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## CONTENTS PROVINCIAL NOTICE

The following Bill is hereby published for general information:

Western Cape Tourism Bill [B 8—2003]

P.N. 387/2003

19 November 2003

Any person or organisation wishing to comment on the said Bill is requested to lodge such comment in writing before or on 10 December 2003:

(a) by posting it to:

The Secretary:  
Western Cape  
Provincial Parliament (Attention: Ms. Z. Mene)  
P.O. Box 648  
Cape Town  
8000

(b) by e.mail to:

nmene@pawc.wcape.gov.za

(c) by fax to:

Z. Mene  
(021) 487-1685

P. J. C. Pretorius  
*Secretary to Parliament*

*As 'n Nuusblad by die Poskantoor Geregistreer*

## INHOUD PROVINSIALE KENNISGEWING

Die volgende Wetsontwerp word hierby vir algemene inligting gepubliseer:

Wes-Kaapse Wetsontwerp op Toerisme [W 8—2003]

P.K. 387/2003

19 November 2003

Enige persoon of organisasie wat kommentaar oor die genoemde Wetsontwerp wens te lewer, word versoek om sodanige kommentaar skriftelik te lewer voor of op 10 Desember 2003:

(a) deur dit te pos aan:

Die Sekretaris  
Wes-Kaapse  
Provinsiale Parlement (Aandag: Ms. Z. Mene)  
Posbus 648  
Kaapstad  
8000

(b) deur dit te e.pos aan:

nmene@pawc.wcape.gov.za

(c) deur dit te faks aan:

Z. Mene  
(021) 487-1685

P. J. C. Pretorius  
*Sekretaris van die Parlement*

# BILL

**To provide for the establishment of the Destination Marketing Organisation; to provide for its composition, powers and functions; to provide for the promotion of tourism and the related economic development of the Western Cape; to repeal the Western Cape Tourism Act, 1997; and to provide for matters incidental thereto.**

## PREAMBLE

**WHEREAS** the Western Cape Provincial Government (“the Government”) is committed to the economic development of the Province of the Western Cape (“the Province”) for the benefit of all its people;

**AND WHEREAS** the Government recognises that economic development in the Province can best be assisted by maximising the opportunities created by tourism, investment and export promotion and related events;

**AND WHEREAS** it is recognised that the Government has the responsibility to facilitate economic prosperity through the development of a skilled workforce and infrastructure;

**AND WHEREAS** the Government recognises tourism as a key to unlocking the economic potential of the Province and its people, and acknowledges the need for revised institutional arrangements in respect of tourism in the Province;

**AND WHEREAS** the Government recognises that municipalities have the legislative and executive authority in respect of, and the right to administer, local tourism;

**AND WHEREAS** the Government and provincial local government bodies in the Province have a shared vision to establish a single destination marketing organisation and are jointly committed to the growth of tourism and major events;

**AND WHEREAS** the Government recognises its responsibility for the economic development of the Province and the facilitation of the growth and transformation of the provincial economy to reflect the interests of all the people of the Province;

**AND WHEREAS** the Government, in a spirit of cooperative governance and in partnership with local and national government and the private sector, has a shared vision to establish a single destination marketing organisation and is committed to the growth of tourism;

**T**HEREFORE BE IT ENACTED by the Provincial Parliament of the Province of the Western Cape, as follows:—

## CONTENTS

### CHAPTER 1

#### INTERPRETATION

1. Definitions

### CHAPTER 2 5

#### ESTABLISHMENT OF DESTINATION MARKETING ORGANISATION

2. Establishment of Destination Marketing Organisation (DMO)  
 3. Objectives of DMO  
 4. Appointment and composition of Board 10  
 5. Term of office of members of Board, and filling of vacancies  
 6. Termination of membership of Board  
 7. Meetings and decisions of Board

### CHAPTER 3

#### ESTABLISHMENT OF COMMITTEES 15

8. Appointment and composition of committees  
 9. Term of office of members of committees, and filling of vacancies  
 10. Termination of membership of committee

### CHAPTER 4

#### DELEGATIONS AND REMUNERATION 20

11. Delegation of powers, functions and duties  
 12. Allowances of members of Board  
 13. Remuneration and other service benefits of employees of Board

### CHAPTER 5

#### POWERS AND DUTIES OF BOARD 25

14. Powers and duties of Board

### CHAPTER 6

#### CHIEF EXECUTIVE OFFICER

15. Chief executive officer  
 16. Powers and functions of chief executive officer 30

### CHAPTER 7

#### FUNDING AND FINANCIAL CONTROL

17. Funding and financial control

### CHAPTER 8

#### INSTITUTIONAL COORDINATION 35

18. Institutional coordination

## CHAPTER 9

### LOCAL TOURISM ASSOCIATIONS AND VISITOR INFORMATION NETWORKS

- |     |  |   |
|-----|--|---|
| 19. | Accreditation of local tourism associations        |   |
| 20. | Register of accredited local tourism organisations | 5 |
| 21. | Establishment of Visitor Information Network       |   |

## CHAPTER 10

### TRANSITIONAL AND GENERAL PROVISIONS

- |     |                                |    |
|-----|--------------------------------|----|
| 22. | The Western Cape Tourism Board |    |
| 23. | The Company                    | 10 |
| 24. | Regulations                    |    |
| 25. | Repeal of Act 3 of 1997        |    |
| 26. | Short title and commencement   |    |

## CHAPTER 1

### INTERPRETATION 15

#### Definitions

1. In this Act, unless the context otherwise indicates—
  - “**Board**” means the governing body of the DMO, appointed in terms of section 4;
  - “**chairperson**” means the chairperson of the Board, appointed to serve as chairperson in terms of this Act; 20
  - “**City**” or “**the City**” means the City of Cape Town;
  - “**committee**” means a committee of the Board, established in terms of section 8;
  - “**DMO**” means the Destination Marketing Organisation established in terms of section 2;
  - “**executive Mayor**” means the executive Mayor of the City as defined in the Structures Act, any successor- in- title, or any duly appointed nominee; 25
  - “**members of the Board**” means members of the Board contemplated by section 4;
  - “**Minister**” means the provincial Minister of the Western Cape responsible for Tourism or his or her nominee, acting in all instances in consultation with the executive Mayor, except for section 4(5)(a), 30
  - “**Minister responsible for Finance**” means the provincial Minister of the Western Cape responsible for Finance;
  - “**municipality**” means any municipality in the Province established in terms of the Structures Act; 35
  - “**organised local government**” means an organisation recognised in terms of section 2(1) of the Organised Local Government Act, 1997 (Act 52 of 1997), to represent local government in the Province;
  - “**prescribe**” means prescribe by regulation;
  - “**Province**” means the Province of the Western Cape; 40
  - “**Provincial Parliament**” means the Provincial Parliament of the Province referred to in section 105 of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996);
  - “**Structures Act**” means the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998); 45
  - “**the Company**” means the Cape Town Tourism and Events Company (an association incorporated under section 21) (Registration Number 2003/0044604/08);
  - “**this Act**” includes any regulation made under this Act.

## CHAPTER 2

### ESTABLISHMENT OF DESTINATION MARKETING ORGANISATION

#### Establishment of Destination Marketing Organisation (DMO)

2. There is established a juristic person known as the Destination Marketing Organisation, which is capable of suing and being sued in its own name and of performing all such acts as are necessary for the performance of its functions and the carrying out of its duties, and which is governed by a Board that must report to the Provincial Parliament of the Western Cape. 5

#### Objectives of DMO

3. Without infringing on the rights of municipalities regarding local tourism, the DMO must develop and promote the Province as a tourist destination and in order to do so must pursue the following objectives: 10

- (a) the managing, planning and directing of the marketing activities of all sectors of the Province's tourism industry, namely meetings, incentives, conventions, exhibitions, events and leisure marketing, and visitor and support services; 15
- (b) the development of new tourism products and destinations;
- (c) cooperation with other bodies involved in the marketing of the film industry, and of trade and investment in the Province;
- (d) providing a vehicle which facilitates public and private sector cooperation, participation, decision-making and funding in the context of the Province's tourism as a whole; 20
- (e) aligning marketing activities in all sectors of tourism in the Province, in collaboration with existing entities;
- (f) facilitating the pursuit of transformation and empowerment goals within all sectors of the Province's tourism industry; 25
- (g) fostering relations and entering into agreements with organisations of all kinds, both public and private, for the purpose of promoting the objectives of the DMO; and
- (h) fostering close cooperation between the public and private sectors in the pursuit of tourism growth for the benefit of all the people of the Province. 30

#### Appointment and composition of Board

4. (1) Subject to subsection (2), the Minister, after consultation with the Standing Committee of the Provincial Parliament responsible for tourism and with organised local government, must appoint the members of the Board.

(2) Despite the provisions of section 6(1)(f), on the date on which this Act comes into operation all the members of the Board of Directors of the Company are regarded as duly appointed members of the Board for the first 12 months of the existence of the DMO. 35

(3) Members of the Board may only be appointed after the Minister, by notice in the *Provincial Gazette* and in such other media as the Minister may consider appropriate, has invited all interested parties to submit, within the period mentioned in the notice, names of persons who in the opinion of such interested parties have knowledge of the tourism industry or marketing and management expertise or strategic leadership qualifications in the field of organisational transformation, and are fit and proper persons to be so appointed, stating the grounds upon which such opinion is based. 40 45

(4) The Minister must give due consideration to the need for the Board to reflect broadly the demographic and geographic composition of the Province.

(5) The Board consists of no more than 12 members, namely—

- (a) one member nominated by the Minister acting alone;
- (b) one member nominated by the executive Mayor; 50
- (c) two members nominated by organised local government, one representing category B municipalities and one representing category C municipalities; and
- (d) no more than eight members nominated by the public in accordance with the process set out in subsection (3). 55

(6) The Minister, after consultation with organised local government, must designate a chairperson and a vice-chairperson for the Board from among the members of the Board.

#### **Term of office of members of Board, and filling of vacancies**

5. (1) Members of the Board are appointed for a period determined at the time of their appointment but not exceeding two years. 5

(2) If for any reason the office of a member of the Board becomes vacant, the Minister, after consultation with organised local government, may appoint a person from the category of persons from which such member was originally appointed or nominated as a member of the Board for the unexpired portion of the term of office in accordance with section 4. 10

(3) A member of the Board is eligible for re-appointment, but may not serve more than three consecutive terms: Provided that the following periods must not be taken into account in calculating the number of terms served:

- (a) the 12-month-period referred to in section 4(2); and 15
- (b) any unexpired portion referred to in subsection (2).

#### **Termination of membership of Board**

6. (1) The office of a member of the Board becomes vacant if the member—

- (a) is declared insolvent or of unsound mind by a competent court; 20
- (b) is removed from office in terms of subsection (2);
- (c) is convicted of an offence and sentenced to imprisonment without the option of a fine, but no one may be regarded as having been sentenced until an appeal against the conviction or sentence has been determined;
- (d) is absent from three consecutive meetings of the Board without the consent of the chairperson; 25
- (e) submits his or her written resignation to the chairperson;
- (f) becomes a member of Parliament, a Provincial Legislature, the council of a municipality or the national Cabinet or the Western Cape Provincial Cabinet; or
- (g) becomes an employee of the Province or a municipality. 30

(2) The Minister, after consultation with organised local government, may remove a member of the Board on the ground of misconduct, incapacity or incompetence with due consideration to the provisions of the Promotion of Administrative Justice Act, 2000 (Act 3 of 2000).

#### **Meetings and decisions of Board** 35

7. (1) The first meeting of the Board must be held at a time and place determined by the Minister. Thereafter the Board must meet at such times and places as the chairperson may determine, but the Board must meet at least once every three months.

(2) The chief executive officer must within seven days of the receipt of a written request signed by at least three members of the Board convene a special general meeting of the Board. 40

(3) The notice whereby a special general meeting of the Board is convened must state the business of that meeting, and no other business may be transacted at the special general meeting.

(4) The quorum for a meeting of the Board is the majority of all its members. 45

(5) The vice-chairperson must act as chairperson of the Board when the chairperson is absent or unable to act as chairperson, and when both the chairperson and the vice-chairperson are absent or unable to act as chairperson, the members present at such meeting must, by majority vote, elect one of their number to preside at such meeting.

(6) The decision of a majority of the members present at a meeting of the Board constitutes a decision of the Board, and in the event of an equality of votes on any matter the person presiding at the meeting has a casting vote in addition to his or her deliberative vote. 50

(7) A decision taken by the Board at a time when there was a vacancy on the Board, when any person who was not entitled to sit as a member of the Board sat as such a member, is not invalid if— 55

- (a) the decision was taken by a majority of all the members of the Board; and

(b) the members comprising that majority were entitled to sit as members.

(8) The Board may allow any member of a committee who is not a member of the Board to attend any meeting of the Board at which any matter relating to a function of that committee is dealt with and may allow such member to take part in the proceedings at such meeting without having the right to vote. 5

(9) When the Board is in session, a member may not take part in the discussion of, or participate in the making of a decision on, any matter in which that member or that member's spouse, partner, immediate relative or employer has any personal and direct or indirect pecuniary interest: Provided that the Board may require that any member who has declared such interest must recuse himself or herself from the proceedings regarding such matter. 10

(10) Any member of the Board who contravenes the provisions of subsection (9) is guilty of an offence and on conviction is liable to a fine or imprisonment for a period not exceeding 12 months.

(11) The minutes of Board meetings must be signed by the person who presides at the next meeting of the Board. 15

(12) The Board must allow the Minister and the executive Mayor or their duly appointed nominees and the Provincial and City employees responsible for tourism or their respective nominees to attend any meeting of the Board and participate in the proceedings at such meeting without having the right to vote. 20

### CHAPTER 3

#### ESTABLISHMENT OF COMMITTEES

##### Appointment and composition of committees

8. (1) (a) The Board, after consultation with the Minister, may establish committees to assist the Board with the exercise of its powers, the performance of its functions and the carrying out of its duties. 25

(b) Any committees appointed by the Board of Directors of the Company are, on the date on which this Act comes into operation, regarded as committees appointed in terms of this section but only for the succeeding 12 months.

(2) The Board may establish committees comprising persons with expertise in the fields of, but not limited to— 30

(a) meetings, incentives, conventions and exhibitions;

(b) events;

(c) leisure;

(d) new tourism product development; 35

(e) visitors information services;

(f) finance; and

(g) human resources.

(3) Committees must function subject to the terms of reference determined by the Board. 40

(4) A committee consists of the number of members determined by the Board, but not more than 15 members, and every committee must have as a member one member of every other committee.

(5) A committee must be chaired by a member of the Board or a duly appointed nominee. 45

(6) The Board may at any time dissolve a committee.

##### Term of office of members of committees, and filling of vacancies

9. (1) A member of a committee holds office for such period, not exceeding two years, as is determined at the time of his or her appointment.

(2) If for any reason the office of a member of a committee becomes vacant, the Board may appoint a person as a member of the committee for the unexpired portion of the term. 50

(3) A member of a committee whose term of office has expired is eligible for reappointment, but may not serve more than three terms as a member of a committee: Provided that the unexpired portion referred to subsection (2) may not be taken into account in calculating the number of terms served. 55

### **Termination of membership of committee**

10. The provisions of section 6(1) apply, with the necessary changes, to the termination of the office of a member of a committee.

## **CHAPTER 4**

### **DELEGATIONS AND REMUNERATION**

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#### **Delegation of powers, functions and duties**

11. (1) The Board may delegate in writing any power, function or duty assigned to the Board or conferred or imposed upon it in terms of this Act to any member of the Board, to any committee, or to the chief executive officer, who in turn may further delegate such power, function or duty. 10

(2) The delegation of a power, function or duty under subsection (1) does not preclude the exercise of that power, the performance of that function or the carrying out of that duty by the Board.

(3) The Board may at any time amend or revoke any delegation under subsection (1), and may delegate its powers, functions or duties subject to any limitations, directions or conditions which the Board may decide. 15

(4) The Board may review and amend any decision taken in terms of a delegation contemplated by subsection (1), subject to any rights that may have accrued and with due consideration to the provisions of the Promotion of Administrative Justice Act, 2000. 20

#### **Allowances of members of Board**

12. A member of the Board and a member of a committee must be appointed on such terms and conditions and may be paid such allowances and be reimbursed for such expenses out of the funds of the Board as are determined jointly by the Minister in concurrence with the Minister responsible for Finance. 25

#### **Remuneration and other service benefits of employees of Board**

13. The Board, in consultation with the Minister and the Minister responsible for Finance may—

- (a) determine and pay to its employees remuneration, allowances, bonuses, subsidies and pensions and other service benefits; and 30
- (b) determine and pay gratuities to its employees and former employees, and to the dependants of its employees and former employees, in the case of death or injury of such employees which occurred in the course of their employment.

## **CHAPTER 5**

### **POWERS AND DUTIES OF BOARD**

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#### **Powers and duties of Board**

14. (1) In order to achieve its objectives the Board may—
- (a) in consultation with the Minister and the Minister responsible for Finance, lease, purchase or otherwise acquire, let, sell, exchange or alienate, mortgage, burden with a servitude or confer any real right in, immovable property; 40
  - (b) hire, purchase or acquire, hire out, sell, exchange or alienate, pledge or confer any other real right in movable property;
  - (c) negotiate or cooperate with any government, provincial administration or local government, or any other board or person, in the Republic or elsewhere, with regard to any matter which is directly or indirectly aimed at the achievement of the objectives of the Board; 45



- (d) enter into agreements with a similar body, within the Republic or elsewhere, for the promotion of tourism in the respective areas for which the Board and that body have been established, and for that purpose the Board, or a member or members of the Board, may undertake journeys inside and outside the Republic; 5
- (e) in consultation with the Minister, open and administer offices which may be necessary or advisable for the effective and proper exercise of its powers, the performance of its functions and the carrying out of its duties;
- (f) acquire insurance cover— 10
- (i) for itself against any loss, damage, risk or liability which it may suffer or incur; and
- (ii) for the members of the Board and committees and employees in respect of bodily injury, disablement or death resulting solely and directly from an accident occurring when performing their duties as such members or employees; 15
- (g) open and conduct banking accounts at a bank as defined in the Banks Act, 1990 (Act 94 of 1990);
- (h) draw up, make, publish and sell or make available free of charge books, guides, maps, publications, photographs, films, videos and similar matter intended to inform persons, in the Republic or elsewhere, of tourist attractions and services in the Province; 20
- (i) gather, evaluate and process information relating to tourism in the Province, and make such information available to persons who are engaged in the tourism industry;
- (j) give marketing advice and guidance to persons who are engaged in the tourism industry in the Province; 25
- (k) with a view to the effective marketing of, and the provision of information relating to, any service, facility or product offered in connection with tourism, determine, publish and regulate the use of such distinguishing signs and wording as the Board may deem fit; 30
- (l) employ and terminate the employment of persons;
- (m) in consultation with the Minister and the Minister responsible for Finance, establish, manage and administer any pension or provident fund or medical scheme for the benefit of the DMO's employees, or have such fund or scheme administered by another person or body; 35
- (n) negotiate and cooperate with any educational institution regarding the institution, continuation or expansion of courses for the training of persons for careers in the tourism industry;
- (o) recommend incentive schemes and grading, classification and accreditation systems and administer such schemes and systems; 40
- (p) approve the use of trading names by the DMO; and
- (q) perform any other acts which may contribute towards the achievement of the objectives of the Board.
- (2) In order to achieve its objectives the Board must— 45
- (a) work with the provincial government and municipalities to implement the tourism development and marketing strategies of the Province and municipalities;
- (b) integrate transformation objectives into the operational activities of the Board;
- (c) work with other national and provincial public entities, particularly those tasked with trade and investment promotion; and 50
- (d) work with sector-specific bodies such as those in the wine and film industries in the promotion of provincial attractions.

## CHAPTER 6

### CHIEF EXECUTIVE OFFICER 55

#### Chief executive officer

15. (1) Subject to subsection (5), the Board, in consultation with the Minister and after following a public advertising process, must appoint a fit and proper person with knowledge and experience of management, marketing and tourism as the chief executive officer of the DMO. 60

- (2) The chief executive officer must be appointed in terms of a fixed-term, performance-linked contract, for a period not exceeding five years, and may be reappointed after expiry of that period.
- (3) If the chief executive officer is absent or for any reason unable to perform his or her functions, or whenever there is a vacancy in the office of the chief executive officer, the Board must appoint another person to act as chief executive officer of the DMO during such absence or inability or until a chief executive officer has been appointed in terms of subsection (1). 5
- (4) An acting chief executive officer must, for the duration of his or her appointment, perform the functions of the chief executive officer. 10
- (5) Notwithstanding the provisions of subsection (1), the chief executive officer of the Company, as on the date on which this Act comes into operation is deemed to be the duly appointed chief executive officer of the DMO for the unexpired term of the chief executive officer's employment agreement with the Company.

#### **Powers and functions of chief executive officer** 15

- 16.** In addition to the powers, functions and duties conferred upon the chief executive officer by the provisions of this Act or by the Board, the chief executive officer must—
- (a) ensure that the DMO performs its functions in terms of this Act;
  - (b) be in charge of the other employees of the Board;
  - (c) be accountable to the Board; 20
  - (d) ensure that proper minutes are kept at meetings of the Board and committees;
  - (e) attend meetings of the Board; and
  - (f) submit to the Minister and the executive Mayor and any other officials nominated by the Province and the City, within 14 days of a Board meeting, a copy of the minutes thereof. 25

### **CHAPTER 7**

#### **FUNDING AND FINANCIAL CONTROL**

##### **Funding and financial control**

- 17.** (1) The funds of the DMO consist of—
- (a) money appropriated by the Provincial Parliament for that purpose; 30
  - (b) money that may be appropriated by the council of a municipality for that purpose; and
  - (c) money donated to the DMO by any person or institution.
- (2) Acceptance by the DMO of money contemplated by subsection (1)(b) or (c) is subject to any applicable provisions of the Public Finance Management Act, 1999 (Act 1 of 1999), and any regulations in terms thereof. 35
- (3) The Board's financial control, accountability and responsibility and its duties to report are regulated by the Public Finance Management Act, 1999, and any regulations or directives issued in terms of that Act.
- (4) The Board must submit to any municipality which provides funds for the DMO and any other municipality which so requests, the reports or statements referred to in section 55(1)(d) of the Public Finance Management Act, 1999 within the period referred to in that section. 40

### **CHAPTER 8**

#### **INSTITUTIONAL COORDINATION** 45

##### **Institutional coordination**

- 18.** (1) The Board must cooperate with and participate in any institutions for the

promotion of investment, trade, the film industry and other related sectors, in order to promote inter-institutional cooperation with reference to-

- (a) joint planning;
- (b) cooperative budgeting;
- (c) joint monitoring and evaluation, and 5
- (d) joint reporting,

which will ensure alignment of their strategies and operations.

(2) The DMO, the Province and any municipality involved in the functions of the DMO must ensure that there is full compliance with the cooperative governance provisions of section 41(1)(h) of the Constitution of the Republic of South Africa, 1996. 10

## CHAPTER 9

### LOCAL TOURISM ASSOCIATIONS AND VISITOR INFORMATION NETWORKS

#### Accreditation of local tourism associations

19. The DMO may— 15
- (a) accredit a local tourism association or any similar tourism organisation established by a municipality; and
  - (b) formulate and prescribe accreditation criteria for the accreditation of a local tourism association or any similar tourism organisation.

#### Register of accredited local tourism organisations 20

20. The DMO must keep a register of all accredited local tourism organisations or any similar organisations established by a municipality.

#### Establishment of Visitor Information Network

21. The DMO may establish and accredit a Visitor Information Network, based on patterns and demands, in accordance with the criteria determined by the Board. 25

## CHAPTER 10

### TRANSITIONAL AND GENERAL PROVISIONS

#### The Western Cape Tourism Board

22. (1) The Western Cape Tourism Board, established in terms of the Western Cape Tourism Act, 1997 (Act 3 of 1997) (hereafter referred to as the Western Cape Tourism Board) is dissolved. 30

(2) The DMO is the successor-in-law of the Western Cape Tourism Board.

(3) With effect from the date on which this Act comes into operation—

- (a) the assets, liabilities and records of the Western Cape Tourism Board are transferred to the DMO; 35
- (b) staff employed by the Western Cape Tourism Board are transferred to the DMO in accordance with the Labour Relations Act, 1995 (Act 66 of 1995).

#### The Company

23. (1) With effect from the date on which this Act comes into operation, and subject to the approval of the members of the Company first being obtained, the staff, assets, liabilities and records of the Company are transferred from the Company to the DMO, and the DMO becomes the successor- in-law of the Company. 40

(2) The staff of the Company are transferred in accordance with the Labour Relations Act, 1995.

**Regulations**

24. The Minister, after consulting organised local government, may make regulations relating to any matter which may be dealt with by the Minister in terms of this Act, and any matter deemed necessary by the Minister for the achievement of the objects of the DMO and this Act: Provided that regulations with financial implications must be made in consultation with the Minister responsible for Finance. 5

**Repeal of Act 3 of 1997**

25. The Western Cape Tourism Act, 1997 (Act 3 of 1997) is repealed.

**Short title and commencement**

26. This Act is called the Western Cape Tourism Act, 2003, and comes into operation on a date to be fixed by the Premier by proclamation in the *Provincial Gazette*. 10

## EXPLANATORY MEMORANDUM

### Introduction

The aim of the Western Cape Tourism Bill is to repeal the Western Cape Tourism Act of 1997 (Act 3 of 1997), so as to provide for the establishment of a Destination Marketing Organisation (DMO) to market the Western Cape as a tourism destination. The Bill promotes the principles of cooperative governance and acknowledges the important role that is played by the City of Cape Town as a gateway to the Province. The Bill reflects the current partnership between Province and the City of Cape Town, but makes provision for all local government structures to participate should they so wish. It also reflects the need for government and the private sector to work together in promoting tourism for their mutual benefit. It acknowledges the developmental role of government as well as the private sector's free market motive. However, for tourism to thrive, these two aspects should be harmonised. The intention is to capitalise on strengths brought by both private and public sectors.

The Bill shows the Western Cape Provincial Government's commitment to the economic development of the province for the benefit of all the people. It commits government to the economic development of the province through maximising the opportunities created by tourism, investment and export promotion and related events. It recognises government as a major role player in facilitating economic prosperity through the development of a skilled workforce and infrastructure. Tourism is recognised as important in unlocking the economic potential of the province and its people. The Bill makes provision for the transformation of tourism institutional arrangements. It provides for the realisation of the shared vision of provincial and local government, as well as the private sector, for a single marketing organisation which is committed to the growth of tourism and major events. The Bill acknowledges that municipalities have the legislative and executive authority over local tourism, while making provision for their participation in the DMO.

### Chapter One

The first chapter of the Bill provides for the interpretation and definition of terms as used in the Bill.

### Chapter Two

The second chapter addresses issues related to the establishment of the Destination Marketing Organisation (DMO), *to be called Cape Tourism Organisation, once consensus has been reached with the City of Cape Town*. The DMO will replace the existing Western Cape Tourism Board. Unlike the tourism board, which had regulatory, developmental and marketing tourism functions, the DMO will only focus on marketing the province domestically and internationally. Tourism regulation and development responsibilities are assigned to the government department. The Bill addresses the problems of duplication and fragmentation since it provides for the creation of a legislative framework based on partnership and cooperation between local, provincial government and the private sector. It promotes cooperation between all agencies responsible for marketing the province. It makes provision for dialogue between the DMO and government. It communicates the clearly defined objectives of the DMO which are to manage, plan and direct marketing activities of all sectors of the Western Cape Tourism industry, to develop new products and destinations, to align their strategies with other bodies involved in the marketing of the province, to facilitate public-private sector cooperation, participation, decision making and funding in the context of tourism as a whole, to align marketing activities in all sectors of tourism, to facilitate the pursuit of broad based transformation objectives within all sectors of

tourism marketing, to foster relations with other organisations in the pursuit of the DMO objectives and to foster cooperation between the public and private sector in the pursuit of tourism growth for the benefit of all the people of the province.

The partnership and commitment to transformation is reflected in the proposed appointment process, representation on the Board and the criteria for appointment as members of the Board. The appointment process highlights the important role to be played by the City of Cape Town, organised local government and the Province. The chapter also deals with the period of office of the board members, their qualifications for appointment, the vacation of office and the filling of vacancies and procedural matters such as meetings and decisions.

### **Chapter Three**

The third chapter deals with the appointment and composition of committees. The committees provide for broadened participation by stakeholders in delivering the objectives of the board. They make provision for experts in specific fields to provide input to strategies and business plans of the DMO. The proposed committees are related to the sectors to be covered by DMO (conventions, incentives, product development, events, leisure, visitor information services and new product development). It also includes additional support committees for the board, but is not limited to those mentioned. This chapter deals with the composition of the committees, period of office of members, vacation of office and filling of vacancies.

### **Chapter Four**

The fourth chapter deals with the delegation of powers, functions and duties of the Board. This makes provision for the Board to delegate some of its powers to the committees or the CEO. It also gives powers to the CEO and committees to further sub-delegate. It gives powers to the board to at any time amend or revoke any delegation. The chapter deals with the allowances for board members, remuneration and other service benefits of the employees of the Board.

### **Chapter Five**

This chapter deals with powers and duties of the board. It allows for cooperation and consultation in decision-making with government. Powers and duties relate to issues such as acquisition of property, entering into agreement with other public and private sector organisations, opening of offices outside the province, acquisition of insurance cover, opening of bank accounts, purchasing, gathering information, administering of pension funds and other benefits, negotiations with training organisations on tourism related matters, recommendation of incentive schemes, grading, accreditation, approval for the use of trading names and to perform any other duties which may contribute towards the achievement of the objects of the board. It proposes that the DMO works with local and provincial government to implement the tourism development and marketing strategies. This will facilitate synergy between the DMO does and government. It proposes that the DMO work with other national and provincial public entities, particularly those tasked with trade and investment promotion. It should also work with specific bodies in the wine and film industries.

### **Chapter Six**

This chapter makes provision for the appointment of the Chief Executive Officer. It highlights the process to be followed, terms and conditions for appointment and gives powers to the Board to appoint someone to stand in for the CEO if he or she is not able to perform his or her functions. It proposes that the Chief Executive Officer of the Cape Town Tourism and Events Company be deemed to be duly appointed as CEO of the DMO for the unexpired term of the CEO's employment agreement with the company. It highlights powers and functions of the CEO, which amongst others, are to ensure that

the DMO performs its functions, accountability to the Board and to provide secretariat support to the Board.

### **Chapter Seven**

This chapter deals with the financial control issues as regulated by the Public Finance Management Act of 1999 (Act 1 of 1999) and any regulations and directives issues in terms of that Act.

### **Chapter Eight**

This chapter provides for the alignment between all government funded marketing agencies to ensure institutional cooperation. It highlights the need for those institutions to undertake joint planning, cooperative budgeting, joint monitoring and evaluation and joint reporting. It makes provision for full compliance with the co-operative governance provisions of the Constitution.

### **Chapter Nine**

This chapter deals with the need to accredit local tourism associations and visitor information networks in the province. This is done to ensure maintenance of uniformity and professionalism in terms of quality standards and services within the province. It gives powers to the DMO to formulate and prescribe criteria for the accreditation of local tourism associations and any other organisations established by local government. It also makes provision for the establishment and accreditation of visitor information networks based on patterns and demand in accordance with the criteria determined by the board.

### **Chapter Ten**

This chapter makes provision for the repeal of the Western Cape Tourism Act of 1997 (Act 3 of 1997) and the dissolution of Western Cape Tourism Board. It recommends that the DMO be the successor in law of the Western Cape Tourism Board. It recommends that the Western Cape Tourism Board assets, liabilities and records be transferred to the DMO. It proposes that the staff employed by the Board be transferred to the DMO in accordance with the Labour Relations Act.

It also proposes that the Cape Town Tourism and Events Company be dissolved and transfer its assets and liabilities to the Board. It should transfer its staff to the DMO in accordance with the Labour Relations Act. It gives powers to the Minister and the Executive Mayor, after consultation with organised local government, to make regulations relating to any matter dealt with by the Minister in terms of this Act.

It communicates that the act will come into operation on a date fixed by the Premier by proclamation in the *Provincial Gazette*.

