

2. Scope of Work (S/W) (Agreement)

AGREEMENT

STUDY ON THE TOURISM PROMOTION AND DEVELOPMENT PLAN

IN

THE REPUBLIC OF SOUTH AFRICA

AGREED BETWEEN

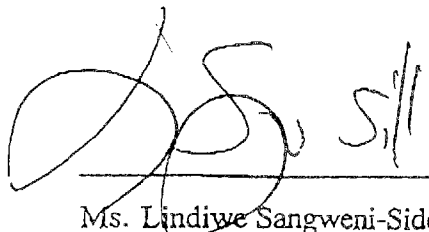
DEPARTMENT OF ENVIRONMENTAL AFFAIRS & TOURISM

AND

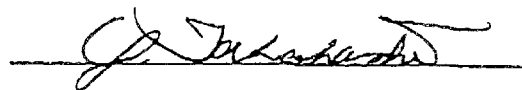
JAPAN INTERNATIONAL COOPERATION AGENCY

SCOPE OF WORK
FOR
THE STUDY ON TOURISM PROMOTION AND DEVELOPMENT PLAN
IN
THE REPUBLIC OF SOUTH AFRICA
AGREED UPON BETWEEN
DEPARTMENT OF ENVIRONMENTAL AFFAIRS & TOURISM
AND
JAPAN INTERNATIONAL COOPERATION AGENCY

Pretoria, 7 February 2001



Ms. Lindiwe Sangweni-Siddo
Chief Director: Tourism Support
Department of Environmental Affairs
and Tourism (DEAT)



Mr. Yoshiyuki TAKAHASHI
Resident Representative
South Africa Office
Japan International Cooperation Agency
(JICA)

PREAMBLE

The Government of the Republic of South Africa and the Government of Japan; (hereinafter referred to as "Parties").

Guided by the mutual desire to develop and strengthen cooperation in the field of tourism between the two countries; and

Recognizing the importance of bilateral relations and cooperation in the field of tourism and considering them a necessary means of extending and strengthening the friendship between the peoples of the two countries.

Hereby agree as follows:

I. INTRODUCTION

In response to the request of the Government of Republic of South Africa, the Government of Japan has decided to conduct the Study on Tourism Promotion and Development Plan in the Republic of South Africa (hereinafter referred to as "the Study") in accordance with the relevant laws and regulations in force in Japan.

Accordingly, the Japan International Cooperation Agency (hereinafter referred to as "JICA"), the official agency responsible for the implementation of the technical cooperation programmes of the Government of Japan, will undertake the Study, in close cooperation with the authorities concerned of the Government of the Republic of South Africa.

The Study will relate to the maximum four focus areas as selected and mutually agreed by the Parties, with this agreement setting forth the scope of work with regard to the Study. The approach to the Study will take into consideration findings and recommendations from recent research reports and will be basically aligned to existing initiatives and strategies.

The present document sets forth the Scope of Work with regard to the Study.

II. OBJECTIVES OF THE STUDY

The objectives of the Study are to:

1. Formulate a tourism promotion and marketing strategy for purposes of generating the Japanese and East Asian markets for South Africa.
2. Formulate tourism development plans for the focus areas, including investment plans and

A 1055

pre-feasibility studies for priority projects.

3. Transfer skills and technology on tourism development through this Study. Assistance with formulating the promotion and marketing strategy will target the South African Tourism Board (hereinafter referred to as "SATOURL") and related institutions, such as the relevant provincial and local tourism authorities, while assistance with formulating tourism development plans will target the institutions responsible for implementing these plans.

III. STUDY AREA

The tourism promotion and marketing strategy will cover the whole county while tourism development plans will cover maximum four focus areas, as mutually agreed.

Focus areas may include geographical areas, such as tourism routes and/or other countrywide tourism service development plans or strategies, such as air transportation system or harbours. The Department of Environmental Affairs and Tourism (hereinafter referred to as "DEA&T") will provide guidance as to the criteria for selecting focus areas. The Steering Committee contemplated as below and JICA will agree upon these criteria. This could relate to:

- a) the socio-economic and institutional factors relating to the areas,
- b) the area's tourism potential for development,
- c) existing opportunities for clustering,
- d) existing tourism development initiatives,
- e) priority need for tourism growth.

IV. SCOPE OF THE STUDY

IV-1. GUIDING PRINCIPLES

The Study will need to provide an effective coordination of strategies and resources and should assist in encouraging tourism investments to the selected priority areas. The outcome of the Study must serve to refine the existing studies for the development of tourism on the types of investments necessary, measured according to the principles and criteria developed by the JICA study team in collaboration with the counterparts.

The planning and development of tourism should be supportive of the GEAR, the RDP and the tourism vision for South Africa and should be guided by the following set of principles:

P. J. S.

- a) The appropriate use and management of the natural resource base underlying the tourism plant, and special recognition of the value and delicate nature of South Africa's bio-diversity;
- b) The development of tourism must be tailored to the unique need and characteristics of the particular areas, so as to ensure the environmental enhancement of the areas selected;
- c) Communities must be consulted and involved to ensure that the longer term benefits (investment spin-offs) accrue to their local economies. This can be achieved through structuring interventions in such a way that local employment is created and business opportunities are maximized;
- d) The recommendations should encourage opportunities for private sector contribution both in the planning and in the implementation stages,
- e) The Study must ensure that the tourism development initiatives in the selected areas should be integrated into the on-going development plans and implementation strategies of the identified areas, and must be sensitive to the social and cultural realities of such areas;
- f) Where there is overlap with the Spatial Development Initiatives (SDI's) and any other tourism developments in selected areas, the Study will be complementary to such efforts and avoid duplication;
- g) As tourism development plans in some areas will invariably have land tenure and land use implications, this should be addressed sensitively;
- h) The investment plans identified in each area should be implementable within the principles guiding this investigation. These should indicate all constraints and risks inhibiting the identified development plans from being realised.

IV-2. THE SCOPE & PHASING OF THE STUDY

The Study will be implemented in a transparent and participatory manner. The study development must be phased according to clear milestones to ensure sound communication and agreement on key issues. At the end of each phase the outcomes and details of the next phase will be determined.

1. PHASE 1: SITUATIONAL ANALYSIS & SELECTION OF FOCUS AREAS

1.1 Consensus Building

To ensure that the JICA study team, the Steering Committee and relevant players are in

Edss

agreement on the study objectives, outcomes and way forward. The following items needs further deliberation:

- a) DEA&T's suggested focus areas and the criteria and rationale for final selection;
- b) Framework for the situational analysis, so that it can be targeted to the objectives and outcomes;
- c) The rationale for developing a market analysis and marketing strategy to attract East Asian and Japanese tourists to South Africa;
- d) The principles, methodology and administrative arrangements guiding the Study.

1.2 Situational Analysis & Complementary Market Survey

Within the agreed framework data collection and analysis of the present conditions on the national tourism industry, which include the review and analysis of:

- a) existing tourism study reports and related data, in particular the Department of Environmental Affairs and Tourism Infrastructure Investment Study Report;
- b) existing tourism resources, infrastructure and markets;
- c) existing tourism plans, legislation and policies;
- d) that which informs the selection of the priority areas for a detailed study;
- e) the East Asian countries and the Japanese tourism market conditions and market segmentation to include demands, trends and seasonality of these tourists. Complementary market survey will be conducted for Japanese, Chinese, Korean and Taiwanese tourists.

1.3 Focus Areas Selection

Emanating from the findings of the situational analysis and complementary market survey to:

- a) Select the areas of study
- b) Determine the objectives and outcomes of each one
- c) Develop a work plan with key milestones
- d) Revise the schedule

2. PHASE 2: ACTION/ DEVELOPMENT PLANS

Details to be determined in accordance with 1.3 above.

2.1 East Asian/Japanese Tourist Promotion

A dss
h

An action plan for attracting tourists from Japan and the East Asian countries, through setting up:

- a) The basic tourism development strategy that informs services and products to meet the demands of and serve these key markets;
 - b) A tourism promotion and marketing strategy to achieve the above over the next five years
- The promotional and marketing strategy to be developed will be basically aligned with the recently developed SATOUR Strategic Marketing Partnership Plan.

2.2 Focus Areas Development Plans

A formulation of the development plan for selected focus areas based on:

- a) An analysis of tourism demand forecast based (socio-economic framework);
- b) Infrastructure and other tourism facilities development plan;
- c) Initial environment examination (IEE);
- d) Tourism promotion plan;
- e) Institutional building and gap analysis of relevant legislation;
- f) Evaluation of impacts induced by tourism development (employment, economy and so forth);
- g) Selection of priority projects/service plans.

3 □ PHASE 3: IMPLEMENTATION PLANS OF PRIORITY PROJECT & ACTIONS

Implementation of the pre-feasibility study on priority projects and/or service plan within selected focus areas, giving implementation steps and human and financial resource requirements. Pre-feasibility study could include:

- a) Preliminary engineering design and cost estimation;
- b) Implementation and investment plan;
- c) Environmental management plan;
- d) Pre- economic/financial analysis;

V. STUDY SCHEDULE

The Study will be carried out in accordance with the schedule to be developed by JICA in consultation with DEA&T through the Steering Committee. Follow-up phases will only commence on the approval of the Steering Committee after its consideration of the previous

Pdss

submitted report.

VI. REPORTS

Progressive reports of the Study will be submitted for evaluation to the Steering Committee by JICA. The timeframes will be agreed by the Steering Committee and in keeping with the phases of the development study. These reports will be submitted in English to the representative of South Africa as follows:

- a) The Inception Report: Forty (40) copies, (at the commencement of the Study);
- b) Progress Report: Forty (40) copies, (within five (5) months after the commencement of the Study);
- c) Interim Report: Forty (40) copies, (within eight (8) months after the commencement of the Study);
- d) Draft Final Report: Forty (40) copies, (within eleven (11) months after the commencement of the Study);
- e) Written comments on the Draft Final Report from the Government of the Republic of South Africa will be delivered within one (1) month after the receipt of the Draft Final Report;
- f) Final Report: Seventy (70) copies, (within one (1) month after the receipt of the comments after the Draft Final Report).

VII. UNDERTAKING OF THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA

1. Others being same, this study and hosting of JICA study team will be undertaken in accordance with the Note Verbal exchanged between the Department of Foreign Affairs of and the Japanese Embassy to the Republic of South Africa concerning to the Study.
2. In order to facilitate smooth conduct of the Study, the Government of the Republic of South Africa shall take necessary measures:
 - a) to secure permissions for entry into private properties or restricted areas in the due course of the Study,
 - b) to secure permissions for the team to bring all data and documents including photographs related to the Study back to Japan for further analysis, and
3. DEA&T and SATOUR shall act as counterpart agencies to the JICA study team and coordinate in relation with other relevant organizations for the smooth implementation of

PDSS

the Study.

4. DEA&T will provide the JICA study team with the following, in cooperation with other organizations concerned;

- a) Available data and information related to the Study;
- b) Counterpart personnel;
- c) Suitable office space with necessary equipment and furniture in Pretoria;
- d) Credentials or identification cards.

VIII. UNDERTAKING OF JICA

For the implementation of the Study, JICA shall undertake the following measures:

- a) To dispatch, at its own expense, the Japanese study team to the Republic of South Africa.
- b) To finance the cost of the Study to be undertaken which will include the engagement of the local consultants, which will be necessary for local knowledge, communications and liaison;
- c) To pursue technology and skills transfer to the counterpart personnel of the Republic of South Africa in the course of the Study,
- d) To abide by the conditions stipulated in the afore-mentioned Note Verbale as exchanged by both countries.

IX. OTHERS

IX-1. Institutional Arrangement

The investigation will be implemented by JICA in consultation with DEA&T and will be guided by the Steering Committee to be appointed and chaired by DEA&T. DEA&T will play a facilitative role throughout the investigation.

The Chief Directorate: Tourism will act as the point of contact for DEA&T. JICA and DEA&T shall consult each other on any matter related to the study.

IX-2. Financial Implication

JICA will make available expertise and financial resources for the Study. JICA will consider the possibility to indicate the cost of the Study, before the commencement of the Study, including any financial implications on South Africa. The budget will have to indicate details of the application of funds in the rollout of the Study. This will assist DEA&T to budget accordingly for resources in terms of the Study obligations on South Africa.

P 255

IX-3. JICA Study Team & Local Consultants

The JICA study team will be selected through JICA's tendering process. Where local consultants have to be engaged, the formal tendering process for the appointing consultants will be followed with consultations between JICA and DEA&T. As the sponsoring team, JICA will make input into the criteria according to which the tenders will be evaluated and selected.

IX-4. Consultation

JICA and DEA&T shall consult with each other in respect of any matter that may arise from or in connection with the Study.

h ass

Appendix

Tentative Schedule

Month	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Work in South Africa														
Work in Japan														
Report Presentation	△ IC/R					△ PG/R			△ IT/R		△ DF/R		△ F/R	

IC/R: Inception Report

PG/R: Progress Report

IT/R: Interim Report

DF/R: Draft Final Report

F/R: Final Report

A 255