, and Planning as well as with district councils and the new metropolitan authority, to identify deficiencies in road transport infrastructure for the tourism industry and projects to address these deficiencies.
- ◆ Work with Portnet to develop a world-class cruise liner terminal facility at Cape Town and promote the development of the province's various harbours for local and international cruising opportunities.
- ◆ Develop user-friendly road signs as an integral part of the tourism information network.
- ◆ Conduct a thorough audit of provincial road signs network in order to identify points which need attention and systematically address these.
- ◆ Simplify the current road signs manual and specifications in order to ensure applicability and ease of communication.
- ◆ Formalise applications and procedures and communicate these to all parties involved in road signs approvals.
- ◆ Establish regional road signs committees to facilitate and approve road signs, involving regional road authorities, regional offices and private sector.

Strategy 4: Legislate compulsory registration for tourism enterprises and introduce an effective channel for complaints

The tourism industry is currently unregulated. Any prospective entrepreneur can set up a tourism business without having to register it. While the intention is to keep the industry deregulated and to allow the market to dictate business feasibility, there is an element of market failure inherent in the industry.

The reason is that most customers (tourists) visit a long-haul destination like South Africa perhaps once in a lifetime or very

seldom. Customers who experience poor business practices are unable to ‘vote with their feet’ since they do not regularly return to the particular area. Upon their return home they normally communicate their frustrations to their friends and relatives, thus having a negative effect on the destination image. Tourists who encounter unacceptable business practices or standards currently have no channel or mechanism available to bring such experiences to the attention of an appropriate authority. As a result, unacceptable business practices are often not recorded or addressed.

A further negative implication of such open entry to the tourism industry is that the formal, well-established products such as hotel groups and big tour operators often bear the brunt of taxes and other costs such as training levies, local authority rates, tourism bureau affiliation and others, while many others reap the benefits of the services paid for by these fees without having to bear the associated costs. This creates the impression that only certain enterprises shoulder the responsibility for tourism development and growth.

Strategic objectives

- ◆ Introduce a compulsory registration system for tourism enterprises as part of the general business regulation legislation in conjunction with the National Grading Council. The licences should be administered by local authorities on an agency basis. Licensing fees should cover only the cost of administering the system.
- ◆ Appoint a provincial tourism protector who can receive and investigate consumer complaints against registered tourism service providers and practitioners.

Strategy 5: Invest in tourism skills development and training programmes

In spite of its very high unemployment level, there is a dire shortage of skills in South Africa. Education and training to impart tourism skills is a critical success factor in developing the sustainable development of tourism in the Western Cape. Educational institutions at all levels have a responsibility to ensuring economic development in the province.

Strategic objectives

- ◆ Introduce focused tourism training programmes.
- ◆ Work with the private sector and the tertiary education sector to develop training programmes in:
 - ❖ appropriate languages, particularly English
 - ❖ a standard provincial curriculum for tourist guiding
 - ❖ standardised service training throughout the industry.

Training programmes should be aimed at creating a highly skilled tourism workforce. They could link with the planned South African Tourism Training Institute (SATI) and the Sectoral Education and Training Authority for tourism – the Tourism, Hospitality and Sports Education and Training Authority (Theta).

- ◆ Effectively co-ordinate efforts of various departments involved in tourism training, including labour, education, cultural and environmental affairs and tourism.
- ◆ Establish a provincial tourist guide programme to train and register tourist guides in accordance with the national tourist guide regulations and to facilitate access to the industry for the previously disadvantaged communities.
- ◆ Establish a standard curriculum for tourist guiding needs which will address the problems of inaccuracies and bias that are prevalent in the existing curriculum.
- ◆ Ensure provincial government representation on the tourism SETA.

Strategy 6: Implement a tourism awareness, education and customer service programme

Generally speaking, the level of awareness of the importance of tourism and its potentially huge economic importance is low. In addition, the quality of customer service varies. There is a clear need to develop programmes to address these issues in educational institutions and in the broader society.

Strategic objectives

- ◆ Implement a customer care programme. Such a programme should include a basic exposition of the nature and importance of tourism and the basic rules of customer treatment. It should be offered to all front-line staff who interface with tourists.

- ◆ Create awareness of the economic value of tourism. The citizens of the Western Cape, in particular the youth as the future custodians of the industry, need to be made aware of the value (economic and employment generation) of tourism. Establish a tourism awareness programme to communicate the tourism message in schools and relevant institutions.
- ◆ Enable regional and local authorities at council and official level to understand fully what tourism is and what it can do for their region or municipality.
- ◆ Work to develop media understanding of tourism matters, for example:
 - ❖ encourage the media to participate in addressing the equity gap in tourism. Local media should be encouraged to promote smaller and rural tourist ventures
 - ❖ provide sound, well-structured material to the media. Media reporting can be no better than the information provided. The tourism ministry should be responsible for regulatory and policy-related information and the marketing agency should provide statistics and information on projects, events and related marketing news.
- ◆ Build relationships between the tourism marketing agency proposed in Section D of this document and the local media.
- ◆ Work with the media to project a positive self-image of the province and the people's will to succeed in the competitive environment of today's global tourism industry. Achievements should be clearly communicated.

Strategy 7: Develop a state of the art, integrated provincial tourism information system

Easy access to reliable, current, quality information is part of the foundation of a successful tourism industry. Information technology plays a critical part in the tourism chain of events – advertising what is available, making information about availability accessible, being able to respond quickly to requests, and securing bookings.

Strategic objectives

- ◆ Establish a web enabled integrated provincial tourism information system managed by the marketing agency. The system should, *inter alia*:

- ❖ be linked to the national information system that is operated by South African Tourism
- ❖ include all relevant information relating to tourism products and services, support systems, market trends and requirements
- ❖ provide an electronic information exchange network between the local tourism bureaux and the provincial information database and system
- ❖ comprise an appropriate, multidimensional user access system, including registered tourist information offices, road signs, guides and maps, website, geographic information system and other media.
- ◆ Monitor identified priority issues and provide annual reports to review policy implementation. Audit the effectiveness of the policy on the basis of targets set.
- ◆ Identify research priorities to support tourism development. Such research must contribute towards the implementation of approved policies. To this end investigate legislation impacting negatively upon tourism and recommend amendments where necessary.
- ◆ Devise mechanisms to measure the economic impact and performance of tourism. These could include a provincial tourism satellite account and a tourism performance barometer.

Strategy 8: Encourage sustainable tourism practices and promote general destination upkeep

Ensuring that the benefits of tourism will be available to the Western Cape in the long term is a key feature of the approach being proposed in this White Paper. This requires the encouragement of sustainable tourism practices and the maintenance of destinations.

Strategic objectives

- ◆ Promote care for the natural and cultural environmental base of the industry. The global significance of the vegetation of the Western Cape, being the physically smallest and most endangered of the world's floral kingdoms, should be recognised. The Western Cape Nature Conservation Board should be actively involved in initiating programmes that will promote USPs and special attraction development programmes to complement this.

- ◆ Recognise and promote world heritage sites as a major attraction of the Cape.
- ◆ Work closely with local authorities to promote programmes to ensure the cleanliness of our urban environment.
- ◆ Investigate possibilities of extending Green Globe status across the province.
- ◆ Institutionalise working relationship with conservation and environment protection agencies.
- ◆ Develop a framework and guidelines for sustainable tourism development.

4.2.4 Developing products

Strategy 9: Package tourism themes and attractions in the form of suggested routes and itineraries

Tourists need to know what there is to do in a destination and active steps need to be taken to help them to do the things that appeal to them.

Strategic objectives

- ◆ Collectively promote and package in an integrated manner the magnets and themes offered in the various geographical regions (for example, ‘Cape Town’ as a gateway, ‘Overberg’, and ‘Breede River Valley’) within the ambit of the marketing agency.
- ◆ Market destination magnets that are location specific and include tourist attractions that are unique to a particular destination, such as events (sport, cultural and others), conferences, major cultural and environmental attractions, beach and resort areas and icons.
- ◆ Promote tourism themes that are crosscutting. These could include general scenic beauty, food and wine tasting, arts and culture, adventure, eco-experiences (flower-watching, whale-watching, star-gazing, bird-watching and others), trailing (hiking, horse-riding, 4x4, mountain-biking), backpacking, heritage experiences (mission stations, slave trade sites), youth tourism and a large variety of special-interest activities.
- ◆ Package the tourism magnets, themes and routes in the form of suggested travel routes and itineraries varying in length and duration, based on Cape Town as a gateway city..

- ◆ Develop special generic marketing campaigns to establish awareness of new travel opportunities and/or rectify wrong perceptions/imbalances. Market the Cape as a year round destination.

Strategy 10: Promote unique selling propositions and initiate special attraction programmes

Market growth is dependent upon the maintenance and enhancement of tourism products. These could be divided into two categories, namely attractions (the primary motivators of a tourist visit) and plant (commercial facilities that support and enhance the experience).

The market priorities identified in the previous section should be complemented by a range of tourism attractions that promote the strengths and opportunities of the Western Cape. These attractions should constantly be improved and expanded to ensure that the provincial product base remains attractive and sought after as the priority market segments grow.

The unique selling points of the Western Cape are:

- ◆ The physical environment (the unique combination and range of scenic beauty, coastline, topography, vegetation and climate).
- ◆ The cultural diversity (the unique ethnic, religious, language and lifestyle diversity and heritage).
- ◆ The ‘Spirit of the Cape’ (as embodied in the free lifestyle, culture of outdoor living and relaxed atmosphere).

Strategic objectives

- ◆ Afford some form of legal protection using the natural heritage sites programme and the South African Resources Agency as a basis for sites previously neglected and associated with historical and political events, especially sites associated with the liberation struggle, and sites of geological, ecological, archaeological, religious and cultural significance.
- ◆ Establish development programmes to pursue the development of tourism attractions relating to the USPs. Involve the widest possible range of related government departments, agencies, NGOs, CBOs and private sector organisations that have a stake in the proposed developments in such programmes.

- ◆ Initiate a heritage tourism programme, including the identification and development of historical, cultural and socio-political assets, arts, crafts, music and social interaction.
- ◆ Work with the Western Cape Nature Conservation and South African National Parks to develop an eco-tourism programme, aimed at developing the many under-explored conservation areas and parks in the province.
- ◆ Develop an adventure tourism programme, including the development of a trails network (hiking, biking, 4x4, horseback) and other adventure tourism opportunities.
- ◆ Expand the ‘events’ tourism programme. Aim at increasing the number and extent of sport and cultural events, conventions and meetings and the facilities required for this purpose.

Establish working groups of relevant role players to spearhead and implement the various programmes. Such working groups should identify specific pilot projects in each programme and allocate a ‘champion’ to spearhead these projects. The various regional and local tourism co-ordinators and relevant government departments should be involved where appropriate. The successes emanating from the pilot projects should be applied to similar circumstances elsewhere in the province.

4.2.5 Encouraging competition, partnership and collaboration

Strategy 11: Establish private-public partnerships

Given the integrated nature of the tourism industry, Western Cape tourism will only succeed if private industry, the public sector and community work in true partnership.

Strategic objectives

- ◆ Invite private sector associations to participate in and with tourism structures and with departments in the various tourism project working groups. Tourism authorities should consult the private sector when devising programmes and campaigns.
- ◆ Build provincial marketing campaigns and initiatives as the platforms that provide opportunities for private product participation wherever possible. Private sector bodies should involve the appropriate government agencies when deliberating on tourism policies and planning.

- ◆ Hold regular meetings between the provincial tourism authorities and the organised components of the broader business community to discuss strategic matters. Such meetings can serve as a platform for raising and debating key tourism policy and strategy issues.
- ◆ Develop and encourage public-private partnerships in tourism.
- ◆ Outsource public services to the tourism sector as far as possible.

Strategy 12: Keep the industry market-driven and as free from unnecessary regulation as possible

Tourism is a highly competitive industry and thrives on open competition. The industry should be deregulated, where possible, and free, commercial activity should be encouraged.

Strategic objectives

- ◆ Allow commercial pricing to be guided by market conditions, but avoid over-pricing. Government should not interfere in product pricing.
- ◆ Limit unnecessary regulation as far as possible. Any regulations should be aimed at protecting tourists and citizens from unacceptable business practices and poor service standards, and at protecting the interests of a sustainable industry in the long term. Proposed regulatory mechanisms should be thoroughly investigated and assessed for any negative impacts they may have.
- ◆ Ensure that increasing prices to tourists does not block access of residents to public recreation areas and attractions. Discounted entry fees during periods outside the peak international tourist season should be strongly encouraged.
- ◆ Promote Cape Town airport as an international gateway. For Western Cape tourism to grow, it is vital that adequate flight capacity, particularly in high season exists to carry tourists to the area, that tourists are provided the opportunity to fly directly to Cape Town from international destinations, and that competition among airlines is encouraged.

Strategy 13: Promote entrepreneurship, with special emphasis on neglected communities

It has been demonstrated that the tourism industry is fertile ground for SMME start-ups. Major tourism projects need to be initiated by provincial and local government and/or the private sector. The most development support is required in the area of the small enterprise. Entrepreneurial development within the tourism industry must be located within existing policies and legislation. Chief amongst these is the national Department of Trade and Industry's White Paper on Small Business Development. There is a clear commitment to economic development at both national and provincial government level. This commitment has been supported by the implementation of a range of programmes to support SMMEs, new entrepreneurs and new funding opportunities for small businesses.

Strategic objectives

- ◆ Create an enabling environment within which small businesses in tourism can operate.
- ◆ Establish a tourism entrepreneurship support programme within government at provincial level. The programme should work closely with the many existing business development organisations, local tourism organisations and other initiatives that already exist in the province in line with the national and provincial strategic objectives for small businesses.
- ◆ Establish marketing assistance programmes to facilitate access to the marketplace for disadvantaged entrepreneurs. Make information on existing markets accessible to all.
- ◆ Develop a strategy to support the growth of SMMEs in tourism.

Strategy 14: Improve participation of local communities in tourism development

The lack of participation by local communities is a serious obstacle to being able to make the most of the opportunities for economic development, entrepreneurship and job creation. Conscious efforts must be made to ensure that such communities have a stake in ensuring the success of tourism development and promotion in the Western Cape.

Strategic objectives

- ◆ Improve participation, ownership and entrepreneurship in tourism among local (particularly rural and disadvantaged) communities in planned tourism development programmes.
- ◆ Structure and plan a process to proactively identify local assets that could complement the programmes identified above and to facilitate the participation of neglected communities in developing these.
- ◆ Pursue appropriate financing and funding mechanisms, including the establishment of a provincial Tourism Development Fund, to facilitate the development of new attractions in accordance with the above-mentioned imperatives.
- ◆ Strengthen the representation of local indigenous arts and cultural expressions on the tourism landscape.

Strategy 15: Promote investment opportunities and establish incentives to stimulate investment in underdeveloped areas

Tourism, like any other growing industry sector, requires a continuous stream of new investments. Presently, the provision of investment incentives is a national competency. The province and local government can stimulate investment in the tourism sector through promoting these incentives, and also through its own investment promotion activities.

Strategic objectives

- ◆ Work with Wesgro to compile a tourism investment promotion package to provide potential investors with the required information, comprising a database of tourism investment opportunities, relevant tourism statistics and appropriate investment promotion material.
- ◆ Encourage local and regional authorities to consider special development incentives of limited duration to stimulate environmentally sensitive tourism development in areas where identified opportunities have not yet been developed.
- ◆ Identify and record opportunities for tourism development in terms of existing features, land uses and cultural enclaves and incorporate these in provincial and local government planning

policies and strategic objectives as set out in the proposed integrated development framework.

4.2.6 Marketing

Strategy 16: Promote a single brand for the province, incorporated into the national branding

Given the analysis of strengths and opportunities and considering the advantages of the Western Cape relative to its competitors, the competitive positioning should be based on the following concepts:

- ◆ the foundation/root of the African continent – ‘Gateway to Africa’
- ◆ an area that has always played a central role in South African history
- ◆ natural and scenic beauty *par excellence* (mountains, oceans, botanical gardens, wine farms, caves, forests) and a cultural diversity that reflects the unique South African history and provides a multitude of culinary, musical and religious experiences
- ◆ ultimate relaxation and entertainment, vibrancy and warmth
- ◆ an outdoor activity paradise
- ◆ a clean, healthy and hospitable place
- ◆ a place with high-quality services and infrastructure that work smoothly.

The following positioning statement is proposed, based on the phrase coined by Sir Francis Drake:

Explore Africa’s fairest Cape

It is vitally important that the Western Cape should be branded by means of a strong, single image. In view of internationally known products and images such as ‘Cape Fruit’ and ‘Cape Wine’, it is proposed that the ‘Cape’, rather than the ‘Western Cape’ should be used as a marketing brand name for the marketing agency. A provincial image has been proposed for use on car registration plates and other places. In accordance with this approach the marketing identity of the marketing agency should be *established* and a suitable logo designed with stakeholder participation to form a fresh strong, visual brand for tourism in the province.

Strategic objectives

- ◆ Link the Western Cape to the South African branding, that is, the province should not be isolated from the national brand but should be clearly positioned as the preferred destination within the South African ‘stable’.
- ◆ Promote the provincial brand with the various local tourism agencies in the province. Where agencies have developed their own corporate brands, these should be used in conjunction with the provincial branding.
- ◆ Ensure that accredited members of local tourism bureaux (LTBs) in the province display the Cape Agency logo at their places of business and work.
- ◆ Encourage other stakeholders to promote the provincial brand image, that is those not directly involved in tourism but who promote the province or the generic products of the province, such as inward investment programmes, wine, fruit, craft, fishing, banking and others.

Strategy 17: Focus on the lucrative end of the international market and provide affordable travel opportunities for domestic tourists

It is obvious that tourists with more disposable income tend to spend more money in destinations they visit. At the same time a broad base of South Africans and youth should be encouraged to travel within their own country.

Strategic objectives

- ◆ Attract the lucrative end of the international tourism market by setting the province apart from other international destinations by emphasising its unique, high-quality travel opportunities pursuing income generation rather than numbers as a measure of success. Value for money, rather than a price-based strategy, should underpin the international marketing thrust.
- ◆ Do targeted and ongoing research on those segments of the international tourism market which are available or potentially available to be drawn to the particular South African tourism product.

Strategy 18: Complement the national (South African Tourism) marketing programmes and compete provincially for the domestic market

The majority of international leisure travellers are faced with a large number of destination choices. International visitors should first be enticed to come to destination South Africa, after which they should be guided by provincial initiatives to spend the largest share of their holiday in the province.

Strategic objectives

- ◆ Position the Western Cape as part of the South African ‘stable’. Where possible, the Western Cape should only venture into the international marketplace if it is done in support of or in conjunction with South African Tourism or when South African Tourism is not servicing a specific Cape niche market.
- ◆ Emphasise the creative packaging of travel opportunities in order to increase the length of stay and expenditure of international visitors in the Western Cape, when supporting South African Tourism’s initiatives.
- ◆ Structure a professional marketing plan geared towards proactive marketing of the Western Cape.
- ◆ Dissuade regional and local tourism agencies from venturing into the international market to conduct generic marketing of their areas. Their products and experiences should be packaged as part of provincial marketing initiatives in support of South African Tourism marketing campaigns.
- ◆ Compete vigorously with other destinations for the largest possible share of the South African domestic market.
- ◆ Provide affordable tourism resorts and camping areas capable of accommodating large numbers of domestic tourists at affordable rates to capture and grow the domestic market. Such markets should be developed with care and their impact on the environment and tourism image of the province should be monitored.

Strategy 19: Initiate collective marketing opportunities to bring together private sector and local tourism organisations

Strategic objectives

- ◆ Establish a marketing agency with due representation from the Western Cape government, local government and the private sector responsible for marketing of provincial products. The agency should be administered on sound business principles.
- ◆ Involve the identified parties as partners within the marketing agency, particularly in respect of decision making on, and financial investment in, the marketing of the province.
- ◆ Devise provincial collective marketing opportunities that allow for the participation of local tourism organisations, in order to impact substantially on the marketplace and optimise resources and funds. Joint planning of the marketing initiatives is essential and duplication should be avoided.
- ◆ Facilitate opportunities for private entrepreneurs to sell their products under the ‘umbrella’ of the generic marketing programme.
- ◆ Provide a ‘menu’ of tactical marketing opportunities for private businesses when planning and executing generic marketing initiatives. These could include attendance at exhibitions, participation in journalist and media programmes, and marketing publications, electronic ‘tools’, industry workshops and advertising campaigns.

Strategy 20: Diversify the existing market base

The generic branding of the province should be underpinned by targeted marketing efforts. These should be based on effective segmentation of the marketplace to ensure the optimisation of our comparative advantages and the most effective application of resources. The segmentation approach adopted should be market-driven and should focus on consumer preferences that could be linked to the products and attractions on offer in the province.

Since consumers are primarily in search of experiences, whether these are leisure, business or family related, preferred experiences are applied as a point of departure for segmentation. The target markets are referred to as the five ‘Es’. Five segments are proposed: ‘experiencers’, ‘explorers’, ‘entertainers’, ‘engagers’ and ‘eventers’.

Experiencers want an introductory overview and fairly superficial experience of the destination and its main attractions within a limited time period. Sub-segments include ‘iconeers’, ‘sightseers’, ‘socialisers’, ‘ecotourists’, and ‘VFRs’ (visiting friends and relatives).

Explorers want to have an intensive experience, travel to lesser-known areas, risk more, ‘rough it up’, and get ‘behind the scenes’. Sub-segments include ‘backpackers’, ‘trailers’, ‘youth’, ‘adventurers’, ‘heritage hunters’ and ‘special interest’ niches.

Entertainers want to relax in a limited action, entertaining environment. Sub-segments are ‘sun & surfers’, ‘shoppers’, ‘food & winers’, ‘music & theatre fans’, ‘romantics’ and ‘night lifers/ravers’.

The primary reason for the visit of **engagers** is to meet a particular party(ies) to build relationships, exchange common ideas and conduct business. They could also engage in various other activities. They include ‘business travellers’, ‘officials’, ‘politicians’ and ‘academics’.

Eventers visit an area to partake in an organised event. These include ‘sports-lovers’, ‘culture lovers’, ‘festival goers’, ‘conventioneers’ and ‘incentives’.

Strategic objectives

While all of these segments are of value to the province it is evident from the preceding analysis that, based on the strengths and opportunities which have been identified, the following should be done:

- ◆ Nurture and aggressively target the ‘experiencer’ and ‘entertainer’ segments that currently deliver the bulk of tourist numbers to the province. Every effort should be made to further develop the existing attractiveness of the Western Cape for these segments. Since the products that appeal to them are well established in the marketplace, constant efforts should be made to develop new attractions and to improve existing attractions.
- ◆ Target the ‘explorers’ and ‘eventers’ as the most important new growth segments. A concerted effort should be made to aggressively promote the existing attractions and to develop the many latent opportunities.

4.2.7 Managing the potentially negative effects of tourism

It is important for the tourism industry to address the negative sides of the sudden boom in tourism. It is important to address responsible tourism not only in relation to the conservation of the environment and heritage, but perhaps more importantly in relation to the impact on the citizens of our province.

Strategic objectives

- ◆ Partnerships need to be formed to address not only sex tourism, but exploitative sex and violence, substance abuse and other problems facing women, men and children on the streets and elsewhere.
- ◆ Training on addressing the negative social impact of tourism is needed for a broad range of stakeholders especially for the role-players in the tourism industry, the tourists and the women in the industry.
- ◆ Ongoing lobbying and advocacy is needed on the needs, rights and protection of the local communities, and the need to protect children particularly.
- ◆ A code of ethics is to be developed to bind role-players in the tourism industry particularly related to good practices that promotes the human rights and the environment of South Africa. The World Tourism Organization's *Global Code of Ethics for Tourism* (WTO 1999) could be used as a model.
- ◆ The tourism industry must honour the constitutional rights of South Africa's people and the country's commitment to the rights of children and the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW).
- ◆ Stringent legislation exists in some countries relating to the protection of children and trafficking of women. Such legislation should be enacted, implemented and monitored in South Africa to prevent abuse.
- ◆ Limiting the spread of HIV/AIDS is an essential, complementary part of promoting a healthy tourism industry.

4.3 Links to the provincial economic development strategy

Tourism is part of a broader economic development strategy for the Western Cape. The Department of Economic Affairs, Agriculture and Tourism Green Paper *Preparing the Western Cape for the knowledge economy of the 21st century* proposed a vision and strategic framework for economic development based on four pillars (DEAAT 2000):

1. **The Learning Cape.** This envisages the Western Cape as the leading learning region in South Africa, one which successfully equips its people and businesses to acquire and apply knowledge effectively in a rapidly changing world. This is linked to:
 - ◆ investment in tourism skills development and training programmes and its association with industry-linked teaching and research at educational institutions (strategy 5)
 - ◆ the implementation of a tourism awareness, education and customer service programme (strategy 6)
 - ◆ encouraging e-commerce and e-marketing.
 - ◆ a willingness to learn from mistakes and other tourist destinations to improve the implementation of tourism policy
2. **The International Cape** – the province as an outward looking region, linked effectively to the rest of South Africa, Africa and the world, capable of competing in the global knowledge economy and thus enhancing economic growth and development. This is linked to:
 - ◆ increasing tourism safety and security (strategy 2)
 - ◆ encouraging sustainable tourism practices and promoting general destination upkeep (strategy 8)
 - ◆ promotion of direct air links and connections
 - ◆ legislating compulsory registration for tourism enterprises and introducing an effective channel for complaints to ensure best international service standards (strategy 4). This is expected to be the task of the proposed tourism protector described in Section D

- ◆ assessing tourism-related infrastructure needs and facilitating their provision (strategy 3)
- ◆ a number of marketing activities which are expected to be performed by the proposed tourism marketing agencies described in Section D, namely:
 - ❖ developing a state of the art, integrated provincial tourism information system which provides a link to the outside world (strategy 7)
 - ❖ packaging tourism themes and attractions in the form of suggested routes and itineraries for the attention of the outside world (strategy 9)
 - ❖ promoting unique selling propositions to the outside world and initiating special attraction programmes (strategy 10)
 - ❖ promoting a single brand for the province, incorporated into the national branding (strategy 16)
 - ❖ focusing on the lucrative end of the international market (strategy 17)
 - ❖ complementing the national (South African Tourism) marketing programmes (strategy 18)
 - ❖ diversifying the existing market base (strategy 20)
- 3. **The Enterprising Cape** – the province as a leading centre for entrepreneurship and innovation. This is linked to:
 - ◆ establishing private-public partnerships (strategy 11)
 - ◆ developing a clear tourism development strategy (strategy 1)
 - ◆ keeping the industry market-driven and as free from unnecessary regulation as possible (strategy 12)
 - ◆ promoting entrepreneurship, with special emphasis on neglected communities (strategy 13)
 - ◆ initiating collective marketing opportunities to bring together private sector and local tourism organisations (section 19)
 - ◆ other strategic marketing activities described under pillar 2 above which will support the business environment, namely strategies 7, 9, 10, 16, 17, 18 and 20

- ◆ educational support strategies described under pillar 1 above which will support the business environment, namely strategies 5 and 6.
- 4. **The Cape of Good Hope for All** – a province capable of promoting sustainable growth, equitable development, economic empowerment and an improved quality of life for all. This is linked to:
 - ◆ improving participation of local communities in tourism development (strategy 14)
 - ◆ job creation
 - ◆ promoting investment opportunities and establishing incentives to stimulate investment in underdeveloped areas (strategy 15)
 - ◆ managing the potentially negative social and environmental effects of tourism.

4.4 Conclusion

The strategic framework set out in this White Paper reflects the thinking of the very broad range of persons who participated in the consultation process.

If the identified parties continue to work together in the implementation of this strategy, the Western Cape will truly be a winning tourism destination. Following the principle of ‘structure follows strategy’ the next section sets out the proposed institutional arrangements to implement the strategy.

SECTION D

5 Institutional and funding arrangements

5.1 Introduction

Tourism is one of the fastest-growing industries in the Western Cape. It has the potential to grow more quickly and becoming a major contributor to economic growth in the province, provided it is properly planned and managed. The implementation of the strategy set out in this White Paper requires substantial institutional support. As a result of the intersectoral nature of tourism, it is of central importance to improve dialogue, co-ordination and co-operation between relevant national and provincial government agencies and departments, the private sector, civil society and local government. The existing structure of tourism institutions in the province must be re-aligned to support the proposed strategies. Duplication and fragmentation must be eliminated. It is also proposed that the provincial structures should be co-ordinated with those at national level.

5.2 The current situation

The Constitution provides that tourism is a concurrent national and provincial legislative competence, which means that national and provincial governments have joint responsibility for the development and marketing of tourism in South Africa.

The Western Cape government therefore has the power to pass and implement legislation on tourism in the province, but in doing so it must co-operate with the national government and other national tourism institutions, co-ordinate its actions and legislation with those in the national sphere and, where possible, support national initiatives. Tourism is a functional responsibility of the provincial Minister and the Department of Economic Affairs, Agriculture and Tourism (DEAAT). The provincial Cabinet is the forum in which the responsible Minister is able to liaise with Ministers from other departments in the provincial government. Local authorities, which also have a constitutional responsibility for local tourism, are important contributors to tourism success. The Western Cape government has a constitutional duty to co-ordinate the efforts of local authorities and support and strengthen their tourism capacity.

The national government is responsible for the development and promotion of tourism at national level. This includes development of policies and regulations to guide tourism promotion in the country. The situation at national level is as follows:

- ◆ The national Department of Environmental Affairs and Tourism (DEAT) is responsible for national tourism policy, regulation and development.
- ◆ The Minmec: Tourism is a meeting of the national Minister of Environmental Affairs and Tourism and the Members of the Executive Councils (MECs) responsible for tourism in the nine provinces. This is where the relationship between national and provincial tourism policy matters is decided.
- ◆ The Miptec: Tourism (Minmec Interprovincial Technical Committee) is a meeting of national and provincial tourism officials (heads of government tourism departments and CEOs of tourism authorities) for co-ordinating provincial and national tourism affairs, in preparation for and in support of the Minmec: Tourism.
- ◆ SA Tourism (South African Tourism) is established in terms of section 2 of the Tourism Act 72 of 1993 and is responsible for the international marketing of South Africa and for information management in consultation with provincial tourism organisations.

The current Western Cape Tourism Act 3 of 1997 established the statutory Western Cape Tourism Board (WCTB) and statutory regional and local tourism organisations (RTOs and LTBs) to conduct tourism marketing and development. However, the present legislation has a number of major shortcomings, including:

- ◆ too many institutions within different spheres of government within the province are addressing the same key performance areas, resulting in duplication and the fragmentation of resources
- ◆ there is confusion among clients concerning the identity and branding of our tourism products
- ◆ there is confusion among stakeholders concerning functional responsibilities
- ◆ rather than being integrated into integrated development plans at local level, responsibility for development and maintenance of infrastructure and public tourism attractions has been

removed from the local government line function and allocated to RTOs and LTBs

- ◆ the WCTB, RTOs and LTBs were fully responsible for tourism development without having the capacity or funding necessary to meet this responsibility.

5.3 Proposed provincial institutional arrangements

In order to create an environment that supports development and redresses historical inequalities and discrepancies in tourism, it is necessary to:

- ◆ consider tourism within the framework of economic development policy of the province
- ◆ establish effective co-ordination mechanisms in respect of provincial, regional and local tourism functions to ensure synergy of effort and resources
- ◆ ensure the various existing tourism authorities complement one another, culminating in a strong and effective tourism effort
- ◆ maintain certain minimum standards and provide consumer protection
- ◆ create a seamless tourism information system which brings together at provincial level information from local, metropolitan and district levels
- ◆ clearly differentiate between the marketing function and the tourism development function. It is proposed that the marketing function be done by marketing agencies while the tourism development function will be done by government. It is envisaged that the proposed marketing agencies will be lean, mean and run on strict business lines.

5.3.1 A marketing agency and brand for the province

The fragmentation of tourism marketing activities and, in particular, the duplication of tourism marketing activities by provincial and local government bodies must be eliminated as far as possible. A focused and co-ordinated tourism marketing effort by all role players in the province is necessary. A single and easily identifiable tourism brand for the entire province must be built. This must be done in such a way that clearly defined local identities also grow and flourish in the service of local economic

development. It is therefore proposed that a statutory marketing agency for the province be established and tourism marketing be integrated into the proposed marketing agency.

Functions

It is proposed that the main object of the proposed tourism marketing section will be the ongoing formulation and implementation of a comprehensive marketing strategy for the Western Cape, and its functions should include:

- ◆ marketing international tourism to the province in conjunction with South African Tourism
- ◆ marketing domestic tourism to the province
- ◆ maintaining a system to accredit tourism service providers
- ◆ maintaining a provincial tourism database and integrated tourism information system in conjunction with registered tourism service providers, the tourism sector and other tourism bodies in the province
- ◆ establishing, managing and maintaining convention bureau services
- ◆ accrediting the right to display the ‘i’ information sign and the marketing agency logo.
- ◆ monitoring, supporting and co-ordinating the activities of registered tourism service providers
- ◆ identifying and promoting new tourism products and packages
- ◆ promoting tourism-related arts and crafts in the province
- ◆ raising awareness and understanding of tourism and its importance to the province
- ◆ generating income to achieve its objectives.

It is proposed that all assets, rights, liabilities and obligations of WCTB be transferred to the marketing agency. It is also proposed that all staff be transferred to the new body without prejudicing their legitimate interests as employees.

Financing and accountability

It is proposed that the marketing agency be funded by appropriations from the Provincial Parliament, local authorities and private sector. It will also be able to generate and retain its own income and to receive donations, bequests or contributions. In other

words, the private sector and other donors will be able to make voluntary funding available in the spirit of partnership.

5.3.2 The role of the provincial government

It is a government responsibility to create an enabling environment for tourism to flourish. In line with the clear role differentiation referred to above, it is proposed that provincial tourism development should be the line responsibility of the provincial government through the Department of Economic Development, Agriculture and Tourism. Provincial government tourism policy will be implemented in co-operation with Cape Tourism, the local authorities and the private sector. The policy must include measures dealing with:

- ◆ tourist safety and security
- ◆ planning and development, public infrastructure and road signage
- ◆ developing regulations for tourism
- ◆ norms and standards for tourism establishments and services (to be accredited by Cape Tourism).
- ◆ education programmes, including raising levels of awareness and understanding of tourism and its importance to the province
- ◆ business advisory services, including making services available to persons from previously disadvantaged communities
- ◆ the development of new tourism products and packages in the province, including new themes and routes
- ◆ supporting the development and promotion of locally-produced tourism-related arts and crafts
- ◆ the facilitation of the removal of barriers to entry into the tourism industry for previously disadvantaged groups and individuals
- ◆ the establishment of standard entrepreneur support programmes facilitating appropriate skills, education and training
- ◆ ensuring that national and provincial marketing initiatives are conducted in liaison with local marketing initiatives
- ◆ promoting and managing tourist guide function in the province.

- ◆ minimising the negative social and environmental impact of tourism.

5.3.3. Tourism protector

It is proposed that the provincial government appoint a tourism protector to investigate consumer complaints against registered tourism service providers and tourism practitioners. This ombudsman would report to the Provincial Minister and the forum.

5.3.4. Code of conduct

It is proposed that the provincial government should, after consultation with the Ministerial Provincial Tourism Forum, publish a code of conduct for tourism practitioners and tourism service providers. This will help to maintain and promote quality service and strengthen confidence among tourists that they can expect internationally acceptable standards.

5.3.5. The Ministerial Provincial Tourism Forum

It is proposed that a committee called the Ministerial Provincial Tourism Forum be established to facilitate and enhance communication and the spirit of co-operative governance.

Composition

In line with the principle of partnership and co-operation, it is proposed that the forum will consist of:

- ◆ the responsible Minister as chairperson
- ◆ the chairperson of the standing committee in the Provincial Parliament responsible for tourism
- ◆ the chairpersons of the executive committees of District Councils and Unicity or their nominees
- ◆ the chairperson of the marketing agency or a member of the board nominated by the chairperson
- ◆ representatives of organised business when the need arises.

Functions

It is proposed that the functions of the forum will be:

- ◆ promoting a tourism policy for the province which takes full account of the tourism needs of the local authorities, the provincial government, the tourism industry and tourists

- ◆ sharing information and views on all aspects of tourism in the province
- ◆ co-ordinating action on matters of mutual interest to the provincial government and local authorities
- ◆ facilitating and monitoring agreements reached between the Minister, the marketing agency and the organisation representing municipalities in the province with regard to:
 - ❖ ensuring that the provincial government and local authorities exercise their powers and perform their functions in good faith and in a co-operative and mutually-supportive way
 - ❖ enabling a unified policy to be implemented with regard to, among other things, marketing, new product development and participation and contribution to the proposed provincial tourism database.

5.4. Proposed local government institutional arrangements

5.4.1. The metropolitan and district councils

It is strongly suggested that the metropolitan council and district councils integrate their tourism marketing efforts with those of the proposed provincial marketing agency. Delays could undermine the attempt at eliminating duplication and fragmentation in tourism marketing in the province. In line with the principle of a clear role differentiation, it is proposed that the tourism function of the metropolitan and district councils should mainly be developmental and in partnership with province. Functions should include:

- leading tourism development in their areas in close consultation with provincial authorities
- ◆ co-ordinating common developmental actions among the various LTBs and other tourism stakeholders within their jurisdiction
- ◆ maintaining and providing adequate financial support for regional tourism offices and, where no regional offices exists, facilitating the establishment of one if deemed necessary.
- ◆ providing local infrastructure such as recreation areas, signage, urban design and amenities at tourism attractions

- ◆ planning and implementing programmes and projects designed to improve awareness of tourism within the district or metropolitan area, ensuring that these are informed by and complementary to provincial campaigns
- ◆ assisting in the implementation and promotion of national and provincial tourism training programmes
- ◆ providing advice and assistance to emerging entrepreneurs
- ◆ formulating and managing local incentives while ensuring that investment opportunities are co-ordinated within the provincial investment framework
- ◆ providing appropriate information as input to provincial systems
- ◆ working with provincial authorities to ensure an appropriate inclusive and representative tourist guide curriculum content
- ◆ leading the establishment of local tourism safety programmes in collaboration with local business, the SAPS and communities.

5.4.2. Regional tourism organisations

Functions and constitution

It is proposed that RTOs will primarily have a tourism marketing function at the level of the metropolitan and district councils in conjunction with the LTBs in their areas of jurisdiction to and will serve as regional offices of the marketing agency.

- ◆ contribute to and implement regional tourism policies within a framework set by the province and metropolitan or district council municipality and promote, support and facilitate the implementation such policies
- ◆ in cooperation with the marketing agency promote and market tourism within their jurisdictions
- ◆ establish and maintain a database of information required for the formulation of the regional tourism policy and the implementation of a regional tourism strategy linked to that of the marketing agency (or to cause such a database to be established and maintained)
- ◆ assist and support any LTB in their areas of jurisdiction
- ◆ protect and advance within the tourism industry any emerging business and persons or categories of persons disadvantaged by unfair discrimination

- ◆ identify and promote the natural and cultural assets of their areas
- ◆ undertake other related activities
- ◆ generate income to achieve their objects.

5.4.3. Local municipal councils

Local governments play a major role in the development of the tourism industry as part of their broader mandate for local economic development. It is proposed that specific municipal tourism development functions include the following:

- ◆ facilitating the establishment of, and maintaining one or more LTBs, and providing adequate financial support for them
- ◆ maintaining tourist attractions
- ◆ providing and maintaining public infrastructure in tourism areas
- ◆ providing public amenities such as parking, ablution facilities and public transport in support of tourism
- ◆ planning in support of tourism after consultation with the LTB, and where appropriate, allocating land and developing infrastructure for tourism development
- ◆ planning and providing local road signs in support of tourism in conjunction with the provincial government
- ◆ promoting the general safety, upkeep, cleanliness and beautification of the local area
- ◆ maintaining the environmental integrity of the local area
- ◆ administering any (future) compulsory registration system for tourism businesses.

It is further proposed that the local council appoint a local development committee to work closely with the officials and local marketing committee of the LTB concerned.

5.4.4. Local tourism bureaux

It is proposed that LTBs will primarily have an information provision function at the level of local municipalities to:

- ◆ Assist in the formulation of a tourism policy and strategy for their areas of jurisdiction within the local municipal framework and, in conjunction with surrounding districts

- ◆ market their areas of jurisdiction as a tourist destination and any product, in co-operation with surrounding municipalities and the province
- ◆ provide an information and assistance service to encourage tourists to visit the area in a way which is mutually beneficial to tourists and local communities
- ◆ develop and promote tourism skills and awareness within the local community to achieve the maximum sustainable benefits from tourism through the widest possible participation in the local tourism industry
- ◆ promote the development of appropriate tourism infrastructure and products, including attractions, accommodation, transport and shopping facilities
- ◆ protect and advance emerging business and previously disadvantaged persons within the tourist industry
- ◆ identify and promote the natural and cultural assets of its area of jurisdiction
- ◆ produce and distribute tourist promotion literature in conjunction with tourism service providers registered by the marketing agency.
- ◆ organise and market local tourism events, conferences and meetings in conjunction with registered tourism service providers
- ◆ establish and maintain a database of tourism information on the local area which is linked to the marketing agency database (or cause this to be done)
- ◆ undertake other related activities
- ◆ generate income to achieve their objects.

Local municipalities may amend, remove or add to any of these functions.

Structure and staffing

In this regard it is proposed that:

- ◆ each LTB be a voluntary, non-profit, non-self interest structure consisting of members from the local municipal area concerned, including tourism establishments, the general public, business organisations, the local municipality and other LTBs

- ◆ bureau membership be renewable annually and LTBs be granted the power to determine different categories of membership. However, the general public should be exempted from having to pay a membership fee so that they are not excluded from participating in the affairs of the LTB on financial grounds
- ◆ each LTB elect a local marketing committee which will work closely with the officials and local development committee of the local municipality concerned, and appoint a secretariat for both local committees
- ◆ the members of an LTB appoint a CEO who will in turn appoint other staff.

Financing and accountability

In this regard it is proposed that funding be provided by appropriations from the annual budget of the local council concerned; donations, bequests, sponsorships or contributions; membership fees and any income the LTB is able to generate itself. It is further proposed that the CEO be the accounting officer, and that the LTB report to the local council concerned.

5.5. Funding

Each of the three spheres of government has some functional responsibility for tourism. Allocation of public funds to tourism should therefore be made by each of these public authorities. The potential sources of public funding for tourism are in a process of change. Amongst others, sources of provincial funding may change as a result of the phasing in of certain kinds of provincial taxes.

Current levels of funding for tourism, from all spheres of government, are generally considered to be far lower than is necessary to address the present marketing and developmental needs of tourism. The availability of funds to develop and promote tourism is critically important. The successful implementation of the tourism strategy proposed in this White Paper will require substantial financial resources. The elimination of duplication in the allocation of tourism functions which has been proposed above will ensure that existing resources are utilised much more effectively and efficiently.

5.5.1. Provincial government funding

The provincial government will be a co-funder of the proposed marketing agency. Annual funding will be allocated from the

provincial budget. In addition, the provincial government will give consideration to transferring to the marketing agency a portion of any funds transferred from the national government as part of a national funding scheme for tourism marketing.

As explained, the co-funding for the provincial marketing agency will be provided by the public sector. The private sector should not be expected to contribute to the normal running expenditure of the marketing agency, but funding should be sought from this source for such endeavours as joint marketing projects or the commercialisation of various facets of its operations, such as an integrated information management system to promote tourism across the province.

The province will also fund the departmental programme aimed at developing an enabling environment for tourism to flourish, and will give consideration to establishing a Tourism Development Fund to be resourced by the provincial government and other voluntary contributions. This fund will be utilised for tourism development projects including capacity building and product development in neglected communities.

When appropriate, the provincial government may levy user charges for certain categories of information, brochures or other services. This may also be done at local government level.

The provincial government believes that there should be a system of tourism levies including both bed levies and international departure levies imposed at international airports. The imposition and collection of these levies could be managed by either the provincial or national spheres of government. However, if such a system is managed by the national government, a significant portion of levy income should be returned to the provinces in proportion to the amounts raised there. If it is managed by the provincial government, this should be done within a national framework, to ensure national consistency.

The provincial government must provide information to tourism stakeholders within the province on how to access funding from other funding agencies such as the Development Bank of Southern Africa, the Industrial Development Corporation, Ntsika, poverty relief funds, Khula (Pty) Ltd, and Enterprise Finance Limited.

5.5.2. Metropolitan, district council and local municipality funding

It is proposed that metropolitan, district and local municipalities contribute towards funding of the provincial marketing agency.

Funding to perform other functions should be allocated to the normal programmes of the regional government bodies, as well as regional offices.

The provincial government will assist local government bodies to budget for tourism by developing a model for funding tourism. Guidelines should be provided for allocating a certain percentage of income to tourism, which is the fastest growing sector of the economy in the province.

It is proposed that local municipalities contribute to the funding of the existing and future LTBs in their jurisdictions and that they budget to perform their other tourism promotion functions as set out above. The provincial government will investigate the introduction of a mandatory registration system for tourism enterprises. The registration fee would accrue to the local municipality which would also administer the system on agency basis.

5.6. Conclusion

These proposals are made in the belief that ‘structure should follow strategy’. The existing provincial tourism structures were created during a transitional stage in South Africa, both in terms of transitions in local government structures and in terms of South Africa’s re-entry into the world tourism market as a freely competitive global player.

One of the consequences of this was a blurring of lines between the roles and responsibilities of the current institutional players in the provincial tourism arena. The institutional structures and funding arrangements proposed in this section seek to correct this situation. What is proposed is an integrated structure that addresses:

- ◆ responsibilities for development and marketing
- ◆ responsibilities within different spheres of government
- ◆ the need to integrate private sector input into planning at all levels
- ◆ the ways in which these structures could be funded.

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Appendix A: Extract from the Charter for Sustainable Tourism

1. Tourism development shall be based on criteria of sustainability, which means that it must be bearable in the long term, economically viable as well as ethically and socially equitable for the local communities. Sustainable development is a guided process which envisages global management of resources so as to ensure their viability, thus enabling our natural and cultural capital to be preserved. As a powerful instrument of development, tourism can and should participate actively in the sustainable development strategy. A requirement of sound management of tourism is that the sustainability of the resources on which it depends must be guaranteed.
2. The sustainable nature of tourism requires that it should integrate the natural, cultural and human environment; it must respect the fragile balances that characterise many tourist destinations, in particular, many small islands and environmentally sensitive areas. Tourism should ensure an acceptable evolution as regards the influence of the activity on natural resources, biodiversity and the capacity for assimilation of any impacts and residues produced.
3. Tourism must consider its effects on cultural heritage and traditional elements, activities and dynamics of each local community. Recognition of the traditional elements and activities of each local community and support for its identity, culture and interests must at all times play a central role in the formulation of tourism strategies, particularly in developing countries.
4. The active contribution of tourism to sustainable development necessarily presupposes the solidarity, mutual respect and participation of all the actors implicated in the process, especially those indigenous to the locality. Said solidarity, mutual respect and participation must be based on efficient cooperation mechanisms at all levels: local, national, regional and international.
5. The conservation, protection and appreciation of the worth of our natural and cultural resources afford a privileged area for cooperation. This approach implies that all those responsible must take upon themselves a true challenge, that of cultural and professional innovation, and must also undertake a major effort to create integrated planning and management instruments. This approach must ensure that all responsible actors have

instruments of cooperation and management integrated including technological innovations.

6. In consultation with interested and affected parties, the preservation of both the quality of the tourist destination, and of the capacity to satisfy tourists, should be determined by local communities and should represent priority objectives in the formulation of tourism strategies and projects.
7. To be compatible with sustainable development, tourism must be based on the diversity of opportunities offered by its local economy. It should be fully integrated into and contribute positively to the local economic development.
8. All options for tourism development must serve effectively to improve the quality of life of all people and must entail a positive effect and inter-relation as regards sociocultural identity.

(The first eight principles of the World Tourism Organization Lanzarote Charter for Sustainable Tourism signed on 28 April 1995. The charter has been endorsed by South Africa. The WTO is an inter-governmental body with 138 member countries which is entrusted by the United Nations to promote and develop tourism).

Appendix: Institutional framework matrix

	Marketing agencies	Governmental organisations
National level	<p>Satour</p> <ul style="list-style-type: none"> ◆ Statutory agency responsible for national tourism marketing 	<p>Department of Environmental Affairs and Tourism</p> <ul style="list-style-type: none"> ◆ Responsible for national tourism policy, regulation and development ◆ National minister is political head
National/provincial intergovernmental		<p>MINMEC: Tourism</p> <ul style="list-style-type: none"> ◆ National/provincial forum of political heads of tourism
Provincial level	<p>The marketing agency</p> <ul style="list-style-type: none"> • The tourism marketing section to be incorporate under the marketing agency. ◆ Funded by provincial government, metropolitan and district council funding and private sector 	<p>Department of Economic Affairs, Agriculture and Tourism</p> <ul style="list-style-type: none"> ◆ Responsible for provincial tourism policy, regulation and development ◆ Provincial minister is political head
		<p>Tourism Protector (proposed)</p> <ul style="list-style-type: none"> ◆ Investigates complaints against registered tourism service providers and tourism practitioners
		<p>Ministerial Provincial Tourism Forum (proposed)</p> <ul style="list-style-type: none"> ◆ Promotes comprehensive tourism policy in the Western Cape, taking account of the needs of local, regional and provincial government, the tourism industry and tourists ◆ Comprises provincial Minister, chairperson of standing committee, chairpersons of local and regional government, CEO of the marketing agency, plus organised business at times

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	Marketing agencies	Governmental organisations
Regional level	Regional tourism organisations (RTOs) <ul style="list-style-type: none">◆ Regional Offices of the marketing agency	Metropolitan council and district councils <ul style="list-style-type: none">◆ Responsible for regional tourism policy, regulation and development
Local level	Local tourism bureaux (LTBs) <ul style="list-style-type: none">◆ Responsible for local tourism marketing◆ Comprise members from local area concerned, including tourism establishments, general public, business organisations, local council and other LTBs in the area◆ Existing LTBs may be retained or disestablished; new LTBs may be established◆ Primarily funded by local councils	Local councils <ul style="list-style-type: none">◆ Responsible for local tourism policy, regulation and development