



EDGE

Economic Development
& Growth in EThekweni

Issue 8 2014

Tourism in eThekweni

Positioning Durban Globally



PLUS ● Quarterly Data ● Durban Film Office



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Designed and edited by the Communication Factory

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Welcome to The EDGE

Welcome

to the eighth edition of *The EDGE*, a quarterly economic bulletin that looks at the eThekweni economy, with a brief overview of the global and national context.

Published by the eThekweni Economic Development and Investment Promotion Unit, The EDGE aims to inform stakeholders of the latest developments and trends in eThekweni.

This edition of The EDGE focuses on tourism in eThekweni, exploring the subject from multiple perspectives and speaking to a wide range of stakeholders.



Arising out of the eThekweni's Economic Development and Job-Creation Strategy 2013-2018, is a comprehensive Economic Implementation Plan for the City.



Foreword

by Her Worship the Deputy Mayor, eThekweni Municipality, Councillor Shabalala

Welcome to the 8th edition of *The EDGE*.

While we herald twenty years of our young democracy in 2014, we, together with the rest of the world, also bid a sad farewell to the father of our nation, Nelson Rolihlahla Mandela, who passed away in December 2013. The City will strive to follow his legacy by upholding the values and beliefs that he embodied.

This edition of *The EDGE* includes a special focus on the tourism industry. Durban is well known as a tourist city and, in our efforts to promote this growing industry, the City launched a comprehensive Visitor Strategy during November 2013 to position Durban as global tourist destination with the aim of targeting five million tourists annually, and in so doing, creating 74 000 jobs. The strategy will attempt to grow the Durban brand by leveraging the city's infrastructure and showcasing the visitor experience to new markets. Tourism is one of the fastest growing sectors of our economy and is beneficial to job creation, youth employment as well as numerous other economic opportunities. While ambitious, we feel that these targets are realistic. In 2012 more than two million tourists visited the city, with a total spend of approximately R14 billion – an increase of 1.4% over 2011. We are expecting similar, if not better results for 2013.

Arising out of the eThekweni's Economic Development and Job-Creation Strategy 2013-2018, which was formally adopted by the eThekweni Municipality Executive Council during the latter part of 2013, is a comprehensive Economic Implementation Plan for the City. This Plan will identify and map out a set of projects to leverage the growth opportunities over the next 20 years, with a focus on the port, the international airport and modern rail, road, infrastructure and information and communication technologies.

From a tourism perspective, the plan will entail further developing and marketing the City as an events and tourism destination, as well as promoting the City as the best location for manufacturing activities.

In 2014 South Africa will hold its fifth democratic elections. As the City takes stock of the last twenty years, we are proud of many achievements in eThekweni, but acknowledge that significant challenges still remain in making eThekweni the most liveable city in Africa. Our employment and GDP growth has been slow and many factors outside of our influence may again impact negatively on this in 2014. But we are a city that is completely committed to eradicating poverty, unemployment and inequality, and we rely again on our vital strategic partnerships in reaching this goal, as we cannot do it alone. It is important that all sectors of society work together towards the common goal of building our city and eradicating poverty and joblessness.

As always, I thank *The EDGE* stakeholders and readers for their support, their comments and for attending our seminars that took place in 2013. We look forward to building even stronger partnerships in 2014 to help take our great city forward.

As the City takes stock of the last twenty years, we are proud of many achievements in eThekweni, but acknowledge that significant challenges still remain in making eThekweni the most liveable city in Africa.

Global financial markets have experienced considerable volatility, owing to prospective changes in US monetary policy, a new policy in Japan and instability in China's banking system.



Global, National and Local Overview

The Global Economy

It was noted in the latest *Global Economic Outlook* report by Deloitte Research that the world economy is once again at a turning point. Most of the developed nations have withstood significant hurdles, the Eurozone has finally exited from its recession, China has announced reforms intended to change the structure of the Chinese economy, and while unemployment is declining in the USA, underlying weaknesses still persist in the job market, which may influence decisions by their Federal reserve.

This is also confirmed by the International Monetary Fund's (IMF) report on 2013 and their outlook for 2014, which reported that global activity strengthened during the second half of 2013, and is expected to improve further in 2014–15, largely on account of a recovery in the advanced economies. Global growth is now projected to be slightly higher in 2014, at around 3.7%, rising to 3.9% in 2015. However, downward revisions for growth forecasts in some economies highlight continued fragilities, and downside risks remain. In advanced economies, output gaps generally remain large and, given the risks, monetary policy stance should stay accommodative while fiscal consolidation continues. In many emerging markets and developing economies, stronger external demand from advanced economies will lift growth, although domestic weaknesses remain a concern.

The National Economy

The two significant events to impact on the national economy in 2013 were the local currency reaching the R11 to the Dollar mark for the first time in over five years and the South African Reserve Bank (SARB) raising the benchmark repo rate by 50 basis points to 5.5%. The key factor behind the decision was the deterioration in the SARB's assessment of the inflation outlook. It may also be justified in light of the producer inflation having increased more than expected during December 2013, to 6.5% (from 5.8% in November 2013). The SARB has also lowered its GDP forecasts for 2014 from 3% to 2.8%. In 2015, GDP is expected to reach 3.3%.

The Deloitte Report also mentioned that in the last two decades the share of global output from emerging economies increased from 35% to over 50%. However, continued growth may be at risk due to global uncertainties. The report considered the emerging nations' growth outlook and stability as criteria for assessing economic risk. While none of the emerging economies were identified as being in the region of high volatility in terms of capital and currency, monetary policy appears to have been relatively less effective in Turkey, Russia, South Africa, Brazil and India.

The Local Economy

The City has continued to record positive GDP growth since the global financial crisis in 2008/9. EThekwini's GDP grew by 3.4% between 2011 and 2012 (GDP was recorded at R210.1 billion in 2012 in constant, 2005 prices). Manufacturing, finance, trade and transport, and community services were the major sectors contributing to this growth. IHS Global Insight has forecast eThekwini's GDP to grow to R215.7 billion in 2013, representing a 3.0% increase over the previous year.

The manufacturing sector is expected to continue to be a major contributor to GDP. This is evidenced by the considerable local interest from foreign investors, especially in the high-tech manufacturing field, and large-scale property development following the hugely successful FIFA 2010 World Cup. It was also announced at the fifth BRICS Summit in Durban during March 2013 that a multi-billion Rand investment between Dube TradePort and a business conglomerate from India would be taking place. This is a mega industrial integrated township, which acts as a business gateway for investors, especially those from the BRICS countries. Consequently, the KwaZulu-Natal Province has proposed that Dube TradePort be declared a Special Economic Zone (SEZ) in order to further boost trade expansion, economic development and export diversification.

The City has continued to record positive GDP growth since the global financial crisis in 2008/09. EThekwini's GDP grew by 3.4% between 2011 and 2012.

The intention is to ensure compliance with Eurocode 7 safety standards by investing R21.3 billion to deepen berths from 12.8m to 16.5m.



Employment remains a major challenge and has to grow by double the current rate of 2% in order to achieve eThekweni's share of the national targets set by the New Growth Path and National Development Plan. EThekweni's unemployment rate is presently recorded as 20.6%, with an employment total of approximately 1 100 000 (including informal employment). The Investment Dashboard has determined that approximately 600 000 permanent jobs will be created through the development projects planned for the next 20 years. The Dashboard also reveals a total of approximately R500 billion in investments over the next 20 years, with an additional annual rates income estimated at over R8 billion, subject to infrastructure provision.

The City also rolled out plans for its Integrated Rapid Public Transport Network called "GO! Durban", plans for which include a high-speed train between Johannesburg and Durban. The first phase is scheduled for completion within four years. Six construction contracts will be awarded for the first corridor, which will run between Pinetown and Bridge City in KwaMashu. The roll-out is based on a plan that includes a network of nine corridors, covering the whole city using different modes of public transport.

The Transnet National Ports Authority (TNPA) will spend R2.4 million on capacity-building projects in the ports of Durban and Richards Bay during 2014 and 2015. This will include the deepening of berths at the Durban Container Terminal, which was recently halted after the rejection of two environmental impact assessment reports by the Department of Environmental Affairs. TNPA will engage with the department to clarify the issues raised. The intention is to ensure compliance with Eurocode 7 safety standards by investing R21.3 billion to deepen berths from 12.8m to 16.5m. There are also plans to develop container facilities at Salisbury Island in order to expand capacity for both berths and terminal operating space, at a cost of R6 billion over the next seven years. The TNPA is currently negotiating the transfer of the land, previously used as a naval base, from the South African National Defence Force.

The City has also crafted other significant strategies and plans to identify and expand on economic development opportunities in the region. These include the Innovation Strategy, the Green Industries Implementation Plan, the Industrial Land Study, a feasibility study for a World Trade Centre, and the Tourism Sector Study.

The City has a Memorandum of Agreement with the University of KwaZulu-Natal, Durban, and has been commissioned (through the Economic Development and Investment Promotion Unit) to undertake a manufacturing survey of the region. The pilot survey was completed in July 2013. The main survey commenced in August 2013 and will be completed in 2015. This is a repeat of the survey done during 2002/3 that examined constraints to manufacturing growth in the micro-economy.

There are a multitude of development projects planned for eThekweni over the short, medium and long term. One of the crucial challenges is to create an enabling environment, specifically relating to governance and the way that projects are planned, financed, implemented and maintained. Another challenge is to fast-track the infrastructure plans and proposals, as the inability to take decisive action may result in levels of uncertainty that are likely to discourage much-needed investment from the private sector, the absence of which may render the City an unattractive investment and tourism destination.

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Key Indicators: Electricity Connections – Number of Business & General Customers

Currently, there are 44 931 connections which represent 277 new connections from July to December 2013 (0.6% growth).

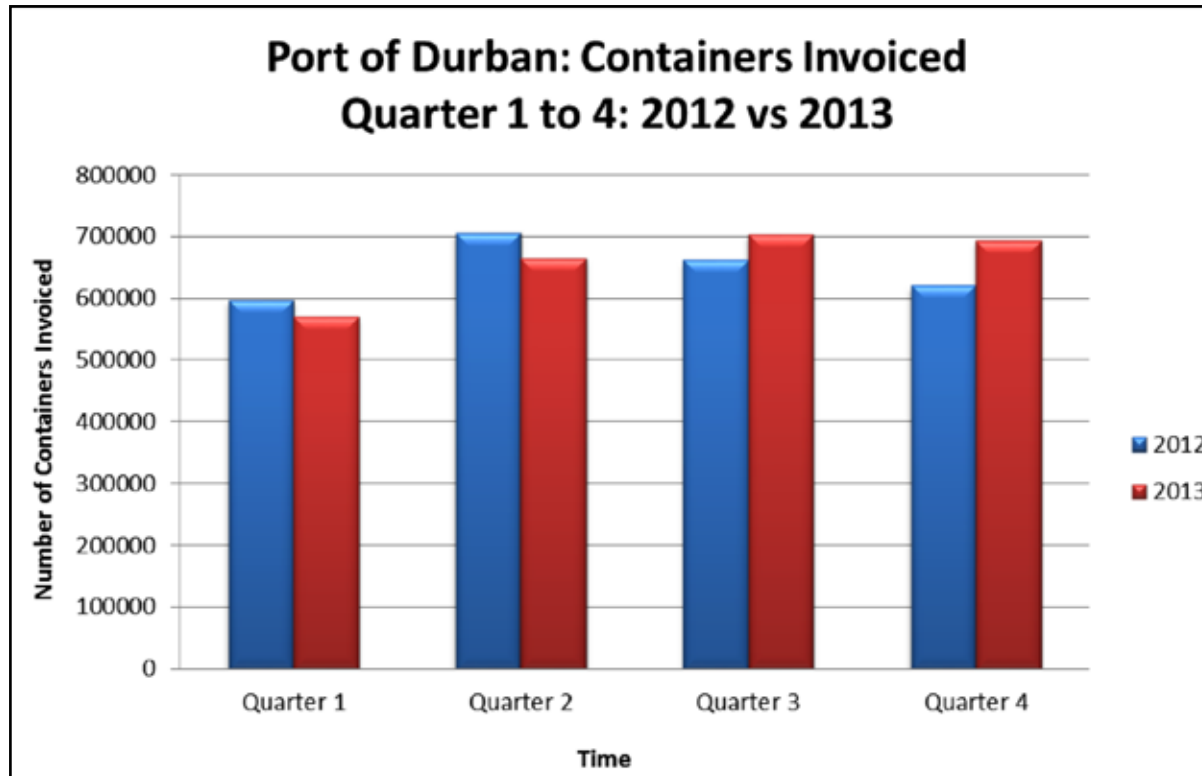
Sector of Use	Units	2009/10	2010/11	2011/12	2012/13	2013/14 (current)
Business & General	kWh	45,007	44,213	43,879	44,654	44,931
% Growth			-1.8%	-0.7%	1.7%	0.6%

Source: EThekwini Electricity

The above figures are based on the eThekwini Municipality's financial year, which commences on 1 July and ends on 30 June the following year. One can see from the table that electricity connections have been relatively stable over the last few years. A slight dip was experienced following the recession in 2009/10 to 2010/11, followed by positive growth of nearly 2% in the 2012/13 financial year. Currently, there are 44 931 connections which represent 277 new connections from July to December 2013 (0.6% growth). This should increase towards year end.

The exact reasons for the low year-on-year growth in new connections are not known at this stage. However possible reasons could include:

- A change in business activity, with businesses predominantly renting spaces and not necessarily purchasing new property that requires new connections.
- A lack of growth in new business activity.
- Customers migrating off Business & General tariffs to more cost effective mini bulk tariff structures.



Source: Transnet National Port Authority

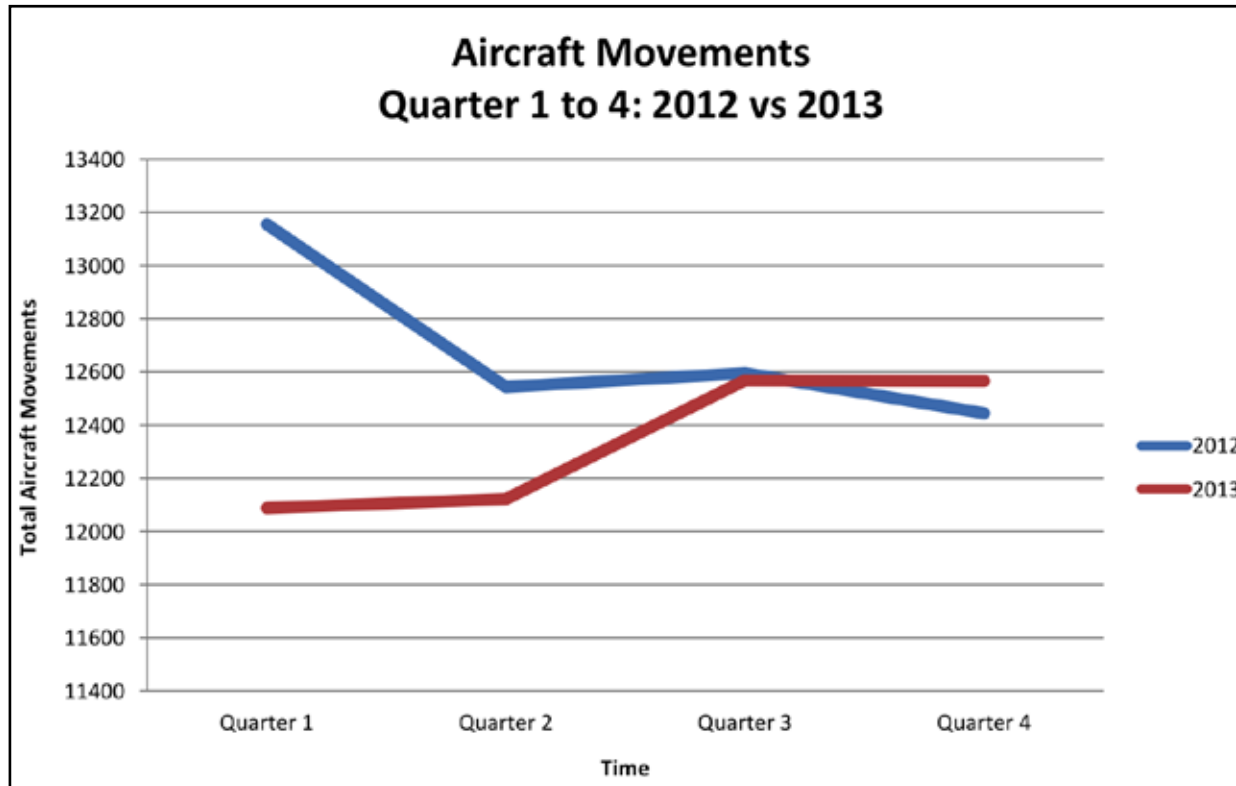
The number of containers invoiced grew steadily in 2013. However, a slight dip was experienced in the last quarter of the year. This was expected, as 2012 experienced a similar trend. The 2013 figures for quarters three and four are still higher than in 2012, showing that port activity has increased slightly.

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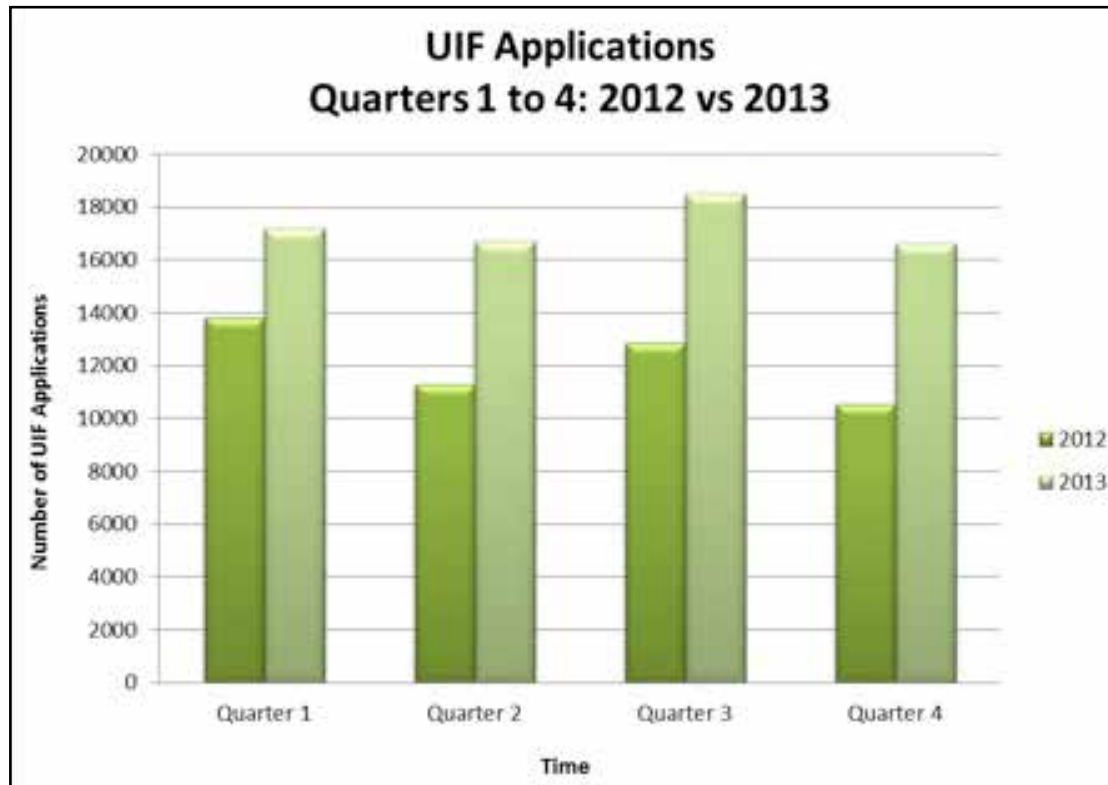
Key Indicators: Aircraft Movements in eThekweni

Aircraft movements increased throughout 2013, starting off at a much lower base than in 2012, but surpassing the 2012 figure in quarter four.



Source: Airports Company South Africa

The graph above shows that aircraft movements have increased throughout 2013, starting off at a much lower base than in 2012, but surpassing the 2012 figure in quarter four. This could be due to the fact that tourism has increased, with more people flying to Durban during the festive season. Furthermore, Emirates Airlines has also increased its number of flights due to a higher demand.



Source: Department of Labour

The number of UIF applications increased throughout 2013, but dipped in the last quarter of the year. Despite this, the number of applications was still much higher in 2013 than in 2012, showing once again that more and more people are becoming unemployed. This could be a reflection of the economy as 2013 was a year with lots of uncertainty in the market, with business confidence levels varying. Furthermore, it could also be a sign of the skills problem that the country is facing, which includes a mismatch between existing skills in the labour market and the jobs at hand.

The number of applications was still much higher in 2013 than in 2012, showing once again that more and more people are becoming unemployed.



Positioning Durban Globally: Part 1

A higher percentage of participants had never heard of Durban as a tourism destination (52%), while a smaller percentage (39.8%) had heard of Durban as a tourism destination, and 8% of participants might have heard of it.

Is Durban well known to the International Tourism Community?

Author: Dr Anneline Chetty

In order to develop responsive strategies, it is important to establish how well Durban is known to the tourism community around the world. The intention of this research is to investigate how well Durban is known to the rest of the world as a tourist destination, what could be done to improve the city as a destination, and to measure these findings against what Durban has to offer its tourists. The aim is to get an understanding of what tourists are looking for in terms of experiences and products.

A total of 43 countries were surveyed to find out the extent to which participants attending the World Travel Market are familiar with Durban as a tourism destination. It was found that a higher percentage of participants had never heard of Durban as a tourism destination (52%), while a smaller percentage (39.8%) had heard of Durban as a tourism destination, and 8% of participants might have heard of it. These figures are not surprising since they relate to general findings that people who are familiar with South Africa are more familiar with Johannesburg and Cape Town as tourism destinations than Durban.



The research also investigated whether or not Durban is well marketed in other countries through easily available literature. A very high percentage of participants (69.4%) indicated that they did not believe that Durban was well marketed in their respective countries, whilst 39% of participants indicated that they had heard of Durban, with only 12% of this group believing that it was well marketed in their respective countries. This is a strong indication that Durban Tourism needs to invest a lot more effort into marketing itself more efficiently as a tourist destination.

The research also sought to establish dominant sources of information used by people when seeking out a travel destination. This would help determine the best method to market Durban as a destination. An overwhelming 91.8% of participants indicated that they make use of the internet when sourcing information, while almost 47% indicated that they source information from magazines and 21% source information from social media platforms such as Facebook and Twitter, with a smaller number of people sourcing information from television (13.2%).

Participants were asked what they were familiar with in Durban, with specific reference to Durban's tourist attractions. Only 12% of participants had visited Durban and almost 40% were familiar with Durban as a tourism destination. Approximately 25% of participants had heard of the Golden Mile, which is used as the selling point to market Durban, at least 22.4% of participants had heard of the local parks and nature reserves with approximately 12% being familiar with the shopping malls. This figure corresponds with the 12% of participants who had indicated that they had visited Durban. Other attractions that they were familiar with, although to a much lesser degree, were museums (11.2%), Warwick Junction/Victoria Street (10.2%), Valley of a 1000 Hills (9.2%), the Moses Mabhida Stadium and townships (8.2%).

Significant factors which would influence their destination choice were wildlife and scenery (67.3%) and adventure (56.1%). Other factors described included South Africa's beaches (37.8%), the weather (30.6%) and to a lesser extent, the exchange rates (25%) and shopping (18.4%).

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How should we improve Tourism in the City based on an international response?

It is not the only issue to be solved by Durban Tourism; it also requires increased recognition by provincial and South African tourism authorities to identify Durban as a key city and improve the marketing of it internationally.

1. Improving the Image and Awareness of the City

The image of a destination plays a vital role in attracting tourists. It is very clear that Durban is not well known internationally when compared to Johannesburg and Cape Town. As a result, many foreigners do not choose Durban as a tourist destination, either because they do not know about the city and its tourist attractions and facilities, or because their perceptions of the city are negative. For those people who have visited Durban, their perceived image is different. Durban Tourism should firstly aim to increase awareness of Durban as a key city in South Africa. However, this is not the only issue to be solved by Durban Tourism. Increased recognition from provincial and South African tourism authorities is also required in order to identify Durban as a key city and improve the marketing of it internationally.

Durban Tourism should place emphasis on the distribution of printed materials to potential tourists through different airlines, foreign tour operators and foreign missions abroad etc.



2. Increasing Use of Information Technology in Promotional Activity

The recent change and progress in information technology has had a revolutionary impact on the tourism industry. Due to the fact that travel and tourism-related products and services are highly compatible with the Internet, the rapid growth of the Internet has an impact on the distribution of travel services. A large number of participants indicated that they made use of the internet to source information about a destination, as well as to book travel services. Again, the international tourism system is dependent on information technology for its future growth, competitiveness and long-term survival – particularly in terms of tourism marketing and distribution. Those who are able to access more information and make use of it are likely to be the winner in the competitive environment. In promoting the tourism industry of any country, the Internet can play a leading role in facilitating information exchange internationally. In addition, the World Wide Web is the most popular application on the Internet which can be used effectively for the many purposes of tourism marketing, including direct sales, advertising, customer support, etc. Durban tourism authorities must consider the effective use of this technology for the promotional activity of this industry. The Durban Tourism website needs to be more engaging, interactive, relevant, trendy and appealing to the international tourist. It also needs to be more creative and innovative in capturing the attention of the international tourist.

3. Targeting Specific Regions

As Durban tourism is in the early stages of development in terms of how well known the city is known to the rest of the world, the City should target those countries that will generate the most tourists, rather than targeting whole market areas. By specifically targeting tourist-generating countries, Durban Tourism can undertake more aggressive promotional activities with the aim of attracting a larger number of tourists. If the industry wants to attract more foreign tourists, it needs to publish creative advertisements in specific travel guides, magazines, and specialised professional journals that potential tourists, overseas tour operators, travel agents, and travel writers read. Tourists are more likely to respond to creative advertising messages projected through specialised and appropriate media vehicles. The extent of success in appealing to a particular market segment or encouraging them to visit a destination depends on the right choice of advertising media. Thus the choice of media is an important decision for the marketers of the tourism industry.

The World Wide Web is the most popular application on the Internet which can be used effectively for the many purposes of tourism marketing, including direct sales, advertising, customer support, etc. Durban tourism authority must consider the effective use of this technology for the promotional activity of this industry.

Durban Tourism needs to work in partnership with the private sector in order to secure discounts on air tickets, hotel prices, discounted prices for local transport arranged by the tour operators, etc.



4. Use of Foreign Tour Operators to Promote Durban as a Tourist Destination

Foreign tour operators can play an important role in motivating potential tourists to visit a specific tourist destination. Durban Tourism and private tour operators in Durban need to collaborate in order to maintain contact and liaise with the foreign tour operators and to influence them to send more tourists to Durban. Foreign tour operators can distribute brochures, souvenirs, and tourists' maps on behalf of Durban Tourism.

Durban can attract more tourists by offering more discounts to tour operators for group tours and long-stay visits, and arranging coordinated tours of all key attractions. Durban Tourism needs to work in partnership with the private sector in order to secure discounts on air tickets, hotel prices, discounted prices for local transport arranged by the tour operators, etc. In addition, Durban Tourism should offer more off-season discounts and student discounts to motivate potential tourists to visit Durban. steps should also be taken to encourage local tourists to travel more frequently, and in groups, to different tourism attractions in the country.

5. Collaboration between Cities

Durban Tourism needs to piggy-back on existing initiatives such as the sister cities agreement in order to encourage tourists to visit the City. It also needs to participate in South Africa Week around the world and arrange to have more aggressive activations marketing Durban as a key destination during these events.

Durban needs to engage in bilateral agreements or joint marketing agreements with international cities. Depending on Tourism KwaZulu-Natal and South African Tourism alone is not going to assist Durban in becoming better known internationally, as these institutions focus on marketing the province and South Africa as a whole and pay insufficient attention to marketing Durban as a city.

6. Developing Infrastructure Facilities and Diversified Products/Services

The present infrastructural facilities for tourism in Durban are not of an international standard. There needs to be development of more hotels, motels, restaurants and internal transport for easy access to the facilities. At the same time, tourism authorities needs to take the necessary steps to diversify the products or services available, as well as improving the quality of such products and services.

7. Increased involvement of Private Sector

When tourism in Durban improves and increases, the people who benefit first are the accommodation establishments, restaurants, and attractions. However, very few of these attractions make a positive and financial contribution to Durban Tourism's marketing efforts. To encourage private sector investment and involvement, the City should provide some incentives to private investors.

Durban's tourism industry needs coordinated efforts and promotional activities among the players in the industry. Both the government and private sector tour operators should enagage in joint programmes in developing the industry. As tourism is a multifaceted industry, there should be coordination among tour operators, hoteliers, airlines, local transport authorities and other service providers, so that their coordinated efforts can be fruitful. Again, there should also be coordination between the concerned ministries, including the Ministries of Tourism, Home Affairs, Foreign Affairs, Transport and Health, so that tourists' visits can be made safer, healthier and more enjoyable.

As tourism is a multifaceted industry, there should be coordination among the tour operators, hoteliers, airlines; local transport authorities and other service providers so that their coordinated efforts can be fruitful.

It is not because of the lack of eye-catching tourist attractions, rather it is the result of inadequate promotional measures.



Conclusion

Tourism is now the fastest growing and single largest industry in the world. The industry has attained impressive growth in terms of tourist arrivals and foreign exchange earnings which has led to ever increasing competition among the destination countries, in many of which the tourism industry is a top priority. Every destination country is trying to attract more tourists by adopting effective marketing strategies. Promotion is an important element of the marketing mix and plays a vital role in developing marketing strategies. Due to tourism being a field where the customers/tourists want to know in advance about the attractions and facilities of the destination, marketers need to provide such information to prospective tourists through different promotional measures and thus try to motivate and attract them to the sponsor's destination.

Durban Tourism also needs to run more promotional activities to cope with the present competition among the destination countries. In addition, more aggressive participation in the international tourism fairs is required, together with the distribution of different types of high quality printed marketing material among potential foreign tourists. The foreign ministry offices also need to play a more active role in marketing Durban, and Durban Tourism needs to start engaging with such ministries more actively.

Though the growth of tourism is impressive world-wide, the same can't be said for Durban. It is not because of the lack of eye-catching tourist attractions. Rather it is the result of inadequate promotional measures. The use of information technology in promoting Durban Tourism is critical.

Since potential tourists need information regarding a destination's attractions and facilities in advance, use of information technology can be of great help in disseminating the information among prospective tourists. Durban Tourism can update its present web page in a well-designed form so that prospective tourists can get all the necessary information from the page. There should be sufficient online facilities so that all bookings related to tourism can be made online. There should also be attractive offers such as discounted air tickets and discounts on hotels for groups and longer period visits. All these will provide significant reasons for potential tourists to select Durban as a tourist destination.

Positioning Durban Globally: Part 2

Policy Context

International Response

A Memorandum of Agreement (MOA) was signed in October 2013 between SA Tourism, Emirates Airline and the Middle East. The purpose of this deal is to promote local tourism in South Africa, explore joint marketing activities, and establish programmes for trade and media.

Emirates began its operations in South Africa in 1995, and are currently operating in three of our local regions: Johannesburg, Cape Town and Durban. Emirates is also a key airline partner for the Middle Eastern region and the rest of the globe, and has noted an increasing trend in the number of visitors to our country. Through the airline's vast global network, this deal aims to reinforce commitment to promote inbound tourism into the country.

Mr Thulani Nzima, SA Tourism CEO, has described this as a lucrative channel for stimulating tourism numbers and SA Tourism is excited about this long-term strategic partnership. This partnership will also involve the launch of an 'SA Specialist Programme', an interactive learning opportunity that will improve the South African tourism knowledge base and travel trade skills that are necessary to promote South Africa as a preferred tourist destination.

For more information on the SA Specialist Programme, kindly visit: <http://saspecialist.southafrica.net/za/en>

National Response

Tourism is a dynamic sector in a rapidly changing world, and for any country to expand its reach they will need to be innovative, collaborative, and bold. For South Africa, this impetus is encompassed in the 2011 National Tourism Sector Strategy. Since its release, a number of critical steps have been made and trends have been noted in the growth and development of the tourism industry in South Africa. Some of the highlights listed in the 2013/14 Strategic Plan Review

This partnership will also involve the launch of a 'SA Specialist Programme', an interactive learning opportunity that will improve the South African tourism knowledge base and travel trade skills that are necessary to promote South Africa as a preferred tourist destination.

Last year saw the launch of the KZN Tourism Master Plan which aligns with the National Tourism Sector Strategy, the National Development Plan, and other core national and provincial economic policies.



include the Tourism Bill of 2012, and an expanding tourism sector despite the difficult economic climate – 5.1% growth in the first six months of 2013, building on from 10.5% growth in the same period in 2012. As stated by the Minister of Tourism, Marthinus van Schalkwyk, “We have thus consolidated the significant gains achieved in 2010-2012 on the back of the FIFA 2010 World Cup, and have further increased the baseline to reach a historic high of 4 642 217 international tourist arrivals...”.

This is all very good news, but challenges remain. Some of the weaknesses and threats identified by the National Department of Tourism in their 2013/14 Review include lack of adequate data and information on tourism, low investment in tourism research and development, poor culture of travel, and perceptions of crime negatively impacting on tourism. However, these are not insurmountable and the Department remains committed to fulfilling the Strategic Mission of “significantly growing a sustainable tourism economy in South Africa, with domestic, regional and international components, based on innovation, service excellence, meaningful participation and partnerships”.

Provincial Response

Closer to home, last year saw the launch of the KZN Tourism Master Plan which aligns with the National Tourism Sector Strategy, the National Development Plan, and other core national and provincial economic policies. An exciting blueprint which has strong backing from the private sector, this plan puts Durban at the forefront of KZN’s planning and product development, especially in the medium term. Key Durban-specific projects/programmes, some of which are already underway, are outlined in the diagram on the opposite page. With robust and ambitious policies and plans in place, efforts must of course turn to partnership-based implementation and action. Often, however, there is a frustrating gap between well-written documents and actual change. The recent progress and actions demonstrated in the Tourism Sector indicate that in this case, the ‘implementation gap’ may be closing.

For more details on the National Tourism Sector Strategy, please visit: <http://www.tourism.gov.za/ResourceCentre/Pages/StrategicDocuments.aspx>

For more details on the KZN Tourism Master Plan, please visit: <http://www.kznded.gov.za/Portals/0/TOURISM%20E-VERSION.pdf>



With robust and ambitious policies and plans in place, efforts must of course turn to partnership-based implementation and action. Often this is where there is a frustrating gap between well-written documents and actual change. The recent progress and actions demonstrated in the Tourism Sector indicate that in this case, the 'implementation gap' may be closing.

Based on the accommodation survey, 85% of guests at Durban accommodation establishments are from the domestic market with the remaining 15% being foreigners.



Positioning Durban Globally: Part 3

eThekwini Tourism Sector Study and Strategic Interventions

Introduction

eThekwini Municipality identified the need to undertake a detailed analysis of the tourism sector in the Municipality in order to identify strategic interventions necessary to grow the economic contribution of tourism to the Municipal Area. Grant Thornton was appointed to conduct the study.

The eThekwini Tourism Sector Study looked at the legislative framework, policies and strategies considered relevant to the eThekwini tourism sector at a national, provincial and local level.

Tourism in Durban

- Based on the accommodation survey and Grant Thornton analysis, it is estimated that 15,5 million visitors visited Durban in 2012. This was comprised of 260 009 foreign overnight tourists and 175 428 foreign day visitors; and 1,9 million domestic overnight trips and 13,1 million domestic day trips.
- The Annual Room Occupancy (ARO) in Durban is estimated at 61% (excluding camping/caravanning) in 2012.
- Based on the accommodation survey, 85% of guests at Durban accommodation establishments are from the domestic market with the remaining 15% being foreigners.
- Based on the accommodation survey, the average length of stay for domestic tourists is 3,2 nights and the average length of stay for foreign tourists is 4,3 nights.
- Durban does not feature highly on major inbound tour operator itineraries and seems to be a stop-over or short-stay destination whilst tourists are exploring the rest of KZN (or SA).
- The snapshot survey of tourists to Durban reveals that:
 - The majority of the respondents are South African; with the main place of residence being Gauteng and KZN;
 - More than half the respondents are in Durban for holiday purposes (57%).
 - More than one quarter of visitors (28,0%) stay in Durban for 3-4 nights, whilst 17,1% of respondents stay in Durban for 1-2 nights, 22,0% for 5-6 nights and 31,7% for 1-2 weeks.

- Most respondents prefer to stay in B&Bs or hotels at 36,5% and 28,1% respectively.
- Almost half the respondents prefer to stay at 4-star establishments (43,0%), whilst 30,2% prefer 3-star accommodation.
- The top tourist attractions visited whilst in Durban are restaurants, Gateway Theatre of Shopping, uShaka Marine World and Durban beachfront.
- Nearly half of the respondents are of the opinion that Durban is a favourable tourism destination, and more than one third (37,3%) feel that it is much better than other destinations.
- A collective 85,9% of respondents rate the overall service in Durban positively.
- The best things about Durban are the beach, nature, weather, products such as uShaka Marine World, the people and culture.
- The worst things about Durban are crime, corruption, traffic congestion, signage, litter, vagrants/street children, urban decay and overcrowding.

Durban's multi-cultural society has been highlighted as one of the destination's major strengths, but also as one of its under-utilized experiences.

Tourism Supply Summary

The beach and marine/coastal environment is the core tourism experience offered in Durban. There are some weaknesses with the beach experience, including a lack of activities and services offered on the beach. Durban's multi-cultural society has been highlighted as one of the destination's major strengths, but also as one of its under-utilized experiences. Durban offers a number of scenic and nature tourism attractions, but these are not necessarily well known and could be further developed to improve the spread of tourists throughout the City.

Durban has excellent sporting facilities which are often linked to events. There is perhaps room for increasing the number of events linked to sports. Whilst Durban hosts a number of events throughout the year, it is evident that it hosts virtually no international events and very few national events. Durban does not have an iconic or signature event.

Crime and grime (or perceptions of these) are major barriers to attracting more visitors to events in Durban. Effective marketing is required in order to encourage tourists to visit Durban, and its associated events, and to spend more time in Durban.

The Durban conference market is well supplied with venues, but supply is limited when it comes to those that can accommodate more than 500 delegates.

There are three tourism routes in Durban, but none of these routes are considered to be particularly significant in terms of their presence in the market. Durban is well located in terms of regional tourism linkages, e.g. links to two World Heritage Sites which are around three-hours drive from the City. It is estimated that there are approximately 10 757 rooms/units (excluding caravan/camping) on offer in Durban. However, a consolidated and up to date accommodation database does not presently exist for Durban, so the actual number may be higher in reality.

Of the 498 accommodation establishments that presently exist in Durban, 209 (42%) are graded by the Tourism Grading Council of South Africa . The majority of these establishments are either 3- or 4-star graded.

The Durban conference market is well supplied with venues, but supply is limited when it comes to those that can accommodate more than 500 delegates. It is estimated that there are 72 conference venues in Durban, with the maximum delegate capacity averaging at around 360 (cinema style) and the median at 180 (cinema style). The average number of meeting rooms per conference venue is five, with the median being three.



Durban has a number of restaurants, bars, take-aways, shopping and entertainment facilities located throughout the City. Major concerns relate to providing more entertainment facilities in Durban and ensuring that there is a vibrant nightlife at tourist hotspots. Addressing safety and security issues is an important component of improving the nightlife in Durban too, as this seems to deter tourists from visiting certain areas at night.

The City is considered to have an excellent road network and the roads are generally in a good condition and tarred, but it is acknowledged that there are some roads that are gravel or suffer from high levels of potholes or are in a state of disrepair. Durban's air access is severely constrained with only two international airlines flying to King Shaka International Airport. While air access to SADC has improved, direct air access to the rest of Africa is also severely constrained. It is noted that various role players within the Province are actively pursuing a new route development for Durban in line with an air access strategy.

Metered taxis in Durban are perceived to be too expensive, with buses being infrequent and often on routes far from places of (tourism) interest.

Some Key Challenges

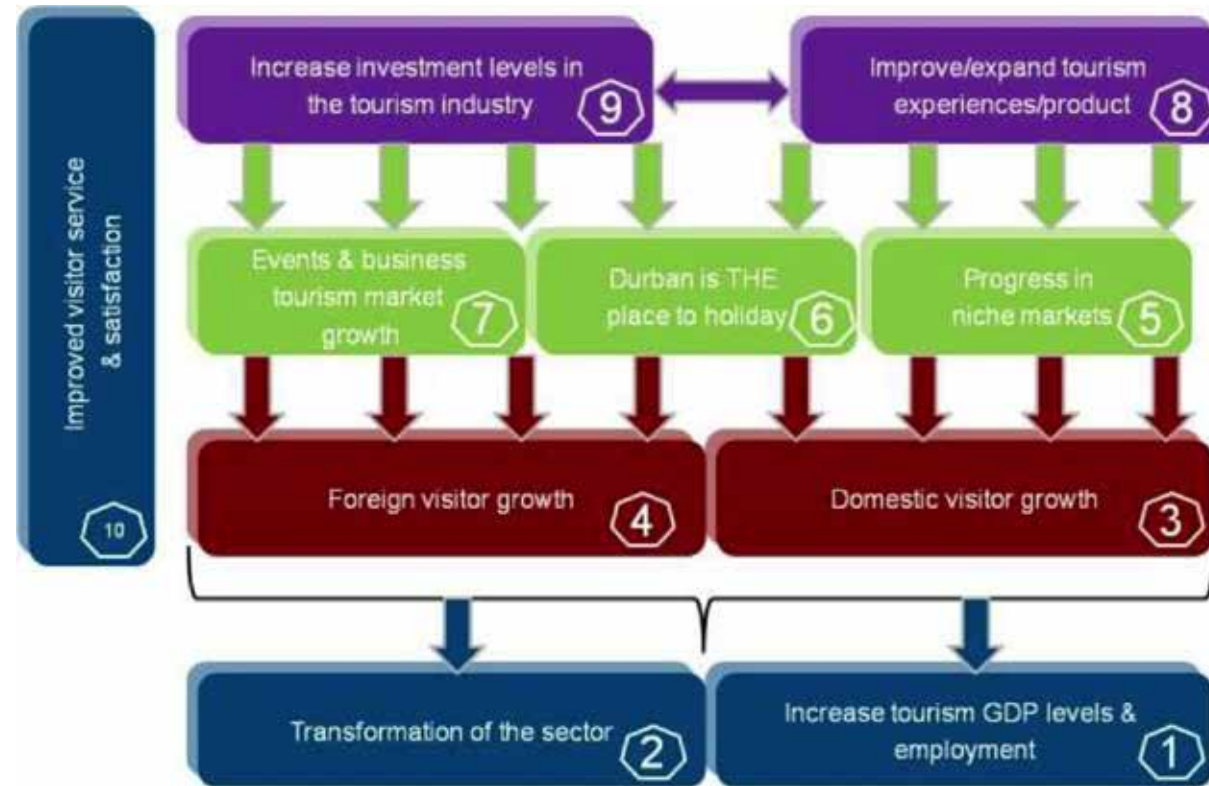
Some challenges identified include:

- Under-utilisation/performance of some key tourism assets, e.g. the beaches;
- Limited economic benefits being derived from events;
- Constrained air access;
- Lack of marketing of Durban as a tourism destination;
- Low levels of international awareness of Durban; and
- Lack of public and private sector partnerships.

Durban's air access is severely constrained with only two international airlines flying to King Shaka International Airport.



Strategic Objectives for the Municipality:



Strategic Clusters Identified for the Municipality

- Cluster 1: Tourism Marketing
- Cluster 2: Product development and planning
- Cluster 3: People in Tourism
- Cluster 4: Policy, strategy, governance, research and knowledge management, monitoring and evaluation



Positioning Durban Globally: Part 4

The strategy also indicates that Durban should target those emerging markets that have the strongest growth potential, and will continue to support rest-of-world markets.

Visitor Marketing Strategy 2013-2020

Introduction

The Durban Visitor's Marketing Strategy is a rallying call to the City of Durban to focus on increased returns from the tourism industry. To achieve what the strategy sets out to do, Durban Tourism will focus the majority of its global marketing resources on those markets which represent the greatest potential for tourism growth to the year 2020. The strategy also indicates that Durban should target those emerging markets that have the strongest growth potential, and will continue to support rest-of-world markets.

The Visitor Marketing Strategy and plan for the City of Durban was prepared for Durban Tourism in September 2012 and updated in May 2013 through comprehensive consultative process conducted with various Tourism sub-sectors internally and externally. This strategy was adopted by the eThekweni Municipality on the 30th October 2013.

The following elements formed the basis of this strategy:

- Culture, history and heritage;
- Beach destination;
- Events;
- Meetings, incentives, conferences and events (MICE); and
- Source markets.

This strategy has been aligned to the:

- The National Sector Strategy;
- The KwaZulu-Natal Provincial Master Plan;
- The South African Tourism Visitor Strategy; and
- The South African Brand Strategy.

Strategic Framework

- Goal of Durban Tourism: To establish and create demand for Durban as a destination;
- Role: To develop a strategy and plans that will allow the industry and trade partners to contribute towards the growth of the tourism industry;
- Guiding principles: Whereby Durban Tourism is accountable for the effectiveness of the strategy, both to the industry and to the Municipality;
- Marketing of the destination: Growth from stability.



2020 GOALS

- Out-of province visitors: 2.4 million (2012: 1.4 million) i.e. 53% increase
- Out-of-province spend: R 10 billion (2012: R 5.3 billion) i.e. 104% increase
- (Attributable) jobs: 52,000 (2012: 34,000) i.e. 54% increase

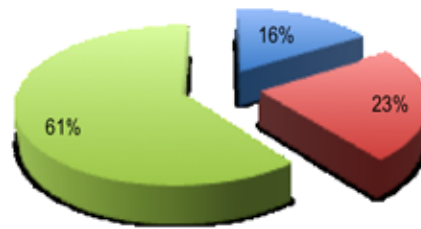
An Assessment of Durban's Visitor Industry

3.8 million visitors to Durban contributed R5.7 billion to the local economy and created 61 000 jobs.



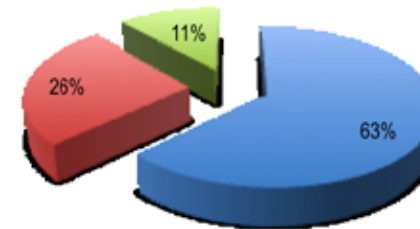
Contributions of visitors to Durban economy and job creation	
Total Visitors	3.8 Million
Spend/Revenue Contribution To Durban Economy	R 5.7 Billion
Total Sector Jobs	61 000

2012: Durban visitors



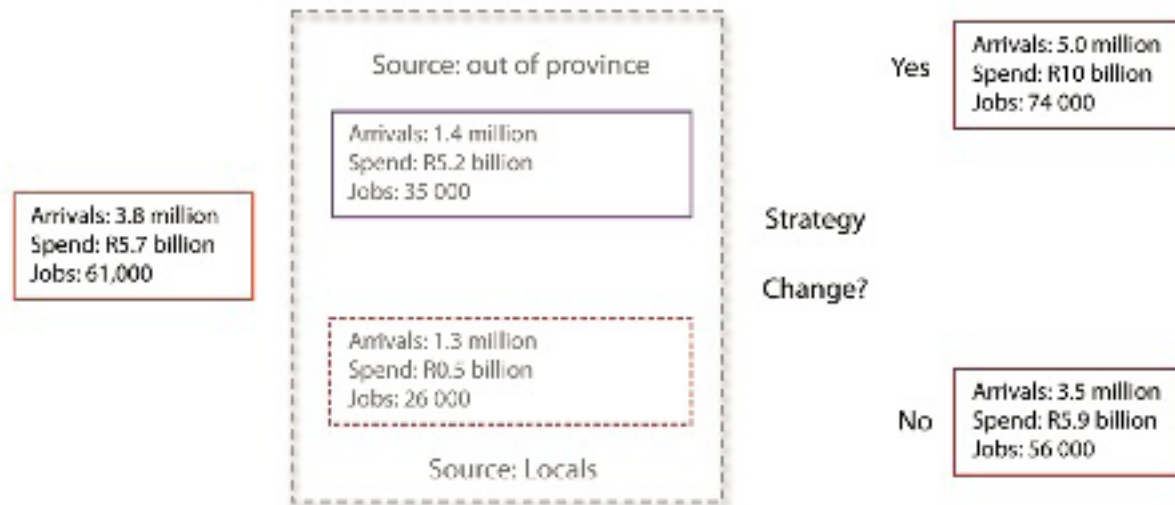
■ International ■ Inter-provincial ■ Local

2012: Durban spend



■ International ■ Inter-provincial ■ Local

Projected Growth in Visitor Numbers

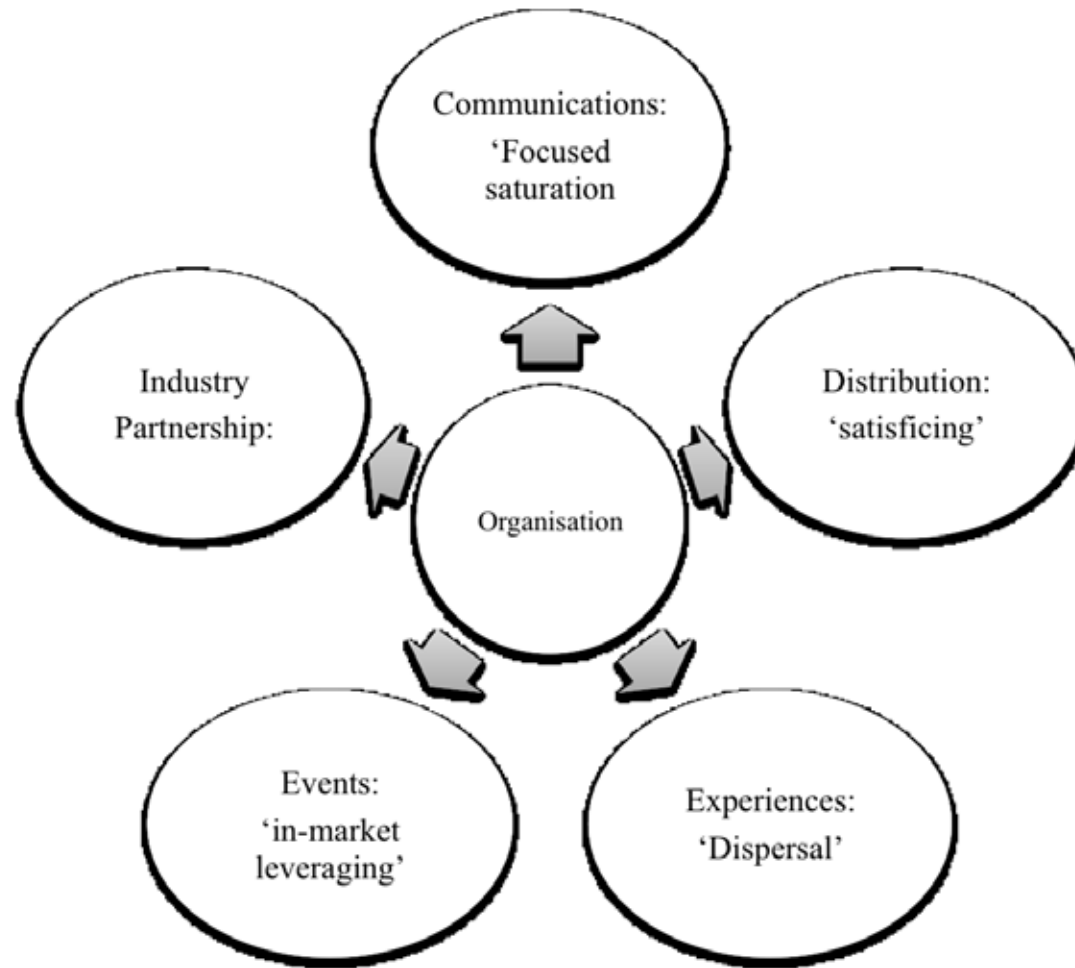


The 'Do nothing option' will, by 2020, see a visitor industry smaller than the one that exists today and a decline in the number of employed staff (4 000 people fewer than today).

The scenarios presented show the expected outcomes of the 'Do nothing option' and the 'Intervention' strategy option. The 'Do nothing option' will, by 2020, see a visitor industry smaller than the one that exists today and a decline in the number of employed staff (4 000 people fewer than today).

Key Elements of the Strategy:

The various elements of the key strategy all need to be in place in order for the broader strategy to function optimally.



Communities Driving Tourism

Community Tourism Organizations (CTO's)

Tourism is increasingly seen as a key community development tool, with the recognition of its economic contribution in spurring local economic development. Key cultural, heritage sites, historical and adventurous places that are of significance to tourists, are found within communities. Therefore, local communities have a key role to play in tourism development as they are the focal point for the supply of services and goods to tourists.

The White Paper on the Development and Promotion of Tourism of 1996 states that tourism is driven by the private sector and firmly based in local communities. It becomes important to view local people as a powerful social group as their attitude towards the tourism project determines its success or failure. Participation and support from local people is important because, the very nature of tourism, as visitors flow in, affects the physical and cultural environment of their lives.

EThekweni Municipality recognises Community Tourism Organisations (CTOs) as an important vehicle for marketing and promoting tourism, as well as broadening the tourism base in the City. CTOs are defined as locally based organisations that incorporate public, private and community elements as integral parts and that are structured to both develop and promote tourism at an area level. Furthermore, CTOs provide an opportunity for local communities in tourism ventures to participate in the industry, have a meaningful ownership of tourism initiatives and participate in decision-making.

CTOs provide an opportunity for local communities in tourism ventures to participate in the industry, have a meaningful ownership of tourism initiatives and participate in decision-making.

The eThekweni Municipality provides support to the CTOs through marketing and promotion of the areas in which they operate.



Currently, there are nine CTOs in existence within the eThekweni Municipality, namely:

1. Umhlanga Community Tourism Organisation;
2. Inanda Community Tourism Bureau;
3. Thousand Hills Community Tourism Organisation;
4. Clermont/KwaDabeka Community Tourism Organisation;
5. Durban West Community Tourism Organisation;
6. Sapphire Coast Community Tourism Organisation;
7. South Durban 'Sodurba' Community Tourism Organisation;
8. Umlazi Community Tourism Organisation;
9. Durban (Central) Community Tourism Organisation.

The eThekweni Municipality provides support to the CTOs through:

- Institutional support, ensuring that they are properly constituted and registered as legal entities, representing all tourism related stakeholders in their respective areas;
- Developing their funding models, for example:
 - Entering into a Memorandum of Agreement (MOA) between eThekweni Municipality and each CTO for provision of allocated funding to ensure their effective operation;
 - Assisting them to recruit their own membership from which to derive membership fees;
 - Assist them in identifying other sources of funding, as well as assistance with initiatives to raise their own funding, e.g. through events, merchandise, etc
- Marketing and promotion of the areas in which they operate, including support of businesses within their areas. For example, ensuring the CTOs participation in international trade shows, such as Tourism Indaba, where they can market and promote their areas; Support through events and activations;
- Ensuring that Tourism Information Offices exist in their areas for information dissemination;
- Registering and regulation of products in their areas to ensure they meet quality standards;

- Education and training, including tour guide training, tourism awareness programmes, etc.;
- SMME support (simplifying & improving systems for entrepreneurial support);
- Facilitate partnerships with established businesses and other relevant partners;
- Participate in identification of new tourism products and tourism infrastructure upgrades in their areas.

In its 2013/2014 financial year the eThekweni Municipality approved a budget of R3m which was distributed amongst all of the nine CTOs, commensurate with their developmental status. To date the following progress has been made:

1. Tourism Offices: Seven of the CTOs now have their own offices, from which they are able to perform activities such as recruitment of members, hold meetings, receive tourists, and plan and conduct support programmes for tourism related businesses in their areas. Two of the CTOs are being assisted by Durban Tourism to obtain suitable space to locate their offices. As a result of these offices, CTOs have been able to create jobs as the need has arisen for them to employ support staff.

2. Marketing, Communication and Branding: Funding has also enabled CTOs to participate in tourism expos and exhibitions, including a tour to Soweto Maponya Mall to promote township and Durban tourism products. Some of the CTOs have also developed their own brochures, marketing material and websites, as well as holding official launches to create awareness of their areas.

3. Events: CTOs have been very actively involved in events that promote their respective areas. CTOs in townships have, for example, been involved in supporting heritage and cultural events.

4. Business Support: CTOs have supported the development of local businesses and ensure that they benefit from spin-offs that flow from events taking place in their areas.

For Further Details, please contact: Mrs Nelisa Mshengu, Durban Tourism, 031 3114537/322 4164 or E-mail: Nelisa.mshengu@durban.gov.za.

In its 2013/2014 financial year the eThekweni Municipality approved a budget of R3m which was distributed amongst all of the nine CTOs, commensurate with their developmental status

The Events Office, through a centralised Events Budget have identified cultural and heritage signature events to showcase Durban as Africa's event's capital and destination of choice.

Positioning Durban Globally: Part 6

Events Driving Tourism

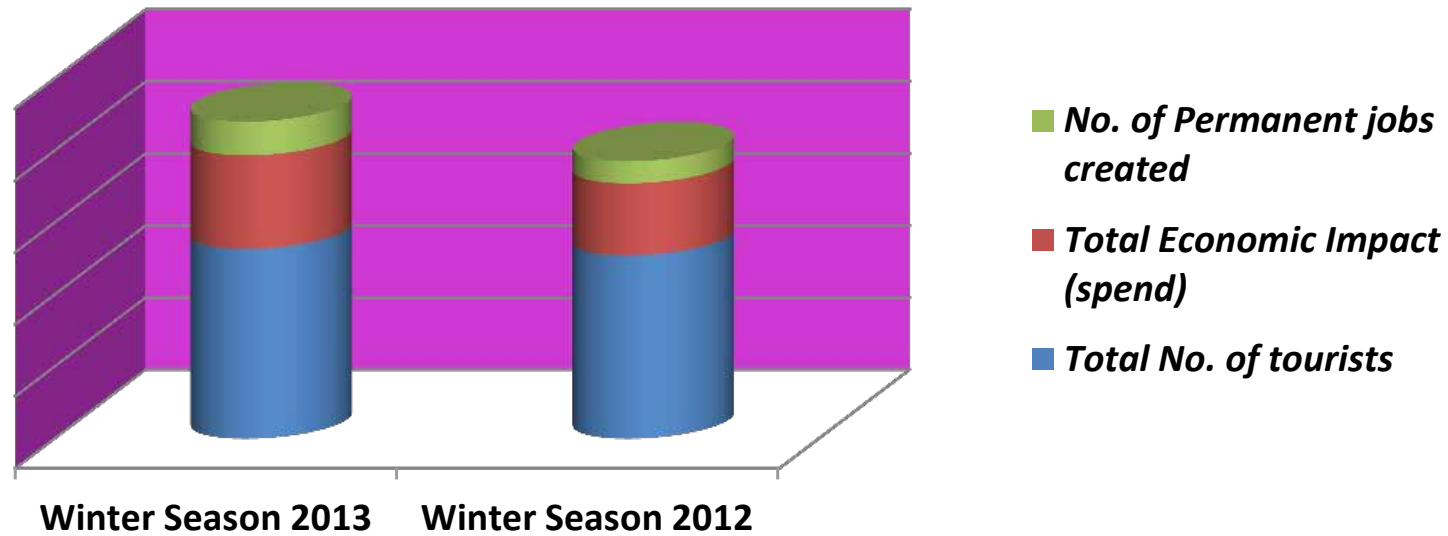
EThekweni Events Office: Ms Vivienne Holden

As Minister van Schalkwyk said: "Tourism's contribution to the South African economy remains a key driver of growth and employment. Tourism injected R35.3 billion into the economy from January to June in 2013. Compared to other economic sectors, this is more than, for example, the R32.6 billion that gold exports contributed during the same period." KZN MEC of Economic Development and Tourism, Mr Mike Mabuyakhulu, echoed the National Minister's statements: "By 2030, the province of KwaZulu-Natal should have maximised its position as a gateway to South and Southern Africa, as well as its human and natural resources so creating a safe, healthy and sustainable living environment."

Durban is Africa's events capital and is the destination of choice for a variety of International, National and Local Events which are draw cards for global and African tourists into South Africa. A key success driver in growing the tourism industry is the marketing and exploitation of a destination's cultural and heritage assets. The Events Office, through a centralised Events Budget have identified cultural and heritage signature events to showcase Durban as Africa's event's capital and destination of choice. Currently the Events Office through its Strategic Event Committee is drafting requests for proposals (RFP's) for the identified signature event which will, in time, see Durban competing with the likes of the Rio Carnival and Edinburgh Festivals. The City of Durban, through the management of the Events Office, envisages a platform that will see events as a catalyst to boost tourism and investments, not only in the City, but throughout the Province of KZN.

Summary of Seasonal Statistics for 2013

Comparison between the Winter Season 2012 and Winter Season 2013



A comparison between the Winter Season 2012 and Winter Season 2013 statistics shows a healthy increase of over 3.5 % in the total number of tourists, economic impact and number of permanent jobs created in 2013, which concurs with the current CPX index and South African Tourism statistics for the country.

Events Impact Assessment – December 2012 to January 2014

3.8 million visitors to Durban contributed R5.7 billion to the local economy and created 61 000 jobs.

	Summer Season 2013 (Nov 2012/Jan 2013)	Easter Season 2013 (Mid-March to end May 2013)	Winter Season 2012 ((June to end August 2012)	Winter Season 2013 (June to end August 2013)
Total No. of tourists	1,397,995	405,000	509,320	525 305
Total Economic Impact (spend)	R5.192 bn	R2.2 bn	R2.1 bn	R 2.4 bn
No. of permanent jobs created	12,010	1,631	6,137	9,424



	Volvo Golf Champs Jan 2013	AFCON Jan/Feb 2013	BRICS March 2013	Festival Of Chariots April 2013	Aquella April 2013	Quicksilver Pro Junior May 2013	African Renaissance May 2013	Tourism Indaba May 2013	TOTAL
Total attendance during the season or at the event	30,000	240,000	6,000	20,000	10,000	15,000	3,000	10,000	334,000
Permanent employment created by direct and indirect spend	172	449	123	45	16	3	76	400	1,284
Net total direct, indirect and induced economic impact	R 3,442,500	R 342,500	R 2,782,500	R 662,500	R 795,000	R 662,500	R 795,000	R 53,000,000	R 62,482,500

	Comrades Marathon June 2013	Top Gear June 2013	Durban Surf Carnival June 2013	Durban Boat Show June 2013	Durban Virginia Air Show July	Durban July Handicap July	TOTAL
Total attendance during the season or at the event	56,000	75,000	15,000	15,000	10,000	55,000	226,000
Permanent employment created by direct and indirect spend	413	478	4	50	25	298	1,268
Net total direct, indirect and induced economic impact	R 9,366,000	R 40,140,000	R 669,000	R 4,014,000	R 3,334,288	R 125,000,000	R182 523 288

	AABLA Awards Nov 2013	SABC Crown Gospel Award Nov 2013	BRICS Nov 2013	Volvo Golf Championship Jan 2014
Total attendance during the season or at the event	425 incl. entourage	5,000	225 incl. entourage	31,050
Permanent employment created by direct and indirect spend	23	49.7	27.7	25
Net total direct, indirect and induced economic impact	R33.2 million	R20.9 million	R13.27	R 4.9 bn

The organisation conceptualised a Mpumalanga/ Hammarsdale Tourism Gateway project anchored around local history of apartheid resistance, local legends and icons, arts and culture, township lifestyle, and culture and entertainment.

Projects Driving Tourism

Mpumalanga New Town Centre: Mpumalanga Heritage Centre Precinct

A Local Economic Development Study and Township Regeneration Study compiled for Mpumalanga Township recommended tourism as one of the key economic sectors to be further investigated. A further feasibility study was commissioned in 2009 with the aim of investigating the establishment of a dedicated tourism-led enterprise development programme for the township that would stimulate SMME development, as well as provide an economic rationale for the eThekweni Municipality to invest in identified projects.

A local community based organisation, the Mpumalanga Peace and Development Trust, who participated in the study identified specific cultural tourism and heritage projects that could be implemented at Mpumalanga Township to promote job creation, income generation and social cohesion. The organisation conceptualised a Mpumalanga/ Hammarsdale Tourism Gateway project anchored around local history of apartheid resistance, local legends and icons, arts and culture, township lifestyle, and culture and entertainment. The project was envisioned as the cornerstone of tourism development in the Mpumalanga/ Hammarsdale area.

In response to the tourism proposals made by the Trust and eThekweni Municipality, a funding application was made to the National Department of Tourism for the proposed Mpumalanga Tourism Heritage Centre. Funding for the Mpumalanga Gateway Project was approved by the National Department of Tourism's, Social Responsibility Programme (part of the Expanded Public Works Programme rollout). The project, which employs 74 people, was implemented on the 5th February 2013 and is currently underway. Phase one was due for completion by the end of February 2014.

The sustainability plan that was completed at the start of the project identified that the current funding for the heritage centre needed to be increased in order to provide for other tourism buildings. To this effect a Precinct Plan was developed for the heritage site. The plan proposes the following additional phases:

- Phase 2: Upgrade of the shared parking area and construction of memorial wall;
- Phase 3: Art centre and boma; and
- Phase 4: Life Science Centre and extensions to existing municipal library.

In addition, eThekweni Municipality has planned other developments around the project, including a proposed new life sciences building and an extension to the existing municipal library, with the aim of ensuring that the project has adequate traffic and usage to make it sustainable.

Key objectives of the project include:

- Creating a platform to showcase the history of the township;
- Developing a platform for the community to access the mainstream economy via tourism;
- Creation of jobs, both during the build phase as well as during the operations phase;
- Creating a project that has sustainable outcomes in terms of impact on the community;
- Encourage the informal sector to be part of the formal sector;
- Promotion of the arts and craft sector;
- Strengthen the bond that exists within the community (nation building and sustained peace).

Completion of two key project deliverables, i.e. upgrading of the parking area and construction of a memorial wall; and the development of an arts centre and boma, are important in ensuring a well-rounded tourism product that, together with an effective access to market plan, will ensure that the above key objectives are met.

eThekweni Municipality has planned other developments around the project, including a proposed new life sciences building and an extension to the existing municipal library, with the aim of ensuring that the project has adequate traffic and usage to make it sustainable.

This community has been a shining example of partnership for peace between ordinary people determined to place their future hopes on the negotiation table and step out of the battlefield.

Mpumalanga Interpretation Centre

The Economic Development and Investment Promotion Unit is currently in the process of developing and installing an Interpretive Exhibition for the Mpumalanga Heritage Interpretation Centre due to tourism being identified as a key economic sector to be investigated in the Mpumalanga area.

The Mpumalanga Interpretation Centre and its exhibition is to be based on the 1993 inaugural Africa Peace Award that was given to the community of Mpumalanga, KwaZulu-Natal, for the brave and significant contribution the community made to peace, in their efforts of turning one of the most violent areas in South Africa into a haven of relative peace. Situated 60km west of Durban, Mpumalanga is a relatively underdeveloped area serving the industrial complex of Hammarsdale. In 1986 it became embroiled in the violence then fanning across South Africa, gaining the title 'Little Beirut'. The violence continued unabated for four years, but in 1990 a fragile peace emerged when leaders of the rival political parties, namely the ANC and the IFP, started working together to stem the tide of killing, leading to the birth of a new culture of tolerance and cooperation. This community has been a shining example of partnership for peace between ordinary people determined to place their future hopes on the negotiation table and step out of the battlefield. The Africa Peace Award (which was the first peace award given in Africa) was given in recognition of the courage it took to stand against prejudice, poverty and protracted violence – for giving the people of South Africa hope in a new South Africa.



Raising capital and applying for funding is both a difficult and competitive process – the Durban Film Office aims to provide support to projects to fast track the development process and enable capacity to get these projects to market.



Durban Film Office

Development Fund Programme launched

The Durban Film Office recently launched yet another annual grant-funding programme which endeavours to assist established film professionals and their locally produced film projects. The programme, which kicked off in 2014, has committed to support two film projects per annum, and is now accepting submissions for the first round of grant funding. Two Durban film projects will receive a maximum of R250 000 towards the development of their prospective films.

“The programme aims to assist local producers to further projects in development and enable these producers to access broader national and international funding opportunities.”, said Durban Film Office Head, Toni Monty. The programme accepts project proposals that display commercial viability, prospective investment and collaboration opportunities, as well as local and global competitiveness.

Said Monty; “Raising capital and applying for funding is both a difficult and competitive process – the Durban Film Office aims to provide support to projects to fast track the development process and enable capacity to get these projects to market.”

Target Group: Experienced writers, producers, directors based in Durban who need to develop projects for local and international investors, markets and audiences.

Selection Criteria

1. A Durban based legal entity with proven track record as a financially sound, operational business;
2. Experience and capacity of key applicant / company to implement the project plan and complete the project;
3. A project / development plan which can be realistically realised within the next eight months;
4. The ability to demonstrate effective and strategic use of funds;
5. A realistic business plan for the project, which includes a budget, finance plan, marketing and distribution plans.

The submission deadline is now closed and will re-open in October 2014. An evaluation panel of industry professionals will select the top two projects to be accepted into the programme. Once selected the programme will commence from 1 April 2014.

For more information contact: Mr. Fezile Peko, Development Fund Programme, Durban Film Office at 11th Floor Rennie House, 41 Margaret Mncadi Avenue, Durban.

This developmental initiative is aimed at supporting low-budget film productions that are cost-effective, commercially viable and can actively compete at local and international film festivals.



“It takes a creative filmmaker to produce an engaging production that has the audience focused on the captivating storyline, rather than the frills and fuss of a big-budget.”

Micro-Budget Film Programme: Big concept, small budget?

Do you want to turn a shoe-string budget into a Sundance showstopper or a break-out film into a big screen blockbuster? The recently launched Micro Budget Film Programme is for creative geniuses that are not fixated on the finance of their film. This developmental initiative is aimed at supporting low-budget film productions that are cost-effective, commercially viable and can actively compete at local and international film festivals.

Facilitated by the Durban Film Office, this programme is designed to equip both new and emerging filmmakers, who are eager to gain experience in the industry and develop professional filmmaking skills, with financial and practical assistance. “This is an exciting new initiative that reveals industry trade secrets and provides insight into producing low-budget film with high production values,” says Durban Film Office Head, Toni Monty.

The programme is designed to provide a platform for filmmakers to prove their talent and showcase their skill before moving onto bigger productions, as well as cement the notion that small-scale productions can receive industry recognition, says Monty. “It takes a creative filmmaker to produce an engaging production that has the audience focused on the captivating



storyline, rather than the frills and fuss of a big-budget. The driving force behind the implementation of this programme is the desire to stimulate and enrich Durban's progressive film industry", states Monty.

How does the programme work?

The Durban Film Office's Micro-Budget Film Programme selects five projects to each receive a R100 000 grant to produce their films. The programme also educates the project's creative teams on how to source any additional funding and access resources through a micro-budget model. In addition it provides in-depth training on significant production factors, such as marketing, sales support, advertising, product placement and sponsorship deals. The pilot programme will specifically target fiction feature projects and will run for a period of eight months.

Outcomes of the programme

The Micro-Budget Film Programme provides financial assistance and production support for the facilitation of locally developed and owned content. The programme will assist the development of local talent and will provide a platform for new and emerging talent to gain production experience necessary to access national and international support and funding. Professionals in the field of micro-budget film production will provide support and mentoring that will facilitate knowledge and skills transfer, as well as offer a step-by-step skills training programme that endeavours to make the success of the low-budget feature a reality.

Selection criteria:

- Applicants must be in possession of a registered film production company, or proof that registration is in the process;
- A completed or first draft script must be made available on request (to be submitted when shortlisted for interview);
- A compelling story;
- A project which can be realized within a budget of between R100 000 and R200 000;
- Applicants must have a key creative team that is able to complete a micro-budget film in the designated time, budget and parameters of the programme;
- Experience is not essential, however applicants must show potential as aspiring filmmakers.

A compact urban form will respond to the topography with an integrated open space system offering a contiguous network of environmental assets combined in one system to function at the sub-metropolitan level in ensuring catchment health, while offering local recreational and amenity value.

At least 50% of the team must fall within the definition of being Historically Disadvantaged Individuals (also called Previously Disadvantaged Individuals) as defined in South Africa's Constitution



Application requirements:

- Applicant must belong to a registered Durban-based production company or be able to supply proof that registration is in the process;
- At least 50% of the team must fall within the definition of being Historically Disadvantaged Individuals (also called Previously Disadvantaged Individuals) as defined in South Africa's Constitution;
- At least one key creative from the team, e.g. writer, director, producer, must be based in Durban;
- A profile for each member of the creative team must be submitted;
- A project synopsis, budget, finance plan, marketing plan and production schedule must be submitted;
- A completed or first draft script that must be made available on request (to submit when shortlisted for interview);
- Submission of a short motivation on why the project should be selected for the programme;
- Submission of examples/show reels of previous work will be an advantage.

Selection Process:

Submission deadline has closed and will re-open in October 2014. An evaluation panel of industry professionals will then select the top five projects to be accepted into the programme. The programme commenced on the 3rd March 2014.

Tourism Industry: Opinion Pieces

The following are a collection of opinion pieces gathered from various key stakeholders in the tourism sector. A question was posed to them: What is your organisation doing to position Durban globally? Here are their responses:

Durban Chamber of Commerce and Industry: Mr Andrew Layman, Chief Executive Officer: The Durban Chamber of Commerce is entirely supportive of the desire to draw international visitors to Durban. We do not believe that we should be content with the status of premier destination for domestic tourism. The City has the potential to appeal to foreign visitors because of its range of attractions, which go beyond the beach front, as important as it is.

With the agreement of Durban Tourism, the Chamber registered the City in the New7Wonders international programme. The City has been selected as one of 28 international cities taking part in the competition. In December 2014, the city that receives the most support, in terms of votes on the website (www.new7wonders.com), will win the accolade of one of the seven 'wonder cities' of the world.

Tourism KwaZulu-Natal: Mr Sadha Naidoo, Chairperson of the Board of Directors: Tourism KwaZulu-Natal is responsible for the development, promotion and marketing of tourism for the province. To this end, we work in partnership with the Provincial Government in selecting key activities that will improve our destination's profile, with the aim of increasing the number of tourists who visit the Province. Naturally, as Durban is the largest city in the province, and the main destination for tourist arrivals, a lot of our work brings significant benefits to the City as well.

One such example is the use of major events such as Top Gear, or sporting events like the annual Comrades Marathon. These events bring thousands of people to our shores, but more than that, they provide invaluable coverage and awareness for our destination. Through these strategic partnerships, we are able to generate increased visitor numbers and unrivalled profiling for the Province and City.

The City has been selected as one of 28 international cities taking part in the competition. In December 2014, the city that receives the most support will win the accolade of one of the seven 'wonder cities' of the world.

The convention industry is certainly big business. In addition to the benefits of thousands of delegates attending a convention in the City, many visitors extend their stay to experience other areas in the Province.

Another very successful component is our focus on securing major conferences, through the Durban KwaZulu-Natal Convention Bureau, a partnership between the Province and City. The convention industry is certainly big business. In addition to the benefits of thousands of delegates attending a convention in the City, many visitors extend their stay to experience other areas in the Province. One recent success of the Bureau is securing of the World Routes Convention in 2015 – this will bring together the largest range of airlines, airports, civil aviation authorities and tourism authorities from all corners of the world - some 4,000 delegates who can directly influence new global routes and truly assist in putting KZN and Durban firmly on the global map.

Durban KwaZulu-Natal Convention Bureau: Mr James Seymour, Chief Executive Officer: The Durban KwaZulu-Natal Convention Bureau was established by the eThekweni Municipality and KwaZulu-Natal Department of Economic Development and Tourism to promote the business event venues and services of our region. In addition we are expected to increase the level of business events, or what are known as meetings, incentives, conferences and exhibitions, in Durban and KwaZulu-Natal. We position Durban as a destination that can provide a distinctive and exceptional experience in the form of the ‘Zulu Kingdom’ and one that goes beyond just the hosting of a successful meeting.

We primarily engage business events’ organisers or decision makers o at local and international business event trade shows and workshops. We also personally call on potential local buyers. The key international trade shows that we attend are AIME, which takes place in Melbourne, IMEX Frankfurt, IMEX Las Vegas and EIBTM in Barcelona. In addition we attend and have a provincial pavilion at Meetings Africa, which is Africa’s key business events trade show. The Convention Bureau also has a dedicated meeting planner guide, incentive planner guide and website to attract to potential buyers. We are also members of key business events associations, such as the International Congress and Conventions Association, Society of International Travel Executives, the Exhibition and Events Association of Southern Africa and the Southern African Association for the Conference Industry.



This injection of funds is likely to strengthen the local community's economic growth. The main objective is to showcase Durban as a port city and gain international recognition, a benefit to the City of Durban which cannot be quantified.

Upcoming Events

AIVP Conference 2014

Durban will be hosting the AIVP Conference of Ports and Cities on the 4th- to the 6th of November 2014. After being selected as one of the three finalists, Durban proceeded to the final selection stage against Genoa. Durban was selected as the host city by the AIVP Board of Directors, both for reasons of the strategic development of the Association's world network, and for the quality of the partnership proposed, which perfectly met the Association's requirements.

The proposed location of the conference will be in central Durban, within close proximity to the Elangeni Southern Sun hotel. The conference will host 400 local and international delegates. This will elevate the status of Durban as a port city and grant Durban an international port status. Furthermore, this will enable the eThekweni Municipality to influence the topics to be discussed at the conference, including topics relating to Durban port city developments in the context of the Indian Ocean and in developing the world. This is the first time that this conference will be held in South Africa. The conference will be attended by world renowned experts in Ports and City Developments, sharing industry knowledge, best practice and port development expertise.

The ripple effect of the conference will result in a further boost in the hospitality and tourism industry as the international delegates will require accommodation, transportation, food, entertainment, and tours, which they will be paying for themselves. This injection of funds is likely to strengthen the local community's economic growth. The main objective is to showcase Durban as a port city and gain international recognition, a benefit to the City of Durban which cannot be quantified.

Indaba 2014

INDABA 2014 takes place from the 10th to 12th May at the Durban International Convention Centre. INDABA is one of the largest tourism marketing events on the African calendar and one of the top three 'must visit' events of its kind on the global calendar.

It showcases the widest variety of Southern Africa's best tourism products, and attracts international visitors and media from across the world. INDABA is owned by South African Tourism and organised by Witch & Wizard Creative (Pty) Ltd.

For two years in a row INDABA has won the award for Africa's best travel and tourism show. This award was presented by the Association of World Travel Awards.

Other Planned Events include:

- 2014 Association of International Marathon's and Distance Races Congress (AIMS), 28th to 31st May 2014;
- Sharks International, 2n to 6th June 2014;
- Congress of the Association of International Marathons, May 2014;
- South African Association for the Conference Industry (SAACI), August 2014;
- International Union of Architects, 3rd to 7th August 2014;
- 15th Board of Healthcare Funders Conference and the Global Summit on Healthcare Forensic Management, 23rd to 27th August 2014;
- The Sport and Event Exchange, September 2014;
- International Retrouvaille Council Meeting and Workshop, 2nd to 5th October 2014;
- The World Medical Alliance, 8th to 11th October 2014;
- Airports Council International Africa, 12th to 14th October.

Looking Ahead to the Next Edition

The EDGE looks at topical and current issues that affect decision-makers in eThekweni. The theme of our next edition will focus on 20 years of democracy and what this has meant to the economic development of our city. The latest available data on key economic indicators will also be provided.

The EDGE is produced by the eThekweni Economic Development and Investment Promotion Unit's Policy, Strategy, Information and Research (PSIR) Department. For feedback or queries, please email Aurelia Albert on Aurelia.Albert@durban.gov.za or phone 031 311 4015.





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