

**CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD**

Making progress possible. Together.

**MEMORANDUM OF AGREEMENT IN TERMS OF THE MUNICIPAL FINANCE
MANAGEMENT ACT, 2003 (ACT NO. 56 OF 2003)**

between

CITY OF CAPE TOWN ("the CITY")

and

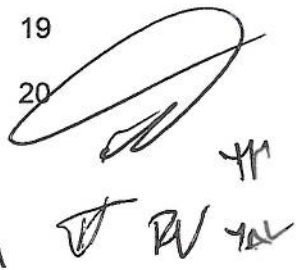
CAPE TOWN TOURISM ("CTT")

In respect of:

**in-destination and visitor services, tourism marketing, and special city projects,
2019 - 2022**

Index

NO.	CLAUSE HEADINGS	PAGE
1	RECORDAL	1
2	PARTIES	1
3	DEFINITIONS AND INTERPRETATION	2
4	APPOINTMENT AND DURATION	6
5	OBLIGATIONS AND RESPONSIBILITIES OF CTT	7
6	CTT UNDERTAKINGS & REPORTING	7
7	DUTIES OF THE CITY	8
8	CONSIDERATION, PAYMENTS AND REVENUE GENERATION	8
9	NATURE OF RELATIONSHIP	9
10	SERVICE LEVELS	10
11	CONFIDENTIALITY AND ANNOUNCEMENTS	10
12	FINANCING AND ACCOUNTING RECORDS	11
13	INTELLECTUAL PROPERTY	12
14	LIMITATION OF LIABILITY	13
15	CAPACITY	13
16	INSURANCE	14
17	GOOD FAITH	15
18	BREACH AND TERMINATION	15
19	STRATEGIC DISPUTES AND ADDITIONAL DELIVERABLES	17
20	DISPUTE RESOLUTION	17
21	NOTICES AND DOMICILIA	18
22	FORCE MAJEURE	19
23	SEVERANCE	20



Handwritten signature and initials, including 'YM' and 'PV'.

24	OPERATION	20
25	GENERAL	20
26	CESSION AND ASSIGNMENT	20
27	SIGNATURE	21
28	COSTS	21

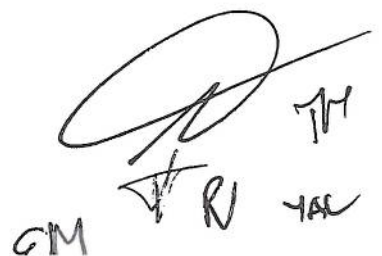
 TH
SM TR TAL

ANNEXURES

ANNEXURE A – Board Resolution Letter (authorising Mr **Enver Duminy** to sign the agreement on behalf of **CTT**).

ANNEXURE B - Services Schedule

ANNEXURE C - Tourism Delivery Acceleration



Handwritten signatures and initials, including a large signature and the letters GM, TR, and YAC.

1 RECORDAL

- 1.1 The City is constitutionally responsible for local tourism. In accordance with this mandate it has adopted a vision to position Cape Town as a world class competitor and South Africa's premier tourism and events destination, and to maximize the resultant economic spin-offs and jobs created. With this in mind, the City has established an Enterprise and Investment Directorate which assumes the responsibility for Place Marketing and Tourism. More broadly, the City strives to develop a safe and caring city for its citizens, as well as an opportunity city that creates opportunities for all who live, work and play in it.
- 1.2 Cape Town Tourism (CTT) was established on 28 June 2004 as a voluntary, non-profit organisation, which supports the Tourism Marketing strategy of the City by providing services to visitors in the tourism industry on behalf of its members, and the City, and generally assuming responsibility for Tourism Destination Management Services.
- 1.3 Since 2004 the City has supported CTT in a number of ways, including through the award of grants-in-aid to enable CTT to fulfill Visitor Services and Tourism Marketing functions on behalf of the City.

The City has resolved to fund CTT for a three-year period commencing on 1 July 2019. In exchange, CTT has agreed to fulfill a number of Tourism Destination Management Services functions on behalf of the City, as recorded in this Agreement, including the annexures B and C hereto.

2 PARTIES

- 2.1 The Parties to this Agreement are:-
- 2.2 **Cape Town Tourism**, hereinafter referred to as "CTT", a voluntary association with juristic personality and perpetual succession duly constituted under a Constitution dated 28 June 2004 as amended, herein represented by **Mr Enver Duminy** in his capacity as the **Chief Executive Officer** of CTT, authorised hereto by the Resolution of the Board of CTT, a copy of which is attached hereto as **Annexure A**.



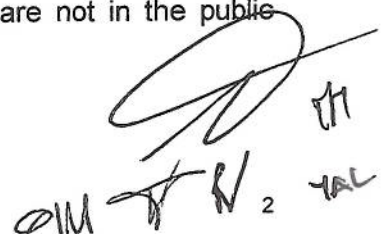
TH
R, 2019

- 2.3 The **City of Cape Town**, hereinafter referred to as "**the CITY**", a metropolitan municipality established in terms of the Local Government: Municipal Structures Act, 1998, (Act No. 117 of 1998), read with the Province of the Western Cape: Provincial Gazette 5588 dated 22 September 2000, herein represented by **Mr Lance Greyling** in his capacity as **Director : Enterprise and Investment**.

3 DEFINITIONS AND INTERPRETATION

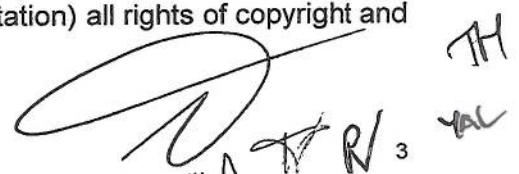
- 3.1 In this Agreement, unless inconsistent with or otherwise indicated by the context –

- 3.1.1 "**Agreement**" means this Agreement together with all annexures hereto, as may be amended or supplemented, by mutual agreement from time to time;
- 3.1.2 "**B-BBEE**" means the Broad-Based Black Economic Empowerment Amendment Act, 2013 (Act No. 46 of 2013);
- 3.1.3 "**BCEA**" means the Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997);
- 3.1.4 "**Business Day**" means a day which is not a Saturday, Sunday or public holiday in the Republic of South Africa;
- 3.1.5 "**City**" means the City of Cape Town, a metropolitan municipality as contemplated in section 1 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);
- 3.1.6 "**COIDA**" means the Compensation for Occupational Injuries and Diseases Act, 1993 (Act No. 130 of 1993);
- 3.1.7 "**Commencement Date**" means 1 July 2019, notwithstanding the Signature Date;
- 3.1.8 "**Confidential Information**" means all information or data disclosed in writing, orally or by any other means by one Party to the other in relation to each Party's business and/or the performance of each other's rights and obligations in terms of this Agreement and which are not in the public domain;



Handwritten signature and initials, including "TH" and "2", and the word "VAL" at the bottom right of the page.

- 3.1.9 **"Consumer Price Index"** means the consumer price index as published by Statistics South Africa on a monthly basis;
- 3.1.10 **"CTT"** means Cape Town Tourism, a voluntary association with juristic personality and perpetual succession duly constituted under a Constitution dated 28 June 2004, as amended;
- 3.1.11 **"Destination Management"** means the co-ordination of the many constituent elements of the destination through the provision of visitor services and to promote a community as an attractive travel destination;
- 3.1.12 **"EEA"** means the Employment Equity Act, 1998 (Act No. 55 of 1998);
- 3.1.13 **"force majeure"** means an event beyond the control of the Party concerned, that is not caused by the fault of such Party and could not reasonably have been foreseen by it, that renders such Party unable to perform its obligations in terms of this Agreement and such events shall include, but not be limited to, –
- 3.1.13.1 fire, flood, storm, lightning or any natural disaster, civil disturbance, explosion, power failure or reduction of power supply, acts, orders or regulations of any governmental or regulatory authority, agency or department, lack or shortage of materials or inability to procure equipment and material;
- 3.1.13.2 war, invasion, act of a foreign enemy, hostilities (whether war be declared or not), terrorism, civil war, rebellion, revolution, criminal action, theft or vandalism; and
- 3.1.13.3 strikes, lock-outs and labour disputes causing cessation (whether complete or partial) of work, interruption or slowdown of work, whether of the party concerned or the Service Provider or Service Provider of such party;
- 3.1.14 **"Intellectual Property Rights" or "IPRs"** means all intellectual property rights of whatsoever nature, whether registered or unregistered, arising anywhere in the world together (with all rights, interests or licences in or to any of those rights), including (without limitation) all rights of copyright and

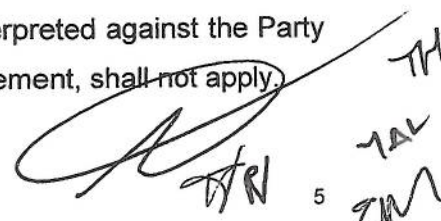
Handwritten signature and initials. The signature is a large, stylized 'R' or 'P' shape. To its right are the initials 'TH' and 'YAL'. Below the signature, there is a small '3' and some other markings.

all associated moral rights; know-how; trade secrets; confidential information; design rights; invention rights; patents; database rights; trade marks; domain names; rights in goodwill and reputation; all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, any of the foregoing rights; all similar or equivalent rights or forms of protection which subsist now or may subsist in the future in any part of the world; and rights to sue any person for any present and/or past violation, infringement or misappropriation of any of the foregoing;

- 3.1.15 "LRA" means the Labour Relations Act, 1995 (Act No. 66 of 1995);
- 3.1.16 "**Occupational Health and Safety Act**" means the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993);
- 3.1.17 "**Parties**" or "**Party**" means the Party or Parties to this Agreement;
- 3.1.18 "**Place Marketing**" means the promotion of Cape Town as a premier tourism, events, culture, trade and investment destination which leverages the City's strategic assets in order to drive economic growth and development in the City's key sectors;
- 3.1.19 "**SARS**" means the South African Revenue Services;
- 3.1.20 "**Service Levels**" means the agreed performance standards and best practice measures set for the Services in terms of the provisions of this Agreement and as set out in clause 10 below;
- 3.1.21 "**Services**" means the full spectrum of services and support functions to be provided by CTT as the Service Provider, as more fully described in clause 5 below and in the Services Schedule annexed hereto as Annexure B;
- 3.1.22 "**Signature Date**" means the date on which this Agreement is signed by the Party signing last in time;
- 3.1.23 "**Special Tourism Projects**" means such projects which may be requested by the City and agreed to by CTT and which fall outside the agreed scope of Services, which will be invoiced separately by CTT and paid by the City in accordance with clause 8.1.3.;

CAA
RV
4
YH
YAL

- 3.1.24 "Termination Date" means 30 June 2022, unless this Agreement is terminated earlier for any lawful or contractual reason as provided for in this Agreement;
- 3.1.25 "Tourism Development Framework" or "TDF" means the tourism development strategy and implementation framework of the City of Cape Town;
- 3.1.26 "Tourism Marketing" means the promotion of Cape Town as a business and leisure tourism destination to South African, Regional and International markets (consumers, conferences, influencers and intermediaries) as described in Annexure B;
- 3.1.27 "UIA" means the Unemployment Insurance Act, 1996 (Act No. 30 of 1996);
- 3.1.28 words importing the singular shall include the plural and *vice versa*;
- 3.1.29 words importing natural persons includes legal persons and partnerships and *vice versa*;
- 3.1.30 words importing masculine gender includes the female genders;
- 3.1.31 any reference to an enactment is to that enactment as at the date of signature hereof and as amended or re-enacted from time to time;
- 3.1.32 Where figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail.
- 3.2 The clause headings in this Agreement have been inserted for reference purposes only and shall not affect the interpretation of any provision of this Agreement.
- 3.3 If any period is referred to in this Agreement by way of reference to a number of days, the days shall be reckoned as excluding the first and inclusive of the last day, unless the last day falls on a day which is not a Business Day, in which case the day shall be the next succeeding Business Day.
- 3.4 The rule of construction that the contract shall be interpreted against the Party responsible for the drafting or preparation of this Agreement, shall not apply.



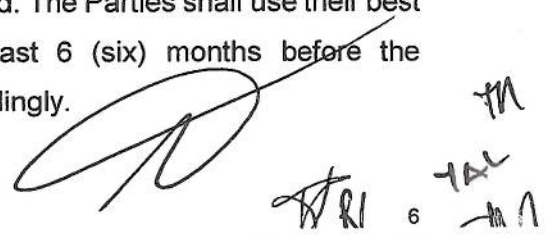
Handwritten signature and initials, including the number 5, are present at the bottom right of the page.

- 3.5 This Agreement shall be governed by and construed and interpreted in accordance with the laws of the Republic of South Africa. Any reference to a law includes any amendment thereto or any succeeding legislation.
- 3.6 Expressions defined in this Agreement shall bear the same meanings in any annexure hereto which does not contain its own definitions.
- 3.7 In the event of any conflict between the provisions of this Agreement and the annexures hereto, the provisions of this Agreement prevail.

NOW THEREFORE THE PARTIES AGREE, AS FOLLOWS:

4 APPOINTMENT AND DURATION

- 4.1 The City hereby appoints CTT to render the Services to the City with effect from the Commencement Date and until the Termination Date.
- 4.2 This Agreement shall commence on the Commencement Date and shall, subject to sub-clause 4.3 and clause 11.5 below, remain in place until the 30 June 2022 (termination date), unless otherwise terminated as provided for in clause 18 below.
- 4.3 This Agreement may be terminated by the City on 6 (six) month's prior written notice to CTT.
- 4.4 In the event that the City terminates this Agreement early in terms of sub-clause 4.3, it shall nevertheless pay to CTT -
- 4.4.1 any amounts due to CTT or which may become due to CTT during the 6 (six) month notice period; and
- 4.4.2 such additional amounts which CTT may require in respect of any prior contractual commitments beyond the 6 (six) month notice period whether to its employees, agents, contractors, suppliers or any other third party.
- 4.5 This clause shall not create any right or legitimate expectation on the part of CTT that this Agreement will be renewed or extended. The Parties shall use their best endeavours to complete this process at least 6 (six) months before the Termination Date to enable CTT to plan accordingly.

Handwritten signatures and initials are present at the bottom right of the page. There is a large, stylized signature that appears to be 'R' or 'D'. To its right, there are several smaller initials and marks, including 'M', 'RI', '6', and 'AN'.

5 OBLIGATIONS AND RESPONSIBILITIES OF CTT

- 5.1 CTT hereby agrees and undertakes to render the Services to the City, the scope of such Services being as set out in Annexure B hereto, and the CTT shall comply therewith.
- 5.2 CTT shall –
- 5.2.1 render the Services conscientiously and shall devote its best efforts and abilities thereto and shall observe all relevant policies and directives promulgated from time to time by the City, provided these are publicly available or specifically made available to CTT; and
- 5.2.2 accept full liability and responsibility in terms of the Occupational Health and Safety Act for all of its employees and persons under its control.

6 CTT UNDERTAKINGS & REPORTING

- 6.1 CTT undertakes to and in favour of the City that it –
- 6.1.1 has the resources, capabilities and technology to provide the Services to the City;
- 6.1.2 has effective, efficient and transparent financial management and control systems in place for the management of the funds received by CTT from the City in terms of this Agreement;
- 6.1.3 shall furnish the City with the following reports on or before the 7th day of each month for the duration of this Agreement, save in those months in which a quarterly and annual report is furnished as provided for below –
- 6.1.3.1 a monthly financial report;
- 6.1.3.2 a detailed quarterly management report reflecting CTT's performance and indicating the manner in which CTT has utilised the consideration paid to it by the City, in terms of this Agreement in respect of the delivery of the Services, such report to be provided by 7 October, 7 January, 7 April and 7 July, of each year; and

Handwritten signature and initials at the bottom right of the page. The signature is a large, stylized 'P'. Below it are the initials 'al', 'TR', and '7AL' with a small 'TM' symbol.

- 6.1.3.3 an annual Report for the year, no later than 2 (two) months after the closing of the financial year of the CTT;
- 6.1.4 shall retain all expenditure receipts, including electronic payments, indicating the project number, for audit purposes, and shall present same to the City on demand; and
- 6.1.5 shall ensure that the consideration paid by the City to CTT in terms of this Agreement is utilised solely for the rendering of the Services.

7 DUTIES OF THE CITY

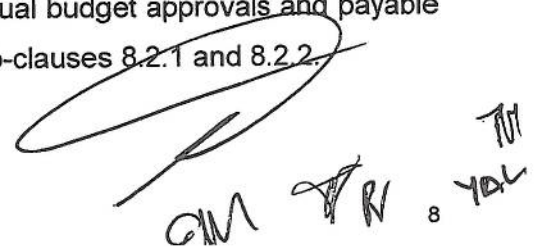
7.1 The City shall –

- 7.1.1 participate actively in CTT's strategic tourism business planning and budget processes in relation to the Services described in Annexure B;
- 7.1.2 be represented by two City representatives at the meetings of the CTT board of directors providing strategic input in respect of the local tourism mandate for Tourism Destination Management Services of Cape Town;
- 7.1.3 facilitate the provision of content to CTT to be included in the official visitors guide within the communicated deadlines; and
- 7.1.4 provide advice and guidance on improvement of the Services, from time to time, as and when required by the CTT.

8 CONSIDERATION, PAYMENTS AND REVENUE GENERATION

8.1 CONSIDERATION

- 8.1.1 The consideration for Services payable by the City to CTT shall be R47 600,000.00 (Forty Seven Million Six Hundred Thousand Rand) for 2019/20; R50,160,880 (Fifty Million One Hundred and Sixty Thousand Eight Hundred and Eighty Rand) for 2020/2021 and R52,919,728 (Fifty Two Million Nine Hundred and Nineteen Thousand Seven Hundred and Twenty Eight Rand) for 2021/22, subject to annual budget approvals and payable quarterly in advance as stipulated in sub-clauses 8.2.1 and 8.2.2.



Handwritten signature and initials: CM, TR, 8, YAL, 701

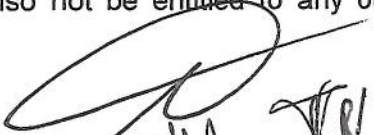
- 8.1.2 All amounts payable in terms of this Agreement shall exclude value-added tax (VAT) payable in terms of the Value Added Tax Act, 1991 (Act No. 89 of 1991), which shall, if applicable, be paid by the City simultaneously with the payment of any amount payable in terms of this Agreement.
- 8.1.3 It is recorded that CTT shall not be entitled to any other remuneration from the City, except for remuneration for any Special Tourism Projects delivered by CTT for and on behalf of the City from time to time that are not included in the Services Annexures B and C. Remuneration will be made within the quarter in which the service/s are provided whether such service/s are undertaken in the City, or elsewhere in South Africa and/or internationally.

8.2 PAYMENT

- 8.2.1 The consideration due to CTT shall be payable by the City quarterly in advance against receipt of CTT's invoices, monthly financial reports (6.1.3.1) and detailed quarterly management reports (6.1.3.2). Such quarterly payments to be made on or before 10 days after receipt of above reports and invoices, 17 July, 17 October, 17 January and 17 April, of each year. Notwithstanding the aforementioned, the first quarterly payment shall be made within 5 business days of the Signature Date.
- 8.2.2 All invoices received within the City's pay run requirements and parameters of the particular quarter will be paid, provided that the City's obligation to make the payment referred to herein shall at all times be subject to the City having received satisfactory reports referred to in clause 6.1.3 above.

9 NATURE OF RELATIONSHIP

- 9.1 It is recorded that CTT performs services independently of the City. It is accordingly recorded that CTT and its employees are not employees of the City for the purposes of the LRA, the BCEA, the UIA, the EEA and/or any other relevant legislation that may normally be applicable to an employer/employee relationship.
- 9.2 It is furthermore recorded that CTT and its employees shall not be entitled to be a member of the City's provident, retirement or medical aid schemes as may be in existence from time to time. They shall also not be entitled to any other

 TH
YAL 9

allowances or benefits, including leave pay or sick leave entitlements, that would normally be provided to the City's employees and that might be expected in an employer/employee relationship.

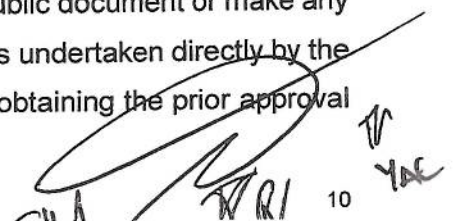
- 9.3 The City will also not carry or be responsible for any workman's compensation insurance or any health or accident insurance to cover CTT and/or its employees.
- 9.4 CTT undertakes and warrants that it has registered with SARS as an independent taxpayer and accordingly indemnifies and holds the City harmless in respect of any claim for income tax that may be successfully levied against CTT.
- 9.5 It is recorded that CTT shall be solely responsible for the payment of income tax on behalf of its employees.
- 9.6 Any dispute of whatsoever nature between CTT and its employees will not be the City's responsibility or affect the City in any way. CTT hereby indemnifies and holds the City harmless against any claim, including, but not limited to, any claim in terms of the LRA, BCEA, EEA or any other legislation prescribing minimum standards, that the employees or member/s of CTT may have or attempt to institute against the City at any time.
- 9.7 CTT has no authority to bind the City to any third party without the prior written consent of the City.

10 SERVICE LEVELS

- 10.1 CTT undertakes to and in favour of the City that it has and will continue to have the necessary facilities, skills, know-how and expertise to render the Services in accordance with the provisions of this Agreement.
- 10.2 CTT shall avoid any activity of whatsoever nature which may be detrimental to the City's reputation and goodwill.

11 CONFIDENTIALITY AND ANNOUNCEMENTS

- 11.1 CTT shall not issue any press release or any other public document or make any public statement relating to the City, tourism activities undertaken directly by the City or the relationship between the Parties without obtaining the prior approval

 10 YAC

of the City to the content thereof and the manner of its presentation and publication, provided that such approval shall not be unreasonably withheld or delayed.

- 11.2 The City shall appoint a dedicated media liaison person to liaise with CTT regarding any press releases or public statements which require the City's consent in terms of sub-clause 11.1 above and shall inform CTT of the name and contact details of such person. The City may change its media liaison person at any time on written notice to CTT.
- 11.3 The Parties hereby acknowledge that, during the course of their association with one another, they may acquire and become possessed of and may have access to, *inter alia*, one another's Confidential Information.
- 11.4 The Parties hereby undertake, as an irrevocable stipulation in favour of one another and in order to protect the proprietary interest of each of their Confidential Information, not, after the Signature Date or at any time after the Termination Date for any reason whatsoever, to divulge or disclose to others in any form or manner whatsoever, either directly or indirectly, any of one another's aforementioned Confidential Information.
- 11.5 The Parties specifically agree that the aforementioned undertaking given by each of them shall remain in full force and effect during their association with one another and after the termination of this Agreement.

12 FINANCING AND ACCOUNTING RECORDS

- 12.1 All financial reports to be provided to the City in accordance with the provisions of this Agreement will be prepared in accordance with International Financial Reporting Standards.
- 12.2 On request by the City, CTT shall allow the City or its authorised representative or the Auditor-General to inspect and reproduce any document, record, book of account or bank statement relating to the utilisation of the consideration paid by the City to CTT in terms of this Agreement.
- 12.3 CTT shall co-operate fully in respect of any financial audit procedure conducted by the City, its representatives or the Auditor-General and shall furnish any

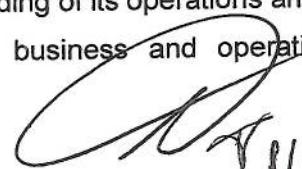
 11
TH
YAL

document, record, book of account or bank statement relating to the utilisation of the consideration paid by the City to CTT in terms of this Agreement, on written request.

- 12.4 Audited annual financial statements shall be submitted to the City on an annual basis.

13 INTELLECTUAL PROPERTY

- 13.1 All Intellectual Property Rights (IPRs) vesting in either Party as at the Commencement Date vest in and shall remain vested in either Party ("**Background IP**"). For the avoidance of doubt, neither Party shall have any rights in and to the other Party's name, trademarks, trade dress, brand identity or "look-and-feel" (and all related media platforms, such as websites, digital applications and social media accounts) which have been used and/or registered prior to the Signature Date and/or which are otherwise personal to each Party and their respective businesses and operations ("**Brand IP**"). The Brand IP shall be deemed to form part of the Background IP and may not be used by either Party on termination of this Agreement.
- 13.2 Subject to sub-clauses 13.1 and 13.3, all Intellectual Property Rights created by CTT for the City directly, specifically and exclusively as part of the deliverables for the Services as set out in Annexe B and funded by CTT using the consideration paid by the City ("**Services IPRs**") shall vest in the City. To the extent that such Services IPRs do not automatically vest in the City by operation of law, CTT hereby assigns such Services IPRs to the City with effect from the date of its inception. For the avoidance of doubt, the Services IPRs excludes the CTT IP (as defined in sub-clause 13.3 below). The City hereby grants (and shall grant) to CTT a non-exclusive, perpetual, irrevocable and royalty-free license to use the Services IPR as referred to in this sub-clause for purposes of providing the Services, fulfilling its other obligations in terms of this Agreement and in the ongoing conduct of its business and operations.
- 13.3 Notwithstanding anything to the contrary contained in this Agreement or any of the annexures, all Background IP of CTT and Intellectual Property Rights created by CTT independently of the Services and/or which otherwise relates directly or indirectly to CTT's generation of income, the self-funding of its operations and/or is necessarily required by CTT to continue its business and operations

 12
TH
YAL
CIN

(collectively, "CTT IP") shall vest in CTT. CTT hereby grants (and shall grant) to the City a non-exclusive and royalty-free license to use the CTT IP as referred to in this sub-clause for purposes of benefiting from the Services and conducting its operations, always subject to the City's obligations under clause 11.

14 LIMITATION OF LIABILITY

14.1 Without detracting from, and in addition to, any of the other indemnities in this Agreement, CTT shall be solely liable for and hereby indemnifies and holds the City harmless against all claims, charges, damages, costs, actions, liability, demands and/or proceedings and expense in connection with -

14.1.1 personal injury or loss of life to any individual; and

14.1.2 loss of or damage to the property of any individual,

arising from or in connection with the provision of the Services by CTT in terms of this Agreement, save to the extent that the aforesaid claims or costs have been caused by the gross negligence or wilful conduct of the City.

14.2 Neither Party shall be liable to the other Party for any form of indirect or consequential loss or damage, including but not limited to loss of profit, revenue, anticipated savings, loss of opportunity or goodwill, howsoever arising.

14.3 Notwithstanding any provision to the contrary contained in this Agreement, a Party's maximum liability for any damages suffered by the other Party (as contemplated in this clause 14) as a result of the first-mentioned Party's wilful conduct or gross negligence shall always be limited to **R5 000 000 (Five Million Rand)**.

15 CAPACITY

15.1 CTT warrants to and in favour of the City that -

15.1.1 it has full capacity, power and authority to enter into this Agreement and to perform all of its obligations recorded in this Agreement;



Handwritten signature and initials, including the number 13.

- 15.1.2 the execution and performance by it of its obligations in terms of this Agreement will not cause CTT to be in breach of any other agreement to which it is a party,
- 15.1.3 it will enter into such other agreements with such other parties as may be necessary to fulfil its obligations to the City in terms of this Agreement, which other agreements shall in no way conflict or cause a conflict with the provision of this Agreement; and
- 15.1.4 this Agreement shall bind CTT and all its successors-in-title and assigns.

16 INSURANCE

CTT SHALL:

- 16.1 Without limiting the obligations of CTT in terms of this Agreement, CTT shall effect and maintain public liability insurance to the value of **R20 000 000 (Twenty Million Rand)**, in the name of CTT, covering CTT against liability for the death of or injury to any person, or loss of or damage to any property, arising out of CTT's obligations in terms of this Agreement.
- 16.2 If requested by the City CTT shall furnish the City with proof of such insurance.
- 16.3 Ensure that the counterparties to the documents and agreements concluded by CTT in relation to this Agreement, all have adequate professional indemnity insurance and insurance against risk associated with the activities conducted by such counterparty, including but not limited to public liability insurance, to the satisfaction of the City.
- 16.4 Ensure that it has the necessary Employers liability insurance in respect of its employees/agents and in the event that CTT recruits workers based in South Africa, that they have acquired the necessary employer's liability insurances in line with the provisions of COIDA and have complied with all other applicable legislation.
- 16.5 Ensure that it has procured the necessary motor vehicle insurance in respect of its own vehicles.


X/R/ 14 TH
YAC

- 16.6 In the event of CTT being under insured or its insurers repudiating its claim for whatsoever reason, there will be no recourse against the City, either by CTT or any third parties and CTT remains liable and indemnifies the City in full in this regard.

17 GOOD FAITH

The Parties shall at all times for the duration of this Agreement observe the principles of good faith towards one another in the performance of their obligations in terms of this Agreement.

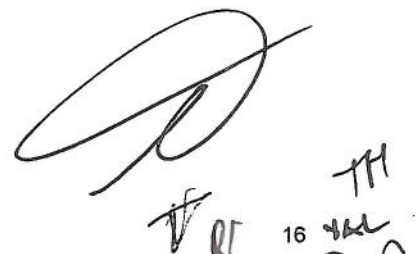
18 BREACH AND TERMINATION

- 18.1 Each Party shall have the right to terminate this Agreement by written notice to the other Party ("**the Defaulting Party**") if –
- 18.1.1 the Defaulting Party is in material breach of any of its obligations in terms of this Agreement, and in the case of a remediable breach, fails to remedy that breach within 14 (fourteen) days of receipt of a notice requiring that the breach be remedied;
- 18.1.2 the Defaulting Party commits an act of insolvency, is placed in business rescue, or is wound-up (whether provisionally or finally);
- 18.1.3 the Defaulting Party compromises with any of its creditors or endeavours or attempts to do so;
- 18.1.4 the Defaulting Party has knowingly made any incorrect or untrue statement or representation in connection with this Agreement, or its financial affairs, or any particulars thereof;
- 18.1.5 any final judgment of any court or arbitration award against the Defaulting Party remains unsatisfied for a period of 10 (ten) Business Days after it has been granted against the Defaulting Party and for the purposes of this subparagraph, a final judgment means a judgment:
- 18.1.5.1 which is not appealable; or



Handwritten signatures and initials are present at the bottom right of the page, including a large stylized signature and several smaller initials.

- 18.1.5.2 which is appealable but in respect of which the period for the lodging of an appeal has lapsed and the Defaulting Party has failed to institute appeal proceedings; or
- 18.1.5.3 which is not capable of rescission; or
- 18.1.5.4 which is capable of rescission but in respect of which the period for applying for rescission has lapsed and the Defaulting Party has failed to apply for rescission or the Defaulting Party has applied for rescission of such judgment and the application for rescission has been denied;
- 18.1.6 any property, moveable or immovable, of the Defaulting Party is attached in execution or by any process of any Court;
- 18.1.7 the Defaulting Party ceases or threatens to cease to carry on business or suspends payment of all or substantially all of its debts or is unable to pay its debts as and when they fall due.
- 18.2 Termination of this Agreement pursuant to sub-clause 18.1 shall be without prejudice to the rights of either Party arising in respect of any breach of this Agreement at any time prior to termination, to either –
- 18.2.1 claim specific performance of the terms of this Agreement, with or without claiming damages; or
- 18.2.2 to cancel this Agreement forthwith and claim and recover damages from the Defaulting Party.
- 18.3 Notwithstanding any clause to the contrary in this Agreement, in the event that the City terminates this Agreement in terms of clause 18.1 above, then CTT shall immediately, on written notice by the City, refund such portion of any advanced payment made by the City to CTT in terms of sub-clause 8.1.1 above which has not either been expended by CTT or committed by CTT in respect of its future financial obligations.



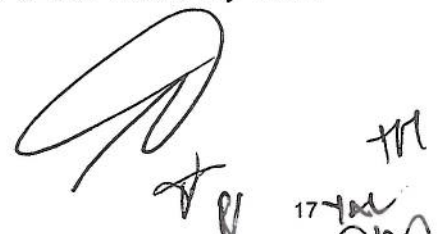
Handwritten signature and initials, including the number 16.

19 STRATEGIC DISPUTES AND ADDITIONAL DELIVERABLES

- 19.1 The various Strategies that need to be designed by CTT in partnership with the City, as mentioned in Annexure B, will determine the services and key deliverables performed by CTT, and may replace the list of services and key deliverables detailed in Annexure B. If the parties do not come to an agreement on these strategies, services and key deliverables, then a dispute resolution process will be followed, as provided for in Clause 20., failure to resolve, will result in only the minimum deliverables stipulated in Annexure B to be applicable.
- 19.2 The services schedule agreement has been based on the minimum number of deliverables as set out in Annexure B. Should the City require CTT to increase the number of deliverables this will require either a reallocation of the funds from one project to another or additional funding.

20 DISPUTE RESOLUTION

- 20.1 If the Parties are unable to resolve any dispute (other than a dispute in respect of which urgent relief may be obtained from a court of competent jurisdiction) resulting from this Agreement, and in particular arising from the implementation of clause 18 above, by means of joint co-operation or discussion between the individuals directly involved with the execution of this Agreement, within 5 (five) Business Days after a dispute arises, or such extended period of time as the Parties may agree to in writing, then such dispute shall be submitted to the most senior executives of the Parties who shall endeavour to resolve this dispute within 5 (five) Business Days after it has been referred to them.
- 20.2 Should the dispute not be resolved in the aforesaid manner, then the dispute shall be determined in accordance with the rules of the Arbitration Foundation of Southern Africa by an arbitrator or arbitrators nominated by it, with the proceedings to be held at Cape Town and a decision by the duly appointed arbitrator or arbitrators shall be final and binding on the Parties.
- 20.3 The provisions of this clause constitute an irrevocable consent by the Parties to any proceedings in terms hereof and no Party shall be entitled to withdraw therefrom or claim at any such proceedings that it is not bound by such provisions.

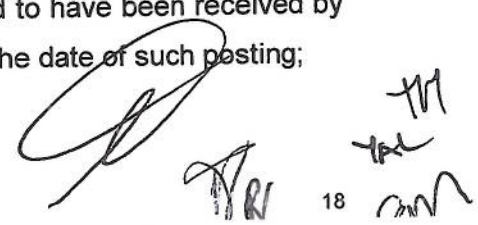


Handwritten signature and initials, including the date 17-12-2017.

- 20.4 CTT shall continue to fulfil its obligations in terms of this Agreement pending the settlement of any disputes which may arise between the Parties.

21 NOTICES AND DOMICILIA

- 21.1 Each of the Parties choose as *domicilia citandi et executandi* their respective addresses set out in this clause for the purposes of the giving of any notice, the serving of any process and for any other purpose arising out of or in connection with this Agreement.
- 21.2 Each of the Parties shall be entitled from time to time to vary its *domicilia citandi et executandi* to any other address within the Republic of South Africa which is not a post office box or *post restante*.
- 21.3 For purposes of this Agreement the Parties' respective addresses shall be -
- 21.3.1 the City: Directorate: Corporate Services
Department: Enterprise and Investment
Attention: Director: Lance Greyling
3rd Floor, Media City
1 Hertzog Boulevard
CAPE TOWN
Telephone: (021) 400 1217
Email: lance.greyling@capetown.gov.za
Facsimile number: +27 21 400 1949
- 21.3.2 CTT: Attention: Mr Enver Duminy
Chief Executive Officer
Corner of Castle and Burg Streets, Cape Town, 8000;
Telephone: +27 21 487 6801
Email: enver@capetown.travel
Facsimile number: +27 21 487 6402.
- 21.4 Any notice given in terms of this Agreement shall be in writing and shall -
- 21.4.1 if delivered by hand be deemed to have been duly received by the addressee on the date of delivery;
- 21.4.2 if posted by prepaid registered post be deemed to have been received by the addressee on the 4th (fourth) day following the date of such posting;



- 21.4.3 if transmitted by facsimile be deemed to have been received by the addressee on the expiration of 24 (twenty four) hours after transmission;
- 21.4.4 if sent by courier be deemed to have been received on the date of delivery by the courier service concerned, unless the contrary is proved;
- 21.4.5 if transmitted by electronic mail message, be deemed to have been delivered to and received by the addressee upon receipt of an automated acknowledgement of receipt by the sender from the addressee or any conduct of the addressee sufficient to indicate to the sender that the electronic mail message has been received.
- 21.5 Notwithstanding anything to the contrary contained or implied in this Agreement, a written notice or communication actually received by one of the Parties from the other including by way of facsimile transmission or electronic mail shall be adequate written notice or communication to such Party.

22 FORCE MAJEURE

- 22.1 Notwithstanding anything to the contrary contained in this Agreement, the provisions of this clause shall apply in the event of *force majeure*.
- 22.2 Should any of the Parties be unable to perform its obligations in terms of this Agreement by reason of *force majeure*, such Party ("**the Affected Party**") shall be excused from any liability therefore, whether direct or contingent or of any nature whatsoever and the Affected Party shall be entitled to such extension of time as may be reasonably required by it for performance of its obligations in terms of this Agreement.
- 22.3 The Affected Party shall advise the other Party ("**the Other Party**") of the occurrence of *force majeure* and shall use all reasonable endeavours to minimise the effect of any delay occasioned thereby and, to continue with the performance of its obligations in terms of this Agreement at the earliest possible opportunity.



Handwritten signatures and initials are present at the bottom right of the page. There is a large, stylized signature, and several smaller initials or marks, including what appears to be 'JH', 'JL', and 'JN'.

23 SEVERANCE

Each of the provisions of this Agreement is separate and severable and enforceable accordingly. If any such term or condition is or becomes unenforceable for any reason whatsoever, that term or condition is severable from and shall not affect the validity of any other term or condition contained in this Agreement.

24 OPERATION

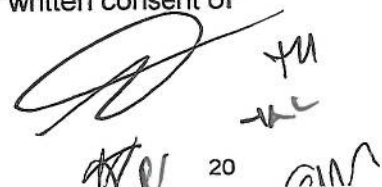
The expiration, cancellation or other termination of this Agreement shall not affect those provisions of this Agreement which expressly provide that they will operate after such expiration, cancellation or other termination or which of necessity must continue to endure after such expiration, cancellation or other termination, notwithstanding that the relevant clause may not expressly provide for such continuation.

25 GENERAL

- 25.1 This Agreement constitutes the entire agreement between the Parties as to the subject matter hereof and save as may be expressly set out herein, no agreements, representations or warranties between the Parties regarding the subject matter hereof other than those set out herein are binding on the Parties.
- 25.2 No indulgence, leniency or extension of time which any Party may give or allow to the other Party in respect of the performance of any obligation hereunder, shall in any way prejudice the Party giving or allowing the indulgence, leniency or extension or preclude such Party from exercising any of its rights and enforcing the obligations of the other Party in terms of this Agreement.
- 25.3 No addition to, alteration, cancellation, variation or novation of this Agreement and no waiver of any right arising from this Agreement or its breach or termination shall be of any force or effect unless reduced to writing and signed by all the Parties or their duly authorised representatives.

26 CESSATION AND ASSIGNMENT

No Party shall be entitled to cede or assign any of its rights and/or obligations in terms of or arising from this Agreement to any third party without the prior written consent of the other Party, which consent shall not be unreasonably withheld.



Handwritten signatures and initials are present at the bottom right of the page, including a large signature and several smaller initials.

27 SIGNATURE

- 27.1 This Agreement is signed by the Parties on the dates and at the places indicated opposite their respective names.
- 27.2 This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall be taken together and deemed to be one instrument.
- 27.3 The persons signing this Agreement in a representative capacity warrant their authority to do so and further warrant that the proper resolutions (where applicable) have been passed by the parties authorising them to do so.

28 COSTS

Each party shall be liable for its own costs attendant on the preparation, negotiation and conclusion of this Agreement.


21
Handwritten initials and marks: "4H", "400", and a signature.

08/08/2019CAPE TOWN

CITY OF CAPE TOWN

Date:

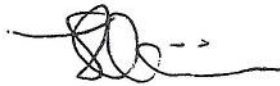
Place:

Lance Greyling

Director: Enterprise & Investment

RORVILSOEN (Acting Dir)

(Duly authorised: the signatory
warranting that he/she is duly
authorised to sign this agreement)



T. VIVIAN

8/8/2019

1) WITNESS :

Signature

Print name

Date



TIM HADINGHAM

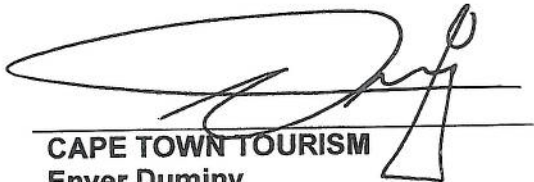
8/8/2019

2) WITNESS :

Signature

Print name

Date



CAPE TOWN TOURISM
Enver Duminy
Chief Executive Officer

8/8/2019

Date:

Cape Town

Place:

(Duly authorised: the signatory
warranting that he/she is duly
authorised to sign this
agreement)



EIVIDA MAARMAN

08.08.19

1) WITNESS :

Signature

Print name

Date



EIVIDA MAARMAN

08:08:19

2) WITNESS :

Signature

Print name

Date

ANNEXURE A – BOARD RESOLUTION LETTER



To: Legal Department, City of Cape Town

01 August 2019

I, Julie-May Ellingson, Chairperson of Cape Town Tourism (CTT) hereby confirms on behalf of the CTT Board of Directors, that Enver Duminy, Chief Executive Officer (CEO) is duly authorized to sign all contracts and agreements for CTT, within his delegation of authority as CEO of the organisation.

He is therefore the nominated and authorized representative to sign the Memorandum of Agreement, including the Annexures thereto, between the City of Cape Town and Cape Town Tourism for Tourism Destination Marketing and Management Services from 01 July 2019 to 30 June 2022.

Kind regards

A handwritten signature in black ink, appearing to read "Ellingson".

Julie-May Ellingson
Chairperson
Cape Town Tourism

A large handwritten signature in black ink, followed by several smaller initials and marks, including "K", "R", "JH", "YAL", and "2.0.0".

ANNEXURE B: SERVICES SCHEDULE

Cape Town is an internationally acclaimed and popular tourism destination and the strategic focus of the City is to grow the tourism economy to ensure job creation and economic growth.

According to the Constitution (Sections 152 and 153) and the White Paper on Tourism, municipalities are mandated to develop and market tourism products and services and to disseminate information that supports those activities. In terms of the mandate the City of Cape Town has developed the Tourism Development Framework (TDF – www.capetown.gov.za). The TDF, currently under review, takes strategic guidance from the City's Integrated Development Plan (specifically the "Opportunity City" pillar that focusses on economic development), the Municipal Spatial Development Framework and the Economic Growth Strategy.

The Tourism Vision as mentioned in the Tourism Development Framework 2024 is: "Cape Town's tourism economy will flourish, consistently recording exceptional growth in tourism revenues and employment and being underpinned by environmental sustainability and community support for tourism". The TDF is the guiding document for the development and growth of tourism in Cape Town and provides a framework for marketing and development.

The City wishes for Cape Town Tourism to provide **in-destination and visitor services, tourism marketing, and special city projects, 2019 – 2022**

These services include the following:

- Visitor Information Services
- Marketing and Promotion Services
- Research and Intelligence Services
- Tourism Development Framework Support Services

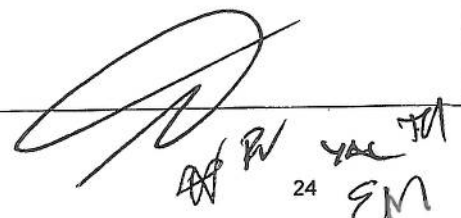
Service delivery model:

It is important to note that the services;

- Should be aligned to the City's IDP, strategic goals and TDF
- Each Service cannot stand alone but should be aligned and integrated with each other
- Must not duplicate functions or key deliverables across the services
- The service provider will be responsible for delivering services to the City, visitors and the tourism industry.

Service providers may choose to partner with or subcontract work to other service providers in order to carry out the service. Payment will be based on achievement of minimum deliverables on the following services per quarter:

- Marketing and Promotion Services as per key deliverables and strategy
- Tourism Visitor Services as per key deliverables and strategy
- Tourism Research and Intelligence Services as per key deliverables and strategy
- Tourism Development Framework Support Services as per key deliverables



Handwritten signature and initials, including the number 24 and the letters SM.

The various Strategies, as mentioned below, will determine the services and key deliverables performed by Cape Town Tourism, and will replace the list of services and key deliverables specified below. If the parties do NOT come to an agreement on these strategies and key deliverables, then a dispute resolution process will be followed, failing to resolve, only the minimum deliverables as stated applies.

The services schedule agreement has been based on the minimum number of deliverables as set out in the document. Should the CCT require CTT to increase the number of deliverables this will require either a reallocation of the funds from one project to another or additional funding.

The Service Provider is required to provide the following services:

Tourism Visitor Services

Purpose

Provision of a network of visitor information points where visitors can receive reliable and affordable information services via both physical, mobile and online information facilities, before, during and post visitation.

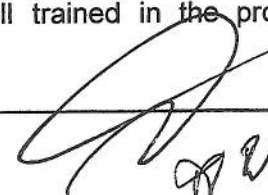
Distribution and dissemination of information.

The network of information offices/points will also include sharing of information services to the agreed tourism-ready community and tourism businesses.

Services	Key deliverable
Design a Visitor Services Strategy (inclusive of an implementation plan and in cooperation with the City of Cape Town) for the contract period.	Visitor Services Strategy for the duration of the three years to be drafted within 12 months or sooner from date of signature. The Strategy must be developed in conjunction with the City and other relevant stakeholders. The Strategy should include the services and key deliverables in the section "Visitor Services Strategy" Section. It should also demonstrate alignment with the other Services strategies, where applicable. The Visitor Services Strategy should include a programme for execution and delivery


 25
 KAC
 CM

Create and maintain tourism product and services database within the boundary of the City of Cape Town municipal area.	The products and services database must consist of at least 500 product owners and experiences by the end of year 1, and must be continuously expanded and updated over the course of the contracted period The information should be made available on the tourism website and via the Visitor Services Network The product and services listed should be vetted/accredited or should at least be a member of an industry association. The service provider to draft the criteria.
Promote tourism attractions and experiences through the operation and management of 3 visitor services points The Visitor Information Centre's (VIC's) will also be the point of information for the local tourism industry, City offices and community	Identify and operate a minimum of 3 visitor information centres/points (VIC's). The 3 locations should be at: • Cape Town International Airport • Cape Town CBD • A major tourist attraction determined by CTT after consultation with the City A mobile deployment at: • An emerging tourism destination determined by CTT after consultation with the City, which will be serviced on a rotational basis via mobile info centres The VIC's should be appropriately staffed and meet the minimum requirements below: • Tourism information is provided at the VIC • VIC's must be operated for at least 8 hours a day • All VIC's must be open six days a week, apart from the Airport VIC which must be open 7 days a week, minimum 10 hours per day maximum 12 hours per day. • VIC staff must be well trained in the products and services

 26

	The VIC's should be branded to reflect the Cape Town and Cape Town Tourism brands. The location and services of the VIC's must be promoted to the visitors, tourism industry and communities via social media and other means. It is important that the performance of the VIC's and information points are based on the number of walk-in clients and interactions, including phone calls, emails and other forms of communications.
Development of VIC guidelines for accredited public/private visitor information centres	Development of guidelines for supplementary VIC's Level of ongoing support for accredited VICs to be determined by CTT
Promote tourism attractions and experiences through the development and management of a visitor services website	Develop, update and maintain a tourism destination website The website should be positioned to reflect the Love Cape Town and City of Cape Town brand The website should have online booking functionality. Content development to include attractions, accommodation, experiences, local destinations, tourism routes, relevant tourism SMME's, events, history and culture, transport options and safety and responsible tourism tips, etc. Use social media as a platform to market for new tourism products, emerging SMME's, tourism destination and routes that are market-ready and to drive visitors to the website for updates of new products and services.

TH
27
SM

	Integrate the information from responsible tourism (www.responsiblecapetown.co.za) and universal accessible websites (www.ctuat.co.za) into the tourism destination website in a manner that aligns to the destination website in terms of content, design and functionality.
Provide information on tourism attractions and experiences at 5 key events and 3 high traffic destinations in the school holidays	Provide tourism information at a minimum of 5 key events per annum in Cape Town as per agreement with the Place Marketing branch. Provide tourism information at a minimum of three sites/popular destinations during the Easter, July and December school holidays. The key events and other sites will be defined in the Tourist Visitor Services Strategy
Complaints	Address visitor complaints via the Visitor Services Network
Development and printing of a Visitor Guide that reflects the diversity of tourism and hospitality products and services in Cape Town	Visitor Guide Publication <u>Specifications:</u> Print run of a minimum of 35 000 guides per annum The Tourist Visitor Guide content to be updated annually The Tourist Visitor Guide should include at least the following content: • Free pages to the City of Cape Town to include 6 pages for City content and 4 pages for advertorial purposes for the City of Cape Town specifically. ○ Tourism products and experiences ○ History and culture


 RV YAL TH
 28

	The structure of the guide and information in the guide should reflect the unique tourism destinations areas as per the TDF or as agreed to by the City/Stakeholders. The Visitors Guide should reflect the Love Cape Town and City of Cape Town brand.
Operate digital and voice information service (Call Centre)	The Information service must provide information on tourism products and services and emergency services Information service staff must be well trained in products and services Information service when not operating must have a forwarding function to alternative sources available at the time (Main VIC, Airport VIC or online services) Emergency numbers and services must be made available 24/7 on all communication platforms of the City and CTT

Marketing and Promotion Services

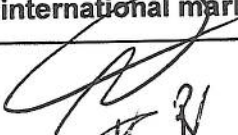
Purpose

To market and promote Cape Town as a desirable, responsible and sustainable tourist destination to domestic, regional and international visitors and to ensure diversity, quality and value of experiences and products in the destination.

Services	Key deliverable
Develop a Tourism Destination Marketing Strategy to promote Cape Town (inclusive of an implementation plan and in cooperation with the City of	Tourism Destination Marketing Strategy for the duration of the three years to be drafted within 3 - 6 months from date of signature.


 DR/ TH
 29 AL
 CMT

Cape Town) for the contract period.	The Tourism Destination Marketing Strategy should include marketing tactics for international, regional (Africa) and domestic markets. The Strategy must be drafted in consideration of other national and regional marketing bodies, taking into account their focus areas and plans. The Strategy should include the services and key deliverables in this section "Tourism Destination Marketing Strategy" Section. It should also demonstrate alignment with the other Services. The Tourism Destination Marketing Strategy should detail the implementation and execution of the services.
Review the tourism destination brand	Review the tourism destination brand, (with the City and strategic partners) within 12 months or earlier of the appointment. Support and collaborate with the City of Cape Town's Place Marketing brand hierarchy in relation to the tourism brand.
Develop content and collateral for online or offline travel guidance across all channels including the Visitors Guide as an offline guide as well as an electronic magazine	Develop content and collateral for digital and traditional media platforms and other marketing and promotion purposes.
Corporate communications with strategic stakeholders	Interaction and communication with the tourism industry and stakeholders
Tourism marketing and promotion to International Markets	International marketing and promotion activities should include but not be restricted to : Market and promote Cape Town to international markets


 30
 TH
 YAL

Target Markets

Target markets should fall within the framework provided by SAT, other stakeholders and the Tourism Development Framework.

Currently the special focus areas are: Brics (Brazil), USA, Europe (Germany, Netherlands, France), UK, China, India, CTT will also explore the viability of new Halal Markets including South-East Asia and Middle East.

Tradeshows/Road Shows and familiarising trips per annum

Attend Tradeshows annually to promote leisure, business and niche tourism .

- A minimum of 2 and maximum of 4 tradeshows are required for any of the following regions: Europe, Asia, South and North America,

The following trades shows must be attended: WTM London

- Attend a maximum of 3 roadshows/familiarising trips – ensure collateral input and research collaboration
- Provision of collateral for a maximum of 4 key markets activities.

Marketing Campaigns per annum

Conduct one international campaign with agreed trade or destination partners for awareness and conversion outcomes.

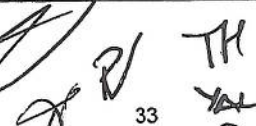
Trade Engagements and Trade Agreements per annum

- Develop trade/business agreements (Joint Marketing

 31 YAL

	Agreements (JMA's)) with the tourism industry, trade organisations, airlines, cities/regions and national, international tourism organisations and media to promote Cape Town. A minimum of <u>one international agreement per annum</u>. <u>Conversions is important for these JMA's</u> Public Relations and Media per annum • Use social media to drive visitors to the website and to promote Cape Town • Strategically profile the City through media and trade hosting programmes – this should include a minimum of 15 media and 5 trade hostings, per annum
Tourism Marketing to Domestic Markets	Domestic marketing activities should include but not be restricted to : Market and promote Cape Town to domestic markets Target Markets Target markets should fall within the framework provided by SAT, other stakeholders and the Tourism Development Framework Special Focus Areas: Gauteng, KZN and Western Cape Marketing Campaigns with trade agreements per annum Marketing campaigns as per marketing plan A minimum of 2 Special Marketing Campaigns per annum: Domestic tourism market campaign and seasonality campaign to minimise the impact of seasonality and ensure spatial spread in the destination.

	Develop trade/business agreements (JMA's) with the tourism industry organisations, airlines, cities/regions and national organisations and media to promote Cape Town and ensure spatial spread in the destination. A minimum of two domestic agreements per annum. Tradeshows/road shows and familiarising trips per annum Represent Cape Town at the Tourism INDABA to exhibit and ensure industry engagement. Represent Cape Town at WTM Africa (Cape Town) to exhibit and ensure industry engagement. PR and Media per annum Use social media to drive audiences to the website, and promote local tourism
Tourism Marketing to Regional Markets	Market and promote Cape Town to regional markets Markets: As determined by the Regional Tourism Marketing Strategy Attend a minimum of 1 regional African roadshow and/or familiarising trip as per the Africa Tourism Marketing Strategy PR and Media per annum Use social media to drive audiences to the website, VIC's and promote local tourism
Tourism Development Framework support	Promote and market agreed local tourism destinations and routes in accordance with the TDF plan – working with SMME's, stakeholders and the City to identify market ready products, destinations and routes and provide content, contact details and so forth.

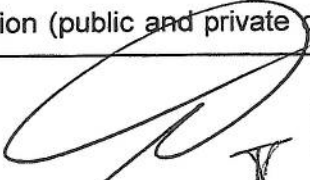
	Assist the City to develop local tourism destinations/routes to be market ready by providing information Provide a platform for tourism market-readiness training and awareness via CTT marketing programs.
--	---

Tourism Research and Intelligence Services

Purpose

To undertake research and business intelligence to ensure understanding of visitors, the trade, products, international trends and so forth. Monitoring of performance of the destination is important to guide decision-making.

Services	Key deliverable
Develop a Tourism Research Strategy. (Inclusive of an implementation plan and in cooperation with the City of Cape Town) for the contract period.	Tourism Research Strategy to be drafted within 3-6 months from date of signature taking into consideration the Tourism Research Agenda of the City. The Strategy should include the services and key deliverables in this section "Tourism Research and Intelligence Service" Section. It should also demonstrate alignment with the other three Services, where applicable. The Tourism Research Strategy should detail the implementation and execution of the services.
Tourism research should include tourism research and surveys to inform the marketing and planning of tourism	Performance Measurements and Benchmarking : • Tourism Attractions Performance Survey - Surveying of 20 tourism attractions including the big six (V&A Waterfront, Robben Island, Cape Point, Kirstenbosch, Groot Constantia, Table Mountain Aerial Cableway) as well as 20 secondary attractions geographically spread across the destination (public and private owned). The

 TR
34

surveys should reflect the number of visitors attending the attraction per month.

- Undertake monthly accommodation surveys to the accommodation sector to report on occupancy, average room rate and revenue per available room (RevPAR) per region per month (regions to be determined). Minimum of 350 respondents per year across all accommodations groupings. In the reporting include reporting to be done per accommodation grouping (e.g. bed and breakfast, hotel etc.). Accommodation Survey template is attached to the tender document
- Contribute to the model to measure the economic contribution of tourism and jobs created for Cape Town. Data used are the National Tourism Satellite Account and/or using SAT information. Economic Value of Tourism Reports for the period 2009 - 2017 can be accessed on the City of Cape Town website (www.capetown.gov.za). An Economic Value of Tourism in Cape Town will be produced biennially.

Visitor Profile

- Regional Visitor Tracking Surveys Cape Town Region (Provincial reporting compulsory) - these surveys to take place at the VIC's. – survey template is available
- Undertake Tourism Satisfaction Survey of visitors to the destination. One survey during the three-year appointment. Reporting should include the major markets. A minimum of 400 respondents.
- Social media analysis of visitors profiles and posting of Cape Town when required

- Compile area/suburb or destination profiles when required based on visitors, attractions, social media posting, issues or challenges, etc.

Seasonality

- Seasonal Reports on tourism industry performance in Cape Town based on arrivals, performance of the attractions and accommodation performance surveys
- Develop a seasonality index based on the current surveys to monitor the impact of marketing and interventions to increase tourism in the winter months

Market trends

- Source market performance analysis & forecasting data and information from reputable and independent sources
- Obtain and share international reporting on world tourism trends (e.g. UNWTO Barometer Report, OECD reporting, etc.)

Impact of tourism

Assist the City with information for the City Performance Indicator Report (UNWTO: Cities Tourism Performance Indicators).

General

Engage annually with the City on the Tourism Research Agenda that needs to be updated annually.

Assist the City with 1 annual Tourism Research Information Seminar where research information is shared and networks are developed (catering for 60 people). Venue and catering should be funded by the service provider.



Handwritten signatures and initials are present at the bottom right of the page, including a large signature and several smaller initials.

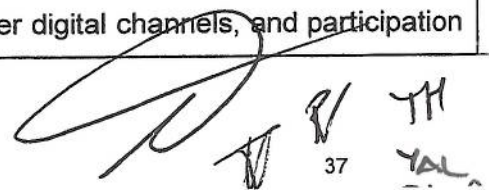
	Ensure membership of at least 3 major international bodies. Engage with international and national tourism research agencies on best practice and partnerships.
Assist Place Marketing with marketing information, and collateral.	Assist Place Marketing with tourism information and marketing collateral.

Tourism Development Framework Support Services

Purpose

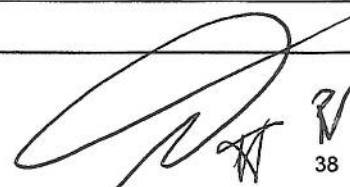
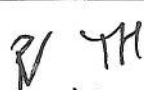
Strategic Tourism Services to complement the City of Cape Town tourism development initiatives (TDF and related tourism plans and strategies) by providing support and to complement the City's strategic directions.

Service	Key deliverable
Support TDF interventions	Ring fence R2 million per annum of the Grant funding from the City to actively fund applicable TDF interventions in agreement with Place Marketing.
Maintain ICT and e-Business capabilities, platforms and infrastructure	Promote tourism attractions and experiences through e-business digital and ICT platforms which shall be suitable for electronic data management and tourism marketing systems and programmes, in accordance with good industry practices Use the ICT and e-business initiatives to drive digital and other online activities which will optimise the promotion of Cape Town as a tourism destination and engaging with arriving and in-destination tourists.
Support the City in events promotion	Support in terms of events promotion through the online events calendar, social media, other digital channels, and participation

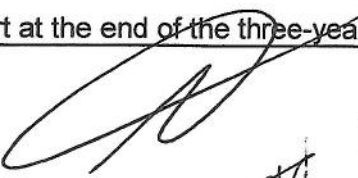


Handwritten signatures and initials, including a large signature and several smaller ones, located at the bottom right of the page.

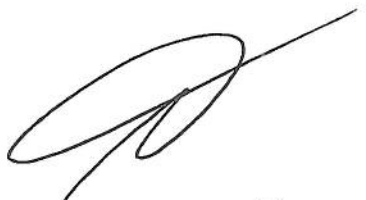
	of Visitor Service mobile kiosks at a minimum of 10 and maximum of 12 key City Events, as agreed to with Place Marketing.
Tourism Enterprise Support	Assist the City, where required, in providing relevant tourism information to SMME's and other tourism businesses in the destination. Assist the City where possible in presenting or providing information for tourism and awareness training sessions Provide a platform for networking Ensure tourism business support and training to SMME's in close collaboration with the City and other roleplayers. Create awareness around B-BBEE scorecards Develop and participate in tourism month (September) activities - work with partners and stage a least 1 event
Assist the City with destination crisis response in interaction and communication with the tourism industry and stakeholders	Interaction and communications with the industry and visitors in response to crises in accordance with CTT's Budget allocation therefore.
Attend workshop/meetings arranged by the tourism officials in the City to present or share information	Attend workshop/meetings/information sessions with the City to share information (minimum of 8 and maximum of 12 workshops/meeting per year).
Community awareness around safety of visitors	In collaboration work with City, Tourism Industry, Community and other stakeholders on awareness around visitor safety



38

Industry Engagements	Engage with industry bodies to participate in an annual event to share destination information
Hosting City representation at tourism interventions	CTT will support a total of: • 4 (four) international trips by a CCT official or politician per annum; and • 2 (two) national trips by a CCT official or politician per annum. This support will cover the travel, accommodation and entry fees for each trip.
Hosting of delegations to the City of Cape Town	Marketing collateral and assistance (not monetary) to host delegations when required (Mayoral/VIP, etc) Maximum of 10 delegations per annum as determined by Place Marketing. Average of 10 delegates per delegation, and total delegates to not exceed 100 delegates for the year.
Meetings and submissions of jointly reports (all 4 services)	<u>Attend the following meetings:</u> • City of Cape Town monthly progress meeting with project manager • City of Cape Town quarterly feedback meeting with the City Officials as arranged by the project manager. • Any other stakeholder workshop or meeting when required by the Enterprise and Investment Department of the City of Cape Town • Attend and participate in the Visitor Safety and Support Action Plan meetings offering crises support <u>Submit the following joint reports:</u> • Submit monthly financial report the City of Cape Town • Submit quarterly report on performance of the destination and service delivery as per SDA. • Annual report on the performance of the destination and service delivery as per SDA • Close Out Report at the end of the three-year contract.


  TH
39 

Provide shared workspace for Place Marketing Unit of the City to improve coordination and fast response times.	Provide "hot desk" for Place Marketing to utilise for adhoc operational purposes in agreement with CTT;. CTT and Place Marketing will agree on the terms of usage of this hot-desk facility.
Special Tourism Projects - means such projects outside of the scope of this Services Schedule	Special Tourism Projects which may be requested from time to time, by the City and agreed to by CTT will require additional funding from the City.
B-BBEE	<u>BBBEE Proposed Clause:</u> Section 10 of the B-BBEE Act states that "Every Organ of State and Public Entity <u>must</u> apply any relevant code of good practise in terms of this Act." The Amended Codes of Good Practice as set out in the Broad Based Black Economic Empowerment Amendment Act of 2013 sets out Enterprise and Supplier Development and Skills Development as priority elements. As a delivery partner/ grant beneficiary of the City it is expected of the Organization to ensure it is compliant with delivery objectives and reporting requirements of the Amended Broad Based Black Economic Empowerment Act and Codes of Good Practice so that the City can derive maximum points for Enterprise Development and Skills Development beneficiaries assisted. CTT to provide the City with its BBBEE Plans, Programs, Policies and BBBEE Scorecard Annually.






40 YAL

ANNEXURE C: TOURISM DELIVERY ACCELERATION

An amount of R5,000, 000.00 (five million rand) has been made available for the 2019/20 financial year, in addition to the Consideration in Clause 8.1, above. This is to be utilised for the acceleration of tourism delivery in terms of job creation, growth in the tourism economy, and product diversification.

AREAS OF ACCELERATION

The purpose of this fund is to accelerate tourism delivery in performing the following:

- a) Tourism Development Framework 2024 strategies
- b) Destination Marketing and Promotion activities
- c) Business Support Services and Skills Development

PROCEDURES

Cape Town Tourism to apply to the City of Cape Town to utilize these funds by providing a comprehensive business/project plan for each intervention and for the Place Marketing Unit to consider the proposal for funding.

CRITERIA

The proposed interventions will be assessed in terms of:

- a) Return on Investment
- b) Job creation impact
- c) Socio- Economic impact
- d) Growth of the tourism economy in Cape Town

DISBURSEMENT

The application for business plan/project funding will be considered by the Place Marketing Unit of the City of Cape Town, and reply in writing of the outcome of their decision within 5 working days.

Upon approval, payment for project implementation will commence within 7 working days from approval and paid upfront to Cape Town Tourism to ensure speedy implementation and delivery on agreed deliverables and time lines.

Handwritten signature and initials. The signature is a large, stylized 'R'. To its right are the initials 'R' and 'TH'. Below the signature is the number '41'. At the bottom right, there are more initials, possibly 'JAL'.