



*Yours to Explore*

# EASTERN CAPE TOURISM DEVELOPMENT TOOLKIT

# BACKGROUND

The purpose of the Tourism Development Toolkit is to provide information on core tourism services formation, share information on how to start tourism business, give insight on legalities that are involved, and provide information on available funding that is aimed at financing new and existing tourism businesses.



Amazwi South African Museum of Literature, Makhanda, Frontier Country

# LIST OF ABBREVIATIONS/ACRONYMS

B-BBEE	Broad Based Black Economic Empowerment
CIPC	Companies and Intellectual Property Commission
DBSA	Development Bank of South Africa
DT	Department of Tourism
DTIC	Department of Trade Industry and Competition
ECDC	Eastern Cape Development Corporation
ECTPA	Eastern Cape Parks and Tourism Agency
GTIP	Green Tourism Incentive Programme
IDC	Industrial Development Corporation
LRED	Local and Regional Economic Development Fund
MASP	Market Access Support Programme
NEF	National Empowerment Fund
NYDA	National Youth Development Agency
SARS	South African Revenue Service
SAT	South African Tourism
SEDA	Small Enterprise Development Agency
SEFA	Small Enterprise Finance Agency
SMME	Small Medium and Micro Enterprises
TBCSA	Tourism Business Council of South Africa
TGCSA	Tourism Grading Council of South Africa
TGSP	Tourism Grading Support Programme
TTF	Tourism Transformation Fund

# TABLE OF CONTENTS

1. OBJECTIVES OF THE EASTERN CAPE TOURISM DEVELOPMENT TOOLKIT .....	5
2. A GUIDE ON HOW TO START A TOURISM BUSINESS. ....	6
3. HOW TO DRAW UP A BUSINESS PLAN FOR A TOURISM BUSINESS. ....	7
4. THE PURPOSE OF THE BUSINESS PLAN. ....	7
5. DESCRIPTION OF BUSINESS.....	8
6. SWOT ANALYSIS.....	9
7. MARKETING.....	10
8. HUMAN RESOURCES AND MANAGEMENT.....	11
9. GUIDING PRINCIPLES FOR TOURISM BUSINESSES. ....	13
10. TYPES OF DIRECT TOURISM SERVICES.....	15
11. TOURISM DISTRIBUTION CHANNELS. ....	16
12. A GUIDE TO ESTABLISH A BED AND BREAKFAST OR GUEST HOUSE. ....	17
13. CATEGORIES OF BED AND BREAKFAST ESTABLISHMENTS AND GUEST HOUSES. ....	17
14. GUIDELINES FOR APPROVAL. ....	18
15. TOURISM GRADING. ....	19
16. A GUIDE TO ESTABLISH A RESTAURANT, EATERY OR TAVERN. ....	20
17. STARTING A TOUR OPERATING BUSINESS. ....	22
18. LEGALITIES.....	22
19. LICENCES AND PERMITS.....	22
20. PROFESSIONAL DRIVING PERMIT.....	22
21. TOURIST TRANSPORT OPERATOR.....	24
22. LIABILITY INSURANCE.....	24
23. REGISTERED AND ACCREDITED TOURIST GUIDE TRAINING PROVIDERS IN THE PROVINCE (EC).....	26
24. A GUIDE TO ESTABLISH A TRAVEL AGENCY. ....	27
25. DEFINITION.....	27
26. TRAINING REQUIREMENTS.....	27
27. A GUIDE TO ESTABLISH A CULTURAL VILLAGE.....	30
28. LAND AND PLANNING.....	30
29. LEGAL REQUIREMENTS.....	31
30. LAND USE ZONING.....	31
31. GOVERNMENT FUNDING INSTITUTIONS AND FUNDING PROGRAMMS. ....	32
32. DEPARTMENT OF TOURISM (DT).....	32
33. TOURISM TRANSFORMATION FUND (TTF).....	33
34. GREEN TOURISM INCENTIVE PROGRAMME (GTIP).....	33
35. MARKET ACCESS SUPPORT PROGRAMME (MASP).....	33
36. TOURISM GRADING SUPPORT PROGRAMME (TGSP).....	33
37. DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENT AFFAIRS AND TOURISM (DEDEAT).....	34
38. ISIQALO YOUTH FUND.....	34
39. LOCAL AND REGIONAL ECONOMIC DEVELOPMENT (LRED).....	34
40. SMALL ENTERPRISE DEVELOPMENT AGENCY (SEDA).....	34
41. SMALL ENTERPRISE FINANCE AGENCY (SEFA).....	35
42. DEPARTMENT OF TRADE AND INDUSTRY (DTI).....	35
43. NATIONAL LOTTERIES BOARD.....	35
44. INDUSTRIAL DEVELOPMENT CORPORATION (IDC).....	35
45. TOURISM PUBLIC PRIVATE PARTNERSHIP (PPP).....	36
46. DEVELOPMENT BANK OF SOUTH AFRICA (DBSA).....	36
47. TOURISM BUSINESS COUNCIL OF SOUTH AFRICA (TBCSA).....	37
48. EASTERN CAPE DEVELOPMENT CORPORATION (ECDC).....	37
49. ARTS AND CULTURE VENTURE CAPITAL.....	37
50. NATIONAL YOUTH DEVELOPMENT AGENCY (NYDA).....	38
51. COMPANIES AND INTELLECTUAL PROPERTY COMMISSION (CIPC).....	38
51 NATIONAL EMPOWERMENT FUND (NEF).....	38
52. SOUTH AFRICAN REVENUE SERVICE (SARS).....	38
53. SOUTH AFRICA: WOMEN IN TOURISM (WIT) PROGRAMME.....	39
54. EASTERN CAPE PARKS AND TOURISM AGENCY (ECPTA).....	40
55. NATIONAL TOURISM ASSOCIATIONS. ....	41
56. ACKNOWLEDGMENTS.....	45

# OBJECTIVES OF THE EASTERN CAPE TOURISM DEVELOPMENT TOOLKIT

The Tourism Development Toolkit is a collection of information from various sources to assist Entrepreneurs to develop and grow business within the tourism industry

The objectives of establishing this toolkit are to assist tourism-related products and services with the required information on operating in the industry. The following serve as key objectives of this guide:

- Provide necessary information to tourism businesses and promote compliance
- Outline types of direct tourism services
- Outline the importance of good service standards
- List of tourism funding institutions and funding criteria



# A GUIDE ON HOW TO START A TOURISM BUSINESS

Key questions to be asked before starting a tourism business.



## **FEASIBILITY STUDY**

A feasibility study examines the practicality of a proposal, business venture or idea. The main purpose of this study is to determine whether the idea is feasible or not. It evaluates the expertise level required, examines the qualitative assessments of other essential resources, and helps in identifying critical points required for the project. The feasibility study estimates the project completion time and cost required for the project. There are four types of feasibility studies. These are: Operational feasibility study, technical feasibility study, Schedule feasibility study and Economic feasibility study.

Feasibility studies are crucial for several reasons such as looking at how a certain proposal can work on a long-term basis and endure financial risks that may come. It also helps in recognising potential cash flow and can provide reasons not to pursue the said project or proposal. Operational aspect includes the analysis that determines whether the plan has the necessary resources for operations.

The tourism industry is a service-focused sector where visitors spend disposable income after paying the necessary living costs. These results changing trends and patterns of behavior seriously impacting on one's business's viability. There are good rewards to be achieved as one embarks upon an adventure of a lifetime, but it can turn into a nightmare if one does not plan well. If necessary, secure the services of professional people that can provide guidance in preparing the business plan, environmental and planning applications for the authorisations needed. The initial cost would be well worth it in the long term.

# HOW TO DRAW UP A BUSINESS PLAN FOR A TOURISM BUSINESS

## **DEFINITION**

A business plan is a written document describing the nature of the business one wants to establish, which includes mission statement, company vision, goals, objectives, target market analysis, financial background, and how business funds will be spent. It also contains the business' financial viability.

## **INTRODUCTION**

This document is aimed at providing guidance to individuals who want to start their own tourism businesses but do not know where to begin. When a business plan has been prepared, the potential entrepreneur can make informed decisions on the viability of the business. When an entrepreneur is convinced about the potential success of the business, a business plan can be used to secure investor funding and/or loans.

## **THE PURPOSE OF THE BUSINESS PLAN**

The Business Plan generally serves two main functions:

- Provides a detailed set of guidelines, setting out how to start the business, what it will cost to set it up, what resources are required to ensure the success of the business, what net income, and how long it will take to reach break-even (the point at which income equals expenditure) operating levels.
- May be used to persuade banks and/or investors for business financing.

## **THE BUSINESS PLAN**

The business plan serves as a road map that provides directions for the business stating key areas that are required in operating efficiently. It also outlines the planned future projections that will bring the business to sustainability and growth as well as innovation. The diagram and the headings below provide main highlights of a business plan structure.

# HOW TO DRAW UP A BUSINESS PLAN FOR A TOURISM BUSINESS

## **EXECUTIVE SUMMARY OR INTRODUCTION**

The executive summary or introduction is part of the business plan that is written last - once one has established that the business can operate successfully. The executive summary is normally a short but concise statement about what the business is all about and mechanism that will make it to be successful. This part of the business plan is arguably the most critical part because often a bank or investor may turn down an opportunity to get financially involved or invest in a business by reading the executive summary only.

## **DESCRIPTION OF BUSINESS**

It is important to understand what the business is all about and how it will work. A clear and concise description is useful and can be used as a guide for future innovation. The business is best described using sub-headings dealing with different aspects of the business. Examples of the headings are set out below:

- **Vision (short, medium, and long term):** The vision deals with the bigger picture and long-term plans of the business. It helps the reader to understand what the entrepreneur wants to achieve in short term (next year), the medium term (two to three years) and longer term (four to five years), and may be important for shareholders or financiers, who are not familiar with the business
- **Goals and Objectives:** These are statements of intent that the business is aiming to achieve
- **Mission:** The basic philosophy, what the business is all about, the key overriding goals are set out in this section. This will guide other aspects of the business
- **Business Arrangement/ Company background:** It indicates whether the business will be a sole proprietorship, a private/ public company or a trading trust need to be decided upon the business arrangements. It also indicates the members/ directors within the company and their roles and the means of financing the business
- **Product description:** Details of services that will be rendered or a product that will be sold. In this stage, where there are products, it is important to state the quality of raw material/ what will be produced and how. Accessibility to its targeted market. The general aspects of the business, the physical infrastructure, the geographical location of the business and aspects not covered elsewhere need to be detailed.



Voting line sculpture: Donkin Reserve, Gqeberha



# HOW TO DRAW UP A BUSINESS PLAN FOR A TOURISM BUSINESS

## SWOT ANALYSIS

An honest and critical evaluation of the strengths, weaknesses, opportunities, and threats will help one to capitalise on their strengths, overcome weaknesses, exploit opportunities, and be prepared for threats.

<b>Strengths</b> Internal characteristics of a business which give a positive advantage towards its potential for sustainability over its competitors	<b>Weaknesses</b> Business internal characteristics which make it disadvantageous relative to competitors
<b>Opportunities</b> Elements in a company's external environment that allow it to formulate and implement strategies to increase profitability	<b>Threats</b> Elements in the external environment that could endanger the integrity and profitability of the business

## OPERATIONS

- Operations outline how the service/product is going to be delivered to the clients; and what operational mechanism is going to be followed, such as product quality design, failure prevention and resource planning. Managing innovations of the business through total quality management creating ability to deliver quality standards and avoiding errors both in the short and long term.
- This is one of the important factors in the business plan as it shows the strengths entrenched in the business. It serves as the engine to ignite all other functions of the business.
- Service design affects the utilisation and recyclability of the service/product offered. Continuous research on supply versus demand is critical for the business.

## RISK MANAGEMENT

Risks are commonly known as challenges that affect the business negatively. They need to be minimized and managed well. The following critical steps should be noted:

- Step 1: Establish the context;
- Step 2: Identify the risk;
- Step 3: Analyse the risk;
- Step 4: Evaluate the risk ;
- Step 5: Mitigate the risk

Rfr: "Cunliffe (2006)"

# HOW TO DRAW UP A BUSINESS PLAN FOR A TOURISM BUSINESS

## MARKETING



- **Product:** The need to estimate the utilisation of business products. This will be influenced by the performance of the competition and market penetration.
- **Price:** Deciding on a pricing structure is very important for products/services as one needs to consider competitor prices and target market affordability.
- **Place:** How accessible is product or service to the target market.
- **Promotion:** The manner to communicate with the market needs to be formulated in the initial stages such as dealing with advertising, trade shows, social media marketing, etc.
- **People:** This refers to how the level of service and the expertise/skills of the people who work for the business can be utilised to set the business apart from its competitors.
- **Process:** Procedures followed by the company on creating service including new services and improving brand image that is aligned to business values
- **Physical evidence:** Creating proof or reputation of the company to the customer to instill brand image and enhance company familiarization.

# HOW TO DRAW UP A BUSINESS PLAN FOR A TOURISM BUSINESS

## ***HUMAN RESOURCES AND MANAGEMENT***

All businesses require marketing, financial/accounting and operational skills. It is important to identify the skills required for a specific business and to ensure that the management team has the required skills to improve the business chances of success (one might include requirements/job specification of the key people in the business plan). The staff structure needs to be detailed with a clear indication of remuneration levels.

### ***HR MANAGEMENT PRACTICES***

- Attract and recruit staff
- Select the right staff
- Conditions of employment
- Induct staff
- Train, coach and develop staff
- Manage staff performance
- Motivate and incentivise staff
- Discipline staff when needed
- Terminate employment when necessary

# HOW TO DRAW UP A BUSINESS PLAN FOR A TOURISM BUSINESS

## **PROJECTIONS**

The projections are the forecast of expected income and expenses. Most financial institutions require financial projections for at least three to five years, with the first year's projections set on a month-to-month basis. The balance sheet needs to contain a day-one of business operation and thereafter, year on year figures. It is always advisable to detail all assumptions, as financial institutions will want to analyze the projections and even carry out their own calculations. It might be necessary to seek the assistance of professionals to help with the compilation of projections.

- **Income:** Examples of sources of income include overnight stay in a B&B, food, tourist attractions, entry fees, guiding activity etc.
- **Expenses:** The direct costs generally refer to cost of sales of the various products, while fixed expenses could include items such as audit fees, accounting fees and advertising costs, bank charges, water, and electricity etc.
- **Timelines:** A business plan requires projected timelines of what can be achieved, by when and with what resources. Resources invested in the business can be done on step-by-step milestones as the business grows and gaining its market share until the business reaches a break-even point, thereafter, being able to make a viable profit.



Kowie Bridge, Port Alfred, Sunshine Coast

# GUIDING PRINCIPLES FOR A TOURISM BUSINESS

Tourism is a dynamic and competitive industry that requires the best ability to adapt to constantly changing consumer needs and desires. Customer satisfaction and enjoyment are critical factors for the tourism business. The most crucial factor is to establish a common ground for passion on services offered. Establish a common goal and enthusiasm towards the efforts for success and perseverance. A standard tourism business start-up model until maturity includes the following stages and time following Buttler's Model as outlined below:

## ***Stage 1 - Exploration (12 Months)***

Assessing the need for the service/product in the area and exploring opportunities available for future business growth. This stage is crucial as it offers a broader view of the surroundings and how the services/product will be positioned considering the supply and demand, and accessibility. The observation of local industry businesses and their likelihood of sustainability. Skills required to deliver the services are also to be noted, and a decision made whether they are available locally or will be outsourced from outside the geographical location.

## ***Stage 2 - Involvement (6 Months)***

Additional support services available in the area that complements the new service/product. It is important to create alignment of services to enhance a customer's holistic experience whilst responding to customer needs.

## ***Stage 3 - Development (2-4 Years)***

Once the services/products complement local products, it is essential to develop it to signify authenticity and quality. The performance is also boosted by marketing efforts in the identified platforms. The innovation and proper positioning of service are done to ensure that a proper response is made to the targeted markets, by continuously adding new designs/services for customer satisfaction.

# GUIDING PRINCIPLES FOR A TOURISM BUSINESSES

## *Stage 4- Break Even (6-7 Years)*

The total expenses and total income generated are equal at this stage. There is no net profit or loss, although the business is stable. This is when a company's revenue equals total fixed costs plus variable costs, and its fixed costs equal the contribution margin. Customers are satisfied with the services/product they consume, and word of mouth is spread through previous experiences by visitors. Constant marketing efforts continue to take place and improving quality services.

## *Stage 5 - Consolidation (8-9 Years)*

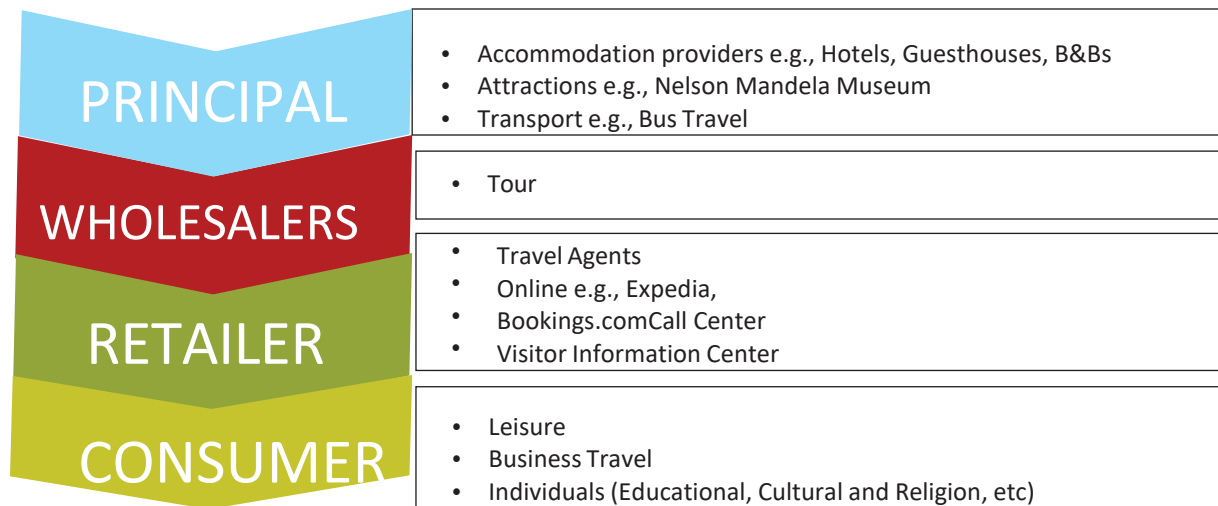
The service/product retains loyal customers at this stage, although there may be no significant increase in client numbers. It is essential to observe previous activities to determine the future potential of the service/product. One of the following stages will take place:

**Stagnation:** Services/product has attracted a moderate number of clients and is no longer getting new clients from the market. There could be a need for some changes according to the market trends. Business growth is the same throughout the years, but still makes profit to sustain the business.

**Decline:** When services are experienced and customers no longer want to make use of the services as there are no new changes and in case of an attraction, the place is over-used showing poor maintenance or outdated facilities that are not easy to utilise. Customers will start to look for alternative products that create an excitement and give value for money. This will then result on service dropping in profits, running at a loss; eventually incur expenses and strive to operate normally. The business eventually struggles to operate and closes down.

**Revitalisation:** The best alternative to continue with the services, although this stage will require further market research, alterations, positioning, and branding of services/product to meet new market trends or to suit the current needs of the customers. This stage will require funding injection for renovations to keep up with the trends. Previous performance is very important as it crafts the new direction for growth.

# TYPES OF TOURISM SERVICES

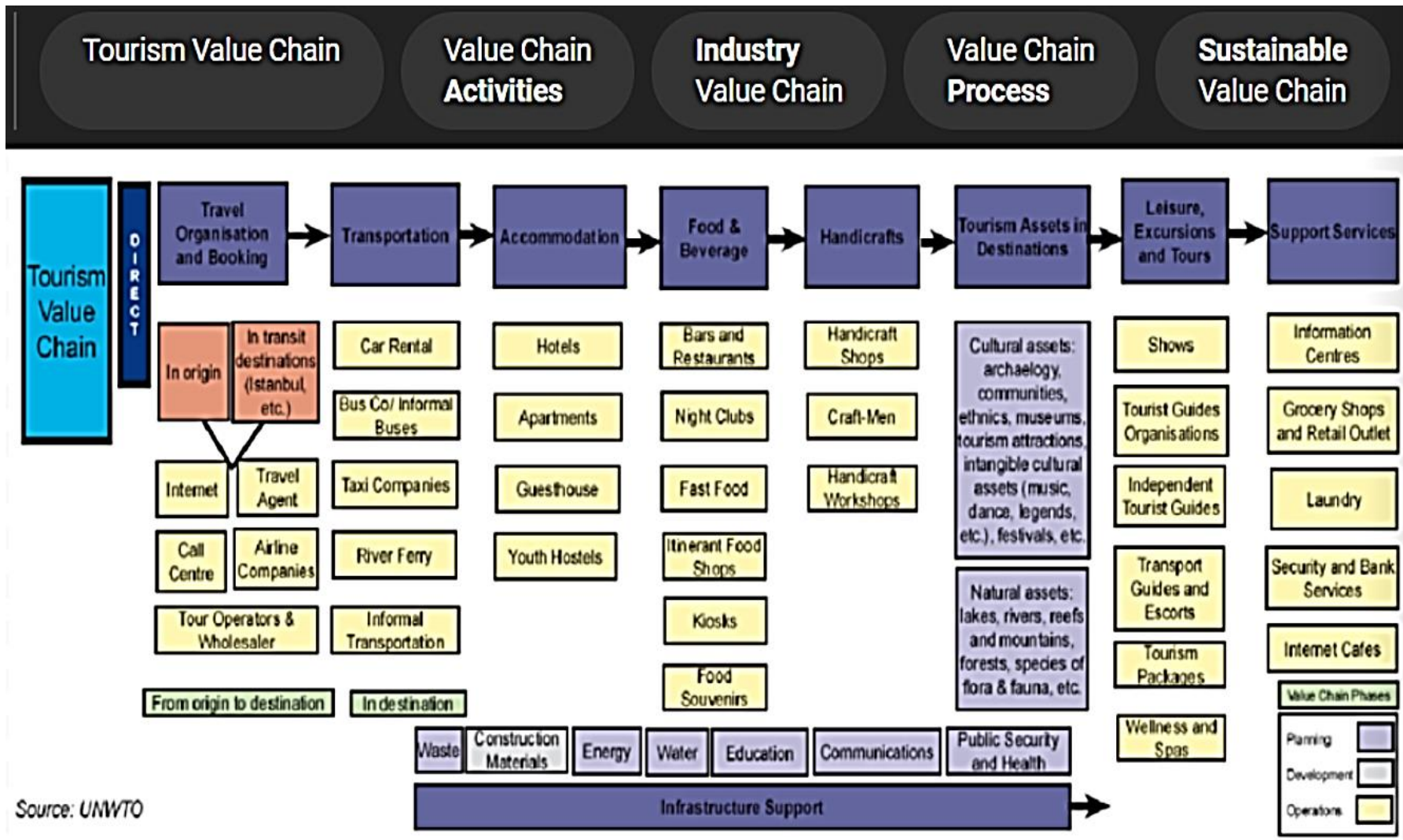


According to the United Nations World Tourism Organisation (UNWTO), tourism involves the movement of people in the natural environment travelling for personal or other reasons as classified below:



# TYPES OF TOURISM SERVICES AND SUPPORT SERVICES

A tourist gets involved in various preparations prior the actual visit and post the visit. The preparation is outlined as Tourism Value Chain and include all other support services that are require by the visitor as illustrated below:





# A GUIDE TO ESTABLISH A BED AND BREAKFAST OR GUEST HOUSE

## DEFINITION

- A Bed & Breakfast establishment (B&B) is an informal, periodic accommodation operation undertaken from a private dwelling. The maximum number of guest bedrooms in a B&B is three. Any application received by the authorities for a B&B establishment with more than three bedrooms is automatically treated as a guesthouse.
- A Guesthouse is a commercial accommodation establishment offering between 3-16 bedrooms, which has as its primary source to supply tourist accommodation.
- Breakfast and dinner are made available to guests, particularly where the latter is not readily available in the vicinity of the establishment.

## CATEGORIES OF BED AND BREAKFAST ESTABLISHMENTS AND GUESTHOUSES

CATEGORY 1:	CATEGORY 2	CATEGORY 3:
<ul style="list-style-type: none"><li>• Dwelling house with one or two guestrooms, which are rented out as short-term accommodation.</li><li>• No special regulations are applicable other than normal Building and Town Planning regulations. No additional parking bays are required.</li></ul>	<ul style="list-style-type: none"><li>• Bed &amp; breakfast establishments</li></ul> <p>A B&amp;B is an owner-managed commercial accommodation establishment of not more than 3 guestrooms, which has as its primary source of business, to supply short-term accommodation and breakfast for resident guests.</p>	<ul style="list-style-type: none"><li>• Guest Houses</li></ul> <p>A guest house is an owner-managed commercial accommodation establishment of not less than 5 guestrooms and not more than 16 guestrooms, which has as its primary source supply short-term accommodation and breakfast for guests, and the provision of dinner where such facility is not readily available in the vicinity.</p>

## COMPLIANCE MATTERS

There are three categories of Bed & Breakfast/Guest House establishments:

- 3 & 4 guestrooms: A departure from the Town Planning Scheme is necessary
- 5 -16 guestrooms: If situated on a main road in a single residential zone (Zones I-IV), a departure is necessary
- For more than 16 guestrooms, a rezoning is necessary

Note: Municipal regulations requirements/by laws vary and as such each business must enquire with the local authority for the exact requirement.

# A GUIDE TO ESTABLISH A BED AND BREAKFAST OR GUEST HOUSE

## GUIDELINES FOR APPROVAL

Whilst this varies from area to area, the following are the general requirements to operate such an establishment, the owner needs to apply for a departure from the responsible municipality. If the erf is in a single residential zone (Residential Zone I-III). (Normal single dwelling house in a residential suburb). If the erf is in Residential Zone V (flats) and VI or Business Zone I, no departure is necessary, but the applicant must still comply with the applicable provisions.



## GENERAL

- In terms of the Town Planning regulations, only two dwellings are permitted on a residential erf near the main dwelling, a second dwelling with a kitchen and maid's quarters.
- Accommodation may be provided on a short-term basis only.
- All alterations and second dwellings must be legal in terms of the Municipal Zoning Scheme.
- The householder or a manager must be resident on the premises and in the main dwelling.
- These provisions are for Town Planning purposes only. Their coming into effect will not constitute a repeal of other relevant regulations or the policies of different departments of the municipality.

# QUALITY SERVICES AND GRADING

## Tourism Grading

The Tourism Grading Council of South Africa (TGCSA) is the only officially recognised quality assurance body for tourism products in South Africa. TGCSA grading holds rock steady ground in the Travel and Tourism industry. For this reason, one can rely on certified Star Grading to give an establishment the competitive advantage it deserves.

Ranging from hotels, bed & breakfasts, self-caterings, caravan, and camping or conference venues, the advantages of being graded by the TGCSA are endless. Once the establishment is graded by an accredited grading assessor and displays the TGCSA Star insignia, it takes a single glance for domestic and international visitors to recognize the quality and service excellence. TGCSA has the experience to believe that wearing stars works far better in assuring quality. Grading is a constant quality control tool with feedback mechanism.

For more info visit: [www.tourismgrading.co.za](http://www.tourismgrading.co.za)

## LILIZELA TOURISM AWARDS

These awards recognise and reward tourism players and businesses who work passionately with pride to deliver a world class product and service and whose delivery grows South Africa's global destination competitiveness.

Telephone: +2711 895 3000

Fax: +2711 895 3001

Email: [feedback@tourismgrading.co.za](mailto:feedback@tourismgrading.co.za)

Website: [www.tourismgrading.co.za](http://www.tourismgrading.co.za)

## Frequently Asked Questions

### Why should I get graded?

To add credibility of the establishment and gaining right to display the Grading Council plaque outside the premises. Grading Council logo (star) may be used in marketing material. Accommodation is marketed on TGCSA website. Grading assists in positioning accommodation product as South African Tourism endorses star graded facilities. Government departments are only allowed to use graded establishments.

### How does the Grading process work?

One can apply online through [www.tourismgrading.co.za](http://www.tourismgrading.co.za). The application will be processed, and if the accommodation owner qualifies, a grading assessor evaluates the establishment. The assessment gets verified and processed to receive the stars.

### Who assesses the establishment?

Only independent accredited grading assessors, who are allocated all over South Africa to do assessments.

### Can one choose an assessor?

A person may choose an assessor of choice. Grading assessor's information details are available on the TGCSA website. Please take note that choosing an assessor forms part of online application.

### How long does it take to get graded?

There is no short answer to this as the time it takes to complete an assessment is dependent on many factors, some of which are out of TGCSA's control. But one can expect the process to take a reasonable amount of time.

### What does one need to qualify for Star Grading?

Each category has its own minimum requirements. Visit: [www.tourismgrading.co.za](http://www.tourismgrading.co.za) to view the requirements.

### How long is the Star Grading for?

It is valid for one year upon which an automatic renewal of TGCSA membership will be generated. This automatic renewal will involve an invoice to be e-mailed to the establishment. After payment of this renewal invoice (per the TGCSA bank details) the establishment will again be assessed by a TGCSA accredited assessor.

### Are TGCSA's standards Internationally recognised?

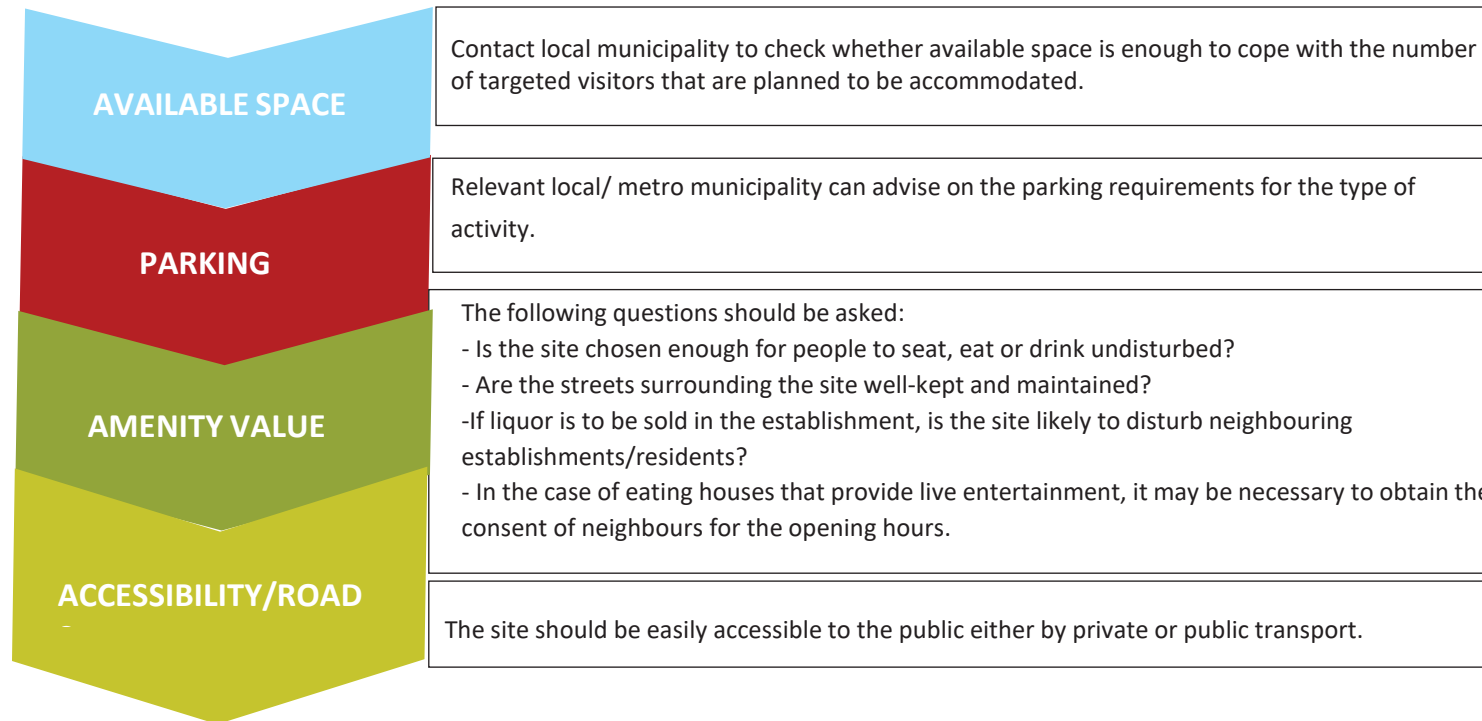
It is an internationally recognised system of quality assurance. TGCSA applies strict internationally recognised criteria to its grading process and is recognized as a world leader in this industry.

# A GUIDE TO ESTABLISH A RESTAURANT, EATERY OR TAVERN

## DEFINITION

A restaurant is a business that concentrates on selling meals and may or may not be licensed to sell liquor for consumption on the premises. On the other hand, a tavern is primarily licensed to sell alcohol for consumption on the premises, and it may or may not also serve meals.

## LAND AND PLANNING ISSUES



# A GUIDE TO ESTABLISH A RESTUARANT, EATERY OR TARVEN

## LEGAL REQUIREMENTS

- **Land Use Zoning:** Approach the local municipality to establish the Town Planning permits for the chosen business activity on the site that is selected. The establishment of a new enterprise in which the present use is substantially changed may require a scoping report to be prepared in terms of the National Environmental Management Act (107 of 1998). The Provincial Department of Economic Development and Environmental Affairs (DEDEAT) should be consulted in this regard.
- **Licensing and Registration:** Approach the district/metro municipality to register the business. For the sale of perishable food, a trading license must be purchased from the Business Licensing Department of the local municipality. If liquor is to be sold in the establishment, application must be made to the Liquor Board for liquor license in terms of the Liquor Act (27 of 1989). For further information on the application for and issue of licenses, consult the Liquor Act, a copy of which may be obtained from the Eastern Cape Liquor Board.
- **Regulations and By-Laws:** Application for a trading license will be circulated by the local municipality to the health, fire and building inspectors, the Town Planning Department, and in some cases, the Development Services Board (DSB). These bodies will ensure that the plans comply with the regulations before the application can be approved.
- **Other Legal Requirements:** If the property is being leased, the local municipality will require a letter of consent from the owner giving permission to the lessee to trade from the property.
- **Road signs need approval from:** Department of Provincial Transport/South African Roads Agency SOC Ltd (SANRAL) for national roads approval. For secondary and local roads approval by local municipal engineer.



Nelson Mandela Museum, Mthatha, Wild Coast

# A GUIDE TO ESTABLISH A TOUR OPERATING BUSINESS

## **REGULATIONS AND BY-LAWS**

The Local Council will circulate the application for a trading license to the health, fire and building inspectors, Town Planning Department and in some cases, to the Development Services Board (DSB). These bodies will ensure that the plans comply with the relevant regulations before the application can be approved.

## **OTHER LEGAL REQUIREMENTS**

If the company wishes to erect a road sign in the road reserve area (as distinct from on the own property) advertising business, then one needs approvals from the Department of Transport in the case of national roads;

- the Facility Signs Committee in the Provincial Department of Transport in the case of secondary roads
- the local municipal engineer in the case of local roads within a local municipality area.



Addo Elephant National Park, Sundays River Valley

# STARTING A TOUR OPERATING BUSINESS

## **DEFINITION**

**A Tour Operator** is any person who owns a business, which transports paying tourists on a scheduled itinerary and plans for their clients concerning accommodation, transport, and excursion/tours. A Tour operator often owns a vehicle to transport tourists and s/he often accompanies tourists.

There are four categories of tour operators:

- In-bound tour operators: provide services mainly for foreign visitors to South Africa
- Out-bound tour operators: provide services to clients in South Africa wishing to travel to destinations outside the country
- Local tour operators: provide services to domestic clients for tours within South Africa.
- Ground tour operators operate domestically. They are however different from domestic tour operators in that they organize tours for incoming tourists on behalf of an inbound tour operator (and sometimes, outbound tour operators).

**A Tour operating business** is a very lucrative business only if one researches, plan, market and provide a memorable experience to clients. It must also be indicated that before one venture into this business, must make sure that he/she is aware of all the rules and regulations governing both tourist guiding and transport sectors.

## **LEGALITIES**

The tour operator is required to register, the business legally with Companies and Intellectual Property Commission (CIPC) and comply with tax obligations.

## **LICENSES AND PERMITS**

One requires license and permits to operate a vehicle on the public roads. To drive paying passengers (tourists) on public roads, one is required by law to have a public driving permit (PDP). A valid driving license for the size of the vehicle that is intended for use (e.g., code 08 for cars, etc.). An application for the permit is subject to a medical examination report and a check for any criminal convictions through the police records.

## **REQUIREMENTS:**

- Every vehicle that is to carry passengers for reward (i.e., paying passengers) shall have its own Road Transportation Permit
- Application should be made to the Local Transportation Board for the permit. The tour operator can prepare application. It is especially important to be clear on transporting tourists and to clearly mark the route that will be used
- If one does not wish to prepare their own application, they may use the services of a road transport specialist lawyer at a cost
- Once completed, the forms must be submitted together and an applicable fee operating license board a letter of approval from the local Town Planning Department to the Road Transportation Board, and the proposed travel routes are gazetted together with details of the application. After the application has been gazetted and the period for objections has lapsed, the Board will subsequently make its own decision which will be communicated to the applicant or his/her representative. At the hearing, the applicant may attend in person or may appoint a representative.

# STARTING A TOUR OPERATING BUSINESS

## ***TOURIST TRANSPORT OPERATOR***

All vehicles carrying passengers are required to have professional drivers permit. Please adhere to compliance processes, apply for accreditation as Tourist Transport Operator to the Department of Transport.

According to the National Land Transport Act, 2009, Section 81: (5), accreditation may be granted unless the National Public Transport Regulator has obtained and considered recommendations from the tourism authority or authorities recognized by the Minister.

Accreditation may be granted without such recommendations where such tourism authority has not supplied them in the time specified in the entity's request or where no such requirement is prescribed.

The tour operator must be familiar with the National Land Transport Act, 2009 (Act No 5 of 2009). Pay attention to Section 84: Certification of Vehicles for Tourist Operators.

## ***LIABILITY INSURANCE***

It is critical to investigate and know these possible areas that the operator can be liable for. Apart from insuring property (office) and vehicles owned by the business, there is a variety of types of tourism insurances, among others are the following:

- **General Public Liability Insurance** covers liability against potential injury caused by other persons, including guests. It includes damage to their property while in tour operator care or on premises because of the tour operator proven negligence.
- **Passenger Liability Insurance** covers liability against potential injury if the tour operator incurs an accident while transporting passengers (whether on land, sea, or air). The amount of cover will depend on various factors, such as the size of the vehicle, and can include roadside assistance, hire of another vehicle, etc.
- **Professional Indemnity Insurance** indemnifies tour operator against all sums that one may become legally liable to pay if a customer sues the operator caused by neglect, error, or omission and /or breach of contract in the conduct of the business. This can include costs and expenses of the investigation, defense, or settlement of any claim.



# A GUIDE ON HOW TO START A TOURSIST GUIDE BUSINESS

## **TOURIST GUIDE**

In South Africa, tourism is measured as a success not only in the visitor numbers, but in the experiences created, the new opportunities for meaningful employment and growth are through the understanding that is fostered between people from different backgrounds/different corners of the world - and tourist guides play an integral role in this.

Tourist guiding and all tourist guides in South Africa are regulated by the Tourism Act No: 3, 2014. The Act defines a tourist guide as any person registered as such and who for reward accompanies any person who travels within or visits any place within South Africa and who furnishes such person with information.

Tourist Guides are often the first people to welcome tourists and the last to bid them farewell. Their role is to enhance visitor's experience and be good ambassadors for South Africa as a tourist destination.

A professional tourist guide provides a skilled, knowledgeable presentation; informs, interprets, and highlights the surroundings. A Tourist guide ensures that all information presented is factual and makes a clear distinction between attractions.

A professional tourist guide keeps current on changes throughout the area of work, including but not limited to seasonal events, new exhibits, traffic laws, facilities and follows the rules and regulations at all sites where tours are conducted.

### **Provincial Registrar contact details:**

Contact Details:

Email: [Mbulelo.Siyo@ecpta.co.za](mailto:Mbulelo.Siyo@ecpta.co.za)

Tel: 041 492 1150 / 079 496 7900

## **ILLEGAL GUIDES**

Tourist guiding is a specialised field that requires in-depth study and assessment of a particular area. The act strongly discourages any person not qualified professionally or legally to work as a tourist guide as that constitutes an offense. Without proper training and qualification, the illegal guide can have an extremely negative influence on the experience of the tourist by providing inaccurate information and sub-standard service. These 'guides' also deprive registered guides of job opportunities and income. Tour Operators that are not registered as guides are some of the main culprits who operate as illegal guides.

## **TRAINING AND REGISTRATION**

Anyone contemplating becoming a tourist guide must first complete a tourist guiding training with an accredited training provider. Accredited training providers are recommended because training by an unaccredited training provider will result in non-recognition of the training. Once deemed competent to guide as a qualified tourist guide by an accredited trainer, assessor and moderator, a person is then required to register as a legal guide with the Department of Tourism (DT) through the Provincial Authority- the Eastern Cape Parks and Tourism Agency (ECPTA). Accredited Tourist Guide training providers can be obtained from Cathsseta and ECPTA.

## **TOUR GUIDE REGISTRATION**

Requirements:

- Proof of relevant/highest qualification
- Certified copy of CATHSSETA Certificate of competence obtainable from the training provider
- A declaration of competence indicating the category/site/region that a guide was found competent obtainable from the training provider
- Certified copy of First Aid Certificate
- Certified copy of ID Document
- 2 Colour ID Photographs
- Copy of proof of payment
- Copy of Driver's License and PDP

## **TOURIST GUIDE CODE OF CONDUCT AND ETHICS**

A registration fee of R240.00 is payable into the ECPTA bank account. The registration amount is subject to review. Upon registration, the guide will receive a Tourist Guide Card, the validity (period) of the card and the area of guiding. The guide will also be provided with a name badge, which must be worn every time one is guiding. Failure to produce the card will result in **illegally** guiding and the guide will be liable for a penalty.

# TOURIST GUIDE CATEGORIES

## ***TOURIST GUIDE CATEGORIES***

Tourist guides are classified according to various specialties depending on their interests, knowledge, and the qualifications they possess. These include:

### **Adventure Guides**

One who conducts a guided adventure experience e.g., rock climbing, paddling, abseiling, etc.

### **Culture Guides**

A culture tourist guide is a person who has a detailed knowledge of local heritage, history, and living cultural experiences. A culture guide provides information, educates, raises awareness, and reflects the richness and importance of the above to the tourists. This can happen in various historical tourist attraction sites such as religious establishments, monuments, museums, battle and struggle sites during the city, township, and rural tours.

### **Nature Guides**

These are tourist guides that interpret the natural heritage sites to tourists and educate visitors about different aspects of an area. Nature guides are knowledgeable about the natural environment, including in-depth information about the fauna and flora. A nature guide may specialise in certain fields, i.e., conservation area, national parks, nature trails, etc.



Whale watching, Nelson Mandela Bay. Image credit: Raggy Charters

# A GUIDE TO ESTABLISH A TRAVEL AGENCY

## **DEFINITION**

A travel agent sells either individual parts or complete holiday/business packages to the customer. The primary function of the travel agency is to sell the temporary use of transport (air, rail, coach, car), accommodation (e.g., hotel, motel, lodge), tours (packages); and other associated services (travel insurance, foreign exchange). Travel Agencies are involved in the planning, booking, organising, and developing documentation for their clients' travel. This also involves advising, reassuring, explaining, and encouraging the customer to fulfill the traveling. However, they generally do not operate vehicles or accompany tourists themselves.

Travel consultants (the people in a travel agency who deal with the public) are expected to gather information on travel destinations and advise on travel products. Travel consultants require good interpersonal and organizational skills and the ability to deal with unexpected situations.

## **TRAINING REQUIREMENTS**

Experience in the travel industry and love for traveling are some of the best attributes for individuals wishing to enter the travel agency business. There is a clear distinction between those travel agents who sell tickets and those who do not. This choice is influenced by the qualifications of the travel agency consultants and the availability of startup funds. Suppose the company does not wish to be involved in the sale of air tickets, but wish to participate in terms of accommodation, transport, and excursions. In that case, the International Air Travel Association (IATA) Diploma is not compulsory. However, it has become a benchmark for quality training in the travel industry. It provides the travel agency with a mark of integrity and credibility, which is critical in the early years.

If one wants to be involved in the sale of air tickets, they must be registered with IATA, which requires the completion of an IATA/UFTAA (universal air travel) standard diploma. The course is offered on a part-time basis to individuals with a Grade 12 (Standard 10) education, preferably with travel industry experience. The IATA/UFTAA Diploma will provide a broad understanding of travel agency and airline operations enable the student to advise clients, make appropriate travel arrangements and reservations, calculate airfares, and complete international travel documents with IATA rules and procedures. IATA Travel Agency must have a qualified BSPA (Billings and Settlement Plan-BSP Southern Africa) consultant in the office. BSPSA is the standardized accounting function for IATA accredited travel agents, controlled by IATA. All travel agents should understand the BSP function in ticketing and airline accounting, including information on cancellations, refunds, etc. There are several other useful travel-related courses (Galileo certificate, SAA Fares, Ticketing, British Airways Level 1, etc.) available at various educational institutions, which should be explored according to one's needs. These are available on a part-time basis or part of a one-year, full-time diploma in travel and tourism academies.

## **CODE OF CONDUCT**

The Business Practice Committee, which is part of the Consumer Council, has published a Consumer Code for Travel Agencies that governs travel agencies' conduct and protects the consumers. When complaints are directed to it, the Business Practices Committee assesses whether harmful business practices were conducted, irrespective of whether the travel agent is a member of the Association of South African Travel Agents (ASATA). In this respect, the code is more than a voluntary code of conduct, although membership of ASATA is voluntary.

# A GUIDE TO ESTABLISH A TRAVEL AGENCY

## **THE CODE HAS THREE MAIN BENEFITS**

- It informs customers about what standard of service to expect, what recourse are there in the event of dissatisfaction and their legal standing when dealing with travel agencies, whether the latter are members of ASATA or not.
- Assists travel agents whether they are members of ASATA or not, to meet desirable levels of business practice by providing the criteria that are broadly acceptable within the industry.
- Set standard of service, professionalism, and business practice for all travel agencies in South Africa. Copies of the Consumer Code for Travel Agencies can be obtained from ASATA or the Business Practices Committee.

## **LAND AND PLANNING ISSUES**

Sufficient space is needed where the public can sit and discuss their needs with the travel consultant. Access to basic office infrastructure, including access to electricity, telephone, fax, and email. Registration with IATA will allow the keeping of airline ticket stock and the use of a ticket printer (see also Licensing and Registration).

## **PARKING**

The local municipality's town planners can advise on the parking required.

## **AMENITY VALUE**

An attractive or appealing tourism office environment may be created with posters and maps that are eye-catching, neat, and well-kept surroundings.

## **ACCESSIBILITY/ROADS**

The site must be easy to find for public transport users. The local municipality has controls for the erection of any signs. If new access onto the streets is needed, the local municipality will usually construct them, at the cost of the developer. Permission must be obtained from the Provincial Department of Transport to construct new access points onto main roads outside of local municipality areas.

# A GUIDE TO ESTABLISH A TRAVEL AGENCY

## **LAND USE ZONING**

Approach the Local Municipality to establish whether the Town Planning Scheme permits the activity on the site chosen.

## **LICENCING AND REGISTRATION**

Approach the District and Local/Metro Municipality to register the business. Compliance with the Consumer Code for Travel Agencies is necessary (Business Practices Committee) and membership with ASATA is recommended.

## **REGULATIONS AND BY-LAWS**

The local municipality will circulate the application for a trading license to the health, fire and building inspectors, the Town Planning Department. These bodies will ensure that the plans comply with their regulations before the application can be approved.

## **OTHER LEGAL REQUIREMENTS**

To erect a road sign in the area or to advertise the business, one needs approval from:

- Department of Transport in the case of national roads
- The facility signs committee in the case of local roads within a local municipal area.
- The local municipal engineer in the case of local roads within a local municipal area.



Big 5 Game viewing, Frontier Country

# A GUIDE TO ESTABLISH A CULTURAL VILLAGE

## **DEFINITION**

A cultural village is an area that is set aside to depict the lifestyles, activities, and artifacts of a particular culture, usually in the form of a living museum. Visitors get to experience local communities' livelihood, customs, rituals, dance/entertainment, village walks, cultural cuisine tasting, and storytelling.

## **LAND AND PLANNING**

Space and Infrastructure: Approach local municipality to guide on the amount of space needed for the envisaged buildings and visitor facilities. Establish from the local or district municipality if potable water, power, and road access are available for the chosen site.

## **PARKING**

The following questions should be considered:

- If people are going to arrive in their own transport, is there enough parking for the number of visitors you envisage?
- Is there a public transport to the site?
- Is there parking for tour buses and the likes?

## **AMENITY VALUE**

The following questions should be considered:

- Does the attractiveness of the surrounding area enhance the value of the site for visitors?
- Is the site free from unpleasant odours?

## **ACCESSIBILITY/ROADS**

The following questions should be considered:

- Is the site easy to find for people using their own transport or public transport?
- Is the site within reasonable distance of main roads frequented by tourists?
- The district municipality and the Department of Transport to be requested to construct new access points onto main roads.

# A GUIDE TO ESTABLISH A CULTURAL VILLAGE

## **LEGAL REQUIREMENTS:**

### **LAND USE ZONING**

Approach the Department of Local Government & Housing and the local or district municipality about any special environmental, mining, or other zones that could conflict with the intended use:

- Where the land use will be substantially changed, application must be made to the Department of Economic Development and Environmental Affairs and Tourism (DEDEAT) for permission for a change in land use in terms of the National Environmental Management Act (107 of 1998)
- Where the land falls within House of Traditions Leaders a permission to occupy (PTO) certificate must be obtained from the Department of Human Settlements.

### **LICENSING AND REGISTRATION**

Approach the district municipality to register the business. If the business intends to serve meals, a trading license must also be purchased. If liquor is to be sold on the establishment, application must be made to the Liquor Board for a liquor license in terms of the Liquor Act (27 of 1989). For further information on the application for and issue of licenses, consult the Liquor Act, a copy of which may be obtained from the Eastern Cape Liquor Board.

### **REGULATIONS AND BY-LAWS**

Approach the municipality for guidelines on fire risk to ensure adequate fire control equipment and arrangements. Ensure that the plans comply with municipal regulations on water, electricity, sewerage, noise, etc.

### **OTHER LEGAL REQUIREMENTS**

Since a cultural village may be operated by a community trust or section 21 company, it should be negotiated with the local municipality whether levies must be paid or not.



Baviaans Camino Hike, Baviaanskloof World Heritage Site

# GOVERNMENT FUNDING INSTITUTIONS AND FUNDING PROGRAMS

## DEPARTMENT OF TOURISM (DT)

### TOURISM TRANSFORMATION FUND (TTF)

The TTF aims to utilise grant funding to stimulate accelerated sector transformation and inclusive growth. The TTF offers a combination of debt finance from the National Empowerment Fund (NEF) and grant funding from the Department, for new and expansionary tourism development projects with majority black shareholding. The TTF is administered by the NEF on behalf of the Department of Tourism and applications for support, follows the normal loan application process of the NEF. Loans for majority black-owned tourism projects that are approved by the NEF will be considered for a grant funding portion of 30% of the loan amount up to maximum of R5 million, depending on the size of the project. The grant funding portion is subject to the application meeting the TTF eligibility criteria.

#### Application procedure:

- Applicants should submit application forms and supporting documents directly to the NEF, who will assess applications for commercial viability and TTF eligibility.
- More detailed information on the TTF as well as an application form and checklist can be downloaded from the NEF Website: [www.nefcorp.co.za](http://www.nefcorp.co.za).
- All TTF applications and enquiries should be sent to: [tourism@nefcorp.co.za](mailto:tourism@nefcorp.co.za)
- **Note that incomplete applications will not be considered for funding.**

### GREEN TOURISM INCENTIVE PROGRAMME (GTIP)

In line with its responsible tourism development objectives, the Department introduced the GTIP grant funding to assist private sector tourism enterprises to retrofit their facilities with efficiency solutions for energy and water usage. The GTIP is managed by the Industrial Development Corporation (IDC) on behalf of the Department of Tourism. To strengthen the programme, the partnership has also been widened to include the National Cleaner Production Centre (NCPC) and the Small Enterprise Finance Agency (SEFA). Under the GTIP, qualifying applicants are eligible for support including 90% of the cost for a new resource-efficiency (energy and water) audit or the full cost for reviewing an existing resource-efficiency audit conducted by the NCPC; and grant funding to qualifying small and micro enterprises on a sliding scale from 30% to 90% (capped at R1 million per applicant) towards the installation of recommended water and energy efficiency measures.

#### Application procedure:

- Applicants should submit application forms together with supporting documents directly to the IDC, who will assess applications for GTIP eligibility.
- More detailed information on the GTIP as well as an application form, can be downloaded from the IDC Website: [www.idc.co.za](http://www.idc.co.za)
- All GTIP enquiries should be sent to: [gtip@idc.co.za](mailto:gtip@idc.co.za)
- **Note that incomplete applications will not be considered for funding.**



## DEPARTMENT OF TOURISM DT

### MARKET ACCESS SUPPORT PROGRAMME (MASP)

The aim of the MASP is to reduce the cost burden for small tourism enterprises to participate in selected international trade platforms and thereby improving their access to buyers in new and growth markets to unlock demand growth and allow market penetration. The support offered in the MASP typically includes contributions towards the cost of participation, accommodation, and economy-class return airfare for applicants approved for support as outlined in the programme guidelines. The programme guidelines (that sets out the requirements and processes applicable to applications and claims), application forms (accepted only in response to a 'Call for Applications' for a particular trade platform) is published on the Department's website ([www.tourism.gov.za](http://www.tourism.gov.za)).

To apply, a prospective applicant must submit a duly completed application form with relevant supporting documents, as outlined in the relevant 'Call for Applications' and the programme guidelines. Only fully completed applications will be processed and recommended to the adjudication committee for consideration. The decision of the adjudication committee is final, and all applicants will be notified of the outcome of their application.

### TOURISM GRADING SUPPORT PROGRAMME (TGSP)

The TGSP offers discounts on the cost of star grading assessment fees for accommodation establishments and meeting venues. The programme is administered by the Tourism Grading Council of South Africa (TGCSA) on behalf of the Department of Tourism. The application process is integrated in the standard online application process of the TGCSA and is available to all new grading applicants as well as existing TGCSA members wishing to renew their grading membership.

To apply for tourism grading support (i.e. discount), a prospective applicant must complete the standard TGCSA application form online at [www.tourismgrading.co.za](http://www.tourismgrading.co.za) and indicate by ticking the relevant box to apply for a discount on grading assessment fees. Applicants wishing to apply for the discount will be prompted to upload the required supporting documents as part of application. Supporting documents include a valid tax clearance certificate, confirmation of Broad-Based Black Economic Empowerment (B-BBEE) status and proof of public liability insurance. All qualifying applicants will be eligible for 80% discount on grading assessment fees, while applicants with valid (Tourism Marketing Levy South Africa) TOMSA membership will be eligible for an additional 10% discount.

For updated information on the above and other programmes of the Department of Tourism, please visit the department's website ([www.tourism.gov.za](http://www.tourism.gov.za)) or contact the department directly:

Telephone: +2712 444 6000  
Fax number: +2712 444 7000  
Email: [callcentre@tourism.gov.za](mailto:callcentre@tourism.gov.za)

# GOVERNMENT FUNDING INSTITUTIONS AND FUNDING PROGRAMS

## **DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENT AFFAIRS AND TOURISM**

### **ISIQALO YOUTH FUND**

DEDEAT has set aside funding to fund Youth Owned Enterprises (YoEs), having DEDEAT as the implementing party. The innovative Isiqalo is marked by significantly less stringent qualifying criteria and covers a wide range of entrepreneurs and entrepreneurial levels including idea generation and survivalist/s, start-ups, or early development and those in the growth and expansion stage. The sectors of focus include manufacturing, tourism, agro industry, sustainable energy, oceans economy, auto sector, agriculture, arts and creative industry, craft and textiles, ICT, and services.

For more details regarding the fund, contact (DEDEAT) and Applicants can also email DEDEAT at

[isiqaloyouthprogram@dedea.gov.za](mailto:isiqaloyouthprogram@dedea.gov.za)

### **SMALL ENTERPRISE DEVELOPMENT AGENCY (SEDA)**

The Small Enterprise Development Agency (Seda) is an agency of the Department of Small Business Development. Seda was established in December 2004, through the National Small Business Amendment Act, Act 29 of 2004.

PE office: 041 390 8500

EL office: 043 709 6200/1

Mthatha office: 047 504 2300/1

Mt Ayliff office: 039 245 6500/ 0326

### **LOCAL AND REGIONAL ECONOMIC DEVELOPMENT (LRED)**

The Local and Regional Economic Development (LRED) Fund is an integral element of the Economic Development programme of DEDEAT which has a current budget of R30m during the 2020-21 financial year, under the responsibility of the LRED sub-programme. The aim of the LRED Fund is to provide support to local entrepreneurial partnerships, working in collaboration with local government and other support institutions, to create new economic opportunities that will enable new and better jobs, as well as the promotion of an environment for innovation and enterprise development in the local economy. It focuses on 6 important sectors which are Agro Procession, Manufacturing, Tourism, Renewable Energy, Oceans Economy, and the Auto motive sector.

DEDEAT Economic Development Regional Managers:

- OR Tambo: 047 531 1191
- Sarah Baartman & Nelson Mandela Bay: 041 508 5800/2
- Amathole & Buffalo City: 043 707 4000
- Alfred Nzo: 039 256 0229
- Chris Hani: 045 808 4056
- Joe Gqabi: 051 633 2901

# GOVERNMENT FUNDING INSTITUTIONS AND FUNDING PROGRAMS

## **SMALL ENTERPRISE FINANCE AGENCY (SEFA)**

The Small Enterprise Finance Agency (SOF) Limited (SEFA) provides financial products and services to qualifying SMMEs and Co-operatives, as defined in the National Small Business Act of 1996 and amended in 2004, through a hybrid of wholesale and direct lending channels within the following sectors:

Services (including retail & wholesale trades and tourism)  
Manufacturing (including agro-processing);  
Agriculture (specifically land reform beneficiaries and contract-farming activities) and  
Green industries (renewable energy, waste, and recycling management).

Contact number: +2712 748 9600/+27860 00 7332Fax  
number: +2712 394 2796  
Email: [helpline@sefa.org.za](mailto:helpline@sefa.org.za)  
Website: [www.sefa.org.za](http://www.sefa.org.za)

## **NATIONAL LOTTERIES BOARD**

The National Lotteries Commission also serves as a Grant Funder, providing registered Non-Profit Organisations with funding to establish projects that improve the lives of everyday South Africans. Grant funding focuses mainly in areas that require enough support to be able to bring growth and change within impoverished communities. The impact of the grant funding model is designed in a manner that plays a pertinent role in changing people's lives. We as a commission are guided by a strict mandate, that governs our operations and helms the model of our grant funding.

National Office: +2712 4321300  
Email: [nldtf@nlcsa.org.za](mailto:nldtf@nlcsa.org.za)  
Website: [www.nlcsa.org.za](http://www.nlcsa.org.za)

## **DEPARTMENT OF TRADE INDUSTRY AND COMPETITION (DTIC)**

**Employment creation fund-** The ECF was created to finance innovative and relatively higher risk project that are not likely to be funded through government's normal budget processes, or where the commercial financial sector is unable or unwilling to provide financial services. The ECF supports projects and programmes that have a positive impact on employment creation, skills development, and capacity building, developing the 'green economy,' developing the agriculture and agro-processing value-chain, technology diffusion and commercialisation, public employment creation, rural development, and the business environment.

**Government investment incentive-** The Department of Trade Industry and Competition (The DTIC) has several incentive schemes ranging from tax allowances to support in the automotive sector, from helping innovation and technology companies to film and television production.

Contact number: +2786 184 3384  
Fax Number: +2786 184 3888  
Email: [contactus@dtic.gov.za](mailto:contactus@dtic.gov.za)  
Website: [www.thedti.gov.za](http://www.thedti.gov.za)

## **INDUSTRIAL DEVELOPMENT CORPORATION (IDC)**

One of IDC's objectives, through its Tourism Strategic Business Unit (SBU) is to help facilitate job creation in both the local economies and those in the rest of Africa. The Tourism SBU primarily invests in the accommodation sub-sector, with a particular focus on business hotels in fast growing areas. In South Africa investments focus on high impact, sustainable, tourist attractions that provide niche product offerings.

Contact number: +2712 845 2000  
Fax number: +2712 348 0939  
Email: [info@idc.co.za](mailto:info@idc.co.za)  
Website: [www.idt.org.za](http://www.idt.org.za)

## TOURISM PUBLIC PRIVATE PARTNERSHIP (PPP)

The South African sector has experienced steady growth in the last 10 – 15 years, however despite opportunities that exist due to that growth, development of tourism-based businesses in state owned land has been slow. The SA government, through National Treasury therefore sought to boost the sector by providing practical guidelines in the form of the PPP Toolkit for Tourism. The toolkit makes it easy for public institutions, the private sector and community-based institutions to enter into tourism related commercial partnerships in state-owned and managed properties (managed by national and provincial government institutions). In cases where the community is also a partner, the partnership is referred to as Community Public Private Partnership (CPPP).

The concept of Public Private Partnership refers to a contractual agreement between public and private parties, in which both parties will receive significant benefits, whereby the private party performs some public function on behalf of the public party for a specified time and within a negotiated framework of transferred risk and outcome-based financial rewards.

PPPs thus represent the unconventional way of providing public services and building infrastructure, offering opportunities to improve services and achieve better value for money in the development, maintenance, and operation of service-based infrastructure.

### PPP Models

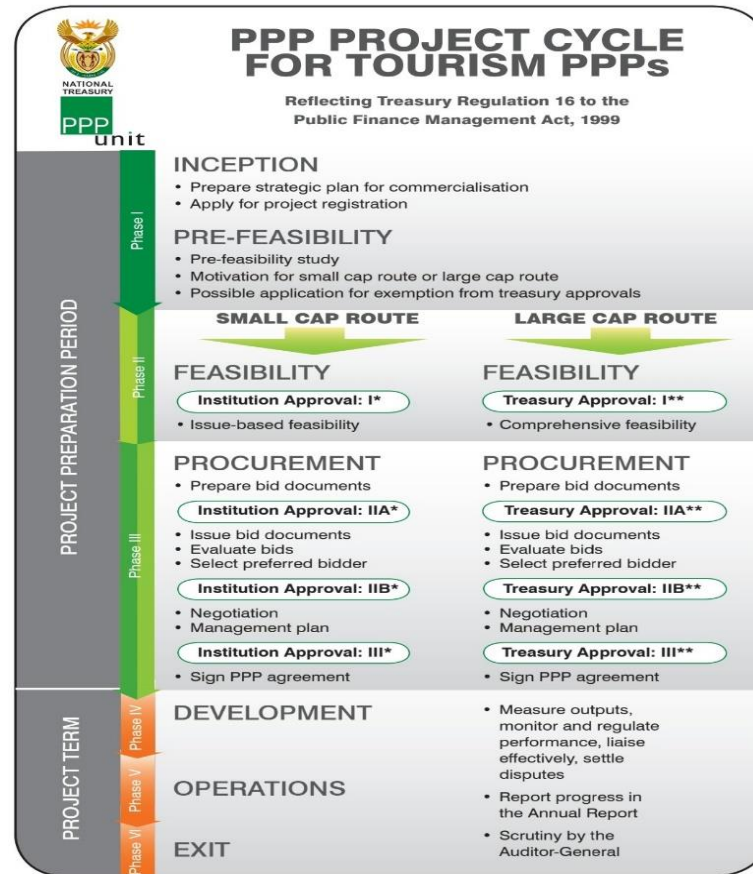
PPPs are grounded on the sharing of risks, and their successes hinge on realistic calculation of those risks, related to certain components and phases of the project, and allocate them accordingly to ensure the best value from the investment is derived. The ideal risk-sharing solution is the one in which each partner takes over the risks they can best manage, and total costs are therefore minimised.

Outlined below are the models used to implement PPP projects

- Service contracts
- Operation and management contracts

- Leases
- Concessions
- Build-Operate-Transfer (BOT) contracts and variants

Processes that are followed in the PPP process are outlined in the figure below



\* If exemption from treasury approvals is granted.  
\*\* Unless exemption from treasury approvals is granted.

Enquiries: 012 315 5706

Email: [info@gtac.gov.za](mailto:info@gtac.gov.za)



Hole in the Wall, Wild Coast.

## ***DEVELOPMENT BANK OF SOUTH AFRICA (DBSA)***

The Development Bank of Southern Africa (DBSA) aim to accelerate sustainable socio-economic development by funding physical, social and economic infrastructure. The Bank plays a multiple role of Financier, Advisor, Partner, Implementer, and Integrator to mobilise finance and expertise for development projects.

Funds: capacity building funding through grants- Expertise: mobilization and deployment of technical and financial experts for infrastructure project implementation- Development facilitation: technical support and sharing of knowledge

Telephone: +2711 313 3911

Reception: +2711 313 3500 or +2711 313 3297

Email: [webmaster@dbsa.org](mailto:webmaster@dbsa.org)

Website: [www.dbsa.org](http://www.dbsa.org)



Valley of Desolation, Camdeboo National Park, Karoo Heartland

# GOVERNMENT FUNDING INSTITUTIONS AND FUNDING PROGRAMS

## ***TOURISM BUSINESS COUNCIL OF SOUTH AFRICA (TBCSA)***

The Tourism Business Council of South Africa (TBCSA) is the umbrella organisation representing the unified voice of business in the travel and tourism sector. The organisation serves to unite and influence the diverse travel and tourism sector to contribute to a competitive, responsible, and inclusive tourism economy. The work of the organisation and its strategy is guided by the following priority areas:

Providing organised business in the sector a route to Government  
Focusing on legislative issues and policies impacting on the travel and tourism sector  
Managing and growing TOMSA Member engagement and Communication  
Influencing the marketing of destination South Africa  
Research – commissioning, collating, and communicating  
Telephone: +2712 664 0120  
Fax: +2712 664 0103  
Email: [tourism@tbcsa.travel](mailto:tourism@tbcsa.travel)  
Website: [www.tbcsa.travel](http://www.tbcsa.travel)

## ***ARTS AND CULTURE VENTURE CAPITAL***

The fund is designed to promote and develop the arts and culture sector by providing affordable loans to start and/or expand small businesses. It is an important source of finance for start-up entities and for companies that have limited operating history which do not have access to capital markets.

Funding will be made available to businesses in all provinces, where more job opportunities will be created.

Contact number: +2711 305 8000  
Fax number: +2711 305 8001  
Email: [info@necorp.co.za](mailto:info@necorp.co.za)  
Website: [www.necorp.co.za](http://www.necorp.co.za)

## ***EASTERN CAPE DEVELOPMENT CORPORATION (ECDC)***

ECDC promotes sustainable socio-economic development in the Eastern Cape through focused:

- Provision of innovative enterprise development financial service
- Leveraging of resources, strategic alliances, investment, and partnerships.

### **Development finance and business support**

ECDC, through its BUSINESS FUNDING unit, facilitates financial viability and sustainability of these initiatives through the provision of financial resources at highly competitive rates.

- Short-Term Finance

ECDC Access, the category name for short-term finance, offers products geared towards facilitating efficient cash flow management of clients' businesses. "Access" denotes the Business Funding unit's values of flexibility, convenience, efficiency, and transparency:

- NEXUS - Trade loan
- Workflow - Contractor loan
- POWER plus - small loan
- Long-Term Finance

ECDC Future, the category name for long-term finance, offers long-term debt finance vehicles. These include the TERMcap load and an equity finance vehicle, EQUitrader.

The long-term finance offering represents ECDC's earnest quest for business sustainability, cutting edge innovation, freshness, and vision in the economy of the Eastern Cape.

- TERM cap - Loan including commercial property finance
- EQUitrader – Equity finance

Email: [info@ecdc.co.za](mailto:info@ecdc.co.za)  
Website: [www.ecdc.co.za](http://www.ecdc.co.za)

# GOVERNMENT FUNDING INSTITUTIONS AND FUNDING PROGRAMS

## ***NATIONAL YOUTH DEVELOPMENT AGENCY (NYDA)***

The NYDA Grant Programme is designed to provide young entrepreneurs with an opportunity to access both financial and non-financial business development support to enable them to establish or grow their businesses.

The programme focuses on youth entrepreneurs who are at intentional, promising, and new stages of enterprise development. Young people whose business ideas qualify for the Grant Programme, depending on their individual needs, will also undergo some of the NYDA's non-financial support services, including:

- Mentorship
- Business Consultancy Services
- Market Linkages
- Business Management Training Programme
- Youth Co-operative Development Programme

Call Centre: +2780 052 52

52.Email:[info@nyda.gov.za](mailto:info@nyda.gov.za)

Website:[www.nyda.gov.za](http://www.nyda.gov.za)

## ***COMPANIES AND INTELLECTUAL COMMISSION (CIPC)***

The Companies and Intellectual Property Commission is an agency of the Department of Trade and Industry in South Africa. All new businesses in the country are to register for their existence with CIPC and receive registration certificate.

Head Office Location

the dtic Campus

Block F 77

Meintjies Street

Sunnyside

Pretoria

Call Centre: 086 100 2472

International telephone number: +2712 394 9573

Website:[www.cipc.co.za](http://www.cipc.co.za)

## ***SOUTH AFRICAN REVENUE SERVICE (SARS)***

The South African Revenue Service is the revenue service of the South African government. It administers the country's tax system and customs service and enforces compliance with related legislation.

Website:[www.sars.gov.za](http://www.sars.gov.za)

## ***NATIONAL EMPOWERMENT FUND (NEF)***

The NEF is a driver and thought leader in promoting and facilitating black economic participation by providing financial and non-financial support to black-empowered businesses, and by promoting a culture of savings and investment among black people.

Website:[www.nefcorp.co.za](http://www.nefcorp.co.za)

## ***SOUTH AFRICA: WOMEN IN TOURISM (WIT) PROGRAMME***

The Women in Tourism (WiT) Programme commenced in 2013 as a platform to drive initiatives and programmes that support the development, empowerment, and networking opportunities for women in the tourism sector. The aim of the programme is to create a conversation platform for advancing transformation and integration of women from different socio-economic backgrounds within the sector.

The focus areas include training on personal development, supporting women to develop a competitive advantage in their businesses and provision of capacity building initiatives as prioritized by each Chapter.

### ***OBJECTIVES: WOMEN IN TOURISM (WIT) PROGRAMME:***

- To ensure that women who constitute the majority in the sector are ***Respected, Recognized, Represented, and Rewarded.***
- To drive transformation in the tourism and hospitality sectors aligned to the targets set out in the B-BBEE Tourism Sector Code.
- To mobilise and create platforms to network, expand business and professional horizons.
- To facilitate access to business resources, information, and opportunities for women entrepreneurs in tourism and hospitality sector.
- To identify mechanisms that need to be put in place in order (provide a national vehicle) to address the barriers faced by women in tourism and hospitality sector.
- To align with similar organisations to better leverage opportunities and partnership for the empowerment of women in the sector
  
- To profile, recognise, affirm, and create platforms to celebrate women achievers in the sector.
- To highlight problems faced specifically by women in tourism and hospitality sector.
- To lobby for government and other stakeholders on barriers for the advancement of women in tourism and hospitality sector.
- To provide leadership and role models for young women endeavouring to enter the tourism and hospitality sectors.
- To find solutions to the social challenges through providing a platform for dialogue and sharing as well as adding their voice in calling for a non- sexist and equitable industry.
- To give expression to Regional integration in line with the AU agenda 2063 (industrialization and development) women having equal access and opportunities in all spheres of life.

### ***WOMEN IN TOURISM: TARGET GROUP***

- Women who own and operate SMMEs and Co-operatives within the tourism and hospitality sector. They must be self-employed, and their companies must be registered.
- Women who are engaged in informal income-generating activities but aspire to grow their enterprises and become formal entities in the future.
- Women who have an interest in operating businesses and co-operatives but lack the “know-how” to start. (Facilitation and referrals to various partners such as CIPC, SARS, SEFA, SEDA).
- Undergraduate tourism and hospitality students and women who wish to associate themselves with the objectives of Women in Tourism.

Women who work in the sector and have an interest in participating in the programme to assist with career development and advancement.

#### **Contact Details:**

Eastern Cape (EC) Province:  
Title: Provincial Chairperson for ECTel:  
081 739 2862



# GOVERNMENT FUNDING INSTITUTIONS AND FUNDING PROGRAMS

## ***EASTERN CAPE PARKS AND TOURISM AGENCY (ECPTA)***

All tourism businesses are encouraged to register with the Provincial Tourism Authority, which is ECPTA. Currently, there is no fee to register.

### **Requirements**

- Certified copy of Driver's license/ID/Company Registration certificate
- Tax clearance and SARS Pin
- Company Profile
- Certified copy of Vehicle license disc and Roadworthy certificate (including accreditation as a Tourist Transport Operator)
- Certified copy of Public Passenger Liability Insurance
- B-BBEE exemption affidavit (0-5million annual turn-over or Certified copy of BEE and Employment Equity (EE) compliance certificate (above 5 million annual turn-over)
- Growth and Development Plan

Once business is registered with ECPTA, it will be eligible for a range of benefits. These include not limited to:

- Profiled in the ECPTA website
- Market Access- support to attend marketing shows, Tourism Indaba, World Travel Market Africa, World Travel Market-UK, Getaway Shows, etc.
- Marketing collateral (business cards, brochures, flyers, banners) when attending the shows.
- Invitation to attend and participate in Tourism Awareness Sessions, including Lilizela Awards, speed marketing

- Training organized by ECPTA or in collaboration with other tourism partners
- Referrals about funding.

### **ECPTA Contacts**

- 17-25 Oxford Street East London CBD,5201,  
[info@ecpta.co.za](mailto:info@ecpta.co.za)  
043 492 0881
- Biodiversity and Heritage Cluster (Nelson Mandela Metro and SarahBaartman): 041 492 1145 / 071 613 3296
- Game Management and Recreation Cluster (Buffalo City Metro, Amathole, Chris Hani and Joe Gqabi Districts):  
043 492 0880 / 071 603 8592
- Marine & Coastal Cluster (O.R. Thambo and Alfred Nzo Districts):  
043 592 0287 / 071 613 3335

# TOURISM ASSOCIATIONS

## NATIONAL TOURISM ASSOCIATIONS

Association of South African Travel Agents (ASATA)	+2711 484 0580	<a href="http://www.asata.co.za">www.asata.co.za</a>
Guest House Association of the Southern Africa (GHASA)	+2721 762 0880	<a href="http://www.ghasa.co.za">www.ghasa.co.za</a>
International Air Travel Association (IATA)	+2711 486 5200	<a href="http://www.iata.org">www.iata.org</a>
Southern African Tourism Services Association (SATSA)	+2786 127 2872	<a href="http://www.satsa.com">www.satsa.com</a>
Federated Hospitality Association of South Africa (FEDHASA)	+2731 301 5385	<a href="http://www.hfedhasa.co.za">www.hfedhasa.co.za</a>
CATHSSETA (for details of accredited trainers and assessors)	+2711 217 0600	<a href="http://www.cathsseta.org.za">www.cathsseta.org.za</a>

## LOCAL TOURISM ORGANISATIONS

Wild Coast Jikeleza	043 737 0005	<a href="mailto:chairperson@wildcoastjikeleza.co.za">chairperson@wildcoastjikeleza.co.za</a>
Engcobo LTO	082 757 9020	<a href="mailto:inalaguesthouse@gmail.com">inalaguesthouse@gmail.com</a>
lintsika Yethu LTO	047 874 8722/076 188 6602	<a href="mailto:bxashimba@gmail.com">bxashimba@gmail.com</a>
Elundini LTO	081 564 7127	<a href="mailto:nanaskjnana@gmail.com">nanaskjnana@gmail.com</a>
Sterkspruit CTO	064 534 0028	<a href="mailto:alice.aligeo@gmail.com">alice.aligeo@gmail.com</a> <a href="mailto:alicematoane@yahoo.com">alicematoane@yahoo.com</a>
Burgersdorp CTO	076 419 7572	<a href="mailto:info@burgersdorp.za.net">info@burgersdorp.za.net</a>

# TOURISM ASSOCIATIONS

## LOCAL TOURISM ORGANISATIONS

Wild Coast Tourism Association	082 889 24459/041 50 7912	<a href="mailto:rossellis@gmail.com">rossellis@gmail.com</a>
ECTOUR	041 507 7912/082 456 6447	<a href="mailto:ceo@suninternational.com">ceo@suninternational.com</a>
Sarah Baartman District Municipality – Project Manager: Tourism & Marketing	041 508 7094 / 083 257 9813	<a href="mailto:ptanga@cacadu.co.za">ptanga@cacadu.co.za</a>
Nelson Mandela Bay Tourism – Information Services Manager	041 582 2575	<a href="mailto:cherylw@nmbt.co.za">cherylw@nmbt.co.za</a>
Nelson Mandela Bay Tourism	041 582 2575	<a href="mailto:promotions@nmbt.co.za">promotions@nmbt.co.za</a>
Greater Addo Tourism	072 525 4615	<a href="mailto:terri@crisscrossadventures.co.za">terri@crisscrossadventures.co.za</a>
Sundays River Valley Tourism Forum	082 907 0954	<a href="mailto:info@greateraddoroute.com">info@greateraddoroute.com</a>
Addo Tourism	072 274 2498	<a href="mailto:info@addotourism.co.za">info@addotourism.co.za</a>
Makana Tourism - Director	046 622 3241	<a href="mailto:director@grahamstown.co.za">director@grahamstown.co.za</a>
Kouga Municipality – Tourism Manager Jeffreys Bay	042 200 2200	<a href="mailto:vblouw@kouga.gov.za">vblouw@kouga.gov.za</a>
Kouga Municipality – Tourism Officer Jeffreys Bay	042 200 2200	<a href="mailto:xwagosa@kouga.gov.za">xwagosa@kouga.gov.za</a>
Kouga LTO	042 283 0801	<a href="mailto:info@patinvestprop.net">info@patinvestprop.net</a>
Jeffreys Bay Tourism – Tourism Officer	042 293 2923	<a href="mailto:info@jeffreysbaytourism.org">info@jeffreysbaytourism.org</a>
St Francis Bay Tourism – Tourism Officer	042 294 0076	<a href="mailto:accommodation@stfrancistourism.co.za/">accommodation@stfrancistourism.co.za/</a> <a href="mailto:info@stfrancistourism.co.za">info@stfrancistourism.co.za</a>

# TOURISM ASSOCIATIONS

## LOCAL TOURISM ORGANISATIONS

Ngqushwa LTO	073 296 5112	
Gariep LTO	051 655 0169/ 082 456 6447	<a href="mailto:rube@vodamail.co.za">rube@vodamail.co.za</a>
Isakhisizwe LTO	061 642 7523	<a href="mailto:athibavuma@gmail.com">athibavuma@gmail.com</a>
Senqu LTO	051 603 0178/ 071 634 8647	<a href="mailto:mbobog@senqu.gov.za">mbobog@senqu.gov.za</a>
Inxuba Yethemba LTO	082 888 8953	<a href="mailto:info@alberthouse.co.za">info@alberthouse.co.za</a>
Enoch Mgiijima LTO	084 615 8667	<a href="mailto:045.com@gmail.com">045.com@gmail.com</a>
Mthatha LTO	047 5313455	<a href="mailto:pulezone@gmail.com">pulezone@gmail.com</a> 531
Mhlontlo LTO	072 274 2498	<a href="mailto:Nobantu.songca@gmail.com">Nobantu.songca@gmail.com</a>
Port St Johns Forum	082 768 9577	<a href="mailto:bookings@umzimvuburetreat.co.za">bookings@umzimvuburetreat.co.za</a>
Mbizana LTO	082 297 9705	<a href="mailto:Khitha.lime@gmail.com">Khitha.lime@gmail.com</a>
Umzimvubu LTO	083 235 0282	<a href="mailto:afrizonaguesthouse@gmail.com">afrizonaguesthouse@gmail.com</a>
Coffee Bay LTO	083 656 4350	<a href="mailto:coffeeshack@happydays.co.za">coffeeshack@happydays.co.za</a>
Ntabankulu CTO	071 382 4970 /039 258 0056	<a href="mailto:mansibisi1@gmail.com">mansibisi1@gmail.com</a>
Ingquza Hill LTO	073 5752156	<a href="mailto:info@cosyposy.co.za">info@cosyposy.co.za</a>

# TOURISM ASSOCIATIONS

## LOCAL TOURISM ORGANISATIONS

St Francis Bay Tourism	073 825 0835	<a href="mailto:esti.stewart@vodamail.co.za">esti.stewart@vodamail.co.za</a>
Gamtoos Tourism	083 556 3206	<a href="mailto:s.tourism@bnlm.gov.za">s.tourism@bnlm.gov.za</a>
Baviaans Tourism	049 835 0484	<a href="mailto:info@baviaans.net">info@baviaans.net</a>
Tsitsikamma Tourism Association	042 2811 836 / 062 343 3959	<a href="mailto:marketing@stormsriver.com">marketing@stormsriver.com</a>
Somerset East Tourism	042 243 3440 / 082 442 2884	<a href="mailto:alan@anglerandantelope.com">alan@anglerandantelope.com</a>
Sunshine Coast Tourism	046 625 1235	<a href="mailto:portalfred@sunshinecoasttourism.co.za">portalfred@sunshinecoasttourism.co.za</a> / <a href="mailto:tourism@sunshinecoast.co.za">tourism@sunshinecoast.co.za</a>
Mnquma LTO	076 276 8565	<a href="mailto:nmbongwana@gmail.com">nmbongwana@gmail.com</a>



St Francis Bay Canals, Kouga/Baviaans Region

# ACKNOWLEDGEMENTS



Hole in the Wall, Wild Coast

Municipality by-laws may slightly differ from municipality to municipality, but it is always advisable to contact the relevant municipality. Feel free to contact ECPTA regional contacts for technical support and referrals.

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- Buffalo City Metro Municipality
- KwaZulu Natal Tourism
- South African Tourism (SAT)
- Tourism Grading Council of South Africa (TGCSA)
- Department of Tourism (DT)
- Broad-Base Black Economic Empowerment (B-BBEE)
- Tourism Business Council of South Africa (TBCSA)
- Tourism Transformation Fund (TTF)
- Department of Economic Development Environment Affairs and Tourism (DEDEAT)
- Companies and Intellectual Properties Commission (CIPC)
- Development Bank of South Africa (DBSA)
- Small Enterprise Finance Agency (SEDA)
- Small Enterprise Finance Agency (SEFA)
- Department of Trade Industry and Competition (DTIC)
- Small Medium and Micro Enterprise (SMME)
- Green Tourism Incentive Program (GTIP)
- National Lotteries Board (NLB)
- Industrial Development Corporation (IDC)
- Tourism Business Council of South Africa (TBSA)
- Eastern Cape Development Corporation (ECDC)
- National Treasury (NT)
- National Empowerment Fund (NEF)
- National Youth Development Agency (NYDA)
- South African Revenue Services (SARS)

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