

# 2025 -2035

## TOURISM MASTER PLAN



nelson mandela bay  
TOURISM

**ECONOMIC DEVELOPMENT  
TOURISM & AGRICULTURE**  
NELSON MANDELA BAY MUNICIPALITY



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**INSTITUTIONAL ARRANGEMENTS, STAKEHOLDERS,  
OBJECTIVES AND METHODOLOGY**

## **1. PART ONE: BACKGROUND, INSTITUTIONAL ARRANGEMENTS, STAKEHOLDERS, OBJECTIVES AND METHODOLOGY**

### **1.1. Introduction**

Covid 19 has changed the tourism landscape not just in Nelson Mandela Bay but Internationally. This has led to the need for many businesses to reinvent and reimagine themselves. Furthermore, tourism strategies and plans will need to include a higher focus on becoming more resilient in order to survive future risks that could negatively affect the sector.

EDTA in 2020 through industry stakeholder engagements started the development of an Economic Recovery Framework that seeks to form the basis of restoring the Nelson Mandela Bay economy post the impact of Covid 19 pandemic. It provides a broad framework that will provide guidance on strategic intervention programmes that the Municipality and its partners must adopt in order to deal with the challenges imposed by the Covid 19 pandemic. The framework sets out the work that needs to be done within the Nelson Mandela Bay.

The overall framework is anchored on the following 6 Strategic Intervention Programmes:

- Industry support & growth
- strategic\catalytic projects
- Township product development
- enterprise development & support
- poverty alleviation and social programme
- township economy
- key enablers: infrastructure, skills development, safety & security and policy

The actions required to implement the proposed intervention programmes require the concerted effort of a wide range of different stakeholders. This Tourism Master Plan serves to set the scene for a collaborative approach amongst all the tourism role players within Nelson Mandela Bay.

## 1.2. INSTITUTIONAL ARRANGEMENTS

### 1.2.1. National Arrangements

The 2024 Tourism White Paper outlines the responsibilities of South Africa's national government in driving tourism development and growth. These roles include:

- **Planning and Policy Making:** Develop and guide tourism strategies in alignment with national priorities.
- **Policy Review and Alignment:** Continuously monitor and update tourism policies to reflect current trends and priorities.
- **Removing Barriers:** Facilitate the removal of regulatory and administrative obstacles hindering tourism growth.
- **Advocacy for Tourism's Value:** Promote the economic and social benefits of tourism and its multiplier effects.
- **Sector Coordination:** Collaborate with international, regional, and provincial bodies as well as other sectors to advance tourism development.
- **Regulation and Standards:** Regulate the sector by establishing and maintaining high standards for tourism facilities and services while developing guidelines for sustainable and responsible tourism practices.
- **Tourism Promotion:** Actively promote both domestic and international tourism.
- **Equitable Development:** Support the development of major tourism projects across the country, ensuring fair distribution of benefits.
- **Inclusive Growth:** Foster tourism growth that is inclusive, benefiting diverse communities and stakeholders.

### 1.2.2. Provincial Arrangements

The 2024 Tourism White Paper outlines the provincial government's roles, which closely align with those of the national government but with a focus on their jurisdiction.

Key responsibilities include:

- **Policy Formulation:** Develop tourism policies tailored to the province while aligning with national policies.
- **Implementation Partnerships:** Collaborate with the national government in implementing policies, strategies, and objectives, while taking a more active role in tourism development activities.

- Domestic Marketing: Promote the province through its tourism agency, balancing competition and collaboration with other provinces in the domestic market.
- International Marketing Collaboration: Work with the national government to ensure diverse product offerings and address gaps in priority international markets.
- Community Involvement: Lead tourism development initiatives that actively engage and benefit local communities.

Through these responsibilities, the paper states that the provincial government bridges national strategies and local implementation, ensuring regional growth and community participation in tourism.

The most significant change in the institutional structures within the Province related to tourism since the development of the Eastern Cape Tourism Master Plan (ECTMP) (2009- 2014) is the establishment of the Eastern Cape Parks and Tourism Agency (ECPTA) as a merger of the former Eastern Cape Parks Board and Eastern Cape Tourism Board, as legislated by the ECPTA Act.

According to DEDEAT Institutional co-ordination of tourism at the district level is currently quite weak. Apart from the Amathole District Municipality, District Tourism Organisations are very weak or non-existent in most district municipalities whilst some are in the establishment phase.

### 1.2.3. Local Government

The 2024 Tourism White Paper emphasizes that tourism activities and facilities are primarily at the local government level, making the integration of tourism priorities into Integrated Development Plans (IDPs) essential for the sector's success. Local government responsibilities overlap with those of provincial government in areas such as policy implementation, environmental planning, land use, product development, marketing, and promotion. However, municipalities also have critical, tourism-specific functions, including:

- Land-Use and Development: Ensure responsible land-use planning, urban and rural development, and land allocation control.

- **Public Services:** Provide and maintain tourist services, sites, and attractions such as parks, recreational facilities, museums, and historical structures.
- **Infrastructure:** Develop and maintain municipal road infrastructure, including tourist signage aligned with national guidelines.
- **Marketing and Information:** Promote local attractions and disseminate information about them.
- **Community Participation:** Facilitate local community involvement in tourism activities.
- **Infrastructure Support:** Maintain municipally owned infrastructure that supports tourism, such as ports and airports.
- **Public Transport and Safety:** Facilitate public transport services and manage public health and safety.
- **Licensing:** Regulate establishments according to relevant licensing frameworks.
- **Local Tourism Associations:** Promote and support the establishment of local tourism and marketing organizations to coordinate and administer initiatives.

The white paper states that Local governments should avoid providing services that the private sector can efficiently deliver. The exact role of local authorities will vary based on regional conditions, financial resources, and skills availability.

In the sphere of the Eastern Cape local government, there are two equipped metropolitan tourism units that have both been insourced into the respective municipalities. These include Buffalo City and recently Nelson Mandela Bay. Nelson Mandela Bay Tourism (responsible for marketing, research and stakeholder relations) was insourced into the Nelson Mandela Bay Municipality's Economic Development, Tourism and Agriculture (EDTA) unit in February 2019. EDTA have two overall tourism mandates, that of Destination Marketing and Tourism Development. EDTA is headed administratively by an Executive Director and politically by its Member of the Mayoral Committee

### 1.3. NMBM EDTA – DESTINATION MARKETING & TOURISM DEVELOPMENT

The tourism role of EDTA is to facilitate, direct, coordinate, promote and manage the provision of efficient and effective tourism development, destination marketing and tourism experience management services in Nelson Mandela Bay in collaboration with private tourism and other stakeholders. There are two different tourism mandates within the directorate which includes Destination Marketing and Tourism Development respectively.

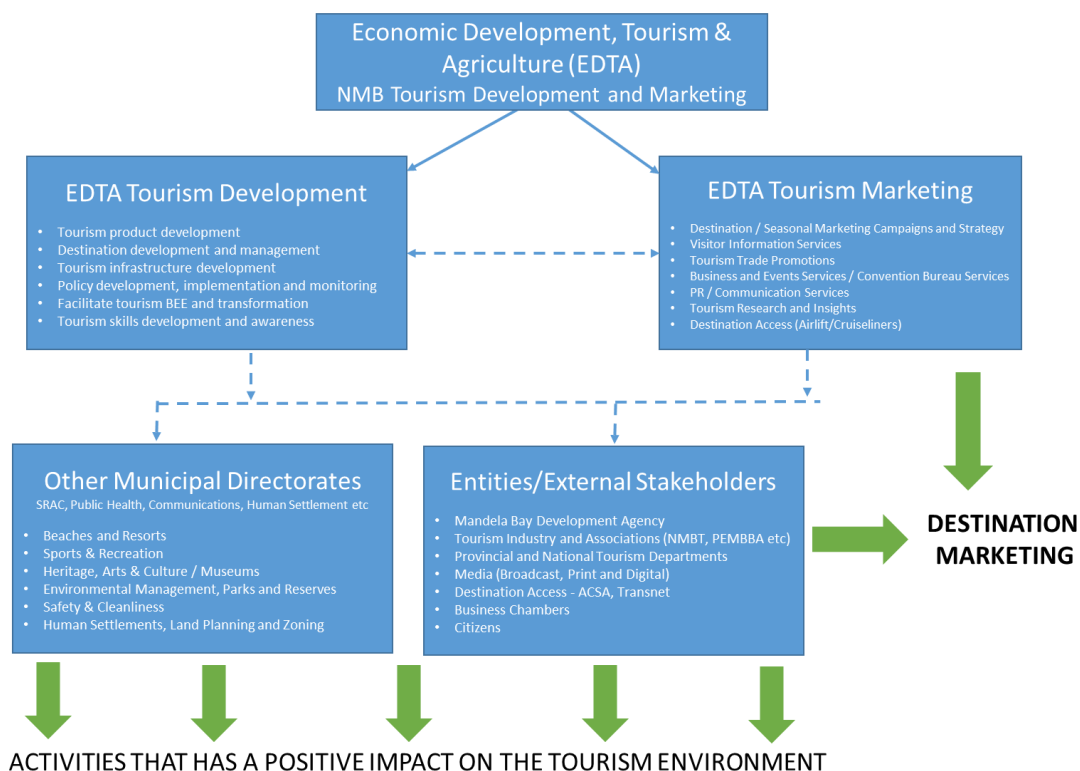


Figure 1: NMBM EDTA Tourism Institutional arrangements

#### 1.3.1. EDTA DESTINATION MARKETING MANDATE:

Economic Development Tourism and Agriculture is the Destination Marketing Organisation responsible for amongst others promoting and facilitating travel and tourism to Nelson Mandela Bay incorporating Gqeberha (Port Elizabeth), Kariega (Uitenhage) & Despatch. A destination marketing organization (DMO) or convention

and visitors' bureau (CVB) is an organization that promotes a town, city, region, or country in order to increase the number of visitors. It promotes the development and marketing of a destination, focusing on convention sales, tourism marketing, and services.

EDTA destination marketing services include:

- Destination / Seasonal Marketing Campaigns
- Digital marketing
- Visitor Information Services
- Tourism Trade Promotions
- Business Events Services / Convention Bureau Services (Meetings, Incentives, Conferencing and Events)
- Event Support Services
- PR / Communication Services
- Tourism Research and Insights
- Nelson Mandela Bay Airlift
- Cruise Line Strategy Development

The EDTA current Destination Marketing Strategic priorities (2017-2020): (reviewed every 3 years) is to provide:

- Innovative and impactful and varied destination marketing – Aimed at attracting a mix of market segments (traditional and developing markets) that will deliver good high yield business all-year-round including:
  - Leisure Tourism – Domestic (mostly digital and PR, limited advertising) and selected International markets (Trade engagements and digital)
  - Business Tourism - Domestic and selected International markets
  - Converting business travel to leisure
- Content Driven Marketing Strategy – Aligned with international travel trends and best practice, the aim is for Nelson Mandela Bay's brand to be shared with the world in an impactful, consistent and authentic way resulting in greater awareness and knowledge levels about the city, region and brand offering – this will be done mainly digitally, but also through traditional PR. (Partnering with newspapers)
- Quality Visitor Experience Delivery through collaboration with stakeholders, partners and industry and through visitor information services

- Research, insights, monitoring and evaluation. Ensuring Return On Investment.
- Due to the outbreak of the Corona Virus strategic priority is given to the implementation of the Tourism Recovery Plan.

#### 1.3.2. NMBM EDTA Tourism Development Mandate:

The EDTA Tourism Development unit is responsible for:

- Tourism product development
- Destination development and management
- Tourism infrastructure development
- Policy development, implementation and monitoring
- Facilitate tourism BEE and transformation
- Tourism skills development and awareness
- Work with and develop Community Tourism Forums (CTF's)

### 1.4. NELSON MANDELA BAY MUNICIPALITY INTERNAL TOURISM STAKEHOLDERS

The role of other NMBM departments has, and will continue to have, a significant impact on the tourism initiatives undertaken by EDTA. Administratively, EDTA is led by an Executive Director, while politically, it is guided by its Member of the Mayoral Committee, who is crucial in fostering relationships with both internal and external stakeholders.

#### 1.4.1. NMBM Sports Recreation Arts and Culture Department (SRAC)

The Sports, Recreation, Arts and Culture directorate, headed administratively by an Executive Director and politically by its Member of the Mayoral Committee is the custodian of the Arts, Culture, Heritage and Creative Economy industries in Nelson Mandela Bay. SRAC is responsible for, amongst others, municipal beaches, resorts & support Services, libraries, arts and culture, NMBM museums as well as sporting and cultural events. SRAC plays a vital role in tourism in Nelson Mandela Bay in respect of management and upkeep of tourism facilities, attracting events as well as managing

the cultural & Heritage as well as environmental tourism resources in Nelson Mandela Bay.

The existence of a thriving arts and culture sector is itself an indicator of a healthy and balanced Municipality with the Municipality to deal with many of the challenges of growth. The arts and creative industries make a significant contribution to Nelson Mandela Bay's economy through direct employment and spending multipliers due to local consumption and tourist spending. The arts also have the potential to increase social inclusion, improve mental and physical health, and give youth significant learning advantages.

#### 1.4.2. Other Important NMBM Directorates

Other NMBM Directorates that play a vital role in the development and promotion of tourism include:

- NMBM Communications
- Human Settlements
- Infrastructure & Engineering
- Public Health
- Safety and Security
- Special Programmes
- Office of the COO – External Relations

#### 1.4.3. The Mandela Bay Development Agency

The MBDA was established as a municipal entity in 2003 as a joint initiative of the Nelson Mandela Bay Municipality and the IDC. It is wholly owned by the NMBM. The MBDA, represented by its Board of Directors, receives its mandate from the NMBM, acting through the Executive Mayor, the City Manager and the NMB Metropolitan Council. The Agency is contractually accountable to the NMBM; to which it delivers compliance reporting in respect of its key performance indicator (KPI) targets being achieved. The MBDA relies on the NMBM for service delivery direction in terms of its contractual obligations contained in the SDA, and on the political dispensation for its political mandate.

As controlling shareholder, the NMBM provides corporate governance-related support, such as sustainability and compliance reporting and review. The MBDA Board is

responsible for providing strategic direction and guidance to management as well as ensuring oversight on corporate governance matters. The MBDA management is responsible for operational aspects in line with the strategic planning and mandate documents of the Agency as well as the Integrated Development Plan (IDP) of its parent municipality.

#### 1.4.4. NMBM EDTA Standing Committee

EDTA reports to the EDTA Standing Committee headed by its Member of the Mayoral Committee. The primary purpose of standing committees shall be to consider and recommend actions and propose policies in the functional areas under their jurisdictions, in this case Economic Development Tourism and Agriculture, subject to final approval by the Council.

### 1.5. NELSON MANDELA BAY MUNICIPAL EXTERNAL TOURISM STAKEHOLDERS

Industry stakeholders contribute to the success of the tourism economy through effective implementation of their roles and responsibilities. The travel sector as being made up of a complex web of relationships and that this calls for industry coordination.

#### 1.5.1. Role Of Private Sector

The Tourism The 2024 Tourism White Paper reinforces the principle that while the government creates an enabling environment, the private sector is the driving force behind tourism growth in South Africa. The private sector is critical for tourism investment and service delivery, complementing the government's role by involving communities in tourism development. Key responsibilities of the private sector include:

- Investment and Management: Establish and efficiently manage profitable tourism establishments and attractions.
- Promotion: Market tourism services and the country locally, regionally, and internationally.
- Workforce Development: Partner in workforce skill enhancement through training initiatives.

- Customer Satisfaction: Provide high-quality products and services to meet visitor needs.
- Responsible Tourism: Advocate for socially, economically, and environmentally sustainable practices.
- Safety and Health: Collaborate with the government to ensure visitor safety and well-being.
- Public-Private Partnerships: Engage in planning, promoting, and marketing tourism with government collaboration.
- Community Involvement: Establish ventures with local communities and underrepresented groups to ensure inclusivity.
- Standards Compliance: Operate according to standards that ensure value for money.
- Policy Advocacy: Represent private business interests in national and provincial tourism bodies with a unified voice.

In Nelson Mandela Bay the EDTA has built strong relations with the tourism industry associations and are actively engaging on a collaborative approach to promoting and developing tourism to Nelson Mandela Bay.

EDTA will need to drive and continue to collaborate with identified stakeholders to create synergy in the promotion of the destination. Stakeholders include:

- Nelson Mandela Bay Tourism (industry Association)
- South African Tourism
- Tour Operators & Travel Trade
- Private Sector Product Owners
- Eastern Cape Parks and Tourism Agency
- South African National Parks
- Key Industry associations such as SATSA, SAACI and ICCA
- Other key Local Tourism Association partners
- Transnet
- ACSA
- Development Agencies (MBDA)
- Community Tourism Forums
- Civil Society
- Media
- Host Community
- Eastern Cape Development Corporation

### 1.5.2. Role of Tourism Association and Community Tourism Organisations

According to DEDEAT there are various private sector tourism associations at metro, district and local levels which are membership based, however, co-operation between these structures is concerning.

The white paper 2024 identify that tourism associations and community organisations are critical in shaping tourism policy and implementing strategies across all levels. Their responsibilities include:

- Organizing Members: Mobilizing individual members to align with and actively support the tourism agenda.
- Identifying Infrastructure Needs: Highlighting essential infrastructure requirements that support tourism and engaging with government authorities for their development.
- Participating in Government Initiatives: Collaborating with government programmes to advance tourism goals and foster strategic partnerships.
- Supporting Tourism Offerings: Contributing to the identification, planning, and delivery of tourism events, attractions, and experiences to enhance destination appeal.
- Driving Transformation and Sustainability: Actively participating in initiatives that promote industry transformation, inclusivity, and sustainable tourism development.

## 1.6. TOURISM MASTER PLAN OBJECTIVES

The Tourism Master Plan details the full extent of Tourism work to be done within the Metro including spatial development, product development, infrastructure, and Marketing. The objectives of the Tourism Master Plan can be summarized as follows:

- To enable all tourism role players to develop a common vision for NMB tourism future
- To enable NMBM to achieve its potential as a unique and competitive metropole and regional visitor within South Africa and in the African continent
- To provide a concrete framework for the implementation of responsible tourism policies

- To clearly identify and maximize the development and usage of all the possible tourism attractions in NMB
- To provide a concrete framework for meaningful community involvement and beneficiation from sustainable tourism development
- To identify and package opportunities for creation of jobs, SMME and BEE investment opportunities
- To provide a concrete framework for the transformation of the tourism industry in the metropole
- To provide a concrete strategic framework for tourism institutional structuring and capacity building
- To provide a strategic framework for meaningful involvement and participation of all the key role players and stakeholders in tourism development and marketing

## **1.7. METHODOLOGY AND DATA PRESENTATION**

The information contained in this document was gathered through a combination of secondary and primary research. Secondary research was used mainly for the purpose of legislative, policy and strategic review; identification of socio-economic challenges, market research (demand side analysis), review and assessment of the existing tourism development initiatives. The work contained in this report was carried out in three phases.

A brief summary of the objectives of each phase is provided below:

### **1.7.1. Phase One – Document Review**

An EDTA Tourism Master Plan committee was established internally within the Tourism Units of EDTA to compile a draft Tourism Master Plan. The main objective of phase one was to review the previous master plan, develop a new draft Tourism Master Plan. It included a review of the stakeholder analysis and document reviews in respect of the existing national, provincial and local legislative, policy and strategic framework; market research (focusing on demand side analysis); supply side analysis; existing tourism related development initiatives and community empowerment opportunities, transportation networks and accessibility issues, and an assessment of the existing institutional structuring for tourism development and marketing.

Legislation and policies examined for the purpose of developing this document include the following:

- National Tourism White Paper - 2024
- National Tourism Sector Strategy 2017 – 2026
- The South African Tourism Recovery Strategy 2020
- DEDEAT Eastern Cape Tourism Master Plan 2015 - 2020
- Nelson Mandela Bay Economic Recovery Framework 2020
- The Nelson Mandela Bay Cruise Strategy 2019
- The Nelson Mandela Bay Air Lift Strategy 2020
- The Nelson Mandela Bay Digital Marketing Strategy 2021
- Nelson Mandela Bay Tourism Marketing Strategy 2017 to 2020
- NMBM Tourism Master Plan 2007

#### 1.7.2. Phase Two – Stakeholder Engagements

Phase two focused on getting stakeholders' input and consensus on the Tourism Master Plan for tourism development and marketing in the metro. The initial draft plan was completed in October 2021. Internal stakeholder engagements were then done with other relevant municipal departments to get further input and recommendations into the plan. As part of phase two that was initiated in 2024, it was then also presented to external stakeholders through workshops, which was attended by key stakeholders in the tourism industry, including private sector companies and their associations, tour guides and tour operators, Community Tourism Organisations, various departments/business units within the Metropole, NMBT, development and implementing agents of the metropole, various Government Departments, and Academic Institutions. The draft document was also circulated electronically to key stakeholders to seek their input and comments.

The main objective of the stakeholder engagements was to get the inputs of the various stakeholders in the situational analysis report, the initial SWOT Analysis findings as well as the suggested Strategic Tourism Goals and Objectives for Nelson Mandela Bay including the proposed implementation actions.

### 1.7.3. Phase Three – Political Input and Approval

Phase three set out to obtain input, consensus and approval from the EDTA standing Committee of the proposed Tourism Master Plan for tourism development and marketing in the metro.

## 1.8. DATA PRESENTATION

DEDEAT in their Provincial Tourism Master Plan has clustered their priority areas in to 4 clusters according to the strategic clusters of the National Tourism Sector Strategy (NTSS) 2016-2026. The clusters include:

- CLUSTER 1: Policy, Strategy, Regulations, Governance and Monitoring & Evaluation
- CLUSTER 2.1: Tourism Growth and Development - Demand
- CLUSTER 2.2: Tourism Growth and Development - Supply
- CLUSTER 3: People Development
- CLUSTER 4: Enablers of Growth

The EDTA Nelson Mandela Bay Tourism Master Plan has been clustered according to these. The NMBTM situational analysis, strategic goals and objectives and implementation action items are presented according to these clusters.



# **NELSON MANDELA BAY SOCIO-ECONOMIC OVERVIEW**

## **2. PART TWO: NELSON MANDELA BAY SOCIO-ECONOMIC OVERVIEW**

### **2.1. Nelson Mandela Bay's Economic Snapshot**

Nelson Mandela Bay (NMB) is situated on the southeastern coast of South Africa, in the province of the Eastern Cape. It is the only city-region in the world named after Nelson Mandela, who was born and spent his formative years in this province, cementing its significance in South African history. NMB is recognised as the economic powerhouse and primary trading platform of the Eastern Cape, serving as a vital gateway into Africa.

It is a key investment destination in South Africa, attracting the largest share of new investments into the province. In 2023, NMB accounted for 37% of the province's new investments, amounting to R25.2 billion. Additionally, it contributed close to 37% of the Eastern Cape's annual production/output in 2023 and 27% of employment in the province by the third quarter of 2024.

As a major trading, export, and manufacturing hub, NMB is integral to the economic fabric of South Africa. It has also long been a traditional hotspot for tourists and holidaymakers, earning its nickname as South Africa's "friendly city." NMB is one of only eight metropolitan municipalities in the country and ranks as South Africa's third most populated coastal metro, underscoring its importance both economically and socially.

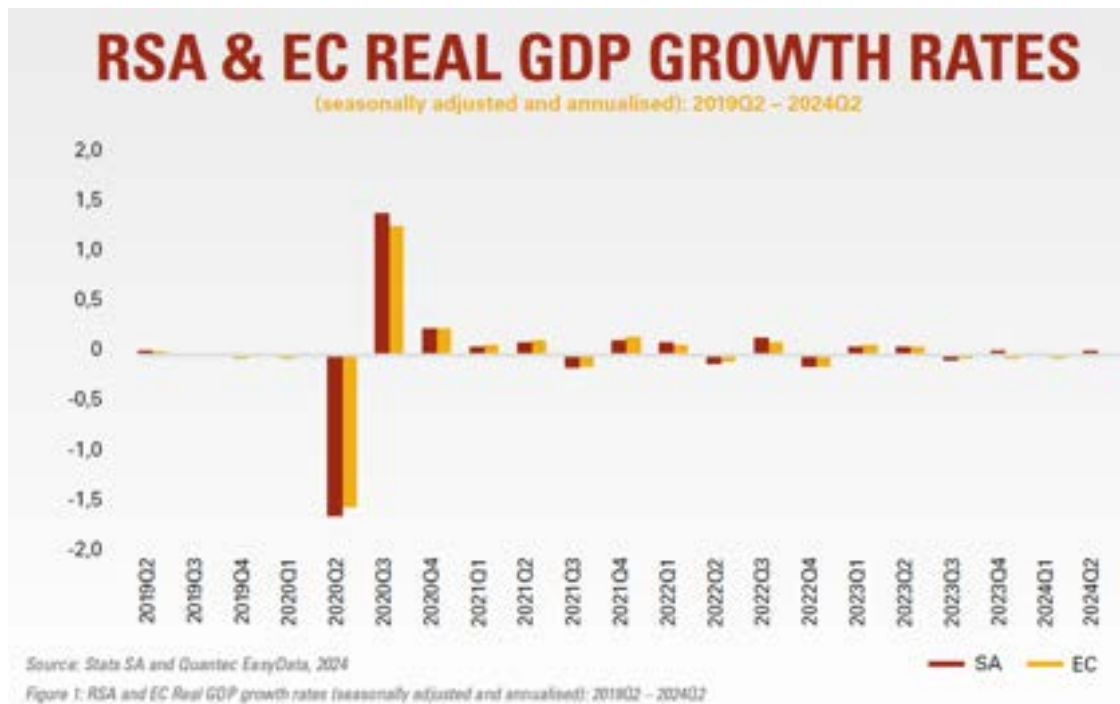
#### **2.1.1. SUMMARISED SOCIO-ECONOMIC PROFILE: NELSON MANDELA BAY**

|                                                                             |                                                                                     |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| <b>Population</b>                                                           | <b>1 282 428</b> (Source: StatsSA GHS 2023)                                         |
| <b>Working age population (15 – 64 years old)</b>                           | <b>893 685</b> (Source: StatsSA QLFS 2024Q3)                                        |
| <b>Employed population</b>                                                  | <b>396 384</b> (Source: StatsSA QLFS 2024Q3)                                        |
| <b>Unemployment rate</b>                                                    | <b>24.5%</b> (StatsSA QLFS 2024Q3 ; 30.9% - 2024Q2)                                 |
| <b>Total Households</b>                                                     | 376 524 (Source: StatsSA GHS 2023)                                                  |
| <b>Percentage of households that lived in formal dwellings</b>              | 93.4% (Source: StatsSA GHS 2023)                                                    |
| <b>Total Informal Households</b>                                            | 25 227 (Source: StatsSA GHS 2023)                                                   |
| <b>Number of Informal Settlements</b>                                       | 156 (IDP 2022/23 – 26/27, 3 <sup>rd</sup> Ed)                                       |
| <b>Percentage of residents and households benefiting from social grants</b> | <b>37.0% of persons</b><br><b>47.1% of households</b><br>(Source: StatsSA GHS 2023) |
| <b>Percentage of households whose main source of income are grants</b>      | <b>21.2%</b> (Source: StatsSA GHS 2023)                                             |

### 2.1.2. GDP GROWTH RATES NELSON MANDELA BAY

|                                              | 2020              | 2021              | 2022              | 2023                     |
|----------------------------------------------|-------------------|-------------------|-------------------|--------------------------|
| <b>Gross value added ('regional GDP')</b>    | R 142,878,655,000 | R 158,707,805,000 | R 169,526,434,000 | <b>R 183,795,743,000</b> |
| Population                                   | 1,251,575         | 1,263,861         | 1,272,991         | 1,282,428                |
| <b>GVA per capita (Constant 2015 prices)</b> | R 90,797          | R 95,173          | R 95,764          | <b>R 95,347</b>          |

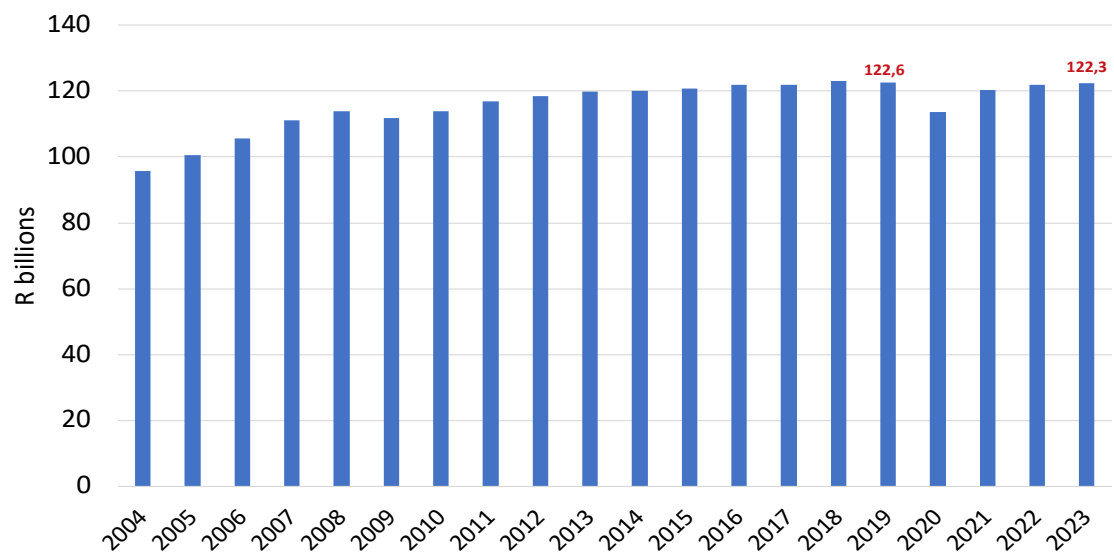
(Sources: Quantec; Statistics South Africa General Household Survey)



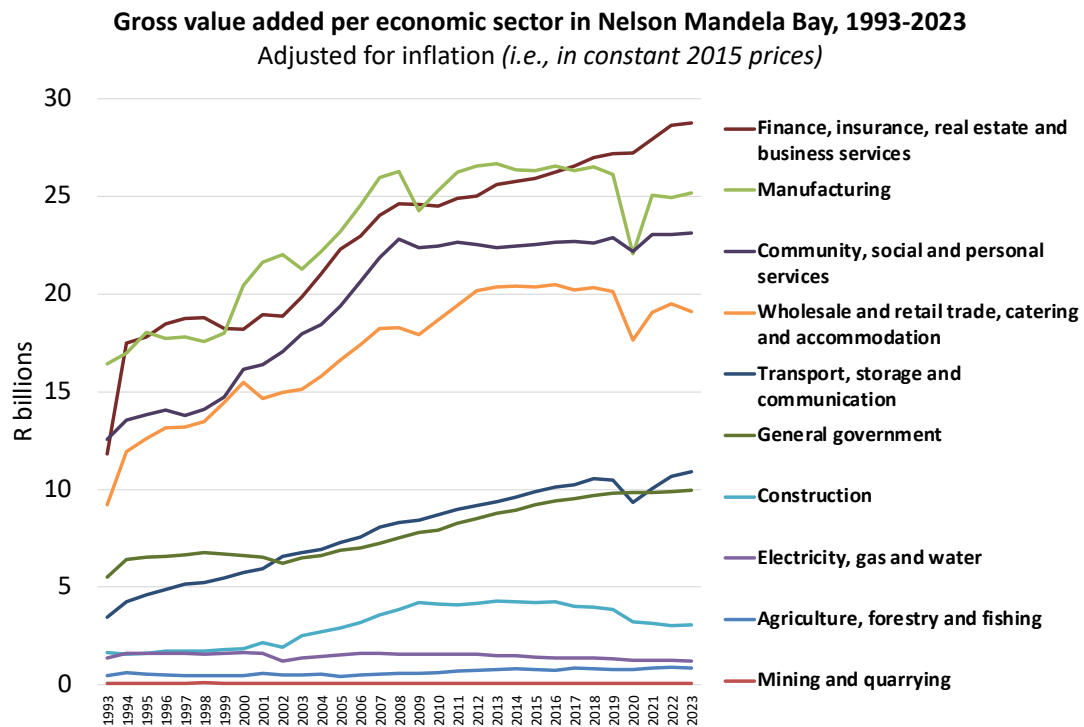
#### Gross value added\* (GVA) in Nelson Mandela Bay each year,

Past two decades (2004–2023)

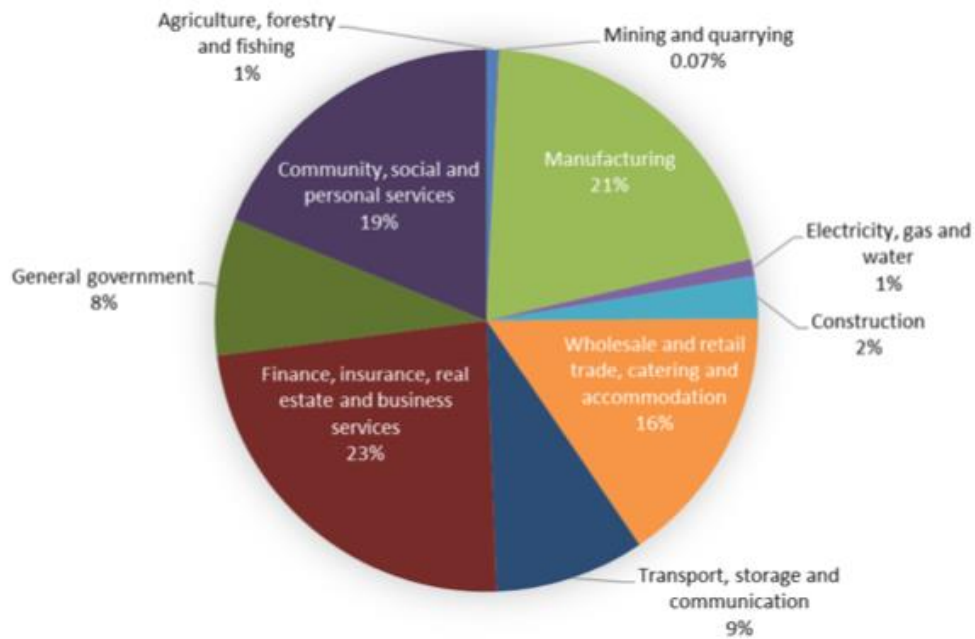
*Adjusted for inflation (i.e. in constant 2015 prices)*



### 2.1.3. GROSS VALUE ADDED PER SECTOR NELSON MANDELA BAY



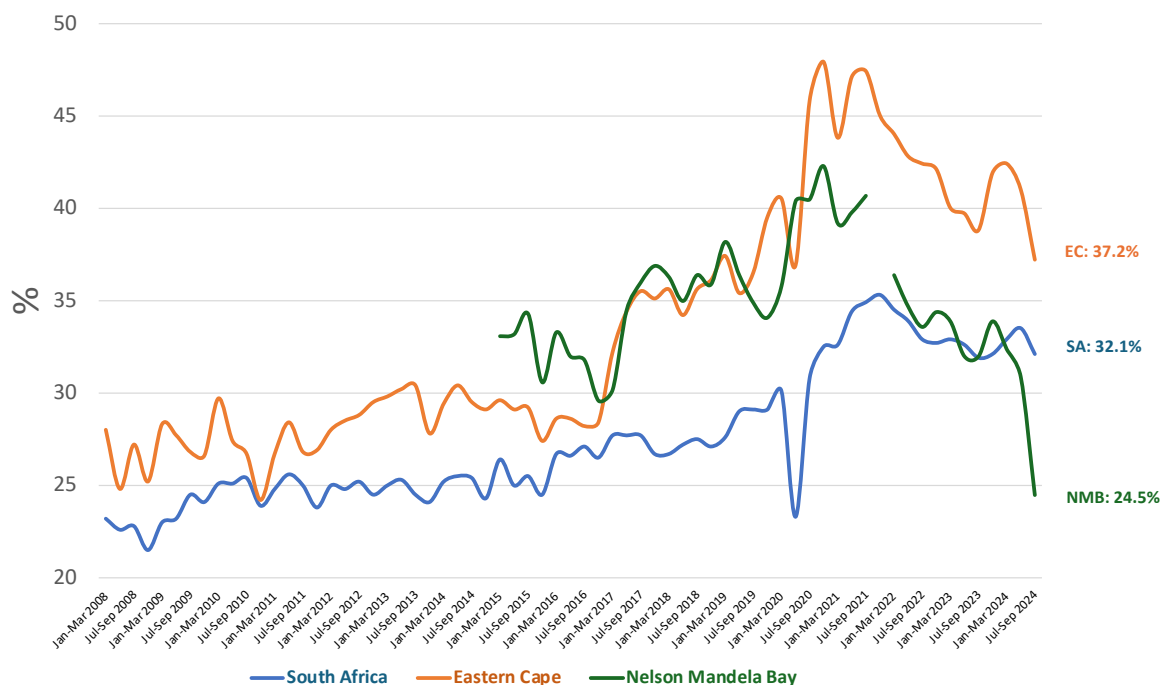
### Gross value added per economic sector in Nelson Mandela Bay, 2023



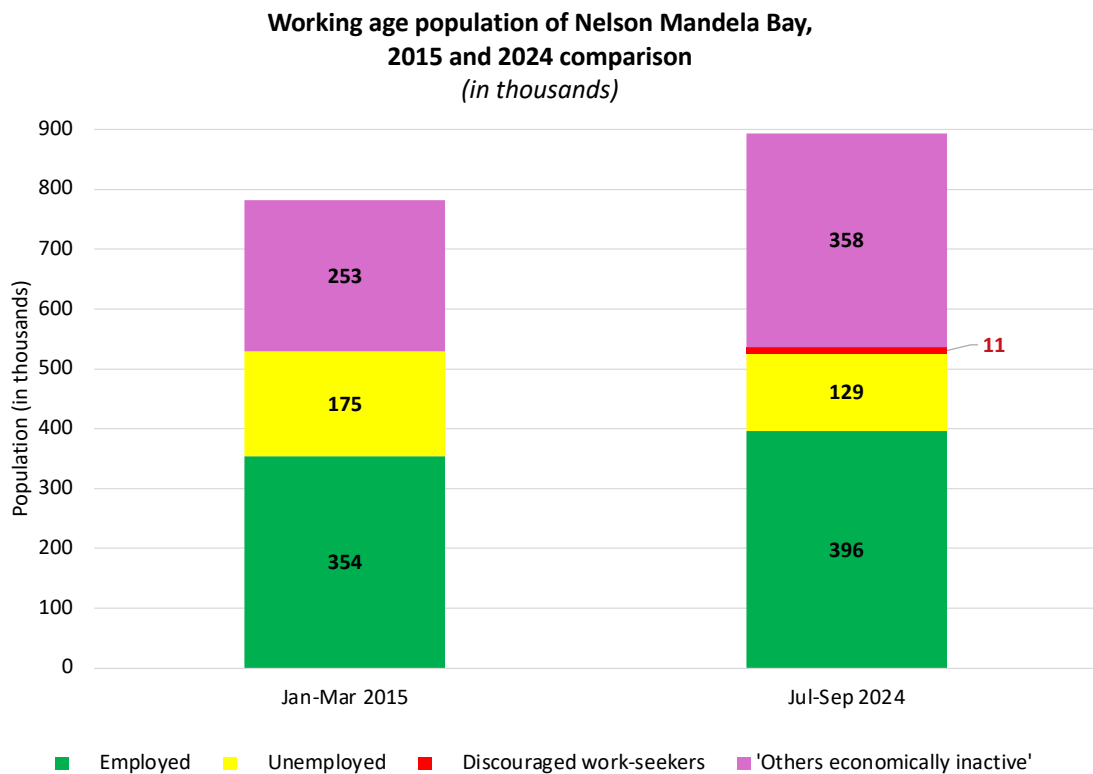
#### 2.1.4. NMB'S SNAPSHOT: EMPLOYMENT AND INVESTMENT PER ECONOMIC SECTOR

| Estimated sectoral contribution to employment, 2022    | Formal + Informal Employment (NMB) | Percentage of NMB employment | Investment per sector (R Millions) | Percentage of NMB Investment |
|--------------------------------------------------------|------------------------------------|------------------------------|------------------------------------|------------------------------|
| Agriculture, forestry and fishing                      | 8,819                              | 3%                           | 1,855                              | 1%                           |
| Mining and quarrying                                   | 142                                | 0.04%                        | 337                                | 0.1%                         |
| Manufacturing                                          | 55,022                             | 16%                          | 44,549                             | 13%                          |
| Electricity, gas and water                             | 828                                | 0.20%                        | 18,329                             | 5%                           |
| Construction                                           | 16,595                             | 5%                           | 2,821                              | 1%                           |
| Wholesale and retail trade, catering and accommodation | 86,625                             | 25%                          | 21,820                             | 6%                           |
| Transport, storage and communication                   | 15,543                             | 4%                           | 40,349                             | 12%                          |
| Finance, insurance, real estate and business services  | 59,134                             | 17%                          | 134,818                            | 38%                          |
| General government                                     | 26,274                             | 8%                           | 55,403                             | 16%                          |
| Community, social and personal services                | 78,676                             | 23%                          | 30,955                             | 9%                           |

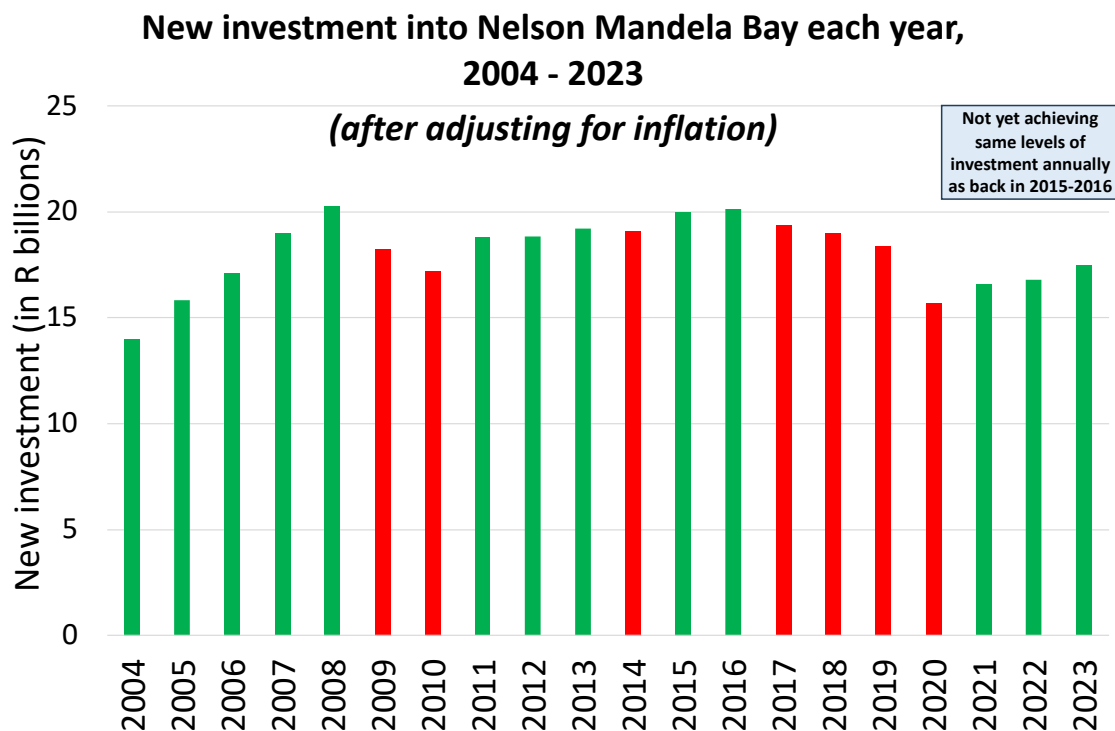
**Unemployment rates in South Africa, the Eastern Cape, and Nelson Mandela Bay (2008 – 2024Q3)**



### 2.1.5. WORKING AGE POPULATION NELSON MANDELA BAY



### 2.1.6. INVESTMENTS IN NELSON MANDELA BAY





**SITUATIONAL ANALYSIS , STRATEGIC  
OBJECTIVES AND IMPLEMENTATION  
ACTIONS**

### **3. PART THREE: FOUR CLUSTER SITUATIONAL ANALYSIS REPORT, STRATEGIC OBJECTIVES AND IMPLEMENTATION ACTIONS**

#### **3.1. STATE OF TOURISM IN NELSON MANDELA BAY**

Nelson Mandela Bay experienced a significant boost in its tourism sector in 2023, with a notable increase in both domestic and international visitor numbers when compared to 2022. A total of 1,899,266 tourists visited the region, with 226,532 foreign tourists (11.9% of the total) and 1,672,733 domestic tourists (88.1% of the total). Domestic tourism remains the dominant market for the city, with domestic visitors accounting for the vast majority of tourist arrivals. While foreign tourists represent a smaller segment, their contribution remains significant in terms of spending and bednights.

Accommodation and visitor stay durations also showed strong performance in 2023. Foreign visitors spent a total of 643,960 bednights, while domestic tourists contributed 5,854,567 bednights. The total number of bednights generated by all visitors amounted to 6,498,527.

Overnight tourists spent R5,534,970,407, marking an impressive 48.93% year-on-year growth in tourism-related spending. Additionally, domestic day visitors contributed R609,289,761 to the local economy, highlighting the importance of day trips in the overall tourism ecosystem.

The direct economic contribution of tourism to Nelson Mandela Bay was substantial, totalling an estimated R6,1 Billion. This represents a 41.6% year-on-year increase in overnight tourist spending, emphasizing the growing significance of the tourism sector in driving local economic growth. When accounting for the indirect contributions through the Quantec multiplier, the total economic impact of tourism reached an estimated R11,3 Billion, further underscoring the extensive reach of tourism's contribution to the broader regional economy.

Tourism also played a crucial role in job creation, with the sector directly supporting around 19,202 direct jobs in 2023 and further stimulating around another 23 043 indirect jobs, creating employment opportunities beyond just those directly involved in tourism services. This reflects the sustainability of tourism as a key driver of employment in Nelson Mandela Bay, demonstrating how the sector continues to provide livelihoods for local residents while fostering long-term economic resilience.

For Nelson Mandela Bay to continue its upward trajectory in tourism growth, it is essential that the EDTA and the private sector collaborate closely. By working together to implement the action items outlined in the Tourism Master Plan, all stakeholders can address key opportunities and challenges, ultimately driving further growth in the sector. This partnership will ensure that the city remains a competitive and attractive destination for both domestic and international visitors, enhancing the region's tourism infrastructure, promoting sustainable practices, and fostering innovation. With a unified approach and focused efforts, Nelson Mandela Bay can unlock its full tourism potential, creating more economic opportunities and jobs for the local community.

### 3.1.1. Foreign Tourism

| TOURISM HIGHLIGHTS 2023                                                                                             |                                     |                                      |
|---------------------------------------------------------------------------------------------------------------------|-------------------------------------|--------------------------------------|
| FOREIGN                                                                                                             |                                     |                                      |
| National                                                                                                            | Eastern Cape                        | Nelson Mandela Bay                   |
| International Tourist Arrivals  |                                     |                                      |
| 8,483,333                                                                                                           | 298,088 (3.5% share of SA arrivals) | 226,532 (76.0% share of EC arrivals) |
| (48.9% increase compared to 2022)                                                                                   | (57.6% increase compared to 2022)   | (55.5% increase compared to 2022)    |
| Total Foreign Direct Spend      |                                     |                                      |
| R94,756,230,670                                                                                                     | R4,894,326,030                      | R750,430,515                         |
| (58.9% increase compared to 2022)                                                                                   | (57.1% increase compared to 2022)   | (137.3% increase compared to 2022)   |

In 2023, South Africa's tourism sector showed significant growth compared to 2022. This recovery is marked by increases in both international tourist arrivals and foreign spend, as well as regional variations across the country.

Below is a detailed summary comparing the 2022 and 2023 data for South Africa (SA), the Eastern Cape (EC), and Nelson Mandela Bay (NMB).

#### 3.1.1.1. International Tourist Arrivals

International tourist arrivals to South Africa reached 8.48 million in 2023, a notable increase of 48.9% compared to 5.7 million in 2022. This represents a solid recovery after the sharp declines in 2020 and 2021 due to the pandemic, although it is still below

pre-pandemic levels. The 2023 growth is more moderate compared to the explosive rebound of 1391.3% seen in 2022, reflecting a more stabilized but positive trend.

The **Eastern Cape** experienced a significant increase in international tourist arrivals, which rose by 57.6% from 189,163 in 2022 to 9. This growth follows a strong recovery trajectory, although the increase is lower than the 203.1% spike seen in 2022, which was primarily a rebound from the pandemic's worst impacts.

**Nelson Mandela Bay** mirrored the growth seen in the Eastern Cape, with a 55.5% increase in international arrivals, from 145,656 in 2022 to 226,532 in 2023. This follows a substantial 228.0% rise in 2022, meaning 2023 saw a somewhat slower but still healthy increase in foreign visitation. The share of total arrivals in the Eastern Cape from NMB dropped slightly from 77% in 2022 to 76% in 2023, indicating a small shift in visitor distribution within the province.

**The top 10 cities visited in the Eastern Cape by international visitors were:**

| City                        | Visitor Count | Share |
|-----------------------------|---------------|-------|
| <b>Port Elizabeth / NMB</b> | 226885        | 76.0% |
| <b>Jeffrey's bay</b>        | 61849         | 20.7% |
| <b>East London</b>          | 60371         | 20.2% |
| <b>Grahamstown</b>          | 19151         | 6.4%  |
| <b>Port Alfred</b>          | 16531         | 5.5%  |
| <b>Queenstown</b>           | 11570         | 3.9%  |
| <b>Umtata</b>               | 10316         | 3.5%  |
| <b>King Williams Town</b>   | 7181          | 2.4%  |
| <b>Mthatha</b>              | 6317          | 2.1%  |
| <b>Addo</b>                 | 5203          | 1.7%  |

*Table 5.1 Tourist Arrivals by City 2023 – Source SA Tourism Datacut 2023*

*(Note: based on departure surveys)*

### 3.1.1.2. Regional Shares of Total Arrivals

The **Eastern Cape** increased its share of total South African arrivals from 3.3% in 2022 to 3.5% in 2023. While this represents a modest gain, it shows that the province is gradually capturing a higher proportion of international tourism to South Africa.

**Nelson Mandela Bay's** share of the Eastern Cape's total international arrivals decreased slightly from 77.0% in 2022 to 76.0% in 2023, though it remains the dominant destination within the province.

#### 3.1.1.3. Foreign Spend

The foreign spend in **South Africa** saw a significant increase in 2023, rising by 58.9% to R94.76 billion, compared to R59.64 billion in 2022. This follows a remarkable 186.6% increase in 2022, which reflects a recovery from the pandemic's deep impact on tourism. The foreign spend growth in 2023 is more moderate, signalling a more stable growth phase in the tourism recovery.

Foreign spend in the **Eastern Cape** rose by 57.1%, from R3.12 billion in 2022 to R4.89 billion in 2023. This is a strong increase, although it is slower than the 269.7% growth seen in 2022, which was driven by the post-pandemic rebound. The growth in 2023 is reflective of the continued recovery but at a more sustainable pace. The top 7 countries in terms of foreign spend to the Eastern Cape was: United Kingdom (R747,824,087), USA (R671,379,132), Germany (R571,272,816), Zimbabwe (R360,724,122), The Netherlands (R309,584,988), France (R242,986,532) and Australia (R207,415,124). From our target markets the top 5 highest average spenders are from USA, China including Hong Kong, Australia, Sweden and the United Kingdom.

Foreign spend in **Nelson Mandela Bay** experienced a dramatic increase of 137.3%, reaching R750.43 million in 2023, compared to R316.26 million in 2022. This represents a substantial rebound, although less pronounced than the 183.8% increase in 2022. The growth in foreign spend highlights the city's importance as a key destination in the Eastern Cape, although the growth rate is tapering as the tourism sector stabilizes.

#### 3.1.1.4. Visitor and Spend Growth Comparisons

**Visitor Growth:** The percentage increase in visitors for each region is substantial, but it is important to note that the growth rates in 2023, while still impressive, are lower than in 2022, reflecting a natural deceleration as the market stabilizes. South Africa, the Eastern Cape, and Nelson Mandela Bay all saw significant visitor increases in 2023 (48.9%, 57.6%, and 55.5%, respectively), though these figures were lower than the dramatic rebounds of 2022 (1391.3%, 203.1%, and 228.0%).

**Foreign Spend Growth:** Similarly, foreign spend growth in 2023 (58.9% for South Africa, 57.1% for the Eastern Cape, and 137.3% for Nelson Mandela Bay) was robust but more moderate compared to 2022, when the increases were much higher (186.6%, 269.7%, and 183.8%, respectively). This is a natural result of the initial post-pandemic boom tapering off as the recovery continues.

### 3.1.1.5. International Tourist Arrivals to South Africa by Region



Graph 5.5 Tourist Arrivals by region to SA – Source South African Tourism Annual Report 2023

South Africa's performance for 2023 compared to 2019. In 2023, Africa Land maintained its leading position with 72.5% of arrivals, though this is down from nearly 80% in 2021. Europe followed with a 14.7% share, still below pre-pandemic levels.

The Americas accounted for 5.4% of arrivals, with 0.5 million visitors, holding steady from previous years. Asia saw a decline of -36.0% in visitor numbers compared to 2019, while Australasia's recovery (-17.4%) aligned with the overall global growth rate.

The Middle East, though the smallest market, showed the strongest recovery with just a -2.1% decline in visitors. Africa and Europe maintain their dominance in terms of overall share of visitors to South Africa.

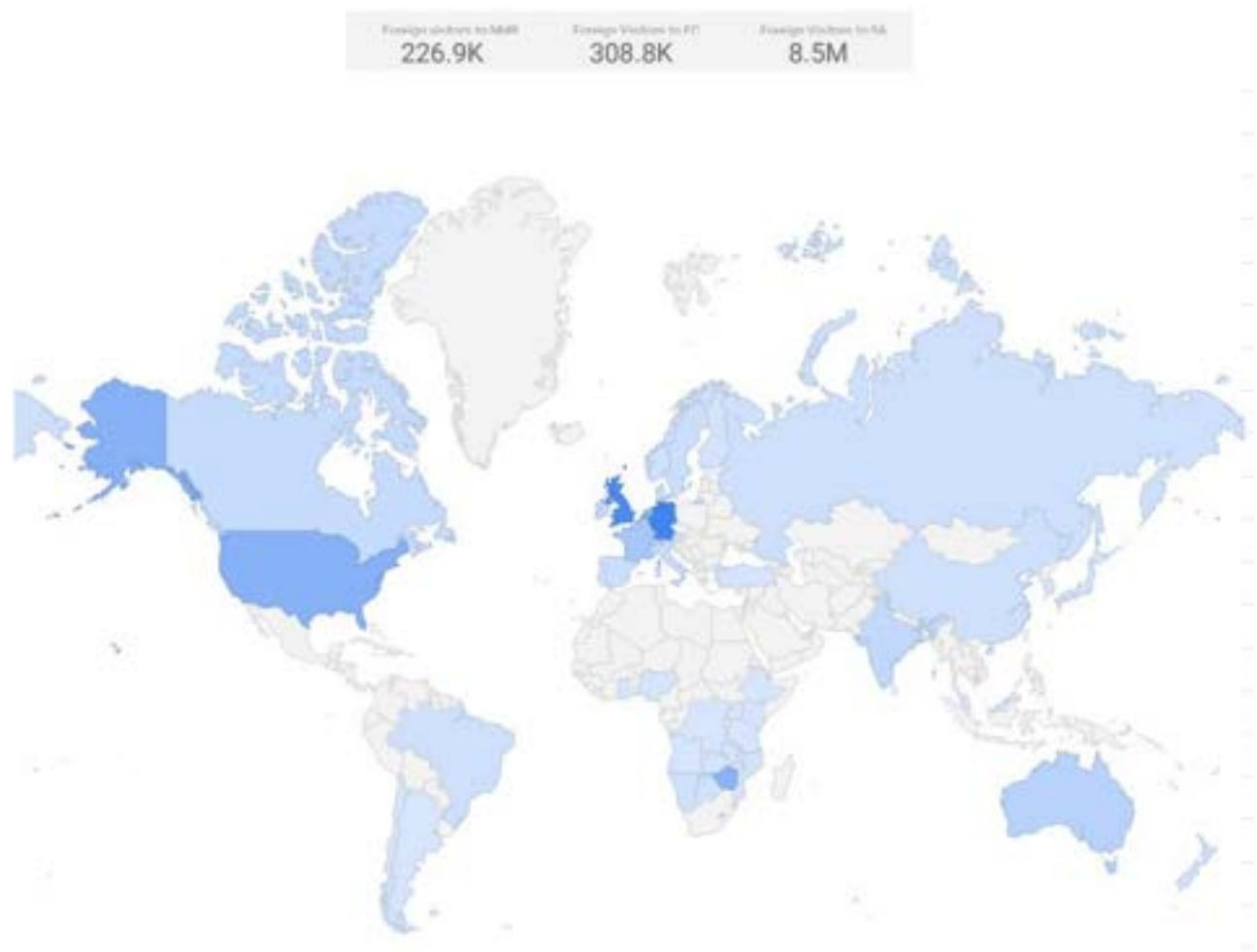
### 3.1.1.6. International Tourist Arrivals to Eastern Cape Top 10 Countries

| Eastern Cape Top 10 Source Markets 2023 |         |        |           |             |             |
|-----------------------------------------|---------|--------|-----------|-------------|-------------|
|                                         | Germany | UK     | Zimbabwe  | USA         | Netherlands |
| Arrivals                                | 42 718  | 40 116 | 38 567    | 26 004      | 20 355      |
| % Share 2023                            | 13.8%   | 13.0%  | 12.5%     | 8.4%        | 6.6%        |
| % Growth 2019-2023                      | 49.2%   | 42.5%  | 214.7%    | 13.5%       | 74.1%       |
|                                         | Lesotho | France | Australia | Switzerland | India       |
| Arrivals                                | 14 320  | 13 392 | 10 483    | 7 398       | 6 505       |
| % Share 2023                            | 4.6%    | 4.3%   | 3.4%      | 2.4%        | 2.1%        |
| % Growth 2019-2023                      | 16.3%   | 51.4%  | 147.6%    | 59.4%       | 99.3%       |

*Table 5.6 Tourist Arrivals by region to SA – Source South African Tourism Annual Report 2023*

The Eastern Cape's Top 10 Source Markets are Germany, UK, Zimbabwe, USA, Netherlands, Lesotho, France, Australia, Switzerland and India. The top 10 represents a share of 71.2% from the total number of 298,088 foreign tourists to the Eastern Cape in 2023. There is a slight difference in the Top 10 order when comparing the Eastern Cape with Nelson Mandela Bay mostly due to the location of NMB in the province.

### 3.1.1.7. International Tourist Arrivals to Nelson Mandela Bay



*Graph 5.7 Tourist Arrivals 2023 – Source SAT Annual Tourism Report 2023 (Data cut)*

The map above details the foreign countries to Nelson Mandela Bay as per breakdown received from SA Tourism.

### 3.1.1.8. Top 25 Countries of Origin - International Visitors to NMB

| Country        | 2018   | 2019   | 2020   | 2021  | 2022   | 2023   |
|----------------|--------|--------|--------|-------|--------|--------|
| Germany        | 70,285 | 65,885 | 20,961 | 8,324 | 23,195 | 35,251 |
| United Kingdom | 50,487 | 43,640 | 21,853 | 6,067 | 21,874 | 32,828 |
| USA            | 29,411 | 21,853 | 5,635  | 4,256 | 18,161 | 19,178 |
| Zimbabwe       | 7,017  | 2,366  | 608    | 1,536 | 6,833  | 18,326 |
| Netherlands    | 21,978 | 22,518 | 4,460  | 2,648 | 9,097  | 17,009 |
| France         | 19,427 | 15,773 | 3,575  | 2,121 | 7,423  | 11,326 |
| Lesotho        | 2,265  | 6,934  | 696    | 1,240 | 6,600  | 8,725  |
| Australia      | 11,221 | 10,211 | 2,126  | 876   | 3,087  | 7,689  |
| Switzerland    | 8,955  | 8,473  | 2,763  | 1,705 | 3,793  | 6,439  |
| India          | 2,855  | 5,214  | 669    | 766   | 2,638  | 5,156  |
| Belgium        | 8,482  | 10,779 | 1,513  | 906   | 3,864  | 4,842  |
| Canada         | 6,059  | 6,712  | 1,701  | 835   | 2,628  | 4,135  |
| Austria        | 3,966  | 5,131  | 1,801  | 571   | 1,702  | 1,845  |
| Italy          | 8,049  | 7,604  | 1,074  | 782   | 2,841  | 3,817  |
| Ireland        | 5,686  | 5,183  | 1,459  | 498   | 2,249  | 3,790  |
| Spain          | 4,248  | 4,291  | 645    | 401   | 1,802  | 2,991  |
| Sweden         | 6,639  | 4,053  | 1,518  | 635   | 1,388  | 2,984  |
| Brazil         | 8,562  | 6,684  | 2,237  | 706   | 964    | 2,639  |
| Russia         | 1,510  | 1,187  | 622    | 959   | 997    | 2,565  |
| China          | 11,340 | 5,992  | 1,078  | 431   | 693    | 2,385  |
| Namibia        | 1,937  | 3,397  | 595    | 778   | 1,735  | 2,134  |
| New Zealand    | 1,409  | 1,631  | 354    | 182   | 1,107  | 2,037  |
| Denmark        | 2,475  | 3,012  | 617    | 389   | 1,146  | 1,976  |
| Botswana       | 2,544  | 3,014  | 268    | 618   | 1,563  | 1,776  |
| Norway         | 1,985  | 2,140  | 584    | 245   | 994    | 1,768  |

Table 5.8 Top 20 Tourist Arrivals by country to NMB – Source South African Tourism Data Cut 2023

### 3.1.1.9. Key Findings for 2023

2023 marked a significant recovery for international tourism to Nelson Mandela Bay, with visitor numbers substantially increasing compared to the pandemic years of 2020 and 2021. Germany, the United Kingdom, and the USA remain the top three source

markets, demonstrating their resilience and continued importance. European countries, particularly Germany, the UK, France, and the Netherlands, have experienced substantial growth in visitor numbers to Nelson Mandela Bay in 2023.

Emerging African markets, Zimbabwe, Lesotho, and Namibia have shown significant growth, indicating potential for further development in these markets. Direct airlift is a possibility with smaller aircraft that can already land at the Chief Dawid Stuurman International Airport.

While India have shown good recovery to almost post covid numbers, China's recovery is still slow, and efforts need to be made in increasing the numbers from the Asian markets.

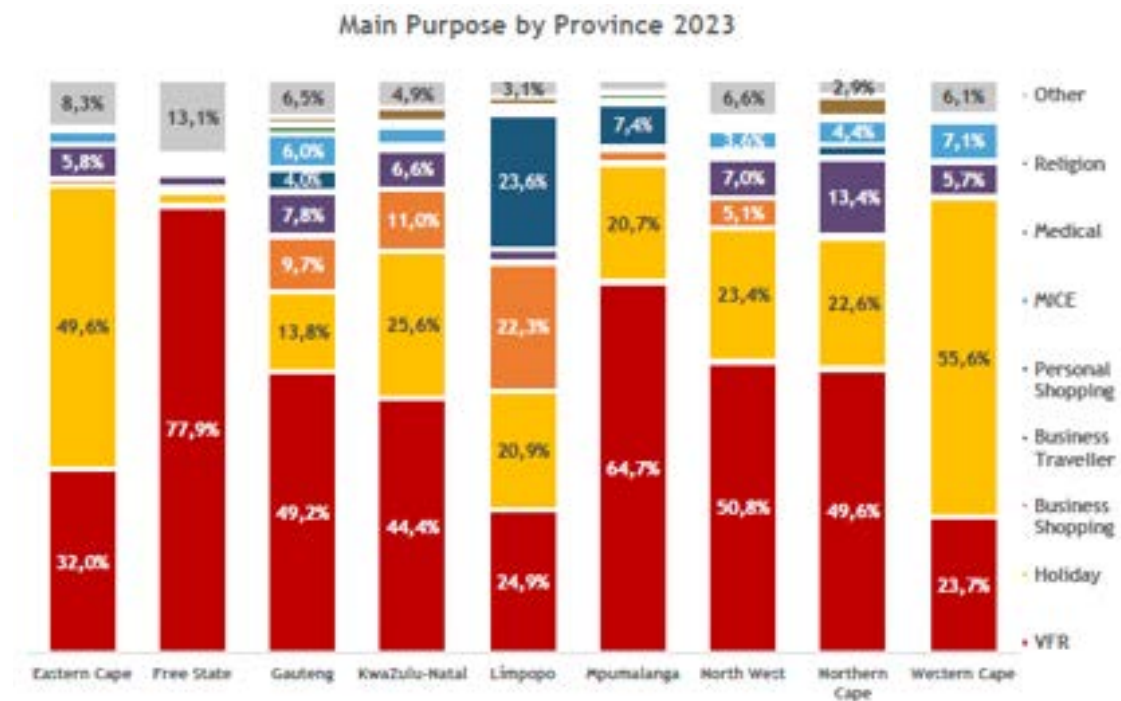
#### 3.1.1.10. Key International Markets for EDTA to Focus on

Based on market size and growth potential, EDTA should prioritize the following markets:

- Germany: As the largest source market, Germany offers significant potential for further growth.
- United Kingdom: A strong and consistent market, the UK remains a key focus.
- USA: While recovering, the US market offers opportunities for increased visitor numbers.
- Zimbabwe, Lesotho, and Namibia: These emerging markets have shown significant growth and should be targeted for further development.
- European Markets: Countries like France, the Netherlands, and Italy, along with emerging markets like Sweden and Norway, offer potential for growth.
- Asian Markets: India and China offer great potential in terms of the number of possible travellers and also off-peak travel during the winter months in South Africa.
- From the top 25 countries, apart from Zimbabwe and Lesotho, Russia and New Zealand also out performed pre-covid numbers. Russia has shown significant growth for both South Africa (174% growth vs 2019) and Nelson Mandela Bay (216% growth vs 2019) while New Zealand showed 125% growth for NMB and 118% for SA.
- By focusing on these key markets, EDTA can effectively allocate resources and implement targeted marketing strategies to maximize visitor numbers and revenue for Nelson Mandela Bay.

- From our target markets the top 5 highest average spenders are from USA, China including Hong Kong, Australia, Sweden and the United Kingdom.

### 3.1.1.11. Main Purpose of Visit - International Visitors to SA by Province



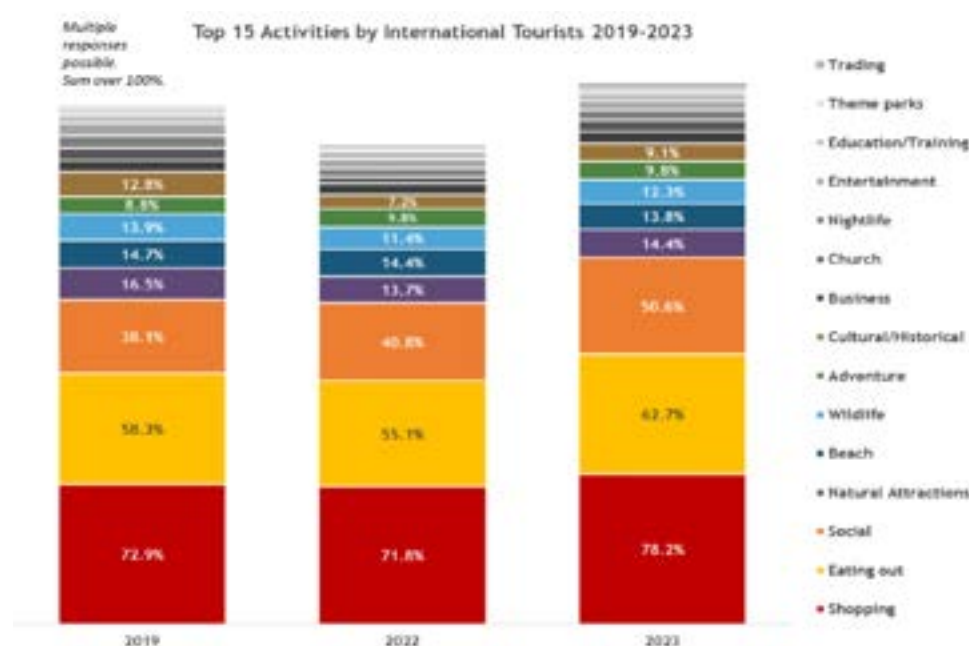
*Graph 5.9 Main Purpose of Visit by Province – Source South African Tourism Annual Report*

The main purpose of visit to the Eastern Cape during 2023 for foreign visitors were for Holiday (49.6%) and VFR (32,0%). Leveraging locals to attract the VFR market can be a powerful strategy in attracting more foreign visitors to the Eastern Cape. While business and MICE together had just over 6%, there is more potential to be unlocked by bidding for more international conferences.

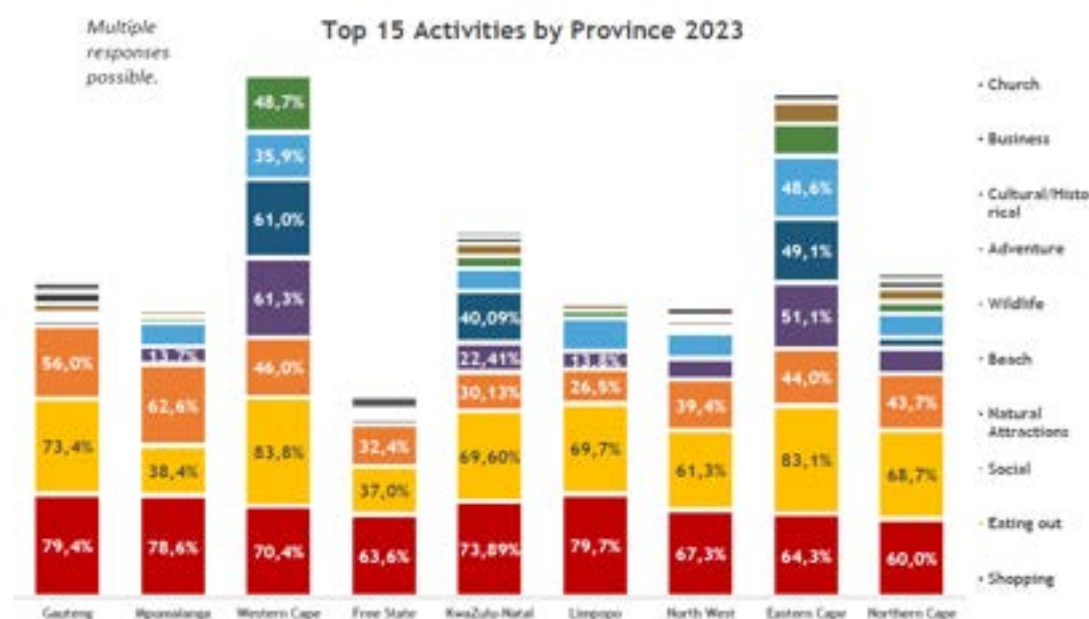
The breakdown could be different for Nelson Mandela Bay but due to a lack of localised data this is not available at present. From data collected previously Holiday had a share of 70.35% for foreign visitors followed by Event (16.09%), VFR (6.62%) and Business (5.68%).

EDTA is to improve the data collection and reporting in partnership with the National Department of Tourism and SA Tourism for this data on a local municipal level.

### 3.1.1.12. Top 15 Activities - International Visitors to SA by Province



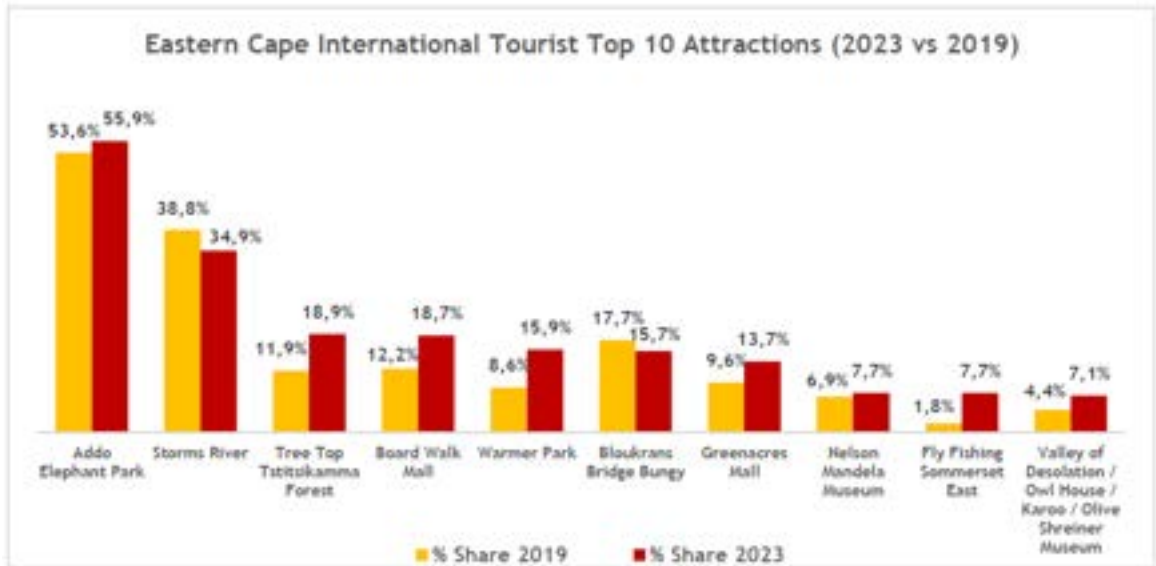
Graph 5.10.1 Top 15 Activities undertaken in SA – Source South African Tourism Annual Report



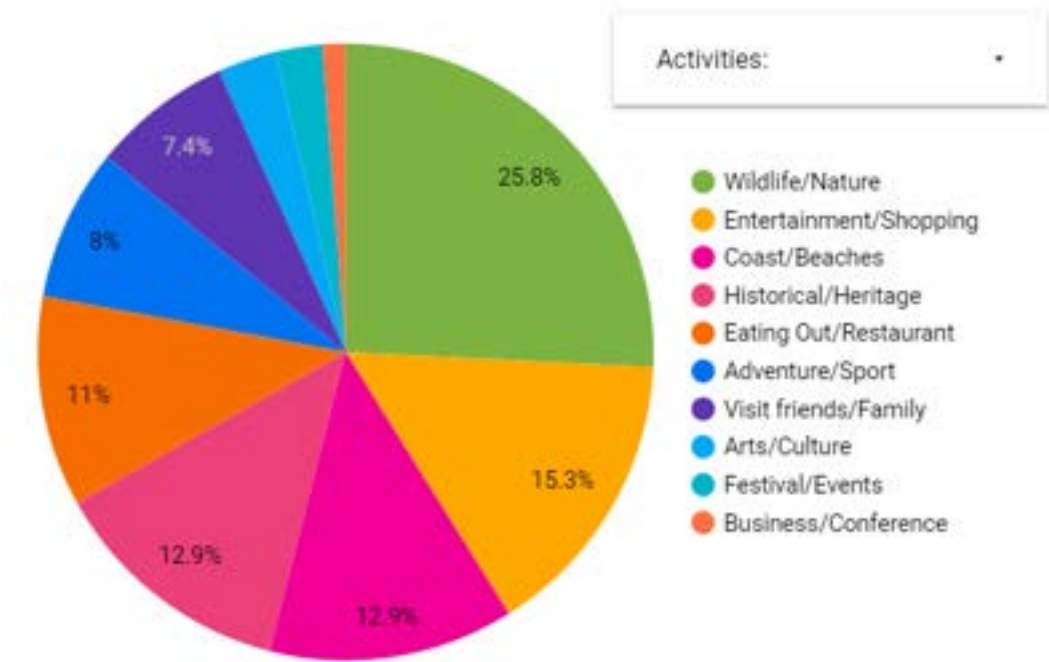
Graph 5.10.2 Top 15 Activities by Province – Source South African Tourism Annual Report

The top 5 Activities undertaken by foreign tourists in the Eastern Cape during 2023 were Eating Out (83.1%), Shopping (64.3%), Natural Attractions (51.1%), Beach (49.1%), and Wildlife (48.6%). Apart from Social (44.0%), the Top 5 Activities undertaken by foreign visitors resemble that of SA as a whole. When promoting or developing tourism products for the international markets, focus should be given on

products that offer these activities while also looking at Adventure and Cultural/Historical products. Business or MICE tourism is also an easy way to increase foreign visitor numbers to the destination. Addo Elephant National Park being the most visited attraction in the Eastern Cape.



Graph 5.10.3 Top 15 Activities by Province (as supplied) – Source South African Tourism Annual Report



Graph 5.10.4 Top 15 Activities in Nelson Mandela Bay Source: NMBT Visitor Surveys 2023

From EDTA’s visitor surveys conducted in 2023, the majority of foreign visitors undertook Wildlife and Nature activities.

### 3.1.2. DOMESTIC TOURISM

#### KEY DOMESTIC TOURISM INDICATORS

| Domestic                                              |                                                                                      |                                                                             |
|-------------------------------------------------------|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| National                                              | Eastern Cape                                                                         | Nelson Mandela Bay                                                          |
| Domestic Trips                                        |                                                                                      |                                                                             |
| 37,886,187<br>(11.3% increase compared to 2022)       | 6,780,928 To EC (17.9% share of Domestic trips)<br>(17.5% increase compared to 2022) | 1,672,733 (24.7% share of EC arrivals)<br>(39.7% increase compared to 2022) |
| Domestic Spend                                        |                                                                                      |                                                                             |
| R121,356,397,162<br>(22.4% increase compared to 2022) | R19,013,751,014<br>(119.7% increase compared to 2022)                                | R5,393,829,653<br>(34.0% increase compared to 2022)                         |

Table 6.1 Tourism Snapshot 2023 – Source Nelson Mandela Bay Tourism Compilation (EDTA)

Domestic tourism in South Africa experienced significant growth in 2023, reaching record levels. Overnight trips surged by 11.3% to 37.9 million, with holiday trips and VFR travel as the primary drivers. Business and MICE segments also showed substantial growth. The average spend per overnight trip increased to ZAR 3,203, contributing to a total domestic tourism spend of R121.4 billion.

#### 3.1.2.1. Domestic Tourism – Eastern Cape

The Eastern Cape saw a 17.9% increase in domestic trips to the EC totalling 6,780,928 while 5,904,208 domestic trips originated from the EC to other provinces. The EC showed a significant 119.7% increase in spending with a total domestic tourism spend of R19.0 Billion at an average spend of R3,220 and an average length of stay of 4.3 nights accounting for 25.4 Million bednights. While day trips declined, the overall domestic tourism landscape in 2023 presented a positive outlook for the industry.

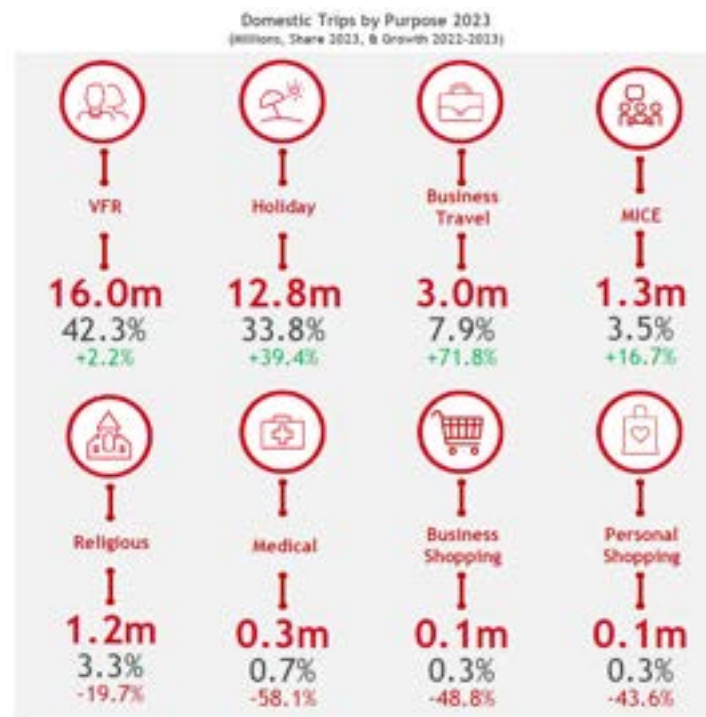
### 3.1.2.2. Domestic Tourism – Nelson Mandela Bay

2023 saw a significant increase in domestic tourism to Nelson Mandela Bay. The number of visitors increased by 24.1%, reaching **2,375,435**. This growth was driven by a 39.7% increase in overnight visitors (1,672,733 tourists), with VFR travel being a major contributor, increasing by 67.9%.

Domestic visitors stayed longer in 2023, with the average length of stay increasing from 3.13 nights to 3.74 nights resulting in the total number of visitor bednights sold/occupied going from 4,191,666 to 5,854,567 in 2023.

The average spend per overnight visitor increased slightly to R2,860 per trip or R817 per day. Despite a slight decrease in day visitors of 1.97%, their average spend of R867, resulted in a total day visitor spend of R609 million. Overall there was a 34.04% increase in the overall domestic direct spend to R5.39 billion up from R4.02 Billion in 2022.

### 3.1.2.3. Main Purpose of Visit – Domestic Visitors



Graph 6.3 Main Purpose of Domestic Trip – Source South African Tourism Annual Report

The top 4 purpose of visit for domestic tourists in South Africa where VFR (42.3%), Holiday (33.8%), Business (7.9%) and MICE (3.5%).

The Eastern Cape Main Purpose for domestic trips were slightly different to that of the overall data with VFR (64.87%) being the main purpose of travel in 2023. This was followed by Holiday (25.15%), Religious (7.87%), MICE (1.51%) and Education/training (0.60%).

In terms of Nelson Mandela Bay 33.3% of domestic visitors Main Purpose of Visit was Vacation/Holiday followed by Event (MICE) (29.63%), VFR (23.7%), and Business (8.15%).

### 3.1.2.4. Domestic Markets To Eastern Cape

Share of Domestic Destination by Origin 2023  
(Destination across, Origin going down)

| Origin       | Destination   |              |            |         |               |         |            |               |            |              |
|--------------|---------------|--------------|------------|---------|---------------|---------|------------|---------------|------------|--------------|
|              | 2023          | Eastern Cape | Free State | Gauteng | KwaZulu Natal | Limpopo | Mpumalanga | Northern Cape | North West | Western Cape |
|              | Eastern Cape  | 59.9%        | 0.3%       | 2.2%    | 3.0%          | 0.0%    | 0.0%       | 0.0%          | 0.0%       | 6.8%         |
|              | Free State    | 5.6%         | 55.7%      | 6.2%    | 0.7%          | 0.1%    | 0.3%       | 10.4%         | 7.0%       | 4.5%         |
|              | Gauteng       | 14.7%        | 22.7%      | 42.5%   | 25.7%         | 20.8%   | 38.5%      | 8.1%          | 32.7%      | 16.4%        |
|              | KwaZulu Natal | 4.6%         | 0.3%       | 7.8%    | 57.9%         | 0.2%    | 2.2%       | 0.0%          | 0.0%       | 4.8%         |
|              | Limpopo       | 0.6%         | 0.9%       | 20.9%   | 6.7%          | 74.3%   | 21.2%      | 2.3%          | 6.3%       | 2.2%         |
|              | Mpumalanga    | 1.2%         | 0.0%       | 7.5%    | 2.7%          | 2.3%    | 33.1%      | 0.0%          | 1.3%       | 0.3%         |
|              | Northern Cape | 0.8%         | 4.8%       | 3.0%    | 0.0%          | 0.0%    | 0.8%       | 70.9%         | 4.9%       | 5.8%         |
|              | North West    | 0.8%         | 15.0%      | 7.7%    | 0.1%          | 2.1%    | 3.7%       | 5.2%          | 47.9%      | 0.0%         |
| Western Cape | 11.7%         | 0.4%         | 2.2%       | 3.1%    | 0.2%          | 0.2%    | 3.1%       | 0.0%          | 59.1%      |              |

*Graph 6.4 Domestic Trip Distribution – Source South African Tourism Annual Report*

According to the South African Tourism Annual Report, the domestic trips to Eastern Cape were mainly from the Eastern Cape (59.9% internal trips), followed by Gauteng (14.7%), Western Cape (11.7%), Free State (5.6%), KZN (4.6%), Mpumalanga (1.2%), North West (0.8%), Northern Cape (0.8%) and Limpopo (0.6%).

The provincial markets for Nelson Mandela Bay is primarily decided upon by the provincial numbers although it is expected that the metro get a larger share of the Western Cape and a smaller share of KZN due to the location of the metro from these borders. The city however also has one of the two major airports and thus this could reduce the impact of the geographical location. EDTA is looking at improving this indicator going forward.

### 3.1.2.5. 2023 Annual Accommodation Performance

EDTA conducts monthly occupancy surveys amongst accommodation establishments located within and around Nelson Mandela Bay. Occupancy is the most reliable indicator in terms of destination performance when there is no borders from where visitor numbers can be captured.

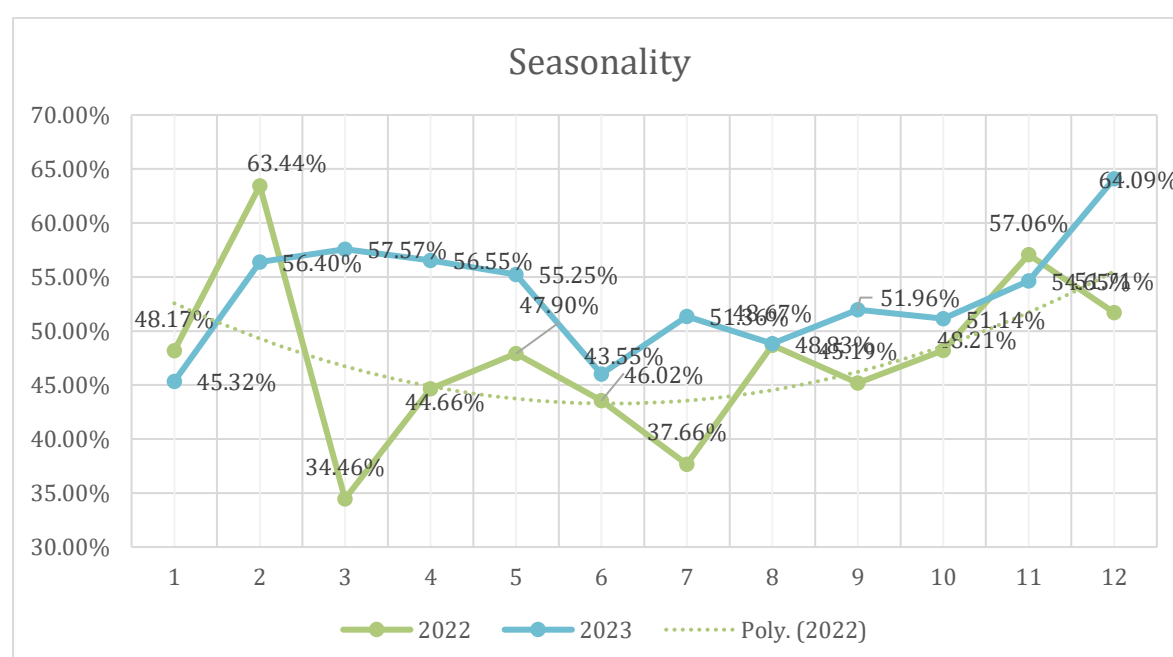
#### 3.1.2.5.1. Formal Accommodation Performance

| 2023                            |                          |                      |                |                      |                  |                           |
|---------------------------------|--------------------------|----------------------|----------------|----------------------|------------------|---------------------------|
| Accommodation Type              | Facilities in NMB        | Beds Available       | Beds sold p.a  | Average Occupancy    | Average bed Rate | Total Income generated    |
| Hotel                           | 27                       | 3965                 | 851161         | 58.81%               | R 1,026.42       | R 873,646,390.71          |
| Self-Catering                   | 91                       | 3293                 | 642221         | 53.43%               | R 562.86         | R 361,483,544.44          |
| B&B                             | 81                       | 1202                 | 226485         | 51.62%               | R 706.17         | R 159,936,702.67          |
| Guest House                     | 160                      | 2466                 | 410575         | 45.61%               | R 897.86         | R 368,640,752.20          |
| Budget                          | 17                       | 1782                 | 332819         | 51.17%               | R 241.12         | R 80,250,749.69           |
|                                 |                          |                      |                |                      |                  |                           |
| <b>TOTAL</b>                    | <b>376</b>               | <b>12708</b>         | <b>2463260</b> | <b>53.11%</b>        | <b>R 748.58</b>  | <b>R 1,843,958,139.70</b> |
| <b>Difference Previous Year</b> | <b>0</b>                 | <b>0</b>             | <b>268216</b>  | <b>5.78%</b>         | <b>R 95.25</b>   | <b>R 409,865,508</b>      |
|                                 |                          |                      |                |                      |                  |                           |
| <b>AirBnB</b>                   | <b>Booked Properties</b> | <b>Nights Booked</b> |                | <b>Avg Occupancy</b> | <b>ADR</b>       | <b>Market Revenue</b>     |
| <b>AirBnB</b>                   | 1265                     | 135379               |                | 44.44%               | R 1,241.83       | R 167,999,640             |

*Table 7.1 Occupancy Data as submitted by participating accommodation facilities*  
Source: NMBT Occupancy Survey 2023

Compared to 2022, there were 268 216 more bednights sold in 2023 due to the increase in Average Occupancy by 5.78%. The average bed rate also increased by R95.25 which saw the income generated from the accommodation sector increase by R409,865,508 to reach an estimated R1.8 Billion Rand income generated by the accommodation sector alone. The STR South Africa Hotel Review Report also reported an increase of 5.7% in hotel room occupancies to 60.8% for Port Elizabeth during 2023 with an increase in Average Daily Rates (ADR) from R934.72 to R1049.81 for the year. From a supplied side, NMB had a total of 376 formal accommodation establishments listed totalling 12 708 beds that are available per night.

### 3.1.2.5.2. Formal Accommodation Seasonality



*Graph 7.3 Occupancy Data Per Month Source: NMBT Occupancy Survey 2023*

Overall the busiest period for formal accommodation facilities are during December holidays and February and lowest during January and June/July. The January low is normally when most leisure visitors return home and business travel has not resumed in full. Depending on when school holidays are there also seems to be an increase in occupancies where leisure is boosting the continuing business travel. The spike in February 2022 was due to the T20 Cricket Series and Herald Cycle Tour taking place in Nelson Mandela Bay.

#### 3.1.2.5.3. Informal Accommodation Performance

In comparison there were 1 265 AirBnB listings listed on the platform but some of these are also listed as formal accommodation thus the separate reporting. AirBnB properties accounted for 135 379 unit nights booked (around 218 391 room nights) at an average unit occupancy of 44.44% generating R168 Million in revenue. South Africa had in the region of 60 053 listings that received bookings and the Eastern Cape 4 920. Highest occupancy month was December 2023 with 65% for both Eastern Cape and Nelson Mandela Bay. Lowest occupancy month was May for Eastern Cape with 27% and January for Nelson Mandela Bay with 32% occupancy.

#### 4. NMB TOURISM SITUATIONAL ANALYSIS, OBJECTIVES AND PROPOSED HIGH-LEVEL ACTIONS

The EDTA Nelson Mandela Bay Tourism Master Plan has been structured into five key focus area clusters. Cluster 1 focuses on Policy, Strategy, Regulations, Governance, and Monitoring & Evaluation, providing the framework for ensuring effective implementation and oversight. Cluster 2.1 addresses Tourism Growth and Development – Demand, aiming to enhance visitor attraction and ensure sustainable tourism practices. Cluster 2.2 focuses on Tourism Growth and Development – Supply, emphasizing the development and enhancement of tourism products and services. Cluster 3, People Development, centers on building capacity through training, skill development, and workforce empowerment. Finally, Cluster 4, Enablers of Growth, highlights the critical infrastructure and partnerships needed to support and sustain tourism development. The NMBTM situational analysis, strategic goals, objectives, and implementation action items are organized according to these clusters to ensure a cohesive and structured approach to tourism planning and development.



**CLUSTER 1: POLICY, STRATEGY, REGULATIONS,  
GOVERNANCE AND MONITORING & EVALUATION**

#### **4.1. CLUSTER 1: POLICY, STRATEGY, REGULATIONS, GOVERNANCE AND MONITORING & EVALUATION**

##### **4.1.1. Research, Information, Knowledge Management and Governance**

The Economic Development, Tourism and Agriculture Directorate conducts research on a monthly basis to assess amongst others the impact of tourism on the economy of Nelson Mandela Bay. The research agenda for the directorate is reviewed annually by the directorate and tourism stakeholders. A tourism research task team, consisting of the NMBM, Nelson Mandela University and Private Tourism Organizations, is to be established as a formal structure to review the research agenda going forward.

Currently the data collected by the directorate include:

- Tourism Infrastructure and Supply Side Data
- Visitor Numbers/Bed nights
- Visitor Profiles and Demographics
- Accommodation Occupancies
- Economic Impact of Tourism and Baseline Performance
- Job creation/sustaining figures
- Bookings and Enquiries via the Visitor Information Centres and other tourism platforms
- Marketing platform trends and performance
- Event/Conference Impact Assessments (basic assessments)
- Airport Arrivals and Departures

The data is collected, analysed and utilized for:

- Monitoring the performance of tourism in terms of visitor numbers, bed nights, and impact on the economy.
- Providing valuable data for planning purposes and new developments.
- Identifying trends and seasons – when is action required i.e. events etc.
- Building Visitor Profiles and Demographics for marketing and strategic purposes in order to attract more visitors.
- Monitoring performance – VIC Enquiries, Bookings etc.

##### **4.1.1.1. SWOT Analysis Findings**

The Nelson Mandela Bay Tourism sector benefits from credible market research on

primary tourist attractions, providing valuable insights into tourism demand. Efforts have been made to collect market research for various tourism-related projects, particularly through initiatives like the Splash Festival, which yielded useful data on visitor preferences. There is also a clear commitment to addressing gaps identified through market research, ensuring that future tourism development is informed by accurate and reliable information.

A significant weakness is the limited budget allocated for ongoing market research, resulting in a reliance on recycled secondary information. There is no dedicated resource or strategy in place for continuous market research, and crucial data, such as visitor trends related to airports, car rentals, and public transportation, is unavailable. This lack of comprehensive primary research hinders the ability to fully understand and target tourism demands.

There is potential to establish a dedicated unit focused on ongoing market research, which could help bridge information gaps. Partnerships with private sector companies and academic institutions could facilitate periodic studies on tourism demand, providing baseline data for feasibility assessments and ensuring more informed decision-making.

A key threat is the potential confusion and loss of confidence among private sector investors regarding tourism-related information from the Metropole. Inaccurate or incomplete data could lead to targeting the wrong market segments, wasting resources and efforts in promoting less relevant or ineffective tourism initiatives.

#### 4.1.1.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan Research Objectives is to:

- Ensure effective and efficient marketing and development planning
- Provide strategic input, analyses, techniques and methods in the design of marketing and development planning
- Determine effectiveness and appropriateness of marketing choices and activities in the implementation of marketing strategies
- Determine tourist consumer behavior and destination perceptions (brand image and brand loyalty)
- Monitoring and assessing destination Nelson Mandela Bay's tourism performance

#### 4.1.1.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Develop and enhance institutional capacity to conduct and manage tourism research
- Enhance the current dedicated tourism research capacity and collaborate with Nelson Mandela University Tourism Unit to provide credible market intelligence information
- Collaborate and participate on National and Provincial Research Initiatives
- Review and update the tourism research agenda
- Promote and share relevant data with investors, developers and relevant stakeholders

#### 4.1.2. Policy and Legislative Framework

The 1996 Tourism White Paper established tourism as a key tool for post-apartheid development, focusing on revenue generation, job creation, national identity, investment attraction, and competitiveness. It aimed to optimise South Africa's tourism potential, recognising its labour-intensive nature as a driver of economic growth and sector revitalisation. Prior policies, including the Tourism Act 72 of 1993, primarily emphasized marketing rather than comprehensive sector development. Subsequent strategies such as the Tourism in Gear Strategy (1997) and the National Tourism Sector Strategy (NTSS) of 2011 strengthened sector coordination, focusing on marketing, access, visitor experience, destination management, and broad-based benefits. The 2014 Tourism Act 3 provided a legal framework for sustainable tourism development.

The 2024 Tourism White Paper introduces strategic objectives aimed at facilitating sector growth and transformation. These include creating an enabling regulatory environment, increasing tourism's contribution to the economy, promoting inclusive development, enhancing resilience, strengthening research, and fostering sustainable tourism practices. The tourism sector is primarily driven by the private sector, with government providing the necessary support to create an enabling environment, emphasising multi-stakeholder collaboration.

The 2024 paper finds that there is fragmented planning and delivery of tourism, which undermines the sector's potential. The lack of a whole-of-government approach to tourism development and the presence of regulatory barriers have led to inefficiencies. Coordination challenges between the three spheres of government persist, resulting in uncoordinated actions that fail to address the

sector's needs comprehensively. Effective coordination in tourism delivery is essential, given the government's responsibility to create an enabling environment for private sector growth.

To ensure harmonization in the delivery of the tourism mandate across all spheres of government, several proposals are recommended. Firstly, a forum should be established where government leaders engage with tourism stakeholders from both the public and private sectors to co-create tourism plans and adopt a whole-of-government approach. This would foster greater collaboration and coordination, ensuring that tourism initiatives align with broader development goals. Secondly, tourism priorities should be integrated into municipal development plans, particularly through frameworks such as the District Development Model (DDM), to ensure that tourism objectives are aligned with regional and local planning efforts. Thirdly, a unified marketing message that reflects the diverse core tourism offerings of South Africa should be developed, helping to differentiate the destination from other global competitors. Lastly, there should be an enhanced role for tourism in the development and promotion of nature- and culture-based tourism, particularly through state-owned assets, to further bolster South Africa's unique tourism appeal and sustainability.

In Nelson Mandela Bay we are guided by the national policy, existing policies that impact tourism, such as the NMB Guesthouse Policy, require review, particularly in response to the rise of disruptive technologies like Airbnb. The NMB Events Policy also require a review to include amongst other Business Events and Incentives. Limited knowledge, implementation, and enforcement of these policies hinder tourism growth. Strengthening regulatory capacity, particularly through partnerships with local industry associations, could address these challenges.

#### 4.1.2.1. Swot Analysis Findings

Nelson Mandela Bay currently has various policies in place at national, provincial, and local levels, which provide a foundational framework for tourism development. Several weaknesses undermine the effectiveness of these policies. There is a lack of knowledge and awareness of existing policies among stakeholders, along with gaps in policy coverage. There is limited enforcement

and insufficient capacity within the NMBM to implement and monitor these policies effectively. There was until recently no dedicated broader tourism section in the NMBM Integrated Development Plan and lack of coordinated efforts will hinder tourism development efforts. The tourism department suffers from inadequate staff capacity and budget to address policy challenges and implement necessary development initiatives.

Opportunities exist to address some of these weaknesses. For example, allowing for guidelines to establish restaurants near the Summerstrand Lifesaving Club or pop-up restaurants at Cape Recife could enhance local tourism offerings. Public-private partnerships in by-law enforcement and industry self-regulation could address compliance issues, particularly in the face of disruptive technologies like Airbnb and Uber. The introduction of a local bed levy could generate funding for community tourism development and marketing projects. Streamlining the registration process for short-term accommodation with mandatory display requirements could enhance compliance and accountability.

New disruptive technological developments, such as Airbnb and Uber, pose challenges to the traditional accommodation sector. Political instability may also impact tourism development efforts, while non-compliance and inadequate implementation by the private sector could further exacerbate policy gaps.

#### 4.1.2.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan Policy and Legislative Framework Objectives is to:

- Create a conducive and legislative and regulatory environment for tourism development and promotion
- Introduce best practice approaches and risk management tools to enhance the sector's performance

#### 4.1.2.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Identify, review local tourism policies and regulations

- Identify policy and legislative impediments (Outdoor Advertising, zoning, Guest House Policy, Airbnb etc.)
- Develop appropriate interventions to improve ease of doing business
- Create a legislative and regulatory environment for tourism development and promotion.
- Collaborate and participate on National and Provincial Policy formulation and strategy sessions
- Embark on advocacy and awareness creation campaigns on policies, legislation and regulations targeting key stakeholders and sector departments
- Introduce possible new interventions such as a tourism levy for informal accommodation sector, such as Airbnb.
- Promote and enhance institutional efficiency
- Investigate self-regulation of tourism sectors in partnership with Tourism Associations

#### 4.1.3. Collaborative Partnerships

The tourism industry cannot exist without partnerships and collaboration. Visitors are looking for a great experience, which can only be achieved if the various tourism partners work together. Sound partnerships form the basis of any successful tourism industry. These partnerships include the public sector, the private sector, academics and communities.

Within Nelson Mandela Bay there are already key MOU's with some tourism stakeholders such as the Nelson Mandela University, including twinning agreements with other destinations internationally. With NMBT's marketing functions being insourced into the municipality it is vital to continue a collaborative partnership with the private tourism sector and thus a need to formalise memorandum of understanding and collaboration. Communication is key between all stakeholders and the development of an industry communication plan should be seen as one of the most urgent interventions.

#### 4.1.3.1. SWOT Analysis Findings

The strengths within Nelson Mandela Bay include existing Memorandums of Understanding (MOUs) with key institutions such as Nelson Mandela University, Mandela Bay Development Agency (MBDA), NMB Business Chamber, and the Eastern Cape Development Corporation (ECDC). Additionally, the city benefits from existing Twin City Agreements and membership in the South African Tourism Services Association.

Several weaknesses undermine the effective coordination of tourism efforts. Various tourism subsectors remain disorganized, and there is no formal MOU with key players such as the Eastern Cape Parks and Tourism Agency (ECPTA), South African Tourism (SAT), and Nelson Mandela Bay Tourism (NMBT). Some MOUs are underutilized, and there is a noticeable lack of communication and collaboration between stakeholders. Opportunities for improvement lie in educating councillors, officials, and public sector stakeholders on the economic impact of tourism, fostering support groupings, and integrating tourism development and marketing into the review of existing MOUs. The main threats facing tourism development in the region include political instability, infighting, lack of cooperation among stakeholder associations, and a lack of a coordinated, shared vision, which often leads to conflicts of interest.

#### 4.1.3.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan Collaborative Partnerships Objectives is to:

- Identify and develop public private partnership opportunities that allow for mutual benefit between stakeholders with measurable results
- Create an environment conducive to collaboration that is accessible to all tourism products and stakeholders, flexible in its goals with open and regular use of communication channels

#### 4.1.3.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Encourage formalization of Nelson Mandela Bay tourism and hospitality sector representation structures i.e. restaurant sector, business events sector, tourist guides
- Regular industry communication and updates in partnership with industry stakeholders
- Develop an industry communication plan in partnership with industry stakeholders
- Identify and develop new public private partnership opportunities
- Review existing MOU's and include tourism development and marketing requirements

#### 4.1.4. Prioritizing Tourism at National, Provincial and Local Government Levels

Different spheres of government play different important roles in the development and promotion of tourism. In order to streamline and address tourism impediments, policy implementation and growth in Nelson Mandela Bay there needs to be strong communication between all sectors of government. Mayor impediments that affect Nelson Mandela Bay such as crime, building of new infrastructure, maintenance of existing infrastructure and the cleanliness of especially tourism hotspots needs to be addressed in order for Nelson Mandela Bay to increase its attractiveness as an investment and tourism hotspot. Education of the importance of tourism to all stakeholders need to be prioritised in order for all stakeholders to clearly understand their roles in building the economy of Nelson Mandela Bay.

##### 4.1.4.1. SWOT Analysis findings

The Nelson Mandela Bay region has established good working relationships with key government institutions at the National and Provincial levels, including SAT, NDT, ECPTA, DEDEAT, and local tourism LTOs, which serves as a significant strength.

There are notable weaknesses, including a lack of support, maintenance, and implementation of plans from non-tourism departments such as SAPS, NMBM Safety & Security, SRAC, Housing, Land – zoning, Public Health, Infrastructure, and Engineering, all of which impact tourism development. Communication between government departments remains ineffective and weak at the national level, further hindering collaboration and progress.

Opportunities lie in improving relations and fostering better communication between local industry stakeholders and National and Provincial Government entities. Threats include ineffective implementation of plans due to poor communication and collaboration, as well as institutional instability and loss of institutional memory resulting from frequent staff turnover, which could undermine long-term progress in tourism development.

#### 4.1.4.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan objectives to prioritize tourism amongst all levels of government is to:

- Engage and educate all non-tourism related government entities regarding the importance of tourism to the economy in order to promote the role they play in growing the economy of Nelson Mandela Bay
- Establish a destination first approach amongst all municipal directorates in order for them to identify, prioritise and address issues affecting tourism growth to the city

#### 4.1.4.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Formalise collaborative memorandum of understanding agreements with relevant national, provincial and local government departments and entities including local tourism industry associations
- Engage all other National, Provincial and Local departments that have an impact on tourism
- Establish clear communication guidelines between government entities
- Establish a tourism task team made up of various different municipal department representatives



## **CLUSTER 2: TOURISM GROWTH AND DEVELOPMENT – DEMAND**

## 4.2. CLUSTER 2.1: TOURISM GROWTH AND DEVELOPMENT – DEMAND

### 4.2.1. Marketing and Brand Management

The NMBM Directorate of Economic Development, Tourism and Agriculture is responsible for the coordination and implementation of the overall tourism destination marketing efforts, in collaboration with the entire tourism industry, and guided by the Nelson Mandela Bay Tourism Destination Marketing Strategy. The directorate implements the marketing plan as detailed in the destination marketing strategy across various platforms that include, but not limited to traditional media, digital media, trade and consumer engagements and new media. Effective Marketing and Promotion of the Metropole

The EDTA Destination Marketing objectives are to attract and increase the number of visitors to Nelson Mandela Bay, Increase the length of stay of visitors by informing them of what the city has to offer, and to stimulate economic growth by increasing the income generated from visitors. In order to deliver on the objectives a tourism driven marketing campaign is planned to attract and inform potential visitors to Nelson Mandela Bay from outside the borders of the city and within. Citizens are key stakeholders and should be included in order to increase the reach of the campaign to extend to the VFR market and to create a positive tourism culture amongst locals.

The main digital destination marketing platforms utilised are:

- Nelson Mandela Bay Tourism Visitor Information Portal – [www.nmbt.co.za](http://www.nmbt.co.za)
- Nelson Mandela Bay Travel Guide App – Download the App here: <http://onelink.to/nmbt>
- Nelson Mandela Bay Pass – [www.nelsonmandelabaypass.co.za](http://www.nelsonmandelabaypass.co.za)
- Main Social Media Platforms:
  - Facebook: <https://www.facebook.com/nelsonmandelabay>
  - Twitter: <https://twitter.com/NMandelaBay>
  - Instagram: <https://www.instagram.com/nelsonmandelabay/>
  - Youtube: <https://www.youtube.com/nelsonmandelabay>
  - LinkedIn: <https://www.linkedin.com/company/nelson-mandela-bay-tourism>

## **Nelson Mandela Bay Tourism Trade Promotions – International**

The approach for EDTA's international marketing fully aligns to support the South African Tourism 5-in-5 Strategy where the core markets for the Nelson Mandela Bay and Eastern Cape have been identified. The National Department of Tourism together with South African Tourism have revised the country's Domestic Tourism strategy and is linked to the 5 in 5 strategy. As a city, Nelson Mandela Bay have to align to those National efforts to reach maximum impact. Intermediaries such as tour operators, wholesalers, travel agents and online retailers play a significant role in attracting international visitors to Nelson Mandela Bay. The travel trade can help open up new markets, attract more visitors to your destination and encourage them to spend more time exploring what you have to offer.

To reach the objectives outlined above the trade marketing activities will be executed through the following channels:

- Joint Marketing Agreements
- Country Representatives
- Trade and Roadshows
- Marketing Collateral
- Trade Education
- Cooperative Marketing Partnerships
- Media Plan

The EDTA Tourism Trade Promotions Activities aim to utilise Tourism Trade Platforms across multiple identified target markets globally as identified through strategic sessions with industry and national partners such as Eastern Cape Parks and Tourism Agency (ECPTA) and South African Tourism (SAT). The aim of these platforms include amongst others:

- Use the platforms to increase our brand awareness equity in the industry through identification of current and new marketing and online distribution channels
- Providing information about the destination
- Meet with marketing and publication companies
- Target Destination Management Companies that deal with Inbound Tour operators and encouraged the inclusion of NMB as part of the itineraries they promote and sell to the operators

- Provide trade partners with product training and product updates as well as facilitate product requests and questions
- Making new contacts with both national and international tourism trade and ensure the inclusion of NMB in their itineraries and create exposure for products
- Build on existing relationships with national and international tourism trade
- Build on our trade database and follow up on all requests.
- Use this opportunity to learn more about new trends in the tourism industry
- Host Trade via Trade familiarization Trips

EDTA has a number of initiatives that complement the educational and experiential aspects of the plan to drive and stimulate domestic tourism and citizen ambassadorship. Influencers, Media and Trade will be hosted in Nelson Mandela Bay to promote travel within South Africa especially Nelson Mandela Bay and Eastern Cape and to create a positive image of the City and encourage travel among all South Africans. The objectives of hosting these initiatives include:

- To use the power and influence of influencers to extend the campaigns reach and to create additional awareness and appeal of the destination through the content that they generate from their destination experiences
- To create awareness of quality product offerings in Nelson Mandela Bay with the aim on increasing travel demand to the destination and so will also increase bookings (transport, accommodation and activities), spend, and length of stay ultimately boosting the economy of the city;
- To obtain and increase quality media coverage and brand awareness for the destination;
- To reach and encourage travel amongst new markets including the youth market.

#### 4.2.1.1. SWOT Analysis Findings

The strengths of Nelson Mandela Bay include the presence of a dedicated tourism marketing and promotion unit, a dedicated budget for marketing and event promotion, existing tourism-related events, and the right to leverage the Nelson Mandela name for branding purposes. Weaknesses persist, such as the lack of an events marketing strategy, low levels of brand awareness, and insufficient

differentiation between local recreational events and tourism-focused events. Additionally, there is inadequate budget allocation for marketing and tourism-related events, with national market research funding not aligning with available budgets.

Opportunities for growth lie in fully capitalizing on the Nelson Mandela brand, rebranding local beaches to attract tourists, enhancing marketing efforts, and promoting compelling tourism experiences to elevate Nelson Mandela Bay's destination reputation. The main threats include external macro-environmental factors such as safety concerns, cleanliness, political instability, and their negative impact on tourism to the region.

#### 4.2.1.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan's Marketing and Brand objectives is to:

- To attract and increase the number of visitors to Nelson Mandela Bay
- Increase the length of stay of visitors by informing them of what the city has to offer
- Stimulate economic growth by increasing the income generated from visitors
- Increase Nelson Mandela Bay's Destination Brand Awareness
- Encourage locals and tourism stakeholders to collaboratively promote brand Nelson Mandela Bay
- Utilize marketing platforms with a good return on investment and cost per acquisition
- To align the tourism marketing strategy and budget with the market research findings

#### 4.2.1.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Continue intermediate post Covid-19 marketing campaign with realigned marketing message taking into account new travel behaviours post Covid 19
- Develop a new, data driven, three-year destination marketing strategy and plan in partnership with tourism stakeholders every three years whilst also updating the Tourism Master Plan
- Implement tourism industry and SMME market access initiatives

- Package and effectively implement tourism awareness campaigns to local communities
- Implement a Destination Brand Review
- Joint marketing programmes, collaboration and engagements with local, provincial and national tourism stakeholders (Feeder routes)

#### 4.2.2. Business and Events Tourism

##### **Business Event Services**

Nelson Mandela Bay is a prime business plus destination with a diverse range of experiences within proximity of bush and beach. The primary role of a Convention Bureau's responsibility is to market and promote the destination to attract future meetings, incentive groups, conferences and exhibitions / events and similar related business events to the destination. Business Events are a key driver of tourist to Nelson Mandela Bay and helps address seasonality issues faced during off peak periods.

NMBT identified the need for a fully-fledged NMB Convention Bureau in its previous strategic marketing plans. The new unit as per the approved new EDTA organogram includes a new fully fledged NMB Convention Bureau and opens up many great opportunities for the city to reach greater heights. Collaboration with the Tourism and Hospitality and the NMB business events (MICE) and events industry is key in researching, bidding and attracting new business to the city.

The NMB Convention Bureau under the EDTA Destination Marketing Unit currently supply the following Services:

- Bids
- Delegate Boosting
- Conference Event Support
- Promotional material
- Site inspections
- Website
- Pre / Post Tours
- Supplier Information
- Accommodation

- Welcome desk at the Chief Dawid Stuurman International Airport
- Free Information desks conference / event exhibition area to the destination

## **Leisure Events**

The Economic Development, Tourism and Agriculture directorate offers free marketing support services to events that will attract visitors to the city, promote the destination, events that serve as entertainment for both visitors and locals or events that will serve to develop the local communities. All events held in the city do qualify for free marketing support services but depending on the nature of the event the support offered will differ. Events can be uploaded to [www.nmbt.co.za](http://www.nmbt.co.za) that will enable the tourism marketing department to promote the event using the destination marketing platforms. The directorate provides additional marketing opportunities for event organizers to promote their events, these include:

- Listing event onto events calendar at [www.nmbt.co.za](http://www.nmbt.co.za) (Event Organizer to upload)
- Listing on the Nelson Mandela Bay Travel Guide Mobile App including Push Messaging to App users.
- Website link exchange
- Banner adverts on NMBT website - Competitions / Ticket give away promotions
- Branding at event
- Tourism welcome letter
- Digital marketing on Facebook, Instagram, Twitter and other platforms.
- Mention of event in NMBT newsletter or direct mailers to industry and subscribed stakeholders
- Provision of visitor guides, maps and other tourism information promotional items
- Event Flyers distributed from Visitor Information Centres
- Billboard rental (on a first come, first serve basis)
- Mention of event on radio (subject to tourism interviews / available radio slots)
- Media Tours for visiting media (on request)
- Airport welcome (on request and subject to ACSA approval)
- Press release on destination platforms
- Invites to media, trade and influencers

#### 4.2.2.1. SWOT Analysis Findings

##### **Business Event Services**

Nelson Mandela Bay has several strengths that contribute to its potential as a business events destination. Key strengths include a good relationship with the National Convention Bureau, an international airport, an existing bid document template, and a strong university presence, which can enhance its academic and knowledge-based events offering.

However, the destination faces significant weaknesses, particularly due to the impact of the COVID-19 pandemic, which has led to the closure of venues and a reduced number of conference facilities. There is also a lack of concrete business events statistics, making it difficult to gauge the sector's economic impact. Additionally, Nelson Mandela Bay lacks an International Convention Centre, a dedicated local business events association, and a bid fund to support event attraction efforts.

Opportunities exist for Nelson Mandela Bay to strengthen its position by leveraging relationships with other Convention Bureaus and Provincial Tourism Authorities to rotate national, African, and international bids. Improved collaborations with associations, conference organizers, and departments at Nelson Mandela University through an Ambassador programme could help attract more events. Capturing business events statistics will provide valuable insights into the destination's economic impact. Working closely with the NMBM's Trade and Investment unit will also enhance the region's ability to attract conference bids and exhibitions.

The region faces threats such as limited air access and the high cost of flights, which could deter potential attendees. The instability of COVID-19 lockdown levels remains a significant risk, as sudden changes could impact planning and event execution.

##### **Leisure Events**

Strengths include the presence of an NMBM events policy, a well-established reputation as a sporting event destination, and the availability of international-standard venues such as the NMB Stadium. Weaknesses persist, such as weak collaboration between the tourism industry and the directorate responsible for events, a lack of a collaborative events strategy and calendar, and limited support for large-scale international music events. Additionally, there is a minimal number of events

that attract international and national visitors, along with insufficient capacity for hosting large indoor events, and the local events industry remains unorganized without representation through local associations.

Opportunities include the potential establishment of an industry association to better represent the events sector, the creation of an event bid committee involving the tourism industry, and active research and bidding for events that can enhance Nelson Mandela Bay's profile. Further opportunities lie in engaging local corporates for sponsorships, reviewing the NMBM Events Policy with stakeholders, implementing an events levy to support a bid fund, and establishing a tourism ambassador's program to boost business events. On the other hand, threats such as the impact of pandemics, political instability, and a lack of financial resources to support bids pose significant challenges to the growth of events and tourism in the region. Additionally, the absence of quality infrastructure further exacerbates these threats.

#### 4.2.2.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan's Business and Events Tourism objectives is to:

- Effectively bid, attract and use Business and Events Tourism to draw visitors to destination Nelson Mandela Bay in order to improve the seasonal and geographic spread of tourism to Nelson Mandela Bay.
- Use Business and Events Tourism to create opportunities for economic development, education and creation of new entrepreneurial job opportunities in the tourism and hospitality industries amongst others.

#### 4.2.2.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Establish a fully-fledged Nelson Mandela Bay Convention Bureau
- Establish an industry business events and events panel to identify and drive business events leads in partnership with the EDTA NMB Convention Bureau
- Develop and implement a NMB Business Events Strategy including a Business Events Ambassadors Programme
- Review the NMB Events Policy and implement actions

- In partnership with industry identify business events opportunities relevant specifically to economic clusters within Nelson Mandela Bay that will allow for enterprise development and growth opportunities for Nelson Mandela Bay businesses

## CLUSTER 2: TOURISM GROWTH AND DEVELOPMENT – SUPPLY



## 4.3. CLUSTER 2.2: TOURISM GROWTH AND DEVELOPMENT – SUPPLY

### 4.3.1. Capacity Building

Upskilling and training of people within the tourism industry is vital in improving the visitors experience levels as well as performance levels of all involved in tourism in Nelson Mandela Bay. Even though various tourism capacity building programmes exist in Nelson Mandela Bay there is a need for a more collaborative approach between local government, the tourism industry, academic institutions as well as relevant business chambers and development agencies. The local tourism industry has the capacity, experience and knowledge required to facilitate “real world” mentorship and on the job training opportunities allowing for a better understanding of academic theory.

#### 4.3.1.1. SWOT Analysis Findings

Strengths include various capacity-building programmes already in place, formal partnerships with key stakeholders such as ECDC, NMU, MBDA, Business Place, and SATSA, as well as a Human Resource Development Strategy within the EDTA's Trade and Investment unit. However, weaknesses persist, particularly in the need for formal MOUs with additional capacity-building partners like ECPTA, NDT, NMBT, and Business Chambers. There is also limited industry support for experiential training placements, posing a barrier to the development of skilled professionals. Opportunities lie in establishing a capacity-building and mentoring programme in partnership with the industry and conducting skills gap analyses to address training needs. Threats include limited opportunities for newly graduated tourism professionals, evolving industry regulations necessitating ongoing recertification, and insufficient financial resources and support to sustain capacity-building initiatives.

#### 4.3.1.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan's Capacity building objectives is to:

- Increase the skill levels and capabilities of tourism product's staff and owners
- Provide training and development opportunities to potential new product owners

- Increase the institutional skill levels and capabilities municipal tourism marketing and tourism development staff in order to grow and enhance the tourism development, destination marketing and visitor experience delivery

#### 4.3.1.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Continued guidance and support regarding safety protocols, sourcing of appropriate PPE using Tourism COVID-19 Ambassador programme
- Provide capacity building and compliance training to tourism establishments and staff in Nelson Mandela Bay
- Develop, enhance and promote quality supply of skills in the sector by undertaking a skills audit and providing training to address the gaps identified
- Utilise Public Private Training Partnerships through Academic Bodies and Relevant Tourism Industry Associations

#### 4.3.2. Product Development

##### **Arts and Culture**

Nelson Mandela Bay offers an ethnic mosaic of arts and culture, typical of its inhabitants. European culture is evident in grand Edwardian, Victorian and Art Deco architecture citywide. Numerous arts and craft centres display a variety of locally produced artworks. Township tours personally introduce visitors to Xhosa culture. The centerpiece of Nelson Mandela Bay's arts and culture industry is right in the inner city known as the Arts Journey – which includes exhibitions and showcases on Route 67 and at the Athenaeum gallery, ArtEC, the Nelson Mandela Metropolitan Art Museum, South End Museum and Ron Belling Gallery. The Donkin Reserve is home to multiple pieces of public art that form part of a collection of 67 pieces of art throughout the city. The "Route 67" arts journey celebrates the 67 years of Nelson Mandela's political life through a visual collection of works produced by local artists.

Nelson Mandela Bay bears the rich legacy of an area which saw the first meetings of Khoisan, Portuguese, British, Dutch, German and Xhosa people. As the landing place of the British Settlers, it boasts some of the finest architectural attractions in South

Africa. Various historical and specialty tours are on offer to showcase the many buildings of rich architectural and historical importance.

### **Adventure and Sports**

Nelson Mandela Bay offers excellent and varied sporting facilities and the city hosts numerous exciting international and national sports events all year round, including the only African leg of the World Ironman Championships annually. The action adventurer needs to look no further as Nelson Mandela Bay and surrounding areas are jam-packed with adventure. Activities include horse-riding, sandboarding, Segway Tours, Go-karting, Indoor wall climbing, quad biking and much more. Cyclists can keep active on safe tarred roads, special cycling areas and routes or take the scenic gravel roads through beautiful farmlands and nature areas. Other activities in the surrounding areas include ziplining, abseiling, walks and hiking opportunities in indigenous forests, guided hikes, beautiful day walks, as well as bass- and fly fishing. Unique eco-wilderness tours are offered into the Woody Cape area of the Alexandria dune fields – the largest coastal dune fields in the Southern hemisphere.

### **Entertainment and Shopping**

Nelson Mandela Bay is the ideal fun, entertainment and shopping destination; offering various kinds of entertainment to suit every age, personality and individual. Enjoyable evening entertainment include sundowners' cruises, nightclubs, award winning cocktail bars, late night music spots, fine art theatre performances, movies, restaurants and cultural performances.

### **Coastal and Beaches**

Algoa Bay, the coastal region of Nelson Mandela Bay, boasts 40 km of magnificent golden beaches as well as one of the most diverse marine eco systems in the world. This includes islands with most importantly the largest Cape Gannetry in the world (110 000 breeding pairs) as well as over 50% of the world's African Penguin population. With its perfect combination of warm water, calm sea and fair breezes, it is one of the best sailing venues in the world and a Mecca for all beach and water sport enthusiasts. Water temperatures vary between 18 and 21 degrees Celsius during summer and 14 to 19 degrees Celsius during winter.

## **Health and Beauty**

Feel free to Relax, Refresh and Revitalize! Relax and pamper yourself in Nelson Mandela Bay and surrounds with a superb range of Day Spa packages which are on offer. What better way to unwind, detoxify and rejuvenate your body, mind and spirit than to experience spa extravaganza treatments that have been designed to invigorate you in the wonderful soothing comfort of peaceful surroundings.

## **Wildlife and Nature**

There is nothing quite like the African bush, and no better place to view wildlife than in the Eastern Cape. From rocky shores to indigenous floral fynbos, from stretches of golden beaches and unspoilt sand-dunes to lush indigenous forest and untamed wilderness areas, the nature reserves within, and on the outskirts of Nelson Mandela Bay offer a wonderful range of options to the great outdoors. Big 7 (Lion, Leopard, Rhino, Buffalo, Elephant, Southern Right Whale and White Shark) and other safari's in and around Nelson Mandela Bay is an activity everyone should enjoy. The numerous game reserves in and around the city offer the perfect mix of fauna and flora. These splendid, sometimes untouched areas have developed into one of South Africa's main wildlife viewing destinations.

## **Agriculture**

The Eastern Cape is well known for its oranges, prickly pears, angora goats and dairy farms. Ostrich farming does exist but on a smaller scale. The Eastern Cape is however highly successful when it comes to wool and mohair. The province, and particularly Nelson Mandela Bay, has succeeded in establishing South Africa as a world leader in these sectors. South Africa produces 53% of global mohair production and together with Lesotho, produces 70% of world production, making Africa a prominent continent for its excellent quality mohair. South African mohair is regarded as the highest quality in the world. Port Elizabeth is known as the "Mohair Capital of the world" and most of the world's mohair gets processed and shipped internationally from here.

### **4.3.2.1. SWOT Analysis Findings**

Nelson Mandela Bay showcases a rich ethnic mosaic of arts and culture, reflective of its diverse population. European influences are apparent through the grand Edwardian, Victorian, and Art Deco architecture found throughout the city. A variety of arts and craft centres display locally produced artworks, while township tours offer

a personal introduction to Xhosa culture. The Arts Journey, featuring exhibitions at Route 67, the Athenaeum Gallery, ArtEC, the Nelson Mandela Metropolitan Art Museum, South End Museum, and Ron Belling Gallery, highlights Nelson Mandela Bay's vibrant arts scene. The Donkin Reserve, with its collection of 67 public art pieces, contributes to the city's cultural identity. The Route 67 arts journey celebrates 67 years of Nelson Mandela's political life through a visual collection of works by local artists. The region's rich history, marked by early meetings of various cultures like the Khoisan, Portuguese, British, Dutch, German, and Xhosa, has left behind numerous architectural and historical landmarks, making it a compelling destination for heritage tourism.

In terms of Culture & Heritage Tourism, Nelson Mandela Bay benefits from the branding of a heritage icon, Nelson Mandela, and enjoys cultural diversity, a range of heritage sites, and political commitment to promoting these attractions. However, challenges such as limited information on indigenous culture, inadequate maintenance of heritage sites, and lack of operational plans to engage local artists hinder its potential. Opportunities lie in leveraging the region's political heritage, developing indigenous storytelling, and forming partnerships with community tourism forums for site maintenance. Threats include resentment toward European influences, vandalism, and competition from other cities with similar cultural and political heritage.

For performing arts like drama, dance, and music, Nelson Mandela Bay has strengths including international fame, diverse art forms, and existing infrastructure. However, weaknesses such as limited quality productions, lack of audience, and insufficient investment in local artists need addressing. Opportunities include capacity building for local artists, incentives to attract both locals and tourists, and strengthening artist associations. The primary threats are insufficient capacity building and access to funding, which may affect the sustainability of local arts and cultural activities.

In terms of crafts, Nelson Mandela Bay has strengths like a well-established fine art department at NMMU and a variety of craft products. Yet, weaknesses such as limited support programs for local crafters, foreign product dominance, and poor database alignment hinder local growth. Opportunities exist in developing support programs, creating comprehensive databases, and integrating local crafts into

tourism facilities. However, threats include competition from foreign crafts and limited market access for local crafters.

Nelson Mandela Bay offers an abundance of adventure and sports activities, supported by excellent facilities and a range of events. Strengths include international sporting events, diverse adventure offerings, and wide open spaces. However, weaknesses like limited adventure products for large groups and lack of international marketing present challenges. Opportunities exist to promote unique, authentic experiences, while threats include competition from other coastal cities.

In terms of entertainment and shopping, Nelson Mandela Bay serves as a family-friendly destination, with various entertainment options and shopping centres. Yet, weaknesses such as a lack of authentic local produce, competition from bigger hubs, and poorly maintained family destinations pose threats. Opportunities for themed parks and family-friendly activities exist, though concerns over safety and competition remain.

The coastal and beach offerings in Nelson Mandela Bay are a significant draw, with Algoa Bay featuring pristine beaches, marine ecosystems, and diverse water sports. Strengths include marine biodiversity and infrastructure for beach development, but challenges such as accessibility for people with disabilities, security, and competition from other coastal cities remain. Opportunities to develop entertainment facilities, bid for international water sports events, and enhance visitor information are important, though safety and environmental concerns pose threats.

In the health and beauty sector, there is potential to promote unique traditional treatments and package wellness offerings with local accommodations. Finally, Nelson Mandela Bay's wildlife and nature experiences, particularly in game reserves and protected areas, highlight the region's biodiversity. However, weaknesses such as outdated databases on species and a lack of tourism management systems need addressing, while strengths like proximity to the Big 7 provide opportunities for further development.

#### 4.3.2.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan's Product Development objectives is to:

- Ensure proper structuring and development of tourism institutional support structures
- Ensure proper packaging and development of tourism products to position NMBM as a leading beach holiday destination with unique opportunities for nature-based and heritage tourism
- To transform the tourism industry in accordance with the Tourism BEE Charter.
- To effectively market the NMBM as a key tourist destination in SA and create a strong brand awareness
- To develop and retain a solid skills base for successful tourism development and marketing
- To establish and maintain a credible tourism market intelligence information
- To promote safety and security of tourists
- To facilitate the development of the necessary supporting tourism infrastructure
- To establish and maintain strong public private partnerships

#### 4.3.2.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Compile a Tourism Resource Audit / Study and Gap Analysis to identify opportunities of each sub tourism sector
- Unlocking funding opportunities with national and local stakeholders i.e. tourism transformation fund, Green Tourism fund, Market access programme, National grading fund
- Develop and implement Township Tourism Development Plan
- Identify State and municipal owned assets suitable for holiday travel and, develop and implement a turnaround strategy
- Effective, data driven and modern tourism product development including adapting to the impact of 4th industrial revolution (Digital/technology)
- Review, evaluate and enhance current tourism products and experiences
- Identify New Niche Tourism Products and develop an undertake a feasibility study
- Implement an internal EDTA tourism product development task team

#### 4.3.3. Product Information

The Tourism Marketing Directorate is responsible for destination information provision, engaging and collaborating with tourism product owners, and for other stakeholder engagement to facilitate and lobby for broader tourism master plan implementation through regular stakeholder meetings.

##### **Visitor Information Services:**

- Provide for a de-centralized information centre network system which services a broader area of Nelson Mandela Bay and environs through four strategically placed Visitor Information Centres (VICs). Currently there are two VIC's purposefully positioned at the Chief Dawid Stuurman International Airport and the Donkin Reserve.
- NMB Pass: Update and distribute the NMBT Pass to increase the spread and spend of tourists in the area
- Enquiries: Focus on the professional handling of tourist enquiries including the managing of walk-in's, telephonic and digital enquiries.
- Information Distribution Points: Identify and activate key visitor engagement areas.
- NMB Tourism Website & Mobile App: Update content to reflect new product offerings on on-line information platforms.

##### **Product Engagement:**

- Leveraging their engagement with visitors to share the brand blueprint
- Providing information, research and insights to product to aid them in their marketing and service delivery efforts
- Providing platforms and marketing campaigns for product to promote themselves locally and internationally
- Engage product to assist in trade and media hosting cost effectively
- Partnering with Product to influence and coordinate other stakeholders

##### **Tourism Stakeholder Engagement:**

- Support the Tourism Sector to drive tourism master plan agenda with other stakeholders including Sports Recreation Arts and Culture
- Destination Access - Airports, Airlines, Cruise liners, Road and Rail Transport
- Safety and Security
- Signage

- Product development entities (DTI, MBDA, ECDC etc.)
- Cleanliness and City Beautification
- Drive tourism engagements, education and awareness

#### 4.3.3.1. SWOT Analysis Findings

Strengths of the current visitor information services include the presence of well-established facilities at key tourism areas, providing effective support for visitors. The availability of comprehensive platforms such as the NMBT website, APP, content management system, and database ensures seamless access to essential information. Additionally, the presence of official SANParks reservation offices in the Eastern Cape further strengthens the region's tourism infrastructure. Sales points for the Nelson Mandela Bay Pass also enhance visitor convenience.

However, there are weaknesses, including some offices closing due to COVID-19 and ongoing renovations, which have affected service continuity. There is limited control over areas concerning maintenance, safety, and cleanliness, especially at key tourist locations like the harbour, which lacks a permanent presence for cruise liners. This creates challenges in ensuring a safe and welcoming environment.

Opportunities exist to develop state-of-the-art visitor information services that showcase and promote the destination's heritage, culture, and products. Enhancing these services could transform them into a one-stop-shop not only for visitors but also for tourism stakeholders and locals.

The main threats include insufficient service offerings, challenges related to location, such as low foot traffic, poor signage, crime, and cleanliness, which hinder the overall visitor experience. Addressing these concerns is crucial to improving the tourism infrastructure and ensuring a more welcoming environment for all visitors.

#### 4.3.3.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan's Product Information objectives is to:

- Effectively collect, update and distribute product information in order to provide accurate data to investors, tourists and other relevant tourism stakeholders

- Develop and run effective state of the art visitor information services that represents and sell the destination, its heritage and culture and its product
- Become a one stop shop for not only visitors but also tourism industry stakeholders and locals

#### 4.3.3.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Initiate regular Nelson Mandela Bay Tourism Product Audits
- Regular update and maintenance of tourism databases
- Development of a Tourism Information Services plan and provision of tourism information services
- Disseminate of relevant data to relevant stakeholders

#### 4.3.4. Responsible Tourism

Tourism is relatively unique as a sector in that it directly impacts and are impacted by the socio-economic and environmental dimensions of sustainability, including in relation to climate change. The threat of climate change, diminishing natural resources and significant socioeconomic inequalities has led to companies and individuals considering what impact their actions have. Various destination management agencies consider alternative tourism planning, management, and development options to become more and more oriented towards sustainable development.

Responsible tourism is an approach to the management of tourism that aims to achieve the triple-bottom line outcomes of sustainable development. The triple-bottom line objectives includes economic growth, environmental integrity, and social justice while simultaneously minimising costs to destinations.

The distinguishing characteristic of responsible tourism is that the various role-players in the tourism sector and destinations in general take responsibility for achieving sustainable tourism development. The ultimate goal is to provide high-quality experiences for visitors, strengthen host communities and their heritage, and develop tourism-related livelihoods while preserving local environments. Its important for Nelson Mandela Bay to consider current and future economic, social and

environmental impacts in the planning and promotion of tourism and it should actively encourage the responsible use of Nelson Mandela Bay's natural resources.

To effectively develop and implement sustainable policies and business practices, the UN Environment programme has identified five key areas of focus for policy makers. These include strengthening sustainability policies and partnerships, enabling tourism SMEs access to financial mechanisms to support sustainable development, supporting evidence-based decision making, monitoring progress, and diversifying to sustainable products and services.

#### 4.3.4.1. SWOT Analysis

The strengths of responsible tourism in Nelson Mandela Bay include the availability of promotional material focused on responsible tourism practices and incentives provided by the National Department, such as the Tourism Green Fund. There is effective planning that incorporates consultation with local communities and stakeholders, ensuring a more inclusive approach to tourism development. However, key weaknesses include the difficulty in accessing funding and the high costs associated with responsible products and services, which can be a barrier to widespread implementation. Opportunities exist for accreditation as a responsible and sustainable tourism destination, which can enhance the region's reputation and competitiveness. On the other hand, threats include ineffective implementation and a lack of support for responsible tourism practices, as well as the high costs and affordability challenges that may hinder the adoption of sustainability measures across the sector.

#### 4.3.4.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan's responsible tourism objectives is to:

- To provide high-quality experiences for visitors
- strengthen host communities and their heritage
- develop tourism-related livelihoods while preserving local environments for future generations

#### 4.3.4.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Promote Responsible Tourism Practices
- Develop and implement Tourism Policies, Strategies and Plans with Responsible and Sustainable practices as the overall objective of its tourism mandate

#### 4.3.5. Tourism Investment

Tourism is regarded as a key area of growth for Nelson Mandela Bay, with key attractions including wildlife and outdoor experiences, cultural and historical sites, as well as adventure and sport-related activities. The Nelson Mandela Bay Municipality has prioritized essential infrastructural developments to support tourism growth, resulting in an increase in annual visitors and the growth of township tourism, positioning the region strategically for further development. The Trade and Investment Sub-Directorate is responsible for facilitating trade and investment, with the goal of promoting Nelson Mandela Bay as a world-class business destination.

The services provided by Trade and Invest in Nelson Mandela Bay include investment facilitation and aftercare services, offering support to investors throughout the business lifecycle. Business investment incentives are available to attract and retain investments, while investment promotion and upcoming events showcase the region's opportunities. The Export Development and Promotion – Export Helpdesk supports businesses with export-related services, including advice and assistance on export opportunities. Additionally, investment opportunities, business intelligence, and related research are provided to support informed decision-making and investment strategies.

##### 4.3.5.1. SWOT Analysis Findings

Nelson Mandela Bay demonstrates notable strengths in its tourism and investment sectors, including the development and approval of an Investment Incentives policy, a strong tourism presence, and effective collaboration between the trade and investment unit and the destination marketing unit. Additionally, the availability of robust destination research supports informed decision-making and strategic planning. Opportunities exist to further enhance the region's appeal, such as through the development of a tourism investment guide tailored to attract potential investors. Several threats pose challenges to sustained growth, including political instability,

concerns over crime and safety, and inadequate infrastructure, which require targeted efforts to mitigate their impact on the tourism and investment landscape.

#### 4.3.5.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan's tourism investment objectives is to:

- To develop a tourism investment Guide for NMB and Eastern Cape

#### 4.3.5.3. Implementation Actions

To ensure the objectives are met the following actions are recommended:

- Continue Tourism investment retention support programme
- NMBM business support programme – linking and assisting business with National and Provincial business support mechanisms
- Implementation of business incentives – Airlift and Cruise

#### 4.3.6. Quality Assurance

Quality assurance is vital in tourism as it ensures high standards across services and experiences, enhancing customer satisfaction, trust, and destination reputation. By fostering positive experiences, it attracts more visitors, drives economic growth, and promotes sustainable tourism practices. Quality assurance also boosts competitiveness, encourages innovation, protects consumer rights, and ensures compliance with standards and regulations. It supports the sector's growth and sustainability by prioritising excellence and reliability.

##### 4.3.6.1. SWOT Analysis Findings

The tourism sector possesses notable strengths, including established businesses with a reputation for quality services, an experienced workforce, and available training programmes aimed at enhancing service delivery. There is also a growing emphasis on sustainable and responsible tourism practices, reflecting a shift towards more environmentally and socially conscious operations. However, the sector faces weaknesses, such as limited enforcement of quality assurance standards across all areas of tourism and weak collaboration between local stakeholders and associations. Inconsistent service levels, particularly among emerging and small-scale enterprises, further exacerbate challenges, alongside a lack of widespread

awareness and adoption of quality certification programmes. Additionally, resource constraints hinder effective monitoring and evaluation of service standards.

Opportunities exist to address these weaknesses, including targeted training initiatives to support service excellence in small and medium enterprises (SMEs) and collaborations with international quality certification bodies to enhance global competitiveness. Promoting quality standards as a key differentiator in marketing campaigns can also bolster the sector's appeal. However, threats remain, such as increasing competition from destinations with well-established quality assurance systems, negative perceptions stemming from crime and safety concerns, and economic instability that affects investment in maintaining high service standards. Resistance from certain stakeholders to adopt formal quality assurance measures further complicates efforts to elevate the sector's overall performance.

#### 4.3.6.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan's quality assurance objectives is to:

- Strengthen Quality Standards to ensure consistent quality assurance across all tourism sectors.
- Enhance Service Excellence and standardised service levels to ensure consistency and reliability for visitors.
- Position Quality as a Marketing Advantage to enhance Nelson Mandela Bay's competitiveness.

#### 4.3.6.3. Implementation Actions

To ensure the objectives are met the following actions are recommended:

- Driving city beautification projects to ensure destination attractiveness
- Encourage and promote grading/accreditation of tourism businesses and experiences
- Encourage and promote tourism businesses and experiences to join formal tourism industry associations
- Support Quality Assurance campaigns and competitions



## CLUSTER 3: PEOPLE DEVELOPMENT

#### 4.4. CLUSTER 3: PEOPLE DEVELOPMENT

##### 4.4.1. Transformation

The South African Constitution mandates the creation of a democratic state built on principles of equality, as outlined in the Bill of Rights. To achieve these goals, Section 217 of the Constitution promotes redress through the Preferential Procurement Policy Framework Act (PPPFA) and the B-BBEE Act, enacted in 2003 by the Department of Trade, Industry, and Competition (the dtic). Transformation in South Africa is driven by a collective commitment from stakeholders to extend economic opportunities to Previously Disadvantaged Individuals (PDIs), particularly black individuals, and involves collaboration to unlock economic benefits through funding instruments, public entity mandates, and mechanisms outlined in the Tourism B-BBEE Sector Code.

The Tourism B-BBEE Sector Code focuses on five key areas: Ownership and Management Control, Skills Development, Enterprise and Supplier Development, and Socio-Economic Development. These areas are designed to guide large and medium enterprises, while small enterprises with annual turnovers below R5 million are exempt from compliance, automatically achieving a Level 4 rating. Medium enterprises, with annual turnovers between R5 million and R45 million, face reduced compliance requirements, whereas large enterprises, with turnovers above R45 million, are required to comply fully. Despite these regulations, the sector's transformation progress has been slow, particularly regarding black women, who have benefited the least in terms of management control and shareholding. Additionally, procurement by large enterprises from black suppliers remains low, although socio-economic development initiatives have shown some progress.

Examples from other regions highlight mechanisms that can enhance transformation. In Namibia, the use of concessions has successfully facilitated inclusive growth, allowing private entities to invest in state-owned tourism sites in exchange for concession fees, benefiting both the private sector and the regulating authority. Similarly, in KwaZulu-Natal, private reserves pay lease fees to local communities who have benefited from land claims, creating jobs, promoting community development, and fostering B-BBEE. Internationally, Malaysia serves as an example of institutionalizing policies aimed at empowering indigenous communities, enabling their participation in economic activities and facilitating ownership in key sectors.

These models illustrate the potential for sustainable, inclusive growth in the tourism sector through strategic B-BBEE initiatives.

#### 4.4.1.1. SWOT Analysis

The hospitality and tourism industry presents several strengths, weaknesses, opportunities, and threats that highlight the challenges and potential for transformation. Key strengths include the availability of a baseline survey report detailing the current ownership and management structures within the industry, strong political will to drive transformation initiatives, and growing willingness among some local private sector companies to promote black participation in strategic positions and mentorship opportunities for emerging black entrepreneurs. Additionally, there is an existing national legislative and policy framework supporting the transformation of the tourism sector.

However, the industry faces notable weaknesses. These include very low levels of black and female representation in ownership and management positions, limited commitment by established tourism facilities to procure services from black entrepreneurs, and the absence of a clear political or administrative champion for transformation within the Metropole. Furthermore, there is no legislative framework (such as by-laws) compelling product owners to disclose ownership and management structures, coupled with resistance from some companies to open their shareholding structures or cooperate in providing information on black participation.

On the other hand, significant opportunities exist to promote transformation. These include the potential development of by-laws to ensure transparency in ownership and management structures, crafting a comprehensive transformation programme for the tourism industry, and focusing on skills development to empower black individuals to take on meaningful roles within the sector. There is also an opportunity to advance gender mainstreaming and black women's economic empowerment while strengthening relationships with second-line tourism businesses, particularly within supply chains.

Nevertheless, a critical threat remains: the inability to effectively coordinate and access funding to enable black entrepreneurs to secure equity in the ownership structures of existing facilities. Addressing these challenges and leveraging the

outlined opportunities will be vital for achieving sustainable transformation in the tourism and hospitality industry.

#### 4.4.1.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan's tourism transformation objectives is to:

- To establish proper institutional arrangements to champion the transformation of the tourism industry
- To provide and maintain an up-to-date database on the representation of blacks on the ownership and strategic management position of the various tourist facilities and enterprises within the Metropole
- To get the buy-in of the private sector companies to support the transformation programme of the Metropole
- To ensure substantial representation of blacks in the ownership structure of all new tourism development initiatives
- To promote representation of blacks in the ownership of the existing tourism facilities and enterprises where possible
- Facilitate access to markets for emerging tourism enterprises

#### 4.4.1.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Conduct baseline study on the state of transformation in the tourism sector
- Implement a local NMB tourism transformation plan based on provincial plan in partnership with local stakeholders
- Implement tourism industry and SMME development and support initiatives
- Drive Tourism transformation in partnership with industry - Mentorship Programme

#### 4.4.2. Service Excellence

Service excellence in tourism is crucial as it directly impacts the visitor experience, satisfaction, and overall destination reputation. High-quality service enhances customer satisfaction, encourages repeat visits, and fosters positive word-of-mouth, which drives tourism growth. Exceptional service also boosts competitiveness by differentiating destinations and businesses, ensuring they stand out in a crowded

market. Ultimately, service excellence contributes to enhanced visitor experiences, increased economic benefits, and the sustainable development of the tourism sector.

#### 4.4.2.1. SWOT Analysis

The SWOT analysis reveals several key insights. Strengths include the presence of existing products with excellent service, which establishes a strong foundation for tourism development. However, weaknesses persist, particularly in the form of inconsistent service levels across various sectors, impacting the overall visitor experience. Additionally, the experience levels of attractions need further development to enhance their appeal and sustainability. Opportunities lie in addressing these inconsistencies and improving service standards to boost competitiveness. The primary threat to the sector is competition from other cities, particularly those that have demonstrated superior service excellence, which may challenge the destination's ability to attract and retain tourists.

#### 4.4.2.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan's service excellence objectives is to:

- Enhance customer satisfaction to increase satisfaction and a better overall experience.
- Build customer loyalty to encourage return visits and recommendations.
- Differentiate from competitors to attract and retain customers.
- Improve brand reputation
- Drive organizational success by reducing customer complaints and increasing overall profitability.

#### 4.4.2.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Facilitate the implementation of the National Tourism Service Excellence Strategy
- Promote service excellence practices to local industry

#### 4.4.3. Community Beneficiation

Community involvement in tourism supports economic development, cultural preservation, and sustainable practices. It empowers local communities by creating jobs, reducing poverty, and promoting social equity. Community-based tourism enhances visitor experiences, ensures long-term sustainability, and helps preserve cultural and natural resources.

##### 4.4.3.1. SWOT Analysis Findings

The Nelson Mandela Bay area boasts four existing Community Tourism Forums (CTFs), highlighting a foundational strength in community-based tourism initiatives. However, several weaknesses persist, including the fact that not all CTFs are formally constituted, registered, or legal entities, which limits their operational effectiveness. Additionally, there is limited available land for community development and beneficiation, with no CTFs established in the Northern Areas, highlighting key gaps in coverage and inclusivity. Opportunities lie in the development and approval of business plans for CTFs, as well as the establishment of a comprehensive capacity development programme to enhance their capability. Encouraging CTFs to take ownership of heritage sites within their communities could strengthen cultural preservation and tourism experiences. Threats that need to be addressed include a lack of collaboration and political differences within some CTFs, which could hinder effective functioning and cooperation.

##### 4.4.3.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan's community beneficiation objectives is to:

- Promote Inclusive Economic Growth in order to foster job creation, entrepreneurship, and to support local SME development and ownership.
- Foster Cultural Preservation and Empowerment in order to protect cultural heritage, encourage community participation, and ensure that communities have a role in tourism development.
- Enhance Social Development by improving access to essential services, infrastructure, and supporting skills development and capacity building within communities.

- Promote Sustainable Development in order to encourage responsible tourism practices, conservation efforts, and ensure the long-term sustainability of tourism benefits.
- Strengthen Community Resilience to enhance economic stability, reduce dependency, and promote greater community involvement in tourism governance and decision-making.

#### 4.4.3.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Develop and maintain a database for community-based tourism projects
- Establish and Support Community Tourism Forum Initiatives



**CLUSTER 4: ENABLERS OF GROWTH**

## 4.5. CLUSTER 4: ENABLERS OF GROWTH

### 4.5.1. Tourism Safety & Cleanliness

Attacks on tourists within Nelson Mandela Bay Municipality has increased at Tourist “hot spots”. The tourists are seen as easy targets as the areas are unknown to them. The attacks are creating an environment where tourists are not visiting the Nelson Mandela Bay area which is affecting the revenue of the area. Law enforcement is required in an attempt to apprehend the perpetrators targeting the tourists as well as to create a safer environment for tourists and residents within the identified areas.

#### *Regulatory Framework:*

- Constitution of South Africa (Act 108/1996)
- Criminal Procedure Act (Act 51/1977)
- Dangerous Weapons Act (Act 15/2013)
- Firearms Control Act (Act 60/2000)
- National Road Traffic Act (Act 93/1996)
- South African Police Service Act (Act 65/1995)
- Applicable By-Laws of the Municipality

A safe and secure tourism environment is a key factor in determining a destination’s competitiveness. Concerns surrounding safety—particularly the risk of criminal incidents, political unrest, and health-related threats—significantly influence tourists’ decisions, often deterring travel to destinations perceived as unsafe. In South Africa, concerns about crime, coupled with highly publicised criminal incidents and political unrest, have contributed to the perception that the country is unsafe. This perception undermines marketing efforts and acts as a barrier to attracting both international and domestic tourists. Certain major attractions are often excluded from itineraries due to fears of crime, reducing the geographic spread of tourism. The negative impact of crime on tourism extends to economic consequences, particularly when these incidents receive widespread coverage in source markets.

Police responses and law enforcement presence have been insufficient in instilling a sense of security for tourists. The connection between tourist safety and the safety of local communities further complicates the issue, with some service delivery protests being hijacked by criminal elements, leading to looting and opportunistic behaviour. This has resulted in travel advisories from several countries, urging caution when

travelling to South Africa. In response, the South African Government, through the Inter-Ministerial Committee on Migration, has sought to address both the positive and negative aspects of migration, recognising tourism's role in the economy. However, current safety strategies are largely reactive, lacking preventative measures and adequate use of technology, particularly in high-tourist areas.

The White Paper has identified the need for proactive, preventative, and responsive safety strategies, including collaboration with law enforcement agencies, provision of tourist information, and swift legal procedures for crime resolution. Partnerships with the South African Police Service (SAPS) have led to initiatives like the Tourism Safety Monitors' Programme, which aims to enhance safety at key tourist sites. Additionally, some countries have established tourist police units and victim support programmes to address crime against tourists. In South Africa, efforts such as the deployment of targeted police units and community-based programmes have been implemented in regions like Gauteng, Mpumalanga, and the Western Cape. Limited community understanding of the economic contribution of tourism remains an issue that needs to be addressed alongside technological solutions to enhance safety and security in high-tourism areas.

#### 4.5.1.1. SWOT Analysis Findings

The strengths in addressing tourist safety in Nelson Mandela Bay include the willingness of various public and private institutions to allocate time and resources towards safety initiatives. There is a general consensus that crime remains a significant issue, with existing tourism crime prevention promotional material in place.

Weaknesses persist, such as the absence of permanent security officers at tourist sites, inadequate police presence at key locations, and a lack of bylaw enforcement related to issues such as littering, drinking, and vandalism. There is no dedicated victim support programme, and there is a shortage of reliable reporting and statistics on tourist crime incidents. Security cameras are often non-operational, and there is no clear communication framework for handling tourism-related incidents.

Opportunities for improvement include establishing satellite police stations at key tourism locations, especially the beachfront area, and assigning dedicated SAPS and Metro Police officials as first points of contact for tourism safety issues. However, threats remain, primarily stemming from limited resources exacerbated by protests

and other crime-related incidents within the municipality, which hinder the effective implementation of safety measures.

#### 4.5.1.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan's Tourism Safety and Cleanliness objectives is to:

- Enhance destination reputation by reducing crime and improving cleanliness to boost visitor confidence.
- Mitigate concerns about safety and unsanitary conditions to attract and retain tourists.
- Foster a safer environment that supports sustainable tourism and economic growth.

#### 4.5.1.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Driving tourism safety engagements across the entire city with relevant stakeholders
- Tourism Monitors / Ambassadors Programme
- Regular Safety assessment of Tourist Attractions / Infrastructure – Establish status quo of attractions, develop relevant risk mitigation matrix, Deploy interventions
- Implement the Tourism Safety and Cleanliness Awareness Plan and Initiatives
- Implement a tourism victim support programme
- Design and implement tourism safety incident communication protocols
- Lobby for a Tourism Police Sector

#### 4.5.2. Access

Nelson Mandela Bay benefits from a well-developed transport network, connecting the city with major domestic and international destinations. The centrally located Port Elizabeth Airport offers easy access from various parts of the city. Flights are available daily to and from key destinations such as Durban, OR Tambo, and Cape Town International Airports, connecting Nelson Mandela Bay to both domestic and international locations. The airport is serviced by major airlines and other national and regional carriers. Scenic helicopter tours and charters provide visitors with a

unique aerial view of the Bay, coastline, and surrounding areas. Taxis, hotel transport, and car hire services are readily available from the airport, along with shuttle options for convenient travel within the city and surrounding areas. Municipal buses offer accessible and reliable service within the metro, while Uber and Taxify are also widely available.

## **AIR**

While there are no direct international flights to Port Elizabeth, this is largely due to the city's geographic location, which creates barriers for international routes. Currently, three airlines serve the area: SAA, FlySafair, and Airlink. Most travelers to Port Elizabeth are business-oriented, though more detailed data on passenger destinations could enhance tourism planning.

### **Air Access – Nelson Mandela Bay Airlift**

Launched in July 2018 by the Nelson Mandela Bay Municipality, Airports Company South Africa (ACSA), Nelson Mandela Bay Business Chamber, and the Eastern Cape Development Corporation (ECDC), the Airlift project aims to enhance air connectivity, promoting trade and tourism between Nelson Mandela Bay and regional/national destinations. The Airlift committee includes representatives from the NMBM, ACSA, NMBBC, ECDC, and the Eastern Cape Parks and Tourism Agency, with the goal of attracting and supporting airline routes to improve regional and global competitiveness.

The NMBM Airlift strategy focuses on four strategic actions:

- Retention – maintaining existing airlines and routes.
- Route-Based Expansion – expanding existing airlines to new routes.
- Operator-Based Expansion – introducing new airlines to existing routes.
- New Route Development – securing new airlines and routes.

Additional support mechanisms include municipal investment incentives and marketing initiatives to encourage route development and expansion.

## **ROAD**

Nelson Mandela Bay's road network comprises national, provincial, and municipal routes, though issues with rural road signage and maintenance persist. The N2 highway linking KZN and Nelson Mandela Bay requires infrastructure improvements to unlock tourism potential from this key source market. During peak holiday periods,

parking can also be a challenge. A feasibility study for additional parking areas may be necessary.

Several car rental companies operate in the area, though limited information exists on their use by both domestic and foreign visitors. Market research on bus and car rental demand could provide insights into tourism trends. Long-haul bus operators such as Translux, Greyhound, and Intercape serve the region, with a seat occupancy rate of about 80%. However, further research is needed to understand the purpose of travel and travelers' origin and length of stay in Nelson Mandela Bay.

Commuter bus services are provided by the Algoa Bus Company, operating approximately 265 buses during weekday peak periods. There are 10 registered minibus taxi associations in the area, though unregistered operators and vehicles contribute to a lack of clarity on numbers. Training for operators on customer care and safety is recommended, particularly in preparation for large-scale events or tourism activities.

## **RAIL**

Train usage has steadily declined over the past two decades. Commuter rail services are available between Port Elizabeth and Uitenhage, with 11 stations along this line operating 12 trips per day on weekdays only. There is no train service on weekends or public holidays. The tourism train, Apple Express, was once a key tourist attraction, but has since ceased operations. There is potential to explore long-haul rail routes, particularly targeting high-income tourists who may seek more upscale travel options.

## **CRUISE**

The Nelson Mandela Bay Cruise Ship Strategy aims to position the city as a leading cruise destination. Key objectives include attracting more cruise lines, improving service quality, encouraging investment in tourism products, and maximizing passenger spend within the city. Promoting regional dispersal and supporting SMME opportunities through the cruise industry will contribute to sustainable tourism growth.

This strategy provides direction for industry stakeholders and regional partners, helping Nelson Mandela Bay realize its growth potential in the cruise sector.

#### 4.5.2.1. Swot Analysis Findings

Nelson Mandela Bay's transportation infrastructure, including its well-equipped airport, harbour, highways, and roads, plays a key role in linking Southern Africa and the Eastern Cape with national and international destinations. The centrally located Port Elizabeth Airport provides easy access to the city, with daily flights connecting to major domestic and international hubs like Durban, OR Tambo, and Cape Town. Services are available from airlines such as South African Airways, FlySafair, Airlink, among others. Scenic helicopter tours are offered for those seeking aerial views of the Bay and surrounding areas, with taxis, hotel transport, and car hire options available for convenient city travel.

The Nelson Mandela Bay Airlift project, established in 2018 by key stakeholders including NMBM, ACSA, NMBBC, and ECDC, aims to enhance air connectivity through strategic route development and airline partnerships. The project's key objectives include developing new routes, maintaining existing ones, and promoting increased flight frequency to boost tourism and trade. Although there are no direct international flights, the focus remains on stimulating demand and attracting airline partnerships to connect with unserved international markets, especially those linked to trade and investment.

The city's road network is robust but faces challenges like road signage, rural road maintenance, and parking shortages during peak periods. There are several car rental companies and luxury bus operators, though more data is needed on the purpose of visitor car rentals. Minibus taxis and commuter buses also play a crucial role in transport within the city. However, gaps in infrastructure such as signage and commuter services remain.

Rail transport has seen a decline in usage, with commuter rail services operating between Port Elizabeth and Uitenhage. The Apple Express tourism train is a key attraction. Research into long-haul rail routes and high-income rail tourists is recommended, but limited information exists on this market.

The Nelson Mandela Bay Cruise Ship Strategy aims to boost the cruise industry by attracting more cruise lines and enhancing passenger experiences. Challenges such as crime perception, limited shore excursions, and infrastructure shortcomings, like the lack of dedicated cruise terminals, hinder growth. Opportunities for improvement lie in expanding air, road, and rail access, promoting SMME involvement, and

addressing safety and infrastructure to attract more cruise line visits and enhance tourism offerings.

#### 4.5.2.2. Strategic Objectives

The Nelson Mandela Bay Tourism Master Plan's Access objectives is to:

- Develop – Development of new routes to the city utilising new and existing air, road, rail and cruise partners.
- Maintain – Maintaining existing routes and operators, monitoring their performance and engaging in regular contact with operators.
- Promote – Ensuring tourism growth through an increase in demand for flights, cruise dockings, improved schedules, and deployment of larger vehicles
- Product Development – Product Development that will increase demand for passenger seats and enhance customer services, spend and experience within the destination

#### 4.5.2.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Driving implementation of air access and cruise line strategic action items with relevant stakeholders
- Address and implement measures to increase connectivity
- Review, install and maintain Tourism Signage

#### 4.5.3. Tourism Infrastructure

One of the key constraints to tourism identified in the 1996 White Paper was a ground transport sector that was not adequately geared to serve tourists. This issue remains relevant today, particularly in less developed regions and rural areas, where enabling infrastructure continues to be poor. The ability of road networks to facilitate seamless travel and access to destinations is crucial, as they play a significant role in enhancing interconnectivity with other transport modes. There is a need for infrastructure development, maintenance, and enhancement to support the geographic spread of tourists into less-visited areas, ensuring better connectivity and improving the overall tourist experience.

Destinations have prioritized investment in tourism infrastructure to promote regional dispersal and attract visitors beyond major metropolitan areas. Some regions have developed Tourism and Transport Action Plans aimed at influencing transport planning at both the national and local levels, facilitating easier access for domestic and international tourists. For instance, Australia has used such plans to leverage major infrastructure projects, while VisitEngland has focused on improving transport networks to accommodate visitor needs.

The National Development Plan (NDP) 2030 emphasizes the importance of a strong economic infrastructure network to support South Africa's growth objectives. It advocates for targeted development of transport and other networks, with the tourism sector benefiting from integrated Tourism and Transport Plans developed in collaboration with transport authorities. Regionally, land transport remains the dominant mode for visitors from the SADC region, who are critical to South Africa's key source markets.

To foster and grow the economy of Nelson Mandela Bay, it is essential for the Municipality to leverage its assets to drive economic recovery and expand its revenue base. A number of key strategic projects and municipal assets have been identified as critical to unlocking the city's economic potential. If successfully implemented, these projects will not only support regional and provincial growth but will also contribute to the broader national economy.

Due to constrained budgets and limited revenue, adopting a public-private partnership (PPP) model is recommended. This approach involves the Municipality utilizing its assets to attract private sector investment. Like many municipalities across the country, Nelson Mandela Bay faces similar financial challenges, and the implementation of these strategic projects may be hindered by a lack of funding.

To address this funding gap, the Municipality could appoint a transaction advisor to develop a strategic plan. This plan would explore innovative and collaborative funding sources, such as:

- Investment plans for the rollout of mega and catalytic projects.
- A strategic approach for implementing these projects.
- Appropriate corporate structures to support and facilitate targeted investments.

The implementation of these projects should be guided by the following key principles:

- Public and private sector collaboration and partnerships.
- The use of public investment as a means to attract private capital, boost investor confidence, and stimulate investment in key sectors.
- A phased, hybrid approach involving both state-led initiatives and public-private consensus on major priority investments.
- Public investment acting as a catalyst, creating opportunities for private sector involvement.
- Focusing on new investment attractions, refurbishment of existing developments, and promoting socio-economic development alongside physical and environmental progress.
- Encouraging a diversity of actors within the economic space to ensure inclusive growth.

The catalytic projects identified in the NMBM 2020 Economic Recovery Framework are:

- The Tower of Light
- Waterfront Development & Cruise Liner Terminal
- Telkom Park, Happy Valley, and Bayworld Precinct Development
- ICC/Multi-Purpose Centre
- Uitenhage Central Precinct Revitalization
- 2010 Soccer Stadium and Precinct Development
- Willows, Van Stadens, Beachview, Maitlands, and Springs Resorts, including Municipal Nature Reserve
- Njoli Square Development
- Municipal Solid Waste Diversion and Beneficiation Opportunities
- Red Location Cultural Museum (and Precinct) Development
- Van der Kemp's Kloof Development
- Korsten/Shauderville Development
- Uitenhage Aerodrome
- North End Coastal Development
- Bluewater Beach/St Georges Strand Beach Development Node
- N2 City Development
- Aerotropolis/Walmer Gqeberha Precinct Development
- The Island Vibe Colchester Tourist Resort & Ingleside Lifestyle Estate
- Florida Heights

These projects are fundamental to driving economic recovery and growth in Nelson Mandela Bay and are aligned with the broader goals outlined in the NMBM Economic Development and Growth Strategy.

#### 4.5.3.1. SWOT Analysis Findings

The strengths identified in Nelson Mandela Bay's tourism sector include a common understanding of tourist attractions, a variety of high- and low-quality tourism products, and supporting activities. A well-maintained database, signage for accommodation facilities, and marketing efforts by both the private sector and municipality contribute to the sector's development. The presence of accommodation and business associations, along with strategically positioned tourist information offices, enhances the visitor experience.

Several weaknesses exist, such as limited facilities catering to upmarket tourists, insufficient options for low-income earners, and the absence of well-packaged international conferencing facilities. A majority of facilities are not graded, and there are no tourism products that support the destination's brand. Many facilities are not registered as legal entities, limiting their credibility and quality assurance.

Opportunities lie in developing upmarket tourist accommodation, fostering partnerships with schools to provide low-income accommodation, creating tourism products aligned with the destination's vision, and establishing an International Conference Centre (ICC). Upgrades to the Feather Market Centre and the availability of land for development initiatives present further prospects. Improving service excellence in the hospitality industry, upgrading the existing database, and developing a dedicated cruise terminal are additional opportunities for growth.

The key threats include competition from other cities in offering service excellence, and the pricing of newly established small B&Bs that may not meet standard expectations, posing challenges for quality and market competitiveness.

#### 4.5.3.2. Strategic Objectives

The overall objective for tourism infrastructure development is to;

- Attract investment by developing and maintaining sustainable and supportive tourism infrastructure that enhances the overall visitor experience, promotes regional dispersal, and fosters innovation.
- Improving connectivity, accessibility, and infrastructure quality, particularly in less-developed and rural areas, to ensure seamless travel and the delivery of diverse and high-quality tourism experiences.
- Creating an enabling environment to enhance the competitiveness and sustainability of Nelson Mandela Bay as a premier tourism destination.

#### 4.5.3.3. Implementation Actions

In order to ensure the objectives are met the following actions are recommended:

- Fast tracking of catalytic projects
- Facilitate Beachfront Development
- Develop a strategic plan that will identify innovative and collaborative ways to access funding for catalytic projects from a range of sources



**PLAN IMPEDEMENTS / RISK FACTORS**

#### **4.6. PLAN IMPEDEMENTS / RISK FACTORS**

Tourism, like any other industry, is exposed to various risks that can have significant adverse effects if not effectively managed. The current global economic volatility, including financial crises, fluctuating exchange rates, and rising commodity prices, presents challenges that impact the consumption of tourism products and services. Effective risk identification must be accompanied by risk mitigation strategies to minimize these negative impacts.

Several potential risks could affect the successful implementation of the Tourism Master Plan, including global currency exchange rate fluctuations. To mitigate this, there is a need to place greater emphasis on domestic tourism. Fiscal constraints further pose challenges, requiring strategic partnerships and resource syndication among key stakeholders to maintain financial sustainability.

One of the major barriers to tourism is crime, particularly affecting tourists. A Tourism Safety Support Programme should be revitalized in collaboration with the South African Police Service (SAPS) and other key government institutions to address crime hotspots and reduce incidents. Inadequate institutional capacity to deliver on tourism goals also poses a significant risk. The development and implementation of ECTMP-aligned district tourism sector strategies need strengthened technical support at local government levels. A Sector Skills Audit should be conducted to identify the necessary skills and competencies required for improved tourism delivery, paving the way for province-specific Tourism Sector Skills Plans.

Coordination challenges are another major risk. Tourism implementation often requires a multi-disciplinary approach that overlaps with other sectors, creating the need for improved coordination and a clear delivery forum where stakeholders can agree on roles, responsibilities, and tourism initiatives. Political instability, infighting, lack of cooperation, and disagreements among stakeholder associations exacerbate these issues. There is also a lack of coordinated, single-vision tourism planning, leading to conflicts of interest and ineffective implementation of policies.

Technological disruptions such as Airbnb and Uber pose new challenges for traditional tourism services, while increasing competition from other destinations offering similar or superior products creates further risks. Issues like non-compliance by the private sector, inadequate tourism product development, and declining

maintenance of tourism facilities contribute to the deterioration of the tourism offering. Travel restrictions, including visa requirements and congestion at ports, also hinder access, while health concerns linked to infrastructure, such as pollution and environmental degradation, pose additional risks.

Regional competition further threatens the destination's competitiveness, with other areas offering similar cultural and political heritage posing strong competition. Poor coordination, lack of collaboration, and political differences within structures such as CTFs further undermine the ability to attract investors and implement tourism projects effectively. Confusion and loss of confidence among potential investors, along with resentment toward European culture and concerns about crime perception, have a negative impact on the overall visitor experience. The degradation of tourism sites, low foot traffic, inadequate signage, and insufficient services on offer, particularly for newly established small B&Bs, further exacerbate these challenges, leading to increased competition with other cities in terms of service excellence. Ultimately, targeting the wrong market segments and misalignment of resources further threaten the region's ability to attract and retain tourists.



**CONCLUSION**

#### **4.7. CONCLUSION**

The Nelson Mandela Bay Tourism Master Plan acknowledges the profound impact of COVID-19, not only on the region but globally, reshaping the tourism landscape. The pandemic has highlighted the critical need for tourism businesses to innovate, adapt, and build resilience to future risks.

In response, the Economic Development, Tourism, and Agriculture (EDTA) Department developed an Economic Recovery Framework in 2020, emphasizing the importance of strategic recovery and ensuring a more resilient and sustainable tourism sector in Nelson Mandela Bay.

This Tourism Master Plan aims to now foster a collaborative approach among all stakeholders within the tourism ecosystem to fix and develop the NMB Tourism Sector. The proposed interventions require the collective effort of diverse players to create a unified vision for the future of tourism in Nelson Mandela Bay. It seeks to enable NMBM to maximize its potential as a distinctive, competitive metropole both nationally and across the African continent.

The plan provides a structured framework for implementing responsible tourism policies and aims to enhance the development and utilization of tourism attractions. It emphasizes meaningful community involvement and the benefits of sustainable tourism development, particularly through job creation, SMME, and BEE investment opportunities. It focuses on transforming the tourism industry within the metropole, improving institutional capacity, and ensuring the active participation of key stakeholders in tourism development and marketing.

By aligning efforts and fostering cooperation across these clusters, the Nelson Mandela Bay Tourism Master Plan aims to ensure a more resilient, competitive, and inclusive tourism sector that contributes to the long-term development and prosperity of the region.



nelson mandela bay  
T O U R I S M