

"Innovation for Sustainable Development"

DEDEAT PRESENTATION AT THE BUFFALO CITY METROPOLITAN MUNICIPALITY INVESTMENT CONFERENCE

28 NOVEMBER 2019

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Province of the
EASTERN CAPE

ECONOMIC DEVELOPMENT,
ENVIRONMENTAL AFFAIRS & TOURISM

www.dedea.gov.za

PROVINCIAL SUPPORT TO TOURISM DEVELOPMENT

Enabling Framework:

- National Development Plan (NDP) 2030
- National Tourism Sector Strategy (NTSS) 2016-2026
- Eastern Cape Tourism Master Plan & Action Plan 2015-2020



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CLUSTER: TOURISM GROWTH AND DEVELOPMENT - SUPPLY

Investment Promotion

- The Tourism Master Plan recognises tourism investment as a critical component of a sustainable tourism sector.
- Investment in product and infrastructure is essential for destinations and businesses to support the development of the sector. Greater investment in the tourism sector will drive long-term profitability, innovation and growth.
- Whilst there are many institutions that provide finance support to businesses, the uptake by tourism businesses is very poor due to the quality of their business plans and insufficient equity to fund the business.



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Investment Promotion

- There is therefore a need to support the municipalities and the tourism businesses to have readily available viable projects that can be submitted to funding institutions.
- It also critical that the tourism businesses be provided with technical support so that they are able to meet the funding criteria.
- The Eastern Cape is faced with a major tourism related infrastructure backlog and a need exists to set aside dedicated funds to provide the necessary support.



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PROVINCIAL FUNDING SOURCES

- The Provincial Economic Stimulus Fund (PESF) which has R1.1 Billion set aside over the MTEF with R339.4 million allocated in 2019/20. This is co-managed by the Treasury and the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT).
- Within the (PESF), the DEDEAT has established the Eastern Cape Isiqalo Youth Programme. There is R50 million in 2019/20.
- The DEDEAT is calling for applications from Youth Owned Enterprises and youth entrepreneurs across the province. The applications for the much anticipated Youth Programme are open from 01 August 2019 onwards.
- DEDEAT is working with the National Youth Development Agency (NYDA) as the implementing party.



EASTERN CAPE ISIQALO YOUTH PROGRAMME

- The innovative Isiqalo is marked by significantly less stringent qualifying criteria and covers a wide range of entrepreneurs and entrepreneurial levels including **idea generation and survivalist/s, start-ups or early development and those in the growth and expansion stage.**
- The sectors of focus include **manufacturing, tourism, agro-industry, sustainable energy, oceans economy, auto sector, agriculture, arts and creative industry, craft and textiles, ICT and services.**



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Local and Regional Economic Development (LRED) Fund

- In the 2019/20 there is R21.8 Million allocated.
- Both LRED and Isiqalo Funds are limited to **R3 Million** per applicant/project.



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MORE DETAILS

For more details regarding the fund, contact Ms. Mandisa Ngwenze at 087 158 7744 (NYDA) and DEDEAT Economic Development Managers:

DISTRICT	PERSON	TELEPHONE
Sarah Baartman & NMBM	Mr Mlungiseleli Kosi	041 508 5800
OR Tambo	Ms . Ntomboxolo Boni	047 531 1191
Amathole & BCMM	Ms Fundiswa Gidi	043 707 4000
Alfred Nzo	Mr Solomon Nolunguza	039 256 0229
Chris Hani	Ms Nokubonga Mayeki	045 808 4056
Joe Gqabi	Dr Mativenga Ngatiane	051 633 2901

Applicants can also email DEDEAT: isiqaloyouthprogram@dedea.gov.za



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NATIONAL FUNDING SOURCES

The Department of Tourism offers various means of funding for tourism development; e.g. Capital Projects

- **Tourism Transformation Fund**: The Department of Tourism is contributing R120 Million over three years (2018-2020) as grant funding. This is implemented through the National Empowerment Fund.
- Other sources of funding are **Green Tourism Incentive Fund** [R142.5 Million (2018-2020)] of tourism implemented through the Industrial Development Corporation as a grant fund to promote resource efficiency.



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CONCLUDING REMARKS

The Department and ECPTA is ready to work with you to development tourism in the province. You are welcome to visit our district offices.

Thank You.

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