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<tbody>
<tr>
<td>B&amp;B</td>
<td>Bed and Breakfast</td>
</tr>
<tr>
<td>CATHSSETA</td>
<td>Culture, Arts, Tourism, Hospitality and Sport Sector Education &amp; Training Authority</td>
</tr>
<tr>
<td>CoCT</td>
<td>City of Cape Town</td>
</tr>
<tr>
<td>CPUT</td>
<td>Cape Peninsula University of Technology</td>
</tr>
<tr>
<td>CTICC</td>
<td>Cape Town International Convention Centre</td>
</tr>
<tr>
<td>CTRU</td>
<td>Cape Town Routes Unlimited</td>
</tr>
<tr>
<td>CTT</td>
<td>Cape Town Tourism</td>
</tr>
<tr>
<td>DTI</td>
<td>Department of Trade and Industry</td>
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<tr>
<td>EMBOK</td>
<td>Event Management Body of Knowledge</td>
</tr>
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<td>FEDHASA</td>
<td>Federated Hospitality Association of South Africa</td>
</tr>
<tr>
<td>FET</td>
<td>Further Education and Training</td>
</tr>
<tr>
<td>FIFA</td>
<td>Fédération Internationale de Football Association</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GGP</td>
<td>Gross Geographic Product</td>
</tr>
<tr>
<td>GIS</td>
<td>Geographic Information Systems</td>
</tr>
<tr>
<td>HDI</td>
<td>Historically Disadvantaged Individuals</td>
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<tr>
<td>ICT</td>
<td>Information and Communication Technology</td>
</tr>
<tr>
<td>IDP</td>
<td>Integrated Development Plan</td>
</tr>
<tr>
<td>LED</td>
<td>Local Economic Development</td>
</tr>
<tr>
<td>MICE</td>
<td>Meetings, Incentives, Conferences and Events</td>
</tr>
<tr>
<td>NDT</td>
<td>National Department of Tourism</td>
</tr>
<tr>
<td>SAACI</td>
<td>Southern African Association for the Conference Industry</td>
</tr>
<tr>
<td>SACN</td>
<td>South African Cities Network</td>
</tr>
<tr>
<td>SADC</td>
<td>Southern African Development Community</td>
</tr>
<tr>
<td>SATSA</td>
<td>Southern African Tourism Services Association</td>
</tr>
<tr>
<td>SAT</td>
<td>South African Tourism</td>
</tr>
<tr>
<td>SMME</td>
<td>Small, Micro and Medium-sized Enterprise</td>
</tr>
<tr>
<td>Stats SA</td>
<td>Statistics South Africa</td>
</tr>
<tr>
<td>SDF</td>
<td>Spatial Development Framework</td>
</tr>
<tr>
<td>RT</td>
<td>Responsible Tourism</td>
</tr>
<tr>
<td>TDF</td>
<td>Tourism Development Framework</td>
</tr>
<tr>
<td>TEP</td>
<td>Tourism Enterprise Programme</td>
</tr>
<tr>
<td>THETA</td>
<td>Tourism and Hospitality Education and Training Authority</td>
</tr>
<tr>
<td>VFR</td>
<td>Visiting Friends and Relatives</td>
</tr>
<tr>
<td>WCPT</td>
<td>Western Cape Provincial Treasury</td>
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<tr>
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<td>World Tourism Organisation</td>
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Executive Summary

The City of Cape Town commissioned a new Tourism Development Framework 2013-2017, in recognition of the new local and global trends, opportunities and constraints facing the tourism industry.

The TDF has a strong focus on spatial planning. It provides intricate details concerning the current and prospective trends and opportunities and constraints so as to provide a solid basis from which tourism planning can take place. The City is currently facing challenges such as environmental degradation, loss of biodiversity, climate change, urban sprawl and unemployment. The TDF thus explores various ways in which tourism can contribute towards curbing those challenges whilst enhancing livelihoods socially and economically. It provides key actions and projects for future tourism development in the City of Cape Town. It informs the Department of Tourism of the direction that it should consider when planning for tourism related developments over the next five years.

The first chapter introduces the document and its purpose. It also orientates the reader in terms of the aim, objectives of the study and outlines the structure that the report takes. The second chapter offers the contextual overview and it highlights the importance of initiatives such as Local Economic Development (LED). The tourism sector is regarded as a key driver where economic expansion and employment potential is concerned and it is true for all types of settlements. A destination with a distinct resource of natural, cultural or historical significance has the potential to adopt tourism as a development strategy. Connected to this is responsible tourism development, which is an important aspect of this document. The overview goes on to acknowledge the performance of the tourism industry on a global and local sector. There seems to be a level of uncertainty regarding the global tourism performance but that did not stop South Africa from performing well in 2011. The sector has been growing steadily since 2011, increasing the number of foreign tourist arrivals to 8,339,354 million from 8,074,000 million in 2010. Traditionally Cape Town, it has always been a coastal leisure destination with its striking and unique natural characteristics. The city’s key draw factors are mainly nature, followed by a range of nature-based activities, adventure tourism and leisure activities that have developed around the city’s natural resources. Cultural heritage tourism is an emerging branch in the tourism sector that not only has potential for growth but potential to be a major contributor to LED projects. The City of Cape continues to market itself as the ‘creative city’ holds untapped synergies that are yet to be realised.

The third chapter illustrates the different policies that support the tourism industry on a national, provincial and local level. It highlights the role of the local government as one that is able to create a conducive environment for economic development through infrastructure development, and a variety of support mechanisms that range from regulation and conservation to marketing and skills development. Responsible tourism development is regarded as a guiding principle that ensures that tourism development is
economically, socially and environmentally sustainable. It is an aspect that the local government aims to achieve and improve over the next five years. The overall objectives that the policies aim to achieve are as follows:

- To protect the environment and heritage resources that can be combined as tourism development
- To grow strong existing international markets, while tapping into growth markets
- To grow air arrivals from the African continent and domestic tourism
- To promote human and social development, with specific focus on historically disadvantaged people, the youth and on community partnerships.
- To integrate the IDP with tourism development
- To foster spatial integration, address spatial injustices and spread the benefits of tourism wider and geographically
- To concentrate efforts on promoting cultural heritage tourism
- To capitalise on synergies that exist between creative industries, creative city promotion and tourism development.

Chapter four analyses the situation by focusing on the following aspects: tourism demand and supply; institutional consideration the spatial development framework; competitiveness and tourism development potential. Though there were increases and decreases for visitors over the past five years, Cape Town still manages to attract a medley of people. The biggest group consists of people who are relatively young, well educated and never married followed by the elderly, who are looking for more luxurious and out-door based activities. Most of the visitors reside from European countries, followed by the United States of America and Brazil. Visitors from the African continent range from Namibia to Zimbabwe, Mozambique, Lesotho and Botswana. Both international and domestic visitors mainly come to visit the city and explore what it has to offer. A majority of the visitors are satisfied with the natural resources that the city has to offer and others say it met their expactations. Seasonality proved to be one of the biggest constraints for sustained tourism growth and the occupancy rates are low during the winter months. The supply side of tourism comprises of services such as: natural, cultural and heritage resources that are combined with accommodation, information offices, entertainment facilities and restaurants. These services range from: natural reserves and resorts; to international events and the City of Cape Town has a relatively well-developed tourism infrastructure. It does however, have an over supply of luxury accommodation and there is a demand for budget accommodation. Various projects were identified and they are all centrally prioritised around natural, cultural and historical resources across the city. Some of these projects include:

<table>
<thead>
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<th>Tourism expansion of the Table Bay District; the Fringe</th>
<th>Tourism development opportunities around natural, heritage and cultural resources per district.</th>
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<tr>
<td>Enhance cultural and heritage values of the</td>
<td>Infrastructure development in and around</td>
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</table>
Cape Flats  |  tourism districts
--- | ---
- Enhance cultural heritage tourism in cultural such as Khayelitsha  |  UWC Mayibuye Centre in Tygervalley
- Mixed use development for Paardevlei  |  Large scale coastal resort development in the Heldelberg District
- Promote cultural heritage tourism in the Khayelitsha-Mitchell’s Plain District; upgrade spaces  |  Capitalize on the heritage tourism potential in the Tygerberg District
- Develop the Southern Line rail tourism in the Southern District and re-development of social spaces  |  Enhance cultural and heritage tourism at the Stellenbosch Bellpark Campus; provide greater access to nature for local and international visitors

The vision of the strategy is "to position Cape Town as a world class competitor and South Africa's premier Responsible Tourism destination. The tourism strategy’s guiding principles include: enhancing domestic tourism, conserving heritage resources for tourism development and stimulating tourism product development. The strategic focus areas such as ‘responsible tourism’ aim to position Cape Town as a world class competitor and South Africa’s premier responsible tourism and events destination. This is supported by thematic tourism product development which identified aspects such as creativity, lifestyle and nature as drivers for tourism demand in Cape Town. In order to increase the effectiveness of the tourism sector, support from national, provincial and local government needs to be provided along with focused interventions. All identified projects were prioritised according to criteria which consider the impact (i.e. job creation, SMME promotion, skills development, potential GGP contribution) and viability (i.e. market potential, project sustainability and implementation considerations). This does not however rule out the possibility of feasible and practical projects identified within the timeframe of the strategy from being included in the tourism mandate.

The last chapter, chapter six, provides a business and implementation plan. It provides a more detailed analysis of the rationale and alignment of the projects selected in the previous chapter. The project concepts include:

1. An interactive tourism information kiosk
2. A mobile travel App for Cape Town
3. The Cape Town Creative Tourism platform
4. The Cultural Heritage trail
5. Targeted SMME programmes
6. Tourism Forum Meetings
7. Competitiveness campaign
8. The Responsible Tourism Programme
9. Monwabisi Resort
10. Rail initiatives
11. Tafelberg Road Market

An implementation framework and time frame are also included in the TDF. They identify the key stakeholders, potential partners and predict the duration in which the projects will take place as well as linking project to budgets. A monitoring and evaluation framework is included and it provides the intended outcomes as well as the specific indicators that will be used to measure, monitor and evaluate the progress of the strategy. Risk analysis, operational guidelines; management and policy recommendations conclude the document.
Chapter 1: Introduction

1.1 Background

The City of Cape Town (CoCT) has developed a good track record in tourism development through the implementation of its first Tourism Development Framework (TDF) of 2005. This process involved institutional capacity building, marketing and the development of various support functions. The CoCT has, further, committed itself and the local industry to a path of responsible tourism development.

In recognition of new global and local trends, opportunities and challenges facing the tourism industry, the CoCT has commissioned a new Tourism Development Framework, Strategy and Business Plan for the 2013-2017 period.

The TDF of 2005 had a strong spatial focus. A spatial analysis is an integral part of the tourism planning process. The new TDF uses the information provided in the previous TDF as a baseline for further investigation. The research was updated and current trends investigated in order to expand on the previous TDF in certain respects and to consolidate other aspects in order to provide more focused and succinct policy recommendations for tourism planning. The strategy part of this framework consists of new strategic focus areas, goals, key actions and projects for future tourism development (Chapter 5). Specific timeframes, budgets and implementation guidelines follow in the Business Plan (Chapter 6).

1.2 Aim and Objectives

This document has been prepared for Department of Tourism and as such this document needs to inform the department in terms of its governance and in terms of implementation actions over the next five years. These actions need to be undertaken in consultation with other stakeholders but be driven by the City of Cape Town as the leading authority for tourism in the City of Cape Town. The pursuit of tourism activities needs to contribute to the social, cultural, political and environmental sustainability of Cape Town.

The aim of the study was therefore to conduct a thorough and participatory research process to inform the new TDF. The objectives of this study include to:

- Conduct further research
- Identify key trends
- Formulate a vision, and identify thrusts and programmes for strategic tourism planning
- Prepare a business plan with implementation guidelines, budgets and timeframes
- Make policy recommendations for tourism planning purposes
This study furthermore follows a developmental approach towards:

- Promoting responsible tourism in Cape Town toward economic, socially and environmentally sustainable development
- Promoting the equitable and wider spatial spread of tourism benefits to local communities
- Promoting forms of tourism which will enhance benefits to local communities
- Identifying economic opportunities for emerging entrepreneurs
- Proposing initiatives to empower and train previously disadvantaged persons
- Recommending tourism development which will bring wider benefits to the society as a whole
- Encouraging the governance and regulation of responsible tourism by local authorities to ensure that objectives are met
- Proposing tourism development which is connected to tourism demand and expected to incur higher yields – not only economically, but also socially
- Encouraging integrated tourism development
- Encouraging greater participation by the private sector towards realising responsible tourism

1.3 Study Methodology

The tourism planning process consists of the stages as indicated in Table 1.1. These were used as a guide for this research process and the structuring of this framework.

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<td>Contextual analysis</td>
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<td>Policy and programme review</td>
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<td>Destination situation analysis</td>
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<tr>
<td>Strategy formulation</td>
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<tr>
<td>Operational implementation plan</td>
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<td>Tourism Development Area meetings</td>
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</table>
District (City Bowl, Salt River, Woodstock, Atlantic Seaboard and Sea Point), Atlantis (Atlantis and Mamre), Helderberg (Somerset West, Lwandle, Gordon's Bay and Sir Lowry's Pass), South Peninsular (Hout Bay, Constantia, Wynberg and Claremont)

<table>
<thead>
<tr>
<th>Public Participation Report</th>
<th>A report on the public participation process and inputs was compiled.</th>
</tr>
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<tr>
<td>Submission and Approval</td>
<td>The final report was submitted to the Portfolio Committees, Mayco and Council for approval.</td>
</tr>
</tbody>
</table>

Source: The GTA (2006) recommendations as adapted by Urban-Econ for this strategy

### 1.4 Data Collection

The secondary research component relied on secondary data sources which included a review of published research, data available from agencies such as Stats SA (often via Quantec Research Data), South African Tourism (SAT), Cape Town Routes Unlimited (CTRU), CoCT, Cape Town Tourism (CTT) and various other research related projects or studies, websites, promotional materials and observations. Data from the CoCT tourism GIS database was used in the supply analysis of Chapter 4.

Primary data was collected via visitor and service provider surveys. This information was used to inform the Destination Market Analysis and the SWOT analysis. Direct interviews, forum meetings and focus groups were also held with selected stakeholders. **Annexure A** lists the public and private sector stakeholders who participated in the process.

### 1.5 Monitoring and Review of Process

A Steering Committee was established by the CoCT Tourism Department to ensure inputs from stakeholders towards integrated tourism development. The steering committee consisted of representatives of multiple departments of the CoCT, as well as the provincial government of the Western Cape. Numerous presentations of progress were made to this steering committee in the first quarter of 2012.

A Peer Review process has also been initiated to ensure that the process and results are credible. Prof Kamilla Swart was appointed by the CoCT to review documentation and provide inputs during Steering Committee meetings.

### 1.6 Outline of the Report

The outline of the report is as follows (informed by the tourism planning process outlined in 1.4):

- **Chapter 2: Contextual overview**
- **Chapter 3: Policy and programme review**

---

1In April 2012, CTRU was incorporated into Wesgro, an investment promotion agency with a far broader function. Destination marketing, investment and trade promotion for the province would now be done by Wesgro, as opposed to having two separate organisations both promoting the region as a business and leisure destination.
Important considerations and strategic implications for tourism development have been highlighted throughout this document. These were taking into consideration in the tourism strategy formulation and implementation plan.²

²These are highlighted with the use of yellow/orange text boxes through the report.
Chapter 2: Contextual Overview

This chapter provides the general development and economic characteristics of tourism in South Africa and Cape Town to provide background information which will assist in identifying issues, trends, constraints and opportunities. This chapter briefly provides key global trends in terms of tourism performance, positions South Africa within the global context and provides key indicators for tourism performance in South Africa during 2011 for contextualisation purposes. Cape Town is discussed as a destination, taking historical considerations and recent trends into account. However, a detailed analysis regarding the status quo of tourism in Cape Town is provided in Chapter 4 as part of the Destination Situation Analysis. Before looking at the above mentioned aspects, the importance of tourism for local economic development is briefly considered.

2.1 The importance of tourism for Local Economic Development (LED)

The tourism sector is regarded as a key driver with regard to economic expansion and employment creation and thus an integral part of South African Local Economic Development (LED) strategies (Viljoen and Tlablela, 2007). This is true for small towns, rural areas, and cities. Destinations with special resources of natural, cultural or historical significance have the potential to adopt tourism as a development strategy (Sharpley and Tefler, 2002). Much emphasis has also been placed in the local context on pro-poor tourism development, thus promoting community development and sustainability in a manner that is not harmful to the environment and the communities involved (Binns and Nel, 2002). This is connected to responsible tourism development, as discussed in the next chapter (Chapter 2).

Services constitute about two-thirds of the South African economy. At the same time, tourism is of growing importance for the economy of South Africa, and particularly for the regional economy of the Western Cape. The Western Cape economy is increasingly becoming service-oriented with services contributing more than 70% to the Gross Geographic Product (GGP) of the region (WCPT, 2010). Tourism is one of the main contributors to and a key growth industry in the Western Cape regional economy and tourism is also of great economic consequence in the Cape Town municipal area (Cornelissen, 2005).

2.2 Global Tourism Performance

The global tourism market has recently experienced the shock of a global economic crisis and continues to face high levels of uncertainty in light of on-going economic instability and uncertainty about new climate change policies, and the new realities of economies that place a price on carbon. All of this impact on South Africa as a long-haul destination.

Despite this, international tourism arrivals globally grew by over 4% in 2011, higher than global Gross Domestic Product (GDP) growth (3%). The World Tourism Organisation (WTO) forecasts one billion international travellers in 2012 and 1.56 billion by 2020. However, growth in travellers is however not equal to growth in spend. Growth in spend only accounted for 1% in 2011 – indicating that travellers are more price discerning. However, this differs significantly by origin market.
Overall, the most frequently travelled to destinations to continue to be American and Western European countries, with the USA, Spain, China and Italy standing out as the world’s top destinations (WTO, 2011).

2.2.1 South Africa’s performance in relation to competitors

South Africa performed well in 2011 with 8.3 million tourist arrivals, an increase of 3.3% over 2010 (SAT 2011). South Africa also improved her ranking among global tourism destinations from 34th position to 33rd (SAT, 2011). Figure 2.1 indicates how South Africa fared in terms of foreign arrivals in relation to its closest competitors. The figure shows that South Africa ranked second among other competing long haul destinations, but that growth in visitor numbers were lower than competing destinations, expect for Australia.

Figure 2.1: International arrivals to South Africa and competitors in 2011

Trends regarding the performance of key competitors follow (SAT, 2011):

- Thailand experienced strong growth of 14% in international arrivals over 2010, despite the global recession and recent political disturbances and flooding in the country.
- Brazil remained another strong competitor who has elevated its status as an international tourist destination in recent years. It experience growth of 12% in international arrivals in 2011. Brazil continues to promote itself as a luxury destination, to capitalise on the rising demand in luxury travel and tourism products. As a result Brazil remained the least affordable international destination in Latin America.
- Kenya was South Africa’s strongest competitor in Africa since the country experienced strong growth (12.9%) over 2010.
- Australia experienced the lowest growth of 1.3%. The appreciation of the exchange value of the Australian dollar had a negative impact on the arrivals to Australia. However, despite this tourism expenditure in Australia it increased by 3% in 2011.

2.2.2 Global Tourism Growth Prospects

Negative GDP grow is predicted for the Eurozone region in 2012 due to an unfavourable economic climate and austerity measures implemented in many European countries. This is expected to affect tourism flows as disposable income drops and unemployment levels increase. This should impact adversely on South Africa as a long-haul destination whose largest markets of origin for overseas visitors are in Europe and the USA.

However, the WTO expects the demand for tourism in 2012 to grow between 3% and 4%. Emerging destinations especially in Asia and Pacific and the Middle East are expected to show strong growth, but these
markets will also be impacted by the slowdown of the European economy. Visitor numbers from China is expected to continue to grow around the World and Russia is set to host a few international sporting events in the upcoming years. While Brazilians are likely to spend more on travel and the country also seeks to increase international and domestic visitor numbers to the 2014 World Cup and the 2016 Olympic Games. Brazil is thus likely to become a strong source market and competitor of South Africa.

Arrivals to Africa are forecast to grow by 5% per annum between now and 2020 (WTO, 2011). This is not, however, equally distributed growth. Sub-Saharan Africa arrivals grew by 7% in 2011, while arrivals to North Africa (politically unstable) declined by 12%. South Africa’s share is forecast to be 40% by 2020, which equals 30 million arrivals (Tunisia and Morocco follow South Africa). This presents an opportunity to boost intraregional travel and the WTO has noted that South Africa has the opportunity to ‘break the credibility barrier’ and present Africa as a world class tourism destination.

2.3 Tourism in South Africa

Tourism in South Africa has grown strongly and steadily since the country became a democracy in 1994. Foreign tourist arrivals to South Africa grew by 3.3% (265,802) in 2011 to reach 8,339,354 million tourists (SAT, 2011). However, this was below the global average which saw a 4.4% increase in tourist arrivals. All regions recorded growth with Asian visitors growing by nearly 30% in this period. However, despite the growth in tourists arrivals, revenue generated by tourist arrivals decreased by -2.2% compared to 2010 (SAT, 2011).

Figure 2.2: Total tourist arrivals to South Africa (thousands), 2009 - 2011

![Figure 2.2: Total tourist arrivals to South Africa (thousands), 2009 - 2011](source: SAT, 2011)

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3 When the 309,554 tourists who travelled to South Africa specifically for the FIFA World Cup is taken into account
Draft Tourism Development Framework

The World Travel and Tourism Council indicates that South Africa’s travel and tourism industry GDP is ranked 33rd from a total of 181 countries when comparing its absolute size, while the travel and tourism industry employment is ranked 32nd. Tourism’s direct contribution to the GDP constituted R74 billion - or 3.1% (SAT, 2011). A total number 567,378 persons were directly employed in the travel and tourism industry in 2010 which constitutes 4.3% of total employment (SAT, 2011).

South Africa creates fewer jobs per visitor than other countries due to leakage from the local economy – a reflection of the use of imports and foreign ownership within the tourism sector supply chain.

Key trends regarding South Africa’s tourism performance in 2011 include (SAT, 2011):
- Despite the growth in tourists arrivals, revenue generated by tourist arrivals decreased
- Land markets were the largest contributors to total revenue
- Growth from African land and air markets
- Decrease in arrivals from Americans
- Increase in visitors from Asia and Australasia
- Decline in arrivals from Europe
- Overall, seasonality has worsened
- Leisure, holidays and shopping remained the main reasons for visit
- The average number of provinces visited by foreigners increased
- Friendly people, good service and infrastructure were positive perceptions about South Africa
- Number of domestic trips has increased, while total revenue in this regard decreased
- Economic constraints remain the major barrier to taking a domestic trip

2.4 Cape Town as a Destination

Cape Town is a traditional coastal leisure destination in South Africa, and tourism development in the city has been closely linked to urban development (Rogerson and Visser, 2007). For instance, the waterfront redevelopment has transformed the inner city and foreshore, and range of urban-based tourism products have emerged such as casinos, museums, theatres, entertainment and shopping complexes and a number of hallmark events – focused primarily on sport and entertainment (Rogerson and Visser, 2007).

Cape Town’s natural beauty, amidst its urban space, is one of its most striking and unique characteristics. The natural environment of Cape Town has always drawn travellers and the notion of a ‘city beautiful’ as it was marketed in the 1930s can be summed up as follows: ‘within a short radius, under mostly sunny skies, there are beaches, mountains, planted forests and indigenous gardens, and dramatic panoramic views’ (Pirie, 2007:229).
Nature continues to be one of the key drawing factors and a range of nature-based, adventure tourism and leisure activities have developed around the city’s natural resources which includes rock climbing, hiking, mountain biking, hang gliding, abseiling, shark-cave diving, beach horse riding, birding, fishing, surfing and kitesurfing, kayaking, sunbathing, and other sporting activities like golf, running and road cycling. Table Mountain has been voted recently as one of the seven natural wonders of the world.

Over the years, Cape Town’s destination mix has diversified to include various events; fairs; festivals; exhibitions; cultural activities; music performances and concerts; drama and dance; tourism; and so forth. Wine tourism within Cape Town (i.e. the Constantia area and along the peninsula) and within its proximity (particularly Stellenbosch, Paarl and Franschhoek) has also emerged as a strong niche market. Images portrayed by Cape Town include vibrancy; creativity; diversity; lifestyle; heritage; and natural beauty (CTP & CoCT, 2009).

Tourism in the Western Cape is spatially concentrated in the Cape Town metropolis, the winelands and the Garden Route (Cornelissen, 2005). Cape Town accordingly stands out as the main tourism destination in the province. Cape Town, along with the rest of South Africa, experienced considerable growth in tourism numbers in the late 1990s and early 2000’s, with annual growth of between 8% and 10% per annum. In 2008 and 2009 tourism growth slowed down as the global economy experienced a recession. The year 2010 saw renewed growth, though skewed by hosting the FIFA World Cup. Within Cape Town the central city with the surrounding areas of the Foreshore and the Atlantic seaboard, is the main tourism node with smaller concentrations of tourism activities along the peninsula (including places like Muizenberg, Kalk Bay, Fish Hoek, Simon’s Town, Cape Point and Hout Bay); and the Strand-Gordon’s Bay area.

Cultural Heritage tourism is an important opportunity to redistribute tourism activity and benefits in Cape Town. It is important that the local resources be assessed carefully to identify what is unique about the culture and heritage of Cape Town and how this can be translated into cultural heritage tourism products and attractions. Creating tourism products and attractions are essential to stimulate visitor demand. See Section 4.7.2 for more on cultural heritage tourism in Cape Town.
2.5 Cape Town as a Creative City

Over the past decade, concerted efforts have been made to uplift the central city of Cape Town and it has accordingly experienced dramatic urban renewal. As a result, the central city has been revived as an attractive investment; business; recreational; tourist; creative; and residential space. Creative industries also have a strong presence in the central city and city fringe areas. In 2009, there were approximately 1,000 creative entities in these areas (Creative Cape Town, 2009). The largest of the creative industry sectors are film and television; design; media; and advertising. Concerted efforts has been made of late to promote Cape Town as a creative city and some initiatives include the Central City Development Strategy which focuses promoting on creative industries; the development of the Fringe (an innovation hub for design), media, and Information and Communication Technology (ICT) firms in the inner city; the Creative Week; and the World Design Capital in 2014 bid.
However, creative city promotion is not sufficient for inclusive job creation and local economic development, or enhancing cultural diversity (Booyens, 2011). Recent studies show Cape Town remains deeply divided, unequal and spatially skewed (SACN, 2011), despite the urban renewal and the growth of creative and tourism sectors. Deliberate policy actions are required to spread the benefits of development more widely to poorer parts of the city.

2.5.1 Creative Industries and Tourism

The tourism sector has exhibited strong growth in accordance with urban renewal and the growth of creative industries. Creative industries (also called cultural industries) generally comprise film; television and broadcasting; visual arts; performing arts; crafts, publishing and printed media; advertising; design; new media; music; designer fashion; and also cultural tourism. However, further synergies exist with regard to creative industries and tourism, in that creative activities draw visitors to an area.

*In other words, tourism facilitates experiences of the arts, culture, history, heritage, way of life, and uniqueness of people in an area* (Joffe and Newton, 2007). Also, ‘Tourism in general and cultural tourism specifically are powerful instruments in creating the desired image of South Africa abroad. It is often the first step that allows someone to explore and know a place and later perhaps invest in it. The impact of tourism - in terms of employment and the generation of foreign exchange are heightened by the growth and expansion of the Cultural Industries’ (CGG, 1998).

However, in Cape Town the linkages between creative industries and tourism are underdeveloped (Joffe and Newton, 2007; van Graan, 2005). Van Graan (2005) suggests that cultural products and services aimed at the tourism market should be developed in Cape Town. Creative industries which have the highest impact on tourism are outlined in Figure 2.3. Greater linkages between tourism and high impact creative industries should thus be forged. This includes the integration of music performances and venues, arts and crafts, performing arts and festivals, culture and heritage activities and attractions, and the film industry into the tourism product mix.

There are unrealised synergies between the creative industries and the tourism market in Cape Town. There is thus a large scope for developing experienced-based creative tourism products by using a little creativity. There is also much potential to evolve the tourism profile particularly through strengthening the cultural, environment and extreme sports linkages.

*Figure 2.3: Impact of creative industries on tourism*

<table>
<thead>
<tr>
<th>No impact on tourism</th>
<th>High impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Libraries Advertising Publishing</td>
<td>Language schools Festival/events Heritage/museums</td>
</tr>
<tr>
<td></td>
<td>Music</td>
</tr>
<tr>
<td></td>
<td>Film</td>
</tr>
<tr>
<td></td>
<td>Theatre</td>
</tr>
<tr>
<td></td>
<td>Craft</td>
</tr>
<tr>
<td></td>
<td>Visual arts</td>
</tr>
<tr>
<td></td>
<td>Musicals</td>
</tr>
</tbody>
</table>

Source: Van Graan (2005:62)
2.6 Summary

Key trends that have been identified in this chapter include:

- Tourism is regarded as an important avenue for local economic development in South Africa for its contribution to local economies and job creation potential.

- Tourism arrivals to South Africa and Cape Town continue to grow despite the global economic downturn.

- Cape Town is a traditional coastal leisure destination in South Africa, and tourism development in the city has been closely linked to urban development.

- Tourism in the Western Cape is spatially concentrated in the Cape Metropolis, the winelands and the Garden Route; and in Cape Town tourism is predominantly concentrated in the city centre.

- Nature, leisure, lifestyle culture, heritage and arts are main drawing cards for tourism in Cape Town.

- In recent years, the city centre has experienced urban regeneration and the creative industries have grown.

- Cape Town is increasingly marketing itself as a creative city.

- There are unrealised synergies between the creative industries and the tourism market in Cape Town.

- Cultural heritage tourism is an important opportunity to redistribute tourism activity and benefits in Cape Town.
Chapter 3: Policy, Strategy and Programme Review

In South Africa there is strong policy support on a national, provincial and local level for the development of the tourism sector. The purpose of this chapter is to review legislation, policies, strategies, and regulations relevant to the further development of tourism in Cape Town.

3.1 National Regulatory Framework for Tourism Development

National Government is the highest level of South Africa’s political institutions, followed by provincial, district and then local governments. On the national level, there is numerous legislation which guides tourism development on local government level. This chapter examines general national legislation, policies, strategies and guidelines pertaining to tourism development, followed by local policies and strategies.

3.1.1 The Constitution of South Africa, no 108 of 1996

The Constitution of South Africa specifies the roles of national, provincial and local governments and states the different roles that each government level has with respect to tourism development and management. The role of local government is highlighted below since it is directly relevant to tourism development at local level.

Role of Local Government

Under the Constitution, local government has an expanded role in addition to providing many of the traditional municipal services. Therefore, local municipalities must lead, manage and plan for development. Local government is perceived to be the agent of change and the vehicle for development at a local level. According to Section 152 of the Constitution, the objectives of local government are:

- To provide democratic and accountable government for local communities
- To promote social and economic development
- To encourage the involvement of communities and community organisations in the matters pertaining to local government

Tourism as a Local Government Function

According to the constitution, municipalities have a responsibility to exercise the developmental mandate across all functions delivered at local level – including the development and marketing of the tourism sector; local tourism is defined as a function of municipalities within the Constitution. Sections 152 and 153 of the constitution have particular relevance to the involvement of municipalities in tourism and their relationship with tourism organisations:

Municipalities are mandated by the Constitution to promote the social and economic development of their communities, and their involvement in tourism must be related to this mandate.
The aim of developmental tourism is thus to increase local incomes and to create job opportunities by enhancing the community’s ability to create enterprises. In particular, the constitution refers to developmental tourism being the process through which:

‘Partners from the public, business, labour and civic sectors work together to identify, utilise and harness location-specific resources to grow and transform the economy in specific local areas through implementing programmes and projects that build on and showcase opportunities and /or address economic empowerment constraints’ (South Africa, 1996).


This White Paper on tourism development promotes the development and management of the tourism industry in South Africa in a responsible and competitive manner. Key guiding principles for tourism development, as set out in the White Paper, follows:

- Development through tourism should be private sector driven
- Government should provide an enabling environment for the development of tourism
- Effective community involvement should form the basis of tourism growth
- Tourism should be underpinned by sustainable environmental practices
- Tourism development is dependent on co-operation and close partnerships among key stakeholders
- Tourism should be used as a developmental tool for the empowerment of previously neglected communities
- A safe and stable tourism environment should be created

The White Paper sets out an extensive list of key objectives regarding tourism in South Africa. Not all objectives fall within the parameters of this report; a shortened list of those objectives which are relevant to the development of tourism in Cape Town are, however, outlined below:

- To generate economic growth by the development, marketing and promotion of tourism
- To create sustainable employment
- To optimise opportunities for Small, Medium and Micro Enterprises (SMMEs)
- To utilise tourism to aid development in marginalised areas
- To promote domestic tourism amongst all South Africans
- To create conductive tourism investment climate
- To encourage linkages between tourism and other industries to curb leakages and stimulate the multiplier effect
- To provide tourism capacity building programmes, especially aimed at previously neglected groups
- To encourage the active participation of all stakeholder in tourism development, particularly at local level
- To empower local communities through community tourism initiatives
- To make tourism a leading industry in responsible environmental practices
- To ensure environmental management principles for all tourism projects
- To encourage the conservation and sustainable use of tourism resources

The White Paper also outlines the roles of local government, the private sector and local communities as summarised in Table 3.1.

### Table 3.1: Roles in tourism development as outlined in the White Paper on tourism development

<table>
<thead>
<tr>
<th>Role of Local Government:</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Responsible land-use planning, urban and rural development</td>
</tr>
<tr>
<td>▪ Control over land-use and land allocation</td>
</tr>
<tr>
<td>▪ Provision and maintenance of tourist services, sites and attractions, e.g. camping and caravan sites, recreational facilities (parks, historical buildings, sports facilities, theatres, museums, etc.) and public services</td>
</tr>
<tr>
<td>▪ Provision of road signs in accordance with nationally established guidelines</td>
</tr>
<tr>
<td>▪ Market and promote specific local attractions and disseminate information in this regard</td>
</tr>
<tr>
<td>▪ Control public health and safety</td>
</tr>
<tr>
<td>▪ Facilitate the participation of local communities in the tourism industry</td>
</tr>
<tr>
<td>▪ Own and maintain certain facilities, e.g. ports and airports</td>
</tr>
<tr>
<td>▪ Provide adequate parking, also for coaches</td>
</tr>
<tr>
<td>▪ Facilitate the establishment of appropriate public transportation services, e.g. taxi services</td>
</tr>
<tr>
<td>▪ License establishments in accordance with national framework</td>
</tr>
<tr>
<td>▪ Promote and financially support the establishment of local publicity associations /community tourism and marketing organisations to facilitate market, coordinate and administer tourism initiatives</td>
</tr>
<tr>
<td>Role of Private Sector</td>
</tr>
<tr>
<td>▪ Collaborate with the government in planning, promoting and marketing tourism</td>
</tr>
<tr>
<td>▪ Involve local communities and previously neglected groups in the tourism industry through local partnerships</td>
</tr>
<tr>
<td>▪ Represent the interests of private businesses on the boards of national and provincial tourism bodies (also local)</td>
</tr>
<tr>
<td>Role of Local Communities</td>
</tr>
<tr>
<td>▪ Organise themselves to play a more effective role in the tourism industry and interact with government and key role-players</td>
</tr>
<tr>
<td>▪ Seek partnership opportunities with the established tourism private sectors</td>
</tr>
<tr>
<td>▪ Participate in decision-making with respect to major tourism developments planned or proposed for the area;</td>
</tr>
<tr>
<td>▪ Have a representative voice in tourism structures</td>
</tr>
<tr>
<td>▪ The notion of partnerships between government, the tourism industry and communities is a consistent theme of the White Paper</td>
</tr>
</tbody>
</table>

**Implications for tourism development framework**

The White Paper endorses the principle of responsible tourism. It is evident that tourism development within localities should be private sector driven, should benefit local communities, requires local participation and community involvement, should ensure conservation and the sustainable use of natural resources, etc. It is the role of local government to provide an enabling environment for tourism growth at destination level.
3.1.3 National Responsible Tourism Guidelines, 2002

The National Responsible Tourism Guidelines was published by the Department of Environmental Affairs and Tourism in 2002. According to these guidelines, responsible tourism development should be economically, environmentally and functionally sustainable. It is imperative that the responsible tourism guidelines be taken into account when planning for and developing tourism attractions and facilities.

Values of Responsible Tourism

Responsible Tourism Development should be regarded as the key guiding principle tourism development. The values that support this concept are indicated below:

- Responsible tourism development implies a proactive approach by relevant stakeholders to develop market and manage the tourism industry in a responsible manner, so as to create a competitive advantage.
- The industry has a responsibility to the environment through the promotion of balanced and sustainable development is imperative, thus focussing on the promotion of environmentally based tourism activities.
- Responsible tourism means that the government and businesses have a responsibility in terms of involving local communities in tourism thus creating income generating activities by which local communities will benefit.
- Tourists, developers, government and the industry have a responsibility in terms of respecting, investing in and developing local cultures, also protecting them from over-commercialisation and over-exploitation.
- A responsibility also exists in terms of ensuring the safety and security of visitors within a host community or the host country.
- Responsible tourism development requires the responsibility of both employers and employees in the industry, both to one another, as well as to the customer.

Dimensions of Responsible Tourism

Responsible tourism provides the opportunity to maximise the socio-economic potential of the tourism industry, by influencing the planning process of tourism development. This is a more sustainable approach to tourism development and enhances both the natural and cultural environment. Responsible Tourism incorporates the ‘triple bottom line’ imperatives of social, economic and environmental sustainability obtained from sustainable tourism development and combines it with a party or organisation that can be held accountable.
The mentioned guidelines encourage tourism enterprises to grow their businesses, whilst providing social and economic benefits to local communities and respecting the environment. The impacts of tourism developments should thus be spread across time and space, while minimising the negative effects of development. Increasing benefits to local communities is one of the primary underlying principles of responsible tourism. Three critical, in this regard, flagged for private sector engagement in tourism development includes:

- The development of partnerships and joint ventures in which communities have a significant stake and, with appropriate capacity building, a substantial role in management.
- The procurement of locally produced goods and services by private sector tourism establishments wherever quality, quantity and consistency permits.
- The recruitment and employment of staff in an equitable and transparent manner in order to maximise the proportion of staff employed from the local community.

**Implications for the Tourism Development Framework**

Tourism development within Cape Town as a destination should be conducted according to these responsible tourism guidelines as an overarching development principle. This will lead to the creation of competitive advantages; contribute to the active involvement of communities within tourism development, and contribute to the maintenance of natural, economic, social and cultural diversity; and enhance the development of sustainable tourism products within a stable and effective tourism environment.

### 3.1.4 National Heritage Resources Act, no 107 of 1998

Some areas have a variety of heritage resources relating to anthropology, culture, archaeology, geology and bio-diversity. These resources can be utilised for the development of tourism products and attractions. Principles with regard to the management of heritage resources are included below:

- Heritage resources have the capacity to promote reconciliation, understand and respect and contribute to the development of a unifying South African identity.
- Heritage resources contribute significantly to research, education and tourism and must be developed and presented for these purposes in a way that ensures dignity and respect for cultural values.
- The integration of heritage resource conservation in urban and rural planning and social and economic development should be promoted.
- Affected communities have a right to be consulted and to participate in management.
- The skills and capacities of persons involved in the management of heritage resources should be developed and on-going education and training must be ensured.
- The identification, assessment and management of heritage resources in South Africa should:
  - Take cultural values and indigenous knowledge into account
  - Take into account the material or cultural heritage and involve the least possible alteration or loss of it
Promote the use, enjoyment of and access to heritage resources that are consistent with the cultural significance and conservation needs

Contribute to social and economic development

Safeguard the options of present and future generations

Heritage resources should be fully researched, documented and recorded

**Implications for Tourism Development Framework**

It is evident that the act recognises the potential of heritage resources for tourism development and economic development. Important considerations in this regard include: local communities should be involved in the development and management of heritage tourism attractions, skills training should be provided, heritage resources should be researched thus aiding the development of tourism attractions, and heritage resources should be protected.

### 3.1.5 Environmental Acts

Various environmental acts in South Africa pertain to the development of tourism related activities. This section contains extracts that have relevance to tourism development.

**National Environmental Management Act, no 107 of 1998**

This act promulgates cooperative environmental management by the establishment of:

- Guidelines and principles of effective decision making on matters pertaining to the environment
- Institutions and other relevant bodies that will promote cooperative and democratic governance
- Procedures for coordinating environmental functions exercised by the relevant authority

**National Environmental Management: Protected Areas Act, no 57 of 2003**

This act was established to provide for the management and conservation of South Africa’s biodiversity within the framework of the National Environmental Management Act. It includes:

- The protection and conservation of ecologically viable areas representative of South Africa’s biological diversity and its natural landscapes and seascapes
- Developing a register of all national, provincial and local protected areas
- Managing protected areas in conjunction with national guidelines and standards
- Inter-governmental cooperation and public consultation for matters pertaining to protected areas etc.
- Protection of species and ecosystems that require national protection
- The sustainable and controlled use of indigenous biological resources
- Democratic and equitable sharing of benefits arising from bio-prospecting involving indigenous biological resources
- Establishment and functions, as well as responsibilities of the South African National Institute, etc.
Implications for Tourism Development Framework

The above mentioned environmental legislation should be applied where necessary to the tourism development strategies as suggested by this plan in order to ensure responsible tourism development with the emphasis on the protection of the natural habitat, underlying ecosystems and other environmentally sensitive areas.

3.1.6 The New Growth Path, Tourism and Creative Industries

The latest macro-economic development strategy for South Africa, the New Growth Path (2011), identifies the tourism sector as a critical driver for job creation and highlighted the poverty reduction potential of the sector. This strategy recognised that tourism is a labour-intensive industry and puts forward the target of 225 000 additional jobs by the year 2020.

Related to tourism destination development is the Department of Arts and Culture’s approach to arts, culture and heritage that fits within the New Growth Plan in a manner that promotes social cohesion, skills development economic growth. The Mzansi’s Golden Economy programme resulted from a consultative workshop with over 1,100 delegates and sets out programmes for the crafts, music, film, other creative industries, as well as heritage and cultural assets. These programmes aim to protect assets, increase supply and demand, expand local value chains to deepen the economic value and increase the local skills base. The connection between these assets and industries and the economic value of tourism is reiterated throughout the Mzansi’s Golden Economy programme with tourism being a key demand driver and source of revenue.

3.1.7 The National Tourism Sector Strategy, 2011

The National Tourism Sector Strategy aims to grow sustainable tourism both in the domestic and international markets with a focus on innovation, service excellence and meaningful partnerships. Higher spending markets are targeted, as are increasing visitor numbers. Specific targets include attracting R35 billion more in public sector/government investment in tourism infrastructure and R1 billion more in international direct investment.

This strategy also aims to grow domestic and regional markets. The strategy highlights the need to better understand the African market and develop strategies for enhancing the economic benefits of these connections, both through African visitors to South Africa, and through expansion by South-African owned tourism companies into Africa. Currently, this market is not well understood. Medical treatment and shopping are main motivators for this market. Some success has been achieved in marketing packages to African markets – for example, transport and shopper packages targeted at Malawians to shop in Johannesburg.

Specific objectives outlined in the strategy include:

1. Grow tourism’s contribution to the economy.
2. Provide excellent people development and decent work in the sector.
3. Increase domestic tourism’s contribution to the tourism economy.
4. Contribute to the regional tourism economy.
5. Deliver world-class visitor experiences.
6. Extend tourism culture among South Africans.
7. Position South Africa globally as a recognised tourism destination brand.
8. Achieve transformation within the sector.
9. Address the issue of geographic, seasonal and rural spread.
10. Promote responsible tourism practices within the sector.
11. Unlock the tourism development potential at provincial and local government level.

This strategy also identifies niche tourism as an area for development in South Africa. Niche tourism is expected to:

- Create new markets
- Increase spending in localities
- Spread the benefits of tourism outside of traditional tourism area to community-based niche tourism products
- Create jobs and develop skills

### 3.1.8 Domestic Tourism Growth Strategy, 2012-2020

South Africa’s national Domestic Tourism Growth Strategy provides for the enhanced focus on domestic tourism since domestic tourism is an essential contributor to the growth of the tourism economy and provides a foundation for sustainable tourism growth and development, more especially in times of global uncertainties.

**Strategic objectives** set out by the strategy include:

- To increase domestic tourism revenue (expenditure)
- To increase domestic tourism volume
- To improve measures and efforts aimed at addressing seasonality and geographical spread
- To enhance the level of the culture of travel and tourism among South Africans

**Key principles and actions** relevant to this strategy include to:

- Encourage innovation of operations, attractions and offering
- Develop affordable tourism products
- Develop and implement tourism awareness-education programme/campaigns
- Enhance training of tourism product owners, employees and neighbouring communities
The strategy is underpinned by the following **values**:

- Responsible tourism
- Respect for culture and heritage
- Service excellence
- Sector transformation

**Implications for this Tourism Development Framework**

The principles and values, such as increasing domestic tourism to address seasonality and the spread of benefits; encouraging innovation and service excellence; promoting budget tourism; implementing awareness programme; enhancing training; responsible tourism and culture and heritage, have been incorporated into the strategy (as outlined in Chapter 5).

**3.1.9 National Heritage and Cultural Tourism Strategy**

The vision of the strategy is to realise the global competitiveness of South African heritage and cultural resources through sustainable tourism product development. It points out that heritage and cultural tourism products are underrepresented in tourism marketing and that the value of this segment of tourism has not been fully realised in South Africa the strategy aims:

- To provide strategic guidance to support the integration and coordination of heritage and cultural resources into mainstream tourism for product development and sustainable tourism
- To utilise heritage and cultural tourism products, through strategic partnerships and the participation of local communities, to stimulate sustainable livelihoods at community grass-roots levels
- To provide an opportunity to raise awareness, increase education and profile the conservation needs of heritage and cultural resources for sustainable tourism which is in line with values of respect for culture and heritage
- To provide an opportunity for the diversification of tourism products and the formalisation of the segment or niche of heritage and cultural tourism, towards contributing to the growth of tourism.
The strategy provides the following types of heritage and cultural tourism products in South Africa:

<table>
<thead>
<tr>
<th>NO</th>
<th>TANGIBLE 15</th>
<th>INTANGIBLE 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Historical Buildings and Places</td>
<td>Oral History and Traditions</td>
</tr>
<tr>
<td>2.</td>
<td>Declared Heritage Sites</td>
<td>Indigenous Knowledge Systems</td>
</tr>
<tr>
<td>3.</td>
<td>Cultural Objects and Collections</td>
<td>Rituals and Cultural Performances</td>
</tr>
<tr>
<td>4.</td>
<td>Artefacts and Crafts</td>
<td>Art Performances and Creative Arts</td>
</tr>
<tr>
<td>5.</td>
<td>Fine Art</td>
<td>Skills and Techniques</td>
</tr>
<tr>
<td>6.</td>
<td>Cultural Landscapes (including natural and cultural aspects of the environment)</td>
<td>Belief Systems</td>
</tr>
<tr>
<td>7.</td>
<td>Archaeological evidence</td>
<td>Cultural Festivals</td>
</tr>
<tr>
<td>8.</td>
<td>Geological Evidence</td>
<td>Popular Memory</td>
</tr>
<tr>
<td>9.</td>
<td>Paleontological Remains</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Sacred and Spiritual Sites</td>
<td></td>
</tr>
</tbody>
</table>

15 Heritage and cultural tourism products with tangible and often physical characteristics, which are consistent with the definition provided for heritage resources, site, place and object.

16 Heritage and cultural tourism products with intangible and often non-physical characteristics, which are consistent with the definition provided for living heritage and intangible cultural heritage.

Implications of Tourism Development Framework

The strategy promotes the development of cultural and heritage resources for tourism development towards the benefit of local communities and provides examples of such tourism types. Many of these are useful for the development of cultural heritage tourism, as suggested by this strategy.
3.1.10 Marketing Tourism Growth Strategy for South Africa

This strategy indicates that key destination brand images for South Africa are:

- Business
- Leisure
- Events

Key elements of this strategy of relevance to this framework include:

1. Grow international arrivals by focusing and countries and markets that are attractive from a volume and value perspective:
   a. The strategy indicates that countries like Germany, France, the Netherlands and the UK are strong existing and mature markets for South Africa. Arrivals from these countries should be grown since they are high value visitors. At the same time, efforts should be made to tap into new European markets such as Italy, Sweden and Spain.
   b. Countries like India, China, Japan, Brazil and Argentina are important growth markets for South Africa.
2. Grow arrivals from African countries, especially air arrivals:
   a. The strategy indicates that 76% of South African arrivals are from the six neighbouring countries in the SADC4. The African land markets are saturated, but air markets from Africa can be grown, especially from East Africa, Angola, the DRC and Nigeria.

3.1.11 National Rural Tourism Strategy

The National Department of Tourism (NDT) developed this strategy to ensure a developmental approach when packaging rural tourism products and opportunities in South Africa. The approach also prioritises spatial nodes which have growth potential to ensure growth in the tourism industry is stimulated.

The strategy aims to address the following objectives:

- To create a platform to share knowledge of best practice, development opportunities and challenges in rural areas for tourism development
- To facilitate the coordination of rural tourism development initiatives amongst relevant stakeholders
- To create an enabling environment for rural tourism development to stimulate job creation;
- To identify and recommend strategic areas/nodes for tourism development in rural areas within the sector

4 SADC - Southern African Development Community
To guide strategy development within key documentation generated for tourism development and management in South Africa

The only key element of this strategy of relevance to the Western Cape is the West Coast which has been identified as a rural tourism node for development (including the Cederberg area). Cape Town has not been identified as it is not a rural area.
3.2 Local Policies and Strategies for Tourism Development

3.2.1 Western Cape Economic Development Strategies

The Western Cape economic development strategies, such as the Western Cape Strategic Plan and the Micro-Economic Development Strategy for the Western Cape, indicate that tourism has substantial economic development potential for the province as part of a growing services sector. These strategies tend to focus on infrastructure, environment and industrial expansion. Together with the CoCT, the Western Cape government has a strong emphasis on value-added growth and export sectors, and priority sectors. Aligning the future development pattern of the province and municipality with economic potential and the location of environmental resources remains a challenge, with various policies and strategies identifying industrialisation opportunities in areas that could also be developed as tourism or environmental nodes. Examples of these areas include the area around the N2/Baden Powel intersection at the boundary of Cape Town and Stellenbosch municipalities; the coastal and associated town areas stretching north-west from Atlantis to Saldanha Bay and harbour nodes.

The Western Cape Provincial Outlook of 2010 indicates that the key action programmes of special interest for the Western Cape include cultural industries (crafts, film and music) and tourism, both of which form part of the Micro Economic Development Strategy. Specific initiatives which are relevant to both the cultural and tourism sectors include the Cape Film Commission, the Performing Arts Network, the Visual Arts Network, and the Cape Craft Design Initiative. There is thus a focus on the creative industries as having economic potential for the province.

3.2.2 Responsible Tourism in Cape Town

The concept of ‘responsible tourism’ has been embraced by the CoCT when the Cape Town Declaration was signed in 2002. The notion that responsible tourism ‘creates better places for people to live in, and better places to visit’ was henceforth adopted. In 2009, the City adopted the Responsible Tourism Policy and Action Plan, signed the Responsible Tourism Charter and has continued to promote Responsible Tourism to industry role-players. In the same year the Cape Town Responsible Tourism Partnership was also formed which consist of public and private role-players i.e. CoCT, CTT, FEDHASA Cape, SATSA and SAACI. The Responsible Tourism Policy committed all of the resources and structures of the municipality to adopt a responsible tourism approach. Six ‘levers’ to achieve this was identified, these include:

- Planning for economic development, transport and all other areas
- Regulation, including land-use approvals, rezoning, licensing, building plan approvals, and the like
- Using buildings and other immovable property owned by the city

• Requiring organisations funded by the city to adhere to responsible tourism principles in contractual arrangements.

• Managing the city’s supply chain in a responsible manner, including transport and travel, meetings and conferences, events, and so on.

• Integrating responsible tourism principles within the city’s Performance Management Framework.

The responsible Tourism Policy and Action Plan also indicates that collaboration between departments and working closely with industry are required to achieve high standards of social, environmental and economic responsibility in the sector. It sets out a number of guidelines for responsible tourism in the city. Various departments have a role to play, particularly in creating the enabling environment. Departments such as Solid Waste, Transport, Social Services, Community Safety, Environmental Resource Management and Economic Development all have a role to play in ensuring that local tourism service providers are able to deliver tourism products that are socially, economically and environmentally responsible.

An industry Responsible Tourism Reporting Pilot project, and other related initiatives such as sustainability reporting and social responsibility reporting under other corporate mechanisms, participation in FairTrade Tourism initiatives or the 2010 Green Goals project, amongst others promote responsible tourism in the private sector. How-to guides and other information, events, partnerships and awards are already in place and available to the Cape Town tourism industry. The principles of set out in the declaration mirror that of the Responsible Tourism Guidelines, as discussed above. However, the concept of ‘LOVE’ has been applied to enhance the understanding of responsible tourism by the private sector, i.e.

L – Local (supporting local procurement, ownership, and suppliers)

O – Open (welcoming to tourists of all kinds and origins)

V – Variety (of destinations, experiences, affordability levels, cultures, languages, scales)

E – Ethical (being social and environmentally responsible)

Cape Town was recognised as the ‘Best Destination’ in the 2009 Responsible Tourism Awards in November 2009. In 2010, Cape Town was one of the Host Cities for the 2010 FIFA World Cup, and developed an action plan for hosting this major event in alignment with the principles of sustainability. The Green Goal programme has 41 projects designed to provide a positive legacy for our destination after the event, as well as to help the event itself be sustainable. The programme was given the 2010 Impumelelo Sustainability Award for its contributions to sustainability in South Africa. The city also received an Environmental Award in 2011 as per FIFA’s nomination.
In accordance with the principles of sound investment in tourism that is responsible, interventions are prioritised according to the following impact and viability factors:

- **Impact factors are assessed as:**
  - Social and environment return
    - Improvement in household income
    - Opportunity for skills development
    - Opportunity for transformation
    - Alignment with cultural and heritage policies and strategies
    - Increase in social corporate responsibility initiatives by tourism enterprises
    - The conservation of natural and heritage resources for tourism purposes
  - Economic return
    - Impact on GDP
    - Job creation
    - Impact on foreign direct investment
    - Impact on balance of payments (imports vs. export – tourism is key service exports)
    - Opportunities created for SMMEs
    - Potential for linkages with strategic sectors and/or niche markets

- **Viability factors are broken up as:**
  - Feasibility and Implementation
    - Trends show demand and support for project is reasonable
    - High level feasibility is positive
    - Availability of funds and/or suitable funding sources
    - Appropriate timeframe
    - Available institutional capacity
  - Sustainability and Implementation
  - Environmental integrity (contributes positively to the environment, or complies with environmental management plans and policies, such as Green Events, Green Building, energy and water conservations, improved waste management)
  - Contributes positively to the reputation of Cape Town as a sustainable city
The principles guiding institutional involvement in responsible tourism management should be those of:

- Promoting collaboration for a shared vision and goals that are responsible towards locals and visitors
- Being guided by the cross-cutting themes of social inclusion, equality of opportunity, transformation and responsible development in all decision-making, action and monitoring and evaluation
- Working closely with communities and community organisations, of different scales and foci, across the city in order to fully realise accessible involvement, spatial justice and participatory planning
- Fostering skills and knowledge retention and transfer and contributing positively to the human development of all partners and stakeholders

**Implications for Tourism Development Framework**

The adoption of the declaration and initiatives that follows shows that authorities and stakeholders in Cape Town are committed to responsible tourism. Responsible tourism should thus be adopted as guiding principle and vision for tourism development in Cape Town. Even though progress have been made to develop and promote responsible tourism in Cape Town, more needs to be done especially in terms of getting the private sector on board and spreading the benefit of tourism to poorer areas ensuring more economic opportunities to locals.

Planning and regulation are essential to ensure the development of a responsible tourism sector within the City. Responsible tourism development will not occur spontaneously; concerted efforts by government and private sector are thus needed to ensure that responsible tourism principles are incorporated into policies, strategies and actions aimed at tourism development. The responsible tourism investment criteria were included in the prioritisation model used in Chapter 5 to identify priority projects.

**3.2.3 Municipal Systems Act, 32 of 2000**

**Key Components of the Act**

The Local Government: Municipal Systems Act, Act 32 of 2000 establishes a framework for planning, performance-management systems, effective use of resources, and organisational structures within local government. Under the Act, the district and local authorities are required to adopt an integrated development plan (IDP) reflecting the council's vision for long-term development, with emphasis on developmental and internal transformation needs.

Chapter 4 (Sections 16 to 22) gives effect to Constitutional principles by providing for community participation in the development planning process and other affairs of the municipality, including prescriptions regarding the mechanisms, processes and procedures for community participation.

Part 2 of Chapter 5 (Section 26) identifies the core components of an Integrated Development Plan (IDP), including a vision and development priorities and objectives (including local economic development aims), spatial development framework and a financial plan which includes a budget projection for at least three years and key performance targets and indicators.
The IDP is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development in the municipality. Once approved, the local government is bound to the objectives, guidelines and projects set out in the IDP. In effect, any plan or strategy that is not aligned and incorporated into the IDP has no chance of implementation. Given the binding nature of the IDP, the integration of sector plans for tourism into the IDP is of critical importance.

**The Act and Tourism**

A representative and developmental tourism organisation should be one of the bodies which participate in the IDP process. Furthermore, it is important that the municipality’s objectives for tourism and the form of its involvement in tourism (as funder, provider, etc.) is stated through the IDP and related to development priorities and objectives. Where a tourism sector plan has been developed for a municipal area, the objectives, priorities and projects should be linked back into the IDP so as to ensure implementation.

### 3.2.4 City of Cape Town Integrated Development Plan, 2012 - 2017

The CoCT IDP is the overarching five year framework for service delivery and development in the municipal area. It guides council decisions on the allocation of human and financial resources and informs the monitoring and evaluation of municipal performance through various performance management frameworks and corporate scorecards. Pillars, objective, and programmes which have direct relevance to tourism development or which impacts broadly on tourism are outlined below:

- **Opportunity City**
  - Create and enabling environment for investment and job-creation:
    - Western Cape Economic Development Partnership programme
    - Events programme
    - Small-business centre programme (Activa)
  - Promote a sustainable environment through efficient utilisation of resources:
    - Sustainable utilisation of scarce resources, such as water and energy
  - Ensure mobility through the implementation of an effective public transport system:
    - Rail service improvement and upgrade programme
    - Bus rapid transit programme

- **Safe City**
  - Enhance intelligence-driven policing:
    - Intelligent crime prevention

- **Inclusive City**
  - Provide facilities that make citizens feel at home:
    - Heritage programme
Short descriptions of programmes and key considerations from the IDP, directly relevant to tourism development, are provided below. Programmes such as the sustainable utilisation of water and energy, transport upgrades and crime prevention impacts on tourism more broadly.

**Western Cape Economic Development Partnership programme**

The programme is focused on reforming the city’s business environment and creating a common business brand. Since tourism activities are an important component of economic performance in the city, there will be synergies between tourism development and this programme concerned with economic development.

**Events Programme**

Events are acknowledged as contributors to economic growth. They are integral to the tourism destination mix and economic development strategies. The City has the infrastructure and inherent potential to become the events capital of sub-Saharan Africa. The programme aims to position Cape Town as such. The programme further focuses strategically on the following event segments:

- Large events, such as the Cape Argus Pick ‘n Pay Cycle Tour, the Old Mutual Two Oceans Marathon
- Sports events, such as the FIFA World Cup and F1 racing
- Business events, exhibitions and conventions
- Cultural events, such as the Cape minstrel parade
- Music events, such as the Cape Town International Jazz Festival

Cultural, leisure and sport events stand as an overarching theme with business events incorporated into the events mix for Cape Town.

**Tourism**

The IDP indicates that tourism is a key driver of the Cape Town economy. Important relevant niche markets, as identified by the IDP for Cape Town, include cultural and heritage tourism, events-based tourism and education-based tourism.

**Cape Town Stadium**

The IDP indicates that the Cape Town Stadium plays a critical role in positioning Cape Town as a key events and tourism destination. This world-class facility is primed to play a leading role in attracting local and international events of varying sizes and complexity. Hosting these types of events will result in increased opportunities in the hospitality, events, tourism, facilities management and logistics industries, and will generate additional income for the Western Cape economy.
Small-Business Centre Programme (Activa)

The programme is aimed to stimulate entrepreneurship and business activity in the local economy by creating a multi-stakeholder network that will make it easy for entrepreneurs and individuals looking for employment support to navigate and make use of service organisations and practitioners’ services and resources. Tourism entrepreneurs and small business owners are set to benefit from the programme.

Heritage programme

The CoCT is committed to taking care of its heritage resources and applying natural and cultural heritage management laws and principles in decision making, projects and budget allocation. The CoCT is also committed to the coordination and implementation of the Mayoral Memories programme which includes the interpretation and preservation of key heritage sites in the city as well as the implementation of new memorials, with a particular focus on underrepresented heritage, such as the struggle history, slave history and indigenous clan history. On-going projects that will continue to be developed over the next five years include the Langa heritage route, restoration of mission villages such as Mamre, water heritage commemoration and Prestwich Memorial.

The protection, maintenance and development of heritage sites are important not only for preserving local heritage and educating the public, but also for tourism development in order to draw tourists to and bring economic opportunities to marginalised areas. The development of such resources is imperative to promoting cultural heritage tourism.

Major Infrastructure Projects that will benefit Tourism include:

- Cape Town International Convention Centre (CTICC) for expansion
- Redevelopment of the Bellville Velodrome
- Broadband infrastructure project for the Cape Town metro area network
- Rehabilitation and reconstruction of metro roads
- Extension of the MyCiTi service as part of Cape Town’s IRT system
3.2.5 Integrated Tourism Development Framework for the Western Cape

This framework provided a context for intervention and practical direction, and a basis for delivery of product development and marketing strategies through a market-led approach and focus upon prioritisation similar to the National Spatial and Infrastructure Investment Framework. The outputs of the framework were a Tourism Spatial Framework and a Tourism Infrastructure Investment Framework – which identifies the investments that the Western Cape will have to make to achieve its goals, and roles and responsibilities with regard to implementation.

**Implications for Tourism Development Framework**

The mentioned framework has spatially identified important areas for tourism development which still have relevance for this strategy as indicated below.

The framework identified the inner city and Foreshore as the main hub of tourism activity in the Western Cape. From the spatial analysis and research done for this strategy, this is still the case. However, there is a need to spread the benefits of tourism wider geographically to marginal areas through strategic product development.

One way to achieve the last-mentioned is to focus on cultural heritage tourism in the Cape Flat area in order to diversity the current tourism product offering in Cape Town. This was identified as key in the mentioned framework and is also a very important strategic development consideration for this strategy. Unfortunately, little if anything has been done to achieve this and more concerted efforts need to be made in future to promote cultural heritage tourism.

3.2.6 Tourism Development Framework, 2005

The CoCT adopted the previous TDF in 2005. The TDF aimed to provide the strategic and operational directives for the Department of Tourism to achieve the vision set out by the Department of Economic Development in the year 2000, namely:

*To position Cape Town as a world-class competitor and South Africa’s premier tourism and events destination and to maximise the economic spin-offs and jobs created.*

The following themes were adopted as part of this framework:

- **Theme 1 - Sustainability**: The long term future of tourism in Cape Town is linked to developing tourism in a way that respects and protects natural, cultural and built heritages and lifestyles, and leads to improved livelihoods.

- **Theme 2 - Market-driven product development**: The development of new products must be based market demand and the unique characteristics of the city.

- **Theme 3 - Partnerships**: More effective partnerships and alignment are required between public and private sectors, between different spheres of government, industry and communities, etc.

- **Theme 4 - Investment facilitation**: Private and public investment in tourism facilities and infrastructure, is the backbone of tourism development.
• **Theme 5 – People:** For the tourism sector to succeed and contribute to the livelihoods it must be supported by appropriate strategies for the training and skills-building and economic empowerment of individuals and small businesses.

• **Theme 6 - Quality service and standards:** There must be close alignment between the promises made to visitors and the products delivered. This requires focus on accessibility, safety, cleanliness, service quality, information provision, citizen attitudes, etc.

• **Theme 7 - Linking destination marketing and product development:** promises made in marketing activities should be provided through suitable product development. Cape Town should be marketed more effectively as a unique, vibrant, all year round destination

• **Theme 8 - On-going and focused research:** future decisions about product development and marketing must be based on sound and accurate market research.

In order to meet the goals connected to these themes, the CoCT embarked on an institutional strengthening phase and implemented a large number of projects – from marketing abroad to improving the tourism experience within Cape Town itself.

**Achievements**

Specific achievements with regard to the TDF include:

• The formulation of a Responsible Tourism Strategy with associated support resources (Goal 1).

• Addressing destination-specific challenges, such as working with the Table Mountain National Park on the Table Mountain Safety Work Group (Goals 2, 4, 5 and 6).

• Initiating and managing interest forums, such as the Tour Operators Forum, Business Networking Sessions and Responsible Tourism awareness workshops (Goals 3, 4, 5 and 6).

• Working together with other government agencies and private investors on numerous infrastructure and facility development projects, including but not limited to the Cape Town Stadium, the Cape Town International Convention Centre, the False Bay Ecology Park, Blaauwberg Conservation Area, Strand Jetty (Goals 2, 3, 4, 6 and 7).

• Improving signage by working together with the Department of Transport to develop a Tourism Signs Policy, develop rationale for tourism signage and district master plans, and assisting businesses and destinations to get brown road and pedestrian signs indicating tourism attractions throughout the city (Goal 7).

• Conducting and procuring research into the economic value of the sector, as well as supply of and demand for tourism attractions and services in specific sub-sectors and spatial areas. These research products are referred to throughout this report as valuable sources of information. Some of the studies are available on the department’s website (Goal 8).

• Contributing a tourism rationale chapter to the City’s Rail Plan, conducting research on rail tourism and initiating a pilot rail route, the Southern Line, which promotes the use of the city’s rail
infrastructure by locals and visitors alike to visit destinations in the Southern Suburbs and ‘deep south’ (Goals 4, 6, 7 and 8).

- Coordinating, hosting and participating in various ad hoc special events such as educational tours and events with other planning authorities, schools and industry (all goals).

These and other achievements of the City’s Tourism Department, combined with those of external industry bodies and private sector tourism service providers, have resulted in a tourism industry that is more mature, aware and globally competitive, with Cape Town being awarded numerous accolades recent years. These include Table Mountain being named one of the seven Natural Wonders; TripAdvisor’s Top Destination 2011 and 23rd Top Destination in 2012, Lonely Planet Second Best Beach City, Top Ten Study Abroad Cities, World Design Capital 2014 and more. The successful hosting of the FIFA World Cup in 2010 is another achievement.

**Implications for Tourism Development Framework**

The themes and goals set out the previous TDF provide an important baseline for this strategy. This strategy builds on, synthesizes and integrates the recommendations made in the previous TDF. Important considerations identified in the previous TDF which still hold relevance and which were used as directives for this strategy include:

- Tourism in Cape Town in predominantly urban in character
- The tourism space in Cape Town is highly fragmented – transport options to link attractions need to be improved
- Partnerships are the power behind successful cities and needs to be enhanced in Cape Town
- Marketing and product development is fundamental to tourism strategy
- Cape Town’s scenic beauty; and blend of cultures, wine, fashion and food are its unique attributes
- Niche markets identified for Cape Town include:
  - Meetings, Incentives, Conferences and Events
  - Adventure and backpackers
  - Cultural heritage tourism
  - Eco-tourism
  - Film
  - Cruising
- There is an undersupply of tourism products and facilities in the Cape Flats and Metro-south east
- More effort is required to establish a destination brand image for Cape Town – focus should be placed on factors which will differentiate Cape Town from other cities and provide a competitive advantage
- Ensure safety and higher quality in Cape Town
- Enhance cooperative marketing initiatives in Cape Town
- Optimise the use of ICTs

By updated research and the identification of key trends impacting on the tourism sector of Cape Town, this strategy has built on and expanded on the principles of the previous TDF in some cases, and in other cases sought to consolidate.
and integrate certain aspects in order to provide more focused and succinct policy recommendations. For instance, this strategy do not recommend a focus on any more niche markets, but aimed to link these conceptually to provide more consolidated strategic focus areas. The considerations outlined above remains relevant to this strategy and have informed the current research and strategy development. This does not however, limit the chances of future niche markets (such as nature-related or cultural heritage–based markets) from being explored and considered. Development projects that are identified will form part of a tourism mandate where by feasible and realistic projects will not be excluded from the tourism department’s focus. There is still a lot of work to be done in terms of further investigating their potentials. As for the current niches, they have already gone through those phases.

3.2.7 Central City Development Strategy, 2007

Central City Development Strategy indicates that the natural landscape, cosmopolitan nature, climate and lifestyle, history and heritage, and creativity are unique attributes that makes Cape Town’s central city distinctive and attractive. The strategy aims to expand creative hubs in the central city and city fringe areas; and repositioning the city as a leading centre for knowledge, innovation, creativity and culture in Africa. The strategy also identified a need to enhance public spaces and create a sense of place in the central city. This includes ensuring that the city is pedestrian friendly, safe and less congested; also to plant trees, protect green areas and parks, enhance building facades, enhance public spaces and creating street furniture. The Fringe is a specific initiative to develop an innovation hub for design, media and ICT firms in the inner city.

Implications for Tourism Development Framework

There is a need for closer linkages between the creative industries and tourism. Projects like the Fringe present opportunities for synergies between contemporary urban planning and regeneration, creative city development and urban tourism.

3.2.8 Integrated Events Strategy for Cape Town and the Western Cape

Cape Town and the Western Cape have a strong track record as events destinations events. However, events have been largely ad hoc and there is thus a need for a strategic approach to events management and promotion in Cape Town. The provincial government and CoCT have created an integrated events strategy to:

- build on the resources put into the 2010 World Cup
- develop and implement valuation techniques to assess whether funding is well spent
- ensure that there is strategic spread of investment across events by supporting existing jewels and emerging events
- create year round events
- better use of events focused at growth, development and inclusivity
- respond effectively to private sector and civil society demand
- growing the sector with the view to export expertise
The vision includes to become a world class events destination, and to host well-run efficient events.

Implications for tourism development framework

The focus is on hosting sport events and non-sport events like cultural events, conferences and meetings. This should be combined with the city’s strengths of sport, natural and cultural heritage, and creativity.

3.2.9 Cape Town Events Policy

This policy seeks to use events to promote and further develop Cape Town as:

- A vibrant, multi-dimensional, event-friendly city and year-round destination which supports, celebrates and complements Cape Town’s unique identity and profile nationally and internationally
- A city that recognises communities and the impact of events on them
- A city that has the highest standard of safety and integrated management
- A city where the importance of events is recognised as a major economic and social development driver
- A city where events contribute significantly to the Gross Geographic Product (GGP) of the local economy
- A city where events contribute to the sense of experience and place through sport, recreation, arts and culture
- A city where events are developed and managed in such a way that they contribute to sustainable development, including responsible use of the natural environment
- A city that actively seeks or responds to opportunities for new events that support the vision for events in the city and assist in making the best use of the City’s events venues and assets

The policy adopted the International Event Management Body of Knowledge (EMBOK) framework and event genres for the city:

- Business and corporate events
- Social awareness and social responsibility events
- Exhibitions, expositions and fairs
- Festivals
- Government and civic events
- Marketing events
- Meeting and convention events
- Celebration/occasion events
- Sport events
The CoCT aims to have a co-ordinated and co-operative approach to the programming and staging of events. In terms of the strategic positioning of the events portfolio the city has the following aims:

- An accessible calendar of events
- The calendar will be linked to key marketing and strategic focus aligned with the strategic objectives of the Tourism, Economic Development, Arts and Culture, Sport and Recreation and Communication Departments
- The city’s events calendar will address the issue of seasonality by strategic year-round events
- The calendar aims for a spread of events to manage the impact on resources
- The City’s Executive Director, Executive Councillor and Portfolio Committee for Economic, Social Development and Tourism in conjunction with the Executive Management Team and the Mayoral/Committee will oversee the City’s Events strategic positioning and alignment of the events strategy with the City’s strategic goals

**Implications for Tourism Development Framework**

The city is committed to establish and market Cape Town as an events destination. The mix will include a range of events – notably sport and recreation, art and culture. The city has the institutional structures to develop and manage an events calendar for Cape Town and provide an enabling infrastructure.

**3.2.10 CoCT Coastal Tourism (Cape Flats) Initiative**

The analysis found that there is strong biodiversity, rich culture and various nature reserves in this area. Existing infrastructure which is in place include good road access, power and water supply, existing tourism facilities in some cases and blue flag status for some beaches. However, products are geographically fragmented, there is strong competition from other nature products in Cape Town, and there is limited tourism marketing and no appealing destination brand and a lack of signage. The issues around crime, safety and security also need to be addressed. Nevertheless, some of these areas hold opportunities for development and upgrade. Another opportunity is linking coastal and cultural heritage tourism, as well as hosting of events. The following tourism product development opportunities have been identified:

- Macassar Sand Mine 4X4 adventure and quad-bike area
- Nature tourism at Rondevlei and Zeekoevlei
- Upgrade of the Rondevlei Island Lodge
- Environmental and coastal heritage museum at Wolfgat Nature Reserve
- Consolidation of beach tourism at Mnandi, Blue Waters, Srandfontein and Monwabisi
- False Bay Beach Festival
- Guided coastal hiking linking False Bay products
- Whale watching, seal island visits etc. at Strandfontein
3.3 Summary

The above illustrates that there is significant policy support for the tourism industry in South Africa at national, regional and local level. Specific implications for the development of this tourism development framework have been outlined throughout this chapter. A summary of important points follow.

- The role of local government in tourism development is to create an enabling environment for economic development via infrastructure investment and a number of support mechanisms which range from regulation and conservation, the development of signage and information centres, and support in terms of access to funding, marketing and skills development.

- Responsible tourism development is a guiding principle to ensure that tourism development is economically, socially and environmentally sustainable.

- The protection of environmental and heritage resources can be combined with tourism development.

- Grow strong existing international markets, while tapping in to growth markets. Also grow air arrivals from African and domestic tourism.

- Policies promote human development and social development, with a special focus on historically disadvantaged people and the youth, and on community partnerships.

- The effectiveness of governance should be enhanced via institutional strengthening.

- Macro-economic policies favour tourism and creative industry development.

- Tourism policies point out the importance of enhancing domestic and niche tourism.

- Tourism is of consequence for the economy of the Western Cape.

- There are various areas of integration between the IDP and tourism development, as pointed out.

- Cultural, leisure and sport events stand as an overarching theme with business events incorporated into the events-mix for Cape Town.

- An important principle is to foster spatial integration, address spatial injustices and spread the benefits of tourism wider geographically.

- Concerted efforts need to be made in future to promote cultural heritage tourism.

- The theme and goals set out the previous TDF provides an important baseline for this strategy.

- The city is committed to establish and market Cape Town as an events destination and has the institutional structures to accomplish this.

- Opportunities for synergy exist between creative industries, creative city promotion and tourism development.

- Opportunities exist for developing coastal tourism in the Cape Flats area.
Chapter 4: Destination Situation Analysis

The purpose of the destination-situation analysis is to provide a solid base of information to guide and inform the proposed strategies (IRCT & GDA, 2006). This includes information regarding the current situation of the destination in terms of supply, demand, gaps in the demand and supply, general infrastructure and impact of tourism. This chapter culminates with a SWOT analysis to synthesise the baseline information on the existing characteristics of the destination in order to identify opportunities and limitations which will inform the strategy development in Chapter 5. Strategic implications are highlighted with yellow text boxes throughout this chapter – these informed the strategic directions in Chapter 5.

The demand-side of tourism analysis includes classifications of individuals and the characteristics of the trips they take (Smith, 1995). An investigation regarding this follows below.

4.1 Tourism Demand

4.1.1 Visitor Figures

A tourist is a person who travels to a place outside his or her usual environment for less than a year and for purposes other than engaging in remunerated activities within the place visited (Smith, 1995). Tourists can be classified into international (or foreign) and domestic visitors. Sometimes visitor figures include day visitors.

During 2011 the Western Cape received 1.4 million foreign visitors, a decrease from the 1.5 million foreign visitors in 2010, but up from the 1.3 million foreign visitors in 2009 (SAT, 2011). The decrease in visitor numbers in 2011 can be attributed to inflated visitor numbers during 2010 as a result of the FIFA World Cup, and the effects felt as a result of the global economic downturn of recent years. Domestic trips to the province amounted to 2.4 million in 2011, also down from 2.7 million in 2010 (SAT, 2011). Table 4.1 provides average visitor figures for some of Cape Town’s most popular attractions.

| **Table 4.1: Visitor figures for Cape Town’s most popular attractions and events** |
|---------------------------------|------------------|
| Kirstenbosch Botanical Gardens  | 627,122          |
| Table Mountain Cableway        | 807,000          |
| Boulders Beach                 | 514,583          |
| Cape Point                     | 775,651          |
| Robben Island                  | >300,000         |
| V&A Waterfront                 | 21,801,000       |
| Argus Pick ’n Pay Cycle Tour participants* | 35,000        |
| Old Mutual Two Oceans Marathon participants** | 17,906        |
| Cape Town International Jazz Festival* | 32,000        |

*CTRU, 2011  
*Media reports  
*Saayman & Rossouw, 2010  
**Urban-Econ, 2008  
†Exact figure N/A

These figures include a large proportion of locals in some cases.
4.1.2 Visitor Profile

The visitor profile includes the age, lifestyle, education, origin, purpose of visit, length of stay and group size of visitors to Cape Town.

**Age, Lifestyle and Education**

The largest portion (43%) of foreign visitors is aged between 18 and 35, with a third between 36 and 50 years (CoCT, 2002). Approximately three quarters are either single or married without children (CoCT, 2002). This corresponds with the group size figures from CTRU which indicate that over 50% of visitors travelled in pairs, while up to 25% travelled alone (Figure 4.1).

*Figure 4.1: Group size of visitors to Cape Town, 2011*

![Group size of visitors to Cape Town, 2011](chart)

*Source: CTRU, 2011

Median for Q1-4, 2011

The profile of domestic visitors differed slightly. The largest portion of visitors where children from infants to 19 years of age (37%), followed by young people aged 20 to 35 years (27%) and middle aged persons from 36 to 49 years (19%, Quantec Research Data, 2011).³ Domestic visitors to Cape Town are therefore mostly young singles, followed by families with children (see Figure 4.2).

Nearly half of foreign visitors to Cape Town are professionals, executives or managers (CoCT, 2002). These visitors thus have high levels of education. The educational profile of domestic visitors differs in this regard. Half of domestic visitors have a secondary education, while 9% has a tertiary qualification (Figure 4.3).

³ Sourced by Quantec from Stats SA’s Domestic Visitor Surveys
Figure 4.2: Marital status of domestic visitors to Cape Town, 2011

Figure 4.3: Educational profile of domestic visitors to Cape Town, 2011

Source: Quantec Research Data, 2011
Origin and Source Markets

Domestic visitors constitute the largest portion of the visitor source market for the Western Cape (65.8%); followed by the international market (21.7%) and the African market (12.5%). These figures are further broken down below. Figure 4.4 indicates that the largest source markets for Cape Town in terms of foreign visitors are Germany, UK and the USA. This corresponds with CoCT (2002) data.

Figure 4.4: Origin of overseas visitors to Cape Town*

![Graph showing origins of overseas visitors to Cape Town]

*Median for Q1-4, 2011

The largest of the core market segments are Germany and the UK. These markets are very similar. The salient features of their shared characteristics are outlined in Table 4.2.

<table>
<thead>
<tr>
<th>Table 4.2: Characteristics of the German and UK markets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Short stay organised breaks</strong></td>
</tr>
<tr>
<td><strong>Age</strong></td>
</tr>
<tr>
<td><strong>Income and education</strong></td>
</tr>
<tr>
<td><strong>Mind-set</strong></td>
</tr>
<tr>
<td><strong>Expectations</strong></td>
</tr>
<tr>
<td><strong>Travel behaviour</strong></td>
</tr>
<tr>
<td><strong>Luxury tour groups</strong></td>
</tr>
<tr>
<td><strong>Age</strong></td>
</tr>
<tr>
<td><strong>Mind-set</strong></td>
</tr>
<tr>
<td><strong>Expectations</strong></td>
</tr>
<tr>
<td><strong>Travel behaviour</strong></td>
</tr>
</tbody>
</table>

Source: CoCT, 2002
The Western Cape received 19% of African visitors arriving by land or air to South Africa in 2011, expressed as 19 million bed nights (SAT, 2011). In terms of regional visitors from Africa, the core source markets (in order of magnitude) are (CoCT, 2002; SAT, 2011):

- Namibia
- Mozambique
- Zimbabwe
- Lesotho
- Botswana

Figure 4.5 indicates most domestic visitors to Cape Town come from Gauteng and then from elsewhere in the Western Cape.

*Median for Q1-4, 2011

Tapping into the ‘Asian’ market is important for future growth. In other words targeting visitors from China, Japan, South Korea and also India. More research is required on the potential of this market, the characteristics of visitors, how to position existing tourism product in this market or diversity the current product offering to appeal to this market.
**Purpose of Visit**

The purpose of visit by tourists to Cape Town is presented in Figure 4.6. The vast majority of tourists visit for holiday purposes (78%), followed by business (7%), and events and conferences (6%). In the case of domestic visitors, visiting Friends and Relatives (VFR) is the main purpose of visit to the Western Cape followed by holidays.

*Figure 4.6: Main purpose of international visits to Cape Town, 2011*

*Figure 4.7: Main purpose of visit by domestic visitors to the Western Cape, 2011*
**Length of Stay**

International tourists spend an average of 9 nights in Cape Town in winter and 7.5 nights in summer (CoCT, 2002). In the case of domestic trips, the length of stay is 13 nights in summer and 8 in winter (CoCT, 2002). This is longer than the average length of stay by domestic tourist in South Africa, which is 4.9 nights when on holidays and 4.5 nights when VFR (SAT, 2011).

### 4.1.3 Occupancy, Accommodation Demand and Seasonality

The STR Global Report reported occupancy levels of over 60% in December 2011. Occupancy rates reached 74% during the high season in Cape Town early in 2012 (D’Angelo, 2012). Nevertheless, the 4- and 5-star market in Cape Town appears to be over saturated (Demes, 2010). There is however a demand for more budget and economy hotels in Cape Town (Demes, 2010). Cheaper accommodation options i.e. backpackers, self-catering, B&B’s show higher growth in Cape Town than five star hotels. The biggest demand is in the self-catering, 2 and 3-star, and backpacker categories (Demes, 2010).

The biggest challenge for the sustained growth of Cape Town’s tourism industry remains seasonality. Visitor numbers and occupancy rates are low in winter months (CoCT, 2002). Domestic tourism can play a role in addressing the seasonality of international tourism flows (Cornelissen, 2005; Visser and Barker, 2004). In order to address this market repositioning is required, as well as the development of year round attraction and new events and festivals in winter time.
4.1.4 Visitor expectations and satisfaction

Visitor surveys conducted by Urban-Econ in January 2012, measured visitor perceptions to identify strengths and weaknesses in the local tourism system. These surveys consisted of questionnaires administered face-to-face with visitors at tourism attractions such as the Table Mountain Cable Way, Signal Hill, Sea Point Light House, the Waterfront, Hout Bay Harbour, Fish Hoek Harbour, Cape Point and Clifton 4th Beach. The majority of the questionnaires were completed by international tourists. A total of 150 questionnaires were completed.

The results indicated that visitors have the highest expectations, and also satisfaction with regard to the natural resources of the area, see Figure 4.8. Visitors have the highest expectation and satisfaction regarding beaches, followed by mountains, climate and scenery.

Figure 4.8: Visitor perceptions regarding natural resources in Cape Town

The survey also measured visitor perceptions regarding cultural resources, see Figure 4.9. For all items measured, satisfaction exceeds expectations. However, visitors have lower expectations of cultural and heritage resources such as historical building and museums than of food and dining for instance and still lower expectations of visual arts, festivals, performing arts and cultural heritage tours. The latter are important considerations for promoting Cape Town as a creative city and these findings indicate that the image of Cape Town with regard to these is low. This is thus a weakness which holds opportunity for development.

Figure 4.10 depicts visitor perceptions regarding visitor services, activities and facilities in general. In all cases satisfaction exceeds expectations, except for tour packages. Safety and security are rated at 65% on expectation and 71% on actual experience which indicates that Cape Town was experienced as safer than anticipated. SAT (2011) indicates, with regard to the experience of foreign tourists, that only 2.7% regarded safety and security as their most negative experience in South Africa. The vast majority of visitors indicated that they had no bad experience.
Figure 4.9: Visitor perceptions regarding natural resources in Cape Town

- Food and dining: High expectation, high satisfaction.
- Culture and heritage: High expectation, high satisfaction.
- Historical buildings: High expectation, high satisfaction.
- Museums: High expectation, high satisfaction.
- Arts and crafts: High expectation, high satisfaction.
- Theatre: High expectation, high satisfaction.
- Festivals and events: High expectation, high satisfaction.
- Township tours: High expectation, high satisfaction.
- Galleries: High expectation, high satisfaction.
- Religious places: High expectation, high satisfaction.

Source: Urban-Econ Visitor Surveys, 2012

Figure 4.10: Visitor perceptions regarding visitor services, activities and facilities

- Night life: High expectation, high satisfaction.
- Safety and security: High expectation, high satisfaction.
- Shopping: High expectation, high satisfaction.
- Accommodation: High expectation, high satisfaction.
- Wine tasting: High expectation, high satisfaction.
- Affordability: High expectation, high satisfaction.
- Transport: High expectation, high satisfaction.
- Information centres: High expectation, high satisfaction.
- General customer service: High expectation, high satisfaction.
- Tour packages: High expectation, high satisfaction.
- Child friendliness: High expectation, high satisfaction.
- Accessibility: High expectation, high satisfaction.
- Guides: High expectation, high satisfaction.
- Theme parks: High expectation, high satisfaction.

Source: Urban-Econ Visitor Surveys, 2012
Overall remarks in connections with Urban-Econ’s visitor surveys include:

- Repeat domestic visitors (35% of respondents) seek greater variety of activities, better advertising of activities and longer trading hours
- 27% seek better affordability (no correlation with origin)
- 12% seek improved air passenger services
- 11% seek better marketing of activities
- 7% seek improved customer services i.e. restaurants underperform in terms of service delivery
- 7% seek improved transport options
- Robben Island, cultural heritage offerings are currently the weak points in Cape Town’s portfolio of offerings. 100% answered ‘yes’ to ‘Would you visit Cape Town again?’

4.1.5 Summary

- Cape Town has a strong and growing international visitor base
- Key international markets are Germany, the UK and the USA
- International visitors are mostly young, single, well-educated and adventurous. A second group is older couples who prefer more luxury and want to enjoy nature and wildlife
- The domestic market is by far the largest source market and it should be enhanced because of its sheer volume and benefits for seasonality and sustainability.
- Most domestic visitors come from Gauteng, or elsewhere in the Western Cape
- Domestic visitors are mostly married couples with children or middle aged persons. Most domestic visitors have a secondary education
- Most visitors travel for holiday purposes or to attend events. Most domestic visitors travel for VFR purposes
- Seasonality is one of the biggest constraints for sustained tourism growth and occupancy rates are low in the winter months.
- Visitors have the highest expectation and satisfaction with regard to natural resources, followed by food and wine, and culture and heritage. The visual and performing arts (i.e. creative industries) scored low, as did cultural heritage tourism.

I. Strategic Implications

- Cape Town has a strong destination image in terms of nature, and culture and heritage
- Promote domestic tourism and the development of year round events to address seasonality
- More should be done to promote cultural heritage tourism
- Promote tourism product development which will target young, adventurous international visitors
- Closer links between tourism and creative industries should be developed
- Encourage affordability and good customer service in tourism firms
- Improve accessibility of tourism attractions and facilities
- Improve tourism marketing initiatives
4.2 Tourism Supply

The supply side of tourism comprises the services provided to visitors (Smith, 1995). This includes natural, cultural and heritage resources combined with accommodation, information offices, restaurants, entertainment facilities, etc. (IRCT & GDA, 2006). Descriptions of these are provided below.

4.2.1 Natural Resources

Cape Town’s scenic beauty and natural resources are one of the main reasons why people visit the city. These include natural resources, including the beaches and coast, mountain ranges, forests, floral kingdoms, wetlands, dune systems, landscapes, National Parks and other protected areas. Popular tourism products in this category include, inter alia, the Table Mountain National Park (including the Cable Way, Boulders Beach, Silvermine and Cape Point); and blue flag beaches, particularly Clifton and Camps Bay, but also beaches along the False Bay coastline, and towards Melkbosstrand.

Cape Town has more than 30 nature reserves. A list of nature reserves, parks and gardens, and resorts are provided in Box I. These resources support a variety of leisure activities such as hiking, bird and wildlife watching, mountain biking, picnics, camping and environmental education. These resources are enjoyed by locals and visitors alike. Upgrades are required to turn them into quality tourism attractions. However, a thorough assessment needs to be done regarding the tourism and visitor number potential of some of the under-developed sites, especially those sites within and around conservation areas. Some will have more visitor potential than others, depending on the terrain, the location and resources. Sites such as the City Nature Reserve and the Cape Flats Lowlands vegetation hold vast potential for nature-based activities. Further strategic sites for tourism development are still to be identified. By marketing the essence of nature and what it has to offer in terms of out-door experiences, it also gives visitors the opportunity to explore a different experience. Simultaneously, local communities will have the opportunities to provide relevant services while capitalising on the economic potentials. These activities can be linked to heritage/cultural tourism activities and a well-rounded package and experience for the visitors. Nevertheless, even if some of the areas do not have great tourism potential – upgrades and improved conservation will be necessarily to ensure access and use by local residents in terms of much needed green areas, and leisure and recreation facilities especially in poorer areas. Furthermore, not all of these are equally accessible to visitors, particularly wetlands, dune systems and decentralised conservation pockets. Also, there is a lack of on-site information offices, guides and/or information signs and other infrastructure required to convert the asset into a tourism product. Another important consideration is accessibility to persons with disabilities. Since some of these resources spatially located outside of popular tourism nodes, there is an opportunity to upgrade certain areas to draw visitors and ensure that the benefits or tourism are spread wider.

Urban expansion, mass tourism, pollution and climate change are risk factors which impact on the sustainability and supply of natural resources. There is an increasing demand for housing and mixed-use development which competes with conservation imperatives. Inappropriate development which impacts on
the natural environment is a threat to the tourism sector. Responsible tourism development principles promote actions to minimise negative environmental impacts and conserve habitats and species. Another risk is underinvestment in these natural resources which impacts on the maintaining and sustaining these resources. However, opportunities exist to utilise sensitive development with small footprints to increase awareness of, access to and fund the management of largely untapped natural resource areas such as the coastline along False Bay from Muizenberg to Khayelitsha.

<table>
<thead>
<tr>
<th>Box I: Nature reserves, resorts, parks and gardens in and around Cape Town</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Nature reserves</strong></td>
</tr>
<tr>
<td>Rondevlei Nature Reserve, Grassy Park</td>
</tr>
<tr>
<td>Zandvlei Estuary Nature Reserve</td>
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<tr>
<td>Zeekoeivlei Nature Reserve</td>
</tr>
<tr>
<td>Lower Silvermine River Wetlands</td>
</tr>
<tr>
<td>Mamre Nature Reserve</td>
</tr>
<tr>
<td>Witzands Aquifer Conservation Area</td>
</tr>
<tr>
<td>Blaauwberg Nature Reserve</td>
</tr>
<tr>
<td>Rietvlei Wetland Reserve</td>
</tr>
<tr>
<td>Intaka Island</td>
</tr>
<tr>
<td>Tygerberg Nature Reserve</td>
</tr>
<tr>
<td>Durbanville Nature Reserve</td>
</tr>
<tr>
<td>Kogelberg Nature Reserve</td>
</tr>
<tr>
<td>Table Mountain</td>
</tr>
<tr>
<td>Hoerikwaggo Trail</td>
</tr>
<tr>
<td>Bracken Nature Reserve</td>
</tr>
<tr>
<td>De Hel Nature Area, Constantia</td>
</tr>
<tr>
<td>Die Oog Conservation Area, Bergvliet</td>
</tr>
<tr>
<td>Edith Stephens Wetland Park</td>
</tr>
<tr>
<td>Glencairn Wetland</td>
</tr>
<tr>
<td>Lourens River Protected Natural Environment, Somerset West</td>
</tr>
<tr>
<td>False Bay Nature Reserve</td>
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<tr>
<td><strong>Parks and gardens</strong></td>
</tr>
<tr>
<td>Greenpoint Urban Park</td>
</tr>
<tr>
<td>The Company’s Gardens</td>
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<tr>
<td>Arderne Garden</td>
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<tr>
<td><strong>Leisure resorts</strong></td>
</tr>
<tr>
<td>Blue Waters, Strandfontein</td>
</tr>
<tr>
<td>Fish Hoek</td>
</tr>
<tr>
<td>Harmony Park, Gordon’s Bay</td>
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<tr>
<td>Hendon Park, Gordon’s Bay</td>
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<tr>
<td>Kogel Bay</td>
</tr>
<tr>
<td>Kuils Rivier</td>
</tr>
<tr>
<td>Macassar</td>
</tr>
<tr>
<td>Table Mountain Aerial Cableway</td>
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<tr>
<td>Lions Head</td>
</tr>
<tr>
<td>Signal Hill</td>
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<tr>
<td>Kirstenbosch National Botanical Garden</td>
</tr>
<tr>
<td>Tokai Arboretum</td>
</tr>
<tr>
<td>Silvermine</td>
</tr>
<tr>
<td>Boulders Beach</td>
</tr>
<tr>
<td>Cape of Good Hope</td>
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<tr>
<td>Helderberg Nature Reserve, Somerset West</td>
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<tr>
<td>Kenilworth Racecourse Conservation Area</td>
</tr>
<tr>
<td>Maccasar Dunes Conservation Area</td>
</tr>
<tr>
<td>Meadowridge Common</td>
</tr>
<tr>
<td>Ronderbosch Common</td>
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<tr>
<td>Silwerboomkloof Natural Heritage Site, Somerset West</td>
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<tr>
<td>Uitkamp Wetlands, Durbanville</td>
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<tr>
<td>Wolfgat Nature Reserve, Mitchells Plain</td>
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<td>Zoarvlei Wetlands, Rugby</td>
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<tr>
<td>Harmony Flats Nature Reserve, Phillipi</td>
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<tr>
<td>Milnerton Racecourse Nature Reserve</td>
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<tr>
<td>Maynardville Park</td>
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<tr>
<td>Durbanville Rose Garden</td>
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<tr>
<td>Wynberg Park</td>
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<tr>
<td>Monwabisis, Khayelitsha</td>
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<tr>
<td>Soetwater, near Kommetjie</td>
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<tr>
<td>Silwerstroomstrand, near Atlantis</td>
</tr>
<tr>
<td>Voortrekker Park, Strand</td>
</tr>
<tr>
<td>Zandvlei, Muizenberg</td>
</tr>
<tr>
<td>Miller’s Point, near Simon’s Town</td>
</tr>
</tbody>
</table>
4.2.2 Attractions

Natural, and cultural and heritage attractions forms the base of Cape Town’s attraction offering. The top six attractions in Cape Town are the V&A Waterfront, Robben Island, Table Mountain, the Constantia Vineyards, the Castle of Good Hope and the Kirstenbosch Botanic Gardens (Pirie, 2007). Figure 4.11 shows the top 20 attractions in South Africa as determined by numbers of visitors arriving by air (Cape Town’s attractions are marked with yellow stars). The top four is located in Cape Town i.e. the V&A Waterfront, the City Centre, Cape Point, and the Winelands (some of which are situated outside Cape Town in the Stellenbosch, Paarl and Franschhoek areas). Beaches come in fifth, but the statistics do not show where they are situated. Some of them will arguably be in and around Cape Town. Flea markets in the Western Cape (some of which will be in Cape Town) comes in sixth, the Table Mountain Cableway comes in 10th and Robben Island comes in 13th.

Figure 4.11: Attractions or landmarks visited by air tourists in South Africa, 2009-2011.

<table>
<thead>
<tr>
<th>Top 20 attractions or landmarks</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>V&amp;A Waterfront</td>
<td>920,699</td>
<td>1,024,021</td>
<td>952,194</td>
</tr>
<tr>
<td>Cape Town Central City</td>
<td>770,249</td>
<td>921,722</td>
<td>872,476</td>
</tr>
<tr>
<td>Cape Point</td>
<td>660,074</td>
<td>736,031</td>
<td>680,117</td>
</tr>
<tr>
<td>The Winelands</td>
<td>591,843</td>
<td>639,056</td>
<td>587,054</td>
</tr>
<tr>
<td>Beaches</td>
<td>554,234</td>
<td>597,194</td>
<td>541,820</td>
</tr>
<tr>
<td>Western Cape - Flea/craft markets</td>
<td>408,844</td>
<td>496,970</td>
<td>485,157</td>
</tr>
<tr>
<td>Sandton Square / Sandton City</td>
<td>324,188</td>
<td>418,623</td>
<td>374,299</td>
</tr>
<tr>
<td>Nature conservatories</td>
<td>301,811</td>
<td>333,438</td>
<td>353,220</td>
</tr>
<tr>
<td>The Garden Route</td>
<td>342,281</td>
<td>350,515</td>
<td>330,681</td>
</tr>
<tr>
<td>Table Mountain Cableway</td>
<td>658,252</td>
<td>767,410</td>
<td>295,485</td>
</tr>
<tr>
<td>Gauteng - Flea/craft markets</td>
<td>158,175</td>
<td>250,505</td>
<td>280,150</td>
</tr>
<tr>
<td>Kruger Park via Skukuza, Numbi, Malelane, Crocodile Bride</td>
<td>279,840</td>
<td>273,422</td>
<td>240,001</td>
</tr>
<tr>
<td>Robben Island</td>
<td>210,153</td>
<td>228,214</td>
<td>229,278</td>
</tr>
<tr>
<td>Ostrich farms</td>
<td>200,788</td>
<td>206,888</td>
<td>214,698</td>
</tr>
<tr>
<td>Durban beach front</td>
<td>226,772</td>
<td>265,997</td>
<td>208,614</td>
</tr>
<tr>
<td>Whale watching</td>
<td>247,731</td>
<td>235,792</td>
<td>186,402</td>
</tr>
<tr>
<td>Tour of Soweto</td>
<td>155,705</td>
<td>213,781</td>
<td>178,963</td>
</tr>
<tr>
<td>Eastern Cape - Game reserves</td>
<td>168,237</td>
<td>162,059</td>
<td>152,329</td>
</tr>
<tr>
<td>Pretoria’s attractions</td>
<td>135,403</td>
<td>157,740</td>
<td>144,809</td>
</tr>
<tr>
<td>Beaches / Wild coast</td>
<td>140,718</td>
<td>169,014</td>
<td>141,434</td>
</tr>
</tbody>
</table>

Source: SAT, 2011 (SAT Departure Surveys)

There were 661 attractions, tours and experiences on the CTT database. The spatial distribution of these is shown in Figure 4.12. Most of these are situated in the greater foreshore, central city and adjacent coastal areas. A smaller concentration of establishments was situated in the Southern Suburbs (Cape Town South), and still fewer in the Northern Suburbs and Cape Flats (Cape Town North and East).

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8 Not all tourism firms are member of CTT and there will be many more firms than these reported. However, this data is useful for looking at spatial distribution.
Cape Town also has a number of other attractions and special events which draws people to the city. These include educational facilities for study-abroad opportunities, proximity to the Cape Winelands and Garden Route, and cultural and heritage experiences.

*Figure 4.12 Spatial distribution of attractions, tours and experiences in Cape Town*

![Pie chart showing the distribution of attractions in Cape Town: 46% Cape Town central and coastal, 35% Cape Town South, 19% Cape Town North and East. Source: CTT]

**Events**

Annually, Cape Town hosts a plethora of events. These include; the Cape Town International Jazz Festival (formerly known as the North Sea Jazz Festival), Cape Town International Opera Festival, Cape Town International Comedy Festival, Cape Town Book Fair, Design Indaba, and Cape Town Fashion Week, the Mother City Queer Project, the Cape Minstrels, the Cape Town Carnival, the Loeries, Summer Sunset Concerts in Kirstenbosch, Cape Argus Pick ‘n Pay Cycle Tour, the Old Mutual Two Ocean Marathon, the Cape to Rio yacht race, J&B Met, Cape Town International Boat Show to name a few, as well as numerous film festivals, carnivals, art exhibitions, concerts, beer festivals and mountain bike races. Cape Town also hosts various soccer, rugby and cricket matches and tournaments, as well as smaller championships in a variety of sporting codes. In addition, there is a variety of other conferences and meetings. Recent additions to the Cape Town events calendar are Creative Week and the Design Capital 2014 bid which will include various events throughout 2014.

Cape Town has a relatively well developed infrastructure in terms of facilities i.e. conference centres, hotels and sport facilities. The expansion of the CTICC, in particular, will further enhance the city’s supply in this regard. Cape Town also has a number of stadiums, fields, tracks, golf courses, swimming pools and other facilities that can be utilised to host national and international sporting events. However, some of these require upgrade in order to become internationally competitive. The CoCT is currently addressing challenges with regard to the under-utilisation of some facilities, particularly stadiums and conference venues in decentralised areas.
Cape Town has benefited from infrastructure investment and upgrades made to host the FIFA World Cup in 2010. These include the Integrated Rapid Transit busses and routes (i.e. My City) which is currently being extended along the Atlantic seaboard, an upgrade of the station precinct which is also been extended, an upgrade of the Cape Town International Airport, and the development of pedestrian walkways and bridges. Further developments and infrastructure improvements following on from these are in the pipeline i.e. there are plans in place to make the city centre more pedestrian and cycling friendly.

Opportunities to spread the benefit of events spatially across the city do exist, but require improved infrastructure and management. Other projects already in planning which will increase infrastructure to support special events and spread the benefits include the Bellville Velodrome Precinct Development, the Monwabisi Node Development and the Wynberg Sports Precinct Development.

**Business Tourism**

Cape Town has an underdeveloped business tourism market (Pirie, 2007), since the majority of visitors travel for nature-based, culture and heritage reasons (Visser, 2007). Furthermore, the conference and exhibition market is extremely competitive and branding is important for positioning destinations in the market (Rogerson, 2007). There are three cities in South Africa which competes for the Meetings, Incentives, Conferences and Events (MICE) market i.e. Johannesburg, Durban and Cape Town. The business tourism, both domestic and international, is strongly developed in Johannesburg/Pretoria since this is the financial, business and administrative hub of South Africa. In Cape Town, the luxury 5 star hotels regard leisure tourists are their main business, while 3 and 4 star hotels focus on international visitors to events, conferences and meetings. When comparing Cape Town to Johannesburg, Johannesburg emerges as more competitive since it the greatest capacity in terms of the number of delegates which can be accommodated at venues both in terms of conference venues and exhibition spaces (Rogerson, 2007).

However, Cape Town is the most popular destination for international conferences, conventions and meetings in Africa due to its range of natural attractions (see Figure 4.13). The biggest potential for Cape Town is thus to strategically position itself as the choice destination for high-profile international conferences and other events, and not to target the MICE market as a whole. This niche market will benefit from the expansion of the CTICC and the wider promotion of Cape Town as an events city.

It is recommended that this niche market should be marketed as part of the larger event mix in Cape Town; since conferences and their delegates are also drawn to Cape Town because of its nature, diversity and culture like other visitors to the area. An overarching focus on the unique selling features of Cape Town will thus also benefit this niche market.

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9 Consultation with Prof. Christian Rogerson at the University of Johannesburg in October 2012.
10 Ibid
Figure 4.13: Geography of international business conferences in Africa

Source: Robert Davidson (2012)11

11 Presentation at Meetings Africa in 2012
**Cultural and Heritage Attractions**

Cultural and heritage tourism attractions include the arts, heritage, other cultural expressions, and historic sites. Cultural resources include both physical assets such as archaeology, architecture, paintings and sculptures and intangible culture such as folklore and interpretative arts, such as storytelling and drama. Cape Town’s offering of cultural and heritage resources used by tourism include many archaeological sites (primarily in and around Table Mountain National Park, and along the coastline), cultural events and festivals, visual art, and performing art such as dance, theatre and music. Experiences range from visiting the Bo Kaap or Robben Island, to the stories of slaves that are shared at Groot Constantia and various historical and contemporary cultural narratives shared by tour guides across the city, and visits to unique cultural heritage areas. Important facilities include museums, galleries, theatres and other formal and informal spaces dedicated to culture and subculture of an area. Large theatres and orchestra houses include the Baxter Theatre, Artscape and City Hall, with smaller mostly privately run theatres spread across the city including Observatory, Hout Bay, Kalk Bay, Camps Bay, District 6 and Durbanville.

While there are over 30 museums in Cape Town, most of these lack state of the art humidity controllers, temperature control, digital displays and security features that have become standard requirements for attracting internationally renowned travelling displays. As such, many exhibitions cannot be shown in Cape Town. Many of the museums lack funding to conduct even basic maintenance, and seldom can afford to renew or update their displays, resulting in a missed opportunity for repeat visits (a vicious cycle, financially). Van Graan (2005:38) indicates that:

> ‘Some of the country’s oldest museums are located in the province and while there are few museums that might attract tourists in their own right, they certainly add value to the tourism experience. When considered against the importance of museums abroad, it would appear that we have not yet unlocked the full potential of museums as draw cards that capture the imaginations of both the local public and international visitors’.

There is an opportunity for museum upgrades or development of new modern interpretation centres (i.e. a state of the art gallery within the CTICC expansion) which meets global criteria to become world-class, state-of-the-art attractions. The development and incorporation of new ICTs into exhibitions and designs is an important consideration in this regard.

The IDP identified that the following heritage resources are under-recorded and that these should be augmented:

- The Mamre mission station and slave route project
- The marketing of struggle heritage sites, such as the UDF memorial, Gugulethu Seven, Langa Pass Office, and Trojan horse sites
- The Cape’s rural cultural landscapes, such as the winelands, as well as the rural areas around Philadelphia and Pella
There are also a number of military heritage sites in and around Cape Town which can be developed into or enhanced to ensure attractive tourism attractions i.e.:

- Ford Wynyard Gun Sites near the V&A Waterfront
- Old quarry and Noon-day gun
- The Castle of Good Hope
- Simon’s Town Naval Base

Cape Town also has a rich slave history and various museums, interpretation centres, commemoration sites and slave walks have been developed. However, further development is required to link these, make them more attractive and develop them into world-class culture and heritage attractions.

**Cruising**

Cape Town is a popular destination with a number of cruise operators and well positioned for world cruises. International visitors cruise to Cape Town during the winter in the north. Cape Town appeals primarily to the UK, European and USA markets which are well aligned to the city’s key origin markets. These are luxury, high-spending visitors.

SAT (2011) indicates that the number of people arriving by sea to South Africa is so small that it is statistically insignificant. SAT do therefore not report these figures. However, it should be remembered that in the case of cruising visitors often arrive by air to go on cruises departing out of South African ports, or depart by air if the cruise ends in Cape Town. Data on harbour arrivals were sourced from CTRU. The actual number of visitors arriving via sea is thus small as indicated in Table 4.3. In 2011, 5,229 vessels arrived in the Cape Town harbour and 34,705 visitors, the majority of which were South African citizens. This was also the case with departures.

<table>
<thead>
<tr>
<th>Table 4.3: Cape Town Harbour Arrivals, 2011</th>
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<tbody>
<tr>
<td><strong>Arrivals</strong></td>
</tr>
<tr>
<td>Foreign</td>
</tr>
<tr>
<td>13,295</td>
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<td>38%</td>
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Source: CTRU
**Wine and Dine**

Cape Town has a rich offering of wine and food experiences. The CoCT database lists about 150 of these entities, as depicted in Figure 4.14. However, there are many more restaurants in Cape Town but not all of these service tourists and the client base of such entities will consist mainly of locals. Figure 4.13 shows that wine and dine establishments that wish to market themselves to tourists are mainly situated in Cape Town’s main tourism node which consists of the City Centre, the Foreshore and the Atlantic Seaboard. Smaller concentrations are situated in the Somerset West/Strand/Gordon’s Bay areas and along the peninsula. A few establishments are based in Mitchells Plain, Khayelitsha and Kuilsrivier.

Local produce and neighbourhood markets are an increasing trend in Cape Town. These markets are supported by locals and visitors alike. Box II outlines organic or local markets in the city. Before more of these markets are established, it needs to be determined if there is a demand for more and whether they will be sustainable.

<table>
<thead>
<tr>
<th>Box II: Organic or local markets in Cape Town</th>
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<tbody>
<tr>
<td>Wellness Fresh Produce Market - Kloof Str, Tamboerskloof</td>
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<tr>
<td>De Waterkant Market – de Waterkant</td>
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<tr>
<td>Neighbourhoods Market – The Old Biscuit Mill, Woodstock</td>
</tr>
<tr>
<td>Holistic Lifestyle Fair – Observatory</td>
</tr>
<tr>
<td>Rondebosch Village Market – Rondebosch</td>
</tr>
<tr>
<td>Menngos Slow Food Community Market – Landsdowne</td>
</tr>
<tr>
<td>Plumstead Organic Market – Plumstead</td>
</tr>
</tbody>
</table>
| Constantia Waldorf Organic Market - Constantia | }
Figure 4.14: Location of wine and dine experiences in Cape Town

Source: CoCT
4.2.3 Accommodation

The accommodation offering in Cape Town include hotels, motels, self-catering apartments and houses, resorts, campsites, Bed & Breakfasts (B&Bs), lodges, guesthouses and backpackers of varying star ratings. The CoCT tourism GIS data lists more than 2,000 accommodation establishments for Cape Town. The accommodation mix is indicated in Figure 4.15. The majority of these establishments (over 50%) were situated in the city centre. Self-catering units, B&B’s and guesthouses made up the vast majority of accommodation establishments in Cape Town. There were few hostels and conference establishments.

In the lead up to the FIFA World Cup in 2010, a number of establishments were upgraded and new hotels were also constructed. In response to the demand created by the World Cup an over-supply of rooms were accordingly created by various new luxury hotel developments in Cape Town. Oversupply is mostly in the central city area and in the 4- and 5-star categories. In the aftermath of the World Cup, many of these hotels went up for sale and occupancy levels were low. Occupancy rates tumbled from 72% in 2007 to 53% in 2011, an 18.8 percentage-point decline (Kloppers, 2012). Some of these establishments are currently being converted for other uses such as offices and apartments and/or reduction of star rating and pricing to increase occupancies. However, there are signs that the hotel industry has started to recover late in 2011. There remains a shortage in Cape Town for budget and economy hotels (Demes, 2010). This is an important consideration in terms of expanding the backpacker market as discussed later in this Chapter.
Figures 4.16 and 4.17 depict the spatial distribution of B&Bs and guesthouses, conference venues\textsuperscript{12} in Cape Town respectively. Both figures indicated that the largest node is the City Centre, followed by the Strand-Gordon’s Bay area. However, the geographical spread of accommodation establishments is wider than conference venues. There are a fair number of establishments in the Northern Suburbs, the Southern Suburbs and a few on the Cape Flats. This is probably because many conference and convention venues are part of large hotels, which are mainly complexes, situated in central city and the Strand–Gordon’s Bay area, and which also provide accommodation. There are various informal B&B’s in the Cape Flats and surrounding cultural heritage areas like Khayelitsha, but few of these are registered on official databases. A product assessment for Khayelitsha commissioned by the CoCT in 2010 found that approximately 15 accommodation facilities are located in Khayelitsha, 80% of which are B&B’s and 13% guesthouses.

\textsuperscript{12} There were approximately 1,000 accommodation establishment and about 30 conference venues on the CoCT database.
Figure 4.16: B&B’s and guesthouses in Cape Town

Source: CoCT
Figure 4.17: Conference venues in Cape Town

Source: CoCT
4.2.4 Visitor services

Visitor services include local business and organisational systems to serve and assist tourists such as information and booking offices, travel agencies and tour operators, tour guides and interpretation centres for key attractions, as well as transport. These visitor services serve tourists directly, but indirect services include banking, shopping, entertainment, and security and emergency services.

Tour Agencies and Tourism Information

Cape Town has a relatively well developed tourism infrastructure in terms of visitor services. Tour operators and travel agencies are plentiful in Cape Town. Figure 4.18 shows the spatial distribution of tour agencies in Cape Town, CoCT lists 16 of these on their database. These visitor services are most concentrated in the City Centre and Southern Suburbs.

Figure 4.18: Tour Agencies in Cape Town

Source: CoCT
There are also many information centres across Cape Town. However, not all of these are fully staffed and some of the city’s natural assets do not have interpretation centres, information centres and/or information boards providing the visitor with details on the product.

**Transport**

Long distance transport into and out of Cape Town includes long-distance buses, traditionally used by domestic visitors and tourists on package tours; trains, which range from exclusive packages for the upmarket tourists, mostly older European and American traveller visiting both Cape Town and, for example, the Kruger Park and cheaper rail options largely used by domestic travellers and air travel. Another way in which tourists arrive at Cape Town is on ships – both as workers on ships as well as leisure travellers on cruise liners. Port roles are shifting, with limited space and capacity, industrial and consumer demands for container/cargo uses are squeezing out leisure users which may have implications for the cruise line industry and leisure yachting. This is reflected in the port expansion plans.

The increase in affordable domestic flights has resulted in a shift in mode for the price-sensitive domestic traveller away from buses and trains, though these modes remain popular for the low-income traveller such as domestic family visits and student travellers. The Cape Town International Airport underwent significant redevelopment in preparations for the FIFA World Cup 2010 has subsequently been named as Africa’s top international airport. It moves between 8 and 9 million passengers per annum via more than 93,000 flights. Commercial flights connect to nine domestic locations and 21 international destinations. The airport expanded its parking areas and the MyCiTi has an airport link.

Local transport includes the use of privately owned or hired cars (76% of international tourists and 90% of domestic tourists), tour guides, metered taxis, minibus taxis, trains and buses. Cape Town’s rail, road, bus, and pedestrian and cycling lanes, planning and investment are on-going and a strong priority for the City. This will have positive implications for the economy, locals and visitors alike. Efforts to promote the use of new public transport options, such as the MyCiTi buses, amongst tourists are needed. These can be combined with efforts to provide information to tourists through mini tourism information kiosks or walls at transport interchanges and stations, and the sale of audio guides for use on public transport systems. In terms of transportation for visitors, these are depicted in Box III. A variety of services from tourism dedicated services such as the City Sightseeing Bus, bicycle hire and the Southern Line Tourism route to improved public transport such as the new MyCiTi bus service which is used by tourists and locals alike.
Box III: Transport available to tourists

- MyCiTi Bus Service with airport link
- City Sightseeing Bus
- Bicycle hire – i.e. Cyclecabs, Bike & Saddle, By Bike
- Southern Line Tourism Route – through the Southern Suburbs and along the coast False Bay towards Simon’s Town.
- Various taxi services and car rental firms
- National coach liners – i.e. InterCape, Greyhound, City to City, Translux, Baz Bus, etc.

There were 51 transport operations registered with CTT who market their services to tourists. Their spatial distribution is depicted in Figure 4.19. The central city once again emerges as the main node where these services are located. However, this figure also shows that the fairly substantial portion of transport providers is located either in the Northern Suburbs or on the Cape Flats. This is probably because the owners of these services i.e. taxi owners or mini-tour bus or shuttle owners live in these areas even though they operate throughout Cape Town.

Figure 4.19: Spatial distribution of tourist transport operators in Cape Town

- Cape Town central and coastal (47%)
- Cape Town South (16%)
- Cape Town North and East (37%)

Source: CTT

A priority for infrastructure investment in Cape Town is to modernise the rail infrastructure with high speed inner city networks (SACN, 2011). The city intends taking over the train services in Cape Town – this will ensure greater alignment with other transport modes and allow a more integrated public transport system. Rail upgrades will also improve pollution and traffic congestion which will impact positively on tourism. Furthermore, visitors will also be able to make use of improve and upgraded rail networks. Another area for development is linking commuter rail and other public transport facilities. The MyCiTi busses are a positive development in this direction. Visitors will benefit by the extension of this service in the inner city and along the coast to Hout Bay, since they will have improved access to more attractions.
Shopping and Entertainment

Cape Town offers a range of shopping and entertainment facilities. Popular areas in the Central City is Long Street, Kloof Street, the Cape Quarter and St Georges Mall with its boutiques, cafés and restaurants, and other craft, curios, art and antique shops. The V&A Waterfront is also ever popular with its wide variety of shopping, restaurants and other services. Film theatres can be found at the V&A Waterfront and at the Labia which is situated in Kloof and Orange Streets respectively. The Two Oceans Aquariums is a popular attraction at the V&A Waterfront, as are the South African National Museum and Planetarium and the South African National Gallery in the Company’s Gardens. Many of Iziko’s museums are also based in the City Centre.

Large shopping malls outside of the City Centre include Cavendish Square, Canal Walk, Willowbridge Lifestyle Centre, Tyger Valley, Somerset Mall, Bayside Mall, Blue Route Mall and Long Beach Mall. Destination shopping areas with arts, lifestyle, fashion and craft and curio shops; quaint streets and redevelopments; café’s, restaurant, music and theatre venues include:

- Woodstock and Observatory
- Kalk Bay
- Hout Bay
- Simon’s Town
- Newlands Village
- De Waterkant and Cape Quarter

Safety and Security

There is a range of safety and security services in Cape Town which range from the usual police services to specialised security services at Table Mountain and on beaches (i.e. lifeguards, shark spotters). While the surveys undertaken by Urban-Econ showed that generally visitors did not have bad expectations with regard to crime, (expectations for safety and security while in Cape Town scored 65% and actual experience 71%), this does not speak to those who are deterred from visiting in the first place, or deterred from visiting decentralised areas. Information about safety services should be included in programmes aimed at developing tourism attractions and routes.
4.2.5 Summary

- Cape Town has a relatively well-developed tourism infrastructure.
- The pattern of tourism supply in Cape Town is skewed with most tourism products and visitor services situated in the main tourism node in the affluent City Bowl, Foreshore and Atlantic seaboard areas with very little available in poor areas despite attempts to promote cultural heritage tourism.
- Cape Town has a wide array of natural resources, attractions, events, culinary services, and shopping, leisure and entertainment opportunities. It has therefore much to offer the visitor.
- There is a lack of visitor services, tourism infrastructure, marketing and awareness of supply with regard to cultural heritage tourism.
- Most events are centred on lifestyle, sport and the creative industries.
- A number of culture and heritage attractions exist, but more should be done to enhance culture and heritage tourism.
- There is an oversupply of luxury accommodation in Cape Town, but a demand for budget accommodation.
- Recent transport infrastructure developments have benefited tourists.
- Safety and security needs to be continually sustained in Cape Town.

II. Strategic Implications

- Spread the benefits of tourism development more widely by promoting responsible tourism and by strategically targeting cultural heritage areas for tourism investment.
- Improve signage, marketing and tourism infrastructure in cultural heritage areas.
- Promote events centred on lifestyle, sport and creative industries.
- Develop culture and heritage resources.
- Promote the development of budget accommodation options and backpacker tourism.
4.3 Institutional Considerations

This section includes an overview of organisations and actors responsible for developing, marketing or promoting tourism in the local area.

4.3.1 Management and Coordination

Leadership and professional management is necessary in order to plan, manage, market and regulate tourism development in an area. Key role-players in this regard are industry-led tourism associations, government department or agencies, public-private partnerships and tourism forums. Further functions of these bodies include funding for new venture creation, collecting data to ensure reliable information for decision making, providing guidelines for culture and heritage preservation, supporting training initiatives, and tackling safety and security issues. All of these functions are institutional in nature in order to create an enabling environment for private sector driven tourism firms to flourish in a destination.

Industry research is conducted by universities, the CoCT, Wesgro, the Western Cape Provincial Government and CTRU which has recently been incorporated into Wesgro. The CoCT has initiated tourism forums in the past, but these do not meet as regularly as desired due to capacity constraints. CTT is the official regional tourism organisation, responsible for destination marketing, visitor and industry services. A list of direct stakeholders and actors in the Cape Town tourism system or who has direct interest includes:

<table>
<thead>
<tr>
<th>Box IV: Stakeholders and role-players in the Cape Town tourism system</th>
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<tbody>
<tr>
<td>Helderberg Tourism Bureau</td>
</tr>
<tr>
<td>Association of South African Travel Agents (ASATA)</td>
</tr>
<tr>
<td>Backpacking South Africa</td>
</tr>
<tr>
<td>Cape Nature</td>
</tr>
<tr>
<td>Cape Point Route</td>
</tr>
<tr>
<td>Cape Town Pride</td>
</tr>
<tr>
<td>Fair Trade in Tourism SA</td>
</tr>
<tr>
<td>Guest House Accommodation of SA</td>
</tr>
<tr>
<td>Western Cape Metered Taxi Association</td>
</tr>
<tr>
<td>Tourism Business Council of SA</td>
</tr>
<tr>
<td>Cathsseta - the Culture, Art, Tourism, Hospitality and Sport</td>
</tr>
<tr>
<td>Education and Training Authority</td>
</tr>
<tr>
<td>Tourism Grading Council of SA</td>
</tr>
<tr>
<td>Tourism Enterprise Partnership (TEP)</td>
</tr>
<tr>
<td>Tourism Business Forum</td>
</tr>
<tr>
<td>Khayelitsha Tourism Information Centre</td>
</tr>
<tr>
<td>Hout Bay Tourism</td>
</tr>
</tbody>
</table>


It is imperative that there is good networking and collaboration between these role-players and stakeholders and their initiatives. Often, the tourism system and the activities of such bodies are highly fragmented. Good cooperation and integration is needed to ensure good destination management.

4.3.2 Promotion and Distribution

This includes methods and initiatives to draw visitors to an area. The delivery of attractions has changed significantly with the increase in use of the internet and social media. CTRU has a user friendly website which provides information on attractions, accommodation and visitor services. Numerous other private sites have been developed to facilitate the booking of transport, accommodation and tours.

The Travel and Tourism Competitiveness Index indicates that South Africa scores low in terms of ICT infrastructure (WEF, 2011). The ICT capabilities and access to hardware, software and skills therefore needs to be improved in order to enhance the innovation capacity and competitiveness of tourism firms.

According to UNWTO, about 40% of trips are booked online, mostly through online travel agencies and branded supplier sites and 40% of travellers have a smart phone and 83% want applications that recommend restaurants, sites to see, routes to take and as well as other useful travel information. A recent trend around the world is the development of tourism applications for smart phones which provide an array of tourism information which is linked to GIS technology. Another trend is ‘virtual tour guides’ (downloadable maps and audio) geo-caching, alternate reality gaming, participant route mapping (where routes can be suggested and amended by anyone, with photos, tags and notes, similar to MapMyRun or FourSquare applications). These can become particularly specialised (examples where this has been successfully implemented include the ‘Street Art Tour’ or ‘Best Roof Gardens Tour’) and hold high potential to engage the local market.

Growth in Social media (TripAdvisors, LonelyPlanet forums, Twitter, Facebook) presents another opportunity for rapid response to negative experiences, as well as to capitalise on positive reviews and comments by spreading them through social media marketing tactics. The converse of this is that small incidents can quickly ‘go viral’ and negative publicity can spread faster than ever, requiring 24/7 responsiveness on social media sites to manage negative publicity and promote positive stories. The only Cape Town tourism App currently available is the Cape Town Travel Guide Lite by Tourism Radio, a Spanish company. As such, the profits from this App are not local and locals have little influence over the quality or accuracy of the App. There are, however, individual establishments and service providers that have their own Apps and websites that tourists can access if they have access to the internet and know what to search for.

Trends such as geocaching, alternate reality gaming and participate mapping blur the lines between promotional information as a resource for tourism and as a tourism product and experience in and of itself. These are under-tapped opportunities in the Cape Town market. Geocaching in Cape Town can be done via the South African geocaching site (http://geo.caching.co.za/tag/cape-town) or the global one (http://www.geocaching.com). Alternate reality gaming has been conducted in Cape Town for a few years but largely for social campaigns that are not relevant to tourists, such as educational campaigns for teenagers.
Participant mapping does not appear to be happening in Cape Town, but is a growing trend in European cities, particularly Berlin.

A limitation is the high cost and limited accessibility of the internet in South Africa, and also Cape Town. This is a barrier to entry into the tourism sector for many – for example, the Khayelitsha audit conducted by the CoCT found that most accommodation facilities in Khayelitsha were found to not have any online presence, whether a website of their own or registration or on another booking site. Similarly, international visitors expect reliable, affordable and easy access to internet. Due to the high costs of internet in South Africa, for many smaller establishments offering free WIFI is not viable.

4.3.3 Human Resources

The human resources and skills necessary to deliver quality visitor experiences, at operational and management levels are influenced by tourism education and training facilities, awareness amongst job seekers of the diversity of skilled employment opportunities in the industry and management, marketing and customer relations in the industry.

The Travel and Tourism Competitiveness Index indicates that South Africa scores low in terms of the availability of qualified labour for the tourism industry (WEF, 2011). This is thus an area requiring further development.

Educational facilities include both public and private infrastructure that support human resources and include a range of short courses, diplomas and degrees. In Cape Town there are over twenty hospitality, culinary, catering and tourism-dedicated colleges and academies. These include universities like CPUT, FET colleges, private colleges like Damelin and Varsity College, and private tour guiding, culinary and hospitality schools. Small business support is offered by government (i.e. Activa) and non-profit agencies, as well as corporate social responsibility initiatives (i.e. SAB, Old Mutual). Industry body associations and other organisations that host ad hoc events to share knowledge and skills are another source of human resource development in the industry. The Tourism and Hospitality Sector Education and Training Authority (THETA) is also responsible for training in the sector.

Human resources influence the quality of the visitor experience, but can also become tourism products in themselves. While data on foreign students attending courses related to the tourism industry is not available, Cape Town has been listed as a top study abroad destination. Similarly, the CoCT and industry associations such as SATSA and FEDHASA have hosted ad hoc tourism industry conferences, symposiums, internships and job-swops of a national and international scale which is another way to turn the supply of tourism training into a tourism product.

13 CPUT – Cape Town University of Technology; FET – Further Education and Training.
14 Now the CATHSSETA - Culture, Arts, Tourism Hospitality and Sport Education and Sector Education and Training Authority
While many tourists report experiencing locals as having positive attitudes; values; norms; beliefs and behaviour; human resource capacity and skills levels remain a weakness. In this regard, the private sector reports conducting a large amount of in-house training for staff in the hospitality sector, while many tour guides require updated training in telling more contemporary Cape Town narratives. Similarly, there is a need for a wider range of language proficiency as the tourism market diversifies and new markets are captured.

There is a need to ensure greater cooperation between the industry and training institutes in order to ensure that the skills supply satisfy the industry demands. There is also a need for improved in-service training and internships. The private sector needs to come to the party to ensure that graduates are employed in the sector and gain the experience and on-the-job skills they need.

4.3.4 Financial Resources

Financial support is essential for the provision of the primary components of the tourism industry. This includes private and public funding and/or incentives, as well as infrastructure development. While South Africa has an established banking sector and government funding for small businesses are available from institutions such as the Department of Trade and Industry, the Small and Micro Enterprise Development Programme, the Development Bank of Southern Africa and the Industrial Development Corporation have dedicated funds for transport infrastructure, fair-trade manufacturing and agricultural projects, SMME clusters, development of large scale destinations and the development of destinations in disadvantaged areas – SMMEs generally face difficulties in accessing finance for start-up or further development (Rogerson, 2005). This is one of the biggest barriers to growth in the sector, particularly in the case of emerging or survivalist SMMEs. Previously disadvantaged entrepreneurs lack recourse to personal assets, such as property, to use as collateral for more favourable loan terms. Property prices themselves are another barrier to entry for small start-ups, specifically in the accommodation sector, as the repayment costs-to-room rates ratios make it hard to break-even.

4.3.5 Legislative and regulatory support

Legislative and regulatory support for the tourism industry is strong, and in particular for responsible tourism development. The ease of doing tourism related businesses while being compliant with a range of legislative and regulatory requirements is, however, influenced by a much wider range of laws and by-laws.

Numerous policies and authority levels add cost and time layer to investors and entrepreneurs. Survey results showed that 82% of tour operator respondents are unhappy with the number of permits required. South Africa is increasingly regarded as one of the most overregulated countries for entrepreneurs where navigating red-tape and service backlogs hampers small businesses. The Western Cape Liquor Laws potentially limit a vibrant 24hr City, though this should be viewed together with social development imperatives. Similarly, BEE laws are not necessarily suitably structured for micro businesses or ‘mom & pop’ enterprises with only one owner.
Government and big business procurement and payment processes are another factor that influences the small business, with 90 or 120 day payment policies and complex vendor registration processes which impact on the cash flows of SMMEs.

The Western Cape Provincial Government has launched a ‘red tape to red carpet’ programme which should address some of these challenges, and the CoCT and industry bodies should work together to ensure the unique challenges of the tourism industry are addressed within this programme. Similarly, the CoCT should work closely with the new provincial Economic Development Partnership to ensure it offers services relevant to the tourism industry and that critical knowledge in other preceding organisation such as CTRU and Wesgro is retained.

4.3.6 Summary

- Cape Town as a diversified tourism system consisting of various public and private organisations including government agencies, tourism firms and educational institutions
- Although, there is room for improved cooperation, networking and coordination of activities and initiatives among the actors and stakeholders in Cape Town’s tourism system.
- ICT capabilities need to be enhanced in the local tourism sector i.e. access to hardware, software and internet connectivity, improve online marketing, the creation of tourism Apps and the increased use of social media.
- SMMEs generally face difficulties in accessing finance for start-up or further development.
- Despite the number of educational institutions providing travel and tourism training, there is a need for greater cooperation between the industry and training institutes in order to ensure that the skills supply satisfy the industry demands.
- There is also a need for improved in-service training and internships.

### III. Strategic Implications

- Promote networking and collaboration in the Cape Town tourism system
- Promote the use of new ICT and improved online marketing, the creation of Apps and the increased use of social media
- Ensure improved access to finance for tourism SMMEs
- Promote improved cooperation between educational institutions and the tourism industry
4.4 Spatial Development Framework

The Cape Town Spatial Development Framework (SDF) includes an interpretation of the spatial tourism economy. It is important to note that the SDF speaks to cultural landscapes, and concepts such as sense of place, and is not primarily a tool for tourism planning. However, where synergies exist, these are pointed out. District Plans for each district and sub-district have been formulated. Tourism development opportunities by district are outlined below.

4.4.1 Blaauwberg District

The Blaauwberg district includes a number of provincial heritage sites, the Milnerton-Blaauwberg-Melkbostrand-Silverstroomstrand coastline and beaches, boasting views of Table Mountain, and the Atlantis-Mamre-Pella natural and heritage landscapes. One of the areas’ strength is the existing MyCiTi bus infrastructure which makes the use of public transport more accessible to tourists and linking the area to the City Centre of Cape Town which is the main tourism node.

The district offers mostly untapped potential for tourism that focuses on natural environment and heritage (specifically, old settlements at Mamre and Pella, the military and the Battle of Blaauwberg and World War II history). The Blaauwberg Conservation Area (now known as Blaauwberg Nature Reserve) and existing Cape West Coast Biosphere Reserve are ideal initiatives to both protect and enhance awareness of and access to these assets.

Opportunities identified in the previous tourism SDF and reiterated in the draft Cultural and Heritage Tourism Strategy remain relevant, and show strong alignment with those expressed in the District Plan – for example, the idea to have ‘Blaauwberg Meanders’ links with the District Plan’s idea for a system of river corridors and fynbos corridors which provide habitat protection and recreational opportunities and link various conservation areas. These opportunities can be seen as recommendations for nature-based tourism: developing underutilised nature areas and upgrading their facilities and improving the marketing strategies and creating more accessibility for everyone.

4.4.2 Cape Flats District

The Cape Flats area remains an underdeveloped tourism staging post. High levels of poverty and perceptions of tourism vulnerability to crime remain challenges to development of tourism in this district. Cultural heritage tourism should be enhanced in these areas. Opportunities include the False Bay Ecology Park (which includes the Rondevlei Nature Reserve and Zeekoevlei Nature Reserve, which are part of the new False Bay Nature Reserve), and utilising the coastline as natural resource destination, and core components of the Baden Powell Scenic Drive. A business plan for the False Bay Ecological Park has been formulated and needs to be accepted by Council in order for plans to move forward.
The Philippi Horticultural Area is another untapped asset with strong special-interest value, heritage and storytelling value and the potential to be incorporated into initiatives that promote the use of locally produced goods by local hospitality and catering groups.

The cultural and heritage value of the Cape Flats district hold significant potential for cultural and heritage tourism. This should be untapped via the implementation the recommendations of the Cape Flats Tourism Frameworks regarding the development of the Athlone-Langa Precinct – and taking advantage of the opening of the recently renovated Langa Pass Office Museum as an information node and welcoming centre for the area.

There is potential here to link across districts with routes that move from Simon's Town/Muizenberg, along the coast through the Cape Flats district to the Khayelitsha District, incorporating a wide variety of scenic and natural assets including False Bay Ecology Park, Strandfontein, Bluewaters, Mnandi beach, Wolfgat Nature Reserve and Monwabisi Resort. This can be in the form of a route cooperative, as described above, or through special events. The road distance between Simon's Town and Monwabisi is, for example, exactly 42km – the length of a full marathon. Similarly, from Muizenberg to Monwabisi is 21km, the length of a half-marathon. There is potential to have another great and scenic sporting event held annually in Cape Town where runners can utilise trains to get in to Simon's Town or Muizenberg and out of Khayelitsha. The Monwabisi Resort can be used as the end-point with festivities, celebrations and food.

4.4.3 Khayelitsha – Mitchells Plain District

This district has primarily been targeted for cultural heritage tourism. Cultural heritage tourism needs to be packaged and presented in a more contemporary context, by showcasing the current narratives of communities within a broader Cape Town story, and by focusing on niche interests and associated destinations, such as routes cutting across various districts of Cape Town that focus on jazz clubs, arts and crafts, galleries and so forth. Experience-based tourism should also be encouraged in this area.

The routes identified in the previous sub-section relate to this district, too, specifically, the nodal points of Driftsands, Wolfgat, Mnandi and Monwabisi. The Neighbourhood Partnership Development Grant has dedicated funding to the upgrade of Mnandi and Monwabisi Resorts and this provides a significant opportunity to provide the tourists access to this district and develop nodes and clusters of activities that encourage overnight stays and, thus, greater spend in the area.

A team has been appointed in 2012 to develop a planning framework for Monwabisi node and opportunities are mixed-use, including residential and commercial uses aimed at the local area, but also potential for short-stay accommodation, a mini waterfront with retail and dining, mixed-use recreational, events and conferencing spaces, as well as spaces dedicated to the celebration of local heritage.
4.4.4 Northern District

The Northern District has a number of conference and events venues, wine farms and wedding venues as well as business and educational nodes that attract visitors (such as Stellenbosch Bellpark Campus). The SDF identifies the Durbanville winelands area and the Philadelphia settlement for tourist-related activities. These areas offer the tranquil feel of a rural area, but in close proximity to the city’s other attractions.

There are a number of areas identified for protection that hold scenic and natural value for tourism, such as Tygerberg Hills, Durbanville Hills, flora sites of Klipheuwel, Joosteberg Hill and Kloof, Perdekop, Kanonkop, Altydgedacht, Uitkamp Wetlands Reserve, Elsieskraal, Magic Forest, and ridge area of Oude Westhof/ Van Riebeeckshof; Bracken Nature Reserve and tributaries of Mosselbank River. There is the potential to establish routes and destinations in these areas.

The proposed development of old farms can also hold potential for inclusion of hotels, conference and events venues. These include Crammix, Kruisfontein and Welbeloond, amongst others.

The Bellville Velodrome Precinct Development that was awarded by public tender in 2010 will create additional tourism opportunity in the area. This development sees a revitalization of the existing Velodrome facility to host more events, surrounded by a mixed-use shopping, office and hotel complex.

The Stellenbosch Bellpark Campus frequently hosts students from across the country and Africa for short-courses and contact sessions for correspondence degrees. They have an onsite hotel. There is also the intention to expand on these facilities. Students staying here often do not have their own transport and are relatively isolated from the city’s wide range of tourism and recreational offerings. The inclusion of an IRT station between this campus and the Velodrome precinct will greatly improve accessibility in this regard. It is also an opportunity for the students, academic and visiting researchers, to expose themselves and enjoy tourism activities. The activities do not solely have to cater for international and local visitors but also cater for the locals who want to experience tourism in their own City. Considering that majority of the students do not have private cars, the IRT will not limit them from tourism activities.

4.4.5 Southern District

The Southern District includes a number of Cape Town’s most popular and established tourism destinations, including Kirstenbosch Gardens, Boulders Beach, Cape Point, Constantia Constantia-Tokai winelands and heritage district and the routes that connect them. There are a number of water systems and green linkages in the forms of wetlands, estuaries and natural vegetation corridors which provide for recreational use if properly managed for sustainability. Similarly to Durbanville, The Valley ‘enclaves’ of Hout Bay, Constantia – Tokai, and the Far South offer a unique and more tranquil sense of place, with close proximity to the rest of the city’s attractions.
The Southern Line Rail tourism pilot project is an example of combining public transport with a scenic corridor. Efforts are needed, however, to further market the use of the rail line as traffic congestion along Kalk Bay remains a challenge. More frequent trains and later operating hours over weekends and public holidays will also serve to boost the use of this line by recreational users.

The Wynberg Sports Precinct development envisioned by the CoCT entails the redevelopment of a series of sporting and community facilities in the Wynberg/Kenilworth area. It includes the Kenilworth Racecourse which hosts the J&B Met – a popular event for domestic tourists on the Cape Town annual events calendar.

The Harbours in this district offer heritage and scenic potential. Hout Bay Harbour serves as a busy embarkation area for ferries to Seal Island, popular with tourists, and also hosts a weekend neighbourhood market which has become popular with locals and visitors alike.

Kalk Bay area has undergone significant redevelopment and expansion of restaurant and retail activities, while the harbour continues to offer the character of a small local fishing town. These sites must continue to be protected and marketed for their heritage, cultural, cuisine and adventure/sport tourism offerings.

4.4.6 Tygerberg District

The Tygerberg District has not received significant tourism attention. Some opportunities include the Tygerberg Nature Reserve, Elsieskraal, Kuils River Open Space System, Jack Muller/Danie Uys Park and Bothasig Conservation area which could link to the nature reserve routes identified for the Cape Flats and Khayelitsha and Mitchells Plain District on the east, or the Northern District and Blaauwberg on the west. Bottelery Road is an alternate gateway to the Cape Winelands, via the old Kraaifontein farms which have natural, agricultural and heritage tourism potential.

The UWC Mayibuye Centre was identified in the previous TDF as holding tourist potential due to its large collection of anti-apartheid material. This centre remains under-utilised by the tourism sector and requires further promotion and marketing, and inclusion on heritage routes.

4.4.7 Table Bay District

This is the district with the highest concentration of tourism supply. It includes the V&A Waterfront, Cape Town Harbour, Table Mountain Cableway, Signal Hill, the CTICC, Camps Bay, Clifton, Sea Point Promenade, Green Point Stadium, Green Point Urban Park, Deer Park, De Waal Park, Company's Gardens, Long Street, de Waterkant, Bo Kaap, emerging Woodstock artistic area and numerous historical buildings, public art pieces, museums and galleries. Development in this district should focus primarily on reducing infrastructural constraints to growth.

Routes in this area are well covered by the City Sightseeing busses which stop at all museums and a number of other historical and scenic destinations. The MyCiTi Buses are a more affordable option for the tourist. This
experience would be enhanced through the provision of downloadable audio tours for use on the buses. Similarly, ongoing efforts to improve the pedestrian and bicycle experience in the central city should continue.

In addition, there are opportunities emerging. These include guided walks of the city’s water systems – from the mountain streams off Table Mountain, to a series of river corridors and canal systems. These tours offer both heritage and ecological tourism value through the Reclaim Camissa project.

Sites for new development that offer potential for museum development, hotel development, information centres and niche-market opportunities include:

- **CTICC expansion** (enhanced conferencing and events space, revitalisation of Founders Garden adjacent to the Artscape, and accommodation)
- **Modila Museum of Design, Innovation, Leadership and Arts**
- **Oude Molden Eco Park** (mixed-use ecological development with potential for eco-tourism)
- **Wingfield** (potential hotel and information centre)
- **District 6** (potential for additional heritage sites and accommodation)
- **Culemborg** (shipping heritage museum potential, accommodation potential)
- **Athlone Power station** (potential for accommodation as well as information and welcoming centres, linking the proposed routes across the different districts to the east and west)

**The Fringe** is important for the creation of synergies between the creative industries and tourism. This project is currently under development and aims to establish as an innovation hub for design, media, and ICT firms in the inner city. The conservation of heritage in the area will be regulated by establishing a character precinct which will promote specific types of development. There are also plans to develop parking areas outside the precinct to promote pedestrianism, cycling and the use of bus services. Linked to this initiative is the proposal of a Creative City Network, linking areas of creative intensity, public art, galleries, showrooms, and workshops. Potential projects include:

- Experience-based open shop sessions where visitors can observe creative processes or take part in it
- Creative industry tours walking or cycling or hop-on-hop-off
- Heritage and architecture tourism linked with other sites in the inner city

### 4.4.8 Helderberg District

The Helderberg District forms part of the eastern area of the metropolitan area, with the main tourism nodes located in Somerset West, Gordon’s Bay and Strand. The district has a high percentage of hotels and guest houses which indicate the importance of tourism in the area. The scenic drive between Gordon’s Bay and Kogel Bay are popular amongst visitors, the beaches cater for event driven activities such as wind surfing, hobie –cat launching and sporting events.
The Helderberg Basin comprises of tourism hotspots including the Hottentots Holland Mountain Range and Nature Reserve, the Helderberg Wine Route, the historic Sir Lowry’s Pass village and the surrounding rural environment. The protection and enhancement of these environments presents an opportunity in terms of the amenity value of these areas and their role in bringing economic development, including tourism activity to the area.

There are some key areas requiring improvement, namely, the town and beach front are separated by high-rise buildings which separate the town from the beach impacting tourism in the area, Interference with coastal dynamics and processes has led to increasing erosion, loss of amenity and tourism opportunities and increasing damage and risk to coastal infrastructure and property.

In addition, there are a number of opportunities emerging. These include:

- a mixed-use (commercial, tourism and residential) development is currently proposed for the Paardevlei area
- a large scale coastal resort development which will increase accessibility, availability of large tracts of underdeveloped land, attractive coastline with sandy beaches and linkages with diverse products base; which will be a catalyst for employment creation and livelihood in the area

4.4.9 Summary

- The Table Bay District is the main tourism node in Cape Town, but there is potential to expand tourism to other areas in order to spread the benefits of tourism across a wider geographical area and also to poorer areas
- Tourism development opportunities have been identified mostly around natural, but also around cultural and heritage resources per district. These include a number of scenic routes which is not discussed in depth
- The cultural and heritage value of the Cape Flats should be enhanced
- Cultural heritage tourism should be enhanced in areas such as Khayelitsha
- Various infrastructure developments have had a positive impact on tourism in some districts
- The Fringe is an important project where synergies can be created between the creative industries and tourism
- Potential projects have been outlined and these are summarized below

**SUMMARY OF PROJECTS**

<table>
<thead>
<tr>
<th>Tourism expansion of the Table Bay District; the Fringe</th>
<th>Tourism development opportunities around natural, heritage and cultural resources per district.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhance cultural and heritage values of the Cape Flats</td>
<td>Infrastructure development in and around tourism districts</td>
</tr>
<tr>
<td>Enhance cultural heritage tourism in cultural heritage areas such as Khayelitsha</td>
<td>UWC Mayibuye Centre in Tygervalley</td>
</tr>
<tr>
<td>Mixed use development for Paardevlei</td>
<td>Large scale coastal resort development in the Heldelberg District</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td>Promote cultural heritage tourism in the Khayelitsa-Mitchell’s Plain District; upgrade spaces</td>
<td>Capitalize on the heritage tourism potential in the Tygerberg District</td>
</tr>
<tr>
<td>Develop the Southern Line rail tourism in the Southern District and re-development of social spaces</td>
<td>Enhance cultural and heritage tourism at the Stellenbosch Bellpark Campus; provide greater access to nature for local and international visitors</td>
</tr>
</tbody>
</table>
4.5 Competitiveness

Destination competitiveness is determined by a range of factors. These consist of the variety of a destination’s natural and cultural resources, and visitor services; as well as general infrastructure, the quality of service, accessibility, hospitality, market ties, innovation, and last but not least price (Dwyer and Kim, 2010).

South Africa’s ranking in the Travel and Tourism Competitiveness Index has decreased from 61st in 2009 to 66th in 2011. The country performed relatively well in terms of natural resources, price competitiveness and travel infrastructure, but achieved lower scores for safety and security, health and hygiene, ICT, the availability of qualified labour, and cultural resource development (WEF, 2011).

In order for Cape Town to maintain its current strengths while creating new attractions and experiences for repeat visitors and diverse markets, it is essential to ensuring on-going competitive advantages in the tourism industry. In light of the above profiles, our current competitors include:

- South America (specifically Brazil)
- Western Europe
- Australia
- Thailand
- The rest of South Africa (especially Gauteng, KZN and Mpumalanga)
- The rest of Africa (specifically Nairobi in Kenya, Cairo in Egypt, and Morocco)

Backpacker tourism is recommended as a key niche market with further development (see Section 4.7). Competitive markets for backpacking are South America, Australia and USA for backpacking (Visser and Barker, 2004). These areas are well developed budget tourism infrastructures and price is of critical importance.

Key considerations in terms of ensuring that Cape Town is competitive rests on price, value for money and quality. Cape Town needs to be competitive with other popular tourism destinations in emerging markets such as Thailand, Malaysia, India, Brazil and Argentina. However, as a result of the FIFA World Cup prices have increased significantly in Cape Town and business owners seem to be reluctant to lower prices post event. This is essential in a world economy which is still in recession. This can deter visitor and cause Cape Town to be uncompetitive in terms of price. South Africa has a reputation of being a well-priced and affordable destination. Cape Town is a long-haul destination and flight fares are high, visitor services at destination level should therefore remain affordable or the overall cost of a trip to Cape Town will become too high and uncompetitive. Furthermore, as a long-haul destination, it is important to diversify offerings to encourage longer stays. In order to better tap the domestic and regional market, attractive offerings need to be developed and marketed for off-season times.
Cape Town tourism firms and the sector need to innovate to stay ahead in order to enhance its competitiveness. However, in Cape Town the innovation capacity of firms is generally quite low and disconnected from the regional key value chains (OECD, 2008). Technology transfer; industry, university and government linkages; and access to venture capital also remain weak as indicated in the qualitative interviews. Weak industry-university linkages contribute to skills shortages experienced by the industry. Concerted attempts to foster coordination between the main stakeholders are required in order to promote innovation in the region (OECD, 2008).

Innovation (i.e. the introduction of new products, services, organisational and market methods) and is essential to ensure the competitiveness and long-term sustainability of a destination. In order to enhance innovation, greater coordination is required between key stakeholders; greater awareness needs to be created; and networking is essential for knowledge creation in the tourism sector. Public policy can support and facilitate these activities in order to create an enabling environment for innovation.

IV. Strategic implications

- Improve safety and security
- Improve health and hygiene
- Support networking and collaboration initiatives in the tourism sector
- Support product development to diversify the tourism product offering in Cape Town
- Support the development of domestic tourism
4.6 Tourism impact

Tourism impact, in economic terms can be defined as the number of visitors to the area, the amount of money they spend and the employment and income generated as a consequence (Cornelissen, 2005). In responsible tourism terms, the social and environmental impacts should also be considered.

4.6.1 Economic impact

Total foreign direct spending in the Western Cape was R18.2 billion in 2011 (SAT, 2011). The SAT 2011 report did not provide a breakdown of domestic tourist spending per province, but indicated that the total domestic spending in South Africa was R20.3 billion in 2011. In terms of visitor numbers, the Western Cape received 2.4 million trips out of 26.4 million in South Africa during 2011 (SAT, 2011). This is a 9% share. A 2010 report showed that the total economic value of tourism in Cape Town was R 17.3 billion (R 15.9 billion in foreign spending and R 1.5 billion in domestic spending). The total value was R16.3 billion in 2008. Table 4.4 provides economic value impact figures for tourism in Cape Town for 2008 study. It is clear that the tourism sector is growing and that tourism has a substantial economic impact on the local economic, both in terms of its total value and from an employment creation perspective.

<table>
<thead>
<tr>
<th>Table 4.4 Economic value of tourism in Cape Town, 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total rand value of tourism’s contribution to the economy of Cape Town</strong></td>
</tr>
<tr>
<td><strong>No of permanent employees</strong></td>
</tr>
<tr>
<td><strong>No of temporary employees</strong></td>
</tr>
</tbody>
</table>

Source: Grant Thornton, 2009

A 2005 study found that the contribution of tourism to the GGP of the Western Cape was 14.1% and that the total rand value of contribution in the province was R25.2 billion (Bloom and Burrows, 2008). See Box V as example of the tourism impact of an annual sporting event. Economic and social impacts are included. Annual events are important contributors to the local economy and they are considered more sustainable and large, once off events.

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15 CoCT and Gap Consulting, 2010. This report unfortunately did not include any GDP figures.
16 This includes the direct and indirect impact of T&T on the GGP.
Box V: Facts and figures: Old Mutual Two Ocean’s Marathon 2008

BACKGROUND INFORMATION

The Old Mutual Two Ocean’s Marathon consists of an ultra-marathon of 56km and a half marathon of 21km. A number of fun runs are also offered promoting the event as a family event. The marathon drew close to 18,000 participants in 2008. The 56km race had 6,693 participants and the 21km race close to 11,213 participants. The race draws a quality field of top local and international runners.

VISITOR SEGMENTATION

<table>
<thead>
<tr>
<th>Local residents</th>
<th>Domestic Visitors</th>
<th>Foreign Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>50.7%</td>
<td>44.0%</td>
<td>5.2%</td>
</tr>
</tbody>
</table>

AVERAGE SPENDING PER PERSON

<table>
<thead>
<tr>
<th>Local residents</th>
<th>Domestic Visitors</th>
<th>Foreign Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>208.1</td>
<td>1,240.1</td>
<td>4,908.4</td>
</tr>
</tbody>
</table>

ECONOMIC IMPACT

The total visitor spending amounted to a total direct injection of R48,736,490 into the local economy. The total visitor spending includes spending by residents. Non-resident spending amounted to R 44,167,183. This amount is very close to the direct spending determined in an impact study by Zhang (2006) in cooperation with the Cape Peninsula University of Technology even though different methodologies were used.

SOCIAL IMPACT

The social impact of the event as indicated by residents, visitors, and the federation and event organisers with Delphi inputs where largely positive with no significant negative social and environmental impacts. Most resident indicate that they are proud to have the event hosted in Cape Town. Most visitors thought that the event was well organised and successfully hosted in South Africa.

Potential negative social impacts are managed well; precaution is taken with regard to injuries and the accessibility of medical services, etc., since the event has been running for many years and the event organisation team has experience in hosting an event of such scale.

The event is well integrated with regard to participation by persons from different age groups and backgrounds. Approximately 1,000 individuals participate in community fun runs annually; a Runner’s Village also provides disadvantaged individuals and persons with disabilities the opportunity to participate in the event. The Old Mutual Two Ocean’s Marathon is a non-profit organisation and currently supports two charities; Nurturing Orphans of AIDS for Humanity (NOAH) and the Carel du Toit Centre.

CONCLUDING REMARKS

This event is a family event. An estimated 49,866 persons which includes spectators and participants were involved in the event (44% is estimated to be local residents). This resulted in a large economic injection for the local economy. The result of the study also shows that foreign visitors made up 5.2% of the event visitors, but they were by far the largest spenders.

This case study indicates that smaller scale, annual events, such as the Two Ocean Marathon, have a significant and sustainable economic impact on the local economy due to large numbers of visitors being drawn to the area because of the event. No major infrastructure investment is required. Social and sport development impacts are largely positive with no significant negative social or environmental impacts.

Source: Urban-Econ research 2008
4.6.2 Social and Environmental Impacts

Tourism benefits generally do not filter down to poor communities as often assumed, and do not necessarily bring about development (Sharpley and Telfer, 2002). It can therefore not be assumed that the benefits of tourism will insure equity, equality and socio-economic automatically without deliberate public policy intervention. This appears to be no different in Cape Town.

The spatial distribution of the population, facilities and infrastructure is unusually skewed in Cape Town (SACN, 2011). There is an imbalance in population density with low concentrations in the inner city and Southern Suburbs and very high concentration in outlying areas. This is the result of the Apartheid area urban planning. Urban regeneration and rising property prices in the inner city in recent years has exacerbated this problem by displacing and marginalising poorer persons. Homelessness and street dwelling is an increasing problem in the inner city of Cape Town. This skewed pattern results in challenges for labour mobility, transport networks, public service delivery and traffic congestion which impacts on tourism.

The pattern of tourism supply in Cape Town is also skewed as indicated in the supply analysis of this chapter. Most of the tourism supply is located in the central city and the affluent areas along the Atlantic seaboard. Very few tourism attractions, facilities and services are found in the poorer parts of the city and as a result few visitors venture to such areas despite the expectations of cultural heritage tourism (Cornelissen, 2005). Therefore, the benefits of tourism are not spreading to poorer people and areas the way government has envisaged. This inhibits the government’s goal of fostering a sustainable tourism development which benefits the majority of residents.

Nevertheless: ‘The skewed spatial structure of tourism in the Western Cape indicates that there is much potential to distribute tourism activity and impact’ (Cornelissen, 2007:183).

Cornelissen (2005) recommends the following:

- Address the institutional shortcomings of tourism administration
- Address the lack of capacity at local institutional levels – particular in the poorer parts of the city
- Product development should be in line with consumer preferences
- Increase the domestic market
- Channel capital investments to promote domestic and pro-poor tourism (in marginal areas)
- Provide incentives to the private sector
- Enhance skills development in tourism firms and community-focused tourism programmes

Frey and George (2010) found low levels of responsible tourism evidence in a study of 244 Cape Town tourism firms. This was in terms of providing better holiday experiences for guests and ensuring good businesses through increased socio-economic benefits and improved natural resource management. They found that there was a mismatch between business owner’s attitudes and behaviour in the industry. In other words, business owners pay lip service to responsible tourism, yet they are not investing time and money into
changing management practices. Factors such as the perceived cost, risk and lack of government support impacts on this. These include risks in using small suppliers who adhere to insufficient quality standards and in terms of ordering and delivery ease. However, research suggests that responsible tourism makes good business sense and can enhance the competitiveness and profitability of a firm and be used as a positive marketing tool since visitors tend to prefer responsible (GTA, 2006; Frey & George, 2008; Tearfund, 2002).

Government intervention is required to in order to facilitate transformation in the industry and to ensure that the tourism industry is globally competitive, socially equitable and naturally sustainable (Frey and George 2010). Therefore, government is responsible for developing a regulatory framework within which the industry should be developed and operated. This includes the monitoring and governances of responsible tourism management in destinations. Booyens (2010) also calls for the responsible development of cultural heritage tourism which enhances benefits to locals. Service providers should i.e. use local guides and work with local partners, support local businesses, provide training, contribute a portion of income to local causes as a social responsibility activity and pay minimum wages. Local ownership of such businesses should also be encouraged.

Recommendations to motivate responsible tourism management include:

- Incentives such as tax benefits, concession, marketing support
- Recognition in the form of responsible tourism certification and rewards

V. **Strategic implications**

- Enhance capacity of local tourism administration
- Direct capital investments to enhancing domestic and pro-poor tourism
- Skills training initiatives for the tourism sector - partner closer with the existing organisations i.e. CATHSSETA and TEP
- Improve governance and regulation of responsible tourism in Cape Town
- Provide incentives for compliance
- Enhance capacity and empower emerging SMMEs.
- Network and collaborate with existing organisations in achieving this i.e. the Responsible Tourism Partnership, Fair Trade in Tourism South Africa, the Imvelo Awards for Responsible Tourism
4.7 Tourism Development Potential

4.7.1 Destination Image

Various tourism role-players and key stakeholders agree that Cape Town does not have a strong over-arching destination image or brand (Jooste, 2011). Visitors travel mainly to Cape Town for holiday purposes and nature, and culture and heritage are the main motivators. This is apparent from the analysis presented, the research reviewed and observations regarding images emerging from video and printed promotional materials for Cape Town Tourism. Re-occurring images include nature and adventure; creativity, culture and heritage; and Leisure, lifestyle and events. Chapter 5 provides suggestions on how these images can be consolidated as a destination brand image.

Figure 4.20 is a product of responses from Urban-Econ’s Stakeholder Surveys. This WordCloud is useful for determining how Cape Town is perceived as a destination. Cultural heritage tourism emerges as an important opportunity. The traditional nature image of Cape Town is also apparent i.e. beaches, Kirstenbosch Botanical Garden, the mountain ranges, fynbos, Cape Point. Robben Island and the Waterfront remain popular attractions. Other interesting images which emerge include the arts, film, design and dance tourism which are important opportunities for development. These considerations inform the niche markets discussed below. Negative images include littering and safety concerns.

Figure 4.20: How Cape Town is perceived as a destination

Source: Urban-Econ Stakeholder Surveys, 2011

VI. Strategic Implications

- These images emerging from the WorldCloud reinforces the images presented at the beginning of Section 4.7.1, but it is suggested that a stronger focus on culture and heritage is required for future tourism development
- Safety and security are issue of continued importance in Cape Town in connection with tourism development, as are issues around littering and the cleanliness of the inner city
4.7.2 Strategic Tourism Focus Areas and Niche Markets

The strategic focus areas discussed in this section have been identified through the stakeholder participation process and a review of research, literature and statistics. Niche markets have also been identified. Note that some niche tourism markets can also be perceived as strategic focus areas which contain a number of sub-markets. See Chapter 5 for the ‘Conceptual Development Framework’ which contains key strategic theme with a number of niche markets or specialised tourism products under each. All of these are not discussed in detail since various markets are already well established. Niche markets of strategic importance for future development are discussed in more detail below.

Niche tourism is also called ‘special interest tourism’ which delivers specialised services to visitors and which stands in contrast with mass tourism (Rogerson, 2011). Globally, mass tourism is becoming less desirable due to its adverse environmental impacts and limited benefits to local communities. The perceived advantages of niche tourism is that it has the potential to enhance the diversification of tourism products and the competitiveness of destinations, generate higher yields per visitor and increased visitor, create more jobs, impact more widely on poverty and enhance sustainability (Rogerson, 2011). Recent policy frameworks for tourism development by the Department of Trade and Industry and the Department of Tourism focus on niche tourism development as an important strategic direction for South Africa (Rogerson, 2011).

Creative Tourism

Creative industries in Cape Town are growing and are receiving increased attention and investment. The CoCT is also seeks to promote Cape Town as a ‘Creative City’. This creates potential for tourism in Cape Town. Creative industries are increasingly used as a tool for urban regeneration and are linked with urban tourism (Rogerson, 2007). Creative industries are furthermore lauded for its job creation and enterprise development potential. Creativity can be used as a theme by cities who seek to distinguish themselves by focusing on creative industries and accordingly marketing themselves as ‘creative’ or ‘cultural cities’. However, it is important that the focus should be on local arts, culture and creative firms i.e. what is unique and authentic about Cape Town. These activities have the potential to draw domestic and international visitors. An emphasis on historical and contemporary local culture creates opportunities for a diverse range of tourism offerings, cutting across seasons and, importantly, spatial and class divides. Cultural and heritage tourism attractions can range from world-class museums, through to community-driven lifestyle routes – creating stories around the contemporary lifestyles of ordinary Capetonians. However, what is called the ‘serial reproduction of culture’ should be avoided i.e. the blanket copying concepts, ideas and project that have been successful in other cities.

Creative tourism is therefore an extension of cultural tourism as it involves access to culture or history, involves doing something experientially - an authentic and active engagement in the real cultural life of the city (UNESCO, 2006). The emphasis of creative tourism is thus on active participation and experiences, visiting and engaging in culture and heritage attraction and activities, and establishing linkages with the creative
**industries.** Creative tourism therefore includes activities by tourists around arts and crafts, music, creative writing, performing arts, design and media, other culture and heritage, and health and sport (see Rogerson, 2006).

However, few linkages have been made in Cape Town between the cultural and creative sector and new tourism product development and innovation (Rogerson, 2006). There is this potential for tourism development in this regard.

Cape Town has great creative city potential, however specific strategies are necessary to enhance creative industries, promote tourism and ensure that benefits are spread more widely and evenly (Booyens, 2012). Linked to creative industries is the film industry – with Cape Town remaining a popular destination for films, adverts and music videos. The Cape Film Commission and private role players in industry are investing heavily in deepening Cape Town’s offering to the film industry beyond shooting to full range pre- and post-production services.

Linked to both the creative industries are culture and heritage, as indicated. To enhance culture and heritage attraction museums for instance require the assistance of design and interpretation to remain globally competitive and meet the requirements for new displays and experiences. This presents an opportunity for collaborative project between the public and private sectors. Policy support for museum development comes from the Mzansi’s Golden Economy strategy document of the National Department of Arts and Culture as well as the draft provincial Western Cape Museum Policy.

More should also be done to enhance and market existing cultural and heritage attractions and activities such as arts, crafts, music, dance, theatre, festivals and historical sites. These are also important for cultural heritage tourism i.e. new cultural and heritage attractions should be developed in these areas to draw visitors.

What can be done to develop creative tourism? (UNESCO, 2006):

- Develop and create more home grown creative people and unique products
- Support local crafts people and artists
- Integrate creative tourism with community and infrastructure development
- Strengthen policies that support development of creative tourism
- Local government should create an enabling environment for creative industries and creative tourism i.e. through tax incentives, access to loans and finance, training, coordinating initiatives and creating synergy between public and private initiatives
- The private sector is responsible for their own self-promotion, articulating the intangibles, and networking themselves around shared problems
- Promote quality and excellence
VII. Strategic implications

- Create better linkages between creative industries and tourism
- Promote the development of creative tourism and culture and heritage products
- Provide access to finance and skills training
- Coordinate initiatives and identify strategic areas for development
- Promote public-private collaboration
- Strengthen policy around creative industries, creative tourism, creative city development and urban regeneration

Backpacker and Budget Tourism

Backpacker tourism is an important niche market which holds much potential for local economic development and which have been largely ignored in South Africa (Visser and Barker, 2004). Closely associated with this niche are educational and volunteer tourism. Backpackers are mostly young, budget tourists who take extended holidays. There has traditionally been a reluctance to encourage backpacker tourism since it was perceived that due to their limited budgets they bring little revenue to destinations. However, studies have shown that backpackers often spend more money because of extended stays, they spend money over a wider geographical area which brings benefits to remote or marginal areas, they purchase local goods and services and they have more contact with local communities and participate in local activities i.e. learning crafts, visits to and home stays in cultural areas and participating in volunteering activities. Seasonality can also be countered due to year round tourism flows. In South Africa, the largest backpacker cluster is in the Western Cape (Visser and Barker, 2004) and the domestic backpacking market is very small (Swart, 2010). However, the supply analysis shows that backpacker lodges from a relatively small part of the accommodation mix in Cape Town. Research in South Africa shows that backpackers have the following characteristics; they (Swart, 2010; Visser and Barker, 2004):

- Travel alone, young career professional, in their 20’s, educated, middle class, single
- Is concerned with money and budgeting, but some have increasing disposable income
- Prefer budget accommodation – more than 80% in Cape Town used backpacker’s lodges
- Are explorers who seek cultural experiences
- Are mostly from Western Europe
- Use the internet in planning trips
- Often engage in humanitarian work in South African and rest of Africa
- Make use of rail, coach, tour busses and hitchhiking and walking as modes of transport
- Stay longer – average of 10.7 days in Cape Town
- Require fewer infrastructures than high-end tourists as backpackers are less demanding
- Interact more with local South Africans than the average international tourist
Research regarding backpacker tourism in South Africa in 2004 has however shown that backpacker establishments cluster in the main international tourism nodes (most in Cape Town was situation in the central city and Gardens), no backpackers were found in cultural heritage areas in main metropolitan areas and establishments were white-owned and not a single one had a black ownership base (Visser and Barker, 2004). Therefore, much needs to be done to transform the sector and maximise benefits to local communities. The research suggested that poorer communities in large urban area have many opportunities for backpacker tourism, but inadequate information and support of an institutional nature hamper their ability to engage in this activity. Also, in other backpacker ‘havens’ such as in South-East Asia, backpacker establishments are made of inexpensive readily available materials i.e. wood and thatch. This is not seen in South Africa where establishments follow western building styles. There is thus an opportunity for the development of backpacker establishments in cultural heritage areas using local or traditional building materials i.e. mud and thatch or shacks.

**VIII. Strategic Implications**

- Encourage black ownership
- Encourage establishment in cultural heritage areas using local building materials
- Skills development and training for emerging SMMEs
- Marketing support for emerging SMMEs
- Enhance backpacking infrastructure i.e. access to safe public transport

**Events**

Cape Town is increasingly becoming a popular destination as discussed in the supply section. Although, Cape Town’s event portfolio includes business meetings, conferences and exhibitions and gatherings for inter-governmental negotiations, non-profit associations and academic events, the majority of events lean toward the creative industries, culture, and sport and leisure. These events should be targeted. In additions, it is recommended that high-profile international conferences also be targeted.

Some benefits of the events market include:

- It draws international, domestic and local visitors and participants
- Annual events encourage return visitations
- Conference and event attendees often stay longer to combine business and pleasure
- High exposure for Cape Town when events are televised and/or widely publicised
- To counter seasonality, plan events throughout the year when not dependent on the weather

The city aims to approach events in a responsible manner from and environmental perspective. The City’s responsible tourism handbook provides guidelines in this regard. This is also important from a World Design Capital perspective which focuses on green design.
IX. **Strategic implications**

- The events market is private sector driven and the role of government is to create an enabling environment and assist in marketing.
- Encourage events based on Cape Town’s unique selling features to enhance the city’s destination image i.e. creativity, culture and lifestyle, and nature.

**Cultural Heritage Tourism**

Cultural heritage tourism has emerged in South Africa post 1994 and is primarily a phenomenon of the large urban areas frequented by international visitors. In South Africa, the cultural areas around the largest metropolitan areas i.e. Johannesburg, Cape Town and Durban are popular. Cultural heritage tourism products are mainly modelled on the daily lives of locals, cultural and heritage attractions where these exist, traditional cuisine, historical insights and local arts and crafts. Cultural heritage tourism establishments consist of tour operators, B&B establishment, restaurants, producers of crafts or curios, and museums. There is limited published research on cultural heritage tourism in South Africa and specifically in Cape Town. Important strategy implications are drawn from studies in cultural heritage areas in Gauteng. Booyens (2010) found in Soweto tourists would like to see more cultural and heritage attractions i.e. cultural villages, music and dancing, arts and crafts, museums and art galleries. Also, tour operators who offer tours to Soweto were white-owned and only two were based locally in Soweto at the time. Furthermore, locals and businesses do not benefit significantly from visitors to their area. Entrepreneurs in cultural heritage and low income areas face various barriers to participate the tourism industry. These entrepreneurs faced challenges in starting-up and sustaining businesses, the main challenge include (Booyens, 2010; Rogerson, 2004):

- A lack of business skills
- A lack of access to finance
- Crime in the area
- Poor marketing of the area
- Poor information about the tourism industry
- Poor signage

Booyens (2010) calls for responsible cultural heritage tourism development. Some recommendations in this regard include:

- Cultural heritage tourism product development which focus on local culture and heritage to create unique visitor experiences. Important considerations are:
  - First-hand experiences with locals should be encouraged i.e. making of craft, participating in cultural cooking classes, etc.
  - Themed Cultural heritage tours i.e. a struggle trail, a shebeen trail, and arts and craft trail, guided walks or bicycle tours
- Encourage volunteer tourism
- Create cultural and heritage attractions i.e. museums, commemoration sites, interpretation centres, art galleries and theatre productions, arts and craft centres, festivals
- Promote local ownership of tourism establishments and attractions
- Government intervention and regulation is required to ensure benefits to locals
- Provide incentives to outside tour operations who operate responsibly i.e. have local partners, use local guides, support local businesses, source local good and service, etc.

Cultural heritage tourism is a mechanism to redistribute the benefits of tourism to poorer areas. Concerted efforts should be made through strategic investment to enhance cultural heritage tourism through tourism product development. This will generate increased demand for cultural heritage tourism. More accommodation offerings is required i.e. backpackers and the development of tourism attractions based on culture and heritage, transport linkages, information centres, signage and ensuring safety and security. There is currently not enough to do and see in existing cultural heritage areas. This limits the economic opportunities to locals and the tourism drawing power of cultural area. Simply marketing cultural heritage tourism is not enough. Furthermore, cultural areas should not only be regarded as day-trip destinations, but should be integrated into the wider tourism product offering of Cape Town. Experience-based tourism should be promoted in cultural heritage areas, and visitors should be encouraged to overnight. The enhanced cultural heritage tourism products should also be marketed to locals i.e. be a tourist in your own town and visit a cultural herita – this enhance benefits to locals.

X. Strategic implications

- Promote local ownership of tourism facilities
- Support cultural heritage tourism product development
- Provide access to finance and skills training to emerging entrepreneurs
- Improve signage in Khayelitsha and other cultural areas like Langa and Gugulethu
- Improve awareness and marketing of visitor attractions and services in Khayelitsha and other areas like Langa and Gugulethu - i.e. a dedicated flyer/map or booklet

Nature-Based Tourism

Cape Town has a strong, existing image in this regard due to its scenic beauty which includes mountains, beaches, wine farms, its extraordinary Cape Floral Kingdom and wildlife in the region. This presents opportunities for a wide array of nature-based, adventure, sport and leisure, and ecotourism activities. Adventure tourism in turn presents opportunities for local tourism as well as youth travellers and backpackers. It is argued that this market simply requires awareness and service providers, with little initial investment in destinations, though on-going management of destinations will be necessary to ensure sustainability.

A number of nature reserves and green areas in Cape Town also have potential to be developed into tourist areas to support activities such as sunbathing, swimming, hiking, bird watching, camping, environmental education, etc. Developing these resources is also important in terms of increasing access and use of such leisure facilities by local residents. This is much needed in poorer parts of the city and it holds potential in
terms of redistributing the benefits of tourism to such areas. By increasing the community’s engagement in nature-based projects, it is likely to increase their visits to local attractions, which in turn adds benefits such as employment opportunities that can be maximised. Educational tourism amalgamates with nature-based tourism in the sense that opportunities for experiencing and learning knowledge about the environment are entwined by what nature based activities have to offer. This may also include industrial tourism. Furthermore, international exchange students or interns would have the opportunity to learn and explore Cape Town just as any other visitor.

**Food and Wine Tourism**

This is a growing trend internationally, and the Western Cape has an advantage to capitalise on the wine making and restaurants of the area due to its strong existing market and the strength of the local wine industry. Again, this niche market can be targeted year around, and can range from the affordable to the exclusive. An opportunity to deepen local value chains through active promotion of locally-produced foods also exists, as does promotion of SMMEs through marketing of local artisan food and beverage products (such as those that are in growing popularity at neighbourhood markets). There is potential for agri-tourism to evolve as well. Activities that allow visitors to engage in agricultural activities will allow the sector to expand as more and more visitors become aware of it.

**Cruising**

Cruising remains a niche market with growth potential for Cape Town and the city has the potential to become an important stopover port for long distance cruises. This niche market is well aligned to the city’s largest origin markets, and drawing more high-spending visitors from large, established markets in as important strategy as indicated in the Marketing Tourism Growth Strategy for South Africa. Important opportunities is to endeavour to extent the length of stay by these visitors i.e. passengers can be encouraged to fly to Cape Town a week or two before the cruise begins or stay a while longer once it ends to explore the Western Cape and South Africa. However, the market is generally not well informed about Cape Town as a holiday destination and there is a targeted marketing opportunity in this. Marine tourism can also be viewed as a type of tourism that is bound to be valuable as it is part of a distinct medley of tourism sectors. Cultural and heritage activities pertaining to marine life and activities in the City of Cape Town are just some aspects that it entails.

Furthermore, in order to become internationally competitive logistical issues around the size of the harbour i.e. accommodating thousands of tourists at a time, port taxes and customs and immigrations controls need to be addressed. The CoCT has participated in a national cruise liner study and discussions regarding the development of a cruise line terminal are underway. Port roles are also shifting, with limited space and capacity and industrial and consumer demands for cargo uses have implications for the cruise line industry and
leisure yachting. However, this is reflected in the port expansion plans. The upgrade of ports and initiatives such as dedicated cruise terminal/s will positively impact the future development of this niche market. Ease of air access is also an important consideration, but with the upgrade of the Cape Town International Airport the city can certainly cater for this market.

4.8 Synthesis

A SWOT analysis, which assesses the internal strengths and weaknesses and external opportunities and threats which face Cape Town as a destination, is used to synthesise this chapter. The strengths and weaknesses are influenced by micro-economic considerations, in other words, the strengths and weaknesses are influenced by the internal aspects of the tourism system and the local economy in a locality. The opportunities and threats are determined by market and macro-economic forces, for example economics, politics, market forces, etc. Opportunities and threats specific to the local tourism system will be indicated in this analysis, as well as broader considerations. The purpose of the analysis is to inform the Tourism Strategy Development which follow in Chapter 5.

4.8.2 SWOT Analysis

This analysis was based on the findings of the Destination Situation Analysis presented in the chapter, as well as on inputs from tourism stakeholders in the area, and visitor surveys and observations by Urban-Econ. The SWOT analysis has also been combined with the environmental scanning for this study. Environmental scanning refers to the internal and external analysis of the operating environment in order to inform strategic planning. It includes an understanding of internal and external driving forces, trends, opportunities and relationships that influence an organization or sectors’ future path. Table 4.5 outlines the SWOT analysis for Cape Town’s tourism system in point form. An expanded version of the SWOT analysis can be found in Annexure II.
### Table 4.5: SWOT analysis for the tourism sector in Cape Town

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Natural and cultural resources:</strong></td>
<td><strong>Urban development issues:</strong></td>
</tr>
<tr>
<td>- Scenic beauty and natural resources</td>
<td>- Skewed pattern of urban development and population density</td>
</tr>
<tr>
<td>- Diversity of cultural and heritage resources</td>
<td>- High property prices and gentrification as a result of urban regeneration, particularly in inner city, City Bowl, Foreshore and along the Atlantic seaboard – the tourism node</td>
</tr>
<tr>
<td>- Social and cultural diversity</td>
<td>- Homelessness, sex workers, drug and alcohol abuse and human trafficking, particularly in the inner city areas which is the tourism node of Cape Town</td>
</tr>
<tr>
<td>- Moderate climate</td>
<td>- Water, energy and public transport constraints exist in certain parts</td>
</tr>
<tr>
<td>- Creative industries and emerging creative city image</td>
<td>- Safety and security threats</td>
</tr>
<tr>
<td><strong>Destination characteristics and marketing:</strong></td>
<td>Insufficient standards in terms of health and hygiene</td>
</tr>
<tr>
<td>- Relatively well developed tourism infrastructure</td>
<td>- Threats of over-development and urban sprawl which includes air pollution; traffic congestion; a lack of recycling services, bike lanes, loss of biodiversity and urban green areas (many urban parks are not safe and are not kept up)</td>
</tr>
<tr>
<td>- Cape Town is a popular destination in Africa</td>
<td><strong>Tourism development issues:</strong></td>
</tr>
<tr>
<td>- Draws high international visitor numbers</td>
<td>- Skewed pattern of tourism development and few benefits to poor communities</td>
</tr>
<tr>
<td>- Websites providing information on tourism products and services are available</td>
<td>- Poor responsible tourism management performance</td>
</tr>
<tr>
<td>- Strong regional marketing body in the form of CTT</td>
<td><strong>Economic issues:</strong></td>
</tr>
<tr>
<td><strong>Institutional arrangements:</strong></td>
<td>- Jobless economic growth</td>
</tr>
<tr>
<td>- Cape Town as a diversified tourism system consisting of various public and private organisations including government agencies, tourism firms and educational institutions</td>
<td>- Uncompetitive behaviour of the private sectors i.e. too high prices, insufficient quality and customer service standards, and poor innovation capacity</td>
</tr>
<tr>
<td>- Institutional arrangements for collecting data on tourism.</td>
<td>- Insufficient integration of new ICTs into tourism products and practices</td>
</tr>
<tr>
<td>- Institutional arrangements for promoting Cape Town as a destination</td>
<td><strong>Tourism offering, infrastructure and support:</strong></td>
</tr>
<tr>
<td>- Local and provincial commitment and support for tourism development</td>
<td>- A lack of adequate marketing initiatives and the distribution of information in cultural heritage areas</td>
</tr>
<tr>
<td>- Government departments and agencies recognise the importance of tourism for local economic development</td>
<td>- There is an oversupply of luxury accommodation in Cape Town. Cape Town does not have a strong branding image</td>
</tr>
<tr>
<td>- Positive private sector attitudes to responsible tourism management</td>
<td>- Tourism signposting needs improvement, particularly in lower income areas</td>
</tr>
<tr>
<td>- Tourism sector is private sector driven</td>
<td>- The tourism system in Cape Town is fragmented with a lack of integration of public and private tourism initiatives</td>
</tr>
<tr>
<td><strong>Responsible tourism:</strong></td>
<td>- Tourism industry structures and governance is poorly defined.</td>
</tr>
<tr>
<td>- Cape Town is committed to responsible tourism</td>
<td>- Human resource capacity and skills constraints</td>
</tr>
<tr>
<td>- Cape Town has established environmental management and reporting processes</td>
<td>- Insufficient accessibility for persons with disabilities</td>
</tr>
<tr>
<td>- Positive private sector attitudes to responsible tourism</td>
<td>- A lack of funding for new venture creation and upgrades to tourism SMMEs and entrepreneurs, particularly previously disadvantaged persons</td>
</tr>
<tr>
<td><strong>Hard and soft infrastructure:</strong></td>
<td>- Infrastructure (and tourism infrastructure) provision is uneven</td>
</tr>
<tr>
<td>- Support structure exists for doing business in the city</td>
<td>- Overregulation i.e. various laws and regulations hamper small businesses</td>
</tr>
<tr>
<td>- Recent infrastructure improvements i.e. the airport, the station precinct and MyCiTi routes</td>
<td></td>
</tr>
<tr>
<td>- A number of training colleges and universities provide hospitality, tourism and events management courses</td>
<td></td>
</tr>
</tbody>
</table>
### Opportunities

**Tourism product development and niche markets:**
- Improve tourism products focusing on cultural heritage
- Upgrade museums to meet international standards
- Develop undeveloped places of historical significance, particularly in areas of cultural heritage significance
- Develop undeveloped natural resources, particularly in and around cultural heritage areas
- Link tourism more closely with creative industries
- Further develop tourism products and attractions aimed at niche markets i.e. backpacker and budget tourism, culture and leisure events, nature-based tourism, food and wine tourism, cultural heritage tourism
- Focus marketing initiatives on the identified niche markets
- There is a need for budget accommodation options
- Strategically develop a more extensive range of events to promote Cape Town as an events destination – focus on unique selling features to ensure competitiveness

**General tourism development needs and opportunities:**
- Promote domestic tourism
- Train more previously disadvantaged locals as tour guides
- Improve collaboration and networking in the local tourism system
- Improve education and skills training for the sector
- Improve linkages and communication between skill providers and the industry
- Invest in innovative greening projects
- Improve online marketing and booking, and the use of social media i.e. virtual tourism\(^1\); Smart phone tourism App for Cape Town
- Invest in tourism infrastructure in cultural heritage areas

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### Threats

**Economic factors:**
- Poor global economic environment and performance
- Poor national economic performance i.e. economic growth lower than expected and hoped for
- Strong potential competition from competitive destinations who can offer better quality and value for money
- Additional tourist demand and spend can drive inflation and overcrowding

**General factors:**
- Seasonality
- High costs of hardware, software and internet connectivity
- Climate change
- Competing land-use demands i.e. housing, industrial development, conservation and tourism development
- Negative publicity due to isolated incidents i.e. tourists affected by crime
- Investor confidence can be affected by political and economic instability in South Africa

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\(^1\) The virtual tourism may replace guided tours, resulting in job losses. This has already been seen in Amsterdam and Berlin, where route maps and audio guides can be downloaded by individual visitors onto their phones. Jobs would, however, be created in the software development sector (part of the creative industries), requiring input from tourism sector experts.
Chapter 5: Tourism Strategy Directive

The purpose of the chapter is to outline guiding principles, strategic focus areas, key actions and projects (or programmes) for targeted for future tourism development in Cape Town. This chapter is informed by the strategic implications identified in the Destination Situation Analysis (Chapter 4). Figure 5.1 indicates how the strategic elements are delineated in this chapter. Strategic focus areas have been identified; and goals, actions and prioritised projects are outlined for each. Before indicating strategic focus areas, some guiding principles are provided next.

5.1 Guiding Principles and Directives

5.1.1 Enhance Domestic Tourism

Greater emphasis should be placed on developing domestic tourism in the Western Cape (Cornelissen, 2005). The growing middle-class in South Africa is an opportunity for increasing domestic tourism. The domestic market is also large in size and accounts for the greater portion of tourism income in the province. Furthermore, domestic tourism patterns do not reflect the excessive seasonal fluctuation of, and are less geographically concentrated than the international market (Cornelissen, 2007; Visser, 2007). The development of budget tourism and budget accommodation option, and the diversification of tourism products are important considerations for enhancing domestic tourism.

Domestic visitors from Gauteng and other parts and in the Western Cape form a large part of the current domestic tourism market, however efforts should be made to draw more visitors from other parts of the country. Initiatives like being a tourist-in-your-own-city can increase the use of tourism service and facilities by locals even though they are not tourists strictly speaking. Nevertheless, this will bring financial benefits; help to redistribute tourism impact if locals can i.e. be encouraged to visit commemoration sites or have a meal in cultural heritage areas; counter seasonality and foster the sustainability in the Cape Town tourism sector.

5.1.2 Conserve Heritage Resources for Tourism Development

Heritage is increasingly being used as a tool for urban planning and regeneration and it is often linked to tourism as an avenue towards this end. Heritage resources can be creatively transformed into a tradable commodity or product that especially focuses on providing unique visitor experiences as part of the tourism product. A central challenge linking heritage and tourism lies in the reconstructing of the past and the present through effective interpretation and creativity plays a very important role in successful interpretation.

It is suggested that the use of heritage resources for the development of tourism attractions in cultural heritage areas will contribute to the conservation of heritage resources, not only for tourism, but also for educational and reconciliation purposes (Booyens, 2010). This is a strong motivator for cultural heritage tourism. According to the National Heritage Resources Act heritage resources contribute significantly to
research, education and tourism, and must be developed and preserved for these purposes. The integration of heritage resources conservation in urban planning and socio-economic development is also endorsed. There are thus important synergies between heritage conservation, tourism product development and promoting responsible tourism development in cultural heritage areas.

### 5.1.3 Stimulate Tourism Product Development

The development of tourism products is central to strategic tourism development (Van Staden and Marais, 2005). Attractions, as a product that drives tourism, can be regarded as demand generators (Kotze et al., 2005). Although it is not the role of local government to develop and own tourism products per se, local government can play a role in the coordination, stimulation, facilitation and support of tourism product development initiatives.

Tourism products and attractions should be developed around the unique selling features of an area which should inform niche markets. Culture and heritage attractions are widely recognised as being important elements of the tourism mix at any destination and this is also a unique selling feature for Cape Town which should be developed further. Other unique features in Cape Town are nature which enables a variety of lifestyle activities. This report recommends that the following niche markets should be targeted and stimulated: backpacker and budget tourism, events tourism, nature-based tourism, food and wine tourism, cultural heritage tourism, and creative tourism. See Section 5.3 for more on this.

### 5.2 Summary Outline

The summary outline presents the organisation and flow of the strategic elements in this chapter. The strategic focus areas are outlined in Figure 5.1.

*Figure 5.1: Strategic focus areas*
Figure 5.2 presents the strategic flow of this section. Strategic goals, key actions and projects are outlined for each of the strategic focus areas. More details on these are outlined in subsequent sub-sections.

*Figure 5.2: Strategic flow*
5.3 Detailed Outline: Strategic Focus Areas, Goals and Key Actions

The strategic focus areas should align with the development vision and guiding principles. The strategic focus areas are discussed below, and goals and key actions have been identified for each. Guidelines regarding key actions and governance are provided in the Business and Implementation Plan (Chapter 6).

5.3.1 Strategic Focus Area I: Responsible Tourism

The impact of tourism development on the environment, the society and the economy should be managed. Detailed and sensitive planning is essential to ensure responsible tourism development in localities towards managing the impact of tourism. Benefits of tourism to communities will not be generated automatically and concerted efforts are thus required by government and the private sector to ensure that responsible tourism management occurs within destinations. A common misconception exists that responsible tourism is a tourism product. However, the spirit of the responsible tourism strategies and guidelines is that responsible tourism should be the key principle guiding development strategies and actions. Therefore, this report recommends that responsible tourism should be the vision for tourism development in Cape Town. The recommended vision is thus:

To position Cape Town as a world class competitor and South Africa’s premier Responsible Tourism and events destination

The aims of responsible tourism management are to ensure that tourism developments are viable and feasible; that the local communities benefit from tourism i.e. locals should have the opportunity to take part in economic activities, be employed, trained and empowered; and the environment is preserved, this includes the promotion of environmentally friendly practices. Strategic goals, key actions and priority projects to promote responsible tourism in Cape Town are outlined in Table 5.1.18

The Responsible Tourism (RT) Policy and Action Plan for Cape Town adopted a responsible tourism approach to ensure that tourism in the destination (CoCT, 2009):

- makes positive contributions to the conservation of natural and cultural heritage embracing diversity
- minimises negative economic, environmental and social impacts
- provides more enjoyable experiences for tourists through more meaningful connections with local people, and a greater understanding of local cultural, social and environmental issues
- is culturally sensitive, encourages respect between tourists and hosts, and builds local pride and confidence

18 A project prioritisation model was used to identify priority projects included in this chapter. See Annexure II for details. See Chapter 6 for more detail on projects.
♦ generates greater economic benefits for local people and enhances the well-being of host communities
♦ provides accurate information about accessibility of facilities and infrastructure for people with disabilities (visual, communication, mobility) to customers
♦ involves local people in decisions that affect their lives and life chances
♦ improves working conditions and access to the industry.

These strategic considerations should be taken into account in developing and planning tourism products and growth.

### Table 5.1: Strategic goals and key actions for Strategic Focus Area I

**Responsible tourism**

Promote responsible tourism as a guiding principle for tourism development in Cape Town.

- Spread the benefits of tourism by directing capital investments to enhancing pro-poor and cultural heritage tourism
- Promote empowerment of locals, employment of local labour, local sourcing of goods and services and local ownership of tourism products
- Promote environmentally friendly practices in tourism enterprises - energy, water and waste management
- Ensure the conservation of natural resources
- Improve governance and regulation of responsible tourism in Cape Town
- Improve networking and collaboration between existing organisations to enhance responsible tourism
- Explore different projects/activities such as an out-door theatre, which can allow visitors to engage in events while experiencing the essence of the natural environment
- Hold Tourism Indabas on a regional and local level so as to expose communities to the value of nature
- Market and trend-set nature-based projects as the trendiest activity to engage in especially in the City of Cape Town
5.3.2 Strategic Focus Area II: Thematic Tourism Product Development

Van Staden and Marais (2005) recommend that tourism products should be combined with the image of a destination and thus marketed. Therefore, this report recommends that tourism development in Cape Town be focused strategically on its unique selling features or themes (which are also key destination brand images and indicative of what drives demand for tourism in Cape Town) i.e.:

- **Creativity**: inclusive of culture and heritage niche products and activities
- **Lifestyle**: inclusive of events, and sport and leisure niche products and activities
- **Nature**: inclusive of nature-based and adventure niche products activities

Figure 5.3 links the thematic areas with niche markets to conceptually inform a consolidated brand image based on the unique selling features of the area. Creative tourism links with creative city development and urban regeneration, creative industries, culture and heritage and certain lifestyle elements. Nature-based activities, lifestyle, leisure and recreation respectively go hand-in-hand. There is thus some overlap between the three themes.

19 The recommendations for the consolidated brand image is based on the research conducted and recent trends reviewed in the Destination Market Analysis and build on the work done for the previous TDF. However, this concept needs to be tested and researched further – this report makes some recommendations to provide preliminary guidance.
Lifestyle and nature are strong exiting brand images and this report recommends that they need to be reinforced and consolidated with creativity - which contain much potential to be developed as a strategic theme for tourism development in Cape Town. Cape Town is perceived as a creative city, but this is not well-linked and integrated with tourism. Existing activities and initiatives needs to be pulled together to form a consolidated destination brand image. All of the necessary elements exist; they just need to be incorporated better. It is highly recommended that agencies responsible for branding Cape Town focus on a few strategic themes (as suggested) which have been modelled on the area’s unique selling features. Marketing agencies should not do too much by simply adding as many activities, images and products to the destination brand as they can. This is not strategic and less often really is more. A strong, consolidated destination brand image is preferred. Goals and key actions follow in Table 5.2.

**Table 5.2: Strategic goals and key actions for Strategic Focus Area II**

**Thematic tourism product development**

- Promote tourism product development around the thematic areas of creativity, lifestyle and nature in Cape Town.

- Promote events centred on lifestyle and leisure, sport and creative industries and develop year-round events
- Promote the development of budget accommodation options and backpacker tourism
- Encourage and support the development of unique cultural and heritage attractions, routes and tourism attractions
- Promote nature-based tourism and activities
- Promote experience-based tourism
- Encourage and support creative tourism - closer links between tourism and creative industries
5.3.3 Strategic Focus Area III: Support Interventions

Government, especially at provincial and local levels, has an important role in ensuring an enabling environment for tourism development. This includes a broad range of support intervention which include institutional arrangements; soft infrastructure such as education skills training, ICTs, financing and marketing; hard infrastructure such as transport, the development of tourism spaces and facilities; and visitor infrastructure. Strategic interventions usually require the involvement of multiple role-players.

The fostering of public-private partnerships between the different spheres of government, civil society and the private sector is often necessary and local government has a facilitating role in this regard. Greater integration and co-ordination is essential towards ensuring tourism development to the benefit of all stakeholders. Local partnerships are indispensable towards ensuring available financial resources for development; the formation of local linkages and the reduction of economic leakages; the implementation of strategies, etc. The support interventions with regard to institutional arrangements, hard and soft infrastructure and visitor services are recommended in connection with supporting tourism development in Cape Town. This is followed by a list of potential projects or programmes (Table 5.3).
Table 5.3: Strategic goals and key actions for Strategic Focus Area III

<table>
<thead>
<tr>
<th>Support interventions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promote support with regards to institutional arrangements, hard- and soft infrastructure in order to create an enabling environment for tourism development in Cape Town</td>
</tr>
</tbody>
</table>

### Institutional arrangements
- Foster greater collaboration and networking between public and private actors in the tourism system
- Promote local procurement of goods and services and to avoid leakages from the local economy
- Support, regulate and promote responsible tourism management

### Soft infrastructure
- Support improved delivery and access to fast and affordable broadband and WiFi in Cape Town
- Foster collaborative destination marketing initiatives and provide marketing support to emerging entrepreneurs and SMMEs
- Collaborate with local, provincial and national departments to reduce red-tape in doing business
- Ensure improved access to finance for tourism SMMEs, especially to emerging entrepreneurs
- Promote the use and development of new ICT including improved online marketing and distribution, the use of e-portals and social media, and the development of tourism Apps

### Hard infrastructure
- Enhance urban spaces in tourism nodes
- Support the maintenance of road networks
- Support improvements and upgrades in the public transport system – rail networks, bus services

### Visitor services
- Enhance tourism information centres
- Improve road and tourism signage
- Establish community-based visitor safety and security initiatives
- Improve accessibility of tourism attractions and facilities for persons with disabilities
- Enhance backpacking infrastructure i.e. access to safe public transport
- Link tourism attractions with existing public transport – maps to attractions using public transport
- Develop route initiatives to link tourism attractions and to take visitors to strategic areas

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\(^{20}\) I.e. promote pedestrianism and cycling by providing physical infrastructure in the form of walkways or cycle lanes; beautify parks and public spaces with trees and street furniture and art; keep urban spaces clean and safe. Partner with other CoCT department and organisations like the Cape Town Partnership.
5.4 Detailed Outline: Projects per Strategic Focus Area

This sub-section outlines the proposed projects and the process of prioritising projects for inclusion in the strategy. These prioritised projects are then presented per strategic focus area identified. More details on the selected projects i.e. descriptions, timeframes and budgets follow in Chapter 6.

5.4.1 Potential Projects

A number of projects (or programmes) have been identified in the Destination Situation Analysis (Chapter 5) and through stakeholder engagement. These are listed in Table 5.4 and have been organised according to the strategic focus areas.

<table>
<thead>
<tr>
<th>Table 5.4: Potential projects</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategic focus area I: Responsible tourism</strong></td>
</tr>
<tr>
<td>♦ Responsible tourism awareness creation campaign and workshops targeted at tourism establishments.</td>
</tr>
<tr>
<td>♦ Responsible tourism awards or other incentives for Cape Town tourism establishments.</td>
</tr>
<tr>
<td>♦ Database of tourism establishments who operate responsibly.</td>
</tr>
<tr>
<td><strong>Strategic focus area II: Thematic tourism product development</strong></td>
</tr>
</tbody>
</table>

**Natural resources, events, and lifestyle and leisure activities**
- False Bay Ecology Park.
- Monwabisi Node Development.
- Kogel Bay Biosphere Information Centre, Restaurant and Resort.
- Harman Park, Helderberg coastal park.
- Soetwater Resort – camping, day visits.
- Clifton 4th Beach mini development – parking upgrade.
- Harbour and beachfront development - Hout Bay, Strand, Silwerstroomstrand.
- Marathon from Simon’s Town to Monwabisi.
- Blaauwberg Conservation Area.
- Link conservation areas on the cape flats, which have been identified as having biodiversity value to cultural opportunities
- Team building camps and conference centres
- Satellite Nature conservation Research Units

**Creative tourism (incl. cultural and heritage tourism)**
- Robben Island revitalisation.
- Tafelberg Node Development – market along Tafelberg Road.
- Langa Pass museum and interpretation centre.
- Khayelitsha Train Tour.
- Old quarry and Noon-day gun (vernacular).
- Experience-based open shop sessions where visitors can observe creative processes or take part in it.
- Creative industry tours walking or cycling or hop-on-hop-off taxi services.
- Heritage and architecture tourism tours and experiences linked with other sites in the inner city.
- Tourism integration in District 6 planning.
- The Mamre mission station and slave route project,
- The marking of struggle heritage sites, such as the UDF memorial, Gugulethu Seven, Langa Pass Office, and Trojan Horse sites and development of interpretation centres with struggle trail linking these sites and attractions.
- The Cape’s rural cultural landscapes, such as the winelands, as well as the rural areas around Philadelphia and Pella.
- Culemborg (shipping heritage museum potential, accommodation potential)
- Athlone Power station (potential for accommodation as well as information and welcoming centres, linking the proposed routes across the different districts to the east and west).

**Strategic focus area III: Support interventions**

**Institutional support**
- A campaign or programme to promote and award innovation, affordability, quality and service excellence in tourism firms.
- Tourism forum meetings to enhance networking and collaboration in Cape Town’s tourism system.
- Tourism database – updating information on tourism attractions, service and accommodation.

**Hard and soft infrastructure**
- Mobile and smart phone travel App for Cape Town.
- A tourism education and skills training centre in Bellville.
- A targeted programme for emerging SMMEs and entrepreneurs focus on skills development and training, improved access to finance and marketing support.
- Long street pedestrianisation.
- Regular training and tourism information sessions targeted at tourism enterprises.
- Southern Line Rail Route.

**Visitor services**
- A tourism safety forum to develop partnerships for improved visitor safety and security in the inner city, on mountain and beaches, in cultural areas; provide safety and security training to tourism service providers.
- Improved signage in Khayelitsha and other areas like Langa and Gugulethu.
- Observatory Lower Main Road tourism information centre.
- Tourism information and booking offices in cultural heritage areas.

This is a long list of projects. These projects were firstly screened for appropriateness and fit with the strategic objectives identified and selected projects were then prioritised by using a project prioritisation model, developed by Urban-Econ, as explained below.
5.4.2 Priority Projects

Catalytic implementable projects were identified. Selected projects were assessed and measured against prioritisation criteria which consider impact (i.e. job creation, SMME promotion, skills development, potential GGP contribution) and viability (i.e. market potential, project sustainability, and implementation considerations). Alignment to policies and strategies i.e. responsible tourism, the IDP and the SDF and other local economic strategies were also taken into account. Weights were applied to the criteria used. The Responsible Tourism Investment Prioritisation criteria and weights included:

- **Impact:**
  - Social return (25)
    - Improvement in household income (10)
    - Opportunity for skills development (5)
    - Opportunity for transformation (jobs for previously disadvantaged individuals and youth) (5)
    - Alignment with Cultural and Heritage Policies and Strategies (5)
  - Economic return (25)
    - Impact on GDP (5)
    - Jobs created (5)
    - Impact on International Direct Investment (2.5)
    - Impact on Balance of Payments (2.5)
    - Opportunity for SMMEs (5)
    - Potential for linkages with strategic sectors and/or niche markets (5)

- **Viability:**
  - Feasibility and Implementation (25)
    - Trends show demand and support for project is reasonable (5)
    - High level feasibility is positive (5)
    - Availability of funds and/or suitable funding sources (5)
    - Appropriate timeframe (5)
    - Available institutional capacity (5)
  - Sustainability and Implementation (25)
    - Environmental integrity (contributes positively to the environment, or complies with environmental management plans and policies, such as Green Events, Green Building etc.) (20)
    - Contributes positively to the reputation of Cape Town as a sustainable city (5)

Figure 5.4 below presents the top 20 projects; 15 of which are included in this chapter as catalytic projects for development over the next five years. These are further expanded on in Chapter 6.
Figure 5.4: Priority projects (top 20)

- Township heritage trail
- Targeted SMME programme
- Monwabisi resort
- False Bay Marathon
- Southern Line Rail Route
- Creative tourism platform
- Competitiveness campaign
- Smart phone/mobile travel App
- Tourism Forum Meetings
- Responsible tourism awareness campaign and workshops
- Modila Museum
- Responsible tourism award and other incentives
- Khayelitsha Train Tour
- Tafelberg Road Market
- Smart tourism information centres and improvement of tourism signage
- Tourism integration with District 6 planning
- Long Street Pedestrianisation
- Culemborg - shipping heritage museum, accommodation potential
- Old quarry and Noon-day gun (vernacular)
- Harbours and beachfront development
Priority projects for this strategy include:

- Cultural heritage trail
- Targeted SMME programme
- Monwabisi Resort
- False Bay Marathon
- Southern Line Rail Route
- Creative tourism platform
- Competitiveness campaign
- Mobile and smart phone travel App
- Tourism Forum Meetings
- Responsible tourism awareness campaign and workshops
- Responsible tourism award and other incentives
- Khayelitsha Train Tour
- Tafelberg Road Market
- Smart tourism information centres and improved tourism signage

The other projects remain options in the medium-term:

- Tourism integration with District 6 planning
- Long Street Pedestrianisation
- Culemborg - shipping heritage museum, accommodation potential
- Athlone Power Station
- Old quarry and Noon-day gun (vernacular)
- Harbours and beachfront development - Strand Jetty, Hout Bay Harbour, Silverstroomstrand
- Stellenbosch Bellville Site: training centre, educational tourism accommodation
- Observatory Lower Main Road information centre
- Business Retention and Expansion Programme of Projects
- False Bay Ecology Park
- Blaauwberg Conservation Area
- Tourism Database – updating of tourism attractions and accommodation (GIS)
- Tourism Safety Forum
The prioritised projects are presented per strategic focus area in Table 5.5.

<table>
<thead>
<tr>
<th>Table 5.5: Priority projects per strategic focus area</th>
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<tbody>
<tr>
<td><strong>Responsible tourism</strong></td>
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<tr>
<td>◦ Enhanced responsible tourism awareness campaign and workshops.</td>
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<tr>
<td>◦ Enhanced responsible tourism awards and other incentives.</td>
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<tr>
<td><strong>Thematic tourism product development</strong></td>
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<tr>
<td>◦ Cultural heritage trail with improved tourism interpretation centres and infrastructure.</td>
</tr>
<tr>
<td>◦ Monwabisi Resort - False Bay Marathon and other events</td>
</tr>
<tr>
<td>◦ Creative tourism platform – artists and creative firms in the inner city, the Fringe and Woodstock.</td>
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<tr>
<td>◦ Khayelitsha Train Tour.</td>
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<td>◦ Tafelberg Road Market.</td>
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<tr>
<td>◦ Smart phone/ mobile travel App for Cape Town.</td>
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<tr>
<td>◦ Modila Museum of Design, Innovation, Leadership and Arts - fast track project.</td>
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<tr>
<td><strong>Support interventions</strong></td>
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<tr>
<td>◦ Tourism forum meetings which bring various stakeholders and actors in the local tourism system, tourism enterprises and education institutions together.</td>
</tr>
<tr>
<td>◦ Targeted SMME programme which provides support to emerging tourism entrepreneurs and SMMEs in the tourism sector.</td>
</tr>
<tr>
<td>◦ Southern Line Rail Route</td>
</tr>
<tr>
<td>◦ A campaign and programme to promote and award innovation, affordability, quality and service excellence in tourism firms.</td>
</tr>
<tr>
<td>◦ Smart information centres and improvement of tourism signage</td>
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</tbody>
</table>
Chapter 6: Business and Implementation Plan

6.1. Overview

6.1.1 Project Selection Rationale and Alignment

The projects identified in Chapter 5 are discussed in more detail below. Short project concept descriptions are provided below. The 15 priority projects have been consolidated into the 11 projects described in 6.1.2. Table 6.1 provides the rationale for choosing these 11 projects and how they align with relevant the vision; strategic focus areas and policies; strategies and other objectives or initiatives.

Several of these projects link with the World Design Capital initiative, aim to position the City as a creative city and promote cultural and heritage tourism, ICT improvement and responsible tourism.

<table>
<thead>
<tr>
<th>Project</th>
<th>Rationale</th>
<th>Alignment - vision and strategic focus areas</th>
<th>Alignment - policies, strategies or initiatives</th>
</tr>
</thead>
</table>
| a. Interactive Information Kiosk | • Need for improved ICT and smart information centres was identified  
• Job creation potential  
• Opportunity for skills development  
• Enhance competitiveness  
• Link with Project b | • Responsible tourism – economic viability  
• Support intervention – visitor services | • IDP – Opportunity City  
• World Design Capital 2014 |
| b. Travel App | • Need for improved ICT and smart information centres was identified  
• Job creation potential  
• Opportunity for skills development  
• Enhance competitiveness  
• Link with Project a | • Responsible tourism – economic viability  
• Support intervention – visitor services | • IDP – Opportunity City  
• World Design Capital 2014 |
| c. Creative Platform | • Linkages with strategic sectors – tourism and creative industries | • Responsible tourism – economic viability  
• Thematic product development – creativity | • IDP – Opportunity City  
• Central City Design Strategy  
• World Design Capital 2014 |
| d. Cultural Heritage Trail | • Scored high in terms of social return, transformation, feasibility, implementation and addressing spatial inequalities  
• Combined with signage and creation of info centres identified as a need  
• Job creation potential  
• Opportunity for skills development  
• Opportunities for SMMEs  
• Link with Project j | • Responsible tourism  
• Thematic product development – creativity (culture and heritage) | • IDP – Heritage Programme, Inclusive City  
• SDF  
• Culture and heritage policies |
| e. SMME Programme | • Scored high in terms of social return, transformation and policy alignment  
• Opportunity for skills development | • Responsible tourism – social returns  
• Support intervention – soft infrastructure | • Targeting youth and HDIs – national priorities  
• IDP – Opportunity City |
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<tr>
<th></th>
<th>Tourism Forum Meetings</th>
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<tr>
<td>f.</td>
<td>A need for improved networking in the tourism sector was identified</td>
<td>• Responsible tourism – economic viability</td>
<td>• IDP – Opportunity City</td>
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<td></td>
<td>Link with Projects g &amp; h</td>
<td>• Support intervention – soft infrastructure</td>
<td>• Linkages with strategic sectors</td>
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<td>g.</td>
<td>A need for improved innovation and competitiveness was identified</td>
<td>• Responsible tourism – economic viability</td>
<td>• IDP – Opportunity City</td>
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<td></td>
<td>Link with Project f</td>
<td>• Support infrastructure – soft infrastructure</td>
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<tr>
<td>h.</td>
<td>Scored high in terms of transformation and policy alignment and capacity</td>
<td>• Responsible tourism – social and environmental impact</td>
<td>• IDP – Inclusive City</td>
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<td>Link with Project F</td>
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<tr>
<td>i.</td>
<td>Scored high in terms of social return, feasibility and implementation, and capacity</td>
<td>• Responsible tourism – social impact</td>
<td>• IDP – Inclusive City, Events programme</td>
</tr>
<tr>
<td></td>
<td>Job creation potential</td>
<td>• Thematic product development – leisure (lifestyle and recreation)</td>
<td>• SDF</td>
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<td></td>
<td>Opportunities for SMMEs</td>
<td>• Growing domestic tourism</td>
<td>• Department of Sport and Recreation Initiative (integrated development)</td>
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<td></td>
<td>Link with Project j</td>
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<tr>
<td>j.</td>
<td>Scored high in terms of transformation feasibility, implementation and capacity</td>
<td>• Responsible tourism – social impact</td>
<td>• IDP – public transport improvements, Opportunity City</td>
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<tr>
<td></td>
<td>Two rail initiatives – the Southern Line Rail Route and the Khayelitsha Train Tour was combined</td>
<td>• Support interventions – hard and soft infrastructure</td>
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<td></td>
<td>Link with Project d &amp; i</td>
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<tr>
<td>k.</td>
<td>Scored high in terms of economic impact, feasibility and implementation</td>
<td>• Responsible tourism – economic viability</td>
<td>• IDP – Opportunity City</td>
</tr>
<tr>
<td></td>
<td>Enhancing creative industries</td>
<td>• Thematic tourism product development – creativity</td>
<td>• SDF</td>
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6.1.2 Project concepts

**a. Interactive tourism information kiosk**

A need has been identified for improved tourism information centres and a need to improve tourism related ICTs, keeping up with the latest trends in technology, and the demands and behaviour of the 21\textsuperscript{st} century traveller. Cape Town offers visitors countless tourism products, services and experiences which can be overwhelming. An interactive kiosk, with high-tech large interactive maps which works in conjunction with personal mobile devices, can assist visitors to create customised city guides. The New York City Visitor Information Centre, as showcased on the World Design Capital website as a design success story, is an example of the use of contemporary design and media technology to provide innovative solutions to visitor tourism information needs. The centrepiece of the centre in New York consists of three large interactive map tables that people can use to create customised experiences by inserting a disk into a computerised desktop.\textsuperscript{21} Visitors can then choose various locations, services and experiences which can be emailed, sent via SMS or printed. The locations selected by visitors can also be linked to GIS technology and view on a large scale Google Earth map.

This strategy recommends the development of such an interactive kiosk, as a SMART tourism initiative, in the Fringe in the vicinity of the Modila Museum. The objective is to create a decentralised e-portal to share information with tourists and receive feedback from them. Such a portal/kiosk should also be WiFi hotspots or zones. The kiosk/portal can be used to promote niche market projects. Users can be asked to rate experiences and products and services can be linked to what other visitors preferred i.e. ‘visitors who visited this attraction, also liked X’.

This is an important catalytic project to align with World Design Capital initiatives. The kiosk should also contain information about the World Design Capital and showcase its accompanying initiatives, projects and events.

This project can be regarded as a pilot project towards improving tourism information in Cape Town. Other kiosks can then to be rolled out in other strategically identified areas in Cape Town in future i.e. kiosks at tourism entry points such as the Cape Town International Airport, Railway/MyCiTi Bus main terminals. It is recommended that the disk be purchased at a small fee since tourism information is usually free.\textsuperscript{22}

\textsuperscript{21} http://www.worlddesigncapital.com/design-success-stories/nyc-visitors-information-center-an-interactive-guide-for-the-21st-century-traveller/

\textsuperscript{22} Advertisements and subscriptions from service providers to have their services in will contribute towards the cost, as the case with other tourism promotional materials.
b. Smart phone/ mobile travel App for Cape Town

This is another ICT related, SMART tourism initiative. A need for a smart phone travel application or mobile website, for iPhone/Android devices for Cape Town was identified. About 40% of trips are booked online and 40% of travellers have a smart phone – this proportion will grow in future.

Currently, the only Cape Town Tourism App available is the Cape Town Travel Guide Lite by Tourism Radio, a Spanish company. As such, locals have little influence over the quality or accuracy of the App or what is included. Another service is humba.com, but this is neither local nor Cape Town specific. Certain, individual establishments also have their own Apps and websites. However, it is recommended that a universal, widely accessible App be created for Cape Town to promote Cape Town as a destination. It is also recommended that CTT distribute market and manage this service.

Limitations on current Apps are that it is costly buy and large to download which uses a lot of airtime. It recommended that only a small fee be charged and the App be available at tourism information offices and be downloadable using free WIFI.

c. Cape Town Creative Tourism Platform

This project entails the establishment of a platform which brings tourists and creatives/creative firms together through range of experience-based tourism activities. The aim is to encourage tourists to visit and participate in activities offered by creative individuals or arts, firms and clusters particularly in, but not limited to, in the inner city, the Fringe and Woodstock. A range of experience-based or creative tourism activities can be included, and the options are multiple in Cape Town, i.e.:

- Art and craft workshops/classes
- Dance, movement workshops/classes
- Music or drumming workshops/classes/experiences
- Potter making
- Print- and paper making
- Visits to and demonstrations at film sets, fashion or textile designers
- Wine-making workshops or demonstrations at wine farms or breweries
- Cooking classes
Workshops at the Iziko National Gallery or the Modila Museum
Classes in sustainable design

d. Cultural heritage trail

This project entails linking memorials and other struggle sites, particularly Mitchells Plain, Athlone, Langa and Gugulethu, by developing a struggle heritage trail that spans across various unique cultural areas, bringing visitors to these areas. Memorials that have been already developed include:

- Gugulethu Seven memorial (top, right)
- UDF memorial (second from top, right)
- Trojan Horse site memorial (third from top, right)
- Langa Pass Office Museum, and

It is also recommended that other ‘sites of memory’ be identified in these areas and linked to the mentioned initiative. Elements of this project include:

- Identification of additional heritage sites
- The development of a state-of-the-art interpretation/visitor centre at the start of the trail (which needs to be determined). It is recommended that interpretation centre include the making of the UDF memorial exhibition which was hosted at the Rocklands library (bottom, right). This should be expanded to include the making of the other memorials); history and heritage around the sites and information on all sites with maps.
- Visitors should be encouraged to go from site to site themselves using public transport (can link tour to interactive tourism App and map), but guided tours in the form of a shuttle service should be also available to those who prefer it. A dedicated shuttle service can be instituted or arrangements can be made with existing local service providers to pick visitors up at a specific point i.e. V&A Waterfront for the tour.
- Local guides should be used, local ownership and empowerment should be a priority and story-telling should be part of the experience.
- Upgrade general tourism signage in these areas (identified as a need in Chapter 5) to link the trail to other tourism activities and services in these areas, and provide route signage and interpretation throughout the trail i.e. maps and information boards.
- Create promotional materials to market the route i.e. booklets and on existing websites.

For example, the Lange Heritage Reference Group has researched and identified several potential heritage sites in Langa.
The programme is targeted at providing support to emerging entrepreneurs and SMMEs in the tourism sector from previously disadvantaged backgrounds. Youth should also be targeted. The programme should link up with existing initiatives and provide a wide range of support:

- Access to finance
- Skills training – what it takes to run a business in the tourism industry with tour guide certification where necessary
- Marketing support
- Linking entrepreneurs up with opportunities in the industry i.e. cultural heritage tourism where entrepreneurs are encouraged to start backpackers, open restaurants, craft shops or art galleries or make use of opportunities presented by the proposed struggle trail

Tourism forum meetings which bring various stakeholders and role-players in the local tourism system, tourism enterprises and education institutions together should be continued. This is an important platform from increased networking, collaboration and opportunities in the tourism industry and for launching campaigns and programmes such as the competitiveness campaign and the responsible tourism programme as suggested below. Certain elements of these can be combined, but it is necessary to keep distinct emphases and aims in terms of increased networking, promoting competitiveness and enhancing responsible tourism.

The aim of the project is to launch a campaign to promote and award innovation, affordability, quality and service excellence in tourism firms. Required actions include:

- Enhance awareness of competitiveness issues and hold workshops in this regard targeted at tourism firms
- Institute a competitiveness award to annually award tourism firms who do well in terms of innovation, affordability, quality and service excellence (these can be award categories)
h. Responsible tourism programme

Although progress has been made in terms of responsible tourism in Cape Town, more needs to be done in order to enhance existing initiatives to increase their impact. Two responsible tourism projects have been combined into a responsible tourism programme targeted at private tourism firms in order to enhance their responsible tourism performance (which was identified at a need in the Destination Situation Analysis). These include:

Responsible tourism awareness campaign and workshops

Enhance existing initiatives in this regard to increase its impact. It is recommended that awareness workshops which encourage responsible tourism practices in tourism firms be held on a bi-annual basis. One of these should be held during tourism month in September. During the workshops best case examples should be put forward and guidelines on how firms can enhance their responsible tourism performance.

Responsible tourism award and other incentives

Enhance and promote existing responsible tourism awards better and encourage Cape Town tourism firms to participate. This can be achieved by having all tourism-related industries register their firms on-line, by uploading all the required information that will assess their level of responsibility. Those identified as responsible service providers will receive incentives such as free marketing space on the government’s tourism website for a certain period and a subsidy (certain percentage of overall cost) for a project that will contribute towards improving their services. This can all be achieved by making use of an on-line registration software that is also programmed to do the necessary evaluations.

The CoCT should work closely with organisations such as Fair Trade Tourism, the Imvelo Awards and the Cape Town Responsible Tourism Partnership with regards to the initiatives suggested above.

i. Monwabisi Resort

The Monwabisi Resort has been identified as one of the City of Cape Town’s major recreational facilities for future development. The National Treasury, through their Neighbourhood Development Partnership Grant has agreed to the funding of the Monwabisi Coastal Node project to the amount of R103 million which includes R100 million for capital expenditure and R3 million for technical assistance. A business
plan has been developed for this project and this covers a variety of infrastructural and visitor facilities.

The role of CoCT Tourism Department in this project will be to provide support where needed and to promote this as a domestic visitor attraction. The business plan indicates that events and activities need to be initiated such as community market and craft markets, sporting event, and activity schedule to create activities year round, as well as during the weekend and holidays at the resort. The following are thus recommended in terms of this project:

- Develop a False Bay Marathon. The road distance between Simon’s Town and Monwabisi is exactly 42km - the length of a full marathon. Similarly, from Muizenberg to Monwabisi is 21km, the length of a half-marathon. Runners can utilise trains to get in to Simon’s Town or Muizenberg. The Monwabisi Resort can be used as the end-point with festivities, celebrations and food.
- Create a weekly or bi-weekly neighbourhood market at Monwabisi which runs throughout the year with fresh produce, local food, crafts, etc.
- Develop an activity schedule for holidays and weekends.
- Market the resort as a domestic and overnight destination once it has been upgraded.

Two rail related initiatives have been prioritised, the Southern Line Rail Route and the Khayelitsha Train Tour.

**Southern Line Rail Route**

This is a dedicated tourism service through the Southern Suburbs and along the coast False Bay towards Simon's Town, which was developed as part of the City’s Rail Plan and was a goal of the previous TDF. Efforts are needed, however, to further market the use of the rail line as traffic congestion along Kalk Bay remains a challenge. Elements of the project include:

- Better marketing and linkages with tourism attractions along the route i.e. promotional material and maps with nearby attractions at stations.
- Improved linkages with other forms of tourism and public transport – i.e. the City Sightseeing bus and MyCiTi bus routes (where possible).
- More frequent trains and later operating hours over weekends and public holidays will also serve to boost the use of this line by recreational users.
**Khayelitsha Train Tour**

The aim of this product is to use existing rail infrastructure to develop a train tour to Khayelitsha to encourage independent travellers to visit the area and stay longer i.e. overnight. Required actions include:

- Identify tourism products and services in the area which can benefit from the initiative
- Determine the logistics around which trains will be used and how, pricing i.e. buy a one day or two day special tourist ticket, etc.
- Design promotional material with how the tour works with maps, attractions, things to do, contact information, how bookings are made, where guides can be found, etc.

**k. Tafelberg Road Market**

It is understood that the city intends to demolish the portion of Tafelberg Road that extends beyond the Cable Way. Research indicates that there is a strong interest in some form of market along this road, particularly during peak season. This would be a way to broaden access to the spending power of visitors the Cable Way. It is thus recommended that the intentions for Tafelberg Road be visited to ensure opportunities are not lost.
6.2 Implementation Framework

This sub-section contains the identification of potential partners and responsible parties or key stakeholders per project; the action plan which contains actions, timeframes and budgets; a risk analysis and a monitoring and evaluation framework.

6.2.1 Responsibilities and Potential Partners

<table>
<thead>
<tr>
<th>Table 6.2: Key stakeholders and potential partners</th>
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<tbody>
<tr>
<td><strong>Project</strong></td>
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</table>
| a. Interactive Information Kiosk | ♦ CoCT Tourism to drive project  
♦ CTT to manage and market project after development | ♦ CPUT Design and ICT department  
♦ Local committee – World Design Capital 2014 |
| b. Travel App | ♦ CoCT Tourism to drive project  
♦ CTT to manage and market project after development | ♦ CPUT Design and ICT department |
| c. Creative Platform | ♦ CoCT Tourism to drive and manage project  
♦ CTT to market project after development | ♦ Creative Cape Town  
♦ Cape Craft and Design Initiative  
♦ Cape Town Film Commission  
♦ Performing Arts Network  
♦ Visual Arts Network  
♦ Iziko, Modila Museum  
♦ Other provincial government departments i.e. Arts and Culture |
| d. Cultural Heritage Trail | ♦ CoCT Tourism to drive project  
♦ Iziko Museums and Heritage Western Cape to assist with development of interpretation centre and boards  
♦ Iziko to manage project after development | ♦ Universities  
♦ Other CoCT or provincial government departments  
♦ National Department of Arts and Culture  
♦ South African Heritage Resources Agency |
| e. SMME Programme | ♦ CoCT Tourism to drive project | ♦ Tourism Enterprise Programme  
♦ CATHSSETA  
♦ Universities and private colleges offering tourism courses  
♦ DTI SMME funding programmes  
♦ Business Partners |
| f. Tourism Forum Meetings | ♦ CoCT Tourism to drive project | ♦ CTT  
♦ Wesgro  
♦ Cape Town Partnership  
♦ Accelerate Cape Town  
♦ Tourism Business Forum  
♦ CTICC  
♦ Tourism associations |
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<tr>
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<th>Competitiveness Campaign</th>
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<th>Responsible Tourism Programme</th>
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<td>♦ CoCT Tourism to drive project</td>
<td>♦ CoCT Tourism to drive project</td>
<td>♦ Cape Town Responsible Tourism Partnership to drive project</td>
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<td>♦ CTT</td>
<td>♦ CTT</td>
<td>♦ CoCT has supporting role</td>
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<td>♦ Cape Town Partnership</td>
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<td>♦ Fair Trade in Tourism</td>
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<td>♦ Accelerate Cape Town</td>
<td>♦ Accelerate Cape Town</td>
<td>♦ Imvelo Awards</td>
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<td>♦ Other CoCT or provincial government departments</td>
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<td></td>
<td>h. Responsible Tourism Programme</td>
<td>i. Monwabisi Resort</td>
<td>j. Rail Initiatives</td>
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<td></td>
<td>♦ CoCT Sport and Recreation to drive infrastructure and facilities development</td>
<td>♦ CoCT Sport and Recreation to drive infrastructure and facilities development</td>
<td>♦ CoCT Transport responsible for rail infrastructure</td>
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<td>♦ CoCT Tourism to develop events and market development</td>
<td>♦ CoCT Tourism to develop events and market development</td>
<td>♦ CoCT Tourism to coordinate the development of tourism rail initiatives</td>
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<td>♦ Imvelo Awards</td>
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<td>♦ Other CoCT or provincial government departments</td>
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<td>♦ Other CoCT or provincial government departments</td>
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<td></td>
<td>k. Tafelberg Road Market</td>
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<td>♦ CoCT to drive initiative</td>
<td>♦ CoCT to drive initiative</td>
<td>♦ Table Mountain National Park</td>
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### 6.2.2 Action plan – 5 years

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<tbody>
<tr>
<td>a. Interactive information kiosk</td>
<td>1. Identify site</td>
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<td>R7,000,000</td>
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<td>b. Travel App</td>
<td>1. Determine specifications</td>
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<td>2. Appoint service provider</td>
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<td>R500,000</td>
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<td>c. Creative platform</td>
<td>1. Identify firms to participate in initiative</td>
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<td>3. Design website for marketing</td>
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<td>R250,000</td>
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<td>d. Cultural heritage trail</td>
<td>1. Identify site for interpretation centre</td>
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<td>2. Develop interpretation/visitor centre</td>
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<td>3. Establish transport arrangements</td>
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<td>4. Create signage plus additional interpretation</td>
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<td>5. Create promotional material</td>
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<td>R4,500,000</td>
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<tr>
<td>e. SMME programme</td>
<td>1. Identify support components to be provided</td>
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<td>3. Draw up agreements with partners</td>
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<td>4. Package services with partners</td>
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<td>6. Promote service</td>
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<td>7. Roll out programme</td>
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<td>R500,000</td>
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<tr>
<td>f. Tourism Forum Meetings</td>
<td>1. Identify venue</td>
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<td></td>
<td>2. Determine frequency of meetings</td>
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<td>3. Determine structure, roles and responsibilities</td>
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<td>4. Determine programmes and outcomes</td>
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<td>5. Draw up meeting schedules</td>
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<td>R150,000</td>
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<tr>
<td>g. Competitiveness campaign</td>
<td>1. Determine format of campaign</td>
<td>2. Determine components to be covered</td>
<td>3. Draw up programme and schedule</td>
<td>4. Institute awards</td>
<td>5. Roll out programme</td>
<td>R500,000</td>
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<tr>
<td>h. Responsible tourism programme</td>
<td>1. Determine format of programme</td>
<td>2. Determine components to be covered</td>
<td>3. Draw up programme and schedule</td>
<td>4. Identify partners and actions to enhance awards</td>
<td>5. Investigate other incentives</td>
<td>6. Roll out programme</td>
<td>R1,200,000</td>
</tr>
<tr>
<td>i. Monwabisi Resort</td>
<td>1. Develop marathon (with logistics)</td>
<td>2. Create neighbourhood market (with logistics)</td>
<td>3. Develop activity schedule</td>
<td>4. Market resort</td>
<td></td>
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<td>R800,000</td>
</tr>
<tr>
<td>j. Rail initiatives</td>
<td>1. Determine logistics and pricing</td>
<td>2. Link services with tourism attractions</td>
<td>3. Improve tourism signage</td>
<td>4. Link with other public or tourism transport</td>
<td>5. Improved marketing of services</td>
<td></td>
<td>R350,000</td>
</tr>
<tr>
<td>k. Tafelberg Road Market</td>
<td>1. Secure land for tourism use</td>
<td>2. Investigate feasibility and demand</td>
<td>3. Determine the type of market to be developed</td>
<td>4. Put infrastructure and logistics in place</td>
<td></td>
<td></td>
<td>R500,000</td>
</tr>
</tbody>
</table>
6.2.3 Monitoring and evaluation framework

The purpose of the monitoring and evaluation framework is to report on the progress and performance of projects (or programmes), as per pre-determined milestones. Monitoring activities are internal activities that should be conducted by CoCT Tourism during the process of project implementation, in order to assess the level of effectiveness and efficiency of implementation. Evaluation on the other hand, refers to both internal and external activities undertaken in order to assess the extent to which the proposed project has achieved its intended objectives and goals. The evaluation component intends to express and incorporate the lessons learnt from previous experiences into the decision making process of future development programmes. Monitoring and evaluation is the most efficient when clear outcomes and indicators are identified.

i. **Outcomes** are the long-term impacts such as local economic development, job creation, SMME development, etc.

ii. **Indicators** can be defined as the measurements that give us information about the change in the condition of certain elements in an economy.

The monitoring and evaluation of projects should happen continuously. The effectiveness of projects is determined by evaluating whether the performance indicators have been met. It is important to focus on measurable outcomes or targets, the timeous completion of milestones and spending of budgets. If projects or programmes had particular outcomes in mind, the effectiveness these should also be evaluated and lesson learnt be highlighted if the programme is to be repeated. Examples of performance indicators include:

- The availability/accessibility of programmes or services
- The volume of participants
- Whether the project managed to keep within the budget
- Whether the project managed to keep to the timeframe

A monitoring and evaluation framework for the suggested projects follows in Table 6.4

<table>
<thead>
<tr>
<th>Project</th>
<th>Intended outcomes</th>
<th>Specific indicators</th>
</tr>
</thead>
</table>
| a. Interactive information kiosk | • Improve visitor information delivery  
• Enhance innovation  
• Promote effective design | • Number of users  
• User feedback  
• Timeous completion of project?  
• Kept project within budget? |
| b. Travel App            | • Improve visitor information delivery  
• Enhance innovation  
• Promote effective design | • Number of users  
• User feedback  
• Timeous completion of project?  
• Kept project within budget? |
| c. Creative platform     | • Enhance linkages between creative industries and tourism  
• Create jobs  
• Create opportunities for SMMEs | • Number of participants in platform  
• Number of users  
• Timeous completion of project?  
• Kept project within budget? |
### d. Cultural heritage trail
- Enhance local heritage
- Create jobs
- Create opportunities for SMMEs
- Create opportunities for skills development
- Benefit youth and HDIs

| Number of visitors | Number of jobs or opportunities created | Timeous completion of project? | Kept project within budget? |

### e. SMME programme
- Benefit youth and HDIs
- Provide opportunities for skills development

| Number of youth and HDIs who benefited | Evaluation reports by programme participants | Timeous completion of project? | Kept project within budget? |

### f. Tourism Forum Meetings
- Enhance networking and collaboration in the tourism industry

| Number of collaborations which emerged | Number of meetings | Evaluation reports by participants | Timeous completion of project? | Kept project within budget? |

### g. Competitiveness campaign
- Enhance competitive behaviour and innovation in the tourism industry

| Number of participants | Number of entries and awards | Evaluation reports by participants | Timeous completion of project? | Kept project within budget? |

### h. Responsible tourism programme
- Promote responsible tourism practices by private sector tourism firms

| Number of participants | Number of awards | Evaluation reports by participants | Timeous completion of project? | Kept project within budget? |

### i. Monwabisi Resort
- Develop resort for use by locals and visitors
- Promote resort through events
- Job creation
- Provide opportunities for skills development

| Number of visitors | Number of participants in events | Timeous completion of project? | Kept project within budget? |

### j. Rail initiatives
- Employ rail infrastructure to enhance tourism transport and visitor experiences
- Promote independent visitation to Khayelitsha

| Number of tickets sold | Timeous completion of project? | Kept project within budget? |

### k. Tafelberg Road Market
- Job creation
- Provision of economic opportunities
- Benefit youth and HDIs

| Number of jobs or opportunities created | Number of visitors | Timeous completion of project? | Kept project within budget? |

See the operational guidelines below for more details regarding monitoring and evaluation.
6.2.4 Alignment of TDF to Responsible Tourism Policy and Action Plan

Table 6.5 outlines the areas of alignment between the RT Policy and Action Plan and this TDF strategy.

### Table 6.5: Alignment of TDF to RT Policy and Action Plan

<table>
<thead>
<tr>
<th>Areas of alignment</th>
<th>RT Policy and Action Plan</th>
<th>TDF</th>
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<tbody>
<tr>
<td><strong>Policy alignment</strong></td>
<td>The CoCT commits to adopting Responsible Tourism as an approach to destination management to bring about positive economic, social, cultural, and environmental impacts.</td>
<td>The RT vision and strategic intent have been incorporated in the Strategic focus area I – Responsible Tourism.</td>
</tr>
<tr>
<td><strong>Objectives</strong></td>
<td>The following objectives are set out in the policy: 1. Economic objectives - economically sustainable tourism 2. Social objectives - social and culturally sustainable tourism that values local lifestyles and heritage for tourism 3. Environmental objectives - environmentally sustainable tourism 4. Management objectives - a uniform approach to tourism for all departments within the City of Cape Town alignment with national guidelines and standards co-operation between the City and industry, and between industry role-players monitoring and evaluation process, with clearly defined key principles</td>
<td>This strategy aligns with the RT objectives as follows: 1. Economic objectives form part of Strategic focus area I 2. Social objectives also form part of Strategic focus area I and social objectives have informed the prioritisation of selected projects 3. Environmental objectives also form part of Strategic focus area I, and Project h – Responsible tourism programme. 4. Management objectives Key stakeholder and partners per project are outlined in Table 6.2. Section 6.5.3 provides recommendation on fostering collaboration and partnerships in the local tourism industry Monitoring and evaluation are addressed in sections 6.2.3 and 6.4.2.</td>
</tr>
<tr>
<td><strong>Priority action areas</strong></td>
<td>The priority action areas, as outlined in the RT Policy, include: 1. Environment • Water • Energy • Solid Waste, with focus on plastic water bottles Environment indicators: ◆ Water use: Kilolitre per bed night/staff member Energy use: Kilowatt hour per bed night/staff member ◆ Waste generation: Bottles used per bed night/pax/staff member ◆ Waste recycling: Proportion of bottles recycled 2. Economic • Procurement (local/preferential) • Enterprise development</td>
<td>The priority actions areas are address by this strategy as follows: 1. Environment ◆ The promotion of environmental sustainable practices in terms of water, energy and waste management by tourism firms in Cape Town forms part of Project h – Responsible tourism programme. ◆ Firms should be made aware of the indicators and their buy-in sought at the proposed workshops and campaigns which forms part of Project h. 2. Economic ◆ Procurement issues and indicators are to be addressed as part of the proposed workshops and campaigns of Project h. ◆ Projects c (creative platform), d (cultural heritage trail), i (Monwabisi Resort) and k (Tafelberg Road market) hold potential for enterprise development.</td>
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</tbody>
</table>
### Economic indicators:
- Spend on enterprises within defined area as a % of total procurement
- Spend on BEE complaint enterprises as % of total procurement
- Sum of % spend of post-tax profits on enterprise development and % employee time contributed over total management time
- Enhanced revenue and/or cost savings and/or twinning initiatives facilitated for black SMMEs

### Social indicators
- % of payroll spend on skills development
- % CSI spend of post-tax profits on education, community and Industry

Specific programmes, job creation, training, health, conservation, and community and marketing activities to develop local black tourist market (or % management time over total employee time)

### Implementation mechanisms

<table>
<thead>
<tr>
<th>Implementation mechanisms</th>
<th>The policy outlines the following implementation mechanisms:</th>
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<tr>
<td></td>
<td>• Responsible Tourism Committee for Cape Town</td>
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<td></td>
<td>• Awareness and capacity-building</td>
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<td>• Responsible Tourism Charter</td>
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<td>• Responsible Tourism Improvement Plans</td>
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<td>• Record of achievement (Responsible Tourism Barometer)</td>
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<td>• Recognition schemes</td>
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<td>• Research and Development</td>
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<td>• Local government processes</td>
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</table>

These mechanisms should be used to implement, as well as monitor and evaluate the projects proposed in this strategy.

### 3. Social
Projects d (cultural heritage trail), e (SMME programme), i (Monwabisi Resort), and k (Tafelberg Road Market) hold opportunities for
- Skills development
- Benefitting youth and HDIs
- Job creation and enterprise opportunities
- Conservation of heritage resources
- Marketing opportunities to enhance tourism in strategic areas
6.3 Critical Success Factors

The content of the TDF is based on an agreed vision and it outlines actions and programmes required to reach this vision (as outlined in Chapter Five). However there are a number of actions that impact on the success of tourism in the City of Cape Town, which are not the direct responsibility of the department as it is recognised that the tourism sector has a number of inter-relationships including economic factors, environmental factors and social factors. As such there are critical success factors that need to be in place which will underpin the successful development of tourism in the city. These critical success factors are generally the responsibility of other city departments and role players and are as follows:

- Tourism relies on the support and participation of all local government departments and the maintenance of tourism infrastructure needs to be linked to other relevant departments (for example sports and recreation, transport, etc.)
- Safety and security needs to be continuously addressed to ensure the safety of tourist visiting the city as well as to positively impact on perceptions
- Cleanliness of the City as well health an hygiene around infrastructure and facilities utilised by tourists
- Supporting infrastructure utilised by tourists (such as public toilets) need to be regularly maintained though the responsible department’s budgets.
- Tourism awareness needs to be entrenched by all citizens of Cape Town
- The private sector needs to address affordable tourism packages and be creative in addressing non-traditional markets

6.4 Risk Analysis

Risks are often associated with the tourism sector in a destination as a whole. Potential risks which pertain to all the projects are outlined below. Where there are particular risks which are associated with individual projects these are pointed out.

6.4.1 Nature of the Tourism Industry

The tourism industry is increasingly becoming more competitive. There are risks associated with uncompetitive behaviour. The state-of-the-art ICT initiatives, as well as the responsible tourism, tourism forum and competitiveness programmes will impact positively on innovation and competitiveness in the local tourism system.

The tourism industry is also fragmented by nature. The tourism product is complex and involves services from a wide range of economic sectors i.e. transport, accommodation, catering, retail, government services, etc. Increased networking and collaboration in the local tourism industry and system is required. The tourism
forum meetings and responsible tourism programme should aim towards enhancing networking and collaboration at local level.

6.4.2 Seasonality

This is a continuous threat in Cape Town due to weather patterns and the fact that it is a long-haul destination. International visitor flows are thus not optimal all year round. Efforts are required to promote domestic tourism, budget and backpacker tourism, and a year-round events programme to draw more visitors during the winter months.

6.4.3. Economic Slowdown

Statistics show that visitor numbers decreased in 2011 from 2010, even though there was an increase between the two years nationally. The tourism market is highly sensitive to general economic slowdown since spending on tourism activities depends on disposable income. The above-mentioned pertains to both international and domestic tourists. On a national level, the domestic market is seriously affected by economic aspects such as increases in fuel prices, interest rates, inflation etc.

6.4.4 Visitor Demand

Insufficient visitor demand can be risk associated with tourism product development. For instance, visitors might have already consumed certain cultural tourism or culture and heritage experiences in South Africa before they arrive in Cape Town and might not have a desire to do so again. The projects in this strategy have been selected strategically based on a variety of criteria (see Chapter 5), one of which is strong alignment with policies and strategic objectives such as the spreading of tourism development more widely, enhancing social impacts and encouraging transformation. It is suggested that tourism product development is a demand generator when focused on the unique selling features and resources of an area and if marketed at specific target markets in an efficient way. In other words, attractive and unique tourism products and experiences can draw visitors to the destination and to strategically identified areas in a destination. It is imperative that such initiative be developed and markets well and effectively linked with supporting visitor services and infrastructure. Safety and security is also of paramount importance as discussed below.

6.4.5 Safety and Security

Safety and security remains a concern for Cape Town, as is the case with other destinations in South Africa. Media coverage of crimes against foreign visitors in South Africa has an adverse effect on visitor perception and can lead to a decrease in the number of foreign visitors, even in the case of isolated incidents. Such negative perceptions have the potential to hamper the development of tourism enterprises, large or small. Asserted efforts thus need to be made towards ensuring that safety and security measures are implemented in Cape Town on a continual basis.
6.4.6 Land Availability

In an urban environment there are continually issues around competing land use options i.e. tourism development versus housing development, industrial development and conservation. There is also limited open space available in some areas and zoning issues needs to be taken into account. This is a risk factor for the following projects where land for the proposed developments has not been secured:

- Interactive tourism information kiosk
- Cultural heritage trail – interpretation/visitor information centre
- Tafelberg Road Market

6.4.7 Buy-in by Private Sector

Lack of buy-in from the private sector is a risk associated with tourism development in a destination. A lack of buy-in has been identified with terms of responsible tourism management and the responsible tourism programme is set to address this.

A lack of buy-in also pertains to other programmes targeted at the private sector. In this case the risk is associated with the competitiveness campaign; the SMME programme; the responsible tourism programme; and the tourism forum meetings. Public-private partnerships can promote the participation and cooperation of the private sector. It must be clear to the private sector how they can benefit from programmes and initiatives, and their participation should be incentivised rather than enforced. Over-regulation is not a solution.
6.4.8 Traffic Congestion

Traffic congestion is a possible negative impact that should be taken into account in terms of some projects. This is a concern for the following projects:

- Cultural heritage trail
- Monwabisi Resort – especially with regard to the False Bay Marathon
- Tafelberg Road Market

6.4.9 Capacity

In some cases, CoCT might lack the experience, expertise and capacity to drive or manage certain projects. Public-private partnerships and increased collaboration with other government agencies, departments and universities are required to reach goals. Integrated development is recommended and efforts have been made to identify projects which align with other projects or existing initiatives (as outlined in Table 6.1).

6.4.10 Environmental and Heritage Resource Conservation

Environmental conservation is an important consideration in tourism development. Every effort should be made to ensure that the environment and heritage resources are protected and that environmentally-friendly practices are implemented. The environmental impacts of projects such as the Tafelberg Road Market and the Monwabisi Resort should be evaluated.

It is suggested that tourism development can protect, conserve and promote local heritage as in the case of the cultural heritage trail. The responsible tourism programme aims to promote environmentally friendly practices by tourism firms.

6.4.11 Risk Amelioration Strategies

Table 6.6 provides risk amelioration measures or strategies in connection with the identified risks. Some of these aspects have been incorporated into the strategic projects suggested.

<table>
<thead>
<tr>
<th>Table 6.6: Risk Amelioration Strategies</th>
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<tbody>
<tr>
<td><strong>Potential risks</strong></td>
</tr>
<tr>
<td>Nature of the tourism industry</td>
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<td></td>
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<tr>
<td>Seasonality</td>
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</tbody>
</table>
| Economic slowdown                   | • Targeted marketing to draw more international visitors identified markets.  
     | • Niche tourism product development and marketing.  
     | • The local tourism sector should be innovative and competitive by introducing new or improved products and services, enhancing their productivity, offering value for money, offering excellent customer service and quality tourism products and services. |
| Visitor demand                     | • Develop tourism products to generate demand.  
     | • Targeted marketing – marketing niche products to identified markets.  
     | • Attractive packaging of tourism product and services.  
     | • Strong brand image and consolidated destination marketing initiatives. |
| Safety & security                  | • Provide safety awareness information e.g. brochures to visitors.  
     | • Provide guided tours in certain areas.  
     | • Ensure that public transport is safe.  
     | • Institute community-safety initiatives in certain areas.  
     | • Ensure that the facilities comply with safety standards.  
     | • Work closer with the Cape Town Partnership, Table Mountain National Park and the local police to ensure visitor safety throughout Cape Town. |
| Land availability                  | • Consult with CoCT and provincial government departments to identify land for development for the projects in question. |
| Buy-in by private sector           | • Promote collaboration through public private partnerships.  
     | • Promote the benefits of participation and buy-in (especially in terms of responsible tourism).  
     | • Provide incentives where appropriate. |
| Traffic congestion                 | • Link tourism attractions with public transport systems.  
     | • Ensure the safety and security of public transport systems.  
     | • Make provision for designated parking areas where needed. |
| Capacity                           | • Collaborate with other government agencies and private organisations.  
     | • Work towards integrated tourism development. |
| Environmental and heritage resource conservation | • Promote environmentally friendly practises as part of the responsible tourism programme.  
     | • Consider environmental impact of any tourism development.  
     | • Conserve heritage resources by cultural and heritage tourism product development.  
     | • Sensitise visitors regarding environmental issues and resource consumption, e.g. littering, water saving, energy saving, wildfire risk, baboons etc  
     | • Include a mini-waste recycling plant where waste gathered at the site can be used as some form of energy on the property and also shows visitors how green technologies work. It is a visual and physical activity that will help encourage the above stated strategies. |
6.5. Operational Guidelines

6.5.1 Marketing

**Market Positioning**

The city should continue to draw visitors from its source markets i.e. the **UK**, **Germany** and the **USA**. At the same time efforts should be made to penetrate new markets, for instance European markets such as **Sweden**, **Switzerland**, **Italy** and **Spain**; the **Asian** market (i.e. China, Japan and South Korea); and South America, particularly **Brazil** and **Argentina** (SAT, 2010; 2011). This strategy recommends that targeted marketing initiatives in Cape Town should be focused on marketing niche product offerings, particularly:

- Backpackers and budget tourism
- Events
- Nature-based tourism
- Creative tourism
- Food and wine tourism
- Cultural heritage tourism
- Cruising

Efforts to increased domestic tourism should aim to draw more visitors from provinces other than **Gauteng** and the **Western Cape** (currently the two largest source markets), focusing on young people and families, and budget tourism offerings (as found in the Destination Situation Analysis). In other words, focusing on segments one, two and five below (markedeted with stars) while not neglecting the other national domestic tourism priority markets as per the Domestic Tourism Marketing Strategy (SAT, 2012).

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24 SAT indicates that these are key markets for South Africa. This corresponds with the key markets for Cape Town, see section 4.1.2. in the Destination Situation Analysis (Chapter 4).
The following pillars, as per Domestic Tourism Marketing Strategy (SAT 2012), underpin the new domestic campaign to activate the market segments indicated above for growing domestic tourism:

- Brand marketing should inspire South African to travel around the positioning of ‘Whatever you’re looking for – it’s here’.
- The South Africa user-generated road map should drive word-of-mouth and promote day trips.
- The industry should be encouraged to offer affordable, exciting packages.
- Events promotion is integral to destination marketing i.e. sport, music, lifestyle and cultural events.
- Direct consumer engagement should be encouraged.

**Place Marketing**

Place marketing is a locality based strategy to reimage and reposition a destination (Binns and Nel, 2002). The aim of place marketing is to construct a new or strengthen an existing destination image. Place marketing is critical from a strategic point of view. It is recommended that Cape Town consolidates its branding image and further tourism product offerings around the follow themes (also unique selling points for Cape Town):

- Creativity
- Lifestyle
- Nature

There are various areas of overlap and integration between these (see Figure 5.3).

**Collaborative Marketing**

The marketing of tourism products within a given area is critical to the success of the area’s tourism sector. Effective and comprehensive marketing stimulates demand for the area’s tourism products in order to draw more visitors to the area. It is critical to strengthen collaborative marketing initiatives which promote the City as a destination.
6.5.2 Monitoring and Evaluation

It is recommended that following monitoring strategies be followed to ensure that monitoring and control strategies are in place.

- Hold regular project team meetings to develop and monitor progress.
- Formulate a Quality Control Plan
- Address issues raised by evaluation teams (to be appointed).
- A preliminary evaluation report needs to be submitted by the project team to the evaluation team after the completion of each phase when each milestone has been reached. The above-mentioned process will ensure the continuous monitoring of the progress of the project. These reports need to be included in the final reporting.

Evaluations should take place at designated time in the process when milestones are met and culminates when projects are completed and final evaluation reports are written.

Important actions for the use of the monitoring and evaluation framework (Table 6.4) include:

1. Set specific targets for each project in connection with the indicators
2. Determine milestones connected to timeframes
3. Put structures in place to collect the information needed for monitoring and evaluation
4. Define role and responsibilities of persons involved
5. Develop a Monitoring and Evaluation Plan
6. Set up project teams and evaluation teams

6.5.3 Institutional Considerations

The role of the CoCT Department of Tourism is as a destination management leverage department. The department therefore has a facilitation role in terms of:

1. Local Area Tourism Development which includes the following:
   - Community-based tourism development to ensure that community based tourism is government led, private sector driven and community-based. (through raising awareness, developing custodianship and building capacity at local levels)
   - Tourism product development such as Identifying and profiling potential tourism resources and attractions and packaging new themes, routes and experiences,
   - Tourism business development through the facilitation of business support services
   - Transformation through the creation of an enabling environment (for emerging entrepreneurs), facilitating meaningful ownership of previously disadvantaged entrepreneurs, women, youth and people with disabilities and facilitating awareness, education and training programmes.
2. Destination Development which includes the following:
   - Destination marketing
   - Developing strategic tourism infrastructure
   - Tourism industry liaison (co-ordination with city activities, alignment with other spheres of government and related tourism organisations, building partnerships and enhancing co-operation and communication.
   - Developing tourism policy and facilitating input from a tourism perspective into other policies and projects.

The existing organisational structure of the CoCT Department of Tourism (Figure 6.1) should be utilised for the operational issues around the implementation of this strategy. In addition to the tourism department, other departments in the CoCT also have roles in integrated tourism development. The SWOT analysis indicated that the departments in charge of infrastructure, services, parks management, environmental management, safety and security and often a large influence in tourist experiences and the ability of local entrepreneurs to conduct businesses. Close collaboration between departments are thus essential.
6.4.4 Investment Promotion

In April 2012, CTRU was incorporated into Wesgro - an investment promotion agency with a far broader function. Destination marketing, investment and trade promotion for the province is now the expanded function of Wesgro. However, the board of CTRU will continue to have oversight as a legislative body governing the legal mandate of CTRU and fulfilling the delivery mechanisms for the entity until such time as the Western Cape Tourism Act (Act 1 of 2004) is repealed. The CTRU Board has entered into a Service Level Agreement with Wesgro to ensure that delivery of the CTRU functions is properly executed. As part of this transition, the permanent staff of CTRU will be absorbed into Wesgro to ensure continuity of functional delivery within Wesgro.

The CTRU has exhibited a good track record with regards to statistical releases, specialised research and a very user-friendly, comprehensive website for potential visitors, investors and planners alike. It will be important to ensure that these and other strengths are not diluted by joining an organisation with a broader mandate, but that rather additional strengths and competencies for integrated development are unlocked. The CoCT Tourism will need to work closely with Wesgro, the EDP and private industry associations to maintain cohesive understanding of investment opportunities and market them with a shared voice. Investment promotion can follow four simple steps, namely:

1. **Assess potential**: maintain a database of investment opportunities organised by market readiness, opportunity readiness, location, scale, viability and potential impact.

2. **Plan and organise**: determine immediate market opportunities, opportunities to be developed in the medium term, and opportunities for future development.
3. **Prepare and protect**: package investment opportunities by preparing approval and plans to reduce red tape for the investor, protect investment opportunities from uncompetitive practices, and apply legal scrutiny when drawing up tender adjudication criteria and/or sales or concessionaire contracts. Protection also involves establishing mechanisms to manage investments on an on-going basis to ensure compliance with service excellence and responsible tourism practices.

4. **Market**: research the target investor market and develop marketing plans that address the target market. These will differ for investors in infrastructure, hotels, mixed-use developments of which tourism is a component, service provider businesses, training colleges and so forth.
6.6 Governance, Management and Policy Recommendations

In conclusion, broad recommendations, as emerging from the study, in terms of destination management follow.

6.6.1 Spreading the Benefits of Tourism

The tourism industry in Cape Town is fragmented and spatially skewed. This has implications for the impact of tourism and transformation in the industry. Council need to be cognisant of this issue and it should be taken into account in any tourism planning and development initiatives. It is within the power and mandate of local government to focus development towards achieving strategic objectives and to manage the impact of tourism. Specific programmes and actions have been outlined in this strategy, but is an issue which should receive continued attention, concerted effort and consideration. Responsible tourism as a guiding vision and principle should always inform and guide all actions of local government and other agencies in terms of tourism promotion and development.

6.6.2 Creating an Enabling Environment

Local government has the responsibility to create and foster an enabling environment for tourism firms and the industry as a whole to flourish. Furthermore, efforts to enhance the physical environment and urban space are also required. Even though this strategy has identified strategic support interventions, a broad-based approach is required to promote responsible tourism development and management. This includes the involvement from various local, provincial and national government departments and agencies. Recommendations include:

- Capacity needs to be built at various levels to forge strong partnerships between government, civil society and the private sector. Greater integration and co-ordination is essential towards ensuring tourism development to the benefit of all stakeholders.

- The formulation of a strategy to reduce economic leakages and increasing local procurement with regard to the utilisation of local suppliers tourism related goods e.g. fresh produce, arts and crafts, the utilisation of local transport and local tour guides etc. is recommended.

- An events strategy focused on strategically targeting events, maximising the use of current facilities and planning year round events is also recommended.

- Continued investment in a variety of hard and soft infrastructure which will benefit the tourism industry is required.

- Upgrades in route and tourism signage throughout Cape Town, and the upgrade of tourism information centres were identified as a need. New ICTs should be incorporated continually, but it is recommended that this is done strategically and gradually.
The upgrade of museums and conservation of heritage resources, other than mentioned in this study, should receive attention in future.

The conservation of various nature reserves and developing these into recreational spaces is another consideration for future development. A trend, associated with the World Design Capital, is the greening of urban areas and making green areas attractive and accessible to locals and visitors alike. This will become increasingly important in future and requires a broad based approach from various CoCT departments including urban planning.

The increase pedestrianisation of urban areas i.e. walking and cycling routes are also important considerations for the future. The city is initiating a dedicated cycle route and this should be expanded into prioritised tourism areas. This is important for reducing traffic congestion, improving urban spaces and reducing carbon emissions.

Investment in innovative greening projects connected to the tourism sector is also a need.

Efforts should also be made to avoid the overregulation which hampers small businesses. This is not specific to the tourism sector and pertains to the business environment as a whole. A broad based and integrated approach is once again required to reduce red-tape and regulations for doing business in Cape Town and foster entrepreneurship. As such the tourism department needs to work closely with the unit that has been set up by Province to reduce Red Tape so that tourism issues in this regard are highlighted.

### 6.6.3 Fostering Collaboration and Partnerships

Greater collaboration between actors in the tourism system consisting of firms, government and higher education is required to create an environment conducive for learning, knowledge sharing, innovation and competitiveness. External linkages i.e. transnational should also be fostered to further enhance learning and knowledge sharing. Closer collaboration between the tourism industry and higher education institutions are also required in order to ensure that the skills supply much the skills demand in the sector and that graduates are absorbed into the local labour force.

The value of partnerships at local destination level includes:

- Ensuring that information provided to tourists in brochures, books, registries, online booking pages, mobile phone applications, maps and so forth is accurate and comprehensive
- Achieving economies of scale on research, planning, marketing, and procurement of other goods and services
- Sharing of knowledge, skills, insights and resources
- Ensuring a shared vision and the alignment of branding and marketing efforts
- Ensuring service excellence and quality
Achieving critical mass when lobbying for issues that will benefit the industry.

6.6.4 Enhancing Community Involvement

Responsible tourism requires the involvement of communities in planning and decision-making. Partnerships and joint ventures with communities are needed to ensure ownership and a role in management in the spirit of responsible tourism. The following recommendations are aimed at enhancing community involvement and benefits:

- Local communities should benefit from employment, training and business opportunities created by tourism development, particularly in unique cultural areas.
- Where direct employment opportunities exist, staff should be recruited and employed in an equitable and transparent manner.
- The appointment of community liaison officers is recommended to communicate to communities and make them aware of any training or economic opportunities.
- Community involvement is essential in tourism development to ensure buy-in and ownership. The community members should have the opportunity to participate in decision-making, management, identification of heritage sites, storytelling, and benefit from economic opportunities arising from the development of tourism products.
- Transformational design is an important theme and principle for Cape Town’s World Design Capital initiative in 2014. Any development in cultural and low income areas should adhere to this principle and communities should benefit any development and design in their areas. This does not necessarily only mean benefit in financial terms. Communities will also benefit from some regeneration and infrastructure improvements in their area, as well as from access to their own heritage. For instance, community members must have free access to interpretation and information centres and related technology.
- The accessibility of tourism attractions to persons with disabilities need to be improved.
- Issues around homelessness, sex workers, drug and alcohol abuse and human trafficking, particularly in the inner city areas, which is the tourism node of Cape Town, has to be addressed better. A broad based approach to this is required.
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• GTA (Gauteng Tourism Authority, 2006). Gauteng Tourism: Responsible Tourism Manual. Johannesburg: GTA.
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• NDT (National Department of Tourism 2012). Rural Tourism Strategy. Pretoria
• WCP (Western Cape Province, 2006). Micro-economic Development Strategy for the Western Cape. Cape Town: WCP.
• WCP (Western Cape Province, 2008). Western Cape Strategic Plan. Cape Town: WCP.
• WCPT (Western Cape Provincial Treasury, 2010). Provincial Economic Review and Output 2010. Cape Town: WCPT.
• WCP (Western Cape Province, 2011). Integrated Events Strategy for Cape Town for the Western Cape. Cape Town: WCP.
Annexure 1: Stakeholder engagement

The following organisations were engaged via email, telephone, meeting or workshop.

- CoCT Tourism Dept
- Provincial Dept Tourism
- Cape Routes Unlimited
- Cape Town Tourism
- SA Tourism Services Association
- Regional Tourism Organisation of Southern Africa
- FEDHASA (Hospitality Federation)
- NAASA (Accommodation Association)
- iZiko Museums
- CTICC
- Robin Island
- CoCT Dept Transport
- CoCT Dept Spatial Planning
- CoCT Dept Economic Development
- CoCT Dept Sports and Recreation
- CoCT Dept Parks
- CoCT Dept Coastal Management
- CoCT Dept Environmental Resource Management
- CoCT Dept Heritage Management
- Creative Cape Town
- Cape Town Partnership
- Cape Craft and Design Initiative
- Cape Film Commission
- Accelerate Cape Town
- Table Mountain National Park
- False Bay Tourism
- Hout Bay Tourism
- Khayelitsha Tourism Information Centre
- Tourism Grading Council of SA
- Tourism Enterprise Partnership (TEP)
- Tourism Help Desk Agents
- Tourism Business Forum
- ACSA
- Transnet - rail
- Taxi Association
- Cape Chamber of Commerce
- Intercape
- Golden Arrow
- Greyhound
- MyCiti
- Cape Tourism Board
- Dept Home Affairs
- Helderberg Tourism Bureau
- Stellenbosch Tourism Bureau
- Franschoek Tourism Bureau
- Paarl Tourism Bureau
- Capable
- http://www.capetown.travel/industry/member_zone/resources/a-z_of_tourism_associations/
- Association of South African Travel Agents
- Backpacking South Africa
- Cape Peninsula University of Technology UWC
- UCT
- Black Management Forum
- Cape Nature
- Cape Point Route
- Cape Town Pride
- Fair Trade in Tourism SA
- Guest House Accommodation of SA
- Brand South Africa
- Proudly South African
- Skal SA
- SA Association for the Conference Industry
- SA Tourism Call Centre
- SANParks
- WC Metered Taxi Association
- Tourism Business Council of SA
- SETA / Cathsseta, the Culture, Art, Tourism, Hospitality and Sport Education and Training Authority
- Wines of SA (WOSA)
- Wesgro
Annexure II: Expanded SWOT analysis
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<tr>
<th>Factors</th>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunity</th>
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<th>Thrust or Programme suggestions for the CoCT</th>
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| Primary supply components | • Cape Town has a wide diversity of natural assets including beaches, mountains, unique flora and fauna as well as geological formations, fossils and other archeological discoveries.  
• Cape Town has a number of well-known and well-established destinations that are managed to world-class standards, ranging across natural assets to heritage assets, cultural experiences and sporting events.  
• Numerous membership organizations exist that are collecting fees from their members and utilizing these to conduct research, sponsor industry events and represent Cape Town tourism businesses at trade | • Not all assets are equally open to visitors or marketed widely. Over-supply for 2010, still being corrected.  
• Some assets require upgrade and/or more proactive management, such as Soetwater, Silverstroomstrand, False Bay Ecology Park, specifically Blue Waters Resort, Kogel Bay, Harmony Park, Lookout Hill, Gugulethu Monument, numerous slave lodges and migrant hostels, amongst others.  
• While there are over 30 museums in Cape Town, these lack state of the art humidity controllers, temperature control, digital displays and security features that have become standard requirements of internationally | • Provide quality tourism experiences to a range of niche market segments  
• Shopping and services tourism from nearby rural areas. There is an opportunity for packages offering transport from towns in the Overberg and Karoo to Cape Town for a day of shopping and/or other services.  
• There is an opportunity to incorporate these museum gallery features into a hall as part of the CTICC phase 2 to enable Cape Town to host international art and archaeological exhibitions on an ad hoc basis. | • Climate change – changing weather patterns may negatively affect ecological systems and biodiversity, while sea level rise could alter the coastline.  
• Overdevelopment (e.g. False Bay coastline: balance demand for development with protecting natural environment)  
• There is a perception that Cape Town is oversupplied, which may result in reduced investment, where in reality the situation is more nuanced, with demand in certain subcategories, such as self-catering units, 2-3 star accommodation and backpackers remaining strong. | • Partnerships and communication of the inextricable link between natural resources and the tourism industry to ensure consensus and collective efforts to protect them.  
• Destination development of lesser-known sites, such as Millers Point, various shipwrecks and False Bay Ecology Park.  
• Investigate the opportunity for an exhibition hall of museum standards at the CTICC to attract international art and archaeological displays to the City.  
• Ensure that, as reflected in the IDP, growth in tourism is factored in to planning decisions for water, sanitation, energy and transport infrastructure projects |
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<td></td>
<td>shows and other marketing opportunities</td>
<td>renowned travelling displays. As such, many exhibitions cannot be shown in Cape Town. Many of</td>
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<td>the museums lack funding to conduct even basic maintenance, and seldom can afford to renew or</td>
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<td>update their displays, resulting in a missed opportunity for repeat visits (a vicious cycle,</td>
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<td>financially).</td>
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<td></td>
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<td>• Water, energy and transport infrastructure are increasingly constraints to development, specifically in the CBD, parts of the southern suburbs, and the underdeveloped metro south east.</td>
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<td>Political factors</td>
<td>• SA has national, provincial and local commitment to tourism</td>
<td>CT as an opposition-led municipality may see its share of national funding decline, hampering the ability to provide basic</td>
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<td></td>
<td>• Factors that affect investment and doing</td>
<td>Business tourism as SA attracts investors and climbs on Doing Business scale</td>
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<td></td>
<td></td>
<td>• Instability in Northern Africa and Middle East – economic, political or market contagion risk</td>
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<td>• Lobby for the importance of tourism</td>
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<td>• Collaborate with local, provincial and national to reduce red-tape and barriers to doing</td>
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<tr>
<td>Business Environment factors</td>
<td>Wealthy supply of natural resources and assets – the most popular tourism destinations in CT include Table Mountain, Boulders Beach, Cape Point, Kirstenbosch Gardens and our beaches.</td>
<td>All factors constraining our path towards sustainable city development constrain sustainable tourism development – i.e. urban sprawl, road congestion, air pollution levels, the lack of recycling services, bike lanes and urban food gardens and so on</td>
<td>Opportunities to invest in innovative greening projects, green buildings, renewable energy and over-all sustainable city planning to position CT as a pioneer in sustainability.</td>
<td>Climate change could change our natural environment, resulting in loss of some of our natural diversity. Any rise in sea level could have negative impacts on the Port, Cape Flats and entire coastline.</td>
<td>Understand and monitor these threats. Diversify tourism offerings to reduce risk. Promote the destination to domestic tourists. CTICC expansion must be “green” to attract “green events”. Continue with the Responsible Tourism awareness raising programmes that highlight the importance of protecting natural assets and conducting business in a least-harm manner by reducing waste and pollution in the industry. Invest in renewable energy, recycling, biodiversity management, public...</td>
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</table>
| Technological factors   | - CT has numerous fast and easy to use websites where visitors can search by price, rating, availability, with clear descriptions, no hidden costs, pictures.  
- CoCT broadband project                           | - The internet is not affordable and accessible to all Capetonians, which is a barrier to entry into the tourism sector for many.  
- International visitors expect reliable, affordable and easy access to internet – but due to the high costs of internet in South Africa, for many smaller establishments offering free wifi is not viable. |
|                         | - The internet is not affordable and accessible to all Capetonians, which is a barrier to entry into the tourism sector for many.  
- About 40% of trips are booked online, mostly through online travel agencies and branded supplier sites  
- 40% of travellers have a smart phone  
- 83% want applications that recommend restaurants, sites to see, routes to take and so on. This is an opportunity for diverse offerings to various affordability and interest groups, including “virtual tour guides” (downloadable maps and audio) geocaching, alternate reality gaming, participant route mapping (where routes can be suggested and amended by anyone, with photos, tags and | - About 40% of trips are booked online, mostly through online travel agencies and branded supplier sites  
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- The “virtual tour” may replace guided tours, resulting in job losses. This has already been seen in Amsterdam and Berlin, where route maps and audio guides can be downloaded by individual visitors onto their phones. Jobs would, however, be created in the software development sector, requiring input from tourism sector experts. |
|                         |                                                                         | - The internet is not affordable and accessible to all Capetonians, which is a barrier to entry into the tourism sector for many.  
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- The “virtual tour” may replace guided tours, resulting in job losses. This has already been seen in Amsterdam and Berlin, where route maps and audio guides can be downloaded by individual visitors onto their phones. Jobs would, however, be created in the software development sector, requiring input from tourism sector experts. | - Ensure equitable access through broadband and similar projects  
- E-tourism initiatives such as CT-specific apps, e-portals for feedback, and social media for marketing and immediate customer services.  
- Fast-track delivery of Cape Town broadband and free wifi projects to improve the visitor experience and provide ease of access they have become accustomed to. |
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<tr>
<td>Transport</td>
<td>• Recent investment in international airports, (R12bn at CTIA), plus on-going expansions and operational excellence resulted in the CTIA being named Africa’s top airport.</td>
<td>• Distance to Cape Town from major tourism markets and land borders into SA makes us that much more expensive and as a long-haul destination less attractive to the international market</td>
<td>notes, similar to MapMyRun or FourSquare applications). These can become particularly specialised – for example “Street Art Tour” or “Best Roof Gardens Tour” and so forth, and hold high potential to engage the local market. • Growth in Social media (TripAdvisers, LonelyPlanet forums, Twitter, Facebook) presents an opportunity for rapid response to negative experiences, as well as to capitalise on positive reviews and comments by spreading them through social media marketing tactics.</td>
<td>• Affordable airlines – what are the barriers to success? Velvet Sky the latest in a number of small affordable airline companies to close down as a result of financial mal-management. • Broader domestic flights (Bloemfontein, Nelspruit etc) • Projects like North-South road linkages routes (Cape2Namibia) • The Cape Town Port expansion plans will change the foreshore</td>
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<td></td>
<td>• Air arrivals are</td>
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## Annexure II: Expanded SWOT analysis

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<td>increasing as are the variety of connections and number of flights</td>
<td>for short getaways The CTIA plans to expand parking, while the CoCT plans to further roll out MyCiTiBus and/or develop an airport rail link: doing both will reduce viability of both, or fatally flaw one. A decision must be made between both parties before new parking is constructed. Port roles are shifting, with limited space and capacity, industrial and consumer demands for container/cargo uses are squeezing out leisure users</td>
<td>expand their role in leisure boating.</td>
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<td>and harbour landscape – it is essential that the Tourism sector participates and make sure it is not detrimental to the tourism landscape.</td>
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<td>Cape Town rail, road, bus &amp; NMT planning and investment is ongoing and a strong priority. This is good for the economy, locals and visitors alike</td>
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<td>The Western Cape provincial government is currently investigating the potential of harbours in the province. The opportunities for adventure tourism, yachting, general leisure and tourist retail activities should be considered as an option for some of those harbours which are no longer thriving fishing ports.</td>
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<td>Economic factors</td>
<td>Growth in local economy was strong pre-recession, and the Cape Town economy was relatively stronger during the recession due to lower vulnerability to shocks in the mining sector. This has boosted</td>
<td>Jobless economic growth and a growing population hindering poverty and inequality reduction Infrastructure and human resource/skills constraints to growth South Africa creates fewer jobs per visitor</td>
<td>Expansion of local supply chains – certain sub-sectors have the skills (e.g. textiles) Rise in incomes and growing middle class is an opportunity for increased domestic tourism and outbound tourism</td>
<td>Global economic uncertainty, but non-linear relationship with tourism numbers Other threats to our export-based local economies: euro-trade zone crises and carbon-pricing The ability of the local</td>
<td>Mobilise economic development to expand value-chains, expand products and diversify risk exposure There is a need to better understand the opportunities for tourism created by new regional economic</td>
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<td>investor confidence in the city.</td>
<td>Increasing economic links with other countries, including regional African counterparts is opening up new market opportunities.</td>
<td>than counterparts such as Thailand, Australia, the USA, Kenya and Brazil. This is partly due to high leakage from the local economy and decline in local manufacturing sub-sectors due to increasing imports of textiles, foods, furniture and miscellaneous manufactured goods and services.</td>
<td>New linkages with regional counterparts creates an opportunity to target these countries for tourism, and also to host foreign investors, journalists and other interested parties who require regular travel into other African countries but prefer Cape Town as their base.</td>
<td>economy to absorb additional demand created by tourists is a threat in that tourist spend may drive inflation of prices, crowding out local people and resulting in resentment by locals of tourists.</td>
<td>linkages. The direction of tourism flow is currently unclear.</td>
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<td>Rand value - the rand currency fell nearly 23% against the dollar in 2011. when combined with low inflation (in some areas and categories deflation) in accommodation costs it is safe to infer that South Africa became a cheaper destination in 2011.</td>
<td>SA has an established and relatively stable banking sector.</td>
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<td>Encourage the investment in renewable energy to reduce the carbon footprint and thus price of local exports, ensuring competitiveness in global markets</td>
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<td>The Development Bank of Southern Africa (DBSA) and the Industrial Development Corporation (IDC), have dedicated funds for transport</td>
<td>previously disadvantaged entrepreneurs lack recourse to personal assets, such as property, so use as collateral for more favourable loan terms.</td>
<td>In order to reduce leakage in the tourism sector, it is important to tighten linkages between industry and tourism service providers. While structural competitive challenges need to be addressed in the manufacturing sector, specifically, this local value-chain opportunity presents a potential synergy for local industry and tourism. This requires local industrial policy and programmes that</td>
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<td>Mobilise for alignment between the tourism sector and manufacturing sector skills development and industrial incubator projects, such as that planned for Khayelitsha.</td>
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<td>Property prices are a barrier to entry for small start-ups,</td>
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<td></td>
<td>Ongoing development of new affordable destinations and experiences to ensure locals are not crowded out</td>
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25 The rand value can be seen as internal or external, and can be a strength or weakness depending on the sub-sector or position on the value-chain.
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<td>Social factors</td>
<td>A number of training colleges and universities have courses dedicated to hospitality, tourism and events management.</td>
<td>specifically in the accommodation sector, to break-even</td>
<td>are sensitive to the input needs of the tourism sector.</td>
<td>SA govt. has been criticised by the US Department of State for not achieving much in terms of addressing human trafficking. This could harm our reputation as a Responsible Tourism destination.</td>
<td>Campaign for a new image and address claims of racism seriously and immediately.</td>
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<td>Many tourists report experiencing locals as having positive attitudes, values, norms, beliefs, behaviors.</td>
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<td>Expanding the geographic spread of tourism in the city – showcase the positivity and cultural strengths beyond the CBD.</td>
<td>Options for cross-cultural learning, skills transfer, and the immigration of skilled workers seeking more of the CT lifestyle increasing and diversifying the residential economic and skills base of CT</td>
<td>Destination development: cultural and heritage destinations and routes/circuits – unique, contemporary cultural routes and tours</td>
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<td>Social and cultural diversity means we have many vibrant offerings tourists of different interests.</td>
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<td>South Africa’s crime rate and Cape Town’s tag as the most</td>
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<td>Community safety initiatives that consider the safety of tourists who are unfamiliar with the area.</td>
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<td>SA is signatory of Child</td>
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<td>South Africa’s crime rate and Cape Town’s tag as the most</td>
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<td>Expansion of safety and security</td>
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<td>Infrastructure, fair-trade manufacturing and agricultural projects, SMME clusters, development of large scale destinations (uShaka Marine World in KZN was partially funded by the DBSA), and the development of destinations in disadvantaged area.</td>
<td></td>
<td>South Africa’s crime rate and Cape Town’s tag as the most</td>
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**Human resource capacity and skills levels remain a weakness – the private sector must conduct a large amount of in-house training for staff in the hospitality sector, while many tour guides require updated training in telling more contemporary Cape Town narratives. Similarly, there is a need for a wider range of language proficiency as the tourism market diversifies.**
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| Protection in Tourism Code, run by FairTrade in Tourism SA. | dangerous city. While UE Surveys showed that visitors did not have bad expectations in this regard (expectations for safety and security while in Cape Town scored 65% and actual experience 71%), this does not speak to those who are deterred from visiting in the first place.  
- Lack of unified support for addressing social ills that come with tourism – much of this work is left to NGOs (SWEAT, shelters, Molo Songololo etc) with few resources and no coordinated monitoring and evaluation. Women, children, international refugees and homeless sexual minorities are at the greatest risk.  
- An est. 40 000 children in commercial sex work in SA, 250 000 street children. The Child Protection in Tourism Code relies on initiatives such as VPUU, the Cableway Safety Forum and CCID patrols to other popular tourist areas.  
- Investigation of opportunities to utilise technology for rapid response services for tourists. |
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<td>Legislative and regulatory factors</td>
<td>• Strong environmental management legislative framework: NEMA, ICMA, PAA, SDFs-protected areas; IMEP; etc</td>
<td>• Contradictory agendas of environmental policies, climate change response strategy and green economy with industrialisation strategies: current confusion of SA’s economic path</td>
<td>• For tourism development to contribute to environmental goals: for the protection of environmental assets and the enhancement of environmental quality (air, water, land and sea)</td>
<td>• Competing land-use demands are all supported on some level by policy - integrated housing, industrial development and conservation areas are all rationalised on some level. The SDF attempts to manage this, as does the Densification Strategy which recognises that Cape Town is running out of land for Greenfield development.</td>
<td>• Investigation price controls on liquor consumption as opposed to current curfew approach.</td>
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<td>• Strong investor protection and regulation of banking and finance sector: relative economic stability</td>
<td>• Numerous policies and authority levels add cost and time layer to investors and entrepreneurs - e.g. survey results showed 82% of tour operator respondents unhappy with the number of permits required, esp. latest SANParks permits at TMNPs gates²⁶</td>
<td>• The Western Cape Strategic Infrastructure Plan has a focus on “Tourism and Recreation” infrastructure. This means that there are opportunities for joint partnerships between Province and the CoCT Tourism Department, and Sports and Recreation Department, to invest in the development of</td>
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²⁶ Comments to proposals contained within the National Tourism Bill for a national tourism registration process showed support, however. While this additional registration was encourage, it was argued that there should be a clear and realised incentive for registration, rather than a cost for compliance or risk punitive measures. Examples of incentives desired included Tax incentives (if the fee is fully tax deductible), reduction in the cost of Grading or similar services, or advertising (e.g. registration being linked to marketing efforts and a searchable database for potential visitors). [http://www.tbsca.travel/storage/files/TBCSA_Comments_on_Tourism_Bill.pdf](http://www.tbsca.travel/storage/files/TBCSA_Comments_on_Tourism_Bill.pdf)
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<td>most overregulated countries for entrepreneurs: Navigating red-tape hampers small businesses, the WC Liquor Laws potentially limit a vibrant 24hr City</td>
<td>such infrastructure in the City.</td>
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<td>• BEE laws are not necessarily suitably structured for Micro/mom&amp;pop enterprises.</td>
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<td>• Govt. &amp; big business procurement and payment processes: 90 or 120 day policies, vendor registration processes to defer payment etc: SMMES cash flow crippled.</td>
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