


LINKING TOURISM TO LOCAL ECONOMIC DEVELOPMENT



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Introduction

- *Tourism is a sub-sector of Local Economic Development*
- *LED is a vehicle to create a conducive environment for local businesses and residents to survive.*

LED (Local Economic Development) can be defined as:

- *“an **adaptive and responsive process***
- *by which government, public sector entities, citizens, business and non-governmental sector partners **work collectively***
- *to **create better conditions for innovative-driven inclusive economic development***
- *With **knowledge transfer and competence building,***
- ***employment generation,***
- ***investment attraction and retention,***
- ***image enhancement and***
- ***revenue generation** in a local area in order to*
- ***improve its economic future and quality of life for all.”***

Role of Local Government in Tourism



The link between LED and Tourism

- The tourism sector is one of the critical intervention areas that have been identified in the **Economic Reconstruction and Recovery Plan** as a key driver of the **economic recovery** in the country.
- Municipalities must work with the private sector and interested community members in a form of local tourism organizations/ associations to drive tourism.
- **Revenue:** Visitors and Tourists spend money with the community's businesses. Increased revenue results to an increase to the local economy.
- **Image enhancement-** through maintenance of existing and development of new tourism products and infrastructure i.e., Roads, sidewalks, parks.

The link between LED and Tourism continued....

- Tourism destinations need to innovate to remain competitive in an increasingly global environment. A pre-requisite for innovation is the understanding of how **destinations source, share and use knowledge**. E.g. through trade fairs.
- The most obvious factor is the employment created as a result of accommodation, cuisine and transport.
- Foreign investment also increases when a country is on the rise as a tourist destination.

Benefits and impacts of tourism in developing the economy

- The money that tourists spend can be reinvested in local economies, from public services to education.
- Tourism is a major driver of job creation from big cities to small local communities.
- Tourism encourages local communities to be more creative and entrepreneurial.
- Tourism and tourism development can result in the commodification of culture, displacement or dispossession of land, and changes in the values and lifestyle of local residents. We need proactive measures to manage this.



Conclusion

'The Forgotten Highway Route' can promote tourism and LED

- In some towns, tourism is the primary driver of the economy
- Tourism can also lead to job creation and economic growth
- helps local citizens start businesses that cater to tourists,
- leads to the generation of revenue from tourist spending and fiscal policies,
- and aids in the development of infrastructure.

This must be included in our Integrated Development Plans, municipal policies, and local consultative forums.



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