



SALGA
South African Local Government Association

LOCAL GOVERNMENT TOURISM CONFERENCE

Promoting Integrated Tourism at Local Government and its implications

30-31 March 2015: EMPERORS PALACE

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Introduction

- ❑ **The advent of democracy brought with it high hopes for changes in the lives of the poor and marginalised, and the promise of a new development trajectory.**
- ❑ **20 years down the line, unemployment, poverty and inequalities remain the main challenges confronting government**
- ❑ **Sectors such as mining and agriculture have continued to shed jobs thereby compounding the levels of unemployment and poverty.**
- ❑ **On the other hand, the tourism sector has shown continuous growth despite gloomy global economic outlook.**



Tourism competency

- ❑ **“Tourism” is a concurrent constitutional competence of the national and provincial spheres whilst “Local Tourism” is a local government competence**
- ❑ **Despite the constitutional dichotomy between “Tourism and local tourism”, Local government has been complimenting the efforts of the other two spheres in reducing poverty and unemployment through implementing Local Economic Development initiatives, that are tourism driven**
- ❑ **In fact, tourism is experienced at the local government sphere and a functional municipality will reap the rewards and potential that tourism offers**
- ❑ **As a sector, tourism is one of the main drivers of local economic development and the realization of its economic benefits requires concerted effort by all spheres of government during planning and execution**



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Tourism at a glance

- ❑ According to the global travel and tourism economic impact annual update report for 2015:
 - SA's tourism industry is expected to grow by 3.4% this year, faster than the forecast 2% in the wider economy.
 - SA's travel and tourism industry contributed R357bn in gross domestic product (GDP) last year and accounted for 1.5 million jobs.
- ❑ The government has identified tourism as a key sector with the potential to contribute to economic growth and sustainable employment in the National Development Plan.
- ❑ In response to government's clarion call, major cities have in recent years embarked on aggressive marketing campaigns to attract more tourists



Enabling legislative provisions

- ❑ When tourism is viewed through the lens of economic development, all the spheres government have an explicit role to play
- ❑ For example, Section 152 of the constitution mandates local government to promote social and economic development, whilst the Tourism Act no. 3 of 2014 stipulates that-
 - “National tourism sector strategy must at least make provision for strategies, objectives, indicators, targets, plans, guidelines, procedures and institutional arrangements and intergovernmental coordination with provincial and local spheres of government relating to the promotion, development and transformation of tourism to promote economic growth and development of the sector”.
- ❑ Thus the Constitution, the Tourism Act , the Municipal Systems Act and the recently enacted SPLUMA do provide provisions to enable tourism to be executed in a manner that integrates the initiatives of the 3 spheres as well as the private sector.



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Tourism synergy

- ❑ Despite the common objectives across the 3 spheres, operationalisation of national strategies at municipal level still requires more work in areas such as:
 - The promotion and packaging of integrated tourism opportunities themed in specific geographic regions as the “main magnet” without losing opportunities available on the “periphery”
 - Marketing of destinations as part of marketing special events such as conferences, festivals, sporting and cultural events-”remembering that the tourists’ experience is the best marketing strategy”
 - Promotion and marketing of cross-cutting tourism themes such as food and wine tasting, arts, bird watching, sports, hiking, and music festivals
 - Development of special generic marketing campaigns thereby spreading the costs of marketing when raising awareness of new tourism opportunities
 - The alignment of plans and resources allocation by all spheres of government



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Tourism as a driver for STR

- ❑ **The SALGA driven Small Towns Regeneration Programme provides municipalities with a structured approach to revitalizing small towns and a platform for integrated tourism planning as it focuses on:**
 - **Developing small towns rural hinterlands and regional economies**
 - **Creating opportunities for balanced socio economic development in small towns**
 - **Providing local business opportunities new opportunities**
 - **Branding small towns and translating their inherent potential into economic engines**
 - **Participation of communities and drivers of economic development in**
 - **Sustainable management of economic infrastructure**



Rationale for integrated planning

- ❑ **LED can make meaningful impact if three spheres integrate their initiatives and enrich the municipal IDP processes through the entire tourism value chain.**
- ❑ **However, as tourism is a functional competence that cuts across all 3 spheres of government, integration and collaboration is required in:**
 - **Gathering market intelligence and formulating market informed responses**
 - **Marketing and promotion of tourist destinations**
 - **Development and maintenance of tourism infrastructure (roads, water, transportation, ablution facilities, safety etc)**
 - **Research, advertising of new opportunities and product branding.**
 - **Skills development and training**
 - **Packaging of products and creation of value for money for tourists**



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Implications

- ❑ In order for tourism to yield optimum dividends and contribute to the developmental mandate of local government, tourism initiatives must at least be predicated on the following:
 - ❑ **INTEGRATED PLANNING PROCESSES**
 - Tourism must strongly feature into Municipal IDPs as a major equation in the LED strategy that is informed by development plans of the 3 spheres of govt
 - Meaningful integrated planning goes beyond cooperation between the 3 spheres, the private sector and tourism agencies have a critical role throughout the entire tourism value chain and their role is indispensable
 - Meaningful integration transcends administrative boundaries, sectors and cuts across spheres of government.
 - Acknowledge of local context is key for sustainability
 - ❑ **INTEGRATED STAKEHOLDER MANAGEMENT & PLANNING OUTCOMES**
 - Management of stakeholders is critical¹⁰ for improvement of market offerings



Concluding remarks

- ❑ **Despite the slow down in global economic growth, the tourism sector remains buoyant**
- ❑ **The current contribution of tourism to the GDP can be enhanced if actions of both the public and private sector are harnessed for tourism development outcomes that:**
 - **Are planned across spheres/sectors/administrative boundaries and disciplines**
 - **Use the IDP as an entry point to ensure alignment and coordination of tourism development initiatives**
 - **Are meaningfully participatory with clearly defined roles and responsibility of each stakeholder**
 - **Acknowledge that tourism is “everyone’s business” and cuts across economic sectors (transport and logistics, retail, services, sport, culture etc) , hence the planning and product offerings will naturally cut across sectors .**
 - **Tourism thrives when the 3 spheres of ¹⁴govt & the private sector work together!**



The end

