

NDT POLICY WATCH QUARTERLY UPDATE

July – September 2016

INTERNATIONAL AND NATIONAL
POLICY DEVELOPMENTS



tourism

Department:
Tourism
REPUBLIC OF SOUTH AFRICA

1. INTERNATIONAL DEVELOPMENTS

International Aviation Organisations collaborate on Aviation Safety

The aviation related incidences in the past three years have brought into sharp focus issues around safety, resulting in close collaboration between international aviation organisations and government agencies. The International Civil Aviation Organization (ICAO), International Air Transport Association (IATA) and Airports Council International (ACI) are partnering to address the evolving aviation security risks through integrated solutions. The three organisations will be hosting the 25th Aviation Security (AVSEC) World Conference scheduled from the 25th to the 27th of October 2016 in Kuala Lumpur, Malaysia¹.

Security experts from airlines; airports; government agencies; defence; equipment and technology companies are expected to attend the event. Deliberations will seek to ensure that aviation security evolves commensurate with the changing threats. This requires constant and timeous adaptation by the global policy and regulatory framework to manage the increasingly dynamic aviation risks.

Key thematic areas reflecting on various elements of security have been identified as topics for discussion. These include Securing landside spaces at airports; Information sharing among governments; Managing the risks of home-grown terrorism; and Preventing cyber threats. The focus on these four themes is meant to ensure that flying is kept secured. According to IATA, keeping flying secured is the responsibility of both governments and all parties involved in air transport.

The Aviation Security Conference is seen as vital in strengthening partnership between government and the aviation industry on security. Similarly, ensuring security of passengers and airline members is identified as a priority by airline organisations. The focus on collaborative efforts was underlined in light of terror attacks, which recently occurred in Brussels and Ataturk Airport. The ultimate goal of the Conference is to lay groundwork for collaboration on aviation security including strategies towards a secure aviation landscape.

On a similar note, the European Regional Airlines Association and aviation stakeholders have called for urgent action on drone safety². This follows numerous near-misses between drones and aircrafts in the European air space. The Regional Airlines Association and stakeholders reported an increase in recreational and commercial use of drones which poses a security risk to aircrafts. Accordingly, extensive action is proposed to tackle the challenge.

The proposed actions include inter alia campaign to raise awareness of safety risks and drone use liabilities; compulsory registration of drones during purchase allowing owners to be traced; mandatory training and certificate/license for drone pilots and increased monitoring and enforcement by national authorities. Furthermore, stakeholders and airlines association underlined the significance of in-depth research into effects of collisions between drones and aircrafts and the need for integration of recreational drones into aircraft flying regulations.

¹Restanis A. (2016). ICAO, IATA and ACI to host AVSEC World Critical Security Challenges top agenda. <http://www.traveldailynews.com/post/icao-iata-and-aci-to-host-avsec-world-critical-security-challenges-top-agenda>

² Rokou T. (2016). Aviation Industry calls for urgent action on drone safety. <http://www.traveldailynews.com/post/aviation-industry-calls-for-urgent-action-on-drone-safety>

Resilience of the Tourism Sector amidst Economic and Political Challenges

The tourism sector continues to demonstrate resilience characteristics despite persistent challenges. Recent research by the World Travel & Tourism Council (WTTC) indicates that the global travel and tourism continues to register strong growth despite challenges from terrorism; political turmoil; global economic development and the Brexit decision. The update of the WTTC's Economic Impact Reports 2016 shows that despite the many challenges Travel & Tourism has faced in first six months of 2016, the sector is still expected to grow by 3.1%, outpacing global economic growth forecast at 2.3%³.

The report's reflection on the impact of Brexit decision on tourism shows that the Travel & Tourism on the United Kingdom (UK) is expected to hold up well in 2016 with growth of 3.6%. Weaker domestic spending growth and a projected drop in UK outbound holidays of 3% will be offset by higher spending by international visitors in the UK due to favourable exchange rate.

According to the President and CEO of the WTTC, David Scowsill, "the update report shows the resilience of travellers and the robustness of the tourism sector, as tourism continues to outpace global economic growth by nearly 1%". Scowsill cautioned against downplaying the impact of incidents or turmoil at individual country level, however he acknowledged the strong growth continuously registered by the sector at a macro-economic level.

The WTTC also underlined the significance of not losing sight of the fact that tourism is a force for good as it brings tremendous social and economic benefits to countries and connects people from different cultures and backgrounds. As a consequence, the WTTC is calling for continuous governments' focus on the economic and social benefits of Travel & Tourism including working together with the private sector to combat challenges facing the tourism sector.

Boeing, South African Airways and Mango Celebrate Africa's First Commercial Flights with Sustainable Aviation Biofuel

The initiatives towards sustainable aviation biofuel by airlines have gained traction. Globally, airlines have partnered with airline manufacturers to move towards aircrafts that consume sustainable aviation fuel. This is also the case in South Africa. Boeing, South African Airways (SAA) and low cost carrier Mango celebrated Africa's first passenger flights with sustainable aviation biofuel. The flights coincided with Boeing's 100th anniversary and centennial celebrations worldwide. For the first time, 300 passengers from Johannesburg to Cape Town were carried by SAA and Mango flights on Boeing 737-800s, using a blend of 30 percent aviation bio-fuel. This was produced from Sunchem's nicotine-free tobacco plant Solaris refined by AltAir fuels and supplied by SkyNRG⁴.

The partnership between Boeing and SAA dates back to 2013, where they launched their sustainable aviation fuels collaboration. In 2014, Project Solaris became the first focus project that converted oil from the Solaris plant seed into bio-jet fuel. This presented opportunities of empowerment for local farms, for example, farms in Limpopo Province of South Africa, from which the biofuel for today's flight was sourced, achieved certification from the Roundtable on Sustainable Biomaterials in 2015.

³WTTC Press Release. (2016). Global tourism resilient to terrorism, Brexit and further macroeconomic challenges. <http://www.wttc.org/media-centre/press-releases/press-releases/2016/global-tourism-resilient-to-terrorism-brexit-and-further-macroeconomic-challenges/>

⁴Karantzavelou V. (2016). Boeing, South African Airways and Mango Celebrate Africa's First Commercial Flights with Sustainable Aviation Biofuel. <http://www.traveldailynews.com/post/boeing-south-african-airways-and-mango-celebrate-africas-first-commercial-flights-with-sustainable-aviation-biofuel>

The project also pursues broader South Africa's public goals such as public health, rural development, economic and employment opportunities for farmers by increasing production of Solaris and other feedstock on under-utilized land.

In July 2016, the airline manufacturers and the two South African airlines also launched a stakeholder and sustainability plan known as Southern Africa Sustainable Fuel Initiative to ensure long-term domestic fuel supply for SAA and other regional fuel users⁵. The intention is to scale-up over the next several years to gain additional biofuel capacity. Boeing has similar biofuel projects in United States; Middle East; Europe; China; Japan; Southeast Asia; Brazil and Australia.

It was also reported that Boeing is the pioneer in global efforts to develop and commercialize sustainable aviation biofuel. Research shows that sustainably produced aviation biofuel emits 50 to 80 percent lower carbon emissions through its cycle than fossil jet fuel. The utilisation of biofuel appears to have gained momentum with Airlines around the world reported to have conducted more than 2,500 passenger flights using various forms of aviation biofuel since it was approved for commercial use in 2011⁶.

Tourism, a Catalyst for Peace and Development

The appreciation of the tourism sector's significance is evident from its identification as a catalyst for many development goals. The same situation persist at governments and international organisations' level. United Nations' World Tourism Organisation (UNWTO) Conference on Tourism, a catalyst for development, peace and reconciliation was held at Passikudah, Sri Lanka from the 11th to the 14th July 2016. In this Conference, tourism was seen as contributing in many ways with a focus on four main areas. These include contribution of tourism development to peace; Local community involvement and peace sensitive tourism; Public/Private Partnerships; and Marketing in post-conflict destinations⁷.

The hosting of the Conference in Sri Lanka was seen as symbolic and historic given the fact that the area was once torn apart by conflicts. Participants underlined the importance of placing tourism at the heart of peace and reconciliation agenda with a view to ensure that the sector can deliver on its capacity to generate development and social inclusion. Key factors in advancing a culture of peace through tourism in post-conflict societies includes, amongst others, community engagement and empowerment; capacity building and training; and public/private sector partnerships.

Amidst the current deficit for tolerance, the UNWTO saw tourism as bringing people together, and opening up their minds and hearts. However, gaining peace requires provision of opportunities to people for a better future, create jobs and bring them hope. The host country, Sri Lanka, also viewed tourism as a vehicle for trust and goodwill and that cultural understanding can change attitudes and build peace. Tourism's role in peace building is also enacted through its contribution to poverty alleviation, cultural preservation and environmental conservation.

The conference concluded that tourism can play a key role in building peace and supporting reconciliation processes. Furthermore, on the occasion, five Sri Lankan companies signed the Private Sector Commitment to the UNWTO Code of Ethics for Tourism, pledging to uphold and promote the values of the code. The Global Code of Ethics in tourism outlines the principles guiding tourism development and serve as a frame of reference of all tourism stakeholders.

⁵ As cited in Karantzavelou

⁶ As cited in Karantzavelou

⁷ UNWTO. Press Release No. 16055. Tourism, a catalyst for peace and development. <http://media.unwto.org/press-release/2016-07-14/tourism-catalyst-peace-and-development>

Broadly the code seeks to minimize negative impact of tourism on the environment and cultural heritage while maximising the benefits of tourism in promoting sustainable development, poverty alleviation and understanding among nations.

VISA Facilitation

Many governments are beginning to realise the significance of visa policies as key instrument in travel facilitation. Indonesia is one of the countries that has moved to ease travel restrictions by granting free visa to citizens from 169 countries. UNWTO has expressed its full support to the Indonesian Government's decision. The initiative seeks to attract international tourism to the country by simplifying travel procedures.

This follows a joint research conducted by UNWTO and WTTC which shows that visa facilitation in the ASEAN economies could create between 333,000 to 654,000 new jobs in a period of three years. The UNWTO/WTTC Report on the Impact of Visa Facilitation in ASEAN Member States, indicates that ASEAN countries stands to gain 6 to 10 million additional international tourist arrivals from improved visa facilitation. The additional receipts generated by these tourists could reach between US\$7 and US\$12 billion⁸.

The policy allows nationals of visa-free countries to enter Indonesia in any of Indonesia's 124 immigration check points. The visa-free policy is valid for a maximum stay of 30 days, without restriction on the number of visits per year, and is non-extendable nor convertible to any other stay permit. The UNWTO praised the government of Indonesia for setting an example to the world and demonstrating their commitment to the development of the tourism sector as a driver of economic growth, jobs and well-being for its people.

UNWTO continues to advocate for the benefits of safe, secure and seamless travel as a means to promote tourism development and multiply socio-economic benefits of the sector. It noted progress made at global level and opportunities for improvement, which entails maximizing the use of new technologies. The improvement in visa facilitation is evident from the 2015 UNWTO Visa Openness Report which shows that the share of total tourists required to obtain a traditional visa prior travelling continues to decline and is at its lowest level ever. In 2015, 39% of the world population could travel for tourism without obtaining a traditional visa prior to departure as compared to only 23% in 2008⁹.

African Union Passport Launched

The African continent has taken important initial steps towards easing of movements between borders. The African Union Passport was officially launched at the 27th Ordinary Session of the African Union Assembly of Heads of State and Government on the 17th July 2016 at the Kigali Convention Centre (KCC), Rwanda, with a strong call for unity and love for the continent. The notion of Pan-Africanism prevailed during the launch of the African Union (AU) passport aimed at facilitating the free movement of people on the continent¹⁰.

It was reported that the launch of the new pan-African document, shifts the continent closer to the free cross-border movement of goods and people. For now, the AU will issue the new biometric or electronic passport only to African heads of state, foreign ministers and diplomats accredited by the AU

⁸ UNWTO Press Release No.16056. (2016). UNWTO welcomes Indonesia's cutting edge tourism visa policy. <http://media.unwto.org/press-release/2016-08-04/unwto-welcomes-indonesia-s-cutting-edge-tourism-visa-policy>

⁹ As cited in UNWTO Press Release

¹⁰ Mukeredzi T. (2016) Pan-Africa passport to open up borders. <http://www.un.org/africarenewal/magazine/august-2016/pan-africa-passport-open-borders>

headquarters. It will bear the AU's name and that of the issuing country. The overall plan is for African governments to roll it out to their citizens by 2018.

The African Development Bank's Africa Visa Openness Report 2016 indicated that acquiring a visa is a huge challenge for travellers with Africans still needing visas to travel to 55 percent of other African countries. To put this into perspective, only 13 out of 54 countries offer liberal access (visa-free or visa on arrival) to Africans. Proponents of integration argue that restrictions on movement across borders are against the continent's goals of becoming "One Africa" and contravene the spirit of the AU's Agenda 2063, the continent's long term economic blueprint. Poor integration prevents intra-African trade and investment, hampers business and is a stumbling block towards creating employment opportunities.

There are other African countries which have moved towards implementing visa openness programmes. Rwanda, Kenya and Uganda share the east Africa tourist visa, an open visa initiative for citizens from the three countries. Rwanda urged fellow African countries to adopt visa-free policies, which is one of the many elements that have lifted Rwanda to its ranking amongst the top three easiest places to do business in Africa. A high ranking on the World Bank's ease of doing business index means the regulatory environment is conducive to starting and operating a company¹¹.

The UNWTO also noted significant progress made by Africa in simplifying the issuance of visas since the organisation started monitoring tourism visa policies in 2008. The continuous push for the elimination of visa requirements; liberalisation of international air transport to the benefit of all stakeholders; promotion of initiatives (such as one-stop border posts) that reduce delays and the creation of interregional and international transport and road transit are the prerequisite for a seamless Africa.

UNWTO underlines the significance of Sustainable Development Goals

Different sectors of the global economy are expected to contribute towards attaining Sustainable Development Goals and the tourism sector is no exception. The contribution of tourism to Agenda 2030 and the 17 Sustainable Development Goals (SDGs) was widely discussed in the Bled Strategic Forum, held in Slovenia from the 5th to 6th September 2016. The Occasion resulted in an open letter to travel and tourism addressing issues around the SDGs¹².

The open letter drafted by UNWTO and WTTC appeals to governments, in particular heads of state to deliver more sustained and balanced growth. This includes prioritisation of the sector in national policies in order to maximise its potential. The underestimation of the tourism potential for job creation by some leaders was identified as one of the factors affecting tourism. Other challenges identified include terrorism and migration. As a solution, the UNWTO Secretary General recommended constant inclusion of tourism in the policy agenda and consideration of travel facilitation as a key area¹³.

He also emphasized the importance of sustainable development and pointed out that "there can be no security without sustainability and no sustainability without security". In addition the UNWTO highlighted the need for tourism sector to constantly find ways to make the world a better place whilst acknowledging that sustaining peace cannot be a function of one country in a globalised world.

¹¹ As cited in Mukeredzi

¹²UNWTO. (2016). Press Release No.16061. Tourism contribution to sustainable development addressed at the Bled Strategic Forum in Slovenia. <http://media.unwto.org/press-release/2016-09-08/tourism-contribution-sustainable-development-addressed-bled-strategic-forum>

¹³ As cited in UNWTO Press Release

World Tourism Day

This year's global celebration of the World Tourism Day will be held in Bangkok, Thailand on the 27th of September 2016. The United Nation's Secretary General Ban Ki-Moon, through his official message, appreciated the volume of people travelling abroad each year and noted the sector's maturity into becoming a powerful economic force, a passport to prosperity and peace and a transformative force that improves millions of lives.

He further underlined the right to access leisure and tourism services on an equal basis, but noted that around 1 billion people around the world are still living with disability. This group continue to face obstacles in accessing fundamentals of travel such as clear reliable information; efficient transportation and public services, as well as the physical environment. Accordingly, the UN Secretary General called collaboration between policy makers, destination planners and companies to remove all barriers to travel¹⁴.

Meanwhile the UNWTO Secretary General, Talib Rifai noted the magnificent evolution of tourism from 25 million in 1950 to around 1.2 billion people travelling today. In keeping with this year's theme "Tourism for all" he also highlighted that 15% of the world's population is estimated to live with some form of disability. Accordingly, Mr Rifai urged tourism policies and business strategies to consider accessibility not only as a human right but also as a market opportunity¹⁵.

In South Africa, celebrations started with an official launch on August 25th 2016, by Tourism Minister, Derek Hanekom at the Gariiep Forever Resort in the Free State Province. The province will also host the World Tourism Day celebrations which will be held in Parys. Free State was chosen as the host province for tourism month because of the need to ensure geographic spread of tourism and the fact that the province has a wide range of attractions¹⁶.

In line with this year's theme "Tourism for All", Minister Hanekom urged all South Africans to take part in a national survey aimed at soliciting opinions of what South Africans want when they travel. Launched on August 1st by South African Tourism, the #TourismForAll campaign aims to promote local holiday travel by highlighting the fact that the South African Tourism sector aims to cater for all South Africans.

2. NATIONAL POLICY AND LEGISLATIVE DEVELOPMENTS

Sugar Tax Policy published for public comments

Government is exploring various ways of dealing with health related problems facing South Africa, particularly obesity. The National Treasury proposed in the February 2016 budget speech the intention to introduce a tax on sugar-sweetened beverages, with a view to reduce excessive sugar intake. To give effect to that proposal, a policy paper on the taxation of sugar-sweetened beverages has been published by the National Treasury for public comments.

The Policy Paper is a result of the Department of Health Strategic Plan for the Prevention and Control of Non – Communicable Diseases (NCDs) 2013 -2017, and National Strategy for the Prevention and Control of Obesity 2015 – 2020. These strategies set an ambitious target of reducing obesity prevalence by 10 per cent by 2020. The latter strategy has identified that taxes on foods high in sugar is a very cost-

¹⁴ UNWTO. (2016) Official Messages for World Tourism Day.
<http://wtd.unwto.org/content/official-messages-world-tourism-day-0>

¹⁵ As cited in UNWTO Official Messages

¹⁶South African Tourism (2016) <http://www.southafrica.net/za/fr/news/entry/news-tourism-minister-derek-hanekom-launches-tourism-month-in-the-free-state>

effective strategy to address diet related disease. In the policy paper, Treasury said that “if a specific tax rate (e.g. cents per gram) is implemented, the rate should be adjusted annually for inflation.¹⁷

The policy seeks to reduce obesity percentage in South Africa by influencing consumer behaviour at the point of purchase. This will be done through changing relative price of healthy products as compared to less healthy products. The treasury seeks to levy tax on sweet beverages containing caloric sweeteners such as sucrose, high fructose corn syrup or fruit juice concentrates. The sugar sweetened beverages include, but not limited to¹⁸:

- Soft drinks
- Fruit drinks
- Sports and energy drinks
- Vitamin water drinks
- Sweetened iced tea
- Lemonade

The proposal seeks to exclude beverages which contains naturally built sugar/intrinsic sugar. This extend to 100 percent fruit juice, unsweetened milked and milk products. With regard to the method of taxation the paper recommends taxation based on the sugar content contained as outlined in the label. The estimated amount of tax, is at this stage, R2.29 cents per gram of sugar, with companies not labeling their sugar-sweetened beverages charged a relatively higher fixed gram.

The focus on this policy area is based on the fact that obesity is a global epidemic and a major risk factor for the growing challenge of Non-Communicable Disease, diabetes, stroke and some cancers. Statistics also show that overweight and obesity are responsible for 5 percent of deaths with high blood pressure responsible for 13 percent and tobacco use 9 percent. There are however opposing views to this initiatives ranging from negative impact to the economy to the argument that sweetened beverages do not drive obesity.

The Sugar Tax Policy Paper was made available for written public comments on www.treasury.gov.za and the closing date was 22 August 2016. Following the public comments, the National Treasury will conduct a socio-economic impact study on its proposed tax on sugar sweetened beverages¹⁹. In addition the Treasury stated that such a study will be released in due course and that a workshop will be held in November this year where affected parties will deliberate on the sugar tax issue.

Green Paper on International Migration published for public comment

The South African International Migration Policy landscape is under review. The Department of Home Affairs published the Green Paper on International Migration for public comments in the Government Gazette No.40088 on 24 June 2016. The move towards the White Paper on International Migration is based on the fact that it has been over 17 years since the White Paper on International Migration was approved by Cabinet in March 1999²⁰.

Despite significant economic, social, legislative and regulatory changes since then, there has not been a comprehensive review of policy. The current Green Paper argues that a new international migration policy

¹⁷ National Treasury. Policy Paper on Taxation of Sugar Sweetened Beverages. July 2016

¹⁸ EY Global Tax Alert Library. (eye.com). July 2016

¹⁹ Dlodla S. (2016). Sugar Tax: Treasury plans workshop. <http://www.iol.co.za/business/news/sugar-tax-treasury-plans-workshop-2062020>

²⁰ Government Gazette. Notice 738 of 2016.

must be developed to enable SA to adequately embrace global opportunities while safeguarding sovereignty and ensuring public safety and national security. The policy review also came at the time of complexity with the migration challenges facing the world. This requires a dynamic international migration policy²¹.

The policy seeks to embrace international migration for development while safeguarding sovereignty, peace and security. However, this is underpinned by a risk based approach which ensures that undesirable persons are prevented from travelling to South Africa at the source country²². Furthermore, the policy seeks to deal with abusive practices around asylum seeking in South Africa. Currently, South Africa receives the highest volumes of asylum seekers and most of them are not genuine refugees, but they seek economic opportunities.

Meanwhile the Department of Home Affairs also published the Immigration Regulations Amendments. The draft proposes the amendment of regulation 6 section 12, which required that parents travelling with a child were required to produce an unabridged certificate of the child reflecting the particulars of both parents. The proposed amendment states that a parent or parents from a visa required country, who is or are travelling with a child, must when applying for a visa for the child submit unabridged certificate; consenting affidavit from the other parent a court order granting full parental responsibility and a death certificate where applicable. The proposed amendment also leaves the child admission and departure from the Republic at the discretion of the immigration officer, if the unabridged birth certificate is not provided on request²³.

Inputs into the International Migration Green Paper are expected by no later than 30 September 2016 and can be submitted to: The Director General: Department of Home Affairs, Private bag x114, Pretoria, 0001. For attention: Mr Sihle Mthiyane, Director: Policy Development, Email: greenpaper@dha.gov.za, Tel: 012 406 4353. Whilst inputs into the Immigration Regulations Amendments are due on 14th of October 2016 and can be submitted on the same postal address or emailed to Tsietsi.Sebelemetja@dha.gov.za and Zukiswa.Adams@dha.gov.za.

Notice on the establishment of the National Public Transport Regulator

The Department of Transport has moved towards establishing the regulator to deal with all forms of public transport. The Minister of Transport, published in the Government Gazette No 40110, that the National Transport Regulator (NPTR) has been established with effect from 29 July 2016. The function of the NPTR, as allocated by the National Land Transport Act, 2009 (Act No.5 of 2009) is to accredit operators of tourist transport services in terms of section 82 (1) of the Act, read with section 21 (1) (b) of the Act. The NPTR is also responsible for receiving and deciding on applications for the granting, renewal, amendment or transfer of operating licenses for tourist transport services contemplated in section 21 (1) (b) (ii) of the Act²⁴.

Applications in connection with interprovincial services contemplated in section 21 (1) (b) (ii) of the Act must still be made to the relevant Provincial Regulatory Entity until a notice is given that the NPTR will commence undertaking that function.

As of 29 July 2016, applications for the renewal, amendment or transfer of operating licenses for authorization of tourist transport services in addition to other types of public transport services as

²¹ As cited in the Government Gazette

²² As cited in the Government Gazette

²³ Government Gazette, Notice 602 of 2016

²⁴ Government Gazette, Notice 378 of 2016.

contemplated in section 50 (2) of the Act, must be made to the NPTR. From there, the NPTR will deal with the tourist transport aspects, and pass the application on to the relevant Provincial Regulatory Entities to deal with other aspects. Once the establishment of the National Public Transport Regulator is complete, it would mean that no businesses may operate tourist transport services unless accredited by the regulator²⁵.

New Public Service Regulations for South Africa's Public Servants

South African government is intensifying the fight against corruption. New Public Service Regulations were published by the Department of Public Service and Administration in Government Gazette No.40141 on 15 July 2016. These regulations prohibit public servants to do business with the state. The following transitional arrangements has been put in place²⁶:

Any employee, who at the time of the coming into effect of these Regulations, conducts business with an organ of the state or holds a directorship position in a company that conducts business with state, other than an employee who is in his or her official capacity a director listed in schedule 2 or 3 of the Public Finance Management Act, shall –

- a) Within one month, disclose that the employee is conducting business with an organ of state or is a director of a company that conducts business with the organ of state
- b) Within six months – (i) Cease conducting business with the organ of the state or resign as an employee (ii) Resign as a director/employee of a company that conducts business with an organ of state
- c) If the employee does not resign within the six months period, the employee must submit proof that the employee has ceased conducting business or has resigned as a director of a company that conducts business with an organ of the state within a month of doing so.

The regulations also requires departments and entities to ensure that their supply chain management policies do not allow companies to conduct business with an employee in the public administration. They will also have to determine procedures for informing all employees of the names of entities doing business with the institution. In addition, the Public Service Commission, the Heads of Departments and Entities are required to keep a register of financial interest of employees which will remain confidential unless required to be disclosed by the court of law.

The new Public Service Regulations are available from the Department of Public Service and Administration website www.dpsa.gov.za. Interested parties were invited to forward their inputs, comments or suggestions on the draft Public Administration Management Regulations, 2016, by no later than 30 days after the publication date of the notice to erenishan@dpsa.gov.za and daniem@dpsa.gov.za or Director-General, Department of Public service and Administration, Private Bag X 916, PRETORIA, 0001.

Declaration of Protected Environment in Free State

Government continues to implement efforts aimed at protecting the environment. The Free State Provincial Government, published in the Provincial Gazette No. 50, the declaration of Sneeuwberg as a Protected Environment. The area is located in the North Eastern Free State around the town of Memel.

²⁵ As cited in the Government Gazette

²⁶ Government Gazette, Notice No. R838.

This has become the first area to be declared as a protected environment in the province. The declaration is due to the fact that the area has exceptional natural beauty, diversity of species and significance as a water source. The 17 456 hectare protected area, known as the Sneeuwberg Protected Environment (SPE) was gazetted on Friday, 29 July 2016.

The declaration would, amongst other things, enable the regulation of the area as a buffer zone for the protection of and conservation of the provincial Seekoeivlei Nature Reserve; enable landowners to take collective action to protect unique and threatened grasslands, wetlands and the associated animals; and ensure that “ecosystem services” derived from the area (such as water production) are sustained²⁷.

According to the National Environmental Management: Protected Areas Act (NEMPAA), a protected environment is a class of protection, which offers the next most secure form of protection after a nature reserve. The newly protected land includes privately owned land. Proclamation of protected areas on privately owned land is made possible by the innovative national Biodiversity Stewardship Programme. This programme allows for the expansion of protected area networks through ground – breaking legislation and partnerships.

Protected environments comes with responsibilities. They require a management plan encompassing issues liked veld management and wetland protection, while still allowing residents to make a living off the land through the land activities such as livestock farming and tourism. Bird Life South commended landowners and the Free State Government for their collaboration and commitment which resulted into the declaration of Sneeuwberg as a protected area. According to Bird Life South Africa, the protection of this area is a success story for birds, grassland and water resources, and bodes well for 847 bird species which relies on the successful conservation²⁸.

First Wine and Tourism Conference will launch the National Wine Tourism Strategy

The Business of Wine and Food Tourism will host its inaugural conference on 1 – 2 November 2016 in at the Spier Wine Estate, Stellenbosch. The conference features a line-up of international and local experts who will share their knowledge on various aspects of regional food and wine travel. Tourism Minister, Derek Hanekom will launch the first ever national wine tourism strategy, as developed by the South African Wine Industry Exercise (WISE).

The platform, which is the first of its kind, provides an opportunity for industry players, provincial and national government to come together to discuss the promotion of South Africa as an international wine and food tourism destination. The aim of the conference is to promote co-operation between the private and public sectors in the area of food and wine tourism, and educate business and entrepreneurs on opportunities in the sector. This will ultimately pave a way for a new national wine tourism strategy and marketing agenda that will see South Africa take its rightful place as a top wine and food tourism destination.

The conference is open to local and international delegates. For more information or to register, visit www.wineandfood.co.za

²⁷ Free State Provincial Government Gazette No. 50 of 2016

²⁸BirdLife South Africa. (2016). Media Release. <http://www.birdlife.org.za/documents/media-releases-2016/971-birdlife-south-africa-media-release-a-first-for-conservation-in-the-free-state-2-september-2016-1>

South Africa signs MOU with India and Zambia

South Africa continues to enter into cooperation with various countries on different sectors. India and South Africa signed a Memorandum of Understanding (MoU) in the field of tourism on the 8th of July 2016.

The Memorandum was endorsed by the Indian Cabinet meeting chaired by the Prime Minister of India on 10 August 2016. The MoU seeks to achieve a set of objectives. These include expanding bilateral cooperation in the tourism sector between the two countries; exchanging information and data related to tourism; encouraging cooperation between tourism stakeholders including hotels and tour operators; and establish exchange programmes for cooperation in human resource development.

The MoU also paves a way for both Indian and South African companies to make investments the two countries' tourism and hospitality sectors. The statement released by the Indian government indicated that South Africa is an emerging tourism source market for India and 51,922 tourists from South Africa arrived in India in 2015. To this extent, India has also extended the electronic tourist visa facility for the South African nationals which elicited good response from both travel trade of both countries²⁹.

Speaking after talks with Indian Prime Minister, Narendra Modi, President Zuma reported that South Africa was working on relaxing visa regulations to make it easier for Indian citizens to travel with ease, given that the country host the largest population of Indians outside of India.

Meanwhile, South Africa has signed an MOU with Zambia to safeguard the rights of migrants. The signing by the two countries intends to ensure that workers' rights in both countries are protected. This extends to ensuring that officials from both countries work together to assist migrant workers to claim from the respective unemployment insurance funds that are due to them without delay, in case they are out of work.

The MOU also seeks to ensure that South African Companies operating in Zambia and vice-versa treat their workers equally and with dignity. Government also reported that the MoU paves the way for collaboration on various areas such as collective bargaining; dispute resolution systems; labour inspections; social dialogue; labour market information; occupational health and safety; HIV and AIDS; social security related to unemployment and wellness in the workplace³⁰.

Cabinet approves Musina – Makhado Special Economic Zone

On 11 July 2016, the South African Cabinet approved the decision by Minister of Trade and Industry to designate the Musina – Makhado a Special Economic Zone in the Vhembe Region of Limpopo Province. Musina – Makhado region is part of the Trans – Limpopo Spatial Development Initiative and is well positioned for regional integration and linkages with Mozambique, Zimbabwe, Zimbabwe and Botswana.

The Department of Trade and Industry (dti) has welcomed Cabinet's approval of the Musina - Makhado Special Economic Zone (SEZ) in Limpopo. In a statement, the dti believed the designated zone will promote industrial development in the region, with a specific focus on mineral beneficiation, agro-processing, petro-chemicals, and other light industries as envisaged in the nine point plan. Minister Davies also underlined that the proposed designation was in line with the Industrial Policy Action Plan

²⁹ United News of India. (2016) Cabinet approves MoU between India, South Africa for cooperation in Tourism. <http://www.uniindia.com/cabinet-approves-mou-between-india-south-africa-for-cooperation-in-tourism/india/news/586235.html#ywuLpV8kMZCf5di9.99>

³⁰ South African Government News Agency. (2016). <http://www.sanews.gov.za/south-africa/sa-zambia-sign-mou-safeguard-migrant-workers%E2%80%99-rights>

(IPAP), which had identified SEZs as strategic interventions designed to accelerate economic development through greater investment, export volumes and job creation.

With regards to the National Development Plan (NDP), this designation is intended to accelerate economic growth, attract foreign and domestic direct investment, expand the manufacturing sector and mineral beneficiation, as well as create employment in the region. The dti also indicated that more than R40 billion will be injected into the SEZ, with the implementation of various projects over the next five years expected to create over 21 000 jobs.

The approval of the zone follows the publication of the intention by Minister Davies to designate the Musina-Makhado SEZ in March. Extensive public consultation process was also undertaken in April, in Musina, Makhado and Nzhelele where members of the communities expressed their support for the SEZ in the area.

The dti has also embarked on a national roadshow aimed at promoting and creating awareness on the value of the Special Economic Zones (SEZs) to provincial and local authorities and to potential investors. The roadshows will be undertaken in all nine provinces with the first session hosted in Polokwane, on 27 July 2016 and the second session in Cape Town on 17 August 2016.

CITES Conference hosted in South Africa

South Africa will be hosting the 17th Conference of the Parties on the Convention on International Trade in Endangered Species (CITES). The conference is scheduled to take place at the Sandton Convention Centre in Johannesburg from 24 September- 05 October 2016.

CITES is an international agreement between governments which ensures that international trade in specimens of wild animals and plants does not threaten their survival. It regulates international trade in over 35 000 species of plants and animals, including their products and derivatives, ensuring their survival in the wild with benefits for the livelihoods of local people and the global environment. States which have agreed to be bound by this agreement are commonly referred to as Parties³¹.

Generally CITES Conference subjects international trade in specimens of selected species to certain controls. This is done by listing species in Appendices I, II and III. Appendix I includes species that threatened with extinction and trade in these animals is only permitted in exceptional circumstances. Appendix II includes species not necessarily threatened with extinction but in which trade must be controlled to avoid utilization incompatible with their survival. Appendix III contains species protected in one country, which has asked other parties for assistance in controlling the trade.

The debates around CITES Conference largely revolve around the listing of animals in these Appendices with requests required to be supported by concrete evidence justifying the listing in a particular Appendix.

3. ADMINISTRATIVE MATTERS

Appointment of experts to improve tourism planning

The issue of timeous quality data to inform decision making is a priority for any sector aspiring to compete at global level. The appreciation of this notion resulted into action by the tourism sector. Minister Hanekom appointed a team of experts to recommend improvements to the collection and analysis of key tourism

³¹ <http://www.citescop17jhb.co.za/cop17/whats-new-in-2016>

statistics with a view to enhance decision making, including planning for growth of the sector. The Minister underlined the need to ensure that tourism development strategies are based on a detailed analysis of relevant data, so that interventions can be made timeously and effectively, and the effects can be measured and monitored.

The team of experts comprises of Ms Kate Rivett-Carnac, Special Advisor to the Minister as Chairperson, Ms Lee–Anne Bac, a Director at Grant Thornton and Professor Chris Malikane, an economist at Wits University, both serving on their personal capacities.

The team of experts will prepare a recommendation report within four months of its inception to highlight the current situation and identify immediate priority areas and opportunities for improvements. The Ministerial team will be supported by a Secretariat in the Department of Tourism, and can be contacted through Crystal Munthree, Tel: 012 444 6370, Email: cmunthree@tourism.gov.za.

Tourism Grading Criteria under review

The tourism sector is visitor centred and relies on the quality of services offered to ensure competitiveness. In order to improve product quality, the Tourism Grading Council of South Africa (TGCSA) is currently reviewing its grading criteria³². TGCSA indicated that the engagement process is underway with industry associations including Southern African Association for the Conference Industry (SAACI), National Accommodation Association (NAA-SA), Federated Hospitality Association of Southern Africa (FEDHASA) and the Youth Travel Association (YTA). The engagement process entails soliciting inputs from the industry on the proposed way forward.

Inputs received vary with some indications that travellers insist on Wi-Fi. Although, Wi-Fi remains expensive in South Africa, the TGCSA noted that a decision ought to be made regarding the point at which it can be considered compulsory in the star grading process. Other inputs were on whether boutique hotels and apartments should have their own category, and the possible introduction of superior levels within the five-star. This may include sub-levels within the same level such as a deluxe and a superior level which is a global trend.

The TGGSA reported that it is now using a Tourism Analytical Programme to monitor service levels of all product across South Africa through online guest reviews. All of the scores and comments are then aggregated and given to establishments so they can be informed on what specific service – related issues to correct based on the comments. This has become a well-established global trend with the increase of consumer influence in online technological platforms. The new criteria is expected to be unveiled in November 2016.

First Tourism Conference in Ekurhuleni

The City of Ekurhuleni Metropolitan Municipality hosted its inaugural Tourism Conference on 3-14 September 2016 at the Lakes Hotel and Conference Centre, in Benoni. The conference deliberations were centred on the theme “Why Tourism matters in Ekurhuleni” with the purpose of providing a platform for dialogue between public and private sector and the Ekurhuleni Metropolitan Municipality. The conference further sought to reflect on the challenges as well as opportunities facing the tourism sector in Ekurhuleni. Topics for discussion included Perceptions of Ekurhuleni as a Tourism Destination, Entrepreneurship Opportunities in the Tourism Industry and Strategic Destination Marketing.

³² Emmanuel K. (2016). Grading criteria under review. <http://www.tourismupdate.co.za/article/111224/Grading-criteria-under-review>

Speaking at a two-day Tourism Conference, the Finance and Economic Development Member of Mayoral Committee (MMC) Cllr Doctor Xhakaza said his department had developed a Tourism Strategy 2016-2021 which will see the development of the tourism infrastructure. This included a sum of R10 million allocated for the 2016/17 financial year to create a tourism hub in Khumalo street, Thokoza as part of the broader township revitalisation plan to turn the once notorious street into a tourism destination of choice³³.

Other initiatives targeted in the Tourism Strategy is the establishment of a visitor information centre at the OR Tambo International Airport and the development of a Convention for a Democratic South Africa (CODESA) Museum. This is expected to give visitors an account of CODESA negotiations that took place in Kempton Park to pave the way for the democratic regime.

A waterfront facility is also to be established at the Germiston Lake which will boast a food court and a conference centre. Ekurhuleni views these initiatives as strengthening product development and positioning the Metro.

New cruise ship terminal in the pipeline for Durban

Marine and coastal tourism is continuously growing with cruise tourism market estimated globally to be at plus 21 million tourists. South Africa has seen this potential hence the Transnet National Ports Authority (TNPA) is collaborating with the eThekweni Municipality and the KwaZulu-Natal provincial government to build a new cruise terminal at A and B berths at the Port of Durban. The facility will be linked to the Durban Point Waterfront and uShaka Marine World theme park.

This comes as a result of Transnet decision to embark on a multimillion-rand project to build the terminal that is tourist friendly. The Durban Port indicted that the existing passenger terminal, located off Margaret Mncadi Avenue, does not offer a world class experience for tourists and has limited value added service offerings. The new facility will be able to handle 5000 to 6000 passengers at a time³⁴.

Prospective bidders have until 4 November 2016 to submit bids with the hope that the construction would then start in the earnest. FEDHASA's east coast region views the terminal as a game changer for the Durban tourism. The eThekweni Municipality also committed that the city would assist in loosening red tape to ensure speedy processes leading to the construction of the terminal. The municipality views the terminal as a big opportunity which will put the city in a competitive edge against other world class port cities.

³³ South African Government News Agency. (2016). <http://www.sanews.gov.za/south-africa/ekurhuleni-gautengs-tourism-destination-choice>

³⁴ Mkhize N. (2016). (2016). New cruise ship terminal in the pipeline for Durban. <http://www.bdlive.co.za/business/transport/2016/07/13/new-cruise-ship-terminal-in-the-pipeline-for-durban>

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