

Chapter 14

Focus Area Selection and Planning

14.1 Introduction

This chapter describes the methodology of tourism development planning for the focus areas selected for this study. It includes: (i) selection of the focus areas, (ii) planning methodology including development objectives, planning principles, and specific considerations to be made in the planning process, and (iii) selection of the priority projects.

14.2 Selection of Focus Areas

14.2.1 Selection Criteria

A list of criteria identified by the JICA Study Team for use in the Focus Area selection process as well as the measure with which to assess whether the criteria has been fulfilled is provided below in Table 14.2.1. The Study Team ensured that identified criteria embrace government's tourism policy and objectives and existing tourism project selection criteria (refer to Interim report for further detail on criteria identification process).

Table 14.2.1 JICA TPDP Study Focus Area Selection Criteria

Criteria	Measurement
Socio-economic & Government Policy:	
Poverty Relief	Economic impact: <ul style="list-style-type: none"> • Rating of area on the poverty matrix • Extent of potential tourism and related jobs • Extent of potential SMME opportunities • % of jobs and SMME opportunities to local communities • Relative impact of new jobs and SMME opportunities on existing economy of area – i.e. assessment of potential poverty alleviation
Location in an identified National Tourism Priority Area & National Development Strategy	PATIs, SDIs, Cluster Study Areas and DEAT Poverty Relief or general initiative study areas
Social development (literacy, family structure, upliftment of women, upliftment of youth)	<ul style="list-style-type: none"> • Rating of the area in respect of the need for social development • Assessment of tourism's potential impact on the area's social development needs
Human development (i.e. training and skills development)	<ul style="list-style-type: none"> • Rating of the area in respect of the need for human development • Assessment of tourism's potential impact on the area's human development needs
Environmental sustainability	Rating of area according to its environmental sensitivity
Tourism Potential:	
Tourism Supply: Existing supply Potential supply	Preliminary assessment/rating of: <ul style="list-style-type: none"> • Extent of existing tourism product (infrastructure, resources, facilities and services) • Range of existing tourism product • Potential range of tourism product
Tourism Demand: Existing demand Potential demand	Preliminary assessment/rating of: <ul style="list-style-type: none"> • Existing domestic and foreign tourist interest in area; and • Potential domestic and foreign tourist interest in area
General:	
Value-added	Rating of extent of value to be added by the planned formulation of tourism development policy, strategy and plans
Potential to Attract Investment	Rating of the general attractiveness of the area to potential investors

Criteria	Measurement
Located in a TIIP Area	The area should be within the DEAT's Tourism Infrastructure Investment Program areas
Infrastructure Requirement	Rating of the extent and condition of infrastructure available in the area to support tourism development

14.2.2 The Selection Process

The following process was used to prioritise and select the candidate focus areas:

- Rate each area according to the final selection criteria.
 - Rating Scale (1 to 3):
 - 1 = low/bad
 - 2 = medium/average
 - 3 = high/excellent
 - Rating is based on information available per area and/or JICA Study Team member knowledge and opinion.
- As criteria vary in importance, weight each criterion according to its importance as ascribed by the DEAT and the JICA Study Team.

Weighting Scale (1 – 10):

 - 1 = not important
 - 10 = very important
- Total the score of each area (highest potential score is 240) and indicate which areas occupy the high priority positions.
- Ascribe additional score or a bonus point to those areas for which the DEAT has indicated specific preference – an additional 40 points is allocated as bonus points.
- Total the score for each area and indicate which areas now occupy the first four positions.

14.2.3 The Selection Results - Selected Candidate Focus Areas

The selection process calculations are provided in Figures 14.2.1 and 14.2.2 below and the process is divided into two parts:

- Part I: Rating of the Areas by Selection Criteria (Figure 14.2.1)
- Part II: Weighting of Selection Criteria & Final Scoring (Figure 14.2.2)

The scoring of areas by the weighted selection criteria (to Step 3 of the process) results in the following areas being identified as areas of high priority (areas given in order of priority or score):

Area	Province	Preliminary Weighted Score
• The Wild Coast	Eastern Cape	195
• Lubombo SDI	KwaZulu-Natal (North Coast)	185
• Maputo Corridor	Mpumalanga	185
• Madikwe PATTII	North West	180
• Soweto	Gauteng	180
• Valley of the Olifants	Northern Province	175
• Khayelitsha	Western Cape	175
• Fish River SDI	Eastern Cape	165

Area	Province	Preliminary Weighted Score
• Cape Town	Western Cape	165

The Study Team discussions with the DEAT confirmed that extensive tourism development planning research have already been carried out in respect of Lubombo SDI, Maputo Corridor and Fish River SDI. Funds have been earmarked for tourism development research in respect of The Wild Coast, Soweto and Cape Town, either on a national or provincial level. The DEAT therefore indicated a preference for the Madikwe PATTII, the Valley of the Olifants, the Barberton/Badplaas/Malelane area (which was only partially covered in the Maputo Corridor research) and Khayelitsha.

Figure 14.2.1 Focus Area Selection Matrix – Part I

Rating of Areas by Selection Criteria

Rating scale: 1=low/bad; 2=medium/average; 3=high/good

Development Areas				Selection/Rating Criteria											
				Socio-Economic & Policy				Tourism Potential				General			
PATiIs	SDI	Cluster	DEAT General	Poverty Relief	Social Development	Human Development	Environmental Sustainability	Existing Tourism Supply	Potential Tourism supply	Existing Tourism Demand	Potential Tourism Demand	Value Added	Potential to attract investment	Within TIP	Infrastructure Requirement
Johannesburg International Airport	Gauteng SDI			1	1	1	3	2	2	3	3	1	3	0	3
Soweto				1	2	2	3	1	3	1	3	3	3	3	1
Madikwe Area	Platinum SDI			3	2	2	2	2	2	1	2	3	2	3	2
Makuti Area				2	2	2	2	2	1	1	1	3	1	0	2
Petersburg – Phalaborwa	Phalaborwa SDI	Valley of the Olifants, Northern Province		3	3	3	2	1	2	1	2	3	1	3	1
Louis Trichardt to Runda-Maria				Gaza-Kruger Gonnarezhou (GKG) Transfrontier Park	3	3	3	2	1	2	1	1	1	1	3
Low veld Area	Maputo Corridor SDI			1	2	2	2	3	1	3	3	1	2	0	3
Badplaas/Barberton/Malelane Area				3	3	3	2	1	3	1	2	2	2	3	2
Northern KwaZulu-Natal/Lubombo Area	Lubombo Initiative		Lubombo SDI, KwaZulu-Natal	2	3	3	1	2	3	2	3	1	3	3	2
Durban Hinterland/Zululand Area				3	2	2	2	2	2	1	2	3	1	0	2
The Battlefields region				3	3	3	2	2	1	1	2	3	1	0	2
Durban				2	1	1	3	3	1	3	2	1	1	0	3
Wild Coast: Durban - Fort St. Johns	Wild Coast SDI		The Wild Coast SDI, Eastern Cape	3	3	3	1	1	3	1	3	3	2	3	1
Wild Coast: Port St Johns - East				3	3	3	1	1	3	1	3	3	2	3	1
London-Amatola Area				3	3	3	3	1	1	1	1	3	1	0	1
Sunshine Coast: East London - Port Elizabeth	Fish River SDI	Fish River Eastern Cape		3	3	3	2	1	2	1	2	2	2	0	2
Port Elizabeth Hinterland: Port Elizabeth - Addo Game Reserve				2	3	3	2	2	2	1	2	2	2	3	2
Kalahari Triangle: Kimberley, Kuruman and Upington				2	2	2	1	1	1	1	1	3	1	3	1
Cape Town Area				1	2	2	3	3	3	3	3	0	3	0	3
		Khayelitsha		3	3	3	1	1	2	1	2	3	1	3	2
	West Coast Investment Initiative			1	2	2	2	1	2	1	2	1	1	0	1
	Pietermaritzburg SDI			2	1	1	3	1	1	1	1	3	1	0	2
	Richards Bay SDI			1	1	1	3	1	1	1	1	3	1	0	2
		Magaliesberg, North West		2	2	2	2	2	1	2	1	3	1	0	2
			Mapungubwe Tourism Initiative	2	3	3	1	1	1	1	1	1	1	3	1
			Maloti-Drakensberg Transfrontier Park	2	3	3	1	1	1	1	1	1	1	3	1

Figure 14.2.1 Focus Area Selection Matrix – Part II

Weighting of Selection Criteria & Final Scoring

Rating scale: 1=low/bad; 2=medium/average; 3=high/good

Importance Weighting Per Criteria				10	5	5	5	5	10	5	10	10	5	5	5	Highest potential score	Additional score		
																240	40		
Development Areas				Selection/Rating Criteria												TOTAL SCORE	POSITION	DEAT PREFERENCE	FINAL POSITION
PATIs	SDI	Cluster	DEAT General	Socio-Economic & Policy				Tourism Potential				General							
				Poverty Relief	Social Development	Human Development	Environmental Sustainability	Existing Tourism Supply	Potential Tourism supply	Existing Tourism Demand	Potential Tourism Demand	Value Added	Potential to attract investment	Within TIP	Infrastructure Requirement				
Johannesburg International Airport	Gauteng SDI			10	5	5	15	10	20	15	30	10	15	0	15	150	150		
Soweto				10	10	10	15	5	30	5	30	30	15	15	5	180	3 180 7		
Madikwe Area	Platinum SDI			30	10	10	10	10	20	5	20	30	10	15	10	180	3 220 2		
Maluti Area				20	10	10	10	10	10	5	10	30	5	0	10	130	130		
Pietersburg – Phalaborwa	Phalaborwa SDI	Valley of the Olifants, Northern Province		30	15	15	10	5	20	5	20	30	5	15	5	175	4 215 3		
Louis Trichard to Punda-Maria			Gaza-Kruger Gonnarezhou (GKG) Transfrontier Park	30	15	15	10	5	20	5	10	10	5	15	5	145	145		
Lowveld Area				10	10	10	10	15	10	15	30	10	10	0	15	145	145		
Badplaas/ Barberton/ Malelane Area	Maputo Corridor SDI			30	15	15	10	5	30	5	20	20	10	15	10	185	2 225 1		
Northern KwaZulu Natal/Lubombo Area	Lubombo Initiative		Lubombo SDI, KwaZulu-Natal	20	15	15	5	10	30	10	30	10	15	15	10	185	2 185 6		
Durban Hinterland/ Zululand Area				30	10	10	10	10	20	5	20	30	5	0	10	160	160		
The Battlefields region				30	15	15	10	10	10	5	20	30	5	0	10	160	160		
Durban				20	5	5	15	15	10	15	20	10	5	0	15	135	135		
Wild Coast: Durban - Port St. Johns	Wild Coast SDI		The Wild Coast SDI, Eastern Cape	30	15	15	5	5	30	5	30	30	10	15	5	195	1 195 4		
Wild Coast: Port St Johns - East London				30	15	15	5	5	30	5	30	30	10	15	5	195	195		
Amatole Area				30	15	15	15	5	10	5	10	30	5	0	5	145	145		
Sunshine Coast: East London - Port Elizabeth				30	15	15	10	5	20	5	20	20	10	0	10	160	5 160 8		
Port Elizabeth Hinterland: Port Elizabeth - Addo Game Reserve	Fish River SDI	Fish River Eastern Cape		20	15	15	10	10	20	5	20	20	10	15	10	170	170		
Kalahari Triangle: Kimberley, Kuruman and Upington				20	10	10	5	5	10	5	10	30	5	15	5	130	130		
Cape Town Area				10	10	10	15	15	30	15	30	0	15	0	15	165	5 165		
		Khayelitsha		30	15	15	5	5	20	5	20	30	5	15	10	175	4 215 4		
	West Coast Investment Initiative			10	10	10	10	5	20	5	20	10	5	0	5	110	110		
	Pietermaritzburg SDI			20	5	5	15	5	10	5	10	30	5	0	10	120	120		
	Richards Bay SDI			10	5	5	15	5	10	5	10	30	5	0	10	110	110		
		Magaliesberg, North West		20	10	10	10	10	10	10	10	30	5	0	10	135	135		
		Mapungubwe Tourism Initiative		20	15	15	5	5	10	5	10	10	5	15	5	120	120		
		Matoti-Drakensberg Transfrontier Park		20	15	15	5	5	10	5	10	10	5	15	5	120	120		

With bonus points awarded to those areas for which the DEAT has indicated a preference, the final prioritisation of the areas is as follows:

Area	Province	Final Weighted Score
1. Badplaas/Barberton/Malelane (Within the Maputo Corridor)	Mpumalanga	225
2. Madikwe PATII	North West	220
3. Valley of the Olifants	Northern Province	215
4. Khayelitsha	Western Cape	215
5. Wild Coast	Eastern Cape	195
6. Lubombo SDI	KwaZulu-Natal (North Coast)	185
7. Soweto	Gauteng	180
8. Fish River SDI	Eastern Cape	165

Thus the four selected candidate focus areas are:

Area	Scoring Remarks
<ul style="list-style-type: none"> Badplaas/Barberton/Malelane (within the Maputo Corridor) 	<p>This area scored high due to:</p> <ul style="list-style-type: none"> ● High ratings on criteria with high importance weightings, such as Poverty Relief (given its location in a high poverty area) and the capacity for this Study to add value; and ● Reasonable ratings on criteria with high importance weightings, such as latent tourism supply and demand potential.
<ul style="list-style-type: none"> Madikwe PATII 	<p>This area scored high due to:</p> <ul style="list-style-type: none"> ● High ratings on criteria with high importance weightings, such as Poverty Relief (given its location in a high poverty area) and latent tourism supply potential; and ● Reasonable ratings on criteria with high importance weightings, such as latent tourism demand potential and the capacity for this Study to add value.
<ul style="list-style-type: none"> Valley of the Olifants 	<p>This area scored high due to:</p> <ul style="list-style-type: none"> ● High ratings on criteria with high importance weightings, such as Poverty Relief (given its location in a high poverty area) and the capacity for this Study to add value; and ● Reasonable ratings on criteria with high importance weightings, such as latent tourism supply and demand potential.
<ul style="list-style-type: none"> Khayelitsha 	<p>This area scored high due to:</p> <ul style="list-style-type: none"> ● High ratings on criteria with high importance weightings, such as Poverty Relief (given its location in a high poverty area) and the capacity for this Study to add value; and ● Reasonable ratings on criteria with high importance weightings, such as latent tourism supply and demand potential.

14.3 Planning Methodology

14.3.1 Tourism Development Objectives

The tourism development policy should:

- Provide for or result in poverty relief in the short term.
- Be sustainable in the long term, in economic and environmental terms.
- Provide for local community ownership.
- Result in social development.
- Result in human development.
- Focus on future tourism development potential, in respect of supply and demand.
- Add value to existing initiatives and plans, i.e. do not redo existing work.
- Integrate and link appropriately with existing tourism plans and structures.
- Include actions and plans that are in context with greater tourism destination planning and, where possible, connect with the proposed East Asian market tourism promotion plan.
- Support Government policy in respect of black empowerment.

14.3.2 Basic Planning Principles

A set of basic planning principles is provided below and summarised in Figure 14.3.1, which will guide the tourism development planning process and ensure that it is effective and will generate tangible results.

(1) Maximize tourist flows – shortest path to create more jobs

This is the most fundamental principle to be followed. Planning will be made so that the planned development will lead to maximizing tourist flows into each area within a reasonable amount of resources that could be invested.

It is reasonable to consider that job creation in and around the area, one of the most important objectives, can be best achieved by the development that will contribute to attracting more tourists into the area than otherwise.

(2) Building on strengths and best potential, NOT a fragmented approach

In order to maximize tourist flows, tourism development for each area should be based on the strengths and best potential that will lead to establishing the area's comparative advantage against other areas, at least in South Africa.

This is extremely important for the selected focus areas, particularly because the selection was made not only based on their tourism development potential, but also in consideration of other criteria such as poverty relief and room for adding value through planning in this study. In other words, although the selected areas are among the priority areas that were identified in national-level tourism development studies and strategies, they are not necessarily the areas with the highest tourism development potential in the country. In fact, the selected areas are in general still underdeveloped, with much development needed even focusing on their best potential.

Therefore, the planning for the selected focus areas should never be a fragmented approach, it should be focused (specifically in respect of development) and build on the strengths, thereby maximizing tourist flows.

This focused approach naturally translates into focusing on the development of sub-areas

with the best development potential within each area.

(3) Long-term planning and staged development

The development plan to be formulated will incorporate both long-term and short to medium term plans, consisting of what is to be undertaken in the next few years, toward what is to be achieved in the long term.

While this kind of long-term planning with staged development may not be quite common in South Africa, this can provide useful guidance on the direction in which tourism development should go, thereby guiding development efforts in a way that is effective and realistic.

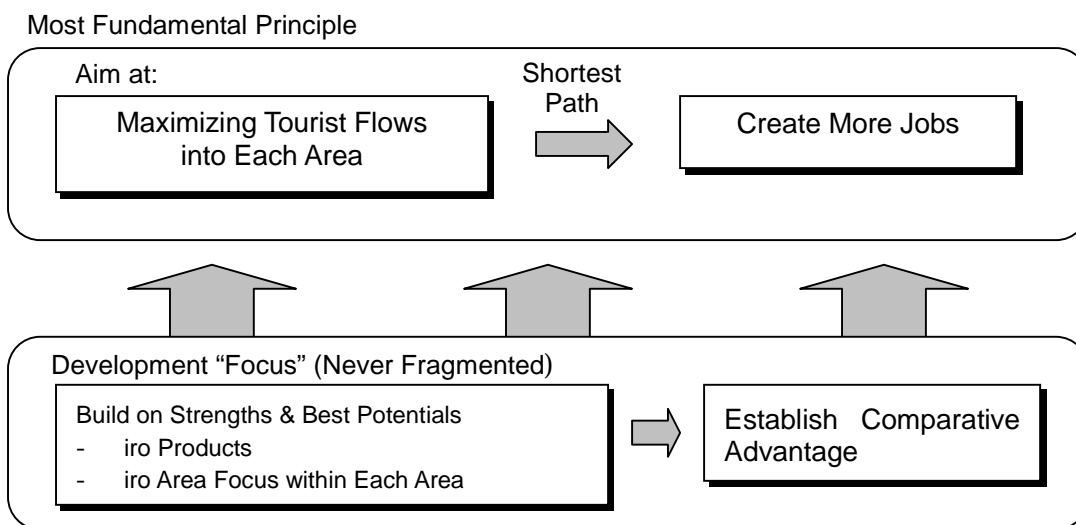
In this study, the planning horizon will be set at 10 years, with the long-term target year being 2011. The short- to medium-term horizon is 5 years, with its target year set at year 2006.

(4) Support existing initiatives where valid

It is effective to push forward the initiatives currently taken in the focus areas in order to move the plans toward implementation.

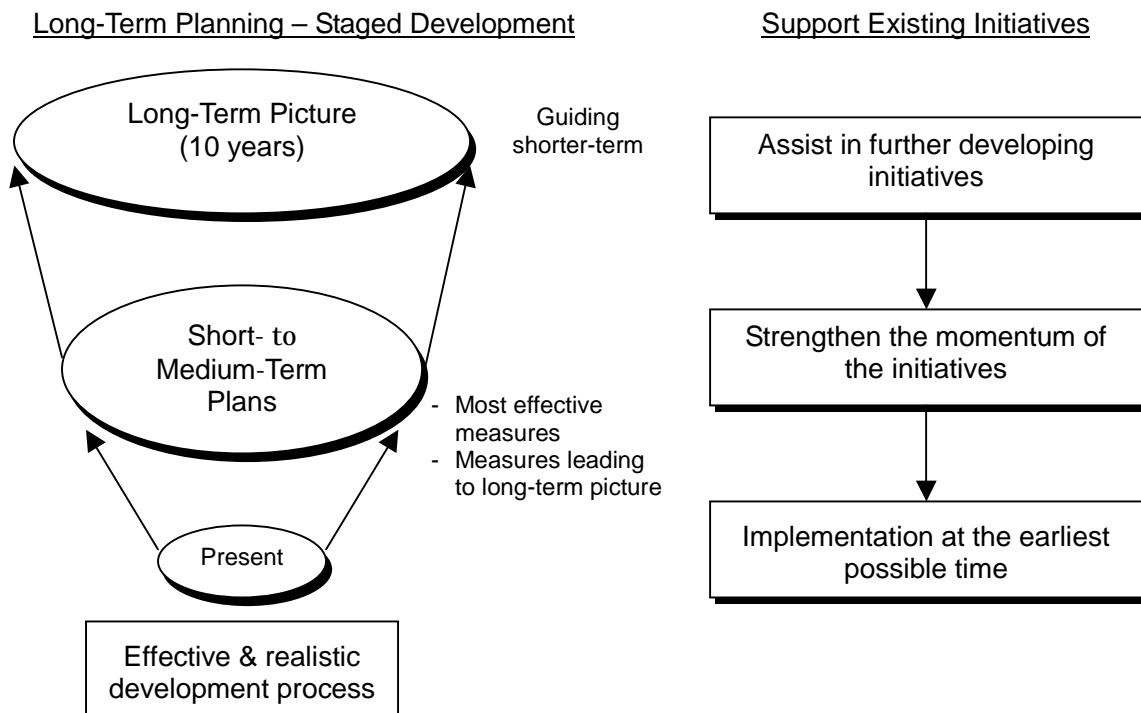
If the existing initiatives are consistent with the identified strengths and potential of each area in this study, these initiatives will be further developed, thereby strengthening their momentum. In case the area’s strengths and potentials lie beyond the development areas (e.g., tourism products) targeted by the current initiatives, new plans will be proposed, which are based on the strengths and potential.

Figure 14.3.1 Basic Planning Principles (1 of 2)



Source: JICA Study Team

Figure 14.3.1 Basic Planning Principles (2 of 2)



Source: JICA Study Team

14.3.3 Tourism Product Development

(1) Tourism product defined

For the purposes of this study, “tourism product” represents the all-encompassing product made up by a range of tourism attractions, facilities and activities available in each area and concerns the actual product or experience offered or sold to the tourist.

(2) Tourism product development strategy

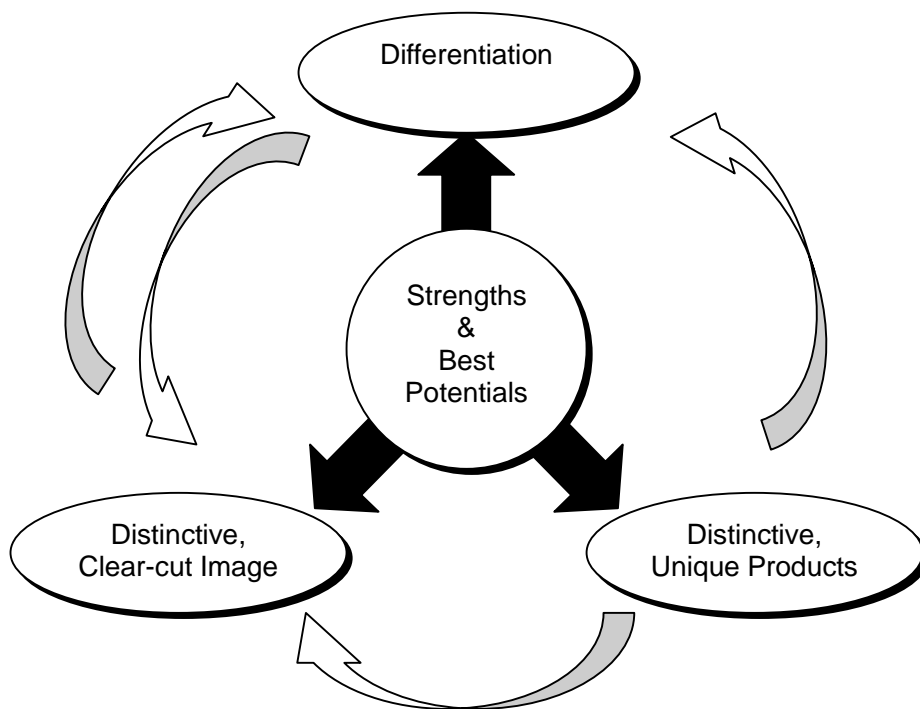
In view of the current development status of the selected focus areas (as described in later chapters), development of tourism attractions and products is a crucially important element to make the areas attractive enough to potential tourists.

Essential principles in formulating an effective strategy for product development include (as shown in Figure 14.3.2):

- Differentiation from competing destinations
- Creation of distinctive, clear-cut image
- Developing distinctive, unique attractions and products

All these should be developed on the basis of the area’s strengths and best development potential.

Figure 14.3.2 Effective Strategy for Product Development



Source: JICA Study Team

Differentiation from competing destinations:

This is a must for tourism development in the focus areas. Developing attractions and products differentiated from those already existing is a prerequisite for marketable destination development. In particular, a number of initiatives for game reserve development are being undertaken in many parts of South Africa, several of which are questionable due to lack of attempts to differentiate themselves, despite the fact that a significant number of game reserves already exist across the country. Differentiation can assist in establishing competitive advantage of a destination as well as enhancing complementarities among competing destinations, thereby contributing to increasing total tourism demand.

Distinctive, clear-cut image:

Attractions and products should be developed so that they can create, as a totality, a clear-cut image that is distinctive and easily identifiable. Development that would lead to creating a fragmented image should be avoided. Those to be developed should be consistent as far as possible in terms of the image each of them tends to create.

Distinctive, unique attractions and products:

Draw card attractions and products to be developed should be distinctive, unique and appealing to a number of potential tourists (local or foreign, certain segments, depending on the target markets). At least, the most important ones should be the best of its kind or equivalent in South Africa. Distinctiveness and uniqueness of specific attractions and products are the source for differentiation and for creating a distinctive, clear-cut image.

(3) Tourism product development methodology

The tourism product development plans for all focus areas is developed based on the same 7-step methodology, viz:

1. Tabulate the existing supply of tourism resources and assets.
2. Map the tourism resource/asset tabulation in order to clearly identify and assess the extent of, the locations of and the relationships between, tourism resources and assets.
3. Interpret the current tourism product(s) offered by the area.
4. Identify and assess the tourism strengths and potentials of the area.
5. Specify all potential tourism products that could be offered by the area in keeping with the tourism product development strategy and basic planning principles.
6. Identify the target markets and the potential in each target market for each specific potential tourism product.
7. Specify what product development is required (including specific attractions, facilities, etc) in order to achieve the specified potential penetration of markets and are in keeping with the tourism product development strategy and basic planning principles.

Please note that this methodology links strongly with that for tourism demand, particularly in respect of market segment identification (Section 14.3.5(1)).

14.3.4 Refining Focus Areas – Subject Areas within Focus Areas

A major constraint to development planning is that, in three of the focus areas, the selected areas were very large in geographic coverage and for this reason included a wide and very varied range of tourism product. This necessitated the refining of relevant focus areas in order to satisfy the core planning principles, which guides the planning for the focus areas as well as ensure the development of a successful product development strategy.

Satisfying planning principles:

- Undertaking development planning for such large areas would require a large number and variety of plans and approaches in order to draw on the benefits provided by a range of strengths and potentials. A fragmented development approach would be unavoidable and as a result it would be impossible to establish clear comparative advantage for such large and varied areas.

Developing a successful product development strategy:

- Given the varied types of tourism and product base in such large areas, it would be difficult to differentiate the area or, more importantly, to create a distinctive clear-cut image for the area.

The refined study areas as well as the reasons therefore are provided in Sections 14.2.1, 15.2.1, 16.2.1 and 17.2.1.

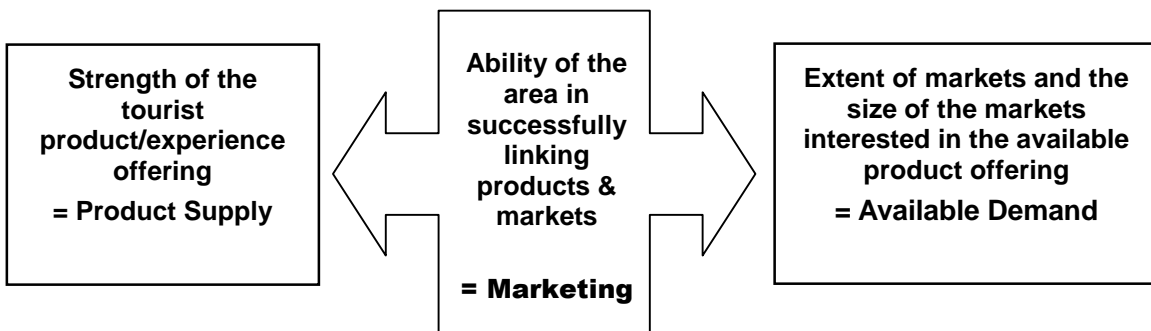
14.3.5 Other Tourism Components

(1) Tourism demand

i) Rationale

The formation of the tourism development plans will especially take into account the demand side analysis, which is by and large lacking in present focus tourism development planning.

The general rationale is that tourist demand or the total number of tourists attracted to an area, is based on:



Source: JICA Study Team

ii) Methodology

Demand calculation:

In all of the focus areas, actual tourist demand is not tracked and demand calculations are therefore based on estimations and/or extrapolations.

Current demand is calculated by estimating the likely/realistic tourist demand to the area given the existing product base. The preliminary calculations (provided in this report) are based on an extrapolation and combination of various sources of existing information, including visitor numbers extrapolated from existing focus area specific tourism research, the draft 2000 South African Domestic Tourism Survey, various South African Tourism Foreign Tourist Departure Surveys and various provincial tourist surveys. The final calculations are based on the demand information obtained from the product survey undertaken as part of the Socio-Economic Tourism Impact Assessment for Focus Areas.

Potential demand is calculated by starting with the current demand as a given base (given the existing product base) and then adding an estimated additional demand (or growth) per annum taking into consideration the Study Team's projected and/or recommended adjustments, improvements and/or expansions to the product base and/or promotional activities.

Target Markets:

In this section, we identify and specify the **target markets** for focus areas. Please note that this differs from the specification of **target market segments**.

We define market segments as the pairing of markets with products, for example the pairing of the domestic leisure market with the wildlife/game reserve product would result in the domestic leisure game reserve market segment, whereas markets refer only to the identification of the market side of the spectrum.

However, the identification and assessment of target market segments are dealt with as part of Tourism Product Development methodology.

(2) Tourism Promotion

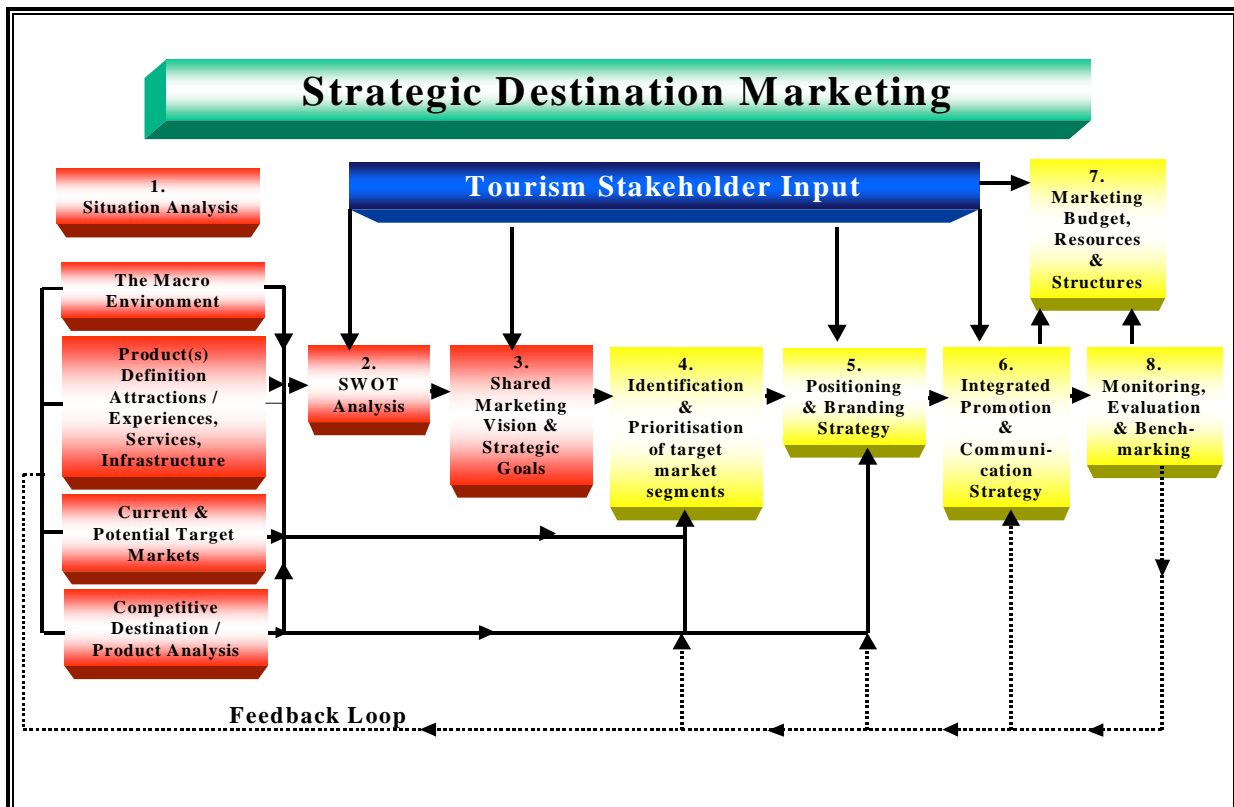
Tourism marketing and promotion can be effectively divided into two categories, viz:

- Marketing of specific facilities and services, e.g. an hotel, a tour, an attraction; and
- Destination marketing – the generic marketing of a destination for the overall experience that a tourist can obtain in that destination, which includes combinations of facilities and services available.

For the focus areas the promotion and marketing programs and recommendations will relate to destination marketing of the areas. Destination marketing is undertaken by the private sector and the public sector in concert. There are many different models worldwide as to how the two sectors inter-relate to develop and implement destination marketing.

Figure 14.3.3 depicts the overall destination marketing strategy development process. The research conducted for focus areas covers steps 1, 2, 3 and 4 in the process. Step 5 is partially covered in the development strategies and development concepts. The further development of the marketing and promotion plan will finalise the positioning and branding, and provide the broad promotion and communication strategies for the areas. It will also provide recommendations on implementation bodies and sources of funds.

Figure 14.3.3 Destination Marketing Strategy Development Process



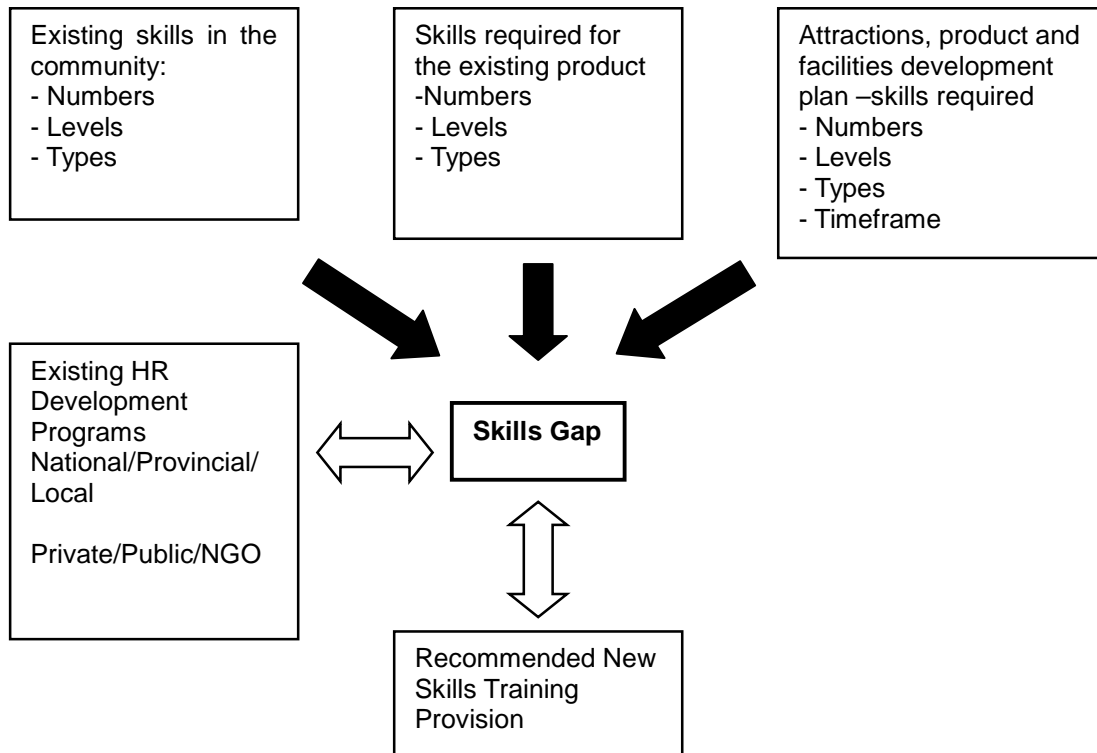
Source: JICA Study Team

Destination marketing strategy and tourism promotion plan finalisation will require stakeholder consultation in each of the areas, subsequent to the finalisation of this study.

(3) Human Resource Development

The human resource development plan will be developed following the methodology process detailed in Figure 14.3.4 below.

Figure 14.3.4 Human Resource Development Plan – Methodology



Source: JICA Study Team

1. On a broad level, the existing skills in the community will be assessed. This will include numbers of employees and indication of skill and qualification levels from the social and economic impact survey.
2. Any existing skills gap, which is evident from the research in the areas and the socio-economic survey, will be noted.
3. The future skills requirements based on the attractions, product and facilities development plans for the areas will be quantified on a broad basis. This will include projections of numbers likely to be employed over time.

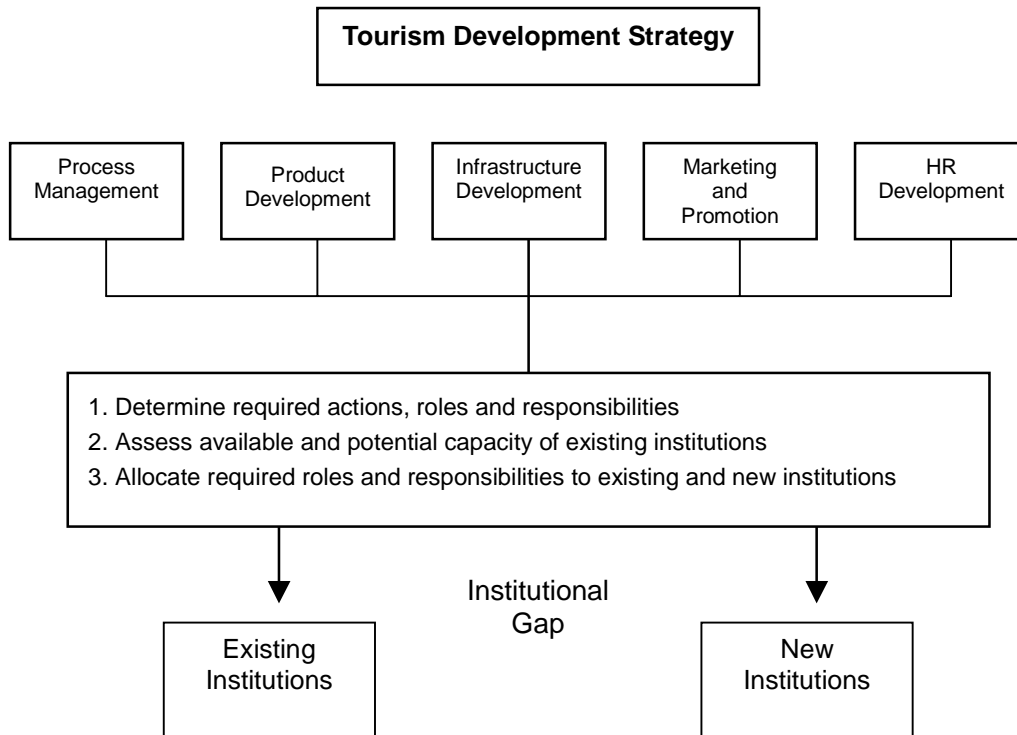
The existing HR development programs available either from a national, provincial or local level, whether private, public or NGO, will be determined, and where possible the plan will indicate where the focus area HR development initiatives should tap into and draw on these programs.

If it is determined that there is a skill gap for which programs are not currently available, new skills training provision may be recommended, with a broad indication of the type of structures and bodies required to provide the training.

(4) Institutional Development

In order to consider the required institutions to achieve the tourism development goals for the focus areas, the methodology detailed in the figure below will be followed.

Figure 14.3.5 Institutional Development Process



Source: JICA Study Team

The tourism development strategy being compiled by the project team will be analysed, by element, i.e. product development, marketing and promotion, infrastructure development to assess the actions, roles and responsibilities required to implement the strategy in its component parts.

The existing institutions and their capacity will be reviewed. For key institutions this will include staffing levels and numbers, and budgets and source of funds.

The required actions and responsibilities to achieve the tourism development strategy will be allocated to existing institutions or new proposed new institutional structures. New structure recommendations will include broad indications of the type of structure, the corporate governance required and the possible staffing levels.

(5) Socio-Economic Impact

In this section, existing development plans or initiatives, which cover the socio-economic aspects of the area, are incorporated. By March 2002, every municipality had to prepare an Integrated Development Plan (IDP). An IDP is a process through which municipalities prepare a strategic development plans, for a five-year period. The IDP is the product of the integrated development planning process and is a principle strategic planning instrument, which guides and informs all planning, budgeting, management and decision-making in a municipality. As the IDP is a legislative requirement, it has a legal status and it supersedes all other plans that guide development at local government level. The preparation status of the IDP will also be mentioned whenever information is available.

An analysis was undertaken to estimate the direct and indirect socio-economic impacts of tourism development in the focus areas. This included the potential in each area to

maximize the benefits of tourism development planning. The analysis used existing data and incorporated the collection of additional area-based information. Quantitative analysis was applied in respect of tourism revenue/expenditure and GDP, investments, multiplier effects, etc.

In order to examine the socio-economic impact, a survey was carried out for each Focus Area¹. The objectives of the survey were;

- To review the socio-economic conditions of selected Focus Areas and obtain the baseline data and information
- To estimate tourism demand for each of the Focus Areas and analyze the socio-economic impacts of tourism development

The economic impact assessment survey, in which current tourism demand and its potential for Focus Areas as well as the economic impact of tourism development in the Focus Areas on the regional economy, was analyzed. The social impact assessment survey in the Focus Areas aimed to analyze the impacts of communities and residents, which would be affected by the tourism development. An inquiry questionnaire was compiled and tested before the survey in the Focus Areas². The components of samples at each area are shown in the following table³.

Economic impacts will be described by the employment growth in two different scenarios of with/without proposed tourism development in the area. The impact of tourism revenue and expenditure with GGP and other industry will also assessed. Economic impacts will be measured by the size of tourist expenditure and the growth of employment, both direct and indirect. While social impacts will be examined through the result of questionnaire among public sector officials and community leaders.

Table 14.3.1 Sampled Numbers and their Share in the Tourism Industry*

Sector	Madikwe	Khayalitsha	Olifants	Barberton
Tourism Service Industry				
Accommodation	6 (4%)	6 (67%)	11 (10%)	4 (9%)
Restaurants	6 (86%)	1 (17%)	5 (36%)	1 (33%)
Other tourism	13 (23%)	3 (38%)	8 (23%)	4 (40%)
Public Bodies/Community				
Provincial	3	2	3	1
Regional/Local/community leaders	8 (86,000)	3 (6,000)	3 (10,000)	3 (65,000)

*the figure for the Tourism Service Industry indicates the number of person who represented the industry/service and its share in the total industry numbers. While, the figure for the Public Bodies/Community shows number of person who answered the questionnaire. Parentheses show an average number of community member represented by respective interviewee.

¹ Refer to the Terms of Reference of the survey in Appendix H.

² Refer to the Questionnaire of the survey in the Appendix I.

³ Due to the time constraints, only samples could be taken in all four areas. Problems encountered during the field survey were unavailability of managers in the tourism businesses, amounts for salaries and the expenditure from tourists, reluctance of community leaders in giving comments without their communities consent.

(6) Environmental Considerations

In order to support sustainable tourism development, it is of great importance to adequately consider the environment in the implementation of projects/ programs. Based on the recognition of the importance of environmental issues, environmental considerations for priority project planning was carried out.

At the planning stage of the candidate projects/ programs, a preliminary IEE was carried out based on the collection and analysis of basic data and information. The main purpose of the preliminary IEE is to evaluate whether an EIA is necessary for the project/ program and, if so, to define its contents.

Chapter 15

Pilanesberg–Madikwe Corridor Tourism Development Plan

15.1 Tourism Development Concept

15.1.1 Background and Current Condition

The area, one of the PATIIs, lies in the north of North West Province, stretching from Pilanesberg and its vicinity to Madikwe Game Reserve situated on the Botswana Border approximately 300km from Johannesburg. Sun City and Pilanesberg National Park (PNP), already established tourist attractions, are located in the eastern part of the area. Pilanesberg is situated about 120km from Pretoria, and the close proximity to Pretoria and Johannesburg as well as the established tourist attractions, are a great advantage for the area.

PNP is considered to be a success, increasing its visitors from 70,000 in 1992 to around 400,000 in 2000, at an average growth rate of 24% per year over the period. The park, however, is extremely congested over holidays and long weekends, and its extension towards the northwest has been planned with a joint initiative of the community, the public and private sectors. Also Sun City is an internationally renowned entertainment resort, attracting a large number of foreign tourists as well as local visitors.

Madikwe Game Reserve, situated in the western end of the area, has been developed over the past decade, and has been successful in attracting private lodge operators that all currently cater to upmarket guests. It is estimated that the reserve received around 9,000 visitors in 2000. The reserve allows day visitors to enter, but prohibits self-driving, forcing them to make use of game drive and lunch packages on offer by lodge operators. A significantly larger number of beds than the current capacity have already been allocated to private operators, and is expected to be operational in a few years.

As a major tourism development project in the area, named Heritage Park, has long been under discussion. This project aims to establish a conservation corridor linking two of the primary tourism destinations in the North West Province, namely Pilanesberg National Park and Madikwe Game Reserve. The Heritage Park is intended to act as a primary catalyst for the area's socio-economic development, whilst at the same time conserving the natural and cultural heritage of the area. A concept plan was prepared in June 2001, and high priority is placed on its implementation among those concerned at a provincial level.

15.1.2 Strengths and Potential

(1) Strengths

The area's major strengths and unique features that can lead to the area's comparative advantage in terms of tourism include:

- Existence of established powerful draw card attractions, including:
 - Sun City offering world-level entertainment and sports activities,
 - Pilanesberg National Park offering a game viewing experience and attracting 400,000 visitors per year (cf. 1,000,000 per year for the entire Kruger National Park), and
 - Upmarket accommodation;
- Madikwe Game Reserve as being a successful case for commercialisation, attracting private lodge operators catering for upmarket visitors;
- Good access from the Johannesburg/Pretoria area; the area is easily and conveniently accessible for international tourists as well as for the Gauteng market;
- Bordering Botswana and close proximity to its capital city, Gaborone; and

- Good management of the North West Parks and Tourism Board, with its objective being income generation as well as conservation of nature, effectively using private sector forces for game reserve development.

(2) Potential

The area possesses the following potential, building on the strengths and unique features above:

- Good potential for establishing the Heritage Park, building on the “two success stories” and linking Pilanesberg and Madikwe, for the domestic market, international tourists, and visitors from Gaborone;
- Good potential for establishing the area as one of South Africa’s major game-based destinations with products to some extent differentiated from that of the Kruger National Park;
- Good potential for establishing tourist routes, linking a multiple of attractions, thereby offering different experiences in and around the Heritage Park; and
- Good potential for further promoting and marketing MICE products internationally including the East Asian market, with its unique incentive/seminar venue, coupled with malaria-free African game viewing experience as well as its offering of entertainment and other activities.

15.1.3 Development Concept

In order to enhance the area’s attractiveness and further strengthen its comparative advantage, development efforts should concentrate on building on the strengths and potential mentioned above.

(1) Area Focus:

- Spatially, development efforts should be focused largely on creating “tourist pull” beyond Pilanesberg, an already established destination, towards Madikwe (Figure 15.1.1), considering that:
 - The major strengths exist in Pilanesberg – Madikwe, with the highest development potential.
 - Focusing this way, the tourist flow into the area as a whole is expected to rise most effectively.
 - Among those concerned at a provincial level, a high priority is placed on the creation of the Heritage Park linking Pilanesberg and Madikwe, and further efforts along this line will strengthen the momentum of this initiative.
- Given these considerations, this study will focus on planning for the area stretching from around Pilanesberg to Madikwe with respect to this focus area.

(2) Development Emphasis & Goals

i) Clear-cut Image

Building on its existing tourist attractions, the Pilanesberg – Madikwe Corridor should be developed, aiming at establishing its reputation as:

“The leisure, entertainment and wildlife playground/hub on the tourist’s doorstep”

ii) Product Emphasis/Goals

- **Access, scale and differentiation:** As shown in Figure 15.1.1, pursue extending the area size for the wildlife experience (Pilanesberg but expanded), and at the same time, clearly differentiate the area’s product offering from other game-viewing experiences, by offering first-rate wildlife-based experiences, leisure activities, local cultural and natural heritage experiences as well as entertainment in a large (larger than most other game viewing areas other than the KNP) and easily accessible location, including:
 - Experience in wildlife breeding activities;
 - International cultural and heritage exchange activities;
 - Hunting;
 - Leisure activities, including those partly relating to natural and cultural heritage, and those for day-visitors;
 - Entertainment and sports activities already existing (Sun City)

Emphasis needs to be placed on the greater size (and therefore improved tourist experience) of the proposed expanded reserve, but it should be done without losing the already well-known and recognized “Pilanesberg” brand name. The Study Team believes that the current name for the proposed expanded reserve, Heritage Park, would not be easy and would take a long time to establish in the market. We suggest that another name be selected, that:

 - Clearly illustrates the large size of the expanded reserve;
 - Builds on the existing Pilanesberg name, such as:

“The Greater Pilanes Park”
“The Greater Pilanes Game Reserve”

- **Extending existing product bases:** Extend the existing tourism product base areas, namely Pilanesberg and Madikwe, which are judged most effective, with development by stages (see Figure 3.1.3.1) considering the distance between them and the virtually undeveloped status in the in-between area. Eventually establish the Heritage Park, fully integrating the entire area between Pilanesberg and Madikwe.
- **International exchange centre:** Establish an international exchange centre that can be used (as well as for other purposes) for promoting exchange of the youth from across the world, including East Asia, in terms of cultural exchange, wildlife and nature experiences (see Box 15.1.1 below for detail on a program currently offered in the area, targeting students from Asia-Pacific Rim countries and from SA).

Box 15.1.1 Cathay Pacific International Wilderness Experience

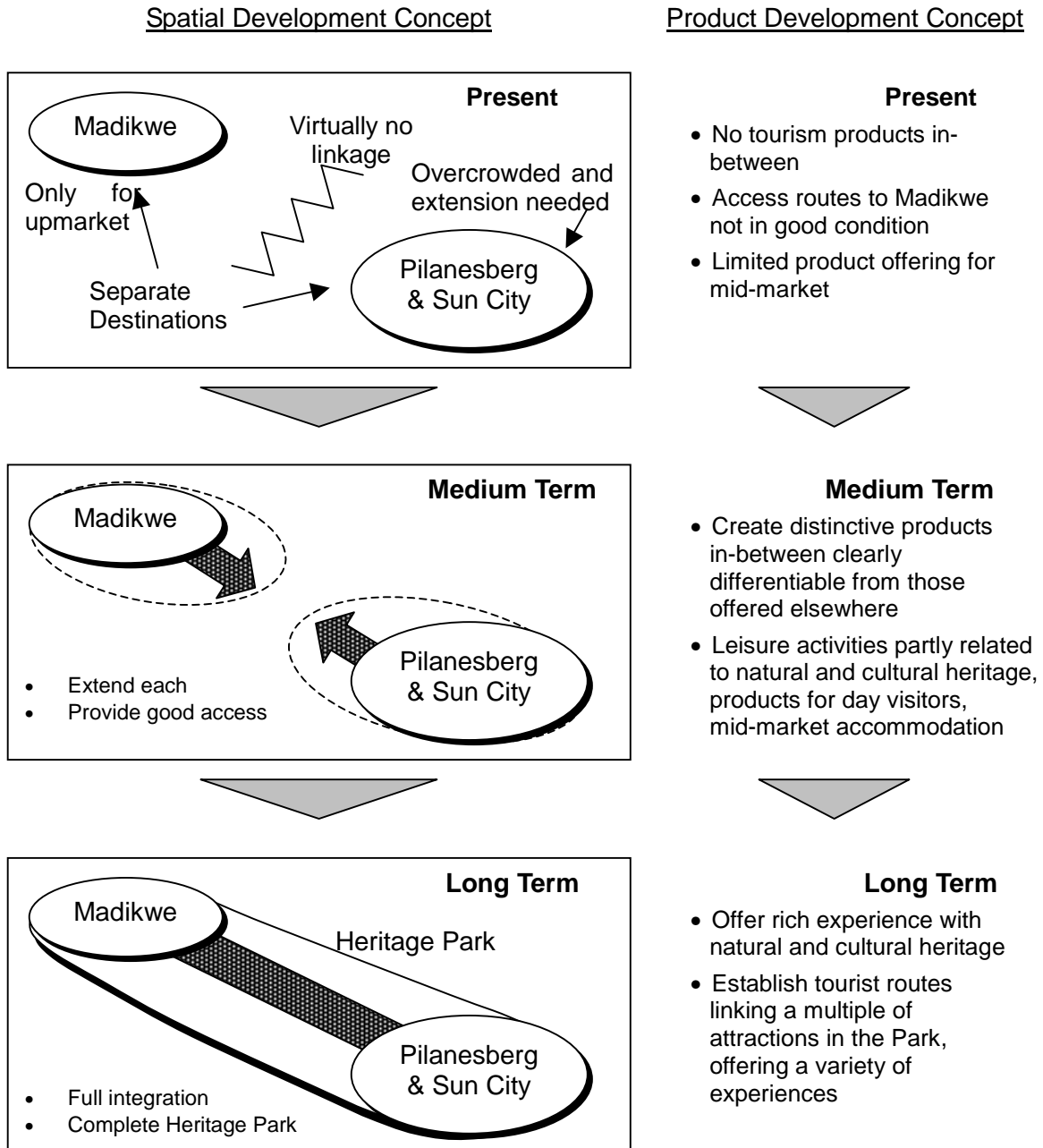
Cathay Pacific Airways has been sponsoring students from South Africa and 13 Asia Pacific Rim Countries to attend its International Wilderness Experience held every year primarily in this area. Cathay Pacific has organized this annual event in partnership with UNESCO and its Associated Schools Project (ASP), and the one held in 2001 (in June) was its 8th Experience.

The program offers to students from 14 countries the opportunity to encounter wildlife and natural environment, thereby allowing them to learn about global issues, while contributing to the mutual understanding and friendship among all countries, transcending the difference of nationality, race and language. Every year, about 60 students participate in this event.

- **Tourist routes:** Establish tourist routes linking a variety of attractions to be developed as well as those existing, with quality visitor interpretation and facilitation.

- **Diversification of lodging:** Provide accommodations for a wide-range of tourists from mid-market to upmarket for both local and international visitors.
- **MICE promotion:** Actively further develop and promote MICE products with the area's unique incentive and seminar opportunities that are greatly appealing to the international market, including East Asian countries (see Box 15.1.2 below for opportunities to attract East Asians).

Figure 15.1.1 Development Concept for Pilanesberg – Madikwe Corridor



Source: JICA Study Team

iii) Target Market Emphasis/Goals

The broad target market goals are specified as:

- Foreign vs. Domestic: Targeting of both the foreign and domestic markets, with similar emphasis/importance levels.
- Day vs. Overnight Visitors: Targeting of both the overnight and day visitor markets. Only slightly higher emphasis/importance attached to overnight visitor markets given the higher expenditure potential.
- Existing vs. New Markets: Emphasis on further penetration of existing markets. Some development of new target markets, such as the mid-market domestic overnight market, new foreign MICE markets (particularly East Asia, see Box 15.1.2 below) and the foreign youth market through the cultural exchange centre.

Box 15.1.2 MICE Product Promotion for East Asian Markets associated with Pilanesberg – Madikwe

(1) Potential

There is good potential to market MICE products targeted for East Asian markets, particularly for exclusive and/or small-sized incentives and seminars from Singapore, Hong Kong, Taiwan and Korea, in view of the fact that tours from these countries include Sun City/Pilanesberg as part of the itinerary.

(2) Product's Draw card

The area is appealing with its unique incentive/seminar venue, coupled with malaria-free African game safari and the experience in Sun City (entertainment, golf and other marine sports).

(3) Heritage Park

The proposed Heritage Park project is expected to contribute to overall market expansion and tourist flow (domestic as well as international possibly including some East Asian visitors) beyond Pilanesberg toward Madikwe.

15.2 Long-Term Development Framework

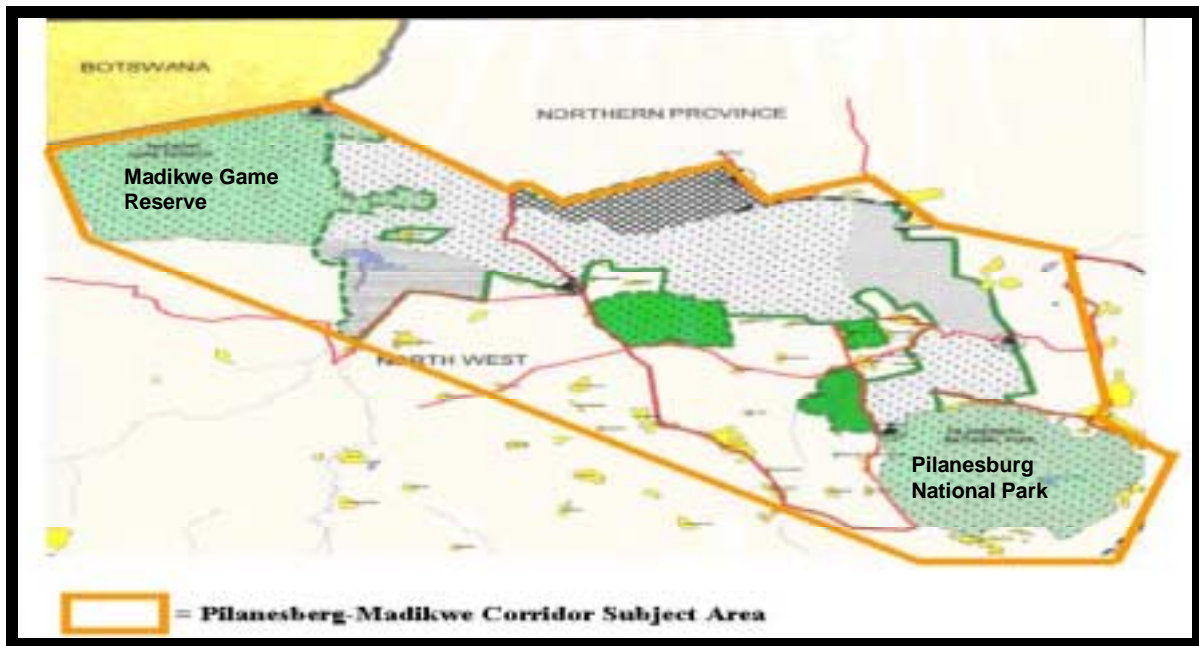
15.2.1 Definition of Subject Area

This area is very large with five sub-areas (Mankwe, Madikwe, Brits, Mafikeng and Rustenburg) and each of these sub-areas is also large and several could also be divided into further different tourism areas. The five identified sub-areas have distinctly different tourism identities and several offer very different tourism experiences and products. The sub-areas are at different levels in respect of development and planning and tourism and have distinctly different tourism potential.

The North-West provincial government has already identified areas of potential for tourism and the Study Team believe that cognisance should be taken of these priorities. The Madikwe/Mankwe node has been identified in the North West Tourism Master Plan as the area with the highest potential for tourism in the province and as a consequence tourism initiatives within this node, such as The Heritage Park project, have been awarded highest priority status by the North West Parks and Tourism Board (the tourism development agency of the province).

This area has potential for attracting both the foreign and domestic tourism markets and is especially well located in respect of access by the Gauteng domestic market. The area comprises an already established tourism base (including established tourism icons such as Sun City and Pilanesberg), from which further development can take place. All stakeholders required for successful tourism development, i.e. government (provincial, regional and local), private sector and community, are actively involved.

Map 15.2.1 Pilanesberg-Madikwe Corridor Subject Area



The Study Team selected the Madikwe/Mankwe node as the core study area within this Focus Area. In keeping with the core planning principles, the study area correlates closely with the defined study area for the high priority Heritage Park initiative.

In future, this area is defined as **the Pilanesberg-Madikwe Corridor Subject Area**. The Pilanesberg-Madikwe Corridor Subject Area is demarcated in Map 15.2.1 above.

15.2.2 Demand Analysis

(1) Preliminary Current Demand

A summary of the current estimated tourist numbers is provided below in Figure 15.2.1. The detailed demand analysis and the sources of data are provided in Appendix A.

Current demand is calculated based on the current demand information drawn from the survey of existing tourism product in the subject area carried out as part of the Socio-Economic Tourism Impact Assessment for Focus Areas.

Figure 15.2.1 Current Tourism to the Study Area

Origin	Type of Tourist		Total
	Overnight	Day	
Domestic	228,783	178,177	406,959
Foreign	133,285	57,467	190,752
Total Estimated Tourists to the Study Area	362,068	235,644	597,711

In order to assess how the Subject Area is performing in respect of tourist demand, tourist visitor projections for the total North West as well as the total Rustenburg Tourism Region (in which the Subject Area is located) are included in the calculations. The Subject Area is

already performing well in respect of foreign tourism demand to the North West - it is attracting 96% of all foreign tourists to the North West. The Subject Area is also performing fairly well in respect of domestic demand – it is attracting 45% of all non-visiting friends and relatives domestic tourists to the North West Province and 96% of all non-visiting friends and relatives domestic tourists to the Rustenburg Tourism Region. This good performance is due to the location of Sun City and Pilanesberg in the Subject Area, which are the primary foreign tourist attractions and the major domestic tourist attractions in the North West Province.

(2) Potential Demand

A summary of the future estimated tourist numbers is provided below in Figure 15.2.2. The detailed demand analysis and the sources of data are provided in Appendix A.

Future demand is calculated using the final current demand as a base and applying annual growth factors (the growth factors are JICA Study Team assumptions). In order to show the impact of this study, the difference in the future demand with and without the JICA Tourism Development Plan recommendations is calculated.

Figure 15.2.2 Estimated Future Tourism to the Study Area

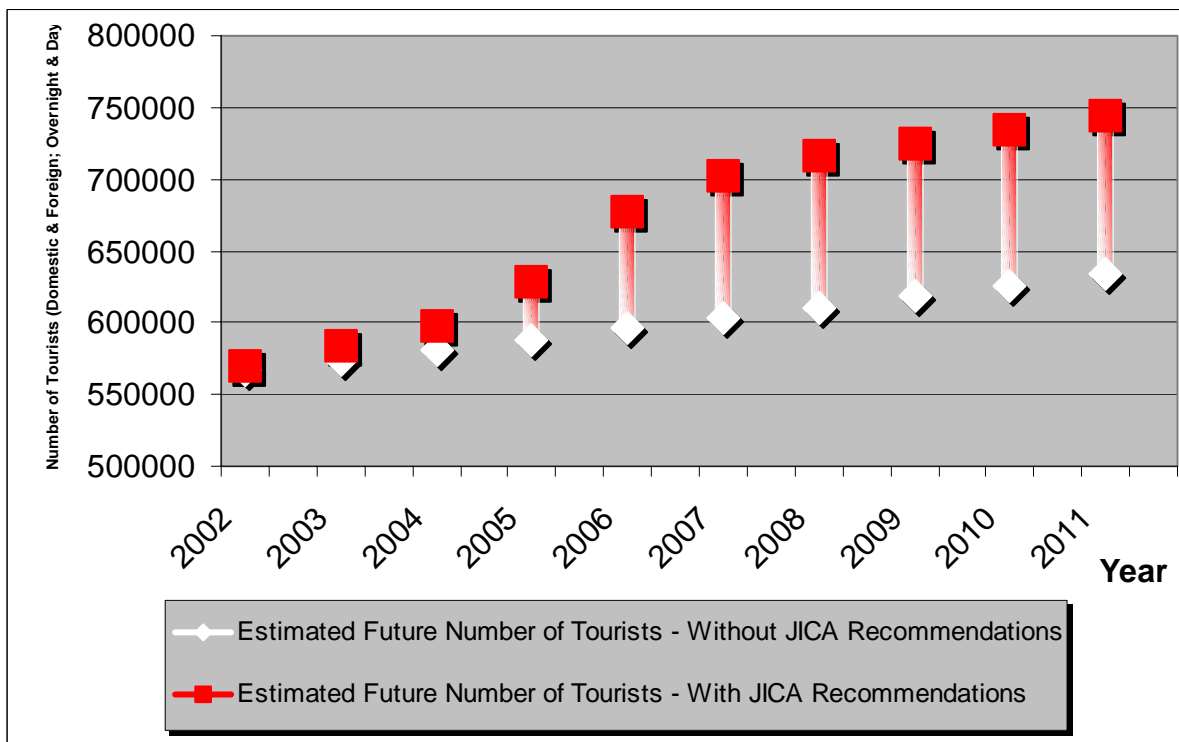


Figure 15.2.2 shows that without implementation of the JICA Study Team’s recommendations total tourism to the area is expected to grow from the current 598,000 to around 634,000 by 2011 (a compound growth of 1.1% pa). With the JICA Study Team’s recommendations total tourism to the area is expected to increase from the current 598,000 to around 744,000 in 2011 (a compound growth of 2.7% pa). This represents around 30 additional tourists to the area per day due to the JICA Study recommendations in 2002, increasing to around 270 additional tourists per day by year 5 and 300 additional tourists per day by year 10.

As shown in Appendix A, with the JICA Study Team’s recommendations, tourism numbers grow steadily but slowly in years 1 to 3 (influenced only by increased and improved marketing and product packaging), increases significantly in years 4 and 5 (2005 and 2006) when the larger recommended projects are in operation, and then slows down to a steady

growth from year 6 to 10 (again influenced mainly by increased and improved marketing and well as tourist route development).

The domestic market is and will remain the main source market for this area - representing around 70% of total tourism demand. Although the day visitor market is important and significant, overnight tourists currently and in the future will represent the greater proportion of total tourist demand - between 60% and 65% of total demand.

(3) Preliminary Target Markets (Current & Future)

The detailed current and future target market assessment is provided in Appendix B. We summarise the major current target markets as well as the target markets that have medium to high future penetration potential in Table 15.2.1 below.

Table 15.2.1 Pilanesberg-Madikwe Current and Future Medium to High Potential Target Markets

CURRENT MARKETS	FUTURE MARKETS
<ul style="list-style-type: none"> • Domestic Holiday Tourists within LSM¹ 7-8 from Primary Areas • Domestic Day Visitors within LSM 6-8 from Local Surroundings and Primary Areas • Foreign Holiday Tourists • MICE 	<ul style="list-style-type: none"> • Domestic Holiday Tourists within LSM 4-6 from Primary Areas • Domestic Holiday Tourists within LSM 7-8 from Primary Areas • Domestic VFR Tourists in high LSMs to Local Surroundings and Primary Areas • Domestic Day Visitors within LSM 6-8 from Local Surroundings and Primary Areas • Foreign Holiday Tourists • Foreign Business Tourists based in Gauteng for weekend/short trips • Foreign VFR Tourists, mainly based in Gauteng & North West • MICE

The area is already attracting a good number of target markets. All major current target markets have potential for further penetration and several other/new markets have high penetration potential, should suitable products be provided. The area has the potential to attract significant shares of both the domestic and foreign markets and has potential as a day visitor as well as an overnight destination.

15.2.3 Socio-Economic Framework

(1) Conditions of Focus Areas

i) Location

This Subject Area is located in the Moses Kotane Local Council (MKLC) area within the Bojanala Platinum District (BPDM) in the Northwest Province (NWP). Its most western

¹ LSMs or Life Style Measures are often used in South Africa as a segmentation measure of the domestic market and is a primary segmentation measure utilised in official South African domestic tourism research.

area includes Madikwe Game Reserve (MGR) situated on the Botswana Border approximately 300km from Johannesburg. Sun City and Pilanesberg National Park (PNP) is located in the eastern end of the area. This subject area also includes the Heritage Park Concept area².

ii) History and Culture

When the first white missionaries arrived in the 1830s, this region had been settled by the Batswana (named after the stonewalls, which surrounded their huts and towns). The Ndele, however, dispersed the Batswana; they swept up in a wave of disruption unleashed by the difaqane (forced migration). In 1895 the Jameson raid was launched from Mafikeng, another historic town in the North West. The aim was to topple the government of President Kruger, in the then South African Republic. The raid failed miserably. After the formation of the Union of South Africa in 1910 most of the area now known as the North West formed part of the then Transvaal. During the leadership of BJ Vorster the implementation of the Homeland Policy led to the incorporation of a large part of modern day North West into a homeland called Bophuthatswana, over which Lucas Mangope presided. This area was finally reincorporated into the North-West Province under the new dispensation of the new Republic of South Africa in 1994.

Language group can illustrate cultural elements as well. Among 11 official languages³, Setswana is the dominant language in the area (88%). Those who speak Setswana are known as Sotho-Tswana. The Sotho-Tswana people of Southern Africa share distinctive linguistic characteristics, which suggest not only a common origin but also a fairly long period of isolation from the rest of the Bantu-speaking peoples. Their ancestors entered the area to the south of the Northern Province River in several migrations and in the course of time dispersed over the vast interior plateau between the eastern escarpment and the regions in the west. Belief in magic plays an important role in their life, as does magic in almost all African belief systems. Anyone who has the necessary knowledge and skill can utilize this power for specific purposes. This neutral impersonal supernatural power believed to have no will of its own and can therefore be used either to benefit or to harm individuals or the community at large.

iii) Social

The estimated population of the area is 226,358 with 49,818 households, which is 21.6% of the BPDM. More than 98% of the population is African⁴ and the majority of them live in non-urban areas. There are 109 towns and settlements in the MKLC. Spatial distribution indicates that 43.2% of the population lives either around the PNR or the area in the southwest border of Kgetleng River Local Council. More than half of the households (75.2%) live in formal dwellings and 15.1% live in informal settlements. Most of the informal settlements exist near places of job opportunities like mining areas, urban areas such as Madikwe Town, Mogwase and Sun City. The MKLC indicates that this informal

² The concept of the Heritage Park that will establish a conservation corridor linking two of the primary tourism destinations in North West Province, namely Pilanesberg National Park (PNP) and Madikwe Game Reserve (MGR). The Heritage Park is intended to act as a nature-based tourism anchor project and primary catalyst for the region, through which the overall objective of promoting socio-economic development and conserving the natural and cultural heritage of this underdeveloped and rural area will be achieved. The proposed Heritage Park core area is approximately 168,500 ha of an expansion corridor that will link PNP and MGR.

³ 11 Official Languages are IsiNdebele, IsiXhosa, IsiZulu, Sepedi, Sesotho, Setswana, Siswati, Tshivenda, Xitshonga, Afrikaans, and English. Refer to the table in Appendix J.

⁴ The data from the Status Quo Report prepared by the Moses Kotane Local Council is based on the result of 1996 census. Planning and Implementation Management Support System. NET System (PIMSS) was developed by the CSIR for the National Department of Provincial and Local Government. The concept of the PIMSS dates back to an assessment of the first round of Integrated Development Plans completed towards the end of 1999. The Department of Provincial and Local Government (DPLG) concluded from this assessment that municipalities needed assistance with the preparation of their IDPs.

settlement problem needs to be addressed.

A large number of people (33.7%) do not have any formal education or have an unspecified education. In general, the majority (97.3%) of the population does not have a qualification or some form of training. Although, there are 335 educational facilities (110 are pre-primary, 127 are primary, 60 are middle schools, 33 are secondary schools, 3 are special schools and 2 are tertiary) in the area, existing distribution of these facilities do not coincide with the spatial distribution of the population. Moreover, tertiary and skill-related facilities such as technical and commercial schools are lacking in the area. Among the existing facilities, poor conditions of school facilities are mentioned. Therefore, additional educational facilities are needed in the area. The literacy rate of the area is 67%. This is slightly higher than province (62%) and National (64%) rates.

There are 64 fixed clinics, 2 hospitals, and 7 welfare facilities in the whole area. There are problems of insufficient spatial distribution of existing facilities and their services. The MKLC mentioned that efforts are needed to improve accessibility and to make service provision as effective as possible.

Safety and security is another problem in the area. There are only 3 police stations situated in Madikwe Town, Mogwase and Sun City. According to the data from Crime Information Analysis Centre (CIAS), the North West Province contributes to the 2% to 4.5% of national crime occurrences in various crimes such as murder, robbery, and rape⁵. The greater part of the northern area is not within an easy reach of police stations. It also applies to the emergency services in the area. The only emergency facility in the area is based in Bodirelo Industrial Area (in Mogwase near PNP).

There are 15 community halls, 5 sports and recreation facilities and 22 postal facilities (only 5 are fully-fledged offices) in the entire area. Community halls are concentrated in the north of the MKLC and there are considerable numbers of settlements without community halls. Sports and recreation facilities are concentrated in the towns of Madikwe and Mogwasi. There are no sports and recreation facilities in the rural areas. Both community halls and sports and recreation facilities have been seriously vandalized. Postal service is not available especially to the people in the rural area and MKLC suggests the establishment of some kind of postal service stations for those who are inaccessible to the current service.

The biggest sponsorships in the Madikwe focus area come from the North West Parks and Tourism Board. Anglo Platinum and the other platinum mines are also heavily involved in sponsoring development and self-help types of projects. The Sun City Hotel Complex do not seem to sponsor many improvement of projects, but game lodges such as Kwa Maritane, Royal Bafokeng and the Bakgatla Tribal Authority sponsors projects.

⁵ Refer to the table in Appendix J.

Table 15.2.2 Population and Households

Population	African	Colored	Indian	White	Density per Km ²
229,992	98.4%	0.2%	0.2%	0.7%	49

House Holds*	Urban HH*	Non-Urban HH*
49,818	12.0%	88.0%

Source: Status Quo Report, July 2001/ * data from PIMSS

iv) Economy

The area's economy is based on mining (82%). The employment perspective shows that employment is almost equally divided amongst the sectors, such as community, social and personal services (20.7%), mining (20.4%) and trade (18.9%). However, there is a high level of unemployment (48.3%) in the area, which is higher than the provincial and national levels.

According to the "Status Quo Report", more than half (66%) of the total population in the area earns no income as compared to BPDM. Of those who earn an income, about 22.5% receive a monthly income of less than R 3,500 as compared to 27.6% in BPDM. This implies the majority of the population falls in the low-income bracket and thus less expenditure on household items as a result of low affordability levels. The Census data indicates that the monthly household expenditure of R 1,473 in the area is lower than the provincial and national levels and 40% of households are living under the poverty line of R800 per month.

It indicates that there is too much focus on the primary sector (mining) with little contribution to other economy activities and the area is less developed. Diversification of the economy by improving all the sectors is desired.

Table 15.2.3 Economic Conditions of the Area

Imputed Mean Monthly Household Expenditure*			% of Poverty line R800 or less per Month*		
Focus Area	Province	National	Focus Area	Province	National
R1,473	R2,137	R2,552	40%	37%	31.2%

GDP Share of the Economic Sectors				
Agriculture	Mining	Manufacturing	Electric	Construction
1.7%	82.0%	3.6%	0.2%	1.3%
Trade	Transportation	Finance	Services	GDP Contribution (BPDM, NWP)
2.5%	0.7%	1.0%	7.0%	5.3%

Formal Employment by Economic Activity					
Agriculture	Construction	Mining	Manufacturing	Electric	Trade
3.0%	5.5%	20.4%	6.7%	1.0%	18.9%
Transportation	Finance	Community	Private HH	Others	
4.4%	2.5%	20.7%	8.9%	7.9%	

Unemployment Rate		
Focus Area	Province*	National*
48.3%	39.3%	37.2%

Source: Status Quo Report, July 2001/ *1996 Census

(2) Issues and Priorities

The “Status Quo Report” provides information for formalizing the IDP of the area. It suggests the development issues and priorities are as follows.

- Institutional Capacity Building – a need for capacity building among council members and officials including skills development in management, planning and implementation of projects for an effective and efficient administrative and service delivery. Improvement in the current slow service delivery is needed. This is caused by a lack of administrative skills and mal-administration.
- Education And Skills Training Development – there is a high proportion of less qualified people and there is limited skills training facilities. The community, especially rural women, must be empowered with literacy and numerical knowledge and other fundamental life skills such as how to manage the household, how to practice family planning, etc.
- Economic And Employment Opportunities – The area has limited employment opportunities, a very high unemployment rate, a concentrated economy on mining and a relatively low GGP. This indicates a need to develop strategies that would address economic development, poverty and unemployment. There is a need for local economic development that will make provision for local government, business and communities to play innovative and active roles in securing growth and development including economic activities like commercial agriculture, local tourism, SMMEs, service industries and development of local markets. Diversification of the economy would ensure that more job opportunities are created, unemployment and poverty are reduced and income is generated and spent locally. Labour-intensive projects should in most cases be opted for with the aim to build capacity and alleviate poverty. Such projects must endeavour also to foster organization and institutional development.
- Availability of Physical And Social Infrastructure – In order to improve the quality of human life, economic growth and productivity of people in the area, the providing of services such as water supply, sanitation system, transport system, health service, education, sports and recreation, and communication are essential.

The proposed tourism development in the area will contribute to the diversification of the economic activities and provide new job opportunities for unemployed people. It would expect to gain the interest from private sectors on training and education opportunities. Furthermore, through the facilitation of tourism infrastructures such as road and one-stop venues like cultural centres and information centres, local people may also share the convenience of these facilities. Tourism development would possibly bring the safety and security services to the local areas from which locals would also benefit.

Furthermore, according to the Heritage Park concept report, the expected income that could be generated by the Park, if it kept up with market demand, is estimated to be in excess of R38 million by 2002, increasing to R 226 million by 2020. Based on the following assumption (30,000 direct and 35,000 indirect tourism jobs are currently created by the estimated 23,000 tourism beds in the North West), it could be expected that the Heritage Park would create at least another 1,800 direct and 2,100 indirect jobs in the region. The direct jobs alone represent more than 50% of the 1994 employment figure for the entire commerce, catering and accommodation sector of the Mankwe/Madikwe district.

(3) Expected Socio-Economic Impacts

The tourism development proposed is expected to attract a greater number of tourists to the area, thereby increasing tourist expenditure and job opportunities in the tourism-related sectors.

i) Tourism Expenditure

Table 15.2.4 shows the projection of total expenditure by tourists to the subject area, estimated based on the demand analysis made earlier (for the case with the proposed plans) and the results of the socio-economic impact assessment survey conducted as part of this study.⁶ The total tourist expenditure is compared with GDP in 2000 (at current prices) and GGP of North West Province in 1996 (adjusted at 2000 prices).

Table 15.2.4 Projected Total Expenditure by Tourists to the Subject Area with the Proposed Plans

Item	2001	2006	2011
Total tourist expenditure (million Rand: at 2001 prices)	862	984	1,094
% of GDP in 2000 (at current prices)	0.10%	0.11%	0.13%
% of Provincial GGP in 1996 (at 2000 prices)	2.8%	3.2%	3.5%

Note: GGP in 1996 is based on the estimate by DBSA.

Source: JICA Study Team, Socio-Economic Impact Assessment Survey conducted in this study.

Tourist spending will benefit not only the activities directly related to tourism, but also other economic sectors including those producing outputs purchased by the tourism industry. As described in the chapter of Tourism Demand and Its Impact in Volume I, the contribution of "Tourism Economy" to GDP (sum of the direct and indirect impacts) is significantly higher than that of "Tourism Industry" (direct impact only). The ratio of the Tourism Economy to the Tourism Industry is estimated at 2 to 2.7, depending on the sources. Therefore, the total economic impact of tourism in the subject area would be double or triple of those estimated in the table above.

ii) Job Creation

Currently, direct tourism employment in the subject area is estimated at about 5,500, based on the result of the socio-economic impact assessment survey. Employment creation resulting from the proposed tourism development plans is estimated in Table 15.2.5, assuming that the number of jobs increases in proportion to the total tourist expenditure.

Total employment in the table includes both direct and indirect employments, which was estimated using the ratio of employment for "Tourism Economy" to that for "Tourism Industry" (averaging the ratios estimated in DEAT and WTTC studies).⁷

⁶ Detailed calculation of the total tourist expenditure for the subject area is provided in the section of Economic Evaluation for the priority projects and programmes described later in this volume.

⁷ For details of results of these two studies, see the chapter of Tourism Demand and Its Impact in Volume I.

Table 15.2.5 Projection of Tourism-Related Employment in the Subject Area with the Proposed Plans

Item	2001	2006	2011
Direct Employment	5,512	6,290	6,994
Accommodation	3,374	3,850	4,281
Restaurants	1,430	1,632	1,814
Other tourism	708	808	898
Total Employment (direct & indirect)	12,833	14,644	16,283
Growth (1.00 in 2001)	1.00	1.14	1.27

Source: JICA Study Team, Socio-Economic Impact Assessment Survey, DEAT, and WTTC

iii) Social Impacts

Interviewed community leaders in the Madikwe area indicated a broad range of community members that they represent. Figures surveyed include from as low as 500 people to as high as 250,000, the latter represented by the more prominent community leaders. A community leader represents approximately 86,000 community members in the greater Madikwe area. This is quite possible due to the very extensive areas within the greater Madikwe.

The majority of respondents was positive about the importance of tourism as an economic activity for both Nation and region. They also feel that tourism development would alleviate the current problem of poverty as well as contribute to peoples' living standard in the community and region.

The frequently answered tourism potentials in the area are Nature attractions, Game/wildlife, and Culture. This is consistent with the responses for the tourism impacts on tourism resources. The majority of the respondents feel that tourism would have a positive impacts on above resources.

Tourism impacts was asked on various social factors including job creation, income, infrastructure provision, housing, training/education opportunities, health, access to services, crime, pollution, traditional customs/events, religion, language skills, regional/community structure, family structure and social values and morals. Respondents frequently answered as positive on job creation, income, language skills and access to service factors. The possible deterioration of air quality by traffic and tourist targeted crime, which means foreign tourists may attract criminals in the area, influence on traditional culture by the western culture were seen as potential negative impacts.

Community leaders indicated that currently 26% of the community was involved in the tourism sector but approximately 45% of their constituencies would like to become involved. They responded that community members could launch business ventures such as traditional festivals and special events, traditional accommodation, handcraft, and food and drink.

In general, community in the Madikwe area is positive about the future tourism development and expecting it to contribute to the regional economy and upgrading their living standard. Therefore, overall social impacts of tourism development in the area can be sated as positive if the proposing tourism development projects were realized since, the concept include expansion of existing tourism attractions and diversification of tourism experiences. These include both tourism relates infrastructure development and tourism products development. Therefore, it will surly provide new job opportunities for local inhabitants and service access. However, it is also required to minimize the negative fear of the tourism development. This includes consensus building among community members through the

development process.

Community showed their positive interests in participating in the tourism businesses that it is recommended to encourage community participations in the future tourism development as much as possible to pull out the economy of the area spontaneously. Though this process, community may gain their awareness of their responsibility in involving in the tourism sector as well as sustainability.

15.3 Product Development Plan

15.3.1 Existing Supply of Tourism Resources and Assets

All tourism resources or assets, i.e. attractions, products and facilities, currently available in the Pilanesberg-Madikwe Subject Area, are tabulated in Appendix C. The tabulation lists the name of the resource, the resource category (i.e. attraction, product, facility, etc) and the general location of the resource.

Appendix C shows that the Subject Area primarily offers tourist facilities, either entertainment/recreation or accommodation orientated. In fact the majority of tourists facilities in the Subject Area are accommodation orientated. The area offers only a limited number of tourist attractions, and most of these existing tourist attractions are located within large tourism facilities, such as Sun City. The few attractions that are located outside of major facilities are not considered to offer a well-developed experience and are of an average to poor standard. The Subject Area therefore seriously lacks tourist attractions and places of interest that could be considered draw cards in their own right or even effective tourist support facilities.

15.3.2 Tourism Resource/Asset Map

All existing tourism resources as per the tabulation discussed in Section 15.3.1 above are allocated to a map provided as Appendix D. The mapping of existing tourism resources is undertaken in order to clearly identify and assess the extent of, the geographic locations of and the relationships between tourism resources and assets.

The map indicates that the majority of existing tourism resources of the Subject Area are located within or around the Pilanesberg Game Reserve. Madikwe also offers some supply of tourism resources, but not to the same extent and variety as Pilanesberg. Only one existing tourism resource is located in the large area between Madikwe and Pilanesberg, which is to become the greater Heritage Park, i.e. a lodge facility at Molatedi Dam.

15.3.3 Interpretation of Current Tourism Product(s)

The detailed interpretation matrix of current tourism products offered in the Pilanesberg-Madikwe Corridor together with description comments and clarification is provided in Appendix B. The interpretation is based on the tourism resource tabulation of Section 15.3.1, the tourism resource map of Section 15.3.2 and general current tourism marketing materials on the area. A summary of the current tourism products for the Pilanesberg-Madikwe Corridor Subject area is provided in Figure 15.3.1 below.

Figure 15.3.1 shows that this area's current product offering centres around the wildlife and recreation/entertainment experiences, as provided by the primary products of Pilanesberg and Sun City and to some extent Madikwe.

Figure 15.3.1 Current Tourism Products – Pilanesberg-Madikwe

<p>Game Reserve/Wildlife:</p> <ul style="list-style-type: none"> • Luxury/Personalized <ul style="list-style-type: none"> - Pilanesburg - Madikwe • Upmarket (Large Hotel/Timeshare) <ul style="list-style-type: none"> - Pilanesburg • Budget (Camping/Chalet) <ul style="list-style-type: none"> - Pilanesburg • Game viewing <ul style="list-style-type: none"> - Pilanesburg <p>Recreation/Entertainment:</p> <ul style="list-style-type: none"> • Sun City • Pilanesburg Camp Picnic/Resort Experience <p>MICE:</p> <ul style="list-style-type: none"> • Sun City • Pilanesburg
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15.3.4 Core Tourism Product Strength & Potential of the Area

The area’s general tourism strengths and potentials are detailed in Section 15.1.2.

In line with the core concept, the Pilanesberg-Madikwe area’s core tourism product strength and potential is specified as the combination of the wildlife and recreation/entertainment products in an easily accessible location, i.e. on the door-step of domestic and foreign markets from or via Gauteng.

15.3.5 Potential Tourism Products

The detailed interpretation matrix of future/potential tourism products offered in the Pilanesberg-Madikwe Corridor together with description comments and clarification is provided in Appendix B. The potential products were identified in line with the identified strengths and potentials of the area, the core concept for the area and are in keeping with the tourism product development strategy and basic planning principles.

A summary of the potential tourism products for the Pilanesberg-Madikwe Corridor Subject area is provided in Figure 15.3.2 below.

The current product offering already includes two very strong product brands, i.e. Pilanesberg and Sun City and it is the study team’s recommendation not to dilute these brands, but to use the brands to further develop the area for tourism.

The potential product offering, therefore, in essence only expands and/or augments the current product base by:

- Adding additional products that will provide the opportunity for broadening target markets (such as a mid-market resort near the Pilanesberg or a Youth Cultural Exchange Centre near the Pilanesberg); and
- Providing support products that will improve the overall experience, extend the length of stay of visitors in the area and assist in differentiating the area from competing destinations (such as heritage/culture related food, shopping, museum and interpretation).

Figure 15.3.2 Potential Tourism Products – Pilanesberg-Madikwe

<p>Game Reserve/Wildlife:</p> <ul style="list-style-type: none"> • Luxury/Personalized <ul style="list-style-type: none"> - Pilanesburg - Madikwe • Upmarket (Large Hotel/Timeshare) <ul style="list-style-type: none"> - Pilanesburg • Budget (Camping/Chalet) <ul style="list-style-type: none"> - Pilanesburg • Game viewing <ul style="list-style-type: none"> - Pilanesburg • Midmarket Resort • Wildlife Breeding Centre <p>Recreation/Entertainment:</p> <ul style="list-style-type: none"> • Sun City • Pilanesburg Camp Picnic/Resort Experience • Midmarket Water-based Resort and Recreation Area <p>Heritage/Culture:</p> <ul style="list-style-type: none"> • Food, shopping, museums, cultural interpretation • Youth Cultural Exchange Centre <p>MICE:</p> <ul style="list-style-type: none"> • Sun City • Pilanesburg

15.3.6 Target Market Segments

Appendix B provides a detailed matrix specifying the future penetration potential in each possible target market by identified potential tourism product. From this matrix it is possible to identify the target market segments with real potential, taken as all segments with medium to high penetration potential. The target market segments for the Pilanesberg-Madikwe Subject Area is listed in Figure 15.3.3 below.

26 Target Market Segments with medium, 6 with medium to high and 3 with high penetration potential were identified for the Pilanesberg-Madikwe Corridor Subject Area, indicating a broad market appeal for the potential tourism products.

15.3.7 Specification of Future Product Development

Given that this area already holds a number of excellent (and in some cases distinctive) products and that certain nodes within the greater Subject Area is already well developed in respect of tourism facilities, future product development for the area would primarily centre around the improvement of existing product, particularly relating to the packaging of product (marketing) and linkages with the core branding suggested for the area as well as further development of existing product.

Figure 15.3.3 Target Market Segments with Medium to High Penetration Potential - Pilanesberg-Madikwe

PRODUCT	Markets															
	Domestic Holiday				Domestic Business		Domestic VFR		Domestic Day Visitor				Foreign			MICE
	LSM1-6 Primary Domestic	LSM7-8 Primary Domestic	LSM1-6 Secondary Domestic	LSM7-8 Secondary Domestic	All LSMs Primary	All LSMs Secondary	All LSMs Primary	All LSMs Secondary	LSM1-5 (Local surrounding)	LSM6-8 (Local surrounding)	All LSMs Primary	All LSMs Secondary	Holiday	Business	VFR	(Foreign & Domestic)
Game Reserve/Wildlife:																
Luxury/Personalised																
- Pilanesberg													MH	M		
- Madikwe																
Upmarket (Large Hotel/Timeshare)																
- Pilanesberg		M											M	M	M	
Budget (Camping/Chalet)																
- Pilanesberg		M														
Game viewing - Pilanesberg		M					M			M	M		M	M	M	
Midmarket family orientated resort		H														
Wildlife breeding centre																
Recreation/Entertainment:																
Sun City		M					M			M	M		MH	MH	MH	
Pilanesberg Camp Picnic/Resort Experience							M			H	M					
Midmarket water-based resort & recreation area		M					M			H						
Heritage/Culture:																
Food, shopping, museums, cultural interpretation													M		M	
Youth cultural exchange centre	M	M										M				
MICE:																
Sun City																MH
Pilanesberg																MH

Although some new product development is recommended, it is not totally new product, but new product that augments existing products and the core strength of the area.

The expansion of existing product as well as the development of new product will mostly relate to achieving overall development plans for the area in expanding and eventually linking the Pilanesberg and Madikwe Reserves.

Table 15.3.1 Recommended Product Development for Pilanesberg-Madikwe

Product Item	Description	Location	Timing
Improvement of Existing Product:			
<ul style="list-style-type: none"> Packaging of product offering (major products only) 	<p>This particularly relates to:</p> <ul style="list-style-type: none"> Developing marketing messages and materials for the Subject Area to: <ul style="list-style-type: none"> Establish the selected clear-cut image; and Differentiate the area from major competitive destinations. Developing tourist signage (and maps) for the Subject Area that would assist in establishing tourist routes and guiding tourists to resources and reinforce the clear-cut image for the area. Particularly important given the significant day visitor market to this area. 	Total Area	Next 2 years and ongoing
Further Development of Existing Product:			
<p>The initial further development of existing product will be connected to the expansion of the Pilanesberg Game Reserve and will focus on the further development of existing product in order to relieve the visitor pressure currently being placed on the Pilanesberg Game Reserve.</p>			
Expanding the Game Reserve Product:			
<ul style="list-style-type: none"> Additional small to medium sized upmarket lodge accommodation 	<p>This product could take advantage of the foreign as well as upmarket domestic market that is looking for a more personalized game experience, but still in close proximity to the entertainment products.</p>	In first extension of Pilanesberg	Within 5 years
<ul style="list-style-type: none"> Mid-market family resort 	<p>The mid-market family orientated product is currently totally lacking in the Pilanesberg and it is the study team's opinion that particularly the domestic market would be attracted to such a resort in a Wildlife setting, but still offering the recreational/entertainment possibilities close by.</p> <p>Some facilities at this resort could also be utilized for day visitor purposes.</p>	In first extension of Pilanesberg - provide the connection or perception of an easy connection to the existing entertainment product.	Within 5 years
<ul style="list-style-type: none"> Tourist facilities at a planned commercial wildlife breeding centre 	<p>The province is already assessing the potential of developing a wildlife-breeding centre in the northern sections of the proposed Heritage Park.</p> <p>This is not essentially a tourist product, but we believe it could assist in the long term in spreading the tourists within the Heritage Park as well as enrich the wildlife tourist experience (supporting the core strength/image), if it provides a superlative tourist orientated experience.</p> <p>We recommend the consideration of the following tourist components at this facility:</p> <ul style="list-style-type: none"> State-of-the-art wildlife breeding visitor/interpretation centre including a curio outlet and restaurant(s). Possible inclusion of tourist accommodation if the need is identified. <p>Please note that we view this as a long-term project.</p>	Far northern Heritage Park	5 - 10 years

Product Item	Description	Location	Timing
Expanding the recreation product:			
<ul style="list-style-type: none"> • A day visitor and overnight mid-market family resort 	<p>This product will act as a day visitor facility for the Madikwe Game Reserve and should include:</p> <ul style="list-style-type: none"> • Day visitor facilities such as picnic sites • Range of water-based recreational activities and facilities (on the dam); • Mid-market self-catering accommodation facilities • General resort facilities, such as playground areas for children, swimming pools, etc 	Molatedi Dam	5 –10 years
New Product:			
<ul style="list-style-type: none"> • A Youth Cultural Exchange Centre 	<p>This facility will allow for an exchange of youth from across the world, including East Asia, in terms of cultural exchange with South African youth. A similar program is already being established in the province and this facility will extend the existing program.</p> <p>We expect that the youth centre would provide a facility for cultural exchange and understanding opportunities not only between foreign and South African youth, but also amongst South African youth.</p> <p>The term "youth" is fairly broad and we believe would extend into the early 20s age group.</p> <p>It is envisaged that the facility could be used for the youth exchange program as well as the domestic market and given the strong synergies in support facilities required, we strongly recommend that this facility be combined with the mid-market family orientated resort recommended near Pilanesberg.</p> <p>The Youth Cultural Exchange Centre component should include facilities such as accommodation (probably dormitory orientated), training facilities (for lecture and practical training) and recreational facilities such as sports fields.</p>	In first extension of Pilanesberg – connected to mid-market family resort	Within 5 years
<ul style="list-style-type: none"> • Heritage/Culture Attractions/Facilities 	<p>Although the Subject Area offers a large number of tourist facilities, it seriously lacks tourist attractions and places of interest outside of tourist facilities. Outside of the game reserve and entertainment products/facilities (which are often destinations) very little tourism support facilities exist. These types of resources are seriously needed to augment the visitor experience to the area, particularly as the area attracts a large number of day visitors that are looking for a different experience.</p> <p>We suggest that attractions/support facilities be developed with a strong local heritage/culture theme. This will ensure that the new attractions/support facilities are distinctive and if possible unique to the area.</p> <p>These attractions/support facilities should be developed at various locations throughout the subject area. The facilities may not all be large, but should all provide a worthwhile tourist experience and incorporate facilities such as food outlets, crafts and curio outlets and heritage museums/interpretation centres.</p>	Total Area	Within 5 years

15.4 Infrastructure Development Plan

Pilanesberg National Park (PNP) and Madikwe Game Reserve (MGR) already exist as a core tourist destination in this region, and presently attract many tourists. Once an area lying between these two destinations is developed for tourism, it follows that more tourists will visit in the future. To prepare for this situation, infrastructure related to tourism has to be developed.

15.4.1 Road

Road is one of the most important infrastructures for tourism. A well-developed road network facilitates easy movement of tourists.

Road N4, which links Pretoria and Botswana, is a main access road to this region from Gauteng, which is a main tourism market in this region. R556, R565 and R510 from N4 are regional access roads to PNP and Sun City. R47 and R49 starting from Zeerust on N4 are regional access roads to MGR. These roads are already well developed.

A road connecting two main tourist destinations exists from Batlhalerwa to Derdepoort. This road has an adequate width of about 10m, but is not paved. As the number of tourists will increase with development of the area, paving of this road will become a greater necessity for comfort and safety. Road signage would require improvement at the same time of road upgrading.

(Project)

Within 5 years

- Upgrading (paving) of Road from Batlhalerwa to Derdepoort
- Implementation of Road Signage

15.4.2 Water Supply

Secure, clean and sufficient drinking water is indispensable for tourism development. Development of appropriate water supply should therefore be implemented in parallel with tourism development.

The water resource for towns/villages around PNP is Vaalkop Dam. Drinking water is distributed from a water treatment facility constructed near the dam by pipelines. PNP receives water from the pipeline running near the park. The service area of water supply from the dam is now planned to be expanded to towns/villages located in the north-eastern area of PNP.

MGR provides their own water supply facility (intake, purification, pipeline) within a reserve area and distributes drinking water to users in MGR. The water resource is surface water of Marico River running through the eastern boundary of MGR. Molatedi, which is located in-between PNP and MGR, is the only town that receives water from Molatedi Dam. Other towns/villages lying in-between PNP and MGR receive drinking water from wells. Groundwater supply is often unreliable in certain parts as a result of insufficient groundwater supply, low level groundwater or low water pressure.

Considering the present water supply situation, a tourism development area lying in-between PNP and MGR should receive drinking water from Molatedi and Vaalkop Dam. The pipeline for water supply to this area should be expanded in line with the tourism development phase. In the future, the pipeline expanded from both directions should be connected for a secure water supply not only to the tourism development area but also within the region (Moses

Kotane Local Council).

Construction, operation and maintenance of water supply facilities should be undertaken by the public sector to ensure adequate quality and quantity of drinking water. The cost for operation and maintenance should be financed by water consumers based on water consumption volume.

(Project)

Within 5 years

- Study for Water Supply

This should be implemented in line with the tourism development program.

- Construction of Water Supply Facilities

15.4.3 Sewage Treatment

Development of sewage facilities is very important not only to maintain hygiene of the surrounding area of dwellings and rest facilities, but also to protect the natural environment, especially the quality of water (surface and ground water).

Three sanitation systems – sewage system, septic tanks and pit latrines - exist in this region including the development area. Madikwe town and Sun City with Mogwase have a sewage system that consists of a sewage pipeline to collect sewage from each house to the treatment plant. A septic tank is provided in institutions such as schools and clinics. The rest of in this region makes use of pit latrines, which causes pollution and contamination of groundwater.

Considering the present sanitation situation, investors in accommodation and rest facilities within the development area should install a sewage facility such as a septic tank in their properties, and operate and maintain facilities properly avoiding pollution and contamination of groundwater. The public sector should take responsibility for regular examination of the quality of water discharged from each tank.

15.4.4 Electric Supply

Electricity is essential for tourists' stay in accommodation constructed within planned reserves and for the operation/maintenance of machines installed in facilities and reserves. Furthermore, electrified fencing is necessary for restraining animals within planned reserves. Thus, a stable electric supply is required for the tourism development.

Electric transmission lines presently run on the east and west side of Pilanesberg from south to north, and within the development area from east to west. Electricity is distributed to almost all town/villages located in this region through substations. Electricity should be provided to the development area from the existing electricity service network.

15.4.5 Telecommunication

Telecommunication such as telephone, fax and Internet is very important for tourism promotion such as sending information and acquisition of guests. Moreover, people who plan to travel and tour operating companies use telecommunication for collecting tourism information. It is also very convenient for visitors to communicate to their families and friends.

Almost all towns/villages in this region have automatic or manual telephone exchanges. Furthermore, most parts of this region are covered by cellular phone.

Investors in the development area and subsequent tourists will be able to communicate by telephone connecting telephone wires to the existing telephone exchange, as well as by cellular phone. The capacity of the switchboard in existing towns/villages located near the development area should be increased to provide for increased communication demand in the future.

(Project)

Within 5 years

- Increase switchboard capacity

Chapter 16

Khayelitsha Tourism Development Plan

16.1 Tourism Development Concept

16.1.1 Background and Current Condition

Khayelitsha (translated from Xhosa as “Our New Home”), an area of 4,100ha, is situated 26km east of the centre of Cape Town. It is situated within a 10-minute drive to the east of Cape Town International Airport. It sits on the white dunes of the Cape Flats and is bordered by the N2 Highway to the north and the False Bay Coast to the south. Khayelitsha was declared an official township in 1983, and is the second largest township in the country (Soweto is the largest) and the youngest in Cape Town.

Today, Khayelitsha is home to a population estimated at around 600,000 (varying from 400,000 up to 1.1 million depending on the estimate), which are accommodated in housing ranging from proper structured houses to informal settlements. Job creation, or the lack of jobs in and near the township, is a major socio-economic issue in this area. In spite of the community’s recent beginnings, Khayelitsha, relative to other nearby townships, has strong social cohesion and trust, with a strong sense of togetherness existing in the community.

Currently, tourism in Khayelitsha has a very low base, with its products largely limited to township tours showing, and offering experience, in township life, culture and music. Domestic tourism to Khayelitsha is almost insignificant. According to local operators, Khayelitsha receives on average four mini buses per day with five foreign tourists per mini bus, mostly on a day-trip basis.

There are several major tourism developments being undertaken or planned, viz: (i) the Lookout Hill project providing views across the Cape Flats from the highest dune in the area along with a craft market and other facilities to be provided; (ii) Khayelitsha CBD (Central Business District), a vacant 75ha area adjacent to Khayelitsha Station and Bonga Drive, which is to offer a retail experience that can be a tourist attraction as well as serve the residents; and (iii) upgrading and development of Monwabisi Resort that has been developed along the False Bay primarily for local day-visitors (to the south of Khayelitsha).

Many of those concerned with Cape Town tourism feel that tourism in Khayelitsha may not have a good potential, based only on its current format and products, and that it requires a major and significant attraction or experience, one that will act as a draw card for tourists and a catalyst for tourism development.

16.1.2 Strengths and Potentials

i) Strengths

The area’s major strengths and unique features that can lead to the area’s comparative advantage in terms of tourism include:

- Being situated in the Metropolitan Cape Town, one of the country’s major tourist destinations visited by around 730,000 international tourists and around 520,000 domestic holiday visitors (in 2000) and a large resident population – ready-made tourists on the doorstep;
- Extremely easy access to and from Cape Town International Airport - tourists to Cape Town can easily visit Khayelitsha, for example, on the way to the airport before leaving Cape Town;
- Being situated on one of the major routes to the Winelands, which is considered to be visited by the majority of international tourists to Cape Town, meaning that significant tourist flows is already running on the N2 highway, the major access road to Khayelitsha;

and

- Being the newest township among those located around Cape Town: although this may be a weakness for promoting its township tour relative to other areas, this newness enables encouraging efforts to create an entirely new attraction that can be a catalyst for Khayelitsha's tourism development.

(2) Potential

The area possesses the following potential, building on the strengths and unique features above:

- Good potential for attracting a reasonable share of the international and local tourists visiting Cape Town if offering an entirely new experience that is unique in South Africa, of high quality, and truly entertaining to a wide range of tourists, foreign or local;
- With such a development, good potential for capturing particularly the following tourists as well as others by taking advantage of its superb location:
 - Foreign tourists who are coming back from tours to the Winelands, most probably in the evening,
 - Foreign and local tourists who are leaving Cape Town by air and have time that can be spent in Khayelitsha en-route to the airport prior to departure.
- With such development as a catalyst, good potential for packaging products, combining it with the township experience, for backpackers, local tourists, and interested general foreign tourists.

16.1.3 Development Concept

In order to drastically enhance the area's attractiveness and establish its comparative advantage, development efforts should be concentrated on building on its strengths and potential mentioned above.

(1) Area Focus:

- As defined by the administrative boundary, this study will focus on the planning within Khayelitsha.
- The current Monwabisi coastal resort development plan will be taken as it is in this study, as an element complementary to the tourism development in Khayelitsha that is the focus of this study.

(2) Development Emphasis & Goals

i) The Clear-cut Image

The area should be developed by newly creating a powerful attraction that will be a major draw card for attracting foreign and local tourists visiting Cape Town and to potentially feed part of them to other tourism products in Khayelitsha including the township tours. This concept is shown in Figure 16.1.1, compared with the present development framework.

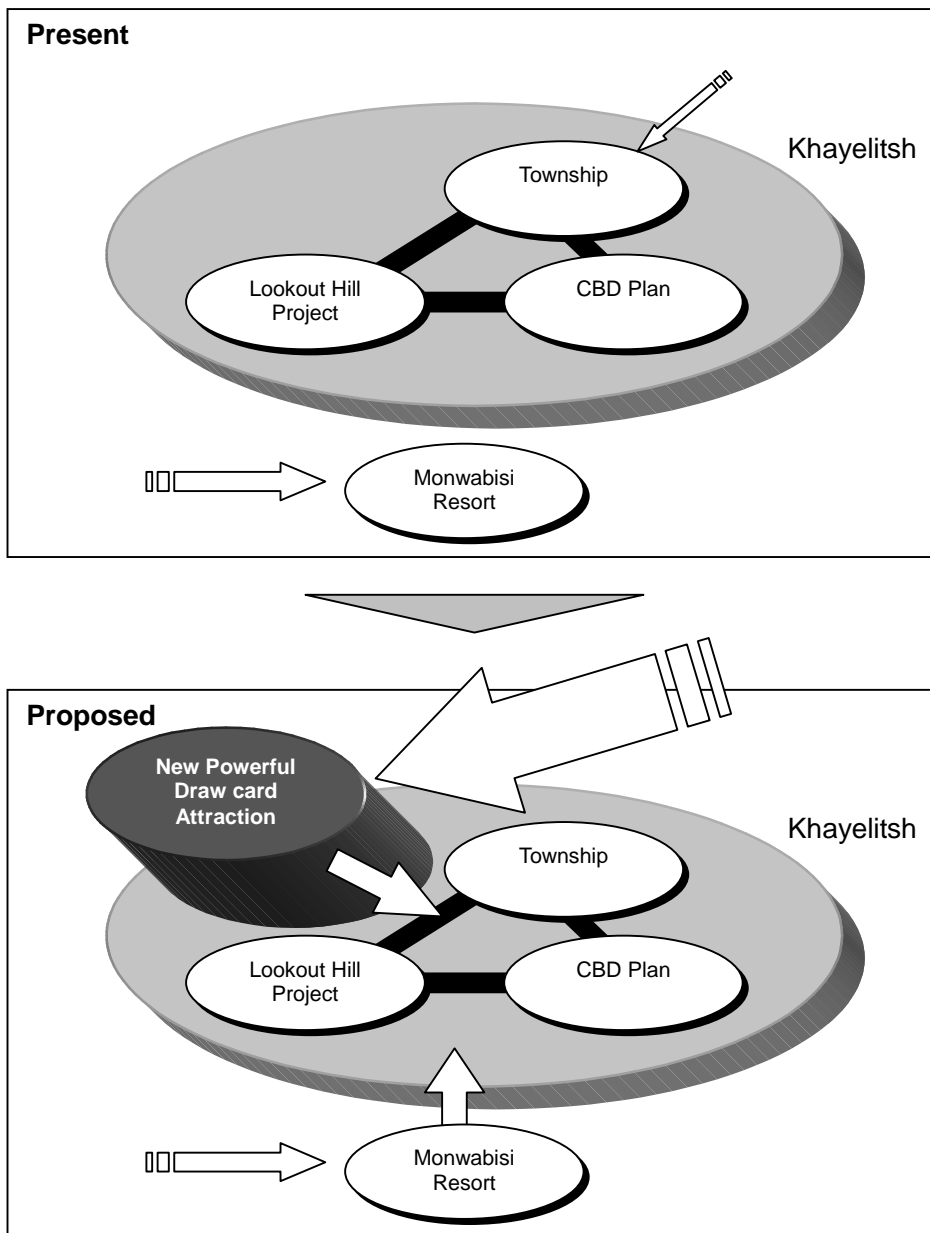
The new attraction should have a strong tourist drawing power. The Study Team's proposal is that Khayelitsha should aim at establishing its reputation as:

“The cultural music & dance experience of South Africa”
Including

- **Traditional African music/dance,**
Blended and enhanced with
- **Modern, sophisticated African and international music/dance**

Housed in a draw card facility:
“The African Music & Dance Showcase”

Figure 16.1.1 Development Concept for Khayelitsha



ii) Product Emphasis/Goals

- Music/Dance Facility – Paradigm Shift: Develop a music/dance-based attraction (the “African Music & Dance Showcase”) that is based on the original, traditional African music and dance, with a modern, sophisticated flavour richly added to it in terms of interpretation, arrangement, choreography, presentation, etc., thereby making it a truly entertaining and satisfying experience to meet up with the taste of discerning international tourists (including East Asian visitors) as well as local visitors.
 - This “African Music and Dance Showcase” is considered a new concept in South Africa, blending tradition with modern, sophisticated arrangements (rather than putting emphasis on maintaining authenticity). This must create opportunities for tourists to experience traditional music and dance **in a way distinct from the conventional cultural villages existing in South Africa.**
 - This is a forward-looking concept, expected to contribute to enriching and further developing tradition-based culture, and even creating new genres of music.
- South African dance & music troupe: House and train South African dance and music troupes, with the programs including:
 - Developing representative tribal dances and songs that are unique, colourful and entertaining, based on the original, traditional ones, blended with sophisticated interpretation, arrangement, and choreography to meet world-level performing standards
 - Train star dancers and singers as well as troupes
 - Need involvement of celebrity artists and performers in the development of dances and songs and in training of the performers.
- Events: Actively invite music events using the African Music & Dance Showcase venue as a powerful marketing tool to promote Khayelitsha’s tourism.
- Merchandising: Develop merchandising (manufacture and sales) specific to the African Music & Dance Showcase.
- Arts and crafts design and training: Develop an arts and crafts design and training centre to improve the quality and designs of crafts, extending the current efforts in arts and crafts training undertaken in Khayelitsha.
- Visitor facilitation for township tours: Drastically improve visitor information and basic facilitation and interpretation in township life, culture, and tradition, thereby offering richer touring experiences for visitors on tour groups and FITs.

iii) Target Market Emphasis/Goals

The broad target market goals are specified as:

- Foreign vs. Domestic: Targeting of both the foreign (including the East Asian market) and domestic markets, with an initial emphasis on foreign markets, but a very strong penetration drive into selected domestic markets (including the local or Cape Town resident market).
- Day vs. Overnight Visitors: Targeting of both the overnight and day visitor markets. Primary emphasis on the day visitor market emanating out of greater Cape Town. This will essentially be a day or part-day destination. Limited focus to be given to the overnight market.

- Existing vs. New Markets: Existing market still very small, so further penetration of existing markets has definite potential, but emphasis to be placed on identifying and penetrating new markets.

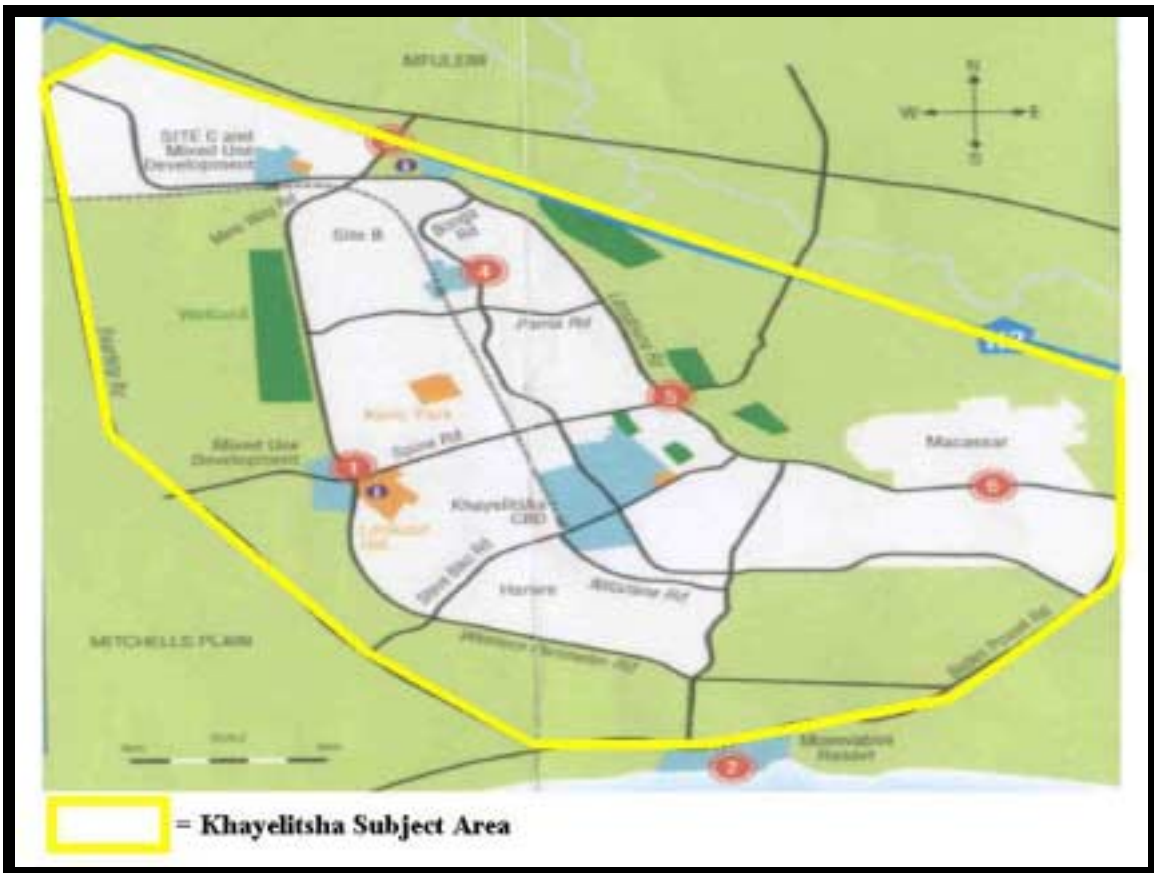
16.2 Long Term Development Framework

16.2.1 Definition of Subject Area

No refining of the Khayelitsha Focus Area was required.

In future, this area is defined as **the Khayelitsha Subject Area**. The Khayelitsha Subject Area is demarcated in Map 16.2.1 below.

Map 16.2.1 Khayelitsha Subject Area



Note: Numbers identify development nodes specified in existing plans

16.2.2 Demand Analysis

(1) Current Demand

A summary of the current estimated tourist numbers is provided below in Table 16.2.1. The detailed demand analysis and the sources of data are provided in Appendix A.

Current demand is calculated based on the current demand information drawn from the survey of existing tourism product in the subject area carried out as part of the Socio-Economic Tourism Impact Assessment for Focus Areas. Please note that the domestic figures relate totally to the demand generated by the Monwabisi Resort and it is

expected that domestic day visitors to this resort primarily originate from Khayelitsha.

Total demand for the area is still very low if compared to the number of tourists attracted to surrounding destinations such as Cape Town and the Wine Route. Khayelitsha is attracting less than 1% of the estimated 520,000 domestic holiday visitors to Cape Town and only 1.7% of foreign visitors to Cape Town. Khayelitsha is performing slightly better in respect of its share of total foreign tourism to Western Cape Townships - it attracts 15% of all foreign tourist visits to Western Cape Townships.

Table 16.2.1 Current Tourism to the Study Area

Origin	Type of Tourist		Total
	Overnight	Day	
Domestic	2,950	66,865	69,815
Foreign	687	11,567	12,254
Total Estimated Tourists to the Study Area	3,637	78,432	82,069

Note: Domestic day visitors include those visiting Mowabisi Resort.

(2) Potential Demand

A summary of the future estimated tourist numbers is provided below in Figure 16.2.1. The detailed demand analysis and the sources of data are provided in Appendix A.

Future demand (without the JICA Study Team recommendations) is calculated using the final current demand as a base and applying annual growth factors (the growth factors are JICA Study Team assumptions). Future demand (with the JICA Study Team recommendations) is calculated based on a share of total Cape Town tourism demand - growth is applied to the current Cape Town tourism demand (growth factors are JICA Study Team assumptions) and a market share for Khayelitsha is then applied to the projected Cape Town demand (market share factors are JICA Study Team assumptions). In order to show the impact of this study, the difference in the future demand with and without the JICA Tourism Development Plan recommendations is calculated.

It is important to note that the majority of existing demand (85%) is contributed to visitors to Monwabisi resort and that the actual real current tourist demand base is therefore very low. In order to focus on the real tourism demand, the Monwabisi Resort demand figures are excluded in the calculation.

Figure 16.2.1 Estimated Future Tourism to the Study Area

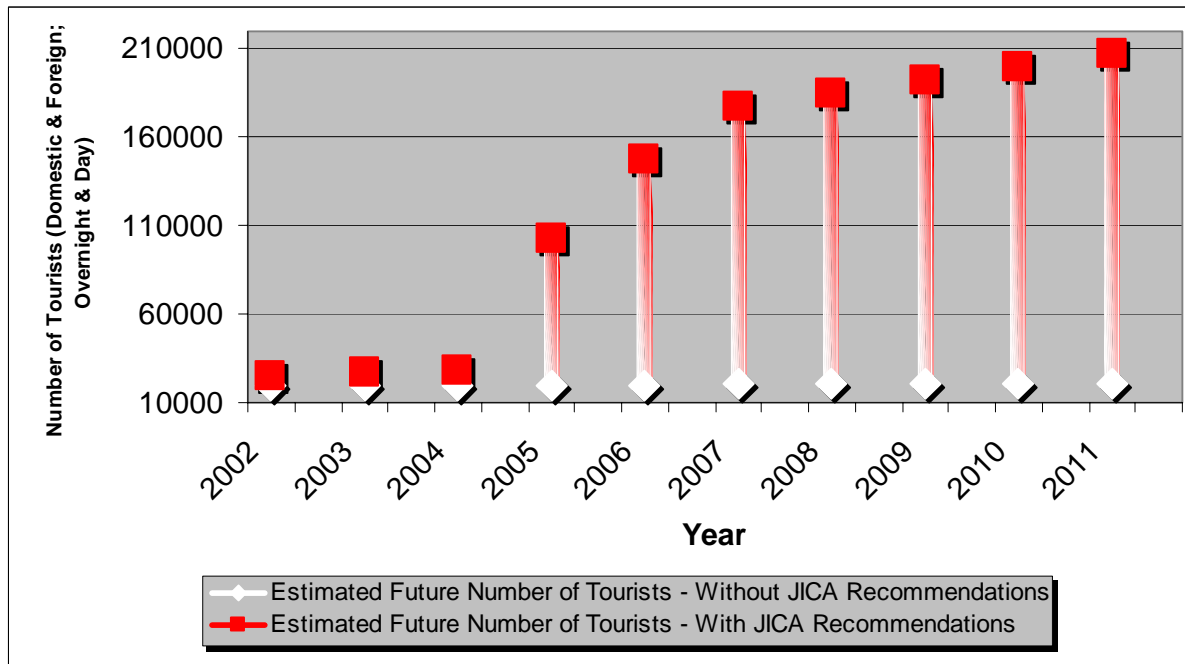


Figure 16.2.1 shows that without implementation of the JICA Study Team’s recommendations total tourism to the area is expected to grow from the current 19,200 to around 21,000 by 2011 (a compound growth of 0.7% pa). With the JICA Study Team’s recommendations, total tourism to the area is expected to increase from the current 19,200 to around 208,000 in 2011 (a compound growth of 23.4% pa). This represents around 16 additional tourists to the area per day due to the JICA Study recommendations in 2002, increasing to around 365 additional tourists per day by year 5 and 540 additional tourists per day by year 10. The figures show that the recommended tourism development would have a significant impact on projected future tourism demand and there is in fact nearly no relationship between current and future tourism demand.

As shown in Appendix A, with the JICA Study Team’s recommendations, tourism numbers grow steadily but slowly in years 1 to 3 (influenced only by increased and improved marketing and product packaging), increases significantly in years 4 and 5 (2005 and 2006) when the large recommended project is in operation, and then slows down to a steady growth from year 6 to 10 (again influenced mainly by increased and improved marketing and well as tourist route development).

Although the foreign market will remain the main source market for this area, the importance of the domestic market will increase over the ten-year period – foreign tourism will represent around 66% of total additional tourism demand in 2002, but this share will decrease to around 61% by 2011. This area will remain a day visitor destination and in fact the day visitor proportion of the total tourist market will increase once the recommended project is in operation (day visitors will represent 91% of additional tourism demand to the area in 2002, increasing to 94% by 2011).

(3) Preliminary Target Markets (Current & Future)

The detailed current and future target market assessment is provided in Appendix B. We summarise the major current target markets as well as the target markets that have medium to high future penetration potential in Table 16.2.2 below.

Table 16.2.2 Khayelitsha - Current and Future Medium to High Potential Target Markets

CURRENT MARKETS	FUTURE MARKETS
<ul style="list-style-type: none"> • Foreign Holiday Tourists 	<ul style="list-style-type: none"> • Domestic Holiday Tourists within LSM 7-8 from Primary Areas – <i>this is in respect of tourists to Cape Town treating Khayelitsha as a day activity and for specific products only</i> • Domestic Day Visitors within LSM 6-8 from Local Surroundings (i.e. Cape Town residents) • Foreign Holiday Tourists – <i>this is mainly in respect of tourists to Cape Town treating Khayelitsha as a day activity.</i>

Khayelitsha’s total current tourism market is attracted from only one market, i.e. foreign holiday tourists to Cape Town. Although only three markets were identified with future high penetration potential, these markets are significant in size and should allow for significant tourist numbers given suitable products.

Khayelitsha is expected, however, to primarily remain a day destination, i.e. an add-on activity to a visit to the greater Cape Town area.

16.2.3 Socio-Economic Framework

(1) Conditions of Focus Areas

i) Location

Khayelitsha (translated from Xhosa as "Our new Home"), a 41 square kilometre area, is situated 26 kilometres from the centre of Cape Town on the white dunes of the Cape Flats and is bordered by the N2 freeway to the North and False Bay Coast to the South, with Mitchell’s Plain to the West and the former South African Coloured Corps (SACC), Kuilsriver and Macassar to the East.

ii) History and Culture

Until the early 1980’s the Western Cape had largely escaped black urbanization. Influx control had been rigidly enforced and for two decades development had been frozen in the old townships, namely: Langa, Gugulethu, and Nyanga.

The new township for formal housing had been earmarked for part of the old Drift Sands Farm near Cape Town International Airport. In March 1983 Dr Piet Koornhof, the then Minister of Rural Relations, announced the development of a black township east of the coloured township of Mitchell’s Plain, i.e. the development of a new housing development called Khayelitsha. The objective was to house “legal” squatters in core houses and “illegal” squatters on site and service land. The original plan to move illegal squatters living in and around Crossroads to Khayelitsha never happened and became an international symbol of black poverty and resistance to settlement. Crossroads refused to budge and the controversial moves to clear the old townships were dropped. The pressure of new arrivals and the increased demand for housing in the overcrowded townships set Khayelitsha into almost instant existence.

Today it is home to mainly Xhosa people and largely a dormitory town. Over recent years the municipality has been pro-active in planning the city in a partnership/collaborative way. In spite of the community's very recent beginnings, Khayelitsha, relative to other nearby townships, has social cohesion and trust. There is a strength and togetherness in the community, which bodes well for future economic development.

IsiXhosa is the dominant language in Khayelitsha (98%)¹. However, it is doubtful if customs have remained the same as in rural areas, it is anticipated that certain traditions will still be upheld. From the questionnaires it is noted that many respondents indicated that Khayelitsha has an interesting mix of cultures and a unique way of life that might indicate significant differences from the more traditional Xhosa way of life.

iii) Social

The approximate official population of the area is 251,610 with 64,283 households, which represents 8.8% of the City of Cape Town's population (2,858,743 people²). More than 99% of the population is African and Khayelitsha lies in an urban area. The population density is very high at 7,009 per km².

13% of the population does not have any formal education though this is better than the national average of 22%³. More than 70% completed either primary or secondary education, which is also above the national level. There are 12 wards in Khayelitsha and almost all wards have primary schools. The total numbers of schools are; primary school 34 and high school 15. There are 2 skills-training centres in Khayelitsha and one of them is a public institution. The literacy rate is 75%, which is similar to the Province (74%) and higher than National (64%).

The number of clinics and hospitals in the area is 3, each serving about 83,870 people. This is more than 8 times higher than the WHO recommendation of 10,000 people. An AIDS Centre in Khayelitsha provides support to people suffering from this fatal disease.

There are 3 police stations and 3 commercial business districts in the area. Community halls and bill payment stations are located in almost all wards. The crime in the Western Cape province share about 3% to 6% of national occurrences in various crimes. These high figures may be derived from the highly urbanized areas like Cape Town in the province.

The area lacks formal recreational, sports and retail facilities. There is a boxing hall built by the Cape Town Olympic Bid Committee (houses the tourism info centre), though it does not adequately satisfy the need in the area.

There are very few sponsors in Khayelitsha. Government housing and development projects as well as the Tygerberg Tourism Bureau account for most of the sponsorships in Khayelitsha. The self-help group named South Africa Homeless Peoples Federation is undertaking the housing construction project through in Khayelitsha to assist the homeless people who currently stay in shacks.

¹ Refer to the table in Appendix J.

² Khayelitsha Local City Council believes that the current population is close to 300,000 because 1.1 million estimation is based on counting the housing structures from aerial photos and multiplying each by a household size of 4. However, not all structures are in fact inhabited and many are used as shops and businesses. Therefore, It may be determined that both the 1996 Census data and estimated data in 2001 in the PIMSS are comprehensive and reliable that this chapter employs these data to describe socio-economic conditions of the area. Number of current schools and public facilities are obtained from a Temba Mgobozi who is both a committee member and a tour guide of Khayelitsha.

³ Due to the lack of educational data specified in Khayelitsha, broader area of Mitchells Plain was used. Refer to the table in Appendix J.

Table 16.2.3 Population and Households

Population	African	Colored	Indian	White	Density per Km ²
251,610	99.0%	0.3%	0.0%	0.0%	7,009

House Holds*	Urban HH*	Non-Urban HH*
64,283	100.0%	0.0%

Source: PIMSS (2001 estimation)

iv) Economy

There is not one dominant contributor of economic activity in the area⁴. Trade (25%) and Government (24%) have similar shares of the total activities. The unemployment level is 43.6%, which is much higher than the Provincial level (14.7%) and the National level (37.2%). Although the Western Cape Province contributes 14.8% of the national economy, this area's contribution to the Province is only 1.1%. This indicates a very weak economic base in Khayelitsha. In fact, Khayelitsha is the most remote township in Cape Town in relation to the CBD and job opportunities.

According to the "Khayelitsha Spatial Framework"⁵ report, economic development in Khayelitsha is limited and is characterized by a shopping centre, small-scale retailers, petrol stations, street-based shops and informal trade. Poverty, high unemployment and a commuting labour force that spends money outside of the area characterize Khayelitsha's social economy. This has had a negative impact on the survival of business enterprises inside Khayelitsha.

Both formal and small businesses are concentrated in the transport interchange areas. The lack of commercial and industrial investment in the area means that these nodes are limited to two or three. Economic activity occurs along Landsdowne Road, but is limited to the newer parts of Khayelitsha such as Macassar. The need for the development of new nodes, which will serve as a catalyst for the development of Khayelitsha's local economy, is high on the local government's development agenda.

There are a number of well-located sites for small-scale retail/business activities along the major routes in and around Khayelitsha. Most of these are limited access routes, which prevents direct property access. This policy will have to change so that more strategically located land could become available for commercial and retail purposes in order to increase employment opportunities in the area.

⁴ Due to the lack of economic data specified in Khay3litsha, broader area of Mitchells Plain was used except unemployment rate.

⁵ Khayelitsha Spatial Framework was prepared in support of IDP within the City of Tygerberg (COT) in 1999. It aimed to include the Local Structure Plans/Spatial Development Frameworks for each of COT's 5 service areas. It provides the Nodal Spatial Development Framework in designated nodes in Khayelitsha such as Khayelitsha CBD and Swartklip Node (Lookout Hill area).

Table 16.2.4 Economic Conditions of the Area

Imputed Mean Monthly Household Expenditure			% of Poverty line R800 or less per Month		
Focus Area	Province	National	Focus Area	Province	National
R 2,254	R 3,816	R 2,552	18.0%	12.0%	31.2%

GGP Share of the Economic Sectors					
Agriculture	Construction	Mining	Manufacturing	Electric	Trade
0.9%	9.3%	0.4%	16.3%	0.0%	25.3%
Transportation	Finance	Community	Government	Others	Contribution to Province
4.5%	5.7%	7.0%	24.4%	6.2%	1.1%

Unemployment Rate		
Focus Area	Province	National
43.6%	14.7%	37.2%

Source: 1996 Census

Internal activities linked to commerce and light industry that would attract a high degree of exposure from passing traffic, should be encouraged. This already exists (though mostly informal), at points of high accessibility. Particular attention should be given to Bonga Drive, Mewway and Landsdowne Road as well as some of the east-west linkage roads such as Spine Road and Steve Biko Road.

The Census data indicates that the monthly household expenditure of R 2,254 in the area is lower than the provincial (R 3,816) and National (R 2,552) levels and 18% of households are living under the poverty line of R 800 per month. This is higher than the Provincial trend. It indicates that Khayelitsha is one of the areas in Cape Town where the urban poor are concentrated.

It may be desirable if the both formal and informal economic activities could be encouraged and more job opportunities were provided to the people living in the area. This would certainly upgrade the living conditions of people and strengthen the sustainability of its economy.

(2) Issues and Priorities

As in other areas, the IDP, which will include the Khayelitsha area, is still under preparation by Cape Town Unicity. Regarding development plans, the Khayelitsha Local Town Council explained that nothing had changed from the 1999 plans in the "Khayelitsha Spatial Framework" (detailed descriptions were provided in the Interim Report).

During an interview with the Provincial Development Council the following aspects were mentioned in respect of Khayelitsha's economic development:

- There is a need for developing comprehensive and integrated strategy covering the formal and informal economies. Due to the strong informal economy in the area, the focus needs to be on community based economic projects.
- Income leakage in Khayelitsha is very high and it keeps the township from developing. Income generation possibilities within the township (most people earn and shop outside of the township) need to be developed and the circulation of capital needs to be sped up.

- Support mechanisms, which will assist small business development in the township, need to be developed.
- The current trend is not to invest in the Khayelitsha area, as it is seen as a high-risk area and therefore, it becomes more expensive for potential investors to cover insurance premiums, etc. This needs to be counteracted.
- The township tourism initiative is working against the area, most of the operators are not resident in the area, causing major leakages and the operators do not understand the area and the products, which is not helping further development.
- Need to look at ways to tap into local social capital (i.e. savings societies, sports clubs, church groups etc). This will help to create local ownership.

An expected socio-economic impact in the area, driven by tourism may include new development, investment and job opportunities. It would be desirable to increase the income from tourism through providing new tourist attractions in the area, utilizing cultural resources in the area and its convenient location. There is an adequate existing labour force in the area, which could be absorbed by the tourism sector in the future and the community could easily be involved in tourism development since the community is already well organized. Public initiatives and support are also required to facilitate and sustain small businesses in the area. It may eventually contribute to the upgrading of living standards of people and a decline in crime in the area.

The Western Cape Investment and Trade Promotion Agency (WESGRO) believes that development for Khayelitsha should focus on:

- Several smaller retail formats rather than only one large CBD; and
- Obtaining finance by look at alternative routes rather than the formal channels and institutions.

(3) Expected Socio-Economic Impacts

The tourism development proposed is expected to attract a greater number of tourists to the area, thereby increasing tourist expenditure and job opportunities in the tourism-related sectors.

i) Tourism Expenditure

Table 16.2.5 shows the projection of total expenditure by tourists to the subject area, estimated based on the demand analysis made earlier (for the case with the proposed plans) and the results of the socio-economic impact assessment survey conducted as part of this study.⁶ The total tourist expenditure is compared with GDP in 2000 (at current prices) and GGP of Western Cape Province in 1996 (adjusted at 2000 prices). Although the amount in absolute terms is not very large, the rate of growth is expected to be significant.

⁶ Detailed calculation of the total tourist expenditure for the subject area is provided in the section of Economic Evaluation for the priority projects and programmes described later in this volume.

Table 16.2.5 Projected Total Expenditure by Tourists to the Subject Area with the Proposed Plans

Item	2001	2006	2011
Total tourist expenditure (million Rand: at 2001 prices)	4.4	39.3	54.9
% of GDP in 2000 (at current prices)	0.00%	0.00%	0.01%
% of Provincial GGP in 1996 (at 2000 prices)	0.00%	0.04%	0.06%

Note: GGP in 1996 is based on the estimate by DBSA.

Source: JICA Study Team, Socio-Economic Impact Assessment Survey conducted in this study.

Tourist spending will benefit not only the activities directly related to tourism, but also other economic sectors including those producing outputs purchased by the tourism industry. As described in the chapter of Tourism Demand and Its Impact in Volume I, the contribution of "Tourism Economy" to GDP (sum of the direct and indirect impacts) is significantly higher than that of "Tourism Industry" (direct impact only). The ratio of the Tourism Economy to the Tourism Industry is estimated at 2 to 2.7, depending on the sources. Therefore, the total economic impact of tourism in the subject area would be double or triple of those estimated in the table above.

ii) Job Creation

Currently, direct tourism employment in the subject area is estimated at merely 86, based on the result of the socio-economic impact assessment survey. The increase in employment resulting from the proposed tourism development plans is expected to be significant as shown in Table 16.2.6, assuming that the number of jobs increases in proportion to the total tourist expenditure.

Total employment in the table includes both direct and indirect employments, which was estimated using the ratio of employment for "Tourism Economy" to that for "Tourism Industry" (averaging the ratios estimated in DEAT and WTTC studies).⁷

Table 16.2.6 Projection of Tourism-Related Employment in the Subject Area with the Proposed Plans

Item	2001	2006	2011
Direct Employment:	86	771	1,075
- Accommodation	71	636	888
- Restaurants	14	125	175
- Other tourism	1	9	13
Total Employment (direct & indirect)	200	1,795	2,503
Growth (1.00 in 2001)	1.00	8.96	12.5

Source: JICA Study Team, Socio-Economic Impact Assessment Survey, DEAT, and WTTC

⁷ For details of the results of these two studies, see the chapter of Tourism Demand and Its Impact in Volume I.

iii) Social Impacts

Responded community leaders indicated they represent approximately 6,000 people. The majority of Khayalitsha respondents see tourism as an important economic activity for both Nation and region. Majority of the respondents answered either “yes” or “may be” in the question of whether tourism development is a solution to the problem of poverty or not. They also feel that tourism development would contribute to peoples’ living standard in the community and region as well.

The most frequently answered tourism potential in the area was Culture, which includes lifestyle of local people, traditional food, and accommodation. Respondents emphasized that the way people in Khayalitsha live was indeed an unique experience for tourists due to the differences from the rest of Cape Town. When asked to rate the impact that the tourism resources have on tourism in the region/community, majority of respondents indicated that either very positive or positive on all factors of Culture. It was followed by the factor of History.

When asked what impact tourism had on socio- economic aspects, job creation, training/education opportunity, and traditional customs and events were answered frequently as positive. A few indicated that tourism might have a negative effect on the aspects of infrastructure provision, housing, crime, and social values and morals. Regarding the infrastructure provision, they feel that even currently there is not enough space for pedestrians that it may be harassed by the tourists’ traffic. Criminal may considered to be increased if tourists growth.

Community leaders mentioned that currently 6.7% of the community was involved in the tourism sector but approximately 20% of their community members would like to become involved in the future. The respondents believed services like traditional cooking/food, crafts, tour guides, cultural knowledge, resort management, cleaning services, business skills, and training institute was available in their area. They responded that community members could launch a business venture especially guided tour in the region and handcraft.

As being found out through the Socio-economic survey, the community was positive about the future tourism development especially expecting its contribution to job creation. It is also expected to emphasize the Khayalitsha’s cultural aspects when carrying out the tourism development. The proposing tourism development in the area includes creation of a new key tourism products/attractions and utilization of existing tourism resources. The new major tourism attraction (i.e. African Dance and Music Showcase) will provide employment opportunities as well as indirect benefits to local community such as outsourcing merchandises. Although, the current involvement of the inhabitants in the tourism sector is fairly small in Khayalitsha, once tourism growth were realized, there would be a lot of opportunities to be involved in the tourism sector including operation of B&B, food services, and arts &craft production. As in the survey result, community is keen to offer guided tours handcrafts productions; it is highly recommended incorporating local participation for future tourism products development in the area.

16.3 Product Development Plan

16.3.1 Existing Supply of Tourism Resources and Assets

All tourism resources or assets, i.e. attractions, products and facilities, currently available in the Khayelitsha Subject Area are tabulated in Appendix C. The tabulation lists the name of the resource, the resource category (i.e. attraction, product, facility, etc) and the general location of the resource.

The Subject area offers very few existing tourism resources and no natural tourism resources. The attractions and facilities listed are generally packaged into experiences, i.e. the Khayelitsha Township Tour Experience, the Khayelitsha Tavern/Shebeen Experience, etc rather than being dedicated attractions or facilities in their own right.

16.3.2 Tourism Resource/Asset Map

All existing tourism resources as per the tabulation discussed in Section 16.3.1 above are allocated to a map provided as Appendix D. The mapping of existing tourism resources is undertaken in order to clearly identify and assess the extent of, the geographic locations of and the relationships between tourism resources and assets.

The map indicates that the existing tourism resources are spread throughout the Subject Area, although the majority of resources are located in the southern sections of Khayelitsha, i.e. south of Spine Road.

16.3.3 Interpretation of Current Tourism Product(s)

The detailed interpretation matrix of current tourism products offered in the Khayelitsha Subject Area together with description comments and clarification is provided in Appendix B. The interpretation is based on the tourism resource tabulation of Section 16.3.1, the tourism resource map of Section 16.3.2 and general current tourism marketing materials on the area.

A summary of the current tourism products for the Khayelitsha Subject Area is provided in Figure 16.3.1 below.

Figure 16.3.1 Current Tourism Products – Khayelitsha

- 
- **Township Life Drive Through Tours**
 - **Township Tavern/Shebeen Evenings**
 - **Township Music/Jazz Evenings**
 - **Township Overnight Experience**

Figure 16.3.1 shows that this area’s current product offering centres around the township experience. However, the various products seriously lack interpretation and are not unique to Khayelitsha but an experience that could be associated with any of the Cape Town and perhaps even greater South African townships.

16.3.4 Core Tourism Product Strength & Potential of the Area

Khayelitsha’s general tourism strengths and potentials are detailed in Section 16.1.2 and primarily relate to its good location, but provides very little assistance in respect of establishing a core tourism competitive advantage. This is due to the area offering very little that can be viewed as truly unique (either from a natural or man-made tourism perspective), which is a particularly serious constraint given its location near some of South Africa’s most popular tourist attractions.

Therefore, for it to be able to compete even marginally successfully, Khayelitsha requires a totally unique and powerful tourist attraction/facility. Its core tourism product strength would therefore depend upon the establishment of such a unique and powerful product.

16.3.5 Potential Tourism Products

The detailed interpretation matrix of future/potential tourism products that could be offered in Khayelitsha together with description comments and clarification is provided in Appendix B. The potential products were identified in line with the identified strengths and potentials of the area, the core concept for the area and are in keeping with the tourism product development strategy and basic planning principles.

A summary of the potential tourism products for the Khayelitsha Subject Area is provided in Figure 16.3.2 below.

Figure 16.3.2 Potential Tourism Products – Khayelitsha

- **African Music and Dance**
 - **Music Shows and**
 - **Music Interpretation**
 - **Arts, Crafts and Merchandising Training & Distribution**
 - **Music Training Centre of Resident Troupe & Others**
- **Township Life Drive Through Tours**
- **Township Tavern/Shebeen Evenings**
- **Township Music/Jazz Evenings**
- **Township Overnight Experience**

The future product offering includes the current products, but requires serious further development of the current product offering, particularly in improving the interpretation of the experiences and making it distinctive to Khayelitsha.

In addition, the future product offering incorporates the development of a large new facility/attraction that will be the unique product to put Khayelitsha on the tourism map, i.e. an African Music & Dance Showcase (this product is discussed in more detail in Section 16.3.7).

16.3.6 Target Market Segments

Appendix B provides a detailed matrix specifying the future penetration potential in each possible target market by identified potential tourism product. From this matrix it is possible to identify the target market segments with real potential, taken as all segments with medium to high penetration potential. The target market segments for the Khayelitsha Subject Area is listed in Figure 16.3.3 below.

No markets segments were identified with high penetration potential, but 4 market segments with medium to high and 11 market segments with medium penetration potential were identified. Only a limited number of markets (all foreign) have medium to high penetration potential in respect of the existing township tourism experience, however, several markets with medium to high penetration potential were identified in respect of the new African Music & Dance Showcase product.

Figure 16.3.3 Target Market Segments with Medium to High Penetration Potential - Khayelitsha

PRODUCT	Markets															
	Domestic Holiday				Domestic Business		Domestic VFR		Domestic Day Visitor				Foreign			MICE
	LSM1-6 Primary Domestic	LSM7-8 Primary Domestic	LSM1-6 Secondary Domestic	LSM7-8 Secondary Domestic	All LSMs Primary	All LSMs Secondary	All LSMs Primary	All LSMs Secondary	LSM1-5 (Local surrounding)	LSM6-8 (Local surrounding)	All LSMs Primary	All LSMs Secondary	Holiday	Business	VFR	(Foreign & Domestic)
Township Life Drive Through Tours													M			
Township Tavern/Shebeen Evenings													M			
Township Music/Jazz Evenings									M				M			
Township Overnight Experience																
African Music & Dance Showcase:																
Music shows & events		M								M-H			M-H			M for add on events
Music interpretation centre/museum		M								M-H			M-H			
Arts, Crafts & merchandising training & distribution centre		M								M			M			
Music training centre of resident troupe & others													M			

16.3.7 Specification of Future Product Development

Future product development for the area will centre on:

- The improvement of the existing few tourism products, i.e. various township experiences, particularly relating to:
 - Improving the content and delivery of the experience;
 - The packaging of product (marketing and promotion).
- The development of new product that would augment these existing experiences, such as arts and craft development and distribution, etc; and
- Notably, the development of a unique and powerful new product that allows Khayelitsha to attract significantly higher tourist numbers.

Table 16.3.1 Recommended Product Development for Khayelitsha

Product Item	Description	Location	Timing
Improvement of Existing Product:			
<ul style="list-style-type: none"> • Packaging of product offering 	<p>This particularly relates to developing marketing messages and materials for the products and improving/expanding the distribution of the product offering to the tourist markets.</p> <p>Particularly important here is the establishment of formal linkages with the distribution channel and also the development of the distribution channel, i.e. establishing more local trip operators, in order to access and expand markets.</p>	Total Area	Within 5 years
<ul style="list-style-type: none"> • Development of experiences 	<p>This relates to improving and developing the content and interpretation of experiences and product. It also includes the developing and implementation of Khayelitsha specific tourist signage.</p>	Total Area	Within 5 years
Further Development of Existing Product:			
<ul style="list-style-type: none"> • Developing support products 	<p>This relates to the development of additional facilities and attractions to support existing product, particularly iro of the various experience tours. It would include the development of arts and crafts products, taverns/shebeens, restaurants, accommodation, etc</p>	Total Area – linked to African Music Village training facilities	Within 5 years
<ul style="list-style-type: none"> • Establishing linkages between existing products 	<p>It is extremely important to establish linkages (into routes or experiences) between the various attractions, facilities and products in order to ensure a strong and cohesive product offering.</p>	Total Area	Within 5 years
New Product:			
<ul style="list-style-type: none"> • African Music & Dance Showcase 	<p>Develop a music-based attraction (a “African music and dance showcase”) that blends traditional and modern as well as African and international music and dance.</p> <p>The following components is envisaged:</p> <ul style="list-style-type: none"> • Theatre(s) (indoor and outdoor) for showcasing signature shows and events (i.e. developed specifically for this facility) as well as hosting non-specific music and dance shows and events, for example “The African Footprint” production or “Lord of the Dance”. • Music and dance training facility, including studios and training rooms – although this facility is primarily for the training for signature events and signature music and dance troupes, it could also be utilized for general music and dance training • South African or African Music Museum and Interpretation Centre, providing a facility that: <ul style="list-style-type: none"> - A “Hall of Fame” showcasing the life stories of African and South African 	<p>Lookout Hill, opposite Lookout Hill or next to Olympic Boxing Hall.</p> <p>The facility should be located in an area that would allow for easy access and for the potential of attracting the most visitors, particularly keeping in mind that many</p>	Within 5 years

Product Item	Description	Location	Timing
	<p>music and dance achievers.</p> <ul style="list-style-type: none"> - An African and South African music and dance museum, providing interesting and state of the art interpretation of the history and development of African and South African music and dance. • Arts and crafts and merchandising design, and manufacturing centre • Arts, crafts, curios and merchandising outlet. This type of facility will provide significant opportunity for merchandising such as signature clothing, music CDs, music and dance books, etc - Curio shops - Khayelitsha visitor information/distribution centre – acting as the tourist distribution facility for tourists to obtain information or be the start and end point for more detailed tours/experiences of Khayelitsha <p>It is envisaged that the facility should incorporate top South African music and dance celebrities as champions, with particular emphasis on Khayelitsha bred celebrities.</p>	<p>events will be held at night.</p> <p>A location on the outskirts of the township would assist in creating a certain comfort level and would then pave the way for enticing visitors to undertake more intensive Khayelitsha experiences.</p>	

16.4 Infrastructure Development Plan

Khayelitsha was planned and developed as a black township in the early 1980's. The objective was to house legal squatters in core houses and illegal squatters on site. Township development has been steadily planned and implemented and will continue based on the township development plan and tourism development plans in the future.

This area has relatively well-developed infrastructure such as paved roads with adequate width, piped water, sewage treatment system, electricity, and telecommunication. Though these facilities do not satisfy residents in the township, particularly new arrivals, from a living environment point of view, they are sufficient for tourism development. New investors in the township can easily access existing infrastructure. They can simply connect service lines such as water, sewage, electricity, and telephone to the mains provided under or along a road.

However, demand forecasts of water, sewage, electricity, and telephone resulting from tourism development should be undertaken to confirm whether the development affects existing infrastructure. If this infrastructure is impacted by the development and these facilities have to be expanded, developers must bear all or part of the costs of the newly required facilities.

An organization, which is under Cape Town Unicity, already exists for the operation and maintenance of public facilities in the township. This should be maintained and have responsibility in the future.

(Project)

- Study of Demand Forecast on Infrastructure for the tourism development

Chapter 17

Valley of the Olifants Tourism Development Plan

17.1 Tourism Development Concept

17.1.1 Background and Current Condition

The Valley of the Olifants Region lies in the south east of the Northern Province, and as its name suggests, falls in the valley of the great Olifants River. This area is one of the designated Cluster areas for tourism development.

The eastern part of the region stretches over about 200km from north to south, mostly on flat land, bordering with the western boundary of the Kruger National Park (KNP). Phalaborwa and Hoedspruit are the region's two major gateway towns to KNP; both have privately owned and operated airports. The western part of the region is distinctly different from the east, with the mountain ranges of the Northern Drakensberg running from north (around Tzaneen) to south (northern end of Blyde River Canyon that is situated in Mpumalanga Province). Much of the region's land is covered with wilderness areas including indigenous forests, mountains and nature reserves. Note that the Valley of the Olifants 'cluster' region is smaller than this, excluding areas in the north and in the west. The cluster region extends from Giyani in the north, through to Tzaneen in the west, Phalaborwa in the east, and Bushbuck Ridge in the south.

Major tourism resources in the area include: game/nature reserves, particularly those situated in the south-eastern part adjacent to KNP (e.g., some of them around Phalaborwa and several private game reserves mostly around Hoedspruit) as well as KNP itself; mountain ranges, nature attractions and scenic routes in the eastern part along with the Olifants River; and cultural, historical and archaeological attractions mainly in and around Hoedspruit, Phalaborwa, and Tzaneen.

Although various initiatives do exist for the area, they have been planned in a rather fragmented manner, and most still need to be implemented. This seems largely due to the area being so large whilst the existing tourism resource base is relatively weak (except those adjacent to KNP) and scattered across the area, coupled with a lack of funding and human resources. These initiatives include: development and commercialisation of provincial nature reserves across the province; cultural tourism projects (e.g., Phalaborwa), development of nature and adventure tourism in the Drakensberg area; and promotion of the African Ivory Route with the development of nature and game camps.

The cluster study specifies that the KNP is the draw card attraction for this area and should be used as an opportunity to develop other products around this main attraction. Initiatives along this line include one by the Kruger to Canyons Biosphere Reserve, a public-private partnership, newly established within the framework of a UNESCO's program with assistance from a World Bank's program called MELISSA¹. This initiative is to attempt to coordinate development and conservation efforts relating to KNP, the Central Lowveld and Escarpment (Blyde River Canyon), covering the Northern and Mpumalanga Provinces. The initiative receives technical advice and training from the Southern African Wildlife College that was established in this area as a SADC institution.

17.1.2 Strengths and Potentials

i) Strengths

The area's major strengths and unique features that can lead to the area's comparative advantage in terms of tourism include:

- Bordering the Kruger National Park, an established major draw card attraction, with two gateway towns to KNP, namely Phalaborwa and Hoedspruit;

¹ Managing the Environment Locally in Sub Saharan Africa.

- Existence of well-established game reserves, mostly privately owned catering for the upmarket market, located in the south-eastern parts of the Valley of the Olifants;
- Being linked with the Blyde River Canyon in the south west, and an established tourist route (Panorama route) with unique, magnificent scenery; and
- The inter-regional initiative that has already been started for the development and conservation of wildlife and nature-based resources, particularly those in the Kruger National Park and Blyde River Canyon, coupled with the existence of an educational/research/training product base relating to wildlife and ecological systems and their potential use for tourism development.

(2) Potential

The area possesses the following potential, building on the strengths and unique features above:

- Good potential for strengthening the comparative advantage of the area in respect of game reserves and wildlife by positioning it as the centre for a wildlife research and education experience, making use of, and upgrading, the range of wildlife-related general, educational, research and training infrastructure in the area, thereby:
 - Enriching the existing more standard wildlife and ecosystems experience.
 - Enhancing the value of the Kruger National Park as a whole.
 - Developing human resources for development and conservation of wildlife and ecosystem resources.
- Good potential for establishing tourist routes linking KNP and other game reserves with their gateway towns and Blyde River Canyon (Panorama route), by expanding the tourism experience in and around Hoedspruit (and Phalaborwa).
- Good potential, with these developments, for market expansion, including:
 - General tourists (mainly domestic, but foreign as well) looking for a richer and different wildlife experience.
 - Special interest tourists for wildlife research and education.
 - Extended stay and higher spend of visitors (foreign and domestic) going to KNP and other game reserves in the area.
 - Pulling tourists on the Panorama route up into this area.

17.1.3 Development Concept

In order to drastically enhance the area's attractiveness and establish its comparative advantage, development efforts should be concentrated on building on its strengths and potential mentioned above.

(1) Area Focus

- Spatially, development efforts should be focused on the south-eastern part of the area that is adjacent to the Kruger National Park and the Blyde River Canyon as shown in Figure 17.1.1, considering that:
 - The major strengths exist in this sub-area, with the highest development potential.
 - Some initiatives have started in this sub-area, though not strong enough at the moment. Tourism-related development in this part of the region will push forward these initiatives toward concretisation and implementation.
- While this does not necessarily rule out any possibility of tourism development in other parts of the area, it is judged that major efforts in the area's south-eastern parts are

expected to lead most effectively to enhancing the tourist draw of the area, given that major strengths are concentrated in this sub-area, which still is underdeveloped (except the presence of some private game reserves) and that other relatively minor tourism resources are scattered across the area.

- For these considerations, this study will focus on planning for the southeastern part of this focus area.

(2) Development Emphasis & Goals

i) The Clear-cut Image

Building on its superb location in terms of the offering of a wildlife experience, the area should be developed, aiming at establishing its reputation as:

“The Wildlife Research and Educational Experience of South Africa”

ii) Product Emphasis/Goals

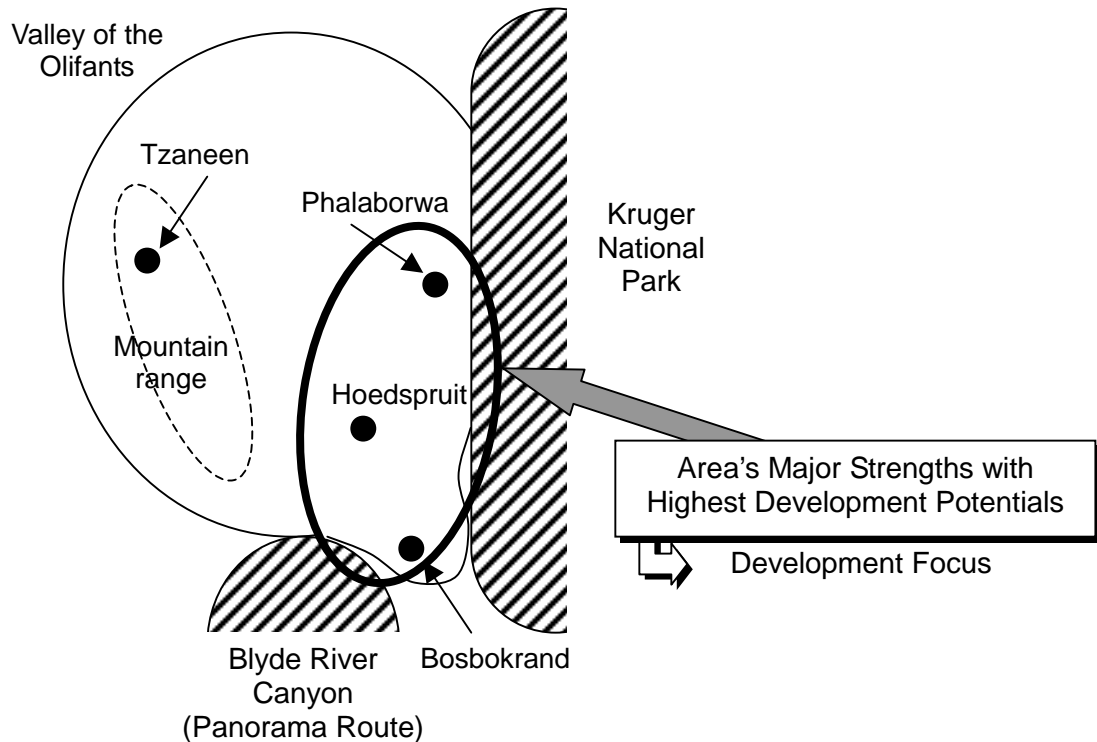
- **Enriching wildlife experience:** Offer out-of-game-reserve experiences with wildlife that is educational and entertaining for those visiting KNP and other game reserves in this area, thereby drastically enriching their game-viewing/wildlife experience to the extent that discerning international tourists (including those from East Asia) can be truly fascinated. Specifically, develop and expand the tourism experience around the Hoedspruit and/or Phalaborwa (see Figure 17.1.1) areas, including:
 - Establishing a “Wildlife Complex (tentatively named Wildlife Education & Research Centre)” that offers both an entertaining and educational experience of the wonders of wildlife as well as other related functions including a visitor information centre for the area, other tourist attractions and shops; and
 - Establishing an arts and crafts centre specializing in developing sophisticated, highly marketable wildlife-related products as well as training for their production, which is also to be featured as a tourist attraction.
- **Wildlife education and research:** Strengthen the wildlife education and research functions and provide extensive training for conservation of wildlife and nature and their use for tourism and other economic activities, ultimately aiming at establishing itself as being among the world’s best wildlife education and research centres.
- **Develop the wildlife research and education route:** Strengthen the recommended image by developing a cohesive and well-interpreted route, linking the proposed new development to other wildlife research and education products located throughout the area. The proposed new facility could also act as the dissemination point for visitors to the other more specialized hands-on facilities.
- **Augmenting tourist drawing power:** These developments will lead to increased tourist flow into the area, which will open up opportunities to develop tourism-related activities on access routes such as the R36 to Blyde-River Canyon and the R 40 to Hazyview via Bushbuck Ridge, thereby creating jobs in this economically disadvantaged area.

iii) Target Market Emphasis/Goals

The broad target market goals are specified as:

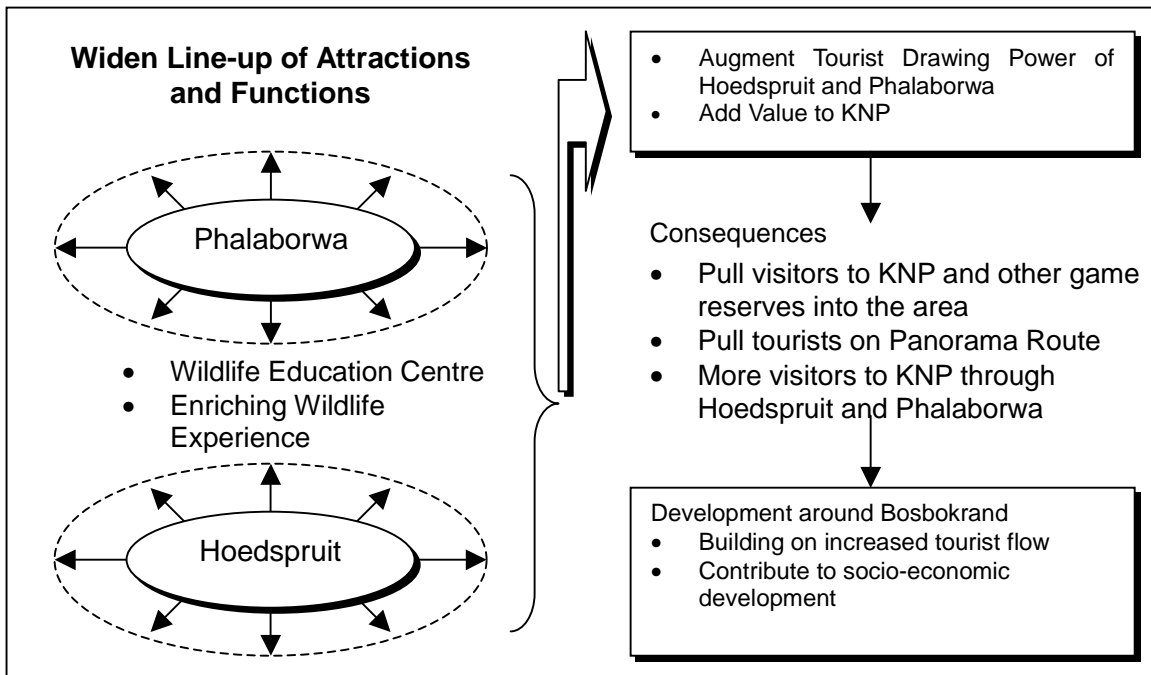
- Foreign vs. Domestic: Targeting of both the foreign and domestic markets, with a higher emphasis or importance being placed on domestic markets.
- Day vs. Overnight Visitors: Targeting of both the overnight and day visitor markets. The primary emphasis is, however, on the overnight market.
- Existing vs. New Markets: Further penetration of existing markets (both foreign and domestic) holds definite further potential and major emphasis is to be placed on this action. However, high importance should also be placed on identifying and penetrating new markets, particularly special interest markets such as the local and foreign wildlife educational and academic markets (including those from East Asia), MICE for the wildlife research and educational markets (including those from East Asia), pulling of markets already attracted to the Panorama route into this area, etc.

Figure 17.1.1 Development Concept for the Valley of the Olifants (1)



Source: JICA Study Team

Figure 17.1.2 Development Concept for the Valley of the Olifants (2)



Source: JICA Study Team

17.2 Long Term Development Framework

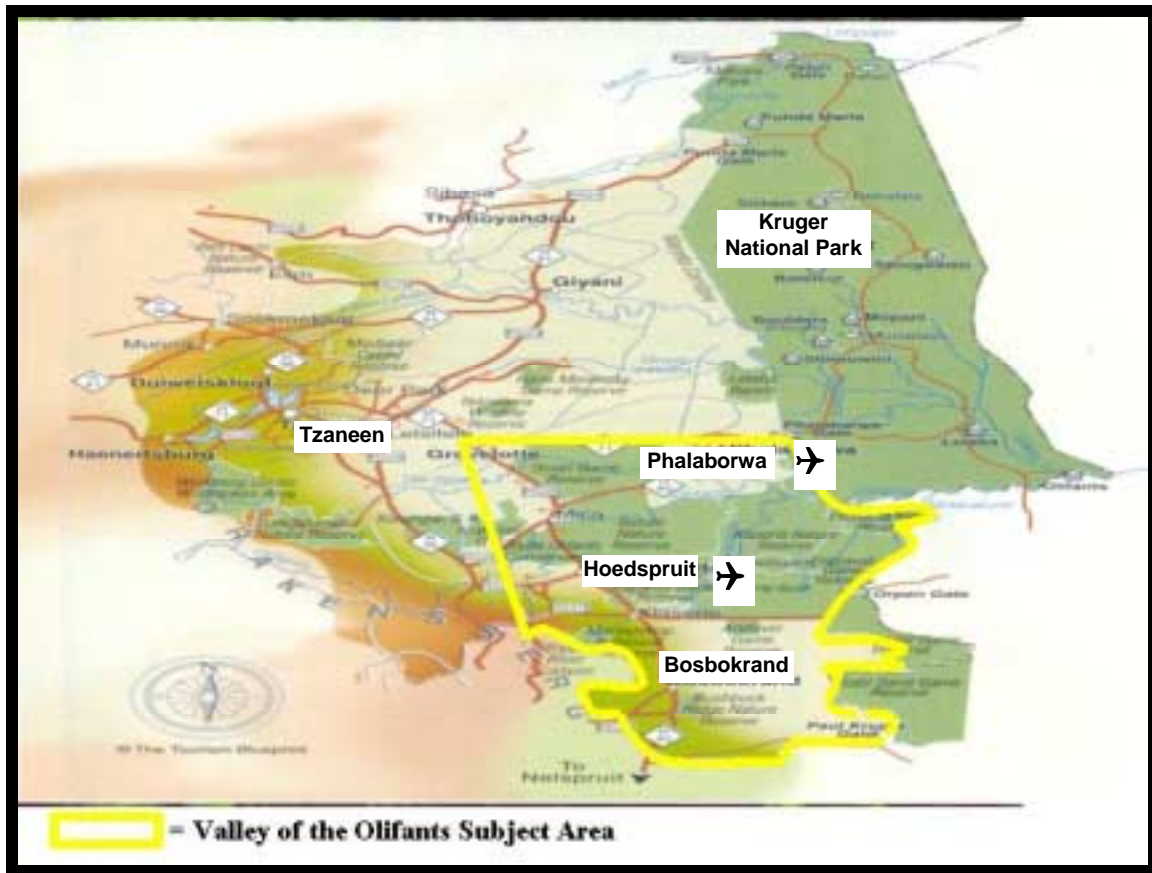
17.2.1 Definition of Subject Area

This area is very large and could again be divided into several sub-areas that have distinctly different tourism identities. In particular, the western Valley of the Olifants offer a very different tourism experience and products compared to the eastern part (mountainous nature and forests in the west compared to flat grasslands and wildlife in the east).

The tourism product base in this area is mainly located in and around Tzaneen in the west and Phalaborwa and Hoedspruit in the east. Very few tourism products or tourism resources exist in the area north of Phalaborwa (north of the R71 access road). The greatest tourism strengths of the greater Valley of the Olifants Focus Area lie in the eastern sub-area between Phalaborwa and Bushbuckridge, with Hoedspruit in the centre for the following reasons:

- This sub-area offers a small but established tourism base, primarily related to private game reserves, bordering the KNP (some with established brands).
- It offers definite development possibilities due to good road connections linked to strong tourism icons in Mpumalanga such as Hazyview and the Blyde River Canyon.

Map 17.2.1 Valley of the Olifants Subject Area



- Its tourism offering is more easily associated with the Northern Province Tourism Board's marketing focus (i.e. wildlife) than that of the western Valley of the Olifants (around Tzaneen).
- This sub-area takes full advantage of what The Cluster Study identified as the Valley of the Olifant's main comparative advantage, i.e. its location adjacent to the KNP, which is the actual draw card and providing this area with the opportunity to develop other products around this main attraction.

The Study Team selected the Phalaborwa-Hoedspruit-Bushbuckridge node as the core study area within this Focus Area. In future, this area is defined as **the Valley of the Olifants Subject Area**. The Valley of the Olifants Subject Area is demarcated in Map 17.2.1 above.

17.2.2 Demand Analysis

(1) Current Demand

A summary of the final current estimated tourist numbers is provided below in Table 17.2.1. The detailed demand analysis and the sources of data are provided in Appendix A.

Final current demand is calculated based on the current demand information drawn from the survey of existing tourism product in the subject area carried out as part of the *Socio-Economic Tourism Impact Assessment for Focus Areas*.

Table 17.2.1 Final Current Tourism to the Study Area

Origin	Type of Tourist		
	Overnight	Day	Total
Domestic	190,343	354,070	544,413
Foreign	67,245	11,440	78,685
Total Estimated Tourists to the Study Area	257,587	365,510	623,097

In order to assess how the Subject Area is performing in respect of tourist demand, tourist visitor projections for the total Northern Province as well as the total Valley of the Olifants Tourism Region (in which the Subject Area is located) are included in the calculations. The Subject Area is performing well in respect of foreign tourism demand to the Northern Province - it is attracting 60% of all foreign tourists to the Northern Province. The Subject Area is also performing fairly well in respect of domestic demand – it is attracting 27% of all holiday domestic tourists to the Northern Province and 60% of all non-visiting friends and relative domestic tourists to the Valley of the Olifants Tourism Region. This good performance is due to the fact that the subject area serves as the entry point into the Kruger National Park located in the Northern Province.

(2) Potential Demand

A summary of the future estimated tourist numbers is provided below in Figure 17.2.1. The detailed demand analysis and the sources of data are provided in Appendix A.

Future demand is calculated using the final current demand as a base and applying annual growth factors (the growth factors are JICA Study Team assumptions). In order to show the impact of this study, the difference in the future demand with and without the JICA Tourism Development Plan recommendations is calculated.

Figure 17.2.1 Estimated Future Tourism to the Study Area

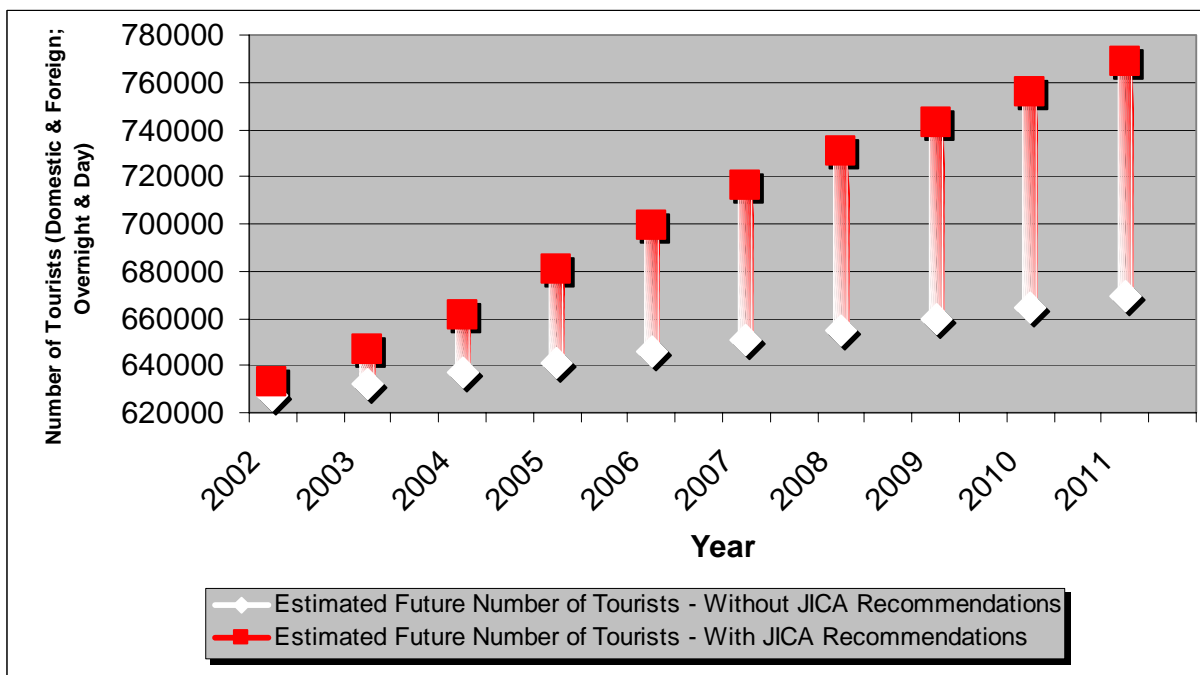


Figure 17.2.1 shows that without implementation of the JICA Study Team's recommendations total tourism to the area is expected to grow from the current 623,000 to

around 670,000 by 2011 (a compound growth of 0.6% pa). With the JICA Study Team's recommendations total tourism to the area is expected to increase from the current 623,000 to around 770,000 in 2011 (a compound growth of 2.0% pa). This represents around 14 additional tourists to the area per day due to the JICA Study recommendations in 2002, increasing to around 146 additional tourists per day by year 5 and 271 additional tourists per day by year 10.

As shown in Appendix A, with the JICA Study Team's recommendations, tourism numbers grow steadily but slowly in years 1 to 2 (influenced only by increased and improved marketing, product packaging and route development), increases more rapidly in years 3 and 4 (2004 and 2005) when the large recommended project is in operation, and then slows down to a steady growth from year 5 to 10 (again influenced mainly by increased and improved marketing and well as tourist route development).

The domestic market is and will remain the main source market for this area - representing around 85% of total tourism demand. Although the day visitor market represents the greater proportion of total tourist demand, overnight tourism will grow in importance over the 10-year period - day visitors will represent 59% of total tourism demand to the area in 2002, decreasing to increasing to 54% by 2011.

(3) Preliminary Target Markets (Current & Future)

The detailed current and future target market assessment is provided in Appendix B. We summarise the major current target markets as well as the target markets that have medium to high future penetration potential in Table 17.2.2 below.

Table 17.2.2 South Eastern Valley of the Olifants Current and Future Medium to High Potential Target Markets

CURRENT MARKETS	FUTURE MARKETS
<ul style="list-style-type: none"> Domestic Holiday Tourists within LSM 7-8 from Primary Areas Foreign Holiday Tourists – <i>only iro Private Lodges</i> 	<ul style="list-style-type: none"> Domestic Holiday Tourists within LSM 7-8 from Primary Areas Domestic Day Visitors within LSM 6-8 from Local Surroundings Foreign Holiday Tourists Foreign VFR MICE – <i>only related to Wildlife research specific MICE in rest of SA</i>

The area is attracting the greatest proportion of its current visitors from one market, i.e. domestic holiday tourists within LSM 7-8 from primary areas. However, this market has significant potential for further penetration and several other/new markets have high penetration potential should suitable and unique products be provided. The area will primarily be a domestic market and an overnight destination.

17.2.3 Socio-Economic Framework

(1) Conditions of Focus Areas

i) Location

As the name suggests, this area falls within the valley of the great Olifants River, which stretches from Giyani through to the Kruger National Park. It is a huge area of about 70,000km² and includes towns such as Phalaborwa, Tzaneen, Hoedspruit and Bosbokrand. There are still large wilderness areas in the focus area including indigenous forests and mountains and several game reserves. However, the Study subject area starts from Gravelotte as its northwest edge and Phalaborwa as northeast edge and stretches down south to cover the total Bushbuckridge Local Council area. A part of Ba-Phalaborwa Local Council in the Mopani Regional Council, Drakensberg Local Council in the Eastern DM Regional Council, and the whole of Bushbuckridge Local Council in the Eastern DM Regional Council fall into this area.

ii) History and Culture

The climate in the valley of the Olifants River is most suitable for cultivation and since the Stone Age; people have lived in the area.

Phalaborwa was established in 1958 to support a growing mining industry.

Hoedspruit ("hat creek") acquired its name when one of the pioneers removed his hat and threw it into the cool waters of the Sandspruit River and decided to stay. The settlement of people started when a trading store opened in 1884 and the town grew as a result of its position relative to the surrounding farming of tobacco, cotton and vegetables. It used to be a very quiet town with a few shops though, in recent years it has become increasingly busier as its businesses and population grew.

Bosbokrand in the south part of the area is named after large herds of antelope (bush buck) that grazed in the area.

There are many places of archaeological significance with relics of Stone Age man, as well as sites associated with the lives and exploits of the early hunters, traders, explorers, prospectors and settlers. Having settled here centuries ago, the peoples such as the Shangaan, Venda and Lobedu form part of a colorful mosaic. The Pedi, a great nation of African descent, formed their homeland centuries ago in the platinum-rich east. Under the reign of Chief Sekhukhune, they adapted to this harsh landscape that molded their lifestyle and traditions. Their cultural touch can be found in the carvings, weavings, paintings and pottery in the village and craft outlets.

A great change was also brought about to the lives of the indigenous tribes with the arrival of the Voortrekkers - European settlers who left the Cape to start a new life in the unknown wilderness of the hinterland. This "invasion" of their territory by Europeans led to great conflict and resulted in many bloody battles. Along with the Voortrekkers came the missionaries, inspired by the courage of faith, and they brought Western beliefs and education to the indigenous peoples. Those pioneers who moved even further to the north found the highly arable soil and scorching, temperate climate suited to their agricultural, and later industrial, lifestyle.

Majority of people speak Xitshonga (77%) in the Olifants area². They are usually referred as the Shangana-Tsonga, which is an artificial name created by grouping together two distinct ethnic elements, namely the Tsonga and the Shangana. Culturally, a clear distinction is made between adults and children. In earlier times, adult status was not obtained simply upon reaching a certain age or upon physical maturity; it could only be

² Refer to the table in Appendix J.

obtained ceremonially by undergoing certain initiation rites. Boys and girls were initiated in separate groups. Through the successful completion of initiation rites young people attain marriageable status, though certain rules must be adhered to, such as persons with the same grandparents cannot enter into marriage. At present, status determined by occupation, income and qualifications plays an increasing role in the choice of a marriage partner.

According to the earlier beliefs of the Shangana-Tsonga, there is a close relationship between creation and the supernatural power. The central theme in the religion is the belief in and the service offered to the spirits of the dead. Today some 29% of the inhabitants belong to either the Afrikaans sister churches or the Presbyterian or Roman Catholic churches and 13% to the Zionist church. More people belong to a church in the urban areas while in the rural areas one finds mainly people who do not belong to any church.

iii) Social

The approximate population of the area is 616,631 with 131,500 households, which represents 12.5% of the Northern Province population³. More than 95% of the population is African and a significant proportion live in the non-urban areas in villages spread throughout the countryside. However, given the attraction of potential job opportunities, a high proportion of the population also live in and around the urban area of Ba-Phalaborwa. The Bushbuckridge area has the highest population density of the total area (230 people per km²) compared to 23 people per km² in the Drakensberg and 36 people per km² in Ba-Phalaborwa.

A large proportion of the population (32%) does not have any formal education. This is higher than the ratio for the Province (17.3%) and the country as a whole (22%). There are 441 educational facilities in the three Local Council areas. The literacy rate of the area is 58%, which is similar to the province (57%) and lower than national (64%).

The number of clinics and hospitals in the area is 57, which on average serve 10,810 people per establishment. This level does not meet the WHO recommendation of 10,000 people and is lower than the ratio for the total Province (8,565 people).

The crime rate in the Northern Province is not as high as other provinces. It rated only between 0.4% and 1.5% of the national occurrences in various crimes⁴.

There are a variety of sponsors in this focus area. These include:

- AWARD (Water project in rural areas) funded by Mbula Trust
- A community forestry project funded by DANCED.
- The Mnisi Trust is funding a social ecology project for the Kruger National Park.
- The University of the Witwatersrand on a refugee repatriate project;
- There is a project to save the Sand River funded jointly by government and private landowners on the banks of the Sand River; and the
- National working for water program is also active in exotic plant control in the area.

³ Current available socio-economic data source was the result of 1996 Census that old Districts of Phalaborwa, Namakgale, Mhala, Mapulaneng, which may cover the focus area was used. However, wherever available, the PIMSS data was used to describe the current social conditions of the area.

⁴ Refer to the table in Appendix J.

Table 17.2.3 Population and Households

Population	African	Colored	Indian	White	Density per Km ²
616,631	96.9%	0.2%	0.0%	2.2%	47

House Holds*	Urban HH*	Non-Urban HH*
131,500	11.1%	86.4%

Source: 1996 Census

iv) Economy

The greatest contributor to economic activity is mining (54%), followed by government (26%). The area's GGP contribution to the Province is 17%. The unemployment level is 37.5%, which is lower than the Provincial level (41.9%) and close to the National level (37.2%).

The Census data indicates that the average monthly household expenditure for the area of R 2,775 are higher than the Provincial (R 1,855) and National (R 2,552) averages. However, 38% of households are still living under the poverty line of R800 per month. This is similar to the Provincial trend.

Diversification of the economic activities within the area is desirable in order to provide more job opportunities, particularly to people living in the less developed areas. This would certainly strengthen the sustainability of the area's economy.

Table 17.2.4 Economic Conditions of the Area

Imputed Mean Monthly Household Expenditure			% of Poverty line R800 or less per Month		
Focus Area	Province	National	Focus Area	Province	National
R 2,775	R 1,855	R 2,552	38.4%	38.0%	31.2%

GGP Share of the Economic Sectors					
Agriculture	Construction	Mining	Manufacturing	Electric	Trade
2.5%	1.6%	54.4%	3.6%	0.5%	4.2%
Transportation	Finance	Community	Government	Others	Contribution to Province
1.1%	3.5%	0.5%	26.2%	1.9%	17.0%

Unemployment Rate		
Focus Area	Province	National
37.5%	41.9%	37.2%

Source: 1996 Census

(2) Issues and Priorities

As in other Local Councils, the town planner in Phalaborwa mentioned that they are currently undertaking an IDP for the area, which includes an economic development strategy for tourism. The Northern Province Department of Economic Affairs, Agriculture and Tourism works very closely with the local municipalities with regard to their IDPs, in order to ensure that the different projects identified in the IDPs are in line with Provincial strategies.

According to the Northern Province Investment Initiative (NPII), from a tourism perspective, their involvement primarily relates to the development of commercial farms into game reserves and several cultural tourism projects. The NPII's tourism involvement is very limited and it is generally more involved in mining and agriculture. Tourism is a new sector for the NPII and the Province and is still gaining momentum. The NPII specifically mentioned a cultural tourism project in Phalaborwa adjacent to the KNP and a curio project (also in Phalaborwa, which is being developed with assistance from the Foskor Development Trust (the social responsibility arm of a major local mining operation). There is however a need for more training on the marketing of such projects and their products. NPII is also expecting new investment opportunities to be driven by the potential receipt of international status by the Eastgate Airport in Hoedspruit in 2002. The application has been submitted to DEAT and is under consideration. Such a license will allow the airport to handle international flights that both the tourism and agricultural industries could benefit from.

The Kruger to Canyons Biosphere Reserve research has identified that rural folk have not had much benefit from tourism other than employment. They therefore plan for a stronger integration of local communities into their process.

The potential socio-economic impact of tourism development on this area is still unclear given the fragmented and limited tourism initiatives and development plans. However, there is a sufficient labour force, which could be absorbed into the tourism sector in the future. Social diversity may also be utilized to attract tourists if the cultural experience could be well branded and sold. This will eventually contribute to the upgrading of the lives of people in the area.

(3) Expected Socio-Economic Impacts

The tourism development proposed is expected to attract a greater number of tourists to the area, thereby increasing tourist expenditure and job opportunities in the tourism-related sectors.

i) Tourism Expenditure

Table 17.2.5 shows the projection of total expenditure by tourists to the subject area, estimated based on the demand analysis made earlier (for the case with the proposed plans) and the results of the socio-economic impact assessment survey conducted as part of this study.⁵ The total tourist expenditure is compared with GDP in 2000 (at current prices) and GGP of Northern Province in 1996 (adjusted at 2000 prices).

Table 17.2.5 Projected Total Expenditure by Tourists to the Subject Area with the Proposed Plans

Item	2001	2006	2011
Total tourist expenditure (million Rand: at 2001 prices)	305	356	407
% of GDP in 2000 (at current prices)	0.03%	0.04%	0.05%
% of Provincial GGP in 1996 (at 2000 prices)	1.2%	1.4%	1.5%

Note: GGP in 1996 is based on the estimate by DBSA.

Source: JICA Study Team, Socio-Economic Impact Assessment Survey conducted in this study.

⁵ Detailed calculation of the total tourist expenditure for the subject area is provided in the section of Economic Evaluation for the priority projects and programmes described later in this volume.

Tourist spending will benefit not only the activities directly related to tourism, but also other economic sectors including those producing outputs purchased by the tourism industry. As described in the chapter of Tourism Demand and Its Impact in Volume I, the contribution of "Tourism Economy" to GDP (sum of the direct and indirect impacts) is significantly higher than that of "Tourism Industry" (direct impact only). The ratio of the Tourism Economy to the Tourism Industry is estimated at 2 to 2.7, depending on the sources. Therefore, the total economic impact of tourism in the subject area would be double or triple of those estimated in the table above.

ii) Job Creation

Currently, direct tourism employment in the subject area is estimated at about 1,500, based on the result of the socio-economic impact assessment survey. Employment creation resulting from the proposed tourism development plans is estimated in Table 17.2.6, assuming that the number of jobs increases in proportion to the total tourist expenditure.

Total employment in the table includes both direct and indirect employments, which was estimated using the ratio of employment for "Tourism Economy" to that for "Tourism Industry" (averaging the ratios estimated in DEAT and WTTC studies).⁶

Table 17.2.6 Projection of Tourism-Related Employment in the Subject Area with the Proposed Plans

Item	2001	2006	2011
Direct Employment:	1,494	1,743	1,991
- Accommodation	946	1,104	1,261
- Restaurants	114	133	152
- Other tourism	434	506	578
Total Employment (direct & indirect)	3,478	4,059	4,635
Growth (1.00 in 2001)	1.00	1.17	1.33

Source: JICA Study Team, Socio-Economic Impact Assessment Survey, DEAT, and WTTC

iii) Social Impacts

On an average, community leaders indicated that they represent 10,000 people. They generally feel positive about the importance of tourism as an economic activity for both Nation and region. They also responded that tourism development would alleviate the current problem of poverty as well as contribute to peoples' living standard in the community and region.

The frequently answered tourism potentials in the area are Culture and Nature attractions. When asked the tourism impacts on tourism resources, Game/wildlife, Nature attraction and Adventure were frequently answered as either very positive or positive. Only History was answered as No. Impact by a few respondents.

When asked what impact tourism had on various socio-economic aspects, Job creation, Income, Training/education opportunity were answered frequently as positive impacts. The possible deterioration of Health, Crime, and Pollution were seen as a potential negative impact. Negative impact on health is presumed that job seekers from Mozambique may

⁶ For details of the results of these two studies, see the chapter of Tourism Demand and Its Impact in Volume I.

bring diseases. Tourists growth would also considered to attract criminals and to increase garbage.

Community leaders indicated that approximately 37% of the community members are involved in the tourism sector such as tour guides, waiters and chefs, camp cleaning and attendance staff, and game guards and rangers. They also mentioned that about 4% of their constituencies would like to become involved further. They responded that community members could launch business ventures such as guided tours in the region, food and drink, handcraft, and traditional festivals and event.

In general, community in the Olifants area is positive about the future tourism development impacts and expecting it to contribute to the regional economy and upgrading their living standard. They especially expect tourism to create jobs and expand opportunities through training/education. These would eventually contribute to their economic conditions. They also showed their positive interests in participating in the tourism businesses such as providing guided tours and cultural experiences. The proposing tourism development in the area includes creation of wildlife experience node for the tourists in the area such as a facilitation of Wildlife Education and Research Centre. This new establishment will create various new jobs and provide training opportunities. However, it is recommended to encourage community participations in the future tourism development as much as possible to pull out the economy of the area spontaneously. Though this process, community may gain their awareness of their responsibility in involving in the tourism sector as well as their sustainability. It is also suggested that the new development project in the area needs to cooperate with existing Wildlife College, which coordinate community leaders in the area as a result of their involvement with the Biosphere Reserve and larger tourism related initiatives. Through this process, communities' involvement may be secured. However, some worries on negative impacts should be mitigated when tourism developments were implemented.

17.3 Product Development Plan

17.3.1 Existing Supply of Tourism Resources and Assets

All tourism resources or assets, i.e. attractions, products and facilities, currently available in the Valley of the Olifants Subject Area are tabulated in Appendix C. The tabulation lists the name of the resource, the resource category (i.e. attraction, product, facility, etc) and the general location of the resource.

Appendix C shows that the Subject Area primarily offers two types of tourist facilities; game reserves and game reserve orientated accommodation. In fact the majority of tourists facilities in the Subject Area are accommodation orientated and primarily game reserve accommodation. The area offers only a limited number of tourist attractions and several of these are also game/wildlife orientated, i.e. breeding and research centres. All of the tourism resources in the area are offered as separate facilities and/or attractions (i.e. fragmented), no routes or linked experiences are offered.

17.3.2 Tourism Resource/Asset Map

All existing tourism resources as per the tabulation discussed in Section 17.3.1 above are allocated to a map provided as Appendix D. The mapping of existing tourism resources is undertaken in order to clearly identify and assess the extent of, the geographic locations of and the relationships between tourism resources and assets.

The map indicates that the majority of existing tourism resources of the Subject Area are located within or around Phalaborwa and Hoedspruit.

17.3.3 Interpretation of Current Tourism Product(s)

The detailed interpretation matrix of current tourism products offered in the Valley of the Olifants Subject Area together with description comments and clarification is provided in Appendix B. The interpretation is based on the tourism resource tabulation of Section 17.3.1, the tourism resource map of Section 17.3.2 and general current tourism marketing materials on the area.

A summary of the current tourism products for the Valley of the Olifants Subject Area is provided in Figure 17.3.1 below.

Figure 17.3.1 Current Tourism Products – Valley of the Olifants Subject Area

- **Game Reserve/Wildlife**
 - **Entry to Kruger National Park**
 - **Private Lodges**
 - **Research/Education (cheetah centre, reptile park)**

Figure 17.3.1 shows that this area's current product offering is very specific and centres on the wildlife experience.

17.3.4 Core Tourism Product Strength & Potential of the Area

The area's general tourism strengths and potentials are detailed in Section 17.1.2.

In line with the core concept, the Valley of the Olifants Subject Area's **core tourism product strength** and potential is specified as the combination of the general wildlife and the wildlife research and education products, providing opportunity for an educational and practical (or real life) experience in one area.

17.3.5 Potential Tourism Products

The detailed interpretation matrix of future/potential tourism products offered in the Valley of the Olifants Subject Area together with description comments and clarification is provided in Appendix B. The potential products were identified in line with the identified strengths and potentials of the area, the core concept for the area and are in keeping with the tourism product development strategy and basic planning principles.

A summary of the potential tourism products for the Valley of the Olifants Subject Area is provided in Figure 17.3.2 below.

Figure 17.3.2 Potential Tourism Products – Valley of the Olifants Subject Area

- **Game Reserve/Wildlife**
 - **Entry to Kruger National Park**
 - **Private Lodges**
 - **Research/Education (cheetah centre, reptile park)**
 - **Wildlife Research and Education Interpretation and Visitor Centre**
 - **Wildlife Research and Education Tourist Route**
 - **WR and ETR Crafts, Curios and Merchandising**

The potential product offering incorporates the current product offering and, in essence, merely expands and/or augments the current product base by:

- Adding additional products that will significantly strengthen the product base and provide:
 - The basis for establishing a clear-cut image that would clearly differentiate this area's wildlife product from the myriad of other wildlife products in South and the rest of Africa;
 - The opportunity for broadening target markets; and
- Providing products that will improve the overall experience and extend the length of stay of visitors in the area.

17.3.6 Target Market Segments

The appendix provides a detailed matrix specifying the future penetration potential in each possible target market by identified potential tourism product. From this matrix it is possible to identify the target market segments with real potential, taken as all segments with medium to high penetration potential. The target market segments for the Valley of the Olifants Subject Area are listed in Figure 17.3.3 below.

15 Target Market Segments with medium, 1 with medium to high and 2 with high penetration potential were identified for the Valley of the Olifants Subject Area.

17.3.7 Specification of Future Product Development

Recommended future product development for the area centres around:

- The improvement of existing product, particularly relating to the packaging of product (marketing) in order to reflect the core branding suggested for the area; and
- Further development of existing product.

Although some new product development is recommended, it is not totally new product, but new product that augments existing products and the core strength/brand of the area.

Figure 17.3.3 Target Market Segments with Medium to High Penetration Potential – Valley of the Olifants Subject Area

PRODUCT	Markets															
	Domestic Holiday				Domestic Business		Domestic VFR		Domestic Day Visitor				Foreign			MICE
	LSM1-6 Primary Domestic	LSM7-8 Primary Domestic	LSM1-6 Secondary Domestic	LSM7-8 Secondary Domestic	All LSMs Primary	All LSMs Secondary	All LSMs Primary	All LSMs Secondary	LSM1-5 (Local surrounding)	LSM6-8 (Local surrounding)	All LSMs Primary	All LSMs Secondary	Holiday	Business	VFR	(Foreign & Domestic)
Game Reserve/Wildlife:																
Entry to Kruger National Park		M											M			
Private lodges		M											M			
Research/education (cheetah centre, reptile park)		MH							M				M			
Wildlife Research & Education Interpretation & Visitor Centre		H							M				M		M	
Wildlife Research & Education Tourist Route (WR&ETR)		H							M				M		M	
WR&ETR Crafts, Curios & Merchandising		M							M				M			

Table 17.3.1 Recommended Product Development for the Valley of the Olifants Subject Area

Product Item	Description	Location	Timing
Improvement of Existing Product:			
<ul style="list-style-type: none"> • Packaging of product offering (major products only) 	<p>This particularly relates to:</p> <ul style="list-style-type: none"> • Developing marketing messages and materials: To establish the selected clear-cut image of “the South African Wildlife Research and Education Experience”; and To differentiate the area from major competitive destinations. • Developing tourist signage (and maps) for the Subject Area that would assist in establishing tourist routes and guiding tourists to resources and reinforce the clear-cut image for the area. Particularly important given the significant self-drive market to this area. • Improving or standardizing the existing wildlife research and education product to tie in with the proposed new wildlife research and education experience/route, i.e. a cohesive product. 	Total Area	Next 2 years and ongoing
Further Development of Existing Product:			
<ul style="list-style-type: none"> • Wildlife Research & Education Visitor Interpretation Centre 	<p>Although the area already has several attractions and facilities that offer a wildlife research/education experience, a powerful and state-of-the-art facility is required that will indisputably establish the selected clear-cut image of the area and would act as a draw card. A state-of-the-art WR&EC embodies such a facility.</p> <p>The WR&EC facility together with a range of smaller more hands-on and specialized wildlife research and education facilities, would provide tourists the unique opportunity to experience both wildlife education and wildlife practice (i.e. in real life) in one area or visit.</p> <p>The facility should be state-of-the-art, highly interactive and offer a high standard of interpretation. It should be used to “wet the appetite” of visitors to experience the more specialized facilities in the rest of the area.</p> <p>This facility must primarily appeal to the general tourist (i.e. the layman), but could also offer facilities that would be of interest to the wildlife special interest or wildlife academic market.</p> <p>Recommended components include:</p> <ul style="list-style-type: none"> • Wildlife interpretation centre including a virtual reality simulation area • Wildlife exhibition facility/hall • Wildlife theatre • Meeting facilities, particularly for attracting the special interest (wildlife education) MICE markets to the area • Subject area information/visitor centre that would offer information on the greater area and act as a dissemination point for tourists to the area • Wildlife arts and crafts and other merchandising centre (visitor participation in crafts production, pottery production, etc.). Wildlife research and education merchandising can, in particular, be very successful, i.e. literature, CDs, etc • Accommodation, if required (mid-market) • Restaurants and other shops 	<p>Still to be established – Hoedspruit, Phalaborwa or elsewhere on major access routes.</p> <p>The location of this facility is extremely important to the ultimate success of the facility as well as the clear-cut brand and the route development. The facility must be located where it would be able to attract the most tourist traffic.</p>	Within 5 years
<ul style="list-style-type: none"> • Wildlife Research & Education Route/ Experience 	<p>In order to differentiate the wildlife experience in the Subject Area from the myriad of other wildlife products in other areas, it is essential that a total cohesive route or experience be developed, i.e. a Wildlife Research & Education Route.</p> <p>Relevant existing as well as new attractions/facilities would be incorporated into the Route and standards as well as the core principles and activities of the Route will need to be established and implemented.</p> <p>Route marketing would need to be developed and implemented.</p>	Total Area	Within next 2 years and ongoing

Product Item	Description	Location	Timing
	This also ties in with the development of tourist maps and signage as discussed above.		
• Additional attractions/facilities with the wildlife research & education theme	Although a large number of wildlife research and education facilities/attractions already exist, we recommend that there is scope for new attractions/facilities and the development of such should be encouraged. With the development of the WR&E Route and Centre new opportunities will be created, particularly in respect of tourist support attractions and facilities, which are currently lacking.	Total Area	5-10 years

17.4 Infrastructure Development Plan

This area has many strengths and much potential for tourism development. For tourism development to succeed in this area, infrastructure development has an important supporting role.

17.4.1 Road

R36 is one of the regional main roads, which connects Tzaneen in the Northern Province and Lydenburg in Mpumalanga, running through the Valley of Olifants from north to south. However, part of this road from Karongwe to the intersection with R530 is not paved. During the rainy season, this road is constantly muddy and slippery and is very dangerous for tourist motorists. Paving this road would greatly contribute to the tourism industry in this area.

Few road signs showing road numbers and/or directions is provided along roads in this area. This causes difficulty in recognising roads and their direction. Road signs should thus be installed at proper locations and at regular intervals. Another problem is the inconsistency of road numbers shown on road signs when compared to road maps. For instance, roads between Mica and R36, and Mica and Palaborwa indicate R530. However, a road map depicts these roads as R527 and R40 respectively. This difference causes confusion to drivers/tourists. Preparation of a road/tourist map with updated accurate information would be very useful.

(Project)

- Upgrading of R36 (paving)
- Development of Road Signage
- Preparation of Road Map/Tourist Map

17.4.2 Air Transport

There are two airports for the gateway to Phalaborwa and Hoedspruit in the Valley of Olifants. Phalaborwa Airport already plans to increase the number of flights per day. However, Eastgate Airport in Hoedspruit presently has only two daily flights and no plans to receive more passengers. Hoedspruit and its surrounding area is one of the main tourist destinations in this region and will be developed for further strengthening of the tourism industry. This development will attract many new tourists. The main transportation means in the future will be vehicle, but the role of air transportation will become increasingly important with higher passenger demand. Therefore, a study on future passenger demand should be carried out.

(Project)

After 5 years

- Study on Passenger Demand at Eastgate Airport (Hoedspruit)

17.4.3 Water Supply

The area that the study team selected for the target area of tourism development is vast. While Phalaborwa and Hoedspruit are rather large communities and have a well- developed water supply system, other small towns/villages have insufficient water supply for newly developed areas due to poor facility development. Therefore, areas that are newly developed near these small towns/villages require a water supply facility. The areas developed near cities may obtain a water supply service by connecting to the main pipe already developed in/around cities.

17.4.4 Sewage Treatment

Newly developed areas near small towns/villages should provide their own proper sewage treatment facility within their own area since there are no existing nearby sewage pipes. There are two types of sewage treatment facility - sewage system with collecting pipes and a treatment plant, septic tanks.

If development areas are located near towns/villages and tourism facilities are constructed at a designated place within the development area, then a sewage system with collecting pipes and treatment plant is suitable. However, if tourism facilities are scattered around the tourism development area independently, a septic tank system is preferable.

When development areas are located near cities, investors can connect to the existing sewage system.

17.4.5 Electric Supply

An electric distribution line has already been developed along roads and electricity is served to towns/villages. Therefore, investors would be able to obtain electricity from the existing line. Investors would simply have to provide construction costs for the service line connecting the existing line to their facilities.

17.4.6 Telecommunication

Almost all cities/towns/villages in the development focus area have automatic or manual telephone exchange. Furthermore, most of this area is covered by cellular phone.

Investors and tourists in the development area will be able to communicate by telephone, through connection of a new telephone wire to the existing telephone exchange, and by a cellular phone. The capacity of the switchboard in existing cities/towns/villages located in the development area should be increased for greater communication demand in the future.

(Project)

- Increase switchboard capacity

Chapter 18

Badplaas/Barberton/Malelane Area

Tourism Development Plan

18.1 Tourism Development Concept

18.1.1 Background and Current Condition

The area is located in the southern most parts of Mpumalanga Province, with Barberton being the centre, and is situated about 330km from Pretoria and Johannesburg. The area is one of the PATIIs, named Badplaas/Barberton/Malelane Area. Nelspruit Airport is considered to be the air access point for the area. Due to the limited capacity of Nelspruit Airport and its unfavourable geographical surroundings, a new international airport is currently under construction in Primkop, situated between Nelspruit and White River. This is a private sector initiative and is expected to be semi-operational late in 2002.

The area lies within the Maputo Corridor, borders Swaziland to the south and the KNP to the northeast.

Major tourism resources in the area include:

- Unique mountainous/scenic terrain lying between Barberton and the border with Swaziland, which is also endowed with diverse flora and fauna as well as unique geology;
- Game and nature reserves, although not well established or well known at this stage; and
- Other potential resources, such as Barberton's mining history, with the world's oldest working gold mine located in the area. Barberton's mining history, however, is not well packaged and is still unknown as a tourism product even by most South Africans.

The area currently attracts only a fraction of domestic tourists and very few international tourists.

A major tourism development initiative in this area is the *Tourism and Biodiversity Corridor* project, which was initiated jointly by the Umjindi Municipality and the Barberton Chamber of Business and planned and partly implemented by provincial and regional bodies, together with private sector and local government. While this initiative has received some national government (DEAT) project specific funding support, it has not received any funding support for the overall program, which has been "project managed" on a *pro bono* basis by very committed private sector role-players in consultation with other role-players. The Corridor, running from Barberton and surrounding mountainous areas through Swaziland and Mozambique, is to provide experiences in world-class nature-based tourism utilizing the corridor's affluent natural resources. The improvement of a section of the road (R40) linking Barberton with Swaziland is expected to start soon (funded by the DEAT through its Poverty Relief Fund), but most other components of the initiative are still to be implemented largely due to budgetary constraints and lack of human resources.

18.1.2 Strengths and Potential

i) Strengths

The area's major strengths and unique features that can lead to the area's comparative advantage in terms of tourism include:

- Unique mountainous terrain and scenic beauty with diverse flora and fauna, which are found in the area's southern parts (between Barberton and the border with Swaziland);
- Barberton's mining history;
- Unique geology found in the mountain range; and

- Proximity to neighbouring countries, Swaziland and Mozambique - particularly the cultural heartland of Swaziland that can be accessed via one of the most scenic routes in South Africa.

(2) Potential

The area possesses the following potential, building on the strengths and unique features above:

- Good potential for developing mountain-based soft adventure tourism and some hard adventure combined with a game viewing experience, offering a variety of activities, nature walks and trails by using unique mountainous terrain, diverse flora and fauna, and geology;
- Good potential for developing circular tourist routes linking the area with Swaziland via scenic driving routes (see Box 18.1.1 below for major tourism resources available in Swaziland);
- Good potential for offering team-building experiences connected to game reserves and mountain-based activities for the domestic market;
- Good potential for significantly improving the interpretation and packaging of products featuring Barberton's history, thereby diversifying the area's product offering; and
- Potential for attracting special interest tourists or markets with respect to adventure, geology (and possibly unique flora and fauna).

Box 18.1.1 Major Tourist Attractions in the North West of Swaziland

The north-western corner of Swaziland is the Highveld of the Kingdom, with mountain ranges, indigenous forests, and rich flora and fauna.

Pigg's Peak:

A town located about 18km from the Josefsdal-Bulembu border post, with hotels and lodges in mountainous terrain, a casino, a craft centre, and so on.

Malolotja Nature Reserve:

An 18,000ha nature reserve stretching north south along the national border, with highveld and middleveld landscape. Contains two of Swaziland's highest mountains, Ngwenya and Silotwana plus the highest waterfalls, the Malolotja Falls, which are 95m in height. Over 280 species of birds have been recorded in the reserve, a number of them rare. Wildflowers and rare plants are also main attractions. Ngwenya has one of the world's oldest known mines, dating from 41,000 BC. There are a number of hiking trails, ranging from short day walks to a weeklong trail.

Source: Lonely Planet, South Africa, Lesotho & Swaziland; Jumbo Tourist Guide to Swaziland including Maputo (2001).

18.1.3 Development Concept

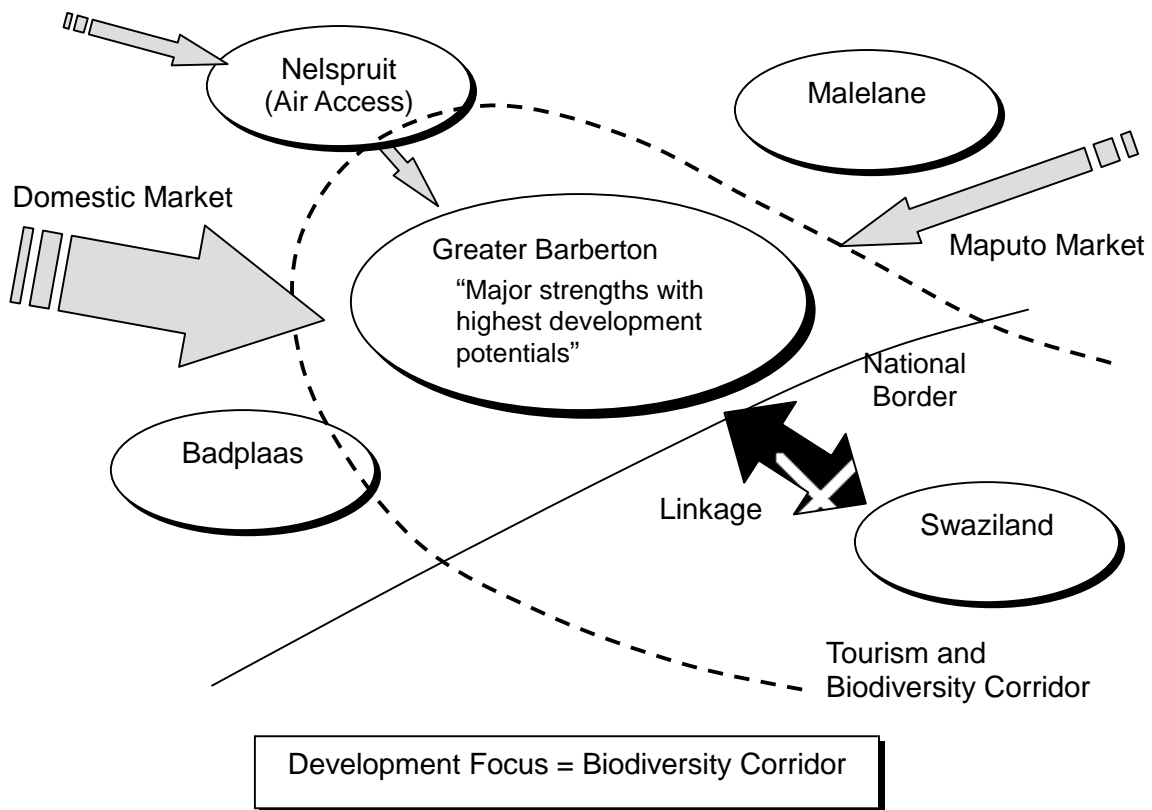
In order to drastically enhance the area's attractiveness and establish its comparative advantage, development efforts should be concentrated on building on its strengths and potentials mentioned above.

(1) Area Focus

- Spatially, development efforts should be focused on the sub-area corresponding to the Tourism and Biodiversity Corridor (Figure 18.1.1) that is located within South Africa, considering that:

- The major strengths exist in this sub-area, with the highest development potential.
- Current initiatives in the area are taken within the Corridor, and thus the development along the Corridor will strengthen the momentum of the initiatives.
- While this does not necessarily rule out any possibility of tourism development in other parts of the area, it is judged that given the current underdeveloped status of the area, major efforts along the Corridor are required for establishing the area’s comparative advantage, thereby most effectively enhancing the tourist draw of the area as a whole.
- For these considerations, this study will focus on planning for the Tourism and Biodiversity Corridor (within South Africa) with respect to this focus area.

Figure 18.1.1 Development Concept for Badplaas/Barberton/Malelane Area



Source: JICA Study Team

(2) Development Emphasis/Goals

i) The Clear-cut Image

The area, endowed with unique mountainous terrain with diverse nature, should be developed, aiming at establishing its reputation as:

“South Africa’s mountain land, adventure and wildlife experience”

ii) Product Emphasis/Goals

- Differentiation: Clearly differentiate the area's product offering by developing, as a core attraction, a variety of mountain-based adventure opportunities, including:
 - Mountain trekking, hiking and mountain biking;
 - Quad-biking;
 - Rock and mountain climbing;
 - Abseiling;
 - Paragliding;
 - Team building experiences through soft adventure activities.
- Synergistic, differentiated & improved wildlife viewing experience: Develop and/or upgrade game/nature reserves in ways to establish synergy with adventure activities and to take advantage of the area's mountainous/scenic terrain, whilst at the same time differentiating the wildlife experience from the standard experience offered elsewhere in South Africa, including:
 - Provide the above mentioned adventure activities within game reserves (without carnivores), thereby offering these experiences altogether at one place
 - Provide lodges that will fit with these activities including larger ones than conventional game reserve lodges, which can accommodate families quite comfortably.
- Product diversification: In order to offer a diversified experience, and adding to the nature-based experiences already discussed, develop and/or drastically upgrade the products featuring the following:
 - Barberton's history
 - Mining activities
 - Geology
- Events: Actively explore hosting events relating to adventure tourism and mountain-based activities as a powerful marketing tool to promote the area (see Box 18.1.2 for details on potential events that could be targeted).
- Holiday homes: Explore the potential for permanent holiday home development in the town of Barberton as well as the greater area, similar to the development of closely located towns such as Waterval-Boven, Dullstroom, etc.
- Link with Swaziland: Explore the link of the area with Swaziland, including the scenic driving route, Swazi culture and arts/crafts attractions in Swaziland in close proximity to the Bulembo border post.

Box 18.1.2 Examples of Potential International Adventure Events

Raid Gauloise:

The Raid Gauloise is a hard-core sport and adventure rally, which originated in France but is fast becoming more and more international and is now the biggest international event within the adventure-sport market segment.

Proof of its growing international stature is the increasing number of journalists from all over the world that is registering for attending the event - the first event was covered only by French journalists, but when the event was held in Madagascar 47 journalists followed the progress of the rally (25 French, 9 Japanese, 5 Americans, 2 Italians, 2 Germans, 2 Madagascans, 1 Swede and 1 Belgian).

The reputation of the event is growing (1 out of 2 French citizens has heard of it and half of the French under-35s know of and follow the event). The event has been held in Malaysia (Borneo Island), New Zealand, Costa Rica, New Caledonia, Oman and Madagascar. Each event was heavily sought after and facilitated by the host country's national tourism body.

Other International Events:

Camel Endurance Trophy (sponsored by Camel and Landrover).

iii) Target Market Emphasis/Goals

The broad target market goals are specified as:

- Foreign vs. Domestic: Targeting of both the foreign (including the East Asian market) and domestic markets, with a higher emphasis or importance being placed on domestic markets.
- Day vs. Overnight Visitors: Targeting of both the overnight and day visitor markets. The primary emphasis is, however, on the overnight market, particularly in respect of the domestic market.
- Existing vs. New Markets: Further penetration of existing markets (both foreign and domestic) holds definite further potential and major emphasis is to be placed on this action. However, high importance should also be placed on identifying and penetrating new markets, particularly the domestic soft adventure markets, the domestic team building market and special interest markets such as hard adventure, geology, etc.

18.2 Long Term Development Framework

18.2.1 Definition of Subject/Study Area

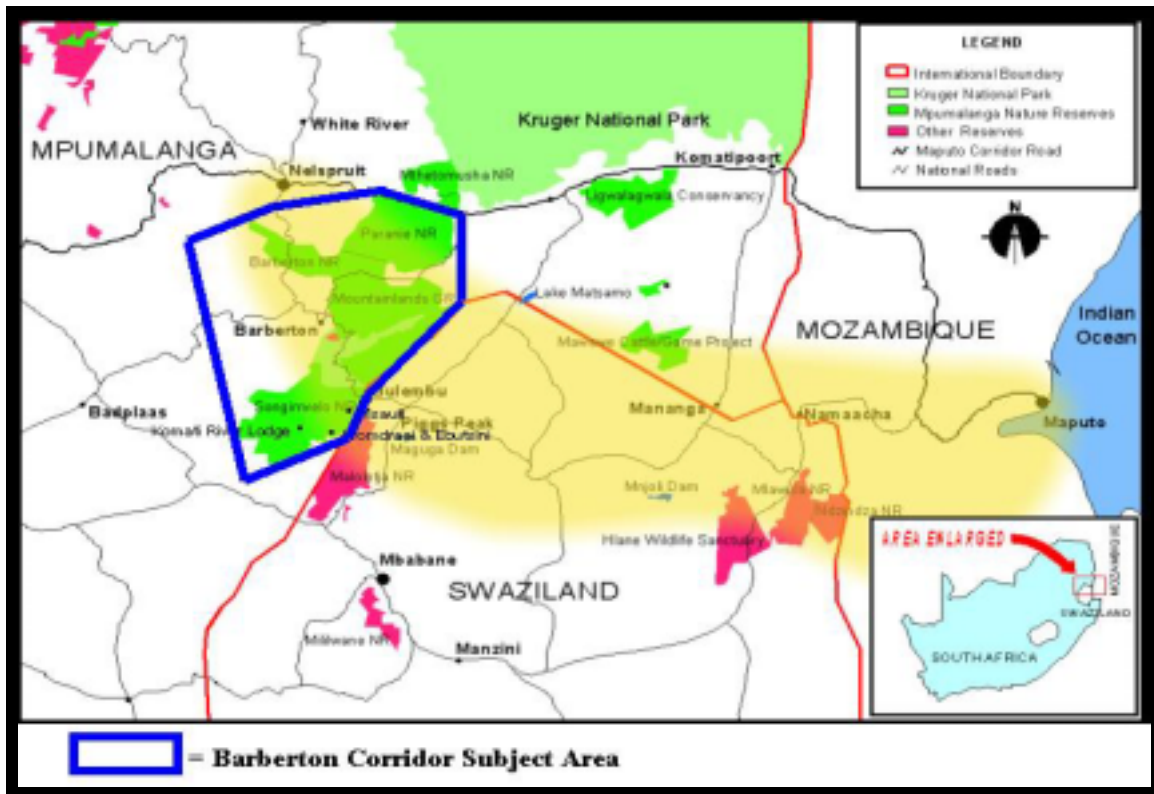
As indicated in the Interim Report, the three sub-areas within this focus area (Badplaas, Barberton and Malelane) have distinctly different tourism identities. Barberton is by far the strongest of the three areas in respect of the uniqueness, range and variety of its tourism offering. It is also by far the most advanced in respect of tourism development planning, administration and structure. The majority of tourism plans identified for the total focus area are in the Barberton area and tourism clearly carries a higher appreciation/importance in this sub-area.

Given the above, tourism is more likely to develop faster in the Barberton sub-area, translating faster into tourist flows and ultimately jobs. Strong development of Barberton, given that it is the centre core of the total focus area, will in time impact positively on development in the other two sub-areas.

The Study Team decided that, of the three sub-areas, the greater Barberton area presents the most strengths and thus the highest potential for tourism development and therefore the greater Barberton area is selected as the core study area within this Focus Area. In keeping with the core planning principles, the study area correlates closely with the defined study area (only those areas that are relevant to the greater Barberton area) for the existing Mpumalanga Biodiversity Corridor initiative.

In future, this area is defined as **the Barberton Corridor Subject Area**. The Barberton Corridor Subject Area is demarcated in Map 18.2.1 below.

Map 18.2.1 Barberton Corridor Subject Area



18.2.2 Demand Analysis

(1) Current Demand

A summary of the final current estimated tourist numbers is provided below in Table 18.2.1. The detailed demand analysis and the sources of data are provided in Appendix A.

Current demand is calculated based on the current demand information drawn from the survey of existing tourism product in the subject area carried out as part of the *Socio-Economic Tourism Impact Assessment for Focus Areas*.

Table 18.2.1 Current Tourism to the Study Area

Origin	Type of Tourist		
	Overnight	Day	Total
Domestic	79,924	24,445	104,369
Foreign	16,419	6,451	22,870
Total Estimated Tourists to the Study Area	96,343	30,896	127,238

In order to assess how the Subject Area is performing in respect of tourist demand, tourist visitor projections for the total Mpumalanga Province as well as the total Wild Frontier Tourism Region (in which the Subject Area is located) are included in the calculations. The Subject Area is performing poorly in respect of foreign tourism demand to the Mpumalanga Province - it is attracting only 4% of all foreign tourists to the Province. The Subject Area is showing good performance in respect of domestic demand – it is attracting 16% of all holiday domestic tourists to the Mpumalanga Province, and 89% of non-visiting friends and relatives domestic tourists to the Wild Frontier Tourism Region.

(2) Potential Demand

A summary of the future estimated tourist numbers is provided below in Figure 18.2.1. The detailed demand analysis and the sources of data are provided in Appendix A.

Future demand is calculated using the final current demand as a base and applying annual growth factors (the growth factors are JICA Study Team assumptions). In order to show the impact of this study, the difference in the future demand with and without the JICA Tourism Development Plan recommendations is calculated.

Figure 18.2.1 Estimated Future Tourism to the Study Area

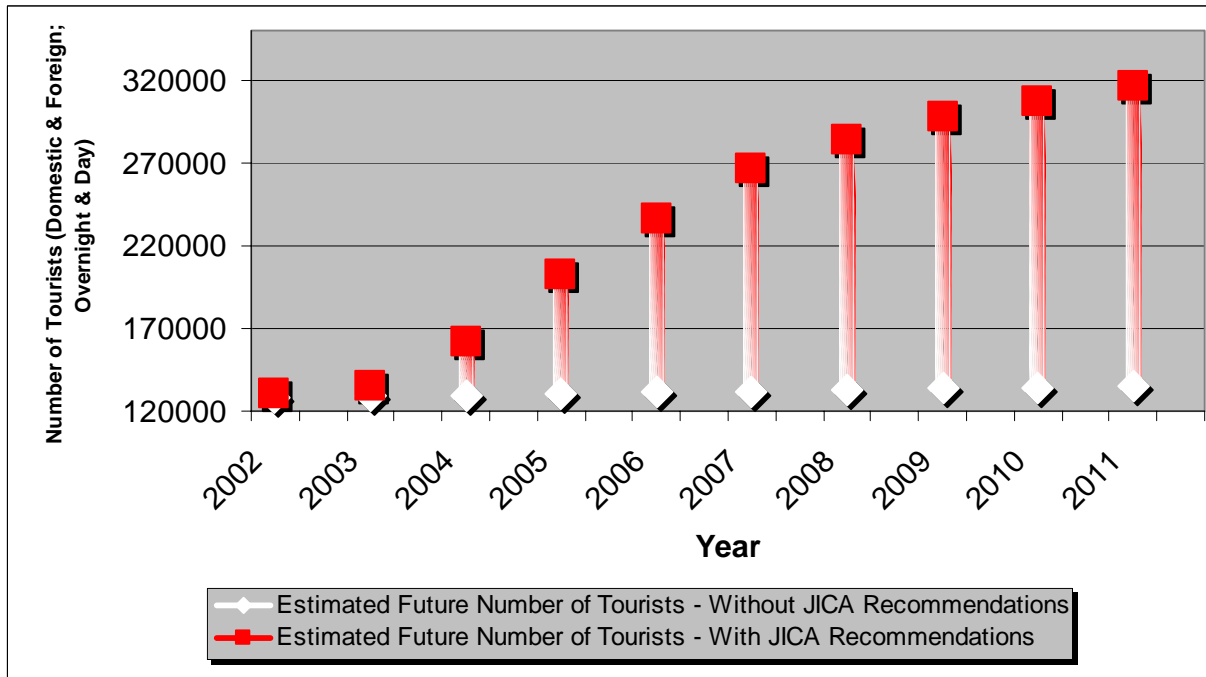


Figure 18.2.1 shows that without implementation of the JICA Study Team’s recommendations total tourism to the area is expected to grow from the current 127,000 to around 135,000 by 2011 (a compound growth of 0,5% pa). With the JICA Study Team’s recommendations total tourism to the area is expected to increase from the current 127 000 to around 320,000 in 2011 (a compound growth of 9,3% pa). This represents around 5 additional tourists to the area per day due to the JICA Study recommendations in 2002, increasing to around 290 additional tourists per day by year 5 and 500 additional tourists per day by year 10.

As shown in Appendix A, with the JICA Study Team’s recommendations, tourism numbers grow steadily but slowly in years 1 and 2 (influenced only by increased and improved marketing and product packaging), increases significantly in years 3 to 5 (2004 and 2006) when the recommended projects are in operation, and then slows down to a steady growth from year 6 to 10 (again influenced mainly by increased and improved marketing and well as tourist route development).

The domestic market is and will remain the main source market for this area - representing around 80% of total tourism demand. Although the day visitor market is important and significant, overnight tourists currently and in the future will represent the greater proportion of total tourist demand - between 76% and 81% of total demand.

(3) Preliminary Target Markets (Current & Future)

The detailed current and future target market assessment is provided in Appendix B. We summarise the major current target markets as well as the target markets that have medium to high future penetration potential in Table 18.2.2 below.

Table 18.2.2 Barberton Current & Future Medium to High Potential Target Markets

CURRENT MARKETS	FUTURE MARKETS
Domestic Holiday Tourists within LSM 7-8 from Primary Areas	Domestic Holiday Tourists within LSM 7-8 from Primary Areas
	Domestic Holiday Tourists within LSM 7-8 from Secondary Areas
	Domestic Day Visitors within LSM 6-8 from Local Surroundings
	Foreign Holiday Tourists
	Foreign VFR Tourists
	MICE – only related to teambuilding MICE markets

The area is attracting the greatest proportion of its current visitors from one market, i.e. domestic holiday tourists within LSM 7-8 from primary areas. However, this market has significant potential for further penetration and several other/new markets have high penetration potential should suitable and unique products be provided. The area will primarily be a domestic market and an overnight destination.

18.2.3 Socio-Economic Framework

(1) Conditions of Focus Areas

i) Location

The area is situated in close proximity to Swaziland (42km to Bulembu border – remember to bring your passport), the KNP (78km to Malelane gate), and Nelspruit, the capital of Mpumalanga (45km), where the nearest airport is located. It is 403km from Johannesburg, and 350km from Pretoria.

ii) History and Culture

Although there is evidence that prehistoric man frequented the spectacular hills around Barberton as well as the de Kaap valley (the largest landlocked valley in South Africa) both during the Stone – and Iron Ages, the real settlement of the valley took place in 1884. The Barber brothers, Fred and Henry and their cousin Graham came upon a rich gold reef in the Makhonjwa mountains in June 1884 – a reef so rich that it sparkled in the sun. Barberton was a boomtown during the gold rush that followed the discovery and housed South Africa's first stock exchange. Many of the buildings and monuments to be seen today are a reminder of those wild and wonderful days. However, most miners soon moved onto to the newly discovered Rand field near Johannesburg. Currently, all working gold mines in the region (less than a handful) are over 100 years old.

Archaeological and cultural heritage in the Barberton includes Lion Cavern (oldest mine in the world – 45,000 years), various Iron Age (500 years) and Stone Age (22,000-100,000 years) sites, 16th and 17th century Bushman paintings, Sheba Gold mine (World's oldest

working gold mine), historic buildings, Eureka City (1800's mining settlement), and rich Swazi culture.

Siswati in the language mainly used in the area (66%) and they are known as Swazi¹. Tradition has it that the Swazi, as part of the Nguni expansion southward from East Central Africa, crossed the Northern Province River and settled in Southern Mozambique in the late fifteenth century. The marriage is essentially a linking of two families, rather than of two persons, and the bearing of children is the essential consummation of wife hood. In the ancestral cult, the world of the living is projected into a world of spirits. Men and women, old and young, aristocrats and commoners, continue the patterns of superiority and inferiority established by earthly experiences.

iii) Social

The approximate population of the area is 227,173 with 48,989 households and more than 95% of them are African². This represents 8.1% of the total population in the Mpumalanga Province. The majority of people (76.1%) live in non-urban areas.

About 35% of the people in the area have never attended school, which is higher than that of the Province (29%) and the country as a whole (22%). Similarly, the literacy rate of the area is 56.3%, lower than that of the Province (60.8%) and the country as a whole (64%). The literacy rate of the area is 56%, which is lower than both Province (61%) and National level (64%).

There are 41 clinics and hospitals in the area, representing 12% of the total number in the Province catering to an average of 5,541 people per clinic, which is adequate for the area³. However, the distribution of these clinics and their standards require improvement.

The crime rate in the Mpumalanga province is between 1% and 2% of national occurrences⁴.

Private sponsorships in the Barberton region are limited, although the inhabitants are of the opinion that the opportunity exists. The biggest sponsor in the area is government. Recent projects include Poverty Relief Fund and Local Economic Development Fund both by DEAT. The projects funded by the Local Economic Development Fund include;

- Jewelry Design School that takes on 20 students per year for a 2-year period. Students work in bronze, silver and gold. (R1.49 million).
- Municipal services are sponsored by CMIP and the National Electricity Regulator (NER).
- For 2002 a 'hawker stores' project has been approved.
- For 2003 a SMME (small, micro and medium enterprises) support centre has been approved.

¹ Refer to the table in Appendix J.

² The data was extracted from the 1996 census of Barberton and Eerstehoek districts, which may cover the Focus Area.

³ World Health Organization (WHO) often recommends 1 clinic per 10,000 people.

⁴ Refer to the table in Appendix J.

Table 18.2.3 Population and House Holds

Population	African	Coloured	Indian	White	Density per Km ²
227,173	95.3%	0.4%	0.3%	3.4%	45

House Holds*	Urban HH*	Non-Urban HH*
48,989	23.9%	76.1%

Source: 1996 census

iv) Economy

Barberton's economy is primarily based on forestry, gold mining, and a little agriculture. Existing mines are over 100 years old. The Sheba mine is reputed to be the richest working goldmine in the world, while Fairview mine is the only goldmine in South Africa to use an eco-friendly bacterial refraction method. However, due to the decline of mining sector, much of the current economy in the area is based on the agriculture and forestry sectors. The formal economy cannot accommodate the entire available labour force and this contributes to the very high unemployment levels (45.6%), which is higher than provincial and National levels.

Table 18.2.4 Economic Conditions of the Area

Imputed Mean Monthly Household Expenditure			% of Poverty line R800 or less per Month		
Focus Area	Province	National	Focus Area	Province	National
R 1,751	R 2,394	R 2,552	33.5%	25.0%	31.2%

GGP Share of the Economic Sectors					
Agriculture	Construction	Mining	Manufacturing	Electric	Trade
30.4%	2.1%	13.7%	11.4%	0.6%	7.6%
Transportation	Finance	Community	Government	Others	Contribution to Province
6.2%	3.8%	0.7%	21.8%	1.8%	3.1%

Unemployment Rate		
Focus Area	Province	National
45.6%	32.7%	37.2%

Source: 1996 Census

Moreover, anticipated declines in the mining sector will create additional unemployment and there is no real prospect at present that the job losses can be made up elsewhere in the mining sector within the area. Therefore, alternative sources of employment, especially in economic activities that do not specifically require highly skilled personnel, are required.

The monthly household expenditure of R 1,751 is lower than the provincial and National averages and more than 30% of households are living under the poverty line of R 800 per month.

(2) Issues and Priorities

The IDP for this area is currently under preparation. However, in the interim there is a major initiative in this area that should be mentioned, namely the Tourism and Biodiversity Corridor (initiated locally and driven jointly by private and public sector role-players). As part of this initiative the “Tourism & Biodiversity Corridor Multi-Year Development Program” was commissioned by the Barberton Chamber of Business as part of the technical work undertaken for the Tourism & Biodiversity Corridor, which covers South Eastern Mpumalanga, through northern Swaziland and into southern Mozambique, including the focus area. The overall target of this initiative is the promotion and support of sustainable and collaborative socio-economic development with the following socio-economic objectives:

- To utilize the inherent tourism and conservation potential as a basis for the development of a world-class nature based tourism destination.
- To increase the rate of economic growth within this and adjacent regions.
- To generate new/additional tourism and conservation-led employment opportunities.
- To create a more diversified and robust economy within this and adjacent regions.
- To mobilize private sector investment and expertise for tourism and conservation development within the region.
- To increase the benefits flowing to the rural communities in order to launch a process of sustainable development over the long term.

It also mentions that there is an urgent need for the development of strategies that boost the rate of sustainable employment creation and economic growth. It requires not only the expansion of existing economic activities but also exploitation of new ventures to improve the labour absorption of the economy by utilizing tourism resources such as rich diversity of biota and climate. It also predicts that the under-utilized potentially world-class tourism natural resources seem to offer opportunities for tourism-led development. Moreover, tourism-led development also expects to offer important potential for SMME development, especially cultural-based resources. In the rural areas, tourism-led developments need to be coordinated and integrated with agricultural-led developments.

The following socio-economic aspects were mentioned in an interview with the Mpumalanga Department of Finance and Economic Affairs, which includes the tourism portfolio:

- Capacity building and training are major needs in this area.
- Mpumalanga is under-resourced with regards to NGOs and have been serviced by NGOs from Gauteng.
- Tribal authorities generally do not interfere in developmental issues but like to be kept informed.

Therefore, tourism development is expected to encourage the involvement of local people and moderate obstacles.

(3) Expected Socio-Economic Impacts

The tourism development proposed is expected to attract a greater number of tourists to the area, thereby increasing tourist expenditure and job opportunities in the tourism-related sectors.

i) Tourism Expenditure

Table 18.2.3.3 shows the projection of total expenditure by tourists to the subject area, estimated based on the demand analysis made earlier (for the case with the proposed plans) and the results of the socio-economic impact assessment survey conducted as part of this study.⁵ The total tourist expenditure is compared with GDP in 2000 (at current prices) and GGP of Mpumalanga Province in 1996 (adjusted at 2000 prices). Although the amount in absolute terms is not very large, the rate of growth is expected to be significant.

Table 18.2.5 Projected Total Expenditure by Tourists to the Subject Area with the Proposed Plans

Item	2001	2006	2011
Total tourist expenditure (million Rand: at 2001 prices)	69	164	223
% of GDP in 2000 (at current prices)	0.01%	0.02%	0.03%
% of Provincial GGP in 1996 (at 2000 prices)	0.2%	0.4%	0.5%

Note: GGP in 1996 is based on the estimate by DBSA.

Source: JICA Study Team, Socio-Economic Impact Assessment Survey conducted in this study.

Tourist spending will benefit not only the activities directly related to tourism, but also other economic sectors including those producing outputs purchased by the tourism industry. As described in the chapter of Tourism Demand and Its Impact in Volume I, the contribution of "Tourism Economy" to GDP (sum of the direct and indirect impacts) is significantly higher than that of "Tourism Industry" (direct impact only). The ratio of the Tourism Economy to the Tourism Industry is estimated at 2 to 2.7, depending on the sources. Therefore, the total economic impact of tourism in the subject area would be double or triple of those estimated in the table above.

ii) Job Creation

Currently, direct tourism employment in the subject area is estimated at about 480, based on the result of the socio-economic impact assessment survey. Employment creation resulting from the proposed tourism development plans is estimated in Table 18.2.6, assuming that the number of jobs increases in proportion to the total tourist expenditure.

Total employment in the table includes both direct and indirect employments, which was estimated using the ratio of employment for "Tourism Economy" to that for "Tourism Industry" (averaging the ratios estimated in DEAT and WTTC studies).⁶

⁵ Detailed calculation of the total tourist expenditure for the subject area is provided in the section of Economic Evaluation for the priority projects and programmes described later in this volume.

⁶ For details of the results of these two studies, see the chapter of Tourism Demand and Its Impact in Volume I.

Table 18.2.6 Projection of Tourism-Related Employment in the Subject Area with the Proposed Plans

Item	2001	2006	2011
Direct Employment	484	1,144	1,551
Accommodation	432	1,021	1,385
Restaurants	15	35	48
Other tourism	37	87	119
Total Employment (direct & indirect)	1,127	2,663	3,612
Growth (1.00 in 2001)	1.00	2.36	3.21

Source: JICA Study Team, Socio-Economic Impact Assessment Survey, DEAT, and WTTC

iii) Social Impacts

Interviewed community leaders mentioned that on an average, they represent 65,000 people. To the inhabitants of Barberton in general, tourism is seen as an important economic activity for both Nation and region. Majority of the respondents answered either “yes” or “may be” in the question of whether tourism development is a solution to the problem of poverty or not. They also feel that tourism development would contribute to peoples’ living standard in the community and region as well.

The frequently answered tourism potentials in the area are Nature attractions, and Culture. When asked to rate the impact that the tourism resources have on tourism in the region/community, majority of respondents indicated either very positive or positive on all factors of Nature attraction, Game/wildlife, Adventure, History, and Culture. However, on the Culture aspect, some negative responses were seen.

When asked what impact tourism had on socio- economic aspects, job creation, income, infrastructure provision, and regional/community structure were answered frequently as positive. They indicated that tourism might have a negative effect on the aspects of pollution, crime and social values and morals. Especially, littering was considered as pollution and more tourist flow would believe to increase the crime and influence traditional morals and value.

Community leaders indicated that currently 30-35% of the community was involved in the tourism sector but approximately 50% of their community members would like to become involved in the future. The respondents believed skills like traditional cooking and crafts, tour guides, cultural knowledge, resort management, and cleaning service were available in their community. They responded that community members could launch a business venture especially traditional festivals and special events and food and drink.

The socio-economic impacts of tourism development in Barberton areas are generally stated as positive. The proposing tourism development aims at enhancing the nature oriented tourism products in the area such as game reserves. The development of tourism facilities and activities for further game reserve development include various accommodation and adventure tourism oriented facilities. This facilitation will create new employments and provision of infrastructure services such as roads. As the current issues indicated, offering SMME development opportunities to local community relating the future tourism development may alleviate the economic disadvantaged people in the area. It may be suggested to combine and blend world-class tourist development and local cultural and historical oriented tourist attractions to encourage community participation as much as possible.

18.3 Product Development Plan

18.3.1 Existing Supply of Tourism Resources and Assets

All tourism resources or assets, i.e. attractions, products and facilities, currently available in the Barberton Subject Area are tabulated in Appendix C. The tabulation lists the name of the resource, the resource category (i.e. attraction, product, facility, etc) and the general location of the resource.

Appendix C shows that the Subject Area possesses a broad range of tourist facilities and attractions, with the largest number of attractions being Barberton history orientated. The tourism resource list includes very different types of facilities/attractions/activities ranging from historic attractions, to scenic drive attractions to adventure activities.

Although the resource list is extensive, with the exception of the historic attractions, which boast a route, most of the tourism resources in the area are offered as separate facilities and/or attractions (i.e. fragmented), no routes or linked experiences are offered. In addition, very poor or no interpretation is provided in respect of most of the attractions. It is also the opinion of the Study Team that the content, interpretation and packaging of the existing historic route could be improved.

18.3.2 Tourism Resource/Asset Map

All existing tourism resources as per the tabulation discussed in Section 18.3.1 above are allocated to a map provided as Appendix D. The mapping of existing tourism resources is undertaken in order to clearly identify and assess the extent of, the geographic locations of and the relationships between tourism resources and assets.

The map indicates that the majority of existing tourism resources of the Subject Area are located within the immediate Barberton area on in close proximity to the Nelspruit-Barberton-Bulembo route.

18.3.3 Interpretation of Current Tourism Product(s)

The detailed interpretation matrix of current tourism products offered in the Barberton Subject Area together with description comments and clarification is provided in Appendix B. The interpretation is based on the tourism resource tabulation of Section 18.3.1, the tourism resource map of Section 18.3.2 and general current tourism marketing materials on the area.

A summary of the current tourism products for the Barberton Subject Area is provided in Figure 18.3.1 below.

Figure 18.3.1 Current Tourism Products – Barberton Subject Area

- **Game Reserve:**
 - Midmarket
 - Songimvelo
- **Barberton – Historic Experience**
- **Barberton – Scenic Experience**

Figure 18.3.1 shows that although the area boasts an extensive resource base, the area's actual current product offering is primarily centred on the Barberton historic and scenic experiences, with a weak wildlife offering.

18.3.4 Core Tourism Product Strength & Potential of the Area

The area's general tourism strengths and potentials are detailed in Section 18.1.2.

In line with the core concept, the Barberton Subject Area's **core tourism product strength** and potential is specified as the combination of the mountain, adventure and wildlife experiences.

18.3.5 Potential Tourism Products

The detailed interpretation matrix of future/potential tourism products offered in the Barberton Subject Area together with description comments and clarification is provided in Appendix B. The potential products were identified in line with the identified strengths and potentials of the area, the core concept for the area and are in keeping with the tourism product development strategy and basic planning principles.

A summary of the potential tourism products for the Barberton Subject Area Subject Area is provided in Figure 18.3.2 below.

Figure 18.3.2 Potential Tourism Products – Barberton Subject Area

- **Game Reserve/Wildlife:**
 - **Midmarket/Small Lodge**
 - **Songimvelo**
 - **Mountainlands**
 - **Midmarket/Family Resort**
 - **Mountainlands**
 - **Upmarket/Small Lodge**
 - **Songimvelo**
 - **Rhino Spotting**
 - **Songimvelo**
 - **Mountainous Terrain and Adventure Theme**
- **Adventure:**
 - Soft: Mountain hiking, Mountain Biking, Quad Biking, 4x4**
 - Hard: Rock Climbing, Abseiling, Paragliding, Professional 4x4, Cableway Adventure Products**
- **Scenic Drive Link to Swaziland:**
 - **Swazi and Other Local Arts and Craft Shopping Route**
 - **Swaziland Culture/Heritage Interpretation Route**
 - **Cableway Scenic Products**
- **Special Interests:**
 - **History – Gold Mining**
 - **Geology**

The potential product offering is significantly different from the current product offering:

- The development of several new products, primarily related to the adventure experience, are recommended;
- The Barberton history experience is lowered in status from primary to minor product offering. It is now categorized as a special interest product.
- The game reserve product is raised to primary product status and strengthened significantly.
- The mountain and adventure themes are incorporated into several of the product offerings, i.e. game reserve, scenic drives, etc.

18.3.6 Target Market Segments

Appendix B provides a detailed matrix specifying the future penetration potential in each possible target market by identified potential tourism product. From this matrix it is possible to identify the target market segments with real potential, taken as all segments with medium to high penetration potential.

The target market segments for the Barberton Subject Area are listed in Figure 18.3.3 below.

29 Target Market Segments with medium, 0 with medium to high and 5 with high penetration potential were identified for the Barberton Subject Area, signifying a broad market appeal in respect of the tourist product offering.

18.3.7 Specification of Future Product Development

Recommended future product development for the area is complex (given the range of future potential products as discussed in Section 18.3.6) and will incorporate:

- The improvement of existing product, particularly relating to the packaging of product (marketing), the interpretation of product and the linkages of product. Specific attention needs to be given to the wide range of special interest products available in this area (the variety and depth of special interest products are referenced in detail in a brochure document by *Nkomazi Wilderness* (summarized in Appendix L), a society which aims to preserve and market the rich heritage of the greater Barberton/Badplaas area;
- The expansion of existing product, particularly relating to the game reserve/wildlife product;
- The development of new product, particularly in respect of the adventure and mountain experiences.

Figure 18.3.3 Target Market Segments with Medium to High Penetration Potential – Barberton Corridor Subject Area

PRODUCT	Markets														MICE (Foreign & Domestic)			
	Domestic Holiday				Domestic Business		Domestic VFR		Domestic Day Visitor				Foreign					
	LSM1-6 Primary Domestic	LSM7-8 Primary Domestic	LSM1-6 Secondary Domestic	LSM7-8 Secondary Domestic	All LSMs Primary	All LSMs Secondary	All LSMs Primary	All LSMs Secondary	LSM1-5 (Local surrounding)	LSM6-8 (Local surrounding)	All LSMs Primary	All LSMs Secondary	Holiday	Business		VFR		
Game Reserve/Wildlife:																		
Midmarket/small lodge																		
- Songimvelo		H															M	M - iro teambuilding only
- Mountainlands		H															M	M - iro teambuilding only
Midmarket - family resort																		
- Mountainlands		H															M	
Upmarket - small lodge																		
- Songimvelo		M																
Rhino spotting																		
- Songimvelo		M												M				
Mountainous terrain & Adventure Theme		H												M				M - iro teambuilding only
Adventure:																		
Soft: Mountain Hiking, mountain biking, quad biking, 4x4		H		M										M			M	M - iro teambuilding only
Hard: Rock Climbing, abseiling, paragliding, professional 4x4		M		M														
Cable way adventure products		M		M										M				
Scenic Drive Link to Swaziland:		M																
Swazi & other local arts & craft shopping route																		
Swazi culture/heritage interpretation route																		
Cable way scenic products																		
Special Interest:																		
History - gold mining																		
Geology														M				M - linked to non/ov-specific

Table 18.3.1 Recommended Product Development for the Barberton Corridor Subject Area

Product Item	Description	Location	Timing
Improvement of Existing Product:			
<ul style="list-style-type: none"> • Packaging of existing product offering 	<p>This particularly relates to:</p> <ul style="list-style-type: none"> • Improving or actually developing the content and interpretation of the existing attractions and experiences, particularly the Barberton History experience. • Improving and adjusting marketing messages and materials for the existing product offering in line with recommended changes to the product as well as the selected clear-cut image of “the South African mountain land, adventure and wildlife experience”. • Increasing the marketing efforts for the area and around the existing Songimvelo product. • Developing tourist signage (and maps) for the Subject Area that would assist in establishing tourist routes and guiding tourists to resources and reinforce the clear-cut image for the area. • Improving or standardizing the existing wildlife research and education product to tie in with the greater wildlife research and education experience/route, i.e. a cohesive product. 	Total Area	Next 2 years and ongoing
<ul style="list-style-type: none"> • Upgrading the accommodation facilities in Songimvelo 	<p>This relates to the need to strengthen the game reserve product in the subject area as well as to improve the tourism experience. The current Songimvelo accommodation facilities require major upgrading and refurbishment.</p>	Songimvelo	Next 1 year
Further Development of Existing Product:			
<u>Expansion and Strengthening of the Game Reserve Product:</u>			
<ul style="list-style-type: none"> • Further development of Songimvelo 	<p>Further development of Songimvelo should support, strengthen and even assist in establishing the clear-cut image of the area and also the game reserve product in the area.</p> <p>Given the access constraints (i.e. off the major access/tourist route in the area), we suggest that the facilities at this Reserve remain relatively small in size. This would provide for a more personalized experience, which will also differentiate Songimvelo from the new Mountainlands product.</p> <p>The following expansion is recommended:</p> <ul style="list-style-type: none"> • Incorporation of the mountain and adventure theme into the Game Reserve, through: <ul style="list-style-type: none"> - Developing adventure orientated activities within the reserve, linked where possible to the wildlife activities. - Developing facilities, such as accommodation around the adventure and mountain theme. • Develop small upmarket accommodation establishments (lodges). Given the access constraints it is suggested that accommodation establishments remain small in size. • Develop small mid-market accommodation establishments, which are more family orientated. Given the access constraints it is suggested that accommodation establishments remain small in size. • Develop a specific product around Rhino spotting. • Develop tourist support facilities, in terms of tourist entertainment – linked to adventure and mountain activities. 	Songimvelo	Within 5 years
<u>Further development of the Scenic Product:</u>			
<ul style="list-style-type: none"> • Scenic Drive Experience 	<p>Although a Barberton scenic experience is already sold, this product needs to be improved and expanded to:</p> <ul style="list-style-type: none"> • Become a “Scenic <u>mountain land</u>” product, i.e. stress that the scenery 	Barberton to Bulembo	Within 5 years

Product Item	Description	Location	Timing
	<p>is mountainous thereby supporting and using the clear-cut image of the area.</p> <ul style="list-style-type: none"> • Establish the scenic mountain drive as an actual route by: <ul style="list-style-type: none"> - Providing tourist activities along the route such as viewing sites (with interpretation), arts and craft stops/stalls and linkages to the Swaziland linkages. - Developing route signage and maps; - Promoting the route as a tourism product in its own right. 		
New Product:			
<ul style="list-style-type: none"> • Development of the Mountainlands Game Reserve 	<p>The development of the Mountainlands Game Reserve should support, strengthen and even assist in establishing the clear-cut image of the area.</p> <p>As the access to this Reserve is far better than that of Songimvelo (on the main tourist route), we recommend that the average size of facilities can be far larger than that of Songimvelo.</p> <p>The following broad components are recommended:</p> <ul style="list-style-type: none"> • Incorporation of the mountain and adventure theme into the Game Reserve, through: • Developing adventure orientated activities within the reserve, linked where possible to the wildlife activities. Both hard and soft adventure activities should be included; • Developing facilities, such as accommodation, around the adventure and mountain theme. • A mid-market mid-sized resort facility. This facility could incorporate both self-catering and serviced facilities and all activities should be family orientated. • Small mid-market lodge facilities. • Day visitor recreation facilities. This could be linked with the mid-market resort, but should provide general picnic and/or restaurant facilities and access to adventure activities elsewhere in the Reserve. 	Mountainlands Reserve	Within 1 - 10 years
<ul style="list-style-type: none"> • Adventure Products 	<p>Although some adventure activities are already offered in the area, it is not yet sold as a tourist product. Thus the adventure product offering needs to be developed.</p> <p>In order to provide a strong adventure product offering, we suggest that adventure activities be incorporated into all relevant existing or planned facilities, i.e. Songimvelo, Mountainlands, etc. In addition we suggest that the development of unique adventure activities/facilities be encouraged throughout the area.</p> <p>Although it is recommended that primarily soft adventure activities be developed, some hard adventure activities should also be incorporated as is relevant.</p>	Songimvelo, Mountainlands and Total Area	Within 1-10 years
<ul style="list-style-type: none"> • Asbestos Cableway 	<p>We believe that this is a prominent feature on the scenic drives and could be considered a unique feature of the area. We recommend that the potential for product development incorporating the cableway, with particular emphasis on potential linkages to major future tourism products for the area such as adventure and mountain lands.</p>	Relevant Cableway Area	To be determined
Product Linkages:			
<p>Given the broad and varying range of future tourist products in the area, in order to ensure that tourist product development supports the clear-cut image of the area, linkages would need to be established between different products. This is achieved through the compilation and combination of various tourist routes (i.e. adventure route combined with scenic route) as well as area specific tourism maps and signage.</p>			

18.4 Infrastructure Development Plan

This area has many major tourism resources and potential. However, the area currently attracts only a small fraction of domestic tourists and very few international tourists because it is not well established as a tourist destination. To address this situation, the Tourism and Biodiversity Corridor Project has been planned and is partly being implemented by provincial and regional bodies. The corridor, running from Barberton and surrounding mountainous areas through Swaziland and Mozambique, is to provide experiences in eco- and adventure tourism utilizing the corridor's affluent natural resources. Once the Tourism and Biodiversity Corridor project is completed, the number of tourists will be increased.

Therefore, in anticipation of this situation, infrastructure related to tourism such as the road network, water supply, sewage treatment, electricity and telecommunication should be steadily developed.

18.4.1 Road

Gauteng is located next to Mupmalanga and is the biggest source market for Mupmalanga tourism. It takes about three hours from Gauteng to Nelspruit in Mupmalanga by car. Therefore, most tourists from Gauteng come to this area by self-driving.

Roads to/from and within the focus area are fairly well developed with some exceptions. A section of the R40 road that passes through the mountainous area between Nelspruit and Barberton has a steep slope and sharp bends. The width of this road section is also narrow, so a heavy loaded truck and/or a bus causes traffic congestion.

The road from Elukwatini to Bulembu is one of the access roads to the Songimvelo Nature Reserve. However, it is not paved and is very inconvenient and uncomfortable for tourists visiting this area during the rainy season. A new international airport (Kruger Mupmalanga International Airport) is now being constructed near Plaston, and will start operation in September 2002. An access road to this airport (R538) links Karino on N4 and White River. As this road has a narrow width and many sharp curves, it will be uncomfortable for the airport user.

Improvement and upgrading of these roads and/or sections should be implemented steadily within 5 years in line with TBC development program. This would contribute appreciably to the tourism industry in this area.

(Projects)

These projects should be completed by year 2006.

- R40 (between Nelspruit and Barberton) improvement project (expansion of road width)
- Road from Elukwatini to Bulembu upgrading project (paving)
- R538 (between Karino and Plaston) improvement project (expansion of road width)

18.4.2 Water Supply to Game Reserves

Development areas for game and nature reserves are located far from the city centre of Barberton, and have an extensive area. Accommodation constructed for tourists and visitors will be scattered within each reserve area. It is very costly and takes a long time to provide water supply facilities to supply drinking water to these areas. Therefore, each reserve area should have its own water resource and water supply facilities.

Fortunately, these reserve areas have abundant surface water resources due to their hill or mountainous terrain. An investigation of water resources and construction of water supply facilities should be implemented in line with the game/nature reserve development program.

Operation and maintenance of water supply facilities should be undertaken by the public sector to ensure adequate quality and quantity of drinking water. The finance for these activities should be collected from water consumers based on water consumption volume.

(Project)

This should be done as soon as possible at the same time of the provision of tourism development plans.

- Study and Investigation of Water Resource for three reserve areas

This should be implemented in line with the game/nature reserve development program.

- Construction of Water Supply Facilities at three reserve areas

18.4.3 Sewage Treatment

Accommodation facilities will be constructed in undulating mountainous areas. It is very difficult to operate and maintain a centralized sewage treatment facility in such areas to collect wastewater from each accommodation and rest facility. Therefore, investors of accommodation and rest facilities should install an appropriate sewage facility such as a septic tank in their properties, and operate and maintain these facilities properly by themselves.

The public sector should take responsibility for a regular examination of the quality of water discharged from each tank.

18.4.4 Electric Supply to Game Reserves

Fortunately, an electric distribution line is already developed along existing roads, and electricity is served to towns/villages. Therefore, each facility constructed in each reserve area can obtain electricity through a newly constructed service line connecting to the existing line. Moreover, a generator for electric supply and for electric fencing should be installed in each reserve area for emergencies.

(Project)

Within 5 years

- Construction of electric service lines

18.4.5 Telecommunication

At present, almost all cities/towns/villages in the development focus area have an automatic or manual telephone exchange. Furthermore, most of this area is covered by cellular phone. It is estimated that many tourists/visitors will arrive and stay in the game/nature reserve areas when the development of these areas is completed. To prepare for such circumstances, the switchboard capacity at Barberton and Nelspruit telephone office should be increased. A new service telephone line to these reserve areas from an existing line should also be constructed.

(Project)

Within 5 years

- Increase capacity of switchboard in Barberton and Nelspruit telephone office
- Construction of a new service telephone line

Chapter 19

Marketing & Promotion for Focus Areas

19.1 Introduction

Although a significant number of tourism development plans and projects have been identified by various relevant entities in the focus areas, most have been primarily supply driven/oriented. Many have not taken into account the marketing and promotion required to attract tourists and consideration of tourism demand has been limited. No matter how excellent the infrastructure or facilities built may be, the projects will not succeed if they do not have a demand-oriented perspective, and are not well marketed or promoted. The first principles in product development and marketing in any industry are developing products to meet the needs of the market.

Particularly where tourism promotion is concerned, promotional activities at the lower levels of government and/or by the communities in the destination area are essential. Successful tourism promotion activities are fundamentally derived from the zeal and enthusiasm of people living in an area to increase tourism levels to their district/community. It is a field in which national and provincial bodies are more indirectly concerned through provision of a marketing framework and image for the greater areas, and marketing support to destinations.

There are few tourism promotion implementation bodies in the focus areas, and where they exist, activities are generally limited, of a low profile and largely focussed on information provision and brochure development and distribution. The activities seem to take place on an ad-hoc basis, without any overall framework, or full understanding of the nature of the products or experiences that are, or could be, sold to tourists visiting the areas.

Therefore, one of the greatest improvements to tourism in these areas, currently and in terms of planning for the future, is to develop proper promotion within an appropriate destination marketing strategy framework. This will require effective “packaging” of facilities and services into products or experiences to market and sell to tourists.

Destination marketing is undertaken by the private sector and the public sector, in concert. There are many different models worldwide as to how the two sectors inter-relate to develop and implement destination marketing. In many instances however, it is important to note that a large portion of destination marketing funding is from the public sector, particularly where tourism is nascent and the private sector not well developed.

A number of tourism promotion and marketing principles are recommended for each of the areas, as follows:

- Promotional and marketing activities must be based on core product strengths of the areas, (i.e. experiences the tourist can have in the areas);
- Promotional and marketing activities must be undertaken within a total marketing strategy framework, which includes the understanding of the product base, the branding and positioning of the destination, the identification of target markets, the compilation of messages and information required for target markets, and the communication plan to get the messages and information to the target markets;
- Promotional and marketing activities should be done in coordination and cooperation with National, Provincial, and Regional Tourism Promotion entities;
- Promotional and marketing activities should be carried out with a long-term perspective;
- Promotional and marketing activities must involve the communities and the private sector in the areas extensively, and preferably be largely private sector driven;
- The public sector should contribute resources, particularly funding, to the marketing of destinations; and,

- The marketing implementation body/bodies should be structured and operated in such a way as to avoid duplication and fragmentation, and achieve synergies and economies.

19.2 Current Promotional Activities in Focus Areas

19.2.1 Pilanesberg-Madikwe Corridor

The North West Parks & Tourism Board carries out some promotion of this area as a tourist destination. The Province produces a Tourist Guide “North West Province Game Parks & Nature Reserves” (A4, 17 Pages) including 15 parks and nature reserves and a leaflet “Madikwe Game Reserve”. These are distributed throughout the country. Potential tourists can obtain them at the tourist information offices in the Province (located in Pilanesberg and in Rustenburg in the Pilanesberg-Madikwe corridor area). An information office for Madikwe has been developed at Moletedi, but it is not yet operational. The province also has a web site.

The province does not have a formal RTO structure, and has not identified tourism regions, nor are there tourism organisations for, or in, its four administrative regions (Central, Rustenburg Eastern, Southern and Bophirima). North West Parks & Tourism Board has a Johannesburg Marketing Office in Sandton and a web site, which provides tourism information.

The Madikwe East Tourism Service Centre and the Molatedi Community-based Tourism Association are to be established in the medium-term under the development plan “Community-based Tourism Development for the Molatedi Area, North West Province” published in August 2001. In the Mankwe area tourism promotion is handled by the Pilanesberg Information & Community Development Centre in Mogwase and the Sun City Tourism Information Centre in Sun City. Sun International, Legacy Hotels, and Golden Leopard Resorts are active in the private sector marketing their facilities in the area. In particular Sun International conducts extensive marketing.

19.2.2 Khayelitsha

Some promotion of Khayelitsha is carried out by the Western Cape Tourism Board under generic township tourism and these are limited.

Khayelitsha falls under the Tygerberg Local Tourism Bureau but both Cape Tourism and Cape Metropolitan Tourism (the UNICITY) are also running specific initiatives to market township tourism, which include Khayelitsha. Cape Town Tourism produces a leaflet “Township Music Tours” to provide information on and encourage tourists to experience music in the townships and Khayelitsha is included.

The responsibility for marketing and promotion of Khayelitsha lies with the Tygerberg Tourism Office. Khayelitsha is promoted as a Tygerberg substructure in the tourism brochure “Tygerberg Tourism” (1/3 A4, 25 Pages). There is no function or body specialising in tourism promotion in Khayelitsha and the Local Town Council is also not active in tourism promotion. There is a tourist information office in the township with two permanent staff members. Unfortunately the office was locked and without staff, when we visited (on a weekday afternoon and a Saturday morning).

19.2.3 Valley of the Olifants

The Northern Province Tourism Board carries out some promotion of this area as a tourist destination. The Province produces a tourist guide “Northern Province Valley of the Olifants Region” (A4, 17 Pages) and a 51 page A4 full colour guide to the total province. These are distributed throughout the country.

In an attempt to create greater awareness of the Valley of the Olifants area, four Community Tourism Associations in the area – Letaba Tourism Association, the Ba-Phalaborwa Tourism Association, the Central Lowveld Tourism Association and Byadladi Tourist Association – have in the past pooled their resources and developed a joint marketing campaign.

Unfortunately however, the Central Lowveld Tourism Association is now defunct due to lack of interest from product owners. Ba-Phalaborwa Tourism Association is still running but with a very narrow area focus and totally funded by private sector product owners.

The Regional Tourism Organization for the area is the Valley of the Olifants Tourism Association. It is one of 4 tourism regions identified by the province. However this organization is not yet in operation, although the Province has indicated that this association will be housed in Tzaneen.

Within the study area in the Valley of the Olifants, a number of the private game reserves are fairly active in marketing their facilities to their target markets. Facilities, however, largely concentrate only on their own product and do not incorporate any activities in the area into their offerings.

19.2.4 Barberton

Some promotion of this area as a tourist destination is carried out by the greater province through the Mpumalanga Tourism Authority. The area is reasonably well covered in Mpumalanga Parks' promotional activities, which include a web site, brochures, maps and advertisements. The provincial marketing strategies, and their branding of the areas within Mpumalanga influences the marketing of the localities such as Barberton. Barberton falls under the Wild Frontier region and will fall under its RTO. 7 RTOs are planned for Mpumalanga. The Wild Frontier RTO is not yet fully functional, but it is hoped it will be totally functional in early 2002. RTOs have to source their own funds from municipalities, district councils and the private sector.

Barberton has its own community-based marketing and promotion body (an LTO). The Barberton Tourism Organization is private sector driven and mainly provides an information service. It works with the Barberton Local Council in marketing and promoting the town and surrounding area. It has 30-40 members who pay R240 per year. The tourism organization has a marketing budget of R16,000.

25,000 Brochures were sent to Cape Town Tourism Bureau as well as to tourism information offices in other provinces. The brochure design and content are acceptable for providing information to tourists already coming to or are already in the area, but the brochure is not designed to attract and entice tourists to come to the town. The tourism organization has a standing commitment with certain publications for small, long running advertisements and it also has a web site. Brochures and information are available at the Information Office in the Town of Barberton. The organisation has developed a marketing strategy.

The Tourism and Bio-Diversity Corridor have also developed a marketing and product development plan for the area of the corridor. This is included in Appendix E. The plan covers the development of a brand and identity, mobilising of funds, and product development activities.

There is very little private sector facility promotion activity for the area and the Mpumalanga Parks Board is not active in promoting Songimvelo. Some private sector facilities do have web sites or web pages hosted on travel sites.

19.3 Tourism Marketing and Promotion Plans

19.3.1 General Strategy Applicable to All Focus Areas

(1) Maintain a long-term perspective

In the field of tourism marketing & promotion, Local Tourism Organizations (LTOs) and Regional Tourism Organizations (RTOs) play an important role. A dedicated marketing and promotion entity is particularly crucial in the initiation of new tourism products. Because many stakeholders, with a broad range of interests, are involved, it takes a long time to establish a new entity. Even when established, there is always the risk that the structure may collapse.

Therefore, it is of utmost importance that such an entity and its stakeholders have a long-term perspective and an unyielding determination.

(2) Establish dedicated tourism destination promotion organisations

It is recommended that dedicated tourism destination promotional organizations be established in focus areas. These dedicated organizations should undertake all destination promotion activities and should not only be an information distribution outlet.

Should promotion functions exist in another related organization, clearly define and agree the functions to be undertaken by the proposed dedicated organization. Should a dedicated tourism promotion organization already exist in the area, ensure that its responsibilities, the extent of its functions and its infrastructure are clearly defined and adequate to achieve successful destination promotion.

(3) Execute a comprehensive range of tourism promotion activities

Although many tourism promotional activities are currently performed by the provincial tourism authorities, it is recommended that the proposed dedicated tourism destination promotion organization handle these activities for its own area, in order to ensure a more distinct positioning of the area as a tourism destination. Several activities can, however, still be carried out in cooperation with the provincial tourism promotion authority or other relevant parties.

It is also suggested that the dedicated organization undertake a broad range of tourism promotion activities for the area and not provide only an information dissemination service, as is currently the case in many areas.

Table 19.3.1 below briefly touches on the main types of promotional tools available for tourism destination marketing. From this range of promotional tools, a selection can be made of the key promotional and communication methods to use to market each of the focus areas, depending on their target markets and the message to be communicated.

Table 19.3.1 Tourism Promotion Tools Available to Tourism Destination Promotion Organisations

Tool	Description
Public Relations	PR is an exceptionally useful and cost effective promotional tool where most segments of the domestic market are concerned. PR activities range from articles and editorials in magazines and newspapers to coverage on travel programs on radio and TV, and documentaries. PR in international markets can also be effective, but for destinations as small as the focus areas (with very specific foreign market potential) it is very expensive and it would have to be very carefully targeted. International PR would be conducted nationally or provincially and the focus areas would need to tap into any such initiatives. Key exceptions might be PR in Maputo to target Mozambican visitors (including expats) for Barberton.
Advertising	Print and radio advertising are effective ways to reach the domestic market but expensive. TV advertising is effective but very expensive. Again any international advertising is expensive and the focus areas should tap into provincial and national initiatives in this regard.
Participation in Travel Trade Shows	Local travel trade shows such as the Getaway Shows are excellent for promoting to the domestic market. Participation in international trade shows held in major source markets can be effective but is expensive, and the focus areas will largely piggyback on provincial and national initiatives to gain a presence at such shows. The major South African international travel trade show, Indaba, can also be effective to target the foreign market. If foreign markets are an important source market for focus areas, participation in this show, either with the regional or provincial tourism association or possibly at the local tourism association level could be considered.
Sales visits and workshops	Sales visits are, and remain, the most basic technique for travel trade stimulation. The sales visit aims not only at providing information on tourism products, but also on establishing friendships and relationships with the travel trade. Such relationships are often critical to successful destination marketing. A workshop is a more advanced form of trade stimulation, generally using video or slide presentations and lectures on how to sell respective tourism products. For the focus areas, where the identified target markets use travel trade intermediaries, sales representatives could be effective. Workshops and sales representatives at the provincial and regional levels must be wooed by the local tourism associations to ensure they cover the focus area destinations. Much of the domestic market does not use intermediaries and therefore sales visits may not be effective here. The MICE industry and corporate travel is an exception to this.
Familiarization trips	Familiarization trips are complimentary travel and tours provided for those in the travel trade in order for them to experience the destination. They are a popular promotion technique to stimulate the travel trade to sell a destination and are particularly useful to introduce new tourism products and also to establish relationships with the trade during visits. Again these are important for target markets, which use intermediaries.
Press tours	Press tours are familiarisations for the press and can fall under public relations. They involve inviting prominent travel writers, photographers, TV or Radio crews to the destination and providing financial or editorial support to them. This is very effective for all markets.
Events & Themed Periods	Events can serve to attract tourists to an area, sometimes in shoulder and low seasons, as well as create additional awareness of an area, particularly if PR around an event is well done. Theme periods can be used, e.g. festivals, the "Green Season", to attract tourists during certain periods. These types of themes and events are effective to target the domestic market, but some events and themes can be developed and positioned to target international markets.
Promotional Material (Collateral)	For tourism destination marketing there can be two types of promotional material – marketing and sales brochures, which promote the experience to be had at the destination and entice the tourist to want to visit, and information provision material which helps a tourist to decide where to go, what to do, where to stay etc (often maps, accommodations lists, etc). The two can be combined as long as the two aims are understood and the material is developed accordingly. This tool is often used in combination with other tools such as sales visits and workshops, at travel trade shows, etc.
Website	The use of a website as a tourism tool is of particular importance for FIT as well as the overlander and backpacker market and is becoming more important for information collection. A website should link to as many relevant other web sites as possible, including provincial tourism web sites. (A web site can also be seen as a promotional or communication tool).
Tour Planner/Sales Manual for tour operators	This is a manual for tour operators and media in which information such as a model tour route, service directory (hotel, B&B, transport, restaurant, shopping and so on) is compiled. Theme tour routes, events, calendars, ground tour operators, etc are included. For most of the focus areas inclusion in provincial or regional manuals is desirable.

Source: JICA Study Team

19.3.2 Marketing & Promotion Plans General Methodology

The Marketing and Promotion Plans for all four focus areas follow a similar methodology. The plans comprise three main components, i.e. Branding and Positioning, Promotion & Communication Plan and Marketing Organisation. A description of the content of and methodology for each of these components is provided below.

(1) Branding & Positioning

Both generic branding (i.e. positioning of the total area) as well as sub-branding (i.e. positioning of product segments within the area) is undertaken.

It is recommended that the branding and positioning slogans be developed with the use of branding specialists, however, to assist in this regard we provide below some idea or direction of the icons/slogans/phrases that we believe depict the brand essence or brand value of the area of the product segment within the area.

The generic brand concept/essence phrases elucidate the recommended development concept. Although the brand essence for the various product segments could be slightly different, the brand essence of each should support and identify with the generic brand essence.

Components:

- General Branding Principles specific to the Focus Area
- Defining the Branding Basis
- Defining the Brand Essence/Brand Values
- Branding Actions

(2) Promotion & Communication Plan

In general two levels of marketing activity exist. The first level is the creation of destination and product awareness, which assists product and service operators in selling their products. The second level is the actual selling of the product. The overall promotional objective of the Tourism Destination Marketing Organisation ("DMO") should be to create awareness in the identified market segments of the destination and the range of products on offer.

The promotion and communication plan specifies the promotion and communication mix (i.e. the range of promotion and communication activities to be undertaken and the tools to be utilised in reaching identified target markets). It takes into consideration the product, the markets and the distribution channels to deliver the product, i.e. the marketing activities are specified by main tourism product and are determined based on the purchase patterns of the identified target audience(s) for each product.

Marketing and promotion should be undertaken in the framework of the provincial marketing and where appropriate in the framework of the national marketing.

In order to effectively expand the marketing budget, the DMO should as far as possible piggy-back on provincial and national campaigns. In addition, collaborative marketing should be pursued, viz:

- Area specific collaborative marketing where both the private and public sector contribute to costs.
- Collaborative marketing with tour and trip operators based outside the focus area.
- Sponsorships from major entities (inside and outside the area – primarily linked to events).

Components:

- Recommended Promotion & Communication Mix by Product Segment.

(3) Marketing Organisation

Suggestions/recommendations are made regarding:

- The best structure for the promotional agency for the focus area, including where this structure is to be housed.
- The resources required; and
- The budget required.

The JICA Study Team has devised zero-based marketing budgets for the DMOs. This approach ignores current budgets and is rather based on first identifying all the activities that a DMO needs to undertake in order to achieve the projected demand growth and then attach a cost to the specified activities.

It is understood that marketing techniques employed are usually limited by budgetary constraints and although such constraints have been kept in mind in determining the range and extent of marketing techniques, the specified budgets should be considered as comprehensive in order to achieve the growth in demand and tourism development potential inherent in the areas. Lower budgets could be applied, but it should be understood that this would result in a corresponding decrease in marketing activities, which in turn will result in lower exposure of the area and consequently lower demand.

At this stage the numbers are based on previous marketing budgets compiled by JICA Study Team members and some key specific quotes. Part of the actions will be to determine more accurate costing and more detail spending allocations.

Components:

- Structure
- Resources & Budget

19.3.3 Pilanesberg-Madikwe Corridor

(1) Branding/Positioning

i) General Principles

The overall branding and positioning for the Pilanesberg-Madikwe Corridor and the planned Heritage Park will have to be developed carefully, as the full product will only exist in a number of years.

We believe that the Pilanesberg brand is already strong, and should be built on in a careful way as the Park expands. A suitable name for the initial expanded area might be the Greater Pilanes Game Reserve/Park. This name would be retained as the park is further extended. The Pilanesberg would remain as the “berg” area within the park. Finally Madikwe would be incorporated, and perceived as the upmarket part of the Greater Pilanes Game Reserve/Park, in a similar way as the Sabi Sand Reserve is to the Kruger National Park. Ultimately the “Greater” might be dropped from the name.

ii) Brand Basis

The brand/position and/or identity should be based on the focus area’s core strengths or unique selling points (“USPs”). It should, therefore, build on or be based on the recommended development concept:

”The leisure, entertainment and wildlife playground/hub on the tourists’ doorstep”.

iii) Brand Essence/Values

Table 19.3.2 provides a summary of the various elements the JICA Study Team consider to be important in the overall positioning (i.e. generic positioning) of the Pilanesberg-Madikwe focus area and the respective target markets for the respective products in the Pilanesberg-Madikwe area.

iv) Branding Actions

We recommend that in order to develop and position the brand suggested above for the Pilanesberg-Madikwe Area (and incorporating the area name recommendations as per “General Principles” above), that a logo be designed for the area. The development of such a brand identity is crucial to creating awareness of the total focus area as a destination, beginning the association in the mind of tourists and potential tourists of what the area has to offer, and uniting the tourism product and service providers behind a meaningful tourism identity.

The logo should be catching and simple. We recommend that the focus area work with a design company to finalise the brand identity for the region. The brand essence/values and possible icons provided in Table 19.3.2 should be adequate for a design house to base its logo development on. Once the logo is finalised, it is vital that all tourism product and service operators, all tourism bureaus and marketing entities (South African Tourism to the smallest local bureau), and all tourist products in the area, use the logo in their marketing and on their marketing material.

(2) Promotion & Communication Plan

The promotion and communication plan and mix is detailed by product segment in Table 19.3.2.

Table 19.3.2 Pilanesberg-Madikwe - Branding Essence & Promotion and Communications Mix

Generic Positioning & Brand Essence/Value			
<i>"The leisure, entertainment and wildlife playground/hub on the tourist's doorstep"</i>			
World class entertainment; world class wildlife Experience African wildlife and the bush, then relax with superb entertainment Look no further – the best game experience is on your doorstep (and great entertainment if you want it) Experience the "nightlife" (wildlife & entertainment)		Short drive; Close to JHB/Pretoria; Easy to reach; Next door Outdoors, open air, wildlife & nature Combined with Fun and entertainment - on your doorstep Great leisure weekend/day trip	
Primary Target Markets	Promotion & Communication Mix	Products	Product Specific Positioning & Brand Essence/Value
Game Reserve/Wildlife:			
Foreign Holiday Foreign Business	Sales Visits Familiarisation Trips & Press Tours (as far as possible piggy-back on that of SA Tourism or North West Tourism) Utilise the product's promotional material. Feature on DMO Website Trade Shows (local and international) PR iro of Gaborone market for Madikwe	Luxury/ Personalised - Pilanesberg - Madikwe	Personalised experience Unique design & interior of lodges Commune with pristine nature Non-malaria Safe Exclusivity Personalised game trip Unwind
Domestic Holiday – LSM 7-8 Primary Areas Foreign Holiday Foreign Business Foreign VFR	Local trade shows PR – in all target markets Events & theme periods Feature on DMO Website	2. Upmarket (Large Hotel, Timeshare) - Pilanesberg	Best of both worlds – wildlife & entertainment, fun Excellent wildlife (game, birds) Family fun (something for everyone in the family) Short drive Unwind, de-stress
Domestic Holiday – LSM 6-8 Primary Areas	PR – in all target markets Local trade shows Limited targeted print advertising focused at family mid-market (ie Clicks club card magazine, Edgars Club magazine, etc)	3. Budget (Camping/Chalet) Pilanesberg Midmarket resort	Best of both worlds – wildlife & entertainment, fun At a reasonable price (value for money), because it is so close Peer group fun Can accommodate large groups Summer all year round.
Domestic Holiday – LSM 7-8 Primary Areas Domestic VFR – All LSMs Primary Areas Domestic Day Visitors – LSM 6-8 Local Surrounding Areas Domestic Day Visitors – All LSMs Primary Areas Foreign Holiday Foreign Business Foreign VFR	PR – in all target markets Own documentaries/videos (to decrease cost as far as possible make use of existing material)	4. Game viewing – Pilanesberg	Excellent game viewing within an easy drive – on your doorstep Choice of drive yourself (do your own thing) or enjoy a guided informative game drive Entertain overseas guests with ease Everyone can fit this trip into a busy schedule.
	Not for the short term plan	5. Wildlife breeding centre	Education Environmental awareness World's largest African wildlife breeding facility Breeding of a diversity of species – rare, endangered, large and small. Wildlife experience with a difference.
Primary Target Markets	Promotion & Communication Mix	Products	Product Specific Brand Essence/Value Phrases
Recreation/Entertainment:			
Domestic Holiday – LSM 7-8	Feature on DMO Website	6. Sun City	Already positioned & marketed

<p>Primary Areas Domestic VFR – All LSMs Primary Areas Domestic Day Visitors – LSM 6-8 Local Surrounding Areas Domestic Day Visitors – All LSMs Primary Areas Foreign Holiday Foreign Business Foreign VFR</p>	<p>PR – in all target markets Trade Shows – local and international</p>		
<p>Domestic VFR – All LSMs Primary Areas Domestic Day Visitors – LSM 6-8 Local Surrounding Areas Domestic Day Visitors – All LSMs Primary Areas</p>	<p>Sold/marketed within the game-viewing product. No need to sell/market specifically</p>	<p>7. Pilanesberg Camp Picnic & Resort Experience</p>	<p><i>Addressed in generic and other product messages</i></p>
<p>Domestic Holiday – LSM 7-8 Primary Areas Domestic VFR – All LSMs Primary Areas Domestic Day Visitors – LSM 6-8 Local Surrounding Areas</p>	<p>PR – in all target markets Local trade shows (ie Outdoor show, Getaway show) Limited targeted print advertising focused at family mid-market (ie Clicks club card magazine, Edgars Club magazine, etc) Limited targeted print advertising focused at family boating market (ie boating and watersport magazines) Themed Events Feature on DMO Website</p>	<p>8. Midmarket water-based resort & recreation area</p>	<p><i>Easy drive from Gaborone New boating destination Easy drive boating destination for North West Family fun (day and overnight) Reserve on doorstep Scenic Outdoor fun and action (mountain biking, quad biking, hiking) Relaxation (sunset cruises) Summer all year round</i></p>
<p>Heritage/Culture:</p>			
<p>Foreign Holiday Foreign VFR</p>	<p>Sell only when critical mass of quality facilities and activities</p>	<p>9. Food, shopping, museums, cultural interpretation</p>	
<p>Domestic Holiday – LSM 1-6 Primary Areas Domestic Holiday – LSM 7-8 Primary Areas Foreign Holiday</p>	<p>Feature on DMO Website PR – in all target markets Events</p>	<p>10. Youth cultural exchange centre</p>	<p><i>International exchange experience Interaction with different cultures, learning and understanding Education and fun Opportunity of African rural lifestyle experience and one of South Africa's best wildlife and nature experiences on doorstep Be an African Survivor (in relative comfort)</i></p>
<p>MICE:</p>			
<p>MICE – foreign & domestic</p>	<p>Feature on DMO Website Targeted printed advertising (ie Conference magazines) Liase with SA Tourism Conference Department. Trade shows – local and international.</p>	<p>11. Sun City 12. Pilanesberg</p>	<p><i>World-renowned, World-class destination State of the art facilities, equipment and service Easy to reach Organisers dream Everything to entertain and educate your delegates in one place Unsurpassed incentive experiences Ideal, convenient pre- and post tours, particularly for Gauteng conferences</i></p>

(3) Marketing Organisation

i) Structure

The marketing of the areas should be handled by a body with adequate funds and significant private sector input. The JICA Study Team suggests that a new entity be established for the Pilanesberg-Madikwe area. This entity should be the equivalent of a regional tourism organisation, with local community organisations such as Pilanesberg Information & Community Development Centre, Sun City Information Centre, Mankwe Development Foundation and Molatedi Tourism Association falling under it and with it taking leadership from the North West Parks & Tourism Board.

ii) Resources & Budget

The budget is summarised in Table 19.3.3 below. The budget comprise two main parts:

- Administration Budget
- Marketing Activities Budget

As Table 19.3.3 shows, it is suggested that the DMO be a lean structure with only two human resources - a manager who will also carry responsibility for sales activities (such as sales visits) and one support staff. It is suggested that the DMO be housed with another government entity or within a product in order to reduce the equipment and other office cost, including rental. It has been assumed that no office rental will be paid by the DMO.

Table 19.3.3 Annual DMO Budget for Pilanesberg-Madikwe

Activity	Budget
Administration	
Manager & Sales Person	R 200,000
Secretary	R 69,000
Equipment Rental	R 36,000
Telephone & Fax	R 18,000
Rental	R 0
Postage	R 24,000
Travel Costs	R 30,000
Accounting	R 12,000
Subtotal	R 389,000
Marketing Activities	
Brand & Logo Development	R 30,000
PR Company	R 24,000
Area Brochures	R 50,000
Website	R 30,000
Listings	R 14,400
Exhibition Material	R 25,000
Trade Shows	R 40,000
Press Advertisements	R 70,000
Event Promotions	R 30,000
Subtotal	R 313,400
Total Annual DMO Budget	R 702,400

The Pilanesberg-Madikwe area comprise very strong product with strong and significant marketing and promotion. For this reason the DMO could therefore operate effectively with a budget of R 740,000 per annum and a lean resource structure.

19.3.4 Khayelitsha

(1) Branding/Positioning

i) General Principles

Khayelitsha needs to establish a brand, position and/or identity to differentiate it from the other and proliferating “township” experiences. It should be differentiated not only from the township experiences in Cape Town but also those in the rest of South Africa.

To date, no attempt has been made to brand Khayelitsha and in order to compete with the large number of Cape Town tourist destinations/attractions on offer it is important that Khayelitsha be positioned as a separate and worthwhile destination within the Cape Metropolitan area.

ii) Brand Basis

The brand/position and/or identity should be based on the focus area’s core strengths or unique selling points (“USPs”). It should, therefore, build on or be based on the recommended development concept:

“The cultural music experience/showcase of South Africa”

iii) Brand Essence/Values

Table 19.3.4 provides a summary of the various elements the JICA Study Team consider to be important in the overall positioning (i.e. generic positioning) of the Khayelitsha focus area and the respective target markets for the respective products in the Khayelitsha area.

iv) Branding Actions

We recommend that in order to develop and position the brand suggested above for the Khayelitsha Area, that a logo be designed for the area. The development of such a brand identity is crucial to creating awareness of the total focus area as a destination, beginning the association in the mind of tourists and potential tourists of what the area has to offer, and uniting the tourism product and service providers behind a meaningful tourism identity.

The logo should be catching and simple. We recommend that the focus area work with a design company to finalise the brand identity for the area. The brand essence/values and possible icons provided in Table 19.3.4 should be adequate for a design house to base its logo development on.

Once the logo is finalised, it is vital that all tourism product and service operators, all tourism bureaus and marketing entities (South African Tourism to the smallest local bureau), and all tourist products in the area, use the logo in their marketing and on their marketing material.

(2) Promotion & Communication Plan

The township destination requires effective promotion and communication campaigns to send appropriate messages to its target markets. The marketing and promotion should be undertaken in the framework of “Tygerberg Local Tourism Bureau”, Cape Metropolitan Tourism, and the province, and also working with Cape Town Tourism.

The promotion and communication plan and mix is detailed by product segment in Table 19.3.4.

Table 19.3.4 Khayelitsha - Branding Essence & Promotion and Communications Mix

Generic Positioning & Brand Essence/Value			
<i>"Khayelitsha - The cultural music & dance experience of South Africa"</i>			
<p><i>The Khayelitsha Music Experience – a unique portrayal of African music and dance, and music and dance you know performed by Africans - contemporary, traditional, conventional, or fusion, and simply out of this world.</i></p> <p><i>The Khayelitsha Music Experience – learn about the roots, development and influence of African music, try-out the instruments and witness a range of enthralling performances – it will uplift your soul</i></p> <p><i>Africa's Broadway</i></p>		<p><i>A moving, spiritual experience - will touch your soul</i></p> <p><i>"Beat of Africa"</i></p> <p><i>Real township experience - Viby, racy, alive</i></p> <p><i>Social conscience & stimulation of local development</i></p> <p><i>Stimulation of South African and local arts and music</i></p> <p><i>En route to CIA and Winelands</i></p> <p><i>The newest, youngest African township - Spirit of the Youth</i></p> <p><i>Khayelitsha = "our new home" – the home of African music and dance</i></p>	
Primary Target Markets	Promotion & Communication Mix	Products	Product Specific Positioning & Brand Essence/Value
Foreign Holiday	<p>Sales visits – Cape Town hotels and tour/trip operators</p> <p>PR – all target markets</p> <p>Familiarisation & Press Trips (piggy-back on trips organised by greater Cape Town and Western Cape marketing & promotion)</p> <p>Feature on DMO Website</p> <p>Khayelitsha promotional material</p>	<p>Township Life Drive</p> <p>Through Tours – move into more interactive experience</p> <p>Township Overnight Experience</p>	<p><i>Real township/Authentic</i></p> <p><i>Living/live experience</i></p> <p><i>Viby/racy/alive</i></p> <p><i>Community benefits</i></p> <p><i>Art and culture stimulation</i></p> <p><i>Experience real township life in the newest/youngest township in Cape Town</i></p> <p><i>Experience how township people live, eat, drink, talk, shop</i></p> <p><i>Experience the informal trading culture – have your hair done – township style</i></p> <p><i>Strong interaction with locals. "Welcome into our homes"</i></p> <p><i>Primitive (earthy - core) energy and vitality - Come alive</i></p>
<p>Domestic Day Visitors – LSM 6-8</p> <p>Local Surrounding Areas</p> <p>Foreign Holiday</p>	<p>Sales visits – Cape Town hotels and tour/trip operators</p> <p>PR – all target markets</p> <p>Familiarisation & Press Trips (piggy back on trips organised by greater Cape Town and Western Cape marketing & promotion)</p> <p>Feature on DMO Website</p> <p>Khayelitsha promotional material</p> <p>Radio advertising on local (Cape Town) radio.</p>	<p>Township Tavern/Shebeen Evenings</p> <p>Township Music/Jazz Evenings</p>	<p><i>Experience how township people have fun, entertain, eat, drink, relate to music</i></p> <p><i>Strong interaction with locals – kinship experience</i></p> <p><i>Beat of Africa</i></p> <p><i>Rhythm of Africa</i></p> <p><i>Primitive (earthy - core) energy and vitality - Come alive</i></p> <p><i>African Jazz experience – experience music being created on the spot, not designed, raw talent, spontaneous talent.</i></p>
<p>Domestic Holiday – LSM 7-8 Primary Areas</p> <p>Domestic Day Visitors – LSM 6-8 Local Surrounding Areas</p> <p>Foreign Holiday</p> <p>MICE (Cape Town) – for add on events</p>	<p>Hosting of own television shows (need support and sponsorship) – Pop Idols – African Beat Idols.</p> <p>Specialised Merchandising at venue and elsewhere – kiosk at V&AW (sells tickets, promotes)</p> <p>Promotion through the busking of musicians at V&AW</p> <p>Sales visits – Cape Town hotels, tour/trip operators and conference organisers/venues.</p> <p>PR – all target markets</p> <p>Familiarisation & Press Trips (piggy back on trips organised by greater Cape Town and Western Cape marketing & promotion)</p> <p>Feature on DMO Website</p> <p>Khayelitsha promotional material</p> <p>Radio advertising on local (Cape Town) radio.</p>	<p>African Music & Dance Showcase:</p> <p>Music shows & events</p> <p>Music interpretation centre/museum</p> <p>Arts, Crafts & merchandising training & distribution centre</p> <p>Music training centre of resident troupe & others</p>	<p><i>African and international blend of music and dance;</i></p> <p><i>World-class</i></p> <p><i>Experience African music in a township</i></p> <p><i>Unique and enthralling performances</i></p> <p><i>Try out & interact with musicians and dancers</i></p> <p><i>Spiritual, moving</i></p> <p><i>Real African Entertainment</i></p> <p><i>Speaks to your soul</i></p> <p><i>African Bea/Rhythm</i></p> <p><i>Awareness, harnessing and developing of Africa's music and dance talent</i></p> <p><i>Live the African dream</i></p> <p><i>Authenticity of music to Africa – become the origin/new home of African music – Best Music under African skies.</i></p>

(3) Marketing Organisation

i) Structure

Many agencies have either had or currently have an involvement with tourism in Khayelitsha. Although there has been this significant interest, no clear responsibility and ownership of tourism promotion or development in Khayelitsha is apparent. We therefore suggest that the marketing of the area should be handled by a new Khayelitsha DMO, with adequate funds and significant private sector input, which links into the existing regional and local tourist bodies. We even suggest that as part of a skills-transfer and development program that Khayelitsha DMO might “twin” with such a body such as Cape Tourism in its initial phases.

ii) Resources & Budget

The budget is summarised in Table 19.3.5 below. The budget comprise two main parts:

- Administration Budget
- Marketing Activities Budget

As Table 19.3.5 shows, it is suggested that the DMO be a lean structure with only two human resources - a manager who will also carry responsibility for sales activities (such as sales visits) and one support staff. It is suggested that the DMO be housed with the African Music and Dance showcase in order to reduce the equipment and other office cost, including rental. It has been assumed that no office rental will be paid by the DMO.

It is anticipated that the African Music and Dance Showcase will have a significant marketing budget and will carry out significant marketing and promotion not only of the showcase but also of Khayelitsha. For this reason the DMO could therefore operate effectively with a budget of R 770,000 per annum and a lean resource structure.

Table 19.3.5 Annual DMO Budget for Khayelitsha

Activity	Budget
Administration	
CEO	R 200,000
Secretary	R 69,000
Equipment Rental	R 36,000
Telephone & Fax	R 18,000
Stationary	R 24,000
Travel Costs	R 30,000
Accounting	R 12,000
Subtotal	R 389,000
Marketing Activities	
Brand & Logo Development	R 30,000
PR Company	R 24,000
Educationals Journalists	R 20,000
Educationals Tour Operators	R 20,000
Area Brochures	R 75,000
Website	R 30,000
Listings	R 14,400
Exhibition Material	R 25,000
Trade Shows	R 10,000
Radio Advertisements	R 40,000
Press Advertisements	R 70,000
Event Promotions	R 30,000
Subtotal	R 378,400
Total Annual DMO Budget	R 767,400

19.3.5 Valley of the Olifants

(1) Branding/Positioning

i) General Principles

The overall branding and positioning for the Valley of the Olifants study area can begin immediately as sufficient critical mass exists of related experiences. A sub-brand might be developed to handle marketing the destination to the serious professional researchers and educationalists, as oppose to the more general tourists. This could simply be an expansion of, or based on, the Southern African Wildlife College.

ii) Brand Basis

The brand/position and/or identity should be based on the focus area's core strengths or unique selling points ("USPs"). It should, therefore, build on or be based on the recommended development concept:

" The Wildlife Research and Educational Experience of South Africa"

iii) Brand Essence/Values

Table 19.3.6 provides a summary of the various elements the JICA Study Team consider to be important in the overall positioning (i.e. generic positioning) of the Valley of the Olifants focus area and the respective target markets for the respective products in the Valley of the Olifants subject area.

iv) Branding Actions

We recommend that in order to develop and position the brand suggested above for the Valley of the Olifants subject area that a logo be designed for the area. The development of such a brand identity is crucial to creating awareness of the total focus area as a destination, beginning the association in the mind of tourists and potential tourists of what the area has to offer, and uniting the tourism product and service providers behind a meaningful tourism identity.

The logo should be catching and simple. We recommend that the focus area work with a design company to finalise the brand identity for the region. The brand essence/values and possible icons provided in Table 19.3.6 should be adequate for a design house to base its logo development on.

Once the logo is finalised, it is vital that all tourism product and service operators, all tourism bureaus and marketing entities (South African Tourism to the smallest local bureau), and all tourist products in the area, use the logo in their marketing and on their marketing material.

(2) Promotion & Communication Plan

The promotion and communication plan and mix is detailed by product segment in Table 19.3.6.

Table 19.3.6 Valley of the Olifants - Branding Essence & Promotion and Communications Mix

Generic Positioning & Brand Essence/Value			
"The Wildlife Research and Educational Experience of South Africa"			
<p><i>Beyond the Big-Five - learn unique and interesting facts about African Wildlife</i> <i>The African Wildlife experience with a difference – learn and experience the reality of how these animals and birds live, breed, socialize, and die, and how we as humans are researching their realm.</i> <i>Next to and en-route to KNP</i> <i>Experience the education and research (in-depth) and the real bush in one trip</i> <i>Better understanding of conservation</i></p>		<p><i>Pushing frontiers of knowledge</i> <i>Researching the unknown animal/wildlife (fauna and flora) realm</i> <i>Learn from and interact with the international wildlife research experts</i> <i>Education on environmental awareness</i> <i>World's African wildlife education destination</i> <i>Day in the life of (animals, researchers, conservationist)</i></p>	
Primary Target Markets	Promotion & Communication Mix	Products	Product Specific Positioning & Brand Essence/Value
Game Reserve/Wildlife:			
Domestic Holiday – LSM 7-8 Primary Areas Foreign Holiday	PR – all target markets Local trade shows Sales visits – tour operators and local trip operators. Feature on DMO Website	1. Entry to Kruger National Park	<i>Stronger positioning of these gateways</i> <i>Better/alternative gateways</i> <i>Experience the lesser travelled KNP</i> <i>The gateway for the Discerning visitor</i> <i>Extend the normal experience</i> <i>Away from the crowds</i> <i>Best roads to travel to the KNP - easier travelling</i>
Domestic Holiday – LSM 7-8 Primary Areas Foreign Holiday	PR – all target markets Local trade shows Sales visits – tour operators and local trip operators. Feature on DMO Website Targeted print advertising (ie Getaway – area promotion)	2. Private lodges – upmarket/luxury	<i>Personalised experience</i> <i>Commune with pristine nature</i> <i>Exclusivity</i> <i>Personalised game trips combined with research and education experience (the real portion)</i>
		3. Private lodges – mid-market	<i>Value for money</i> <i>Affordable</i> <i>Game trips combined with research and education experience (the real portion)</i>
Domestic Holiday – LSM 7-8 Primary Areas Domestic Day Visitors – LSM 6-8 Local Surrounding Areas Foreign Holiday Foreign VFR MICE – special interest	Merchandising - Own documentary videos Sales visits and direct selling to tour operators and trip operators, relevant clubs & associations (local and international), local and international academics Familiarisation trips and press tours Feature on DMO Website PR – all target markets Targeted print advertising for total area (ie Getaway, Scientific journals) Events Facilitate area being represented at major international events and conferences Local trade shows	4. Research/education (cheetah centre, reptile park) 5. Wildlife Research & Education Interpretation & Visitor Centre 6. Wildlife Research & Education Tourist Route (WR&ETR) 7. WR&ETR Crafts, Curios & Merchandising	<i>As per generic</i>

(3) Marketing Organisation

i) Structure

The marketing of the area should be handled by a body with adequate funds and significant private sector input. This could be the Valley of the Olifants regional tourism organisation, or a

re-established Hoedspruit Tourism association, working in conjunction with RTO.

ii) Resources & Budget

The budget is summarised in Table 19.3.7 below. The budget comprise two main parts:

- Administration Budget
- Marketing Activities Budget

As Table 19.3.7 shows, it is suggested that the DMO be a lean structure with three human resources - a CEO/manager, a sales persons who will also carry responsibility for sales activities (such as sales visits) and one support staff. It is suggested that the DMO be housed with another government entity or within a product (perhaps the proposed Wildlife Research & Education Centre) in order to reduce the equipment and other office cost, including rental. It has been assumed that no office rental will be paid by the DMO.

Table 19.3.7 Annual DMO Budget for the Valley of the Olifants Subject Area

Activity	Budget
Administration	
CEO	R 200,000
Marketing/Sales Person	R 90,000
Secretary	R 69,000
Equipment Rental	R 36,000
Telephone & Fax	R 18,000
Stationary	R 24,000
Travel Costs	R 30,000
Accounting	R 12,000
Subtotal	R 479,000
Marketing Activities	
Brand & Logo Development	R 30,000
PR Company	R 24,000
Educationals Journalists	R 30,000
Educationals Tour Operators	R 30,000
Area Brochures	R 50,000
Direct Mail	R 30,000
Website	R 30,000
Listings	R 14,400
Trade Shows	R 40,000
Press Advertisements	R 50,000
Event Promotions	R 30,000
Subtotal	R 358,400
Total Annual DMO Budget	R 837,400

A budget of R 840,000 per annum is adequate to allow the DMO to be an effective marketing agency.

19.3.6 Barberton Subject Area

(1) Branding/Positioning

i) General Principles

The overall branding and positioning for the Barberton area could begin almost immediately as sufficient critical mass exists of related experiences. However, although the attractions may exist, some improvement in respect of packaging and interpretation may be required in order to support the new positioning recommended. Although the core attractions that form the basis for the recommended positioning exists, most have not been used in the past to sell or position the area.

The Barberton focus area comprises a significant range and diversity of tourism product. Care should be taken not to incorporate too many products into the generic branding/positioning of the area in order to avoid confusing the target market and weakening the core brand identity. Instead sub-brands should be developed for primary products.

ii) Brand Basis

The brand/position and/or identity should be based on the focus area's core strengths or unique selling points ("USPs"). It should, therefore, build on or be based on the recommended development concept:

"South Africa's mountain land, adventure and wildlife experience"

iii) Brand Essence/Values

Table 19.3.3.6 provides a summary of the various elements the JICA Study Team consider to be important in the overall positioning (ie generic positioning) of the Barberton focus area and the respective target markets for the respective products in the Barberton subject area.

iv) Branding Actions

We recommend that in order to develop and position the brand suggested above for the Barberton area that a logo be designed for the area. The development of such a brand identity is crucial to creating awareness of the total focus area as a destination, beginning the association in the mind of tourists and potential tourists of what the area has to offer, and uniting the tourism product and service providers behind a meaningful tourism identity.

The logo should be catching and simple. We recommend that the focus area work with a design company to finalise the brand identity for the region. The brand essence/values and possible icons provided in Table 19.3.8 should be adequate for a design house to base its logo development on.

Once the logo is finalised, it is vital that all tourism product and service operators, all tourism bureaus and marketing entities (South African Tourism to the smallest local bureau), and all tourist products in the area, use the logo in their marketing and on their marketing material.

(2) Promotion & Communication Plan

The promotion and communication plan and mix is detailed by product segment in Table 19.3.8.

Table 19.3.8 Barberton - Branding Essence & Promotion and Communications Mix

Generic Positioning & Brand Essence/Value			
"South Africa's mountain land, adventure and wildlife experience"			
<i>Wild, Rough, Untamed, Harsh</i> <i>Explore, discover</i> <i>Undisturbed, Remote</i> <i>New and undiscovered</i> <i>Unique, Unusual</i> <i>Tranquil, Peaceful</i> <i>Alternative/Different Wildlife experience</i> <i>Adrenalin</i> <i>Real</i> <i>Adventure</i>		<i>Dramatic scenery</i> <i>Dramatic Beauty</i> <i>Mountain ranges</i> <i>Wildlife in the mountains</i> <i>Surrounded by mountains</i> <i>Part of the mountains</i> <i>Consumed by the mountains</i> <i>Mountains and wildlife are inseparable</i> <i>Cannot get away from the mountains</i> <i>Home of the "Power of One"</i>	
Primary Target Markets	Promotion & Communication Mix	Products	Product Specific Positioning & Brand Essence/Value
		Game Reserve/Wildlife:	
	PR – all target markets Targeted print advertising (ie Getaway, Outdoor) Feature on DMO Website Local trade shows (Getaway not Indaba) Sales visits (tour operators, conference organisers, team building organisers) Familiarisation trips for conferencing/team building markets Press trips (local press)	1. Midmarket/small lodge - Songimvelo - Mountainlands 2. Midmarket - family resort - Mountainlands 3. Upmarket - small lodge - Songimvelo 4. Rhino spotting - Songimvelo 5. Mountainous terrain & Adventure Theme	<i>Undiscovered</i> <i>Untamed</i> <i>New weekend destination</i> <i>Mountain hideaway</i> <i>Mountain getaway</i> <i>Adventure overdrive</i> <i>Adventure for family and the hardcore adventure seeker</i> <i>Alternative wildlife experience</i> <i>Wildlife up close (hiking)</i> <i>Value for money</i> <i>Affordable</i> <i>Team/family bonding in nature</i>
		Adventure:	
Domestic Holiday – LSM 7-8 Primary Areas Domestic Holiday – LSM 7-8 Secondary Areas Domestic Day Visitors – LSM 6-8 Local Surrounding Areas Foreign Holiday Foreign VFR MICE – domestic teambuilding	Events Sales visits and direct mail to adventure/sport associations/clubs Targeted print advertising (adventure/sport magazines) Trade shows (Outdoor show, Getaway, etc) PR – all target markets Feature on DMO Website Sales visits (conferencing/team building)	6. Soft: Mountain Hiking, mountain biking, quad biking, 4x4 7. Hard: Rock Climbing, abseiling, paragliding, professional 4x4 8. Cable way adventure products	Spiritual and Exhilarating A challenge, a journey, an adventure <i>Mountain based adventure</i> <i>Wildlife connected adventure</i> <i>Adventure for the unadventurous (even the faint at heart can enjoy it)</i> <i>Adventure for the adrenalin junkie</i> <i>Adrenalin overdrive</i> <i>Distressing but unwinding - relaxation through adventure</i>
		Scenic Drive Link to Swaziland:	
Domestic Holiday – LSM 7-8 Primary Areas Domestic Day Visitors – LSM 6-8 Local Surrounding Areas Foreign Holiday Foreign VFR	PR – all target markets Feature on DMO Website Collaborative marketing activities with Swaziland	9. Swazi & other local arts & craft shopping route 10. Swazi culture/heritage interpretation route 11. Cable way scenic products	<i>Swazi culture and people</i> <i>Shopping/crafts</i> <i>Quaint new road</i> <i>Slow and restful scenic drive</i> <i>Adventurous-scenic drive</i> <i>Mountain hugging drive</i> <i>Additional activity for the non-adventurous</i>
		Special Interest:	
Domestic Day Visitors – LSM 6-8 Local Surrounding Areas Foreign Holiday	PR – all target markets Feature on DMO Website Events	12. History	<i>First in SA – stock exchange</i> <i>Unique stories</i> <i>Quaint village/town</i> <i>Power of One</i>
MICE – special interests; domestic & foreign	Sales Visits - Associations, Academics Feature of DMO Website Events	13. Geology	<i>Unique rocks and formations</i> <i>Explore and discover</i> <i>Geological adventure</i> <i>Scientific study in scenic surroundings</i>

(3) Marketing Organisation

i) Structure

The marketing of the area should be handled by a body with adequate funds and significant private sector input. We suggest that this might be a more substantial Barberton Tourism Organisation, or a body, which combines the Barberton Tourism Organisation with significant other organisations that have a major interest in the area, such as the Bio-diversity Corridor Entity, the Mpumalanga Parks Board, etc.

ii) Resources & Budget

The budget is summarised in Table 19.3.9 below. The budget comprise two main parts:

- Administration Budget
- Marketing Activities Budget

Table 19.3.9 Annual DMO Budget for the Barberton Subject Area

Activity	Budget
Administration	
CEO	R 200,000
Marketing/Sales Person	R 90,000
Secretary	R 69,000
Equipment Rental	R 36,000
Telephone & Fax	R 18,000
Stationary	R 24,000
Travel Costs	R 30,000
Accounting	R 12,000
Subtotal	R 479,000
Marketing Activities	
Brand & Logo Development	R 30,000
PR Company	R 24,000
Educationals Journalists	R 30,000
Educationals Tour Operators	R 20,000
Area Brochures	R 75,000
Website	R 30,000
Listings	R 14,400
Exhibition Material	R 25,000
Trade Shows	R 50,000
Radio Advertisements	R 50,000
Press Advertisements	R 50,000
Event Promotions	R 50,000
Subtotal	R 448,400
Total Annual DMO Budget	R 927,400

As Table 19.3.9 shows, it is suggested that the DMO be a lean structure with three human resources: a CEO/manager, a sales person who will also be responsible for sales activities (such as sales visits), and one support staff. It is suggested that the DMO be housed with another government entity or within a product in order to reduce equipment and other office costs, including rental. It is assumed that no office rental will be paid by the DMO. A budget of R 930,000 per annum is adequate to allow the DMO to be an effective marketing agency.

19.3.7 Marketing & Promotion Linkages of Focus Areas with the East Asian Markets

(1) Introduction & Guiding Principles

Although the dominant target markets for the focus areas are domestic (with the exception of Khayelitsha), given the origin of the funding for this study as well as the parallel process within this study (South African Tourism Promotion Action Plan for the East Asian Markets), the JICA Study Team has identified below the potential for the focus area in respect of the East Asian market.

It should be noted at the outset that the focus areas are generally regarded as “off the beaten track” for most international markets, and it is, therefore, not advisable to develop comprehensive marketing and promotional measures for the international market as a whole. This would result in ineffective usage of already tight marketing budgets. Instead we suggest a targeted approach to specific target segments rather than to the general tourist.

For the focus areas to develop the East Asian market, it is crucial to begin with a focus on “niche markets”, because the current awareness of the focus areas is too weak (or in most instances non-existent) to attract general tourists. In addition, any marketing and promotion to these markets should be undertaken in consultation and in cooperation with South African Tourism and other relevant entities such as the overseas office(s) of South African Tourism in East Asian countries, relevant embassies, ground operators in South Africa and tour operators in source markets. Furthermore, in each East Asian market it is essential to draw and sustain interest and cooperation from outbound tour operators, which have an intimate knowledge of South Africa and already contribute to sending tourists to South Africa from each country.

As with South Africa as a whole, focus areas would need to view the East Asian market as a long-term investment. It is unlikely that the focus areas would attract large numbers of East Asian visitors in the immediate and short term future, even assuming good and significant marketing and promotion.

Outside of very targeted niche markets, it is unlikely that any of the focus areas or primary products/icons within the focus areas will be the main reason for the East Asian tourist selecting South Africa as a destination. At best these products/icons would be included as one of a variety of tour features.

(2) Pilanesberg-Madikwe Corridor

Pilanesberg, or specifically Sun City, is already popular with some Asian markets and is featured as an experience in many East Asian tour packages to South Africa. The potential exists to expand this market further.

In the long term, the establishment of the “Youth Tourism Cultural Exchange Centre” will be the catalyst for attracting the East Asian youth market to the Pilanesberg-Madikwe Corridor. It should take about five years to establish the Centre and it is suggested that the East Asian “under 21 market “ should be focused on.

Cathay Pacific Airways sponsored students from 14 Asia Pacific Rim countries to participate in “The 8th International Wilderness Experience “in Rustenburg. For the past eight years 410 young people participated in the event. This example shows that the youth market in East Asia is promising. The development of a broader program combining wilderness and heritage understanding is a necessity in order to appeal to a broader spectrum and attract a larger number of the youth market in East Asia.

Focus on the MICE market, specifically “exclusive and small-size incentives/seminars “: Attractions such as Sun City with casinos, water worlds, golf and exclusive hotels equipped

with luxury convention facilities are recognized tourist drawcards for Singapore, Hong Kong, Taiwan and Korea. The easy driving distance from the established gateway/hub of Pretoria/Sandton is an added bonus. The potential exist to develop the East Asian MICE market for this area.

(3) Khayelitsha

The potential for this area is relatively stronger than most of the other focus areas due to Khayelitsha's location close to Cape Town. Cape Town is already a "must-see" destination for all of the East Asian markets to South Africa.

In the long term, the establishment of the "African Music and Dance Showcase" will be the catalyst for drawing the East Asian market to Khayelitsha. The JICA Study Team believe it is unlikely that large numbers of the East Asian market would be attracted to the current product offering in Khayelitsha even if improved and expanded. However, a world-class "African Music and Dance Showcase" would attract significant tourist numbers from the East Asian market to Khayelitsha.

It should take about four to five years to establish the facility. For the most effective promotion to this market, in the interim and when the facility is opened focus on selling the area and the Showcase to East Asian tourists staying or planning on staying in Cape Town rather than directly to the travel trade in the source market or directly to the source market.

The East Asian markets are avid collectors of tourist information. Information and material on the township experience at Cape Town airport as well as the lobbies of hotels frequented by the East Asian market, never fail to attract the interest of these tourists. (Please note that for greater effectiveness, tour information should be written in Japanese, Korean and Mandarin.) This would result in the tourist requesting the tour operator to include a visit to Khayelitsha rather than only visiting what the operator recommends. Especially nightlife activities are always popular with East Asian tourists. Easy booking and safe operations is however important to the East Asian market. Tour operators with excellent knowledge of the area and the ability to arrange decent transport would assist in growing this market for Khayelitsha. We are eagerly looking forward to the emergence of such tour/trip operators from the local community in Khayelitsha as a result of the proposed SMME development.

(4) Valley of the Olifants

We believe that the Valley of the Olifants could easily attract more general East Asian tourists by increasing promotion of the Blue Train trip to Hoedspruit. The Blue Train is very popular among East Asian tourists, but few know that the route between Pretoria and Hoedspruit exist. To promote this route, we suggest that the trip be linked with the Kruger National Park and the Blyde River Canyon.

Focus on the MICE market, specifically "exclusive and customized incentives/seminars": Customized luxury incentive tours e.g. a chartered Blue Train trip to Hoedspruit linked with Kruger National Park and a luxury private game reserve located within the Valley of the Olifants (it may also require using well-known reserves outside of Valley of the Olifants such as Mala Mala, Sabi Sabi, etc) will draw demand from the super luxury market such as major companies like Toyota, Sony, Sum Sung and so forth.

In the long term, the establishment of the "Wildlife Education and Research Centre" and "Wildlife Education & Research Tourist Route" will be catalysts in opening up opportunities for drawing special interest markets (Ecology and Academics) from East Asia to the Valley of the Olifants.

It is important to approach these special interest markets in East Asia directly. The DMO should mail promotional materials or news letters to and make a direct approach to all East Asian

organizations with a potential interest in Ecology such as hobby circles, universities, academic institutes, museums and NGOs. Advertisements in targeted magazines specializing in these themes would also be effective.

Furthermore the area should consider hosting international conventions on Ecology and Wildlife Research. To attract international meetings and conventions and facilitate international participation including the East Asian market, it is essential to attend international meetings and events such as EIBTM and AIME and have a close relationship with ICCA, Union of International Associations (UAI), Asian Association for Conventions and Visitors Bureau (AACVB) and South African Tourism's Conference Department.

(5) Barberton Subject Area

As this area is completely unknown to the East Asian market it is essential to establish and reinforce the recommended positioning of the area, "South Africa's mountain land, adventure and wildlife experience", in the short/medium term to the East Asian market. This focus area should focus on the East Asian special interest markets, particularly along the themes of adventure, geology and ecology.

In respect of the geology and ecology special interest markets, it is important to approach these markets directly. The DMO should mail promotional materials or news letters to and make a direct approach to the organizations with a potential interest in geology or ecology such as hobby circles, universities, academic institutes, museums and NGOs in order to influence individual and organised group visits to the area. Advertisements in targeted magazines specializing in these themes would also be effective.

Furthermore the DMO should consider hosting international conventions on geology and ecology. To attract international meetings and conventions and facilitate international participation including the East Asian market, it is essential to attend international meetings and events such as EIBTM and AIME and have a close relationship with ICCA, Union of International Associations (UAI), Asian Association for Conventions and Visitors Bureau (AACVB) and South African Tourism's Conference Department.

In respect of the adventure special interest market, focus on sports and soft/hard adventure related to mountains. Barberton has already hosted the SA paragliding championship, which runs over one week every year. The area's tourism organization should therefore already have some know-how in organising and hosting such events. Potential markets for East Asia include mountain-biking, rock climbing and marathon running. We suggest that the area consider hosting world events in these markets. This would then also attract East Asian participants and make the area known for these participants to return as tourists.

Take as an example hosting the International Mountain-Biking Championship: In Japan more than one hundred races are held every year, with more than three thousand people participating in each race. The potential numbers are therefore significant. It would be necessary for the Barberton area to create world-class routes for Cross Country, Down Hill, Dual Slalom, Dual, Endurance, Observed Trial and so forth but it is suggested, however, that these routes be created in such a way that they would be usable by beginners to experts and be usable all year around.

To promote these events and attractions to the East Asian market, continuous direct contact with the relevant associations in each country is crucial. Advertisements in targeted magazines specializing in these themes would also be effective.

Focus on the East Asian honeymooner and single young people markets. There is a trend in the East Asian markets towards travelling to "off the beaten track" destinations amongst the young honeymooner and single young generations. These markets have a great appetite for adventure destinations and want to boast a travel experience to places where nobody else has

visited. PR activities in various targeted youth publications and travel publications targeted at this market would be effective.

Chapter 20

Human Resource Development Plans for Focus Areas

20.1 Introduction

The possible scope of human resource development requirements for tourism development strategies in the focus areas could be very broad. Tourism as a multi-faceted industry with many downstream economic impacts can stimulate job and entrepreneurial opportunities in many sectors, and consequently skills development in many different arenas. In addition, as tourism impacts on and affects the wider community, general tourism awareness education for all can be seen as part of human resource development for the industry.

Against this background, the study team proposes that the human resource ("HR") development approach for the focus areas therefore adopts the following principles:

The core HR development focus will be in three areas:

- Direct tourism skills (e.g. tour guide, waiter)
 - Skills directly required for priority projects in focus areas, e.g. craft design and manufacture, music and dance training for Khayelitsha, etc
 - Entrepreneurial and business management skills to facilitate take-up of tourism business opportunities by the community
- An ancillary HR development focus, in a limited facilitating, monitoring and coordination role only, will be the development of skills and use of resources in indirect tourism jobs. This can include bush clearing, road paving, construction, etc.
- A second ancillary HR development focus will be general community awareness and education regarding tourism, again in a facilitating and monitoring role.

In addition, the Human Resource Development Plans will adopt the principle of using and tapping into existing programs at the national, provincial and regional/local level, being run by either the public, private or NGO sector, wherever possible, before developing new programs.

The human resource development requirements will flow from any existing skills gap to support the current tourism plant in the focus areas, and from new skill requirements derived from the Product Development Plan for each focus area.¹

20.2 HR Development in the Pilianesberg-Madikwe Corridor Subject Area

20.2.1 Provincial, Regional & Local Levels

There is no specific tourism human resource development responsibility, nor are there any specific tourism human resource programs at the provincial level. The Bojanala Platinum District Municipality Council has recently appointed an HR functionary, who is involved in considering HR programs and initiatives required in tourism and is interacting with the North West Parks and Tourism Board on the human resource development for the Heritage Park. Responsibilities for HR on the provincial, district and local level have, however, not been defined.

¹ The major thrust of national tourism HR development was covered in the Interim Report, Chapter 5.6.

20.2.2 Focus Area

The Pilanesberg National Park Management (a three-way partnership between the community, NW Tourism and Parks and the private sector) is active in HR development in a number of different ways, although this is not coordinated under an HR development function and largely falls within the Community Participation section of the Pilanesberg National Park Management Plan, with small references to specific training in other sections of the Park Management Plan.

The Madikwe Game Reserve, which is run by a similar three-way partnership, is also active in human resource development, again largely within the auspices of its "Community Aspects" of its Management Plan. Madikwe has drawn in donor and NGO resources to assist in some of its training initiatives. For instance, the local community in the Madikwe area is specifically trained in certain construction techniques to build the new tourism information center at Molatedi.

For both Pilanesberg and Madikwe therefore, training appears to be project based and initiated to respond to specific needs.

Various external agencies also initiate training projects, or projects which encompass training within the study area. Examples include DEAT Poverty Relief Projects such as the Mogwase Craft Factory in Mankwe, which includes significant training, and the Mankwe Development Foundation plan to establish a Wildlife and Tourism Management School at the present under-utilised Mankwe Christian College.

In addition, the well-developed private sector in the area, and in particular Sun International, is very active in training in direct tourism skills. Sun City has a high level of NQ qualified staff and has an active training department as well as drawing on the resources of many external training companies and advisors.

The Rustenburg College and the Damelin College in Rustenburg both offer some tourism and hospitality courses.

In general this focus area has a high level of activity in tourism human resource development, and a significant body of skilled people, drawn from local communities, active in the tourism industry. However, neither at the Provincial level, nor specifically in the area, or within its two main parks, is tourism human resource development coordinated, monitored or facilitated in one place.

20.2.3 Existing Tourism Employment and Skills Base

The estimated number of direct tourism employees in the Pilanesberg Madikwe Corridor area is 7,310² Tables 20.2.1 and 20.2.2 below indicate the composition of the tourism workforce.

² JICA SA TPDP Socio Economic Impact Assessment Study, Africon, 2002.

Table 20.2.1 Current Tourism Employment in the Pilanesberg Madikwe Corridor

Business Activity	Total No. of Employees	% of Area Total	Managerial		Mid-level		Low-level	
			% of Total	TOTAL	% of Total	TOTAL	% of Total	TOTAL
Bed & breakfasts/ Guest-houses	292	4.0%	25.0%	73	0.0%	0	75.0%	219
Self-catering	144	2.0%	33.3%	48	0.0%	0	66.7%	96
Hotel	494	6.8%	11.5%	57	30.8%	152	57.7%	285
Museum	22	0.3%	36.4%	8	18.2%	4	45.5%	10
Restaurant / Tea garden	72	1.0%	16.7%	12	33.3%	24	50.0%	36
Game reserve	275	3.8%	9.1%	25	18.2%	50	72.7%	200
Resort (Sun City)	5,600	76.6%	10.0%	560	30.0%	1,680	60.0%	3,360
Cultural	128	1.8%	18.8%	24	12.5%	16	68.8%	88
Parks and Tourism Board	68	0.9%	11.8%	8	11.8%	8	76.5%	52
Airport	19	0.3%	15.8%	3	31.6%	6	52.6%	10
Car hire	16	0.2%	50.0%	8	25.0%	4	25.0%	4
Tour operators	180	2.5%	22.2%	40	22.2%	40	55.6%	100
Total	7,310	100.0%	11.8%	866	27.1%	1,984	61.0%	4,460

Source: JICA SA TPDP Socio Economic Impact Assessment Study, Africon, 2002

The bulk of tourism employees in Pilanesberg Madikwe are in resorts, i.e. Sun City. Of those employed, 60% are at the low level and 10% are at the managerial level with 30% in mid-level occupations.

Table 20.2.2 Employment Profile in Pilanesberg Madikwe

BUSINESS ACTIVITY	AVERAGE MONTHLY INCOME (Rand/month)			GENDER MANAGER %		GENDER MID-LEVEL %		GENDER LOW-LEVEL %	
	MANAGER	MID-LEVEL	LOW-LEVEL	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Bed & breakfasts/ Guest-houses	2,833	750	675	67	33	25	75	50	50
Self-catering	0	0	500	0	0	0	0	50	50
Hotel	10,000	6,000	4,000	80	20	80	20	50	50
Museum	7,000	5,000	2,500	0	100	50	50	75	25
Tea garden/ Coffee shop	1,200	1,200	1,200	30	70	50	50	70	30
Game reserve	2,500	-	700	50	50	50	50	50	50
Guest farm/Resort	20,000	10,000	2,500	60	40	34	16	25	75
Cultural	5,500	2,650	1,350	80	20	55	45	80	20
Parks and Tourism Board	11,000	5,000	2,750	83	17	92	8	89	11
Airport	7,000	4,000	3,000	100	0	83	17	80	20
Car hire	6,000	3,500	2,900	100	0	100	0	100	0
Tour operators	5,250	1,650	400	25	75	65	35	40	60

Source: JICA SA TPDP Socio Economic Impact Assessment Study, Africon, 2002

From the above, the following observations are relevant regarding the employee profile within the Madikwe area:

-
- Bed and breakfast and guesthouse establishments in the area tend to employ 75% low-level, 0% mid-level and 25% managerial level employees. The average monthly income varying between R 675 and R 2,833. The gender composition being 50/50 on the low-level, 25% male and 75% female on the mid-level, and 67% male and 33% female on the managerial level.
 - The self-catering facilities employ only low-level employees, with an equal distribution between both genders. Their average monthly income is R 500.
 - The hotels within the area comprise 58% low, 31% mid and 11% managerial-level employees. The respective average monthly incomes are R 4,000, R 6,000 and R 10,000. The gender composition on both the two higher levels is 80% male and 20% female, the low-level being equally composed.
 - The museum and heritage facilities within the Madikwe area employ 45% low level and 18% on mid and 37% on managerial level. The average monthly income varies between R 2,500 for the low level and R 7,000 for the managerial level.
 - The guest farms and resorts employ 10% managerial employees and 60% low-level employees. The gender composition is 60% male and 40% female, and 25% male and 75% female for the respective levels. The average monthly income varies between R 20,000 and R 2,500.
 - The Parks and Tourism Board employs the following percentages on the three levels: 12% managerial, 12% on mid-level and 76% on low-level. The average monthly income varies between R 11,000 for the managerial level and R 2,750 for the low level. All three levels are male-orientated.
 - The local tour operators own an average of R 5,250 at managerial and R 400 at low level. The gender composition is mainly female on these two levels. An estimated 56% of the total employees are employed within the low-level and 22% on the managerial level.

Table 20.2.3 below indicates the current tourism qualifications, and the training needs in the Pilanesberg Madikwe corridor, as perceived by employers in the industry.

Table 20.2.3 Training Needs and Tourism Qualifications within Madikwe

BUSINESS ACTIVITY	TOURISM QUALIFICATIONS (% ON LEVEL)			TRAINING NEEDS
	Manager	Mid-Level	Low-Level	
Bed & breakfasts/ Guesthouses	50	47	13	Language skills, drawing of business plans and management, general tourism awareness
Self-catering	0	0	0	Supervision, housekeeping, customer services and basic security.
Guest farms and resorts	100	90	60	Hospitality
Hotel	0	0	0	None
Museum	30	0	0	Tour guiding, computer and communication skills
Tea garden/Coffee shop	0	0	0	Professionalism
Food market	0	0	0	Shop maintenance
Nature reserve	50	0	0	Tour guiding and computer skills
Cultural and traditional events and activities	90	45	10	Accounting, hotel management, communication and language skills
Parks and Tourism Board	65	35	10	Computer literacy, schooling for local bush children, artistic skills, communication and language skills
Car hire	0	0	0	None
Tour operators	0	0	0	None

From the above table the following observations are important and relevant:

- An estimated 50% of all managers within the bed and breakfast and guesthouse establishments have tourism related qualifications. A total of 47% and 13% within the mid and low-levels of employment within these establishments have tourism related qualifications.
- None of the hotel, food market/fast food, tea garden/coffee shop and tour operators have any tourism related qualifications.
- An estimated 50% of the managers working within the nature reserves and parks in the Madikwe area have tourism related qualifications.
- Approximately 90% of managerial employees, 45% of mid-level employees and 10% of low-level employees within the crafts and cultural activities have tourism related qualifications.
- 65% of the parks and tourism board's managers have relevant qualifications, with 35% of the mid-level and 10% of the low-level employees having tourism related qualifications.
- A total of 100% of managers within guest farms and resorts have tourism related qualifications, followed by 90% mid-level and 60% low-level employees.

The general training needs and requirements within the Madikwe area are varied and include: language, tourism awareness, computer literacy, business and management skills, supervisory skills, customer services, hospitality, tour guiding, communication, professionalism, and communication skills.

Many of these skills are generic, i.e. none tourism specific. It is interesting to note that in the category in which most people (12,250) are employed (resorts which includes Sun City) where limited training needs were identified and most people have relevant qualifications.

20.2.4 Future Human Resource Development Requirements

Indications are that the current levels of essential tourism skills are largely adequate in this focus area and that tour guiding and some hospitality, housekeeping and hotel management are required. On the other hand more generic skills such as communication, customer service, languages etc are recognised as needed. It is also clear that levels of qualifications and the need for training vary from the resort sector (mainly Sun City) where high levels of qualifications exist and low training needs were identified, to self-catering where low qualification levels and fairly high training needs were evident.

The future development plans for the Pilanesberg-Madikwe Corridor include additional tourist resort and lodge facilities similar to tourism plant already operated in the area and new facility types related to heritage interpretation and later wildlife breeding. Current training programs and activities can be extended to cover the training needs for the additional lodges and resorts. New training provision will be required for the heritage and breeding centre interpretation and guiding.

Much of the park development will create opportunities for indirect tourism jobs in conservation and development (e.g. fencing, clearing, road building etc) and these will require training of communities to take up jobs. In addition it is envisaged that many entrepreneurial opportunities should arise as the new park develops, and business training will be needed to assist community members to take up these opportunities. In addition, we believe that there are many existing opportunities to provide tourism services and/or products and services to tourism operators, in the Pilanesberg Madikwe Corridor, due to the large size of the established tourism industry in the area.

The formation of the proposed Heritage Park and its long-term development plan requires a more formalised and coordinated approach to human resource development in the total Park. As this park will be a key and dominant aspect of the work of the North-West Parks and Tourism Board, we suggest that a HR development and coordination function for the Heritage Park Concept, should reside within the Board.

This function will require at least one dedicated tourism HR functionary within the Board, His/her scope would not be limited to the Pilanesberg Madikwe Corridor as many of the programs initiated could be applied elsewhere in the Province. Nevertheless, due to the dominance of the Corridor in the Province's tourism industry, we believe that the majority of this persons time and focus will be on HR development needs in the Corridor area.

The demand projections for the Pilanesberg Madikwe area indicate an additional 6 450 overnight and 3 340 day tourists per annum to the area in 2003 due to the JICA programs, rising to 75 500 overnight and 23 300 day tourists by 2007. In total, including direct, indirect and induced employment, this results in an estimated additional 1800 jobs in the area by 2006. Of these many will not be in the direct tourism industry. However the entrepreneurial business opportunities that will present through this tourism growth will be in direct and indirect tourism businesses.

The specific priority tourism projects proposed in the Pilanesberg Madikwe Corridor, are:

- A midmarket Greater Pilanesberg resort with 100 dormitory style beds in 25 rooms, and 60 4 – 8 bed chalets. We estimate that this resort will employ 80 – 100 staff directly.
- A midmarket day and overnight facility at Molatedi dam, with 50 self-catering chalets, picnic areas, and an upgrade to the existing small-tented camp. We estimate that this will employ 60 – 80 people directly.

The development of the heritage tourist facilities and interpretation and guiding to support these facilities will also generate tour guiding/interpretation jobs in the area.

We recommend the following HR programs for the Madikwe Pilanesberg Area, facilitated and run from the provincial level.

(1) Tourism SMME Entrepreneurial Training Program.**i) Objectives:**

- To teach prospective and existing SMME entrepreneurs:
- To understand the tourism industry
- To understand customer service
- General business management skills
- How to identify tourism business opportunities
- How to negotiate/approach the established traditional tourism sector to sell and supply goods and services

And to provide an ongoing tourism business advisory service to assist new and existing tourism SMME entrepreneurs, including assistance with identifying opportunities and negotiating with established players.

A number of tourism entrepreneurial training programs have been developed by different institutions and service providers in South Africa. Amongst these are Reach and Teach and Empower-ED. In addition many general non-tourism entrepreneurial training programs also exist. The tourism HR development function at the provincial level, would be tasked with identifying and finalising (probably through a tender process) a service provider for the training and a course.

The provision of the SMME entrepreneur advisory service could be developed according to two models. Either selected Board and/or District Municipality staff who could be trained in the provision of entrepreneurial support and advice, and dedicate a significant proportion of their time to this, or an external service provider could be selected to provide the advisory services on some basis. This might be monthly "clinics" rotating through the province, supported by an off-site mentor-type program, or an ongoing center perpetually manned which deals with queries and provides advice.

ii) Numbers to be trained:

We recommend that the initial goal is to train and support 30 entrepreneurs a year for two years, after which the situation should be reviewed.

iii) Budget:

The budget to provide the training and advisory services to SSME entrepreneurs is estimated at R750 000 per annum.

(2) Tour Guiding and Interpretation Program**i) Objectives**

The objectives of the program are to train guides, according to the Provincial Guide Accreditation System, to provide tour guiding of the heritage and wildlife attractions in the area. The guides will have the basic general guiding skills and SA tourism knowledge, and the speciality knowledge related to the heritage and wildlife attractions in the area. They should also learn the importance of good interpretation for visitors and particularly foreign visitors. In addition some languages (English and foreign) will form part of the tour guiding and interpretation training programs

ii) Number to be Trained

Based on a roll out of the heritage and interpretation over a number of years, and the planned new projects in year 3 and year 4 of the overall programs, we recommend the following target training numbers, after which the situation should be reviewed:

Year 1: 6 guides

Year 2: 6 guides

Year 3: 10 guides

Year 4: 10 guides.

iii) Budget

The estimated budget to train the guides is R370 000.

(3) HR Development Facilitation

In addition to coordinating and managing the provision of the above programs, the Provincial tourism HR functionary should also provide a facilitation and promotion role in HR development for the area. This would include:

- Working closely with THETA and training providers in the area and keeping abreast of their offerings and programs
- Ensuring that the private sector plant and service owners and operators are encouraged to train and to utilise the services of trainers, THETA, the Province etc, particularly encouraging NQ training, and the take-up of tourism industry learnerships
- Facilitate the provision of training to public and private sectors in the areas identified as weak in terms of current skills
- Facilitating the provision of indirect tourism training, relating to tourism projects, e.g. in the area of conservation, building, etc,
- Facilitate the provision of tourism awareness training in the area.
- Facilitate the setting up of training partnerships, where established and larger players partner a small SMME operator and enable them to participate in some of their training programs.

We believe that sufficient industry specific training providers and training courses exist to support the training of the staff in the new tourism developments, and that it is the responsibility of the operators of these in each instance to conduct the required training, with encouragement and support from the provincial training functionary.

20.3 HR Development in the Khayelitsha Subject Area

20.3.1 Provincial, Regional & Local Levels

Human resource development is a function of the Provincial Department of Tourism, which has recently been split from the previous Department of Economic Affairs Agriculture and Tourism. This role is alluded to in the White Paper and falls under the responsibilities:

- Education programs, including raising levels of awareness of understanding of tourism and its importance to the province;
- The establishment of standard entrepreneur support programs facilitating appropriate skills, education and training;
- Promoting and managing the tourist guide function in the province; and
- Supporting the development and promotion of locally-produced tourism-related arts and crafts;

The provincial department has a small HR Development department, which is currently busy with the re-registering of tour guides in line with the new national dispensation. The Department has also recently appointed consultants to develop a Tourism Human Resource Development Strategy for the Province. While awaiting this strategy formulation, the province has been active in an ad-hoc way on various training projects.

One of the HR development projects which the province undertook was the training in 2001 of Tourism Help Desk (THD) consultants, who were then equipped to provide an advisory service to entrepreneurs wishing to start tourism projects. A trained THD consultant is available in each region of the Western Cape. Other entities within the province such as Cape Nature Conservation are also active in training.

20.3.2 Focus Area

Within Khayelitsha many uncoordinated training projects appear to be taking place amongst which, some pertain to tourism. There are many agencies, NGOs and government bodies involved in various projects in the township, and training is often a component of the projects. Such projects include:

- Khayelitsha Training Centre, a project started by the local council in 1998. The centre offers 3-month training courses in crafts.
- Cape Town Tourism, under a grant from the local authority, is involved in township guide training and will be looking at tourism skills training, tourism awareness education and tourism business skills training.

However, the tourism training and skill levels in Khayelitsha are not high. There are few people employed in the industry, or deriving employment from tourism.

In general this focus area has a low level of activity in tourism human resource development, and few skilled people in the tourism industry. Neither at the Provincial level, nor specifically in the area, is tourism human resource development coordinated, monitored or facilitated in one place. However with the advent of a provincial tourism HR strategy, it is expected that this will be addressed.

20.3.3 Existing Tourism Employment and Skills Base

The estimated number of direct tourism employees in Khayelitsha is 208³. Tables 20.3.1 and 20.3.2 below indicate the composition of the tourism workforce.

Table 20.3.1 Current Tourism Employment in Khayelitsha

BUSINESS ACTIVITY	Total No. of Employees	% of Area Total	Managerial		Mid-level		Low-level	
			% of Total	TOTAL	% of Total	TOTAL	% of Total	TOTAL
Bed & breakfasts/ Guest-houses	16	7.7%	50.0%	8	6.3%	1	50.0%	8
Restaurant	25	12.0%	20.0%	5	20.0%	5	60.0%	15
Arts and Crafts	49	23.6%	4.1%	2	2.0%	1	93.9%	46
Guest farm / Resort	55	26.4%	1.8%	1	45.5%	25	52.7%	29
Tour operators	63	30.3%	22.2%	14	0.0%	0	77.8%	49
Total	208	100.0%	13.9%	29	14.9%	31	70.7%	147

Source: JICA SA TPDP Socio Economic Impact Assessment Study, Africon, 2002.

Of the 208 tourism employees in the township, most are at a low level (147), with 31 and 29 respectively at the mid- and managerial levels. Most of the employees are at the low level in the resort category and work, presumably at Monwabisi. If the estimated employees at Monwabisi are deducted from the tourism employment, then only 16 people are directly employed in tourism in Khayelitsha, mainly in fast foods and restaurants. We believe that the bed and breakfast employment figure is low, and might expect it to be 8 – 10 people based on the number of B&Bs in the area.

Table 20.3.2 Employment Profile in Khayelitsha

BUSINESS ACTIVITY	AVERAGE MONTHLY INCOME (Rand/month)			Gender Manager%		Gender Mid-Level %		Gender Low-Level %	
	MANAGER	MID-LEVEL	LOW-LEVEL	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Bed & breakfasts/ Guest-houses	1,125	-	333	50	50	25	75	25	75
Restaurant	5,500	1,500	2,500	100	0	0	100	0	100
Guest farm	9,000	4500	3,000	100	0	100	0	90	10
Tour operators	4,500	500	0	25	75	30	70		

From the above table the following observations are relevant regarding the employee profiles within the Khayelitsha area:

³ JICA SA TPDP Socio Economic Impact Assessment Study, Africon, 2002.

- An estimated 50% of the total employees working in the bed and breakfast establishments are employed within the managerial level, earning an average of R 1,125 per month. The gender composition is equal between male and female.
- An estimated 50% of the bed and breakfasts' employees are low-level earning an average of R 333 per month. The gender composition is 25% male and the rest female.
- The restaurant industry employs an average of 20% on managerial level and 60% on low-level, earning between R 2,500 and R 5,500. The gender composition is male orientated on the managerial level and 100% female on the low level.
- The resort in the Khayelitsha area only employs an estimated 2% on the managerial level and 53% on the low-level. The monthly earnings are between R 9,000 for the 1% and R 3,000 for the 99%. All levels are male-orientated.
- The local tour operators employ an estimated 22% on the managerial level and 78% on the low-level. The monthly income being R 4,500 and R 500 on the two respective levels. This sector being female-orientated.

Table 20.3.3 below indicates the current tourism qualifications, and the training needs in Khayelitsha, as perceived by employers in the industry.

Table 20.3.3 Training Needs and Tourism Qualifications within Khayelitsha

BUSINESS ACTIVITY	TOURISM QUALIFICATIONS (% ON LEVEL)			TRAINING NEEDS
	Manager	Mid-Level	Low-Level	
Bed & breakfasts/ Guesthouses	40	0	0	Housekeeping, hospitality, cooking and baking, management, tourism related skills
Restaurant	25	0	0	Computer training, cashiering, communication skills
Resort	0	0	0	None
Tour operators	75	25	0	Computer training, business and communication skills

Source: JICA SA TPDP Socio Economic Impact Assessment Study, Africon, 2002.

From the above table the following observations are relevant and important:

- Only 40% of the managerial level employees within the bed and breakfast and guesthouse establishments have tourism qualifications. None of the other levels of employees have any qualifications relating to tourism.
- An estimated 25% of the restaurants managers within the area have tourism related qualifications. None of the other employees have any.
- Approximately 75% of the managerial level employees and 25% of the mid-level employees working within the tour operator industry have tourism related qualifications.

The general training needs and requirements within the Khayelitsha area are fairly extensive and include the following: housekeeping, catering, management, communication skills, tourism related skills and computer training and literacy.

20.3.4 Future Human Resource Development Requirements

Indications are that the current levels of tourism skills are not adequate in this focus area. The current perceptions are that more training is needed for Khayelitsha residents in various aspects of tourism and business management, such as health and hygiene, cooking, marketing, tourist guiding, etc.

The development plans for Khayelitsha include a significant new facility based on African music and dance, with related merchandising and crafts. In addition, improved township interpretation and extension of the accommodation, restaurant and bar facilities within the township is envisaged. Mobilising many current training programs and activities will probably cover the training needs for the additional accommodation, restaurant and bar facilities. However, mechanisms will be needed to ensure the programs are successful and funds are sourced for the programs. New and specific training provision will be required for the music and dance facility and the improved interpretation. In addition, it is envisaged that some entrepreneurial opportunities should present as the facility and as tourism to the Township, develops, and business training will be needed to assist community members in taking up these opportunities.

The formation of the proposed music centre as an anchor and unique attraction for Khayelitsha requires a more formalised and coordinated approach to human resource development. We recommend that an HR development and coordination function for the Township should reside within a local Khayelitsha Tourism Organisation, with close support from, and linkages with, the Unicity. We suggest that the province may be too far removed from this particular township on the ground to provide its HR development coordination.

We recommend that a person based at Khayelitsha Tourism be tasked with the HR function, but this will not require a full time position, and the person would take on other roles and responsibilities. We also envisage that Khayelitsha Tourism will be the PIU for the Showcase.

The demand projections for Khayelitsha indicate an additional 24,200 day tourists and 2,350 overnight tourists per annum to the area in 2003 as a result of the JICA programs, rising slowly until the African Music Showcase opens in 2005, when it jumps to 93,600 day and 9,000 overnight tourists and continues to rise to 168,000 and 9,800 respectively by 2007. In total, including direct, indirect and induced employment, this results in an estimated additional 1,600 jobs in the area by 2006. Of these many will not be in the direct tourism industry. However the entrepreneurial business opportunities that will present through this tourism growth will be in direct and indirect tourism businesses.

The specific priority tourism project proposed in Khayelitsha is an African Music and Dance Showcase, including a music interpretation centre, a venue for shows and events, music and dance training facilities, restaurant/bar and craft production and sales related to the centre. We estimate that this development will employ 60 – 80 staff directly. In addition the improvement of the general Khayelitsha tour product and the related interpretation is planned and will also generate tour guiding/interpretation jobs in the area.

We recommend the following HR programs for Khayelitsha, facilitated and coordinated at the township level, but with significant support from the Unicity tourism function.

(1) Theatre operational skills and music and dance development

The African Music and Dance Showcase (“AMDS”) has particular training and skills development needs, which fall outside of the general direct tourism skills set, covered by the tourism industry service providers, and institutions e.g. THETA. It will therefore fall to the PIU for the AMDS, (specific to the Township) to ensure that programs are developed to provide the skills training needed to develop theatre operational skills and music and dance training. Music and dance training will also be an ongoing part of the operation of the

Showcase and will require permanent, full-time, part-time or contract staff to ensure this is provided.

Much of the above training will be sourced and put in place during the implementation phase of the Showcase. It is envisaged that the PIU person in charge of HR will source training from existing service providers and will liaise with other SETAs which provide music and dance and theatre training.

The objectives will be to have a small trained Showcase troop for music and dance performances, and to have an operational team with excellent theatre skills – lighting, sound, stage design, stage technical knowledge etc.

The estimated start-up training budget is R1 million, excluding the salary of the PIU person responsible for training. However, this budget is included as part of the Showcase pre-opening and R&D costs, rather than as a separate HR development program.

(2) Tourism SMME Entrepreneurial Training Program

i) Objectives:

To teach prospective and existing SMME entrepreneurs:

- To understand the tourism industry
- To understand customer service
- General business management skills
- How to identify tourism business opportunities
- How to negotiate/approach the established traditional tourism sector to sell and supply goods and services

And to provide an ongoing tourism business advisory service to assist new and existing tourism SMME entrepreneurs, including assistance with identifying opportunities and negotiating with established players.

A number of tourism entrepreneurial training programs have been developed by different institutions and service providers in South Africa. Amongst these are Reach and Teach and Empower-ED. In addition many general non-tourism entrepreneurial training programs also exist. It is fully expected that the Unicity and/or the Province will be coordinating and finalising tourism SMME entrepreneur programs as described above. At the township level, the Khayelitsha tourism HR person would be tasked with identifying candidates from the Khayelitsha community and ensuring that they are successfully included on provincial or city programs, and that they are able to receive ongoing business advice and assistance.

ii) Numbers to be trained:

We recommend that the initial goal is to train and support 3 entrepreneurs a year for two years, after which the situation should be reviewed.

iii) Budget:

The budget to provide the training and advisory services to SSME entrepreneurs is estimated at R75,000 per annum.

(3) Tour Guiding and Interpretation Program

i) Objectives

The objectives of the program are to train guides, according to the Provincial Guide Accreditation System, to provide tour guiding of the township attractions in the area and for the interpretation centre .of the Showcase The guides will have the basic general guiding skills and SA tourism knowledge, and the speciality knowledge related to the township and/or music and dance. They should also learn the importance of good interpretation for visitors and particularly foreign visitors. In addition some languages (English and foreign) will form part of the tour guiding and interpretation training programs

ii) Numbers to be Trained

Based on a roll out of the township interpretation followed by the opening of the Showcase in year 3 of the overall programs, we recommend the following target training numbers, after which the situation should be reviewed:

Year 1: 2 guides

Year 2: 2 guides

Year 3: 4 guides

Year 4: 4 guides.

iii) Budget

The estimated budget to train the guides is R 170,000.

(4) Music and Dance Showcase Craft and Merchandise Production

Working with the existing Khayelitsha Training Centre, which offers craft training courses, the Khayelitsha Tourism HR development officer should facilitate the development of training in design and manufacture of crafts and merchandise themed around the Showcase. Such training should link into the entrepreneurial training for individuals who are interested in setting up craft production centres, or who want to work for their own account.

The overall objective is to equip a number of township residents with the skills to design and make crafts which can be sold at the outlet at the Showcase, profitably. The training will only be required from year two onwards, in preparation for the opening of the Showcase in year 3. It is envisaged that the training will target about 20 people per annum for two years and then be reviewed.

The estimated budget for the training is R 200,000 per annum.

(5) HR Development Facilitation

In addition to coordinating and managing the provision of the above programs, the Khayelitsha Tourism HR functionary should also provide a facilitation and promotion role in HR development for the area. This would include:

- Working closely with THETA and training providers in the area and keeping abreast of their offerings and programs
- Ensuring that the private sector plant and service owners and operators are encouraged to train and to utilise the services of trainers, THETA, the Province etc, particularly encouraging NQ training, and the take-up of tourism industry learnerships
- Facilitate the provision of training to public and private sectors in the areas identified as weak in terms of current skills

- Facilitating the provision of indirect tourism training, relating to tourism projects, e.g. in the area of conservation, building, etc,
- Facilitate the provision of tourism awareness training in the area.
- Facilitate the setting up of training partnerships, where established and larger players in the Cape Metropole partner township SMME operators and enable them to participate in some of their training programs.

We believe that sufficient industry specific training providers and training courses exist to support the training of the staff in the new tourism restaurant and accommodation developments, and that it is the responsibility of the operators of these in each instance to conduct the required training, with encouragement and support from the Township training functionary.

20.4 HR Development in the Valley of the Olifants Subject Area

20.4.1 Provincial Level Provincial, Regional & Local Levels

Human resource development is mainly a function of the Provincial Department of Economic Affairs, Agriculture and Tourism, although this is not articulated and there is no department or person tasked with human resource development.

The province is involved in some HR development within its various strategies and projects. One of the HR development projects, which was coordinated by the province under the African Ivory Route program, is the training in 2001 of 50 reservations staff for the camps. As 7 camps are operational, it is assumed that operational staff training also occurred. Under its plans for Tourism Education and Awareness, the department held tourism entrepreneur workshops in 2001, and aims to have developed more than 100 black tourism entrepreneurs by end March 2002.

At the provincial level the Northern Province Parks Board is also active in training for its own staff.

20.4.2 Focus Area

Within the focus area there are a number of training initiatives in tourism or related to tourism. These include the following:

- The Southern African Wildlife College provides various types of training, for example:
 - Train protected area managers from 18 SADC countries;
 - Ecological systems and human resource management;
 - Tourism development management within protected areas;
 - Medium and lower level management training;
 - Short courses for senior managers;
 - Community training (business skills management and tourism awareness will be incorporated into community training);

The short courses run for a maximum of 3 weeks, while long courses run for a period of nine months and funding is mainly from sponsors and donors.

- The Amashangaan Game Ranch Poverty Relief project, south of Manyeleti, includes training of fence erectors and fence patrol guards.
- The Antares Field Guide Training Centre in Phalaborwa provides certificate courses in field guiding, astronomy, geology, fauna and flora, hosting skills, and client handling.
- The Foskor Development Trust in Phalaborwa is an entrepreneurial training centre, with a craft outlet at the Kruger Park Gate.

There are also many initiatives in the area related to environmental and wildlife education and the Kruger to Canyons Biosphere Reserve report lists nine entities active in such educational and awareness initiatives. Largely, however, these are for general awareness and education as oppose to tourism and related skills for employment. These initiatives however fit well with the proposed branding and positioning of the area as a research and education product.

It can be assumed that the tourism private sector in the area, particularly the private game lodges, conduct training for their staff.

In general this focus area has a medium level of activity in tourism human resource development, and some skilled people in the tourism industry. However, neither at the Provincial level, nor specifically in the area, is tourism human resource development coordinated, monitored or facilitated in one place.

20.4.3 Existing Tourism Employment and Skills Base

The estimated number of direct tourism employees in the Valley of the Olifants study area is 1,064⁴. Tables 20.4.1 and 20.4.2 below indicate the composition of the tourism workforce.

Table 20.4.1 Current Tourism Employment in the Valley of the Olifants

BUSINESS ACTIVITY	Total No. of Employees	% of Area Total	Managerial		Mid-level		Low-level	
			% of Total	TOTAL	% of Total	TOTAL	% of Total	TOTAL
Bed & breakfasts/ Guest-houses	343	23.0%	28.6%	98	14.3%	49	57.1%	196
Lodge	473	31.7%	9.1%	43	36.4%	172	54.5%	258
Self-catering/ Camping	70	4.7%	28.6%	20	0.0%	0	71.4%	50
Hotel	60	4.0%	10.0%	6	20.0%	12	70.0%	42
Restaurant	90	6.0%	22.2%	20	22.2%	20	55.6%	50
Tea garden/ Coffee shop	24	1.6%	16.7%	4	33.3%	8	50.0%	12
Crafts	9	0.6%	33.3%	3	66.7%	6	0.0%	0
Game reserve	285	19.1%	26.7%	76	33.3%	95	40.0%	114
Reptile park	11	0.7%	27.3%	3	27.3%	3	45.5%	5
Cultural	6	0.4%	16.7%	1	16.7%	1	66.7%	4
Tour operators / Travel agents	108	7.2%	25.0%	27	58.3%	63	16.7%	18
Car-hire	15	1.0%	20.0%	3	20.0%	3	60.0%	9
Total	1,494	100.0%	20.3%	304	28.9%	432	50.7%	758

⁴ JICA SA TPDP Socio Economic Impact Assessment Study, Africon, 2002.

Table 20.4.2 Employment Profile in the Valley of the Olifants

BUSINESS ACTIVITY	AVERAGE MONTHLY INCOME (Rand/month)			GENDER MANAGER %		GENDER MID-LEVEL %		GENDER LOW-LEVEL %	
	MANAGER	MID-LEVEL	LOW-LEVEL	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Bed & breakfasts/ Guest-houses	3,775	1,500	880	55	45	0	100	36	64
Lodge	-	2,000	1,500	0	100	0	100	50	50
Self-catering/ Camping	-	800	-	100	0	50	50	0	0
Hotel	-	2,500	1,000	100	0	0	100	0	100
Restaurant	7,000	1,000	475	50	50	50	50	15	85
Tea garden/ Coffee shop	1,500	0	750	100	0	100	0	0	100
Crafts	1,000	400	0	0	100	50	50	0	0
Game reserve	3,600	1,270	790	67	33	45	55	47	53
Reptile park	3,000	2,000	1,000	100	0	65	35	40	60
Cultural	2,000	600	600	50	50	50	50	50	50
Tour operators	10,000	6,000	1,000	30	70	0	100	50	50
Travel agents/ Car-hire	7,250	4,250	3,600	0	100	0	100	50	50

Source: JICA SA TPDP Socio Economic Impact Assessment Study, Africon, 2002.

From the above tables the following observations are relevant and important:

- The most employed category within the bed and breakfast establishments is the low level, earning an average of R 880 per month and primarily comprises females.
- The second highest employed within the bed and breakfast establishments is the managerial level of employees. Their average monthly income was estimated at R 3,775 and there are almost equal numbers of males and females.
- The lodges within the Valley of the Olifants seem to employ mostly low-level employees, their salaries being R 1,500. Their gender composition is equally distributed between male and female.
- The managerial and middle level employees within the lodges are almost equal with 100% being females. Their average monthly income varies between around R 2,000.
- The self-catering and camping facilities comprise 29% manager and 71% of mid-level employees. Their respective salaries being R 800 for the mid-level employees and the net income/profit of the business goes to the owner/manager. The gender composition seems to be 100% male on managerial level and a 50-50 distribution on the mid level.
- Hotels within the area employ primarily low-level employees, paying them an average of R 1,000 per month. These employees are usually females for cleaning and housekeeping.
- Only 10% of the total employees within the hotel industry works within the managerial category being 100% male orientated.
- An estimated 70% of the total employees within the restaurant industry in the area comprise of the low-level category, earning an average of R 475 per month. The gender composition, 15:85 male: female.

- Approximately 22% of the restaurant industry employees are employed within the managerial level, earning an average of R 7,000 per month. The gender composition being equally distribution between both genders.
- The craft establishment employ mainly people within the mid-level, earning an average of R 400 per month. These people being 50% male and 50% female.
- An estimated 33% of the total employees within the craft market sector are on the managerial level, earning an average of R 1,000 per month. All being females.
- The game reserve establishments in the area seem to employ an estimated 40% of low-level employees, 33% mid-level and 27% managerial level. Their average monthly income being R 790, R 1,270 and R 3,600 respectively. The gender compositions are mainly female within the low and mid-level categories, and primarily male orientated within the managerial level.
- The tour operators operating within the area show an entirely different situation. An estimated 25% of the total employees are employed within the managerial level, earning an average of R 10,000 per month. The mid-level employees comprise for 58% of the total and the rest are employed within the low-level. The respective average monthly salaries are R 7,000 for the mid-level and R 1,000 for the low level. All level being mainly females.

Table 20.4.3 below indicates the current tourism qualifications, and the training needs in the Valley of the Olifants, as perceived by employers in the industry.

Table 20.4.3 Training Needs and Tourism Qualifications within The Valley of the Olifants

BUSINESS ACTIVITY	TOURISM QUALIFICATIONS (% on Level)			TRAINING NEEDS
	Manager	Mid-Level	Low-Level	
Bed & breakfasts/ Guesthouses	15	0	0	Language skills, literacy, cultural understanding, personal training and experience within the tourism sector.
Lodge	0	25	50	Basic education and life skills, national qualifications in tour guiding.
Self-catering/ Camping	0	0	0	None
Hotel	100	0	0	Language skills
Restaurant	0	0	33	Catering, communication and listening skills
Tea garden/ Coffee shop	100	0	0	Managing and cooking
Crafts	33	0	0	Language skills
Game reserve	50	50	0	Language skills
Reptile park	0	0	0	Financial and people skills
Cultural	0	0	0	Catering, public relations and tourism related skills
Tour guides	75	25	0	Tour guiding
Travel agents/ Car-hire	50	50	0	Third language and other tourism related skills

Source: JICA SA TPDP Socio Economic Impact Assessment Study, Africon, 2002.

From the above table the following observations are important and relevant:

- Only an estimated 15% of the managerial level of employees within the hotel industry have tourism qualifications.
- An estimated 25% and 50% of the mid-level and low-level employees within the lodge establishments have tourism qualifications. None of the management level staff have any qualifications relating to tourism.
- None of the employees within the self-catering and camping facilities have any tourism related qualifications.
- An estimated 100% of all managers within the hotel industry have tourism related qualifications.
- Only an estimated 33% of the Low-level employees within the restaurant industry have tourism qualifications. None of the other level employees have any.
- An estimated 100% of all managers of coffee shops and tea gardens within the area have tourism related qualifications.
- An estimated 33% of the managers of craft markets have tourism related qualifications. The rest at the other levels have none.
- None of the employees in the reptile park and the cultural villages have any tourism related qualifications.
- An estimated 75% of managerial level employees and 25% of mid-level employees within the tour guide industry have tourism related qualifications.
- The employees within the managerial and mid-level positions within the travel agent industry have qualifications related to tourism.

In general the following skills are required and needed within the focus area of the Valley of the Olifants: languages and communication skills, basic life skills and education, cultural understanding and appreciation, and many and varied tourism related skills such as catering, cooking, tour guiding, and “general tourism skills”.

20.4.4 Future Human Resource Development Requirements

Indications are that the current levels of tourism skills are of passing adequacy in this focus area, but could definitely be improved upon. However, in further developing tourism in the area, the packaging and marketing of tourism products will be important.

The development plans for the study area in the Valley of the Olifants include a new visitor interpretation and orientation facility, with related merchandising and crafts and links to a range of wildlife and nature, educational and research facilities in the area.

Training requirements will be in the area of guiding and interpretation in relation to wildlife research and education, and in the manufacture or development of related crafts and merchandise. Existing institutions, e.g. the Southern African Wildlife College and the Foskor Development Trust will be mobilised to develop and provide much of the training that will be required. Product owners will also require training in developing and packaging their products to link with the area branding.

In addition it is envisaged that some entrepreneurial opportunities should present as tourism to the area develops, and business training will be needed to assist community members take up these opportunities.

A more formalised and coordinated approach to human resource development for the area will be required as it moves forward and develops its tourism potential. We suggest that a HR development and coordination function for the study area should reside within a revived Hoedspruit Tourism LTO/PIU. It would have close links with the Kruger to Canyons Biosphere Reserve, and to a Ba-Phalaborwa Tourism Association if it is revived. It will also have close links with the Valley of the Olifants RTO and with the Province, for provision of certain programs and facilitation. We suggest that the province may be too far removed from this particular area's tourism on the ground to provide its HR development coordination.

We recommend that a person based at Hoedspruit Tourism be tasked with the HR function, but this will not require a full time position, and the person would take on other roles and responsibilities.

The demand projections for the Valley of the Olifants study area indicate an additional 7,200 overnight and 7,600 day tourists 25,500 tourists in 2003, rising to 23,300 overnight and 15,800 day tourists in 2005, after the opening of the visitor centre in year 3, and to 41,000 and 24,400 respectively in 2007. In total, including direct, indirect and induced employment, this results in an estimated additional 580 jobs in the area by 2006. Of these many will not be in the direct tourism industry. However the entrepreneurial business opportunities that will present through this tourism growth will be in direct and indirect tourism businesses.

The specific priority tourism project proposed in the Valley of the Olifants is a wildlife Education and Research Centre, with visitor orientation and interpretation, restaurants, meeting facilities, and curio and craft sales. It is estimated that the centre will employ about 25 – 30 people directly.

We recommend the following HR programs for the Valley of the Olifants area, facilitated and coordinated at the area level, but with significant support from the Province and the RTO:

(1) Tourism SMME Entrepreneurial Training Program

i) Objectives:

- To teach prospective and existing SMME entrepreneurs:
 - To understand the tourism industry
 - To understand customer service
 - General business management skills
 - How to identify tourism business opportunities
 - How to negotiate/approach the established traditional tourism sector to sell and supply goods and services

And to provide an ongoing tourism business advisory service to assist new and existing tourism SMME entrepreneurs, including assistance with identifying opportunities and negotiating with established players.

A number of tourism entrepreneurial training programs have been developed by different institutions and service providers in South Africa. Amongst these are Reach and Teach and Empower-ED. In addition many general non-tourism entrepreneurial training programs also exist.

It is fully expected that the Province will be coordinating and providing tourism SMME entrepreneur programs as described above. Indeed the Northern Province has identified tourism entrepreneur training as one of its goals and is in the process of developing / conducting such training. In the study area, the Hoedspruit tourism HR person would be tasked with identifying candidates from the community in the area and ensuring that they are

successfully included on provincial programs, and that they are able to receive ongoing business advice and assistance.

ii) Numbers to be trained:

We recommend that the initial goal is to train and support 10 entrepreneurs a year for two years, after which the situation should be reviewed.

iii) Budget:

The budget to provide the training and advisory services to SSME entrepreneurs is estimated at R 250,000 per annum.

(2) Tour Guiding and Interpretation Program

i) Objectives

The objectives of the program are to train guides, according to the Provincial Guide Accreditation System, to provide tour guiding of the education, research and wildlife attractions in the area. The guides will have the basic general guiding skills and SA tourism knowledge, and the speciality knowledge related to the wildlife education and research attractions in the area. They should also learn the importance of good interpretation for visitors and particularly foreign visitors. In addition some languages (English and foreign) will form part of the tour guiding and interpretation training programs. The Tour guiding and interpretation programs could be housed and delivered by the Southern African Wildlife College.

ii) Numbers to be Trained

Based on the development of the route and opening of the education and research centre in year three, we recommend the following target training numbers, after which the situation should be reviewed:

Year 1: 3 guides

Year 2: 3 guides

Year 3: 10 guides.

iii) Budget

The estimated budget to train the guides is R 210,000.

(3) Wildlife Education and Research Craft and Merchandise Production

Working as far as possible with and extending, the existing Foskor Development Trust craft-training scheme. The Hoedspruit Tourism HR development officer should facilitate the development of training in design and manufacture of crafts and merchandise themed around the wildlife education and training. Such training should link into the entrepreneurial training for individuals who are interested in setting up craft production centres, or who want to work for their own account.

The overall objective is to equip a number of local people with the skills to design and make crafts which can be sold at the Wildlife Education and Research Centre, profitably.

It is envisaged that the training will target about 20 people per annum for three years and then be reviewed.

The estimated budget for the training is R 200,000 per annum.

(4) Product Owner/Operator Development and Packaging Training

The objectives of this training are to ensure that product owners understand the branding and positioning of the area and its unique strengths, and learn how to benefit from this for their establishment through developing a specific and unique research/education element to their product and packaging and promoting their product as part of the Route.

Rather than a formal training program, this would be done through a short series of owner/operator workshops, and individual owner/operator marketing and promotion consultations. The tourism HR officer would source a provider to develop and present the workshops and provide the consultations.

All the area product owners should go through the process in the first year, therefore it is envisaged that people from about 40 establishments would be trained in year 1. The budget for the program is estimated at R 40,000 for the workshops and R 10,000 per establishment for consultations. This budget is covered in the Route Development budget under the promotional costs section.

(5) HR Development Facilitation

In addition to coordinating and managing the provision of the above programs, the Hoedspruit tourism HR functionary should also provide a facilitation and promotion role in HR development for the area. This would include:

- Working closely with THETA and training providers in the area and keeping abreast of their offerings and programs
- Ensuring that the private sector plant and service owners and operators are encouraged to train and to utilise the services of trainers, THETA, the Province etc, particularly encouraging NQ training, and the take-up of tourism industry learnerships
- Facilitate the provision of training to public and private sectors in the areas identified as weak in terms of current skills
- Facilitating the provision of indirect tourism training, relating to tourism projects, e.g. in the area of conservation, building, etc,
- Facilitate the provision of tourism awareness training in the area.
- Facilitate the setting up of training partnerships, where established and larger players partner a small SMME operator and enable them to participate in some of their training programs.

We believe that sufficient industry specific training providers and training courses exist to support the training of the staff in the new centre and that it is the responsibility of the centre operator to conduct the required training, with encouragement and support from the area training functionary.

20.5 HR Development in the Barberton Subject Area

20.5.1 Provincial Level Provincial, Regional & Local Levels

Human resource development is a function of the Provincial Department of Finance and Economic Affairs/Tourism Directorate, although there is no department or person tasked with human resource development. Training used to be the responsibility of the MTA, and as a result the department currently doesn't budget for tourism training. There is however an entity called the Regional Training Trust, which is a parastatal of the Dept. of Education. The Department is working with the Regional Training Trust to set up a tourism academy in

Nelspruit. The province has also been active in a number of tourism community education and awareness programs.

At the provincial level the Mpumalanga Parks Board is also active in training for its own staff.

Many of the extensive private sector tourism plant operators in Mpumalanga province are active in tourism skills training. This includes groups like Southern Sun, Protea, etc.

20.5.2 Focus Area

Within the focus area there are a few training initiatives in tourism or related to tourism. These include the following:

- The training of Barberton tour guides under the DEAT Poverty Relief Projects and actioned by the Barberton Municipality. 8-10 Guides have been trained by various experts from Barberton, under Ingwe Tourism Training Services based in White River.
- The establishment of a mobile craft training centre under the DEAT Poverty Relief Projects, to train community people on-site, between Badplaas and Pilgrims Rest and including Barberton.
- Fencing of the Mountainlands Game Reserve, also under the DEAT Poverty Relief Projects, will include training in fencing, bush clearing, etc.
- The Tourism and Biodiversity Corridor program includes:
 - Plans for a community training program to include SME development, service excellence, conservation, security, product development and tourism awareness. It is hoped that the program will commence in January 2002
 - Plans for a Mountainlands capacity building program which will include community governance training, security staff training and basic and advanced tourism hospitality and conservation training and training in road maintenance, fence repairs etc, all planned for 2002.
 - The Bulembu Road concrete block paving project will include the following training: an environmental awareness program, a contractor support program, SMME development, business skills training and a range of technical skills training relevant to road construction, environmental rehabilitation, and road maintenance.

In general this focus area has a low level of activity in tourism human resource development, and limited numbers of skilled people in the tourism industry. Neither at the Provincial level, nor specifically in the area is tourism human resource development coordinated, monitored or facilitated in one place. However, between the Biodiversity Corridor and the active Barberton Tourism Association and Barberton Municipality, training action and coordination is developing.

20.5.3 Existing Tourism Employment and Skills Base

The estimated number of direct tourism employees in the Barberton Study Area is 484⁵. Tables 20.5.1 and 20.5.2 below indicate the composition of the tourism workforce.

⁵ JICA SA TPDP Socio Economic Impact Assessment Study, Africon, 2002.

Table 20.5.1 Current Tourism Employment in the Barberton Study Area

BUSINESS ACTIVITY	Total No. of Employees	% of Area Total	Managerial		Mid-level		Low-level	
			% of Total	TOTAL	% of Total	TOTAL	% of Total	TOTAL
Bed & breakfasts/ Guest-houses	80	16.5%	25.0%	20	0.0%	0	75.0%	60
Lodge	125	25.8%	12.0%	15	0.0%	0	88.0%	110
Self-catering/ Camping	117	24.2%	33.3%	39	0.0%	0	66.7%	78
Hotel	110	22.7%	13.6%	15	9.1%	10	77.3%	85
Restaurant	15	3.1%	20.0%	3	20.0%	3	60.0%	9
Museum	11	2.3%	18.2%	2	27.3%	3	54.5%	6
Game reserve	6	1.2%	50.0%	3	0.0%	0	50.0%	3
Adventure activities	8	1.7%	50.0%	4	0.0%	0	50.0%	4
Tourism Board / operators	12	2.5%	25.0%	3	50.0%	6	25.0%	3
Total	484	100.0%	21.5%	104	4.5%	22	74.0%	358

Source: JICA SA TPDP Socio Economic Impact Assessment Study, Africon, 2002.

Table 20.5.2 Employment Profile in the Barberton Area

BUSINESS ACTIVITY	AVERAGE MONTHLY INCOME (Rand/Month)			GENDER MANAGER %		GENDER MID-LEVEL %		GENDER LOW-LEVEL %	
	MANAGER	MID-LEVEL	LOW-LEVEL	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Bed & breakfasts/ Guest-houses	4,000	1,500	700	50	50	0	100	63	37
Lodge									
Lodges	3,000	1,500	900	50	50	0	100	50	50
Self-catering/ Camping	-	-	475	59	41	-	-	63	37
Hotel	3,000	1,500	500	10	90	0	100	30	70
Restaurant				100	0	0	100	0	100
Museum	5,000	3,000	2,583	50	50	100	0	83	17
Game reserve	5,000	-	500	50	50	-	-	75	25
Adventure activities	-	-	*	100	0	0	0	66	33
Provincial Authority	25,000	15,000	9,000	100	0	50	50	0	100
Tour operators	5,000	2,125	-	50	50	25	75	-	-

Source: JICA SA TPDP Socio Economic Impact Assessment Study, Africon, 2002.

From the above table the following observations are relevant and important regarding the employee profile within the Barberton area:

- The bed and breakfast and lodge establishments within the area tend to employ primarily low-level employees for cleaning and housekeeping. The respective percentages being 75% and 88%. The majority being males within both these establishments. Their average monthly income varies between R 700 and R 900.
- An estimated 25% and 12% of these two establishments are employees working as managers earning an average of between R 3,000 and R 4,000. The genders being

equally distributed.

- The self-catering, camping facilities and hotels also employ employees, primarily low-level employees, paying them an average of between R 400 and R 500, being equally male and female.
- The managerial level employing an estimated 33% for the self-catering and camping facilities and 14% for the hotel. The hotel being managed by 100% female and the self-catering and camping facilities by 59% male and 41% female.
- The restaurants within the area employ 20% managerial, 20% mid and 60% low-level of employees. The average monthly income being R 3,000, R 1,500 and R 500 for the respective levels. The managerial level being 100% male, the mid and low-levels being 100% female.
- The game reserve and park within the area employs only managerial and low-level employees. The percentage composition being estimated at 50% and 50%. The managerial level being a 50/50 gender composition and the low-level a 75% male and 25% female composition. The average monthly income varying between R 5,000 and R 500 for the two levels of employees.
- The provincial authority employs the following percentages: 25% managerial, 50% mid-level and 25% low-level. With the managers being males and the low-level employees all females. The mid-level has an equal composition of males and females. The average monthly income varying between R 25,000 for the managerial level and R 9,000 for the low level.
- The tour operators operating within the area comprises mainly of 25% managers and 50% mid-level workers. Earning an average monthly income of between R 5,000 and R 2,125. The gender composition being equal on the managerial level and being 25% male and 75% female on the mid-level.

Table 20.5.3 below indicates the current tourism qualifications, and the training needs in the Barberton area, as perceived by employers in the industry.

Table 20.5.3 Training Needs and Tourism Qualifications within Barberton

BUSINESS ACTIVITY	TOURISM QUALIFICATIONS (% ON LEVEL)			TRAINING NEEDS
	Manager	Mid-Level	Low-Level	
Bed & breakfasts/ Guesthouses	50	0	0	Hunting skills, communication and language skills, tour guiding and housekeeping skills
Lodge	100	0	0	Housekeeping and communication
Self-catering/ Camping	0	0	0	Basic educations for the low-level employees
Hotel	100	100	50	Language and communication skills
Restaurant	0	0	0	None
Museum	50	33	0	None
Game reserve	0	0	0	Tour guiding, hunting and communication skills
Micro lights/Adventure	100	0	0	None
Provincial Authority	100	50	0	None
Tour operators	100	0	0	Qualified tour guiding, financial management and information officer qualifications

Source: JICA SA TPDP Socio Economic Impact Assessment Study, Africon, 2002.

From the above table the following observations are relevant and important:

- An estimated 50% of the managerial level of employees within the bed and breakfast and guesthouse establishments has tourism related qualifications. The other two levels of employees have no qualifications related to tourism.
- The entire managerial staff of the lodges within the focus area have tourism related qualifications, the rest have none.
- None of the staff members of the self-catering, camping facilities and restaurants have any tourism related qualifications.
- Within the hotel industry the managerial and mid-level employees have 100% tourism related qualifications, while at the low level an estimated 50% have qualifications.
- An estimated 50% of the managers of the museums and 33% of the mid-level employees have tourism related qualifications. None of the low-level employees have any relevant qualifications.
- None of the staff working within the game reserves and parks has any tourism qualifications.
- The micro light operators and the tour guides on the managerial level within the area all have tourism related qualifications. The rest of the employees have none.
- A total 100% of the employees working on a managerial level within the provincial authority have tourism related qualifications. Approximately 50% of the mid-level have qualifications.

In general the training needs within the Barberton area are the following: language and communication skills, basic education for the lower levels of employees, financial management and tourism specific skills such as housekeeping, tour guiding and information officer. Hunting skills are also required.

20.5.4 Future Human Resource Development Requirements

Indications are that the current levels of tourism skills are low in this focus area.

The development plans for the Barberton area include the packaging and marketing of the existing facilities, stimulating additional adventure and related activities, some additional accommodation facilities and better historic interpretation.

Training requirements will be in the area of guiding, adventure leaders and interpretation and in the manufacture or development of related crafts. Current training programs and activities will probably cover the training needs for the additional lodge accommodation.

In addition it is envisaged that some entrepreneurial opportunities should present as tourism to the area develops, and business training will be needed to assist community members take up these opportunities.

A more formalised and coordinated approach to human resource development for the area will be preferable as it moves forward and develops its tourism potential. We recommend that a HR development and coordination function for the study area reside within Barberton Tourism Association/PIU, with close links to the Biodiversity Corridor. And the Wild Frontier RTO. We suggest that the province may be too far removed from this particular area's tourism on the ground to provide its HR development coordination.

We recommend that a person based at the Barberton Tourism Association be tasked with the HR function, but this will not require a full time position, and the person would take on other roles and responsibilities.

The demand projections for the Barberton area indicate an additional 4 700 overnight and 1 500 day tourists to the area in 2003, rising to 59 000 and 13 500 respectively in 2005 after the opening of the Wildlife Education and Research Centre in year 2, and to 113 100 and 21 000 respectively in 2007. In total, including direct, indirect and induced employment, this results in an estimated additional 1540 jobs in the area by 2006. Of these many will not be in the direct tourism industry. However the entrepreneurial business opportunities that will present through this tourism growth will be in direct and indirect tourism businesses.

The specific priority tourism projects proposed in the Barberton Area are:

- Upgrade of existing lodge facilities in Songimvelo and construction of two new lodge facilities in the Park, with 50 rooms (mid-market) and 20 rooms (up-market) respectively. It is anticipated that these will employ 80 – 100 people directly.
- A new mid-market family game resort in the Mountainlands Reserve with 50 self-catering chalets and an 80-bedroom hotel, which will employ an estimated 120 – 140 people.

We recommend the following HR programs for the Barberton, facilitated and coordinated at the area level, but with significant support from the Bio Diversity Corridor, the Province and the RTO:

(1) Tourism SMME Entrepreneurial Training Program

i) Objectives:

- To teach prospective and existing SMME entrepreneurs:
 - To understand the tourism industry
 - To understand customer service
 - General business management skills
 - How to identify tourism business opportunities

- How to negotiate/approach the established traditional tourism sector to sell and supply goods and services

And to provide an ongoing tourism business advisory service to assist new and existing tourism SMME entrepreneurs, including assistance with identifying opportunities and negotiating with established players.

A number of tourism entrepreneurial training programs have been developed by different institutions and service providers in South Africa. Amongst these are Reach and Teach and Empower-ED. In addition many general non-tourism entrepreneurial training programs also exist.

It is fully expected that the Province will be coordinating and providing tourism SMME entrepreneur programs as described above. In the study area, the Barberton Tourism HR person would be tasked with identifying candidates from the community in the area and ensuring that they are successfully included on provincial programs, and that they are able to receive ongoing business advice and assistance.

ii) Numbers to be trained:

We recommend that the initial goal is to train and support 5 entrepreneurs a year for two years, after which the situation should be reviewed.

iii) Budget:

The budget to provide the training and advisory services to SSME entrepreneurs is estimated at R100 000 per annum.

(2) Tour Guiding, Adventure Guiding and Interpretation Program

i) Objectives

The objectives of the program are to train guides and adventure leaders, according to the Provincial Guide Accreditation System, to provide tour guiding of the historical and scenic attractions of the area, and provide adventure experiences. The tour guides will have the basic general guiding skills and SA tourism knowledge, and the speciality knowledge related to the history and scenery in the area. They should also learn the importance of good interpretation for visitors and particularly foreign visitors. In addition some languages (English and foreign) will form part of the tour guiding and interpretation training programs.

Adventure leaders will be trained in specific adventure activities and will also be required to gain any adventure guiding and/or activity specific qualifications required for the activity.

ii) Numbers to be Trained

Based on the development of the area, we recommend the following target training numbers, after which the situation should be reviewed:

Year 1: 0 guides 5 adventure leaders

Year 2: 2 guides 5 adventure leaders

Year 3: 5 guides 5 adventure leaders.

iii) Budget

The estimated budget to train the guides is R 120,000, and to train the adventure leaders R 450,000.

(3) Mountain Adventure and Wildlife Craft and Merchandise Production

Working as far as possible with and extending, the provincial mobile craft training program, the Barberton Tourism HR development officer should facilitate the development of training in design and manufacture of crafts and merchandise themed around the mountains, adventure and wildlife.. Such training should link into the entrepreneurial training for individuals who are interested in setting up craft production centres, or who want to work for their own account.

The overall objective is to equip a number of local people with the skills to design and make crafts, which can be sold at the Wildlife Education and Research Centre, profitably.

It is envisaged that the training will target about 10 people per annum for two years and then be reviewed. The estimated budget for the training is R 200,000 per annum.

(4) HR Development Facilitation

In addition to coordinating and managing the provision of the above programs, the Barberton tourism HR functionary should also provide a facilitation and promotion role in HR development for the area. This would include:

- Working closely with THETA and training providers in the area and keeping abreast of their offerings and programs
- Ensuring that the private sector plant and service owners and operators are encouraged to train and to utilise the services of trainers, THETA, the Province etc, particularly encouraging NQ training, and the take-up of tourism industry learnerships
- Facilitate the provision of training to public and private sectors in the areas identified as weak in terms of current skills
- Facilitating the provision of indirect tourism training, relating to tourism projects, e.g. in the area of conservation, building, etc,
- Facilitate the provision of tourism awareness training in the area.
- Facilitate the setting up of training partnerships, where established and larger players partner a small SMME operator and enable them to participate in some of their training programs.

We believe that sufficient industry specific training providers and training courses exist to support the training of the staff in the new tourism developments, and that it is the responsibility of the operators of these in each instance to conduct the required training, with encouragement and support from the provincial training functionary.

Chapter 21

Institutional Development Plan for Focus Areas

21.1 Introduction

The Institutional Development Plan will indicate the institutional structures required to implement all the aspects of the Tourism Development Strategy in each focus area. As such it will provide the recommendations on structure, which follow on from strategy.

The study team approach entails three major steps:

1. Determine the actions, roles and responsibilities required to implement the various plans forming the Tourism Development Strategy
2. Assess the available and potential capacity of the existing institutions
3. Allocate the roles and responsibilities required to the existing or proposed new institutions.

It should be noted that there are multiple possible institutional structures and allocation of responsibilities which could be proposed for each focus area, and some of the proposals may provide the various options, from which a final option can be chosen during consultation and stakeholder processes in the early implementation phases of the plans.

Elements that will be taken into account when deciding on required structures and allocation of responsibilities include the following:

- The size and total tourism potential of the study area;
- The importance of the study area tourism development to the province, region or locality;
- The extent (capacity, effectiveness etc), of existing structures involved directly and indirectly in tourism;
- The likely resources available at the different levels of government, or likely to be forthcoming from the private sector, the donor or NGO community;
- The level of grass root actions which will be required

In all instances the nature of the institutional framework is expected to change over time. More specifically the programs identified as part of the focus area tourism development strategies require resources and institutional capacity during the implementation phase, which may not be required at later stages once the programs have been implemented and projects are operational.

For each focus area we recommend a Program Implementation Unit ("PIU") which will be tasked with the overall project management and facilitation to implement most short and medium term programs which largely relate to infrastructure and specific project development. These PIUs may fall away in many areas once the required infrastructure and projects have been successfully implemented. We have indicated this where we believe that it is unlikely that further major project work will ensue in the medium and longer term. In some of the focus areas however, we consider there may be potential for ongoing and further large tourism programs, and in these instances we indicate that the PIUs may phase out or may continue.

Some programs are however, ongoing, and this relates to destination marketing and promotion, and in many instances HR development. The institutional structures to handle these functions will endure and continue at a certain level indefinitely.

Fundamentally we believe that the PIUs and the entities responsible for marketing should be closely linked and possibly part of one entity.

Human resource development can have more of a stop start nature for the focus areas (i.e.

permanent ongoing training in most categories of skills is not required). In addition, compared to marketing which is very specific to a destination, human resource development programs (entrepreneur development, general tourism skills, some guiding skills etc) are largely generic and therefore can be sourced and coordinated nationally or provincially, and the level of human resource development capacity required for the focus area level can be limited. Nevertheless this limited level of HR development coordination for the focus area level should be provided closely intergraded with the PIU and the marketing functions.

For each of the focus areas, the following major roles are identified:

- Program implementation – new projects and improvements to existing elements, e.g. resorts, routes, improvement of interpretation etc
- Program implementation – infrastructure, e.g. water, roads, telecommunications, signage
- Destination Marketing - implementation (and ongoing development) of the marketing strategies and promotion campaigns
- Human Resource development – facilitation of access to, and provision of, appropriate training

In addition in two of the focus areas, Pilanesberg-Madikwe and Barberton, specific Park development is required, which due to the requirement to integrate the new parks into/existing parks' entities (Provincial Parks) will utilise existing Parks Boards capacity for implementation.

21.2 Pilanesberg-Madikwe Corridor

21.2.1 Current Institutions

(1) Government:

This area's governmental institutions are as follows:

Province: North West Provincial Government

District: Bojanala Platinum District Municipality DC37

Local: Moses Kotane Local Municipality NW375

(2) Tourism Administration:

National Government:

Department of Environmental Affairs and Tourism (DEAT) leads and directs tourism policy formation and implementation towards national tourism growth in partnership with SA Tourism, the provincial and local government. DEAT has the following projects and initiatives which cover or are included in this area:

1. Poverty relief projects (4 in the study area)
2. The Coast to Coast SDI

In addition the *Department of Trade & Industry*, working with the Development Bank of Southern Africa, has the Platinum SDI, which covers part of the area.

Provincial Government:

The *North West Department of Economic Development and Tourism* is the overarching structure for tourism in the province

The *North West Parks & Tourism Board (NWPTB)* currently handles all provincial as well as

local area tourism marketing and promotion. In the study area it has:

1. Rustenburg Tourism Information & Development Centre as an RTO
2. Pilanesberg Information & Community Development Centre as an LTO

The NWPTB also has a Johannesburg Marketing Office.

Invest North West, an entity set up by the Provincial government, seeks investment for projects identified by North West Parks & Tourism Board

Regional Government:

Bojanala Platinum District Municipality DC37 has a planning and strategy function with regards to tourism support infrastructure as well as human resource development

Local Government/Municipality:

Moses Kotane Local Municipality NW375 has an implementation function with regards to tourism support infrastructure

Non-Government:

The North West Association of Tour Operators and Travel Agents (NOWATOWA) was recently launched in mid-2001.

The Mankwe Development Foundation: was established by the local chief (Chief Pilane) to assist in economic development for his people. It has a number of development projects in the area, which involve or encompass tourism.

(3) General Comments:

The province does not have a formal RTO structure, and has not identified tourism regions, nor are there tourism organisations for, or in, its four administrative regions (Central, Rustenburg Eastern, Southern and Bophirima).

There are no tourism associations, nor is there an RTO covering the study area. Madikwe East Tourism Service Centre and the Molatedi community-based Tourism Association are to be established in the medium-term under the development plan "Community-based Tourism Development for the Molatedi Area, North West Province" published August 2001.

The Pilanesberg National Park Management Task team comprises a three-way partnership between the province (NWPTB), the community and the private sector to manage the Park. A similar three-way partnership, operating as the Madikwe Development Task Team, oversees the development and management of the Madikwe Game Reserve. Both partnerships are facilitated by the NWPTB.

There is no specific task team as yet set up for the proposed heritage park, and the project is currently residing entirely with the NWPTB. The Concept Plan for the park recommends the establishment of a secretariat for the project, to coordinate the next phase of its development, which is seen as a stakeholder consultation process resulting in a plan, which with wide stakeholder approval, can be presented to the Province for acceptance and implementation.

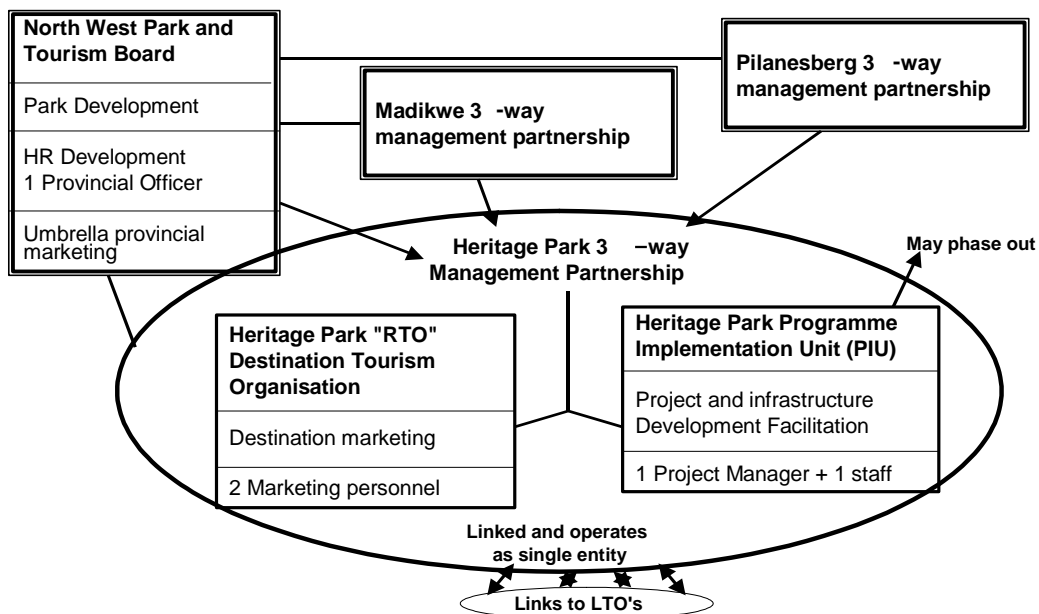
Generally, other than some capacity for park development and provincial marketing at the North West Parks and Tourism Board, there is limited available capacity for tourism development and marketing for the heritage park.

21.2.2 Institutional Development Plan

The proposed Heritage Park will be a key and dominant aspect of the work of the North West Parks and Tourism Board, and therefore it is expected that some of the institutional capacity will be housed here.

The figure below illustrates the recommended institutional structures and their roles for Pilanesberg-Madikwe.

Figure 21.1.1 Proposed Institutional Structure: Pilanesberg - Madikwe



We recommend that a destination tourism marketing organisation, equivalent to an RTO, due to the large area to be covered by the planned park, be set up for the proposed Heritage Park. This would carry out the destination marketing as per the promotion plan in Chapter 18, and would require 2 marketing personnel. This institution must be permanent, and might expand in size as the Park develops in future years. The budget for the RTO is detailed in Chapter 18, and is R 700,000 per annum.

A PIU for the heritage park should be set up to handle the program implementation, which will relate mainly to facilitating the development of the identified tourism plant projects and infrastructure. This would require one project manager with one support staff member. The budget for the PIU is R1 million per annum.

The ongoing development of the park could be done from this unit, however, we believe that it would be better housed within the North West Parks and Tourism Board at Provincial level where there is already some capacity to continue the development of the Park. It will be essential however, that dedicated capacity, and at least a secretariat is provided for the park development. This park development project will draw in the existing three-way partnerships managing Pilanesberg and Madikwe, and should ultimately make way for a new, but similar, heritage park three-way management structure to operate the park on an ongoing basis.

The Heritage Park is a huge project that might require an ongoing PIU unit as further programs are developed and implemented over the course of the formation of the complete Park, which is expected to take many years. Therefore this PIU may continue or may phase

out.

The “RTO” and the “PIU” must operate in close concert, and we suggest that they share offices, and effectively operate as one unit. They must also liaise closely with the existing LTOs and consider facilitating the formation of new LTOs for sub-areas of the park, where appropriate.

Due to the significant size and dominance of the Park within the province, and the fact that HR development is a more generic function, we recommend that the HR development function for the Park is handled from the North West Parks and Tourism Board, through at least one dedicated provincial HR officer. The budget for the HR programs and officer for the JICA program HR function is detailed in Chapter 19, and starts at just over R1 million, declining to R 550,000 in 2005.

21.3 Khayelitsha

21.3.1 Current institutions

(1) Government:

This area’s governmental institutions are as follows:

Province:	Western Cape Provincial Government
Metropolitan:	The Cape Town Unicity
Sub-Area:	The City of Tygerberg
Local:	Khayelitsha Local Town Council

(2) Tourism Administration:

National:

DEAT has the following projects and initiatives which cover this area:

1. One of 4 The Cluster Consortium pilot project areas
2. 2 Poverty relief projects (Lookout Hill project and Craft Centre project)

Provincial Government:

The new Department of Agriculture Tourism and Gambling has recently taken on the tourism portfolio in the provincial government, from what was previously the Department of Economic Affairs, Agriculture, Business Promotion and Tourism. The Department has a directorate: Business and Tourism Development. The emphasis in its functions is development and policy.

The Western Cape Tourism Board is the provincial tourism marketing organization. The Board was instrumental in supporting the Khayelitsha Cluster Process. It is now promoting community-based tourism and township tourism.

WESGRO (The Western Cape Investment and Trade Promotion Agency) facilitates investment into projects and sectors in the Western Cape. It acts as a source of information and as a coordinator.

The current Western Cape Tourism Act of 1997 established the statutory Western Cape Tourism Board and statutory regional and local tourism organizations to conduct tourism marketing and development. However, the present legislation has a number of major shortcomings, including:

- Too many institutions within different spheres of government within the province are

addressing the same key performance areas, resulting in duplication and the fragmentation of resources;

- There is confusion among tourists concerning the identify and branding of tourism products;
- There is confusion among stakeholders concerning functional responsibilities;
- Rather than being integrated into integrated Development Plans at local level, responsibilities for development and maintenance of infrastructure and public tourism attractions has been removed from the local government line function and allocated to Regional Tourism Organizations (RTOs) and Local Tourism Boards (LTBs); and
- The Western Cape Tourism Board, the RTOs and the LTBs are fully responsible for tourism development without having the capacity or funding necessary to meet this responsibility.

To address this, a process initiated in 2000 plans to integrate the Western Cape Tourism Board with Wesgro to create a joint marketing body for the province responsible for tourism and investment marketing and promotion. The proposed new body is referred to as the JMI – the Joint Marketing Initiative - and is in the process of being formed.

The JMI concept was launched in April 2001 as a joint venture of the Province of the Western cape and the City of Cape Town to focus and align the marketing efforts of the various tourism organizations, investment agencies and other marketing entities such as those serving the events and film sectors. Until the creation of the JMI, the provincial, metropolitan and local tourism bureaus have been fragmented in their approach, often operating in competition with each other.

There is some thought that the change in government and government structures in the Western Cape may delay or change this plan. It is important to note that while the provincial cabinet has adopted the Tourism White Paper, the process of negotiations about the ideal final institutional structure have been suspended to enable the development of the JMI which encompasses sectors other than tourism, in a single coherent package.

Metropolitan Government (The Cape Town Unicity)

The Cape Metropolitan Council (CMC) was the over-arching administrative body for the greater metropolitan area and there were 6 sub-regions. After the local government elections in December 2000, the six sub-structures were administratively incorporated into the Cape Town Unicity. But for now, although the six sub-structures have largely been administratively incorporated into the Unicity, former sub-regional institutions are still in place and performing their former implementation duties. The Unicity has a Community-based Tourism Development Fund (CBTDF).

Cape Metropolitan Tourism is one of the 8 Regional Tourism Organizations within the Province and the Unicity's representative body for Tourism Development and Marketing as well as the head office of the 6 sub-regional tourism bodies within the Unicity. All the sub-regional tourism bodies (with their offices and staff) are still operating as per the pre-2000 election system. This organization does not have a specific implementing function in respect of Khayelitsha but carries out community tourism awareness programs in Khayelitsha through industrial theatre and school programs for Township Tourism Development.

Administrative Sub-Area:

The City of Tygerberg: is one of former six administrative Sub-Areas of Metropolitan Cape Town and is still operating. The Khayelitsha area is located in Tygerberg City and Tygerberg City has a Khayelitsha Project Team including a Tourism Arts and Craft Task Team.

Tygerberg Tourism is one of the former Administrative Sub-Area tourism organizations for

marketing tourism for the Tygerberg Administrative Sub-Area and has an information office at MEW WAY RECREATION CENTER (a R20 million boxing hall facility built by The Cape Town 2004 Olympic Bid Committee) in Khayelitsha. Two permanent staff members on a normal eight-hour weekday basis staff the office and a limited number of tourism brochures are available in the office. The office is not prominently located and no signage exists to indicate the existence of the office. It has had very limited links with the Khayelitsha Community and appears un-staffed on some occasions. It is planned to move the information office to the Lookout Hill site.

Cape Town Tourism, the central Cape Town LTO, is also active in promoting township tourism and in particular a music route, which includes Khayelitsha.

Local Town Council:

The *Khayelitsha Local Town Council* is not active in tourism operation. In the past it was involved in general town planning for the township, which included planning for tourism development. However, most of their planning responsibility has been shifted to the Unicity level.

Private sector/NGO:

There are no specific tourism bodies for Khayelitsha, but many organisations are active in Khayelitsha in different arenas.

The *Khayelitsha Community* itself is very active and well organized and has its own structures to deal with its own development. During the Khayelitsha Cluster Process a Khayelitsha Community Tourism Forum was formed, but it has since disbanded due to lack of further process and progress.

(3) Foreign Government:

The *French Development Agency* is to be providing funding for Khayelitsha Business District Development.

The *German Government* has funded the “Learn to Learn” (Training Centre).

(4) General Comments

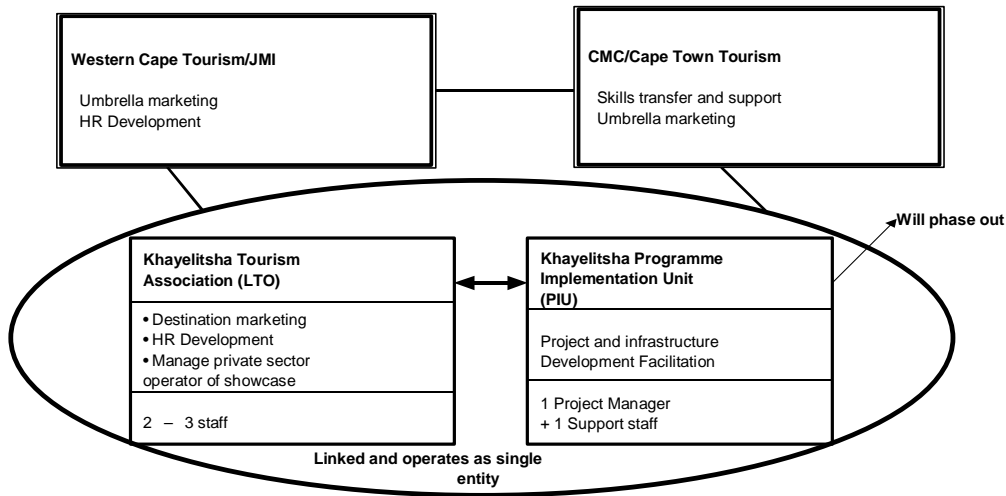
There is effectively no tourism marketing or development capacity in Khayelitsha and very little at the Tygerberg Tourism Level. Other equivalent LTOs such as Cape Town Tourism have capacity and resources, but these are not intended for Khayelitsha tourism development. The Unicity (CMC) level also has resources and capacity, but an extremely wide mandate to market and develop tourism for a large city with many tourism attractions, of which Khayelitsha will always be a minor element.

21.3.2 Institutional Development Plan

Khayelitsha is, and will be, but a small component of Western Cape tourism, and will therefore require institutional structures well below the provincial level to support its tourism development. Given the very specific nature and newness of the development proposed, the study team feels that the development, HR coordination and marketing and promotion should be carried out by a dedicated body at the Khayelitsha township level, which would work closely with the Unicity structures in tourism and other sectors, and possibly with the Tygerberg Tourism LTO if it continues to exist. This body will also be involved in the ongoing operation of elements of the Khayelitsha Music and Dance Showcase.

The figure below illustrates the recommended institutional structures and their roles for Khayelitsha.

Figure 21.2.1 Proposed Institutional Structure: Khayelitsha



We recommend that a destination tourism organisation, equivalent to a strong LTO, be set up Khayelitsha. This would carry out the destination marketing as per the promotion plan in Chapter 18, and provide an HR development facilitation function. In addition this unit would oversee the private sector management of the Showcase, on a more day to day basis than its Board. This institution must be permanent. In total the unit will require 3 staff, plus secretarial support. The equivalent of two staff will be marketing and a third will be human resources and Showcase management. In addition for 2003 we envisage one person with total responsibility for improving township interpretation and routes. Effectively the LTO head would dedicate half his/her time to marketing and half to Showcase management, while one lower level officer will be half marketing and half HR, and the second one dedicated to marketing.

The budget for the LTO is detailed in Chapter 18 (Promotion) and Chapter 19, (HR Development). It is initially R 255,000 per annum for marketing, rising to R 760,000 per annum when the Showcase opens, and R 245,000 per annum initially for HR development, rising steadily to R 415,000 when the showcase opens, and dropping off thereafter to lower levels.

A PIU for the Khayelitsha JICA development program should be set up to handle the program implementation, which will relate mainly to facilitating the development the Showcase, the merchandising and crafts and any required infrastructure. This would require one project manager with one support staff member. The budget for the PIU is R 750 million per annum for 4 years until the Showcase is fully operational.

We do not foresee that in the longer term there will be scope for significant ongoing tourism development in Khayelitsha and therefore expect that the PIU will phase out after 4 years.

The “LTO” and the “PIU” must operate in close concert, and we suggest that they share offices, and effectively operate as one unit. They must also liaise closely with the Cape Metropolitan Council (“CMC”) tourism body (RTO), and other LTOs in the area. This RTO should provide support and skills transfer to Khayelitsha, as well as umbrella marketing. Other LTOs such as Cape Town Tourism can provide support and skills transfer, as they are currently doing.

In addition, the Western Cape Tourism Board/JMI will provide umbrella marketing and also support and facilitation for the HR development function. Many elements of HR development are non-specific to Khayelitsha, and courses and providers should be coordinated at the provincial level, and tapped into from the Khayelitsha level.

21.4 Valley of the Olifants

21.4.1 Current institution

(1) Government:

This area's governmental institutions are as follows:

Province: The Northern Province

District: Mopani District Municipality DC33
Eastern District Municipality CBDC4

Local: Ba-Pharaborwa Local Municipality NP334
Drakensberg Local Municipality NP04A1

(2) Tourism Administration:

National Government:

DEAT has the following projects and initiatives which cover this area:

1. The Phalaborwa Spatial Development Initiative (SDI)

A number of tourism investment projects are identified under this SDI, which are mostly located outside of the Focus Area, although a few of these projects (Manyeleti, Letaba) are close to or in the Focus Area.

2. Poverty Relief Projects

In this region two projects are identified, one of which, the Amashangaan Game Ranch, is located in the Focus area.

Provincial Government:

The Department of Economic Affairs, Agriculture and Tourism is the central organization for tourism in Northern Province and deals with tourism development planning, policy and strategy but not implementation (implementation is handled by The Northern Province Tourism Board or other delegated entities). The Department has close links with the local municipalities with regards to their Integrated Development Plans (IDPs) and tourism.

A number of eco-tourism initiatives have been identified which is very strategic, and is not yet at the implementation stage. The Department is also in the process of implementing an ambitious African Ivory Route, which is a series of overnight camps throughout the province with eco-tourism and adventure opportunities. The Department is also in the preparation phase of developing a tourism growth plan for the region. The Department recognizes that the Valley of the Olifants region is important in terms of international tourism because of the Kruger National Park.

The Northern Province Tourism Board (NPTB) is the implementing agency for tourism marketing at the Provincial level.

The Northern Province Parks Board has responsibility for the management and development of all provincial Nature/Game parks in the province to ensure that they generate more revenue for government. In October 2001 the Parks Boards was transferred from the Department of Environmental Affairs to The Department of Economic Affairs, Agriculture and Tourism. Parks have been clustered into areas of high tourism potential based on their viability, etc. The criteria applied include tourism value, economic value, bio-diversity and accessibility.

Some parks are operating, others partly operating and some are closed. 8 Parks have been prioritised for development. These parks will then be given to the Tourism Board to be marketed. Marketing will not be done at a park management level. An Interim Development Plan for Parks is in place (this covers the situation within reserves, people employed, employment and skill needs, etc.). A demand analysis has not been done.

Within the study area the Hans Merensky Park is partly open and Letaba (with Big 5) is open in the sense that people use the Ivory Camp. The main camp, a traditional tented camp, was destroyed during the floods.

The Northern Province Investment Initiative (NPII) is involved with the commercialisation of farms. The NPII takes projects and attempts to get equity funding or to compile projects into bankable documents. They also facilitate the process of drawing up business plans for different projects. The NPII deals with projects up to R 50,000. Anything that is more than R 100 million goes to the Department of Trade and Industry (DTI). The NPII is more involved in mining and agriculture. Tourism is a relatively new sector for the NPII and is still gaining momentum. NPII is driving tourism in the Valley of Olifants. NPII does not have many initiatives.

Regional Government/Municipality:

Both the Mopani District Municipality (DC33) and the Eastern District Municipality (CBDC4) are new structures under the changed municipal dispensation after the 2000 elections. They are not yet up and running and as such have no tourism role at present.

Local Government/Municipality:

The Ba-Phalaborwa Local Municipality (NP334) is active from a planning perspective related to tourism development, although it does not have a tourism function and does not support the Phalaborwa Tourism Association. The Drakensberg Local Municipality (NP04A1) is not active in the tourism arena.

Non Government:

RTO:

The Northern Province Tourism Board plans to facilitate the setting up of RTOs within the province and an RTO for the Valley of the Olifants is planned. It will be based in Tzaneen and have responsibility for destination marketing of the area. It will fall within the areas of the Mopani District and Eastern District Municipalities.

LTO:

The Ba-Phalaborwa Tourism Association (BAPTA), which is entirely private sector funded and operated, is the LTO for the Phalaborwa area. The previous Hoedspruit LTO is now defunct.

Other:

The Kruger to Canyons Biosphere Reserve is an initiative driven by the private sector, with various donor and sponsor funding, to create a UNESCO registered Biosphere Reserve in the central Lowveld and Escarpment areas of Northern Province and Mpumalanga Province, which covers the study area. The Initiative has a steering committee based at the SA Wildlife College near Hoedspruit. The World Bank through its MELISSA program and the private sector has funded it, with government and parks boards as partners. Tourism development is an important part of the development plan for the Biosphere.

(3) General Comments

Other than at the provincial level there is very limited/no tourism institutional capacity. Neither RTOs nor LTOs are functioning with respect to the Valley of the Olifants area. The

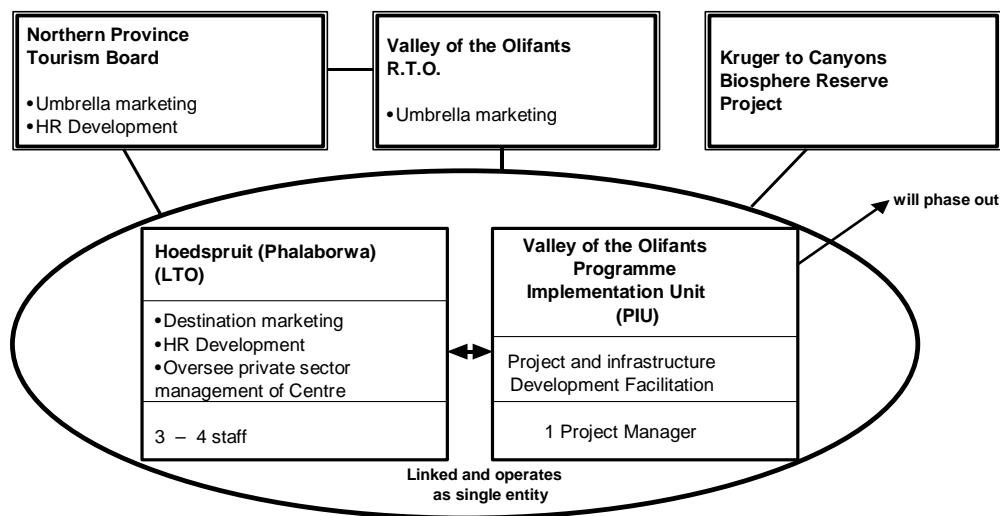
only capacity at a lower than provincial level is in the Kruger to Canyons Biosphere Initiative, which is fairly limited, and which over and above its small budget, relies heavily on the spare time of volunteers.

21.4.2 Institutional Development Plan

This Focus Area represents one smallish area of a number of areas for tourism development in the Northern Province, and therefore the study team believes that it will be appropriate that most institutional responsibilities for the study area development should be housed at lower levels than at the Province. Packaging, promotion and marketing as well as the operation of the Research and Education Visitor Centre will be key to the success of tourism development in the area. This is very much “on the ground” development in the Hoedspruit area, and therefore we recommend that a Hoedspruit level tourism entity will be crucial to this project, particularly for marketing and the operation of the centre. The Phalaborwa areas could be combined with Hoedspruit for this purposes, i.e. the equivalent of a Hoedspruit Phalaborwa LTO.

This LTO entity should work closely with the Valley of the Olifants RTO and the Biosphere Reserve task team. Development and human resources could be sited at these levels for the area. The figure below illustrates the recommended institutional structures and their roles for the Valley of the Olifants area.

Figure 21.3.1 Proposed Institutional Structure: Valley of the Olifants



We recommend that a destination tourism organisation, equivalent to a strong LTO, be set up for the proposed program implementation in this area. This LTO would carry out the destination marketing as per the promotion plan in Chapter 18, and provide an HR development facilitation function. In addition this unit would oversee the private sector management of the Research and Education Centre on a more day to day basis than its Board. This institution must be permanent. In total the unit will require 4 staff. Effectively the staff would be multi-functional with an LTO head dedicating half his/her time to marketing and half to Centre management, while one lower level officer will be half marketing and half HR. In addition one person would be employed in 2003 only to develop the Research and Education route. Thereafter this position would fall away.

The budget for the LTO is detailed in Chapter 18 (Promotion) and Chapter 19, (HR Development). It is initially R 420,000 per annum for marketing, rising to R 840,000 per

annum when the Centre opens, and R 630,000 per annum initially for HR development, rising to R 580,000 when the Centre opens, and dropping off thereafter to lower levels.

A PIU for the valley of the Olifants JICA development program should be set up to handle the program implementation, which will relate mainly to facilitating the development of the Centre, the merchandising and crafts and any required infrastructure. This would require one project manager with one support staff member. The budget for the PIU is R750 million per annum for 4 years until the Centre is fully operational.

We do not foresee that in the longer term there will be scope for significant ongoing or new tourism development initiatives in this area and therefore expect that the PIU will phase out after 4 years.

The "LTO" and the "PIU" must operate in close concert, and we suggest that they share offices, and effectively operate as one unit. They must also liaise closely with the Valley of the Olifants (RTO) once it is established. This RTO should provide support and umbrella marketing.

Of critical importance will be the interaction and integration of this LTO/PIU with the Kruger to Canyons Biosphere Reserve Initiative, and the SA Wildlife College, which is a key non-tourism product specific (i.e. no vested product interests) provider of training in the area. The JICA programs for this area are but one element of the greater Biosphere plans, which essentially look at conservation and sustainability, with tourism as a commercial activity to support sustainability in a greater area. However it is the only other existing capacity in the area which is looking at tourism development. Cross "board" tenure as well as possible sharing of premises and secretariat support would assist in facilitating this intergration. It is intended that this JICA program for the Valley of the Olifants Study area, will be able to source resources and fast track key elements of tourism development envisaged in the Biosphere initiative.

In addition, the Northern Province Tourism Board will provide umbrella marketing and also support and facilitation for the HR development function. Many elements of HR development are non-specific to the Hoedspruit Phalaborwa area, and courses and providers should be coordinated at the provincial level, and tapped into from the this level.

21.5 Barberton

21.5.1 Current Institutions

(1) Government:

This area's governmental Institutions are as follows:

Province: Mpumalanga Provincial Government

District: Ehlanzeni District Municipality DC32

Local: Umjindi Local Municipality MP323

(2) Tourism Administration:

National Government:

DEAT has the following projects and initiatives, which cover or include this area:

1. Poverty Relief Projects (6 in the study area)
2. Badplaas /Barberton/ Malelane PATII
3. Maputo Development Corridor (MDC) SDI
4. Coast to Coast SDI
5. Malolotja/Songimvelo/Mountainlands TFCA

Provincial Government:

The *Department of Finance and Economic Affairs - Tourism Directorate* has the responsibility for tourism product and infrastructure development, safety and security and policy development in the Province.

The *Mpumalanga Parks Board* has the responsibility for provincial parks (tourism development, promotion, environmental management, etc) in the Province. This includes Songimvelo and the some aspects of the planned Mountainlands Reserve.

The *Mpumalanga Tourism Authority (MTA)* handles all tourism marketing and promotion on the provincial level.

Regional Government:

Ehlanzeni District Municipality DC32 does not as yet have any tourism initiatives or carry any tourism responsibilities, however it should in future be responsible for regional planning and policy, which would include tourism.

Local Government:

Umjindi Local Municipality MP323 (formerly Barberton TLC) is responsible for the implementation and the provision of infrastructure, including that for tourism development. It works closely with the Barberton Tourist Organization and provides it with funds, particularly to fund the information Bureau and its personnel.

Non Government:

RTO (Regional Tourism Organization):

The MTA are launching 7 new tourism regions, within each of which they hope to facilitate the set-up and operation of new RTOs. These RTOs are expected to be private sector funded and led with additional funding from the local and district municipalities. They are intended to have a role of overseeing the LTO tourism marketing and promotion activities. The tourism regions do not follow district council boundaries. Rather, the regions centre on areas of high tourism potential. Barberton falls into the Wild Frontier tourism region for which the RTO has been established.

The Wild Frontier RTO at the moment has no office and no staff. The secretariat of the RTO is rotated between the member LTOs and is currently with the Barberton LTO. The Wild Frontier RTO is an association not for gain and is governed by a constitution. It is intended that later as more projects are being completed that the RTO will become a Section 21 Company. The RTO gets 10% of the membership fees collected by the member LTOs in order to maintain its administration and basic running costs. These amounts will be very low and this line of funding has not yet been activated as fees are not yet being collected from the LTOs. The intention is to get a few projects underway first in order to show the real value to the LTOs and their members and then to start collecting fees to run further projects. There

is not a great funding need at present. The Wild Frontier has received funding from the following sources:

- R 67,000 from the DBSA for the Route Roads audit and Technical work;
- R 300,000 from various sources including the DBSA for various projects of a technical and planning nature; and
- R 25,000 funded by Umjindi Municipality for the Barberton LTO branding and marketing strategy.

LTO (Local Tourism Organization)

Barberton Tourism Organization is private sector driven, through a membership system and it has initiated a strategic tourism planning framework, action plan and marketing and branding strategy. The Barberton Information Bureau is operated through cooperation with the Barberton TLC and the Barberton Tourist Organization. Barberton Tourism Information Bureau is funded by the Umjindi Municipality and falls under the Department of the Municipal Manager. The organisation has a budget of R 16,000 from membership for the 2002 financial year with additional funds being sourced from other sources. This will be used for publicity purposes as well as for purchasing stock such as maps and guidebooks. Income received from sales is not ploughed back into the budget but instead goes into the council's income account. The BTO has approximately 35 members. Members pay a joining fee of R 50 after which they pay R20 per establishment per month. The BTO has two staff members who are employed by the municipality. They are in the process of writing a motivation to council requesting a greater budget. Currently there is some debate with regard to whether publicity is the role of the private sector or the BTO. The BTO requires about R 80,000 to do an English/German brochure with a German company wanting to establish a Daisy museum in Barberton.

Barberton Chamber of Business (BCOB)

The local chamber of business is a private sector organisation with the local business community as members. Members are from all sectors of business but the BCOB has played a key role in initiating and driving the Tourism & Biodiversity Corridor, viewing it as a catalyst for multi sectoral business development.

The Tourism and Biodiversity Corridor (Swaziland, Mozambique and Mpumalanga)

The Tourism and Biodiversity Corridor is mainly a private sector driven initiative to coordinate and facilitate tourism development and conservation of an area of northern Swaziland, southeastern Mpumalanga and southern Mozambique. The initiative has developed a detailed multi-year development program covering many tourism and conservation initiatives in the area, and with a strong emphasis on the Barberton area. The Tourism and Biodiversity Corridor has received around R300 000 from various sources including the DBSA.

Foreign Governments:

Because of its proximity to Swaziland and the need to integrate some aspects of its tourism development with developments in Swaziland, the Swaziland government has an influence and a role to play in the tourism development strategy of the Barberton area. Swaziland has a program called Swaziland Biodiversity Conservation And Participatory Development Project (BCPD). This program is far advanced on a technical level and is funded by a grant from the World Bank Global Environment Fund (GEF). The BCPD Project is an integrated and multidisciplinary biodiversity conservation and socio-economic development project which is essentially the continuation of the Tourism and Biodiversity Corridor on the Swaziland side. There is good cross border cooperation on government, private sector and non-governmental levels. Several of the programs falling under the TBC and BCOD share impacts and role-players on both sides. As an example: the Wild Frontier RTO has two

Swaziland LTO's as members, which covers the entire northern Swaziland region. Another example is the TFCA which covers parks on both sides and which has caused parks authorities from both sides to interact for the first time officially.

International Organizations:

SEATOC (South East African Tourism Committee)

This comprises Swaziland, Mozambique and South Africa (Mpumalanga, KwaZulu-Natal and Northern Province) is grappling with the idea of integrated marketing. The tourism organizational capacity of Mozambique and Swaziland is not as advanced as Mpumalanga Province or South Africa and the organisation does not really have an impact at this stage.

(3) General Comments

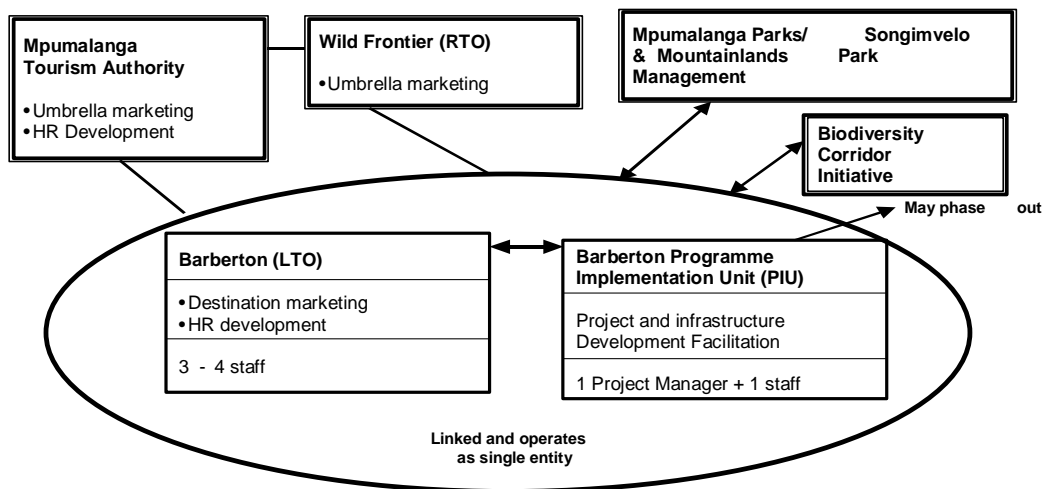
This area has the most existing capacity at levels below the province, in the Barberton Tourism Organisation which coupled with the Barberton Municipality has been active in tourism. In addition the Biodiversity Corridor Initiative also has some capacity on the more local level covering the Barberton area, but the corridor initiative covers a greater area than the Barberton Study area. The RTO, the Barberton LTO and the Biodiversity Corridor Initiative rely heavily on the spare time of volunteers.

21.5.2 Institutional Development Plan

The Barberton area is a small and not a very important area for tourism within Mpumalanga, which has many other areas with significant tourism development potential. Additionally tourism and developmental initiatives in this region (specifically the Tourism and Biodiversity Corridor) has achieved much through their "bottom up", locally driven processes where public private sector partnerships have been formed to initiate and drive these initiatives quite effectively. This should be encouraged. Therefore the study team recommends that the development, marketing and HR functions for tourism in this area should be handled close to grass roots levels, probably by a strengthened Barberton Tourism Organisation, and/or the initiators and role-players in the Tourism and Biodiversity Corridor. The Wild Frontier RTO is also a possible structure, which could take on some roles, particularly with respect to marketing for the area.

The figure below illustrates the recommended institutional structures and their roles for the Barberton area.

Figure 21.4.1 Proposed Institutional Structure: Barberton



We recommend that a destination tourism organisation, equivalent to a strong LTO, be set up for the proposed program implementation in this area. This LTO would carry out the destination marketing as per the promotion plan in Chapter 18, and provide an HR development facilitation function. This institution must be permanent. In total the unit will require 3 full-time and one part-time staff member. Effectively the staff would be multi-functional with an LTO head dedicating to marketing while two lower level officers will be marketing and one half-day HR officer. In addition there would be one person employed for 2003 only, to develop tours and interpretation for the area.

The budget for the LTO is detailed in Chapter 18 (Promotion) and Chapter 19, (HR Development). It is initially R 465,000 per annum for marketing, rising to R 930,000 per annum as tourism to the area develops and remaining at this level, and R 220,000 per annum initially for HR development, rising to R 410,000 in 2005, and dropping off thereafter to lower levels.

A PIU for the valley of the Barberton JICA development program should be set up to handle the program implementation, which will relate mainly to facilitating the development of the lodges and resorts in the two parks and the merchandising and crafts and any required infrastructure. This would require one project manager with one support staff member. The budget for the PIU is R1 000 million per annum for 4 years until the major new accommodation products are operational, whereafter it will decline to R 750,000 per annum, and retain one staff member only.

The ongoing development of the park could be done from this unit, however, we believe that it would be better housed within the Mpumalanga Parks Board at Provincial level if there is capacity. dedicated capacity, and at least a secretariat is provided for the park development.

The Barberton area with its two parks has significant ongoing potential to develop tourism beyond the major elements in the JICA program. This might require an ongoing PIU unit as further programs are developed and implemented over the course of the development of the area which is expected to take many years. Therefore this PIU may continue or may phase out.

The “LTO” and the “PIU” must operate in close concert, and we suggest that they share offices, and effectively operate as one unit. They must also liase closely with the Wild Frontiers (RTO) which should provide support and umbrella marketing.

Of critical importance will be the interaction and integration of this LTO/PIU with the Biodiversity Corridor Initiative. The JICA programs for this area are but one element of the greater Biodiversity Corridor initiative, which essentially looks at conservation and sustainability, with tourism as a commercial activity to support sustainability in a greater area. However it is the only other existing capacity in the area which is looking at tourism development. Cross “board” tenure as well as possible sharing of premises and secretariat support would assist in facilitating this integration. It is intended that this JICA program for the Barberton area, will be able to source resources and fast track key elements of tourism development envisaged in the Biodiversity Corridor initiative.

In addition, the Mpumalanga Tourist Authority will provide umbrella marketing and also support and facilitation for the HR development function. Many elements of HR development are non-specific to the Barberton area, and courses and providers should be coordinated at the provincial level, and tapped into from this level.

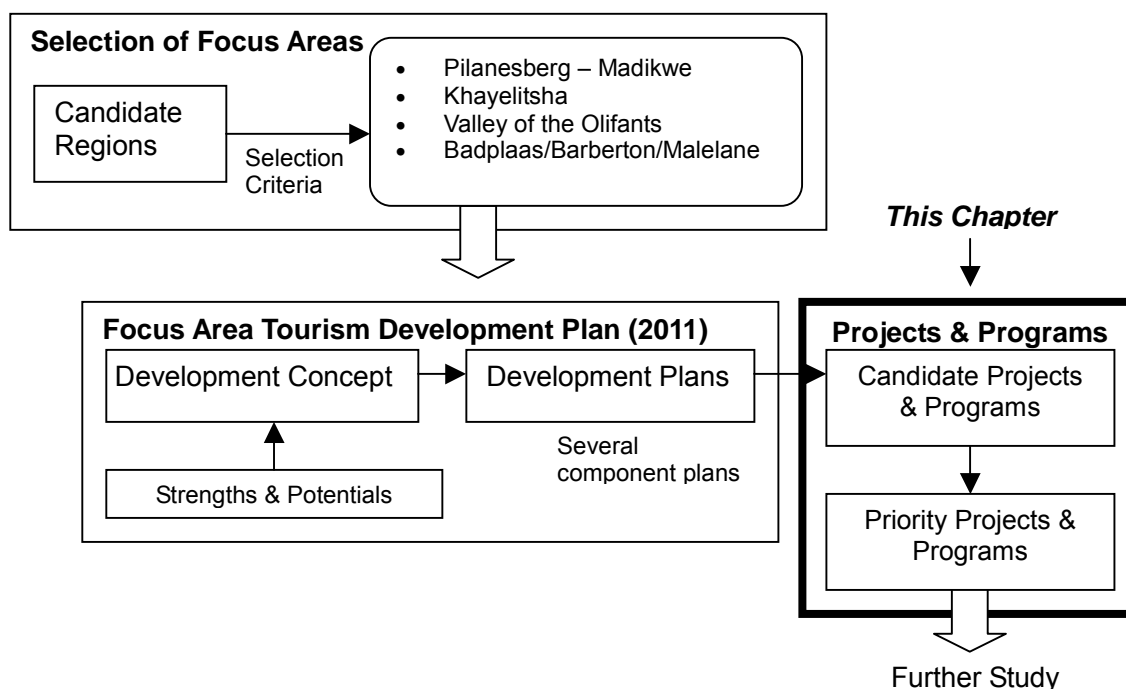
Chapter 22

Selection of Projects and Programs

22.1 Introduction

This chapter prioritises the projects and programs that were identified during the tourism development planning process carried out for each area. As a result of this process (see Figure 22.1.1), priority projects and programs that need to be implemented in the short to medium term are proposed. These priority projects and programs will be the subjects for further study.

Figure 22.1.1 Prioritisation of Projects and Programs



Source: JICA Study Team

Candidate projects and programs are identified during the tourism development planning process carried out for each area and are projects and programs that need to be implemented in the short to long term and that takes into consideration the area's strengths, best potential and development concepts.

Priority projects and programs are candidate projects and programs that need to be implemented in the short to medium term (by 2006) and are the subjects for further study.

22.2 Planning of Priority Projects and Programs

22.2.1 Planning Components

The 'Priority Project Package' for each focus area (Chapter 22) is formulated to address the following components of tourism development:

- A Product, Facilities and Infrastructure
- B Marketing and Promotion
- C Human Resource Development
- D Institutional Development

These four components each have specific priority projects described in the form of project sheets. These projects also have an implementation schedule and cost estimates with financial arrangements. Environmental issues are also considered.

(1) Project Description

The project/program description is prepared as a project sheet, which summarises the following information:

- Project Justification
- Project Objectives
- General Description
- Project Components
- Project Implementing Agency
- Project Cost Estimate
- Implementing Schedule

(2) Cost Estimate

The Cost Estimate is based on the following items for each priority project:

- Cost Assumptions
- Project Cost
- Operation/Maintenance Cost

It is necessary to estimate costs for the selected priority projects at the desirable level of quality. The Republic of South Africa has much experience in tourism development and sufficient human resources in the form of planners, engineers, and architects. Moreover, adequate material, equipment and furnishings for tourism development can be obtained from the domestic market. The priority projects selected within the four focus areas will be implemented making the best use of these domestic resources. The cost estimates that are worked up later in this report consist of study/plan/design, construction including procurement of necessary equipment, contingency, and operation/maintenance.

The cost estimates are made under the following assumptions:

- The implementation body of selected projects will be mainly South African local government, and/or a new Project Implementation Unit (PIU) organized by public and private partnership.
- The total cost of each project will be estimated making the best use of South Africa's abundant domestic resources.
- Project cost will be estimated based on data and information related to the tourism development previously conducted in South Africa. Data and information will be collected from the government office and private sector such as construction companies, developers and architects.
- Each project, especially those of product, facility and infrastructure, comprise many sub-projects. Therefore, the entire project cost will be estimated.
- 15% of the construction cost will be added for contingency.
- 3-5% of the sub-total infrastructure construction cost (cost plus contingency) will be considered for annual operation and maintenance.
- Operation and maintenance cost for tourism facility development projects will be decided considering the size and characteristics of how to operate and maintain the project.

- Overhead profits will be inclusive in each project cost.
- Land acquisition costs and taxes will not be included.
- Costs will be estimated at February 2002 prices.

(3) Implementation Schedule

The Implementation Schedule tabulates the time scale for implementing each project/program. The implementing and operation/management organization is identified for each Focus Area within the Project sheet.

(4) Financial Alternatives

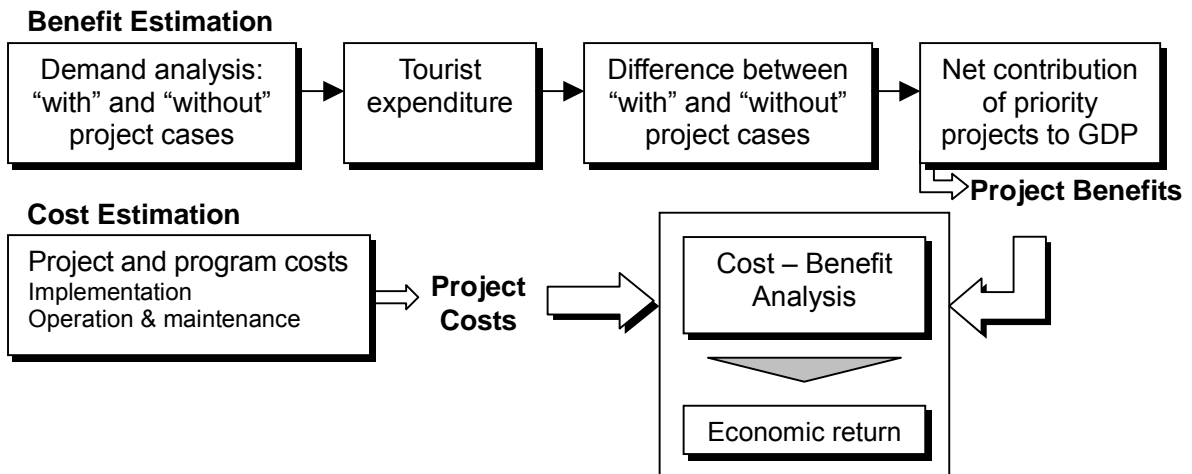
Potential funding sources for implementation of the priority projects and programs are provided taking into account public sector roles and private sector participation in commercially oriented activities.

(5) Economic Evaluation

Economic evaluation of the priority projects and programs is undertaken in order to examine their impact on the national economy. Evaluation is made separately for each area, where the impact of the entire projects and programs is analysed as a whole (not project by project).

The flow of the analysis is shown in Figure 22.2.1 and the steps are described below.

Figure 22.2.1 Flow of Economic Analysis for Priority Projects and Programs



Source: JICA Study Team

i) Project Benefit Estimation

Project benefits are estimated on the basis of the incremental tourist expenditure to be generated with the priority projects and programs *relative to* the case without these projects and programs (the former to be called “With” project case, and the latter “Without” project case).

Methodology:

1. Use the demand projection for both “with” and “without” project cases conducted in each

focus area development plan

2. Estimate total tourist expenditure for both cases
3. Take the difference in total expenditure between the two cases, as the incremental tourist expenditure
4. From this increment that is as a result of the total focus area development plan, estimate the amount of increment to be attributed only to the priority projects and programs, using assumptions that are considered reasonable.
5. Then, estimate the amount of the net contribution to GDP (or value added) from the estimated incremental tourist expenditure attributed to the priority projects and programs.

ii) Project Cost Estimation

Project costs to be used for the economic analysis are those estimated in the sections regarding project costs in each chapter. These costs include those for implementation and for operation/maintenance. Note that the costs required for implementing programs such as marketing and promotion, human resources development, and institutional development will also be included in the analysis.

iii) Cost-Benefit Analysis

Standard cost-benefit analysis is used to evaluate the economic impact of the projects and programs, using the project benefits and costs estimated in the above steps.

Indicator used:

The economic internal rate of return (EIRR) is used as a measure for the economic evaluation. EIRR is the rate of discount at which cost and benefit streams over the evaluation period are equalized.

The mathematical definition of EIRR is as follows:

$$\sum_{t=0}^n \frac{(B_t - C_t)}{(1+k)^t} = 0$$

where k = EIRR (to be obtained solving this equation)
 B = benefit
 C = cost
 $B - C$ = net benefit
 t = t -th year
 n = evaluation period

A 20-year period is used for the project evaluation period, starting in 2002 and ending in 2021.

(6) Preliminary Financial Assessment

Preliminary financial assessment is conducted for major proposed projects expected to generate revenue. Estimation is made as to whether these projects could be a commercial activity attractive enough to a private entity, using the return on investment (ROI) as a measure for assessing the financial return of the projects. The definition of ROI is identical to that for EIRR as described above, with the only exception that benefits and costs in the above definition are revenues and expenses in the financial analysis. Note that inflation is not considered in the analysis, and thus the ROI estimated is in real terms.

Since all these projects involve development that should desirably be undertaken by the

public sector (such as site preparation and infrastructure development), a sensitivity analysis is conducted assuming that the initial cost be borne partly by the public sector. **Note that at this planning stage both revenues and expenses used in the analysis are preliminary in nature, and thus the result should be taken as indicative only.**

(7) Environmental Considerations

Preparation of an EIA in accordance with South African guidelines may be required for tourism development. At the planning stage of all projects/programs, procedures for EIA in these guidelines should be carried out for project components. There are two main stages i.e. the Scoping Report Stage and Environmental Impact Report (EIR) Stage. Preliminary IEEs for projects/programs are carried out in order to provide basic information for a full-scale EIA.

22.3 Candidate Projects and Programs

The candidate projects and programs, namely those proposed in the previous chapters, for the four focus areas are summarized in Tables 22.3.1 – 22.3.4. They are grouped by type of project, with the proposed implementation period and proposed implementing body specified.

The abbreviations used for grouping are as follows:

Functional Groups of Activities	Abbreviation
1. Product and Facilities Development Plan	PD
2. Infrastructure Development Plan	IF
3. Marketing and Promotion Plan	MP
4. Human Resource Development Plan	HR
5. Institutional Development Plan	IN

Table 22.3.1 Candidate Projects & Programs for the Pilanesberg-Madikwe Corridor Subject Area

Projects and Programs	Group	By 06	By 11	Remarks	Implementing Body
Product, Facilities & Infrastructure					
1 Development Program for Heritage Park:	PD	√	√	To be implemented in stages, with full completion within 10 years	Mainly, Heritage Park PIU (PIU: see Institutional Development Plan below)
1.1 Planning and designing for Heritage Park development	PD/IF	√		Overall programming for the entire park, planning, design, etc.	Heritage Park PIU
1.2 Construction of infrastructure	IF	√	√	Road (internal & access), water supply, electricity, fence, gates	Heritage Park PIU
1.3 Investment promotion and investor evaluation	PD	√		For accommodation and attractions	Heritage Park PIU
1.4 Development in Molatedi Dam area	PD/IF	√		Composed of the components below	Heritage Park PIU
1) Development of day visitor facilities around Molatedi Dam	PD/IF	√			Heritage Park PIU
2) Upgrading of Lodge at Molatedi Dam	PD	√		Upgrading and beautification of the existing lodge	Heritage Park PIU
3) Development of range of recreational water based activities on/at Molatedi Dam	PD	√			Heritage Park PIU
1.5 Development of tourist facilities in Pilanesberg Game Reserve expansion area	PD/IF	√	√	Accommodation, conference, restaurant, etc To be expanded in stages	Heritage Park PIU
1.6 Development of game tour guiding companies in Pilanesberg expansion and Madikwe	PD	√		Through concessioning	Heritage Park PIU
1.7 Development of commercial wildlife breeding centre in the north of Heritage Park	PD/IF	√	(√)	Joint undertaking by the public and private sectors	Heritage Park PIU Private investor
1) Development of the commercial breeding centre	PD/IF	√		Mainly commercial	Private investor
2) Wildlife breeding tourist interpretation facilities	PD/IF		√	Investigate, design and construct	Heritage Park PIU/ Province
1.8 Development of Youth Tourism Cultural Exchange Centre	PD/IF	√		Investigate, design and construct	Heritage Park PIU
1.9 Development of tourist recreation and entertainment facilities in Heritage Park	PD	√	√	Detailed investigation is needed for development of attractive facilities.	Heritage Park PIU/ Province
1) Investigation of heritage attraction and facility opportunities in subject area	PD	√		Investigation, survey, planning	Heritage Park PIU/ Province
2) Designing and construction of tourist recreation and entertainment facilities in Heritage Park	PD	√	√	Heritage interpretation facilities, museums, crafts selling areas, tea gardens, restaurants, filling stations, etc	Heritage Park PIU/ Province
2 Real Estate Project	PD/IF			Existing concept near	

Projects and Programs	Group	By 06	By 11	Remarks	Implementing Body
				Sun City including Accommodation, cultural village, sports facilities, kids entertainment, etc.	
3 Road Development:	IF	√			
3.1 Improvement of road from Batlhalelwa to Derdepoort	IF	√		Paving of the main road running through Heritage Park	Province/Regional Council
3.2 Development of road signage in and around Heritage Park	IF	√		Facilitation of tourist navigation	Regional Council
4 Investigation & Development of Transport Alternatives	IF	√			Province
5 Water Supply Development					
5.1 Study of Water Supply	IF	√			Province
5.2 Construction of Water Supply Facilities	IF	√	√		Province/Regional Council
6 Increase in Switchboard Capacity	IF	√			Telephone Company
Marketing & Promotion					
1 Marketing & Promotion of Potential Product:	MP	√	√		Local Tourism Organization (LTO)
1.1 Develop/establish a brand/clear-cut image for the total subject area, using existing icons	MP	√			LTO
1.2 Develop marketing & promotion campaign for total subject area	MP	√			LTO
1.3 Identify, develop and host subject area signature event	MP	√	√	e.g., Pilanesberg/Madikwe Heritage Hunt Competition or Heritage Cycle Race	LTO
2 Active promotion of MICE tourism product	MP	√			LTO/private sector
Human Resource Development					
1 Develop & Implement Tourism Entrepreneurial Training Program for local community:	HR	√	√		Province/Local Government
1.1 Tourism entrepreneurial opportunity identification and development training	HR	√	√		Province/Local Government
1.2 Tourism entrepreneurial operation skills training	HR	√	√		Province/Local Government
1.3 Tourism business advisory centre	HR	√	√		Province/Local Government
2 Tour Guiding and Interpretation Training Program	HR	√	√		Province
Institutional Development					
1 Establish Heritage Park Project Implementation Unit (PIU)	IN	√		Initially, for planning and development, later possibly transformed to an operation and maintenance body	Province
2 Determine management, operation and maintenance scheme for Heritage Park	IN	√		Initial proposal will be made in this study.	Province/Regional Council

Projects and Programs	Group	By 06	By 11	Remarks	Implementing Body
3 Establish Regional and Local Tourism Organizations (RTO and LTO)	IN	√			Province/Regional Council
4 Establish strong links between LTO/RTO and Provincial Tourism Marketing Agency	IN	√			Province/LTO/RTO

Note: 'By 06' and 'By 11' ('By year 2006' and 'By year 2011' respectively) indicate the period in which each project or program is proposed to be implemented. For the abbreviations in 'Group', see text.

Source: JICA Study Team

Table 22.3.2 Candidate Projects & Programs for the Khayelitsha Subject Area

Projects and Programs		Group	By 06	By 11	Remarks	Implementing body
Product, Facilities & Infrastructure						
1	Development of African Music and Dance Showcase:	PD	√		"African Music and Dance Showcase" is the concept, appropriate name to be defined	Public – private joint undertaking, partly by Music and Dance Showcase PIU (see Institutional Development Plan)
1.1	Planning and designing of African Music and Dance Showcase	PD	√		Planning, design, etc	Music and Dance Showcase PIU
1.2	Investment promotion and investor evaluation	PD	√			Music and Dance Showcase PIU/ private investors
1.3	Develop African Music and Dance Showcase facilities	PD/IF	√		Buildings (theatres, studios, training facility, music museum, crafts design centre, memorabilia store, craft outlets) & Infrastructures	Private investors/ Music and Dance Showcase PIU depending on facilities
1.4	Find well known music personalities and form music and dance troupe	IN	√		To champion the development during construction, fund raising and operation	Private investors
1.5	Sourcing or writing/creation of African Music and Dance Shows	PD	√		Those Specific to African Music and Dance Showcase	Private investors
1.6	Source other African Music and Dance shows	PD	√		General African music and dance shows	Private investors
1.7	Source/organize calendar of events/festivals, etc	PD	√		For constantly changing	Private investors
1.8	Develop African Music and Dance Showcase specific crafts/ merchandise	PD	√		Using the crafts design centre to be developed	Music and Dance Showcase PIU/ Cape Town Craft Action Body
2	Develop Range of Khayelitsha Tours and Interpretation	PD	√		For tours into Khayelitsha township life including music, food, general life	Province/Local Government
3	Lookout Hill Project (Phase 2)	PD	√		Ongoing Retail development, restaurants, museum, curio & craft shops	Unicity
4	Khayelitsha Central Business District (CBD) Project	PD	√		Retail, commercial, industrial, govern't, residential use	Unicity/private investors
5	Demand Study on Infrastructures for Tourism Development	IF	√		Water, sewage, electricity	Province
Marketing & Promotion						
1	Develop marketing campaign for African Music and Dance Showcase:	MP	√			LTO/private investors
1.1	Establish agreements with tour operators	MP	√			LTO/private investors
1.2	Establish agreement with Cape Town International Airport	MP	√			LTO/private investors
1.3	Develop market & promotional activities for African Music and Dance Showcase	MP	√			LTO/private investors

Projects and Programs	Group	By 06	By 11	Remarks	Implementing body
2 Develop marketing/promotion activities for Khayelitsha township tours	MP	√			LTO
3 Develop distribution channel for African Music and Dance Showcase and Khayelitsha merchandise, arts and crafts	MP	√			LTO/private investors
Human Resource Development					
1 Identify and develop local community musical talents, local entertainment troupes, interpretation of music	HR	√	√		Private investors
2 Development of arts and crafts design and manufacture skills	HR	√	√		Music and Dance Showcase PIU/Province
3 Develop & Implement Tourism Entrepreneurial Training Program for local community:	HR	√	√		Province/Local Government
3.1 Tourism entrepreneurial opportunity identification and development training	HR	√	√		Province/Local Government
3.2 Tourism entrepreneurial operation skills training	HR	√	√		Province/Local Government
3.3 Tourism business advisory centre	HR	√	√		Province/Local Government
4 Tour guiding and interpretation training program	HR	√	√		Province
Institutional Development					
1 Establish Project Implementation Unit for African Music and Dance Showcase (Music and Dance Showcase PIU)	IN	√		Planning, development	Cape Town Unicity/Province
2 Determine management, operation and maintenance scheme for African Music and Dance Showcase	IN	√		Initial proposal will be made in this study.	Cape Town Unicity/Province

Note: 'By 06' and 'By 11' ('By year 2006' and 'By year 2011' respectively) indicate the period in which each project or program is proposed to be implemented. For the abbreviations in 'Group', see text.

Source: JICA Study Team

Table 22.3.3 Candidate Projects & Programs for the Valley of the Olifants Subject Area

Projects and Programs		Group	By 06	By 11	Remarks	Implementing body
Product, Facilities & Infrastructure						
1	Develop Wildlife Education and Research Centre (WERC)	PD	√	√	- Wildlife Education and research product with entertaining flavour - In Hoedspruit	Wildlife PIU (See Institutional Development Plan below)
1.1	Planning and Designing of WERC and Development of Wildlife Research & Education Tourist Route (WR&ETR)	PD	√		Planning & design Make it tourist friendly, i.e. identify all potential wildlife research & education specific facilities to be part of route and assist in developing required tourist experience	Wildlife PIU
1.2	Investment promotion and investor evaluation	PD	√			Wildlife PIU
1.3	Construction of infrastructure at WERC	IF	√		Road, water supply, etc	Wildlife PIU
1.4	Construction of tourist facilities at WREC	PD/IF	√		Exhibition centre, visitor/interpretation centre, arts & crafts, accommodation, etc	Wildlife PIU/ private investors
1.5	Develop WR&ETR signage for self-drive tourists	IF	√			Wildlife PIU
1.6	Develop WR&ETR curios and crafts	PD	√			Wildlife PIU
1.7	Develop program to assist existing and new tourist establishments	PD	√	√	Augment WR&ETR experience, i.e. particularly existing game lodges	Wildlife PIU
2	Phalaborwa Heritage Art and Culture Centre	PD	√		Existing plan To be located close to the airport	
3	Road Development:	IF	√			
3.1	Upgrading of R36	IF	√		Paving	Province
3.2	Improvement of general road signage	IF	√		Along all roads in area	Province
3.3	Preparation of new road tourist maps	IF	√			Province
4	Investigation of and resulting required increase in telecommunication capacity	IF	√	√		Private (Telephone company)
Marketing & Promotion						
1	Promote area as key entry point or the route into KNP	MP	√	√		LTO/private sector
2	Establish distinctive wildlife research experience brand	MP	√			LTO/private sector
3	Promote the unique wildlife experience – wildlife research	MP	√			LTO/private sector
4	Identify, develop and host subject area signature events	MP	√		e.g., International Wildlife Research Congress, etc.	LTO/private sector
Human Resource Development						
1	Develop local community craft and curio making design and manufacture skills	HR	√	√	Particularly, wildlife oriented product development	Province/Local government
2	Develop wildlife viewing/research guiding	HR	√	√		Province/Local

Projects and Programs	Group	By 06	By 11	Remarks	Implementing body
skills and interpretation					government
3 Develop training for product owners for incorporation of WR&E brand and products	HR	√	√		Province/Local government
Institutional Development					
1 Establish Project Implementation Unit for WERC and WR&ETR (Wildlife PIU)	IN	√		Planning, development, promotion	Province/local government/private sector/Biosphere Reserve persons
2 Determine management, operation and maintenance scheme for WERC and WR&ETR	IN	√		Initial proposal will be made in this study.	Province/local government/private sector/Biosphere Reserve persons
3 Re-establish LTO in Hoedspruit	IN	√		Re-organize	Private Stakeholders + Local Municipality

Note: 'By 06' and 'By 11' ('By year 2006' and 'By year 2011' respectively) indicate the period in which each project or program is proposed to be implemented. For the abbreviations in 'Group', see text.

Source: JICA Study Team

Table 22.3.4 Candidate Projects & Programs for the Barberton Subject Area

Projects and Programs		Group	By 06	By 11	Remarks	Implementing body
Product, Facilities & Infrastructure						
1	Overall Programming for Development and Conservation for Greater Trans Frontier Conservation Area	PD	√		Trans Frontier Conservation Area- Malolotja, Songimvelo, Mountainlands	MBC-PIU (see Institutional Development Plan below for MBC-PIU)
2	Development Program for Mountainlands Game Reserve:	PD/IF	√	√		Mainly, MBC-PIU
2.1	Planning and designing for Mountainlands Development	PD/IF	√		Planning, design, etc.	MBC-PIU
2.2	Investment promotion and investor evaluation	PD	√			MBC-PIU
2.3	Construction of infrastructure	IF	√	√	Road (internal & access), water supply, electricity, fence, gates	MBC-PIU
2.4	Construction of facilities	PD	√	√	Accommodation, etc	MBC-PIU /private investors
2.5	Development of tourist activities	PD	√	√	Wildlife and adventure activities	MBC-PIU /private investors
3	Development Program for Songimvelo Game Reserve:	PD/IF	√			MBC-PIU
3.1	Planning and designing for Songimvelo Development	PD/IF	√		Planning, design, etc.	MBC-PIU
3.2	Investment promotion and investor evaluation	PD	√			MBC-PIU
3.3	Construction of additional required infrastructure & upgrading of existing infrastructure where relevant	IF	√		Road (internal & access), water supply, electricity, fence, gates	MBC-PIU
3.4	Upgrading of existing lodge facilities	PD	√		Accommodation, etc	MBC-PIU /private investors
3.5	Construction of additional facilities	PD	√		Accommodation, etc	MBC-PIU/private investors
3.6	Expansion of tourist activities (particularly wildlife and adventure activities)	PD	√		Wildlife and adventure activities	MBC-PIU/private investors
4	Further Development of Barberton Game Reserve	PD/IF	√			Mpumalanga Parks Board
5	Development of Roads:	IF	√			
5.1	R40 (between Nelspruit and Barberton) improvement project	IF	√		Road width expansion	Province
5.2	Road from Elukwatini to Bulembu upgrading project	IF	√		Paving	MBC-PIU
5.3	Road from Ekulindeni Village to Songimvelo gate (road condition)	IF	√		Paving/improvement	MBC-PIU
5.4	R538 (between Karino and Plaston) improvement project	IF	√		Road width expansion	Province
6	Water Supply Development	IF				
6.1	Study and Investigation of Water Resource for three reserve areas	IF	√			MBC-PIU
6.2	Construction of Water Supply Facilities	IF	√	√	In line with the tourism development program	MBC-PIU
7	Construction of electric service	IF	√	√	In line with the tourism	MBC-PIU

Projects and Programs	Group	By 06	By 11	Remarks	Implementing body
connection lines and or installation of generators				development program	
8 Telecommunication Development	IF				
8.1 Increase capacity of telecommunication networks	IF	√	√	In line with the tourism development program	Private (Telephone company)
8.2 Construction of new telephone service lines	IF	√	√	In line with the tourism development program	Private (Telephone company)
9 Other Tourist Facilities:	PD/IF	√			
9.1 Develop a variety of Barberton special interest & general interest tours & improve interpretation of Barberton sights	PD	√			Barberton LTO/ Private Sector
9.2 Upgrading of Bulembo border post	IF	√			National Government
9.3 Develop tourist stops on Barberton Bulembo Pass Road	PD	√			MBC-PIU
10 Development of Tourist Signage	IF	√	√		Barberton LTO/Local Government
Marketing & Promotion					
1 Marketing & Promotion of Existing Product:	MP	√			
1.1 Increase/improve marketing & promotion activities for Songimvelo Game Reserve	MP	√			Mpumalanga Parks
1.2 Increase/improve marketing/promotion activities of greater Barberton area	MP	√			Barberton LTO
2 Marketing & Promotion of Potential Product:	MP	√			
2.1 Develop marketing & promotion campaign for total subject area	MP	√			Barberton LTO/Private Sector
2.2 Develop branding/clear-cut image for total subject area	MP	√			Barberton LTO/Private Sector
3 Identify, develop and host subject area signature adventure events	MP	√		e.g., "Barberton Mountain Bike Race," etc	Barberton LTO/Private Sector
Human Resource Development					
1 Craft development, design & manufacture skills training	HR	√	√		Province/Local Government
2 Tourism business skills training of local communities to take up tourist business opportunities	HR	√	√		Province/Local Government
Institutional Development					
1 Establish Project Implementation Unit (PIU) for taking Mpumalanga Biodiversity Corridor (MBC) further – MBC-PIU	IN	√		Planning, development, promotion	Province/ Mpumalanga Parks Board/Mpumalanga Biodiversity Corridor persons/ Municipality
2 Determine management, operation and maintenance scheme for the products and attractions proposed above	IN	√		Initial proposal will be made in this study.	Province/ Mpumalanga Parks Board/Mpumalanga Biodiversity Corridor persons/ Municipality
3 Strengthen/expand/develop the Barberton LTO	IN	√			LTO
4 Establish strong linkages between LTO and new RTO (Wild Frontier)	IN	√		Planning	LTO & RTO

Projects and Programs	Group	By 06	By 11	Remarks	Implementing body
5 Establish strong linkages between LTO and MTA	IN	√			LTO & MTA

Note: 'By 06' and 'By 11' ('By year 2006' and 'By year 2011' respectively) indicate the period in which each project or program is proposed to be implemented. For the abbreviations in 'Group', see text.

Source: JICA Study Team

22.4 Environmental Consideration

22.4.1 Existing Condition and Environmental Considerations

(1) Pilanesberg – Madikwe Corridor

i) Existing condition of natural environment and pollution

This area is located in the northern part of North West Province and is in the catchments of Limpopo River. The terrain morphology of this area is mainly "Plains" or "Lowlands with Parallel Hills", and its geological formation is mainly categorized as "Transvaal, Rooiberg, Griqualand-West" or "Rastenburg, Lebowa, Rashoop".

The vegetation of the area is "Thorn Bushveld" or "Sweet/ Mixed Bushveld" of the "Savannah" Type. The western part of the area is Madikwe Game Reserve. The land use can be mainly categorized into "Cattle and Game Farming", or "Natural Area". The population density is relatively low at 25 - 50 per km². The mean annual rainfall is low, therefore the water availability per capita is very low at less than 500 m³.

There is no pollution in this area because there is no large-scale industry or dense population.

ii) Environmental consideration for tourism development

As the water availability of the area is very low, tourism development will require special attention to water resource supply and management.

(2) Khayelitsha

i) Existing condition of natural environment and pollution

This area is located 26 km from the centre of Cape Town, Western Cape Province and is in the catchment of Berg/ Bot/ Potberg River. The terrain morphology of the area is "Plains", and its geological formation is categorized as "Kalahari Sands, Recent Sands".

The vegetation of the area is a combination of "Dune Thicket" in the "Thicket" Type and "Sand Plain Fynbos" in the "Fynbos" Type. The land use can be mainly categorized as "Major Urban Areas". The population density is very high at more than 200 per km², and the mean annual rainfall is medium. Therefore, the water availability per capita is very low at 500 m³.

There is potential for pollution such as solid waste and water pollution by domestic wastewater due to the highly dense population.

ii) Environmental consideration for tourism development

This area is densely populated and the water availability is very low. When tourism development is implemented in this area, the improvement of environmental protection facilities, such as a solid waste management system, wastewater treatment system, and public toilet system should be implemented. Special attention for water resource management is also necessary as tourism facility development requires adequate water supply.

(3) Valley of the Olifants**i) Existing condition of natural environment and pollution**

This area is located in the south part of Northern Province and is in the catchment of Olifants River. The terrain morphology of this area is mainly “Extremely Irregular Plains” or “Slightly Irregular Plains”, and its geological formation can be mainly categorized into “Meinhardskraal, Granite, Sand River Gneiss” or “Barberton, Murchison, Giyani, Beit Bridge”.

The vegetation of the area is “Lowveld Bushveld” or “Mopane Shrubveld/ Bushveld” of the “Savannah” Type. The land use is mainly “Cattle and Game Farming”. The population density is very low at less than 10 per km², and the mean annual rainfall is medium. Therefore, the water availability per capita is very high at over 8,000 m³.

There is no pollution in this area because there is no large-scale industry or high population density.

ii) Environmental consideration for tourism development

Some game reserves, nature reserves, and the Kruger National Park are located in or near this area. When tourism development is implemented in the area, special attention is required for the impact to flora/ fauna. In particular, road development requires environmental impact assessment and management programs.

(4) Badplaas/ Barberton/ Malelane Area**i) Existing condition of natural environment and pollution**

This area is located in the southern part of Mupmalanga Province and is in the catchment of Komati/ Crocodile River. The terrain morphology is “High Mountains” or “Undulating Hills”, and its geological formation is “Barberton, Murchison, Giyani, Beit Bridge”.

The vegetation of this area is “Lowveld Bushveld” of the “Savannah” Type. Its natural resources are relatively important. The land use is “Forestry”, “Natural Area”, or “Conservation/ Protected Area”. The population density is low at 10 – 25 per km², and the mean annual rainfall is one of highest in SA. Therefore, the water availability per capita is high at 4,000 – 8,000 m³.

There is no pollution in this area because there is no large-scale industry or high population density.

ii) Environmental consideration for tourism development

This area is located in the mountain area with relatively sensitive natural resources. When tourism development is implemented in this area, special attention is required for soil erosion, landslide, and the impact on flora and fauna. In particular, road development requires an environmental impact assessment and management programs.

22.4.2 Initial Environmental Examination (IEE)

The application procedure of an EIA is shown in Figure 22.4.1. There are two main stages i.e. the Scoping Report Stage and Environmental Impact Report (EIR) Stage. The activities required to prepare EIA are shown in Table 22.4.1. In this table, the activities for tourism development are described as “1. Construction or Upgrading: (m) public and private resorts and associated infrastructure. Other infrastructure developments are also included in this table. Thus, preparation of an EIA in accordance with South African guidelines may be required for tourism development. At the planning stage of all projects/programs, procedures for EIA in these guidelines should be carried out for project components.

Figure 22.4.1 The Application Procedure of an EIA

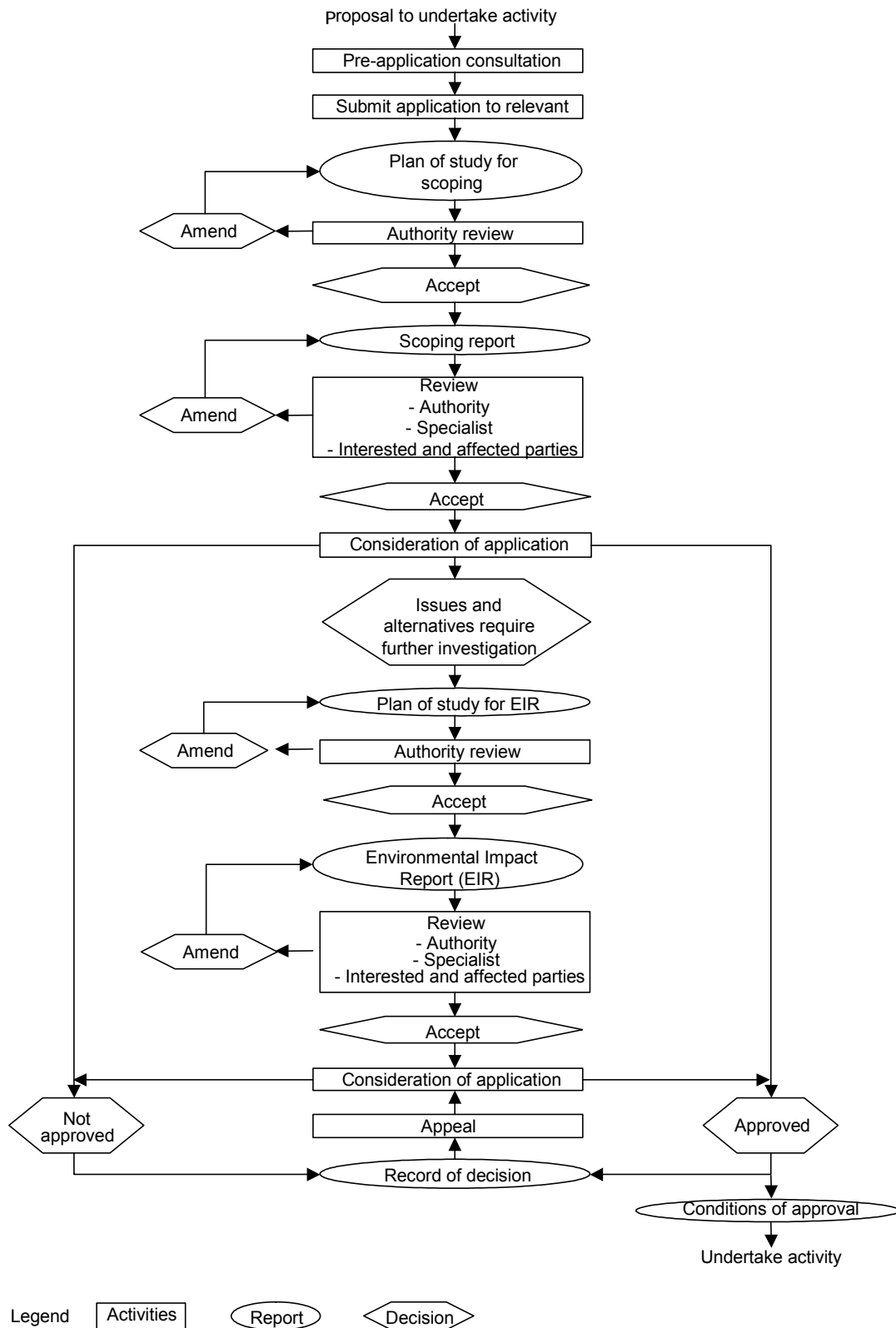


Table 22.4.1 Description of Activities Requiring EIA Preparation

Description of Activities	Relationship to Tourism Development
1 Construction or Upgrading	
(a) facilities for commercial electricity generation and supply - 1 (one) megawatt or more	XX
(b) nuclear reactors and installations for the production, enrichment, reprocessing and disposal of nuclear fuels and wastes	---
(c) transportation routes and structures, and manufacturing, storage, handling or processing facilities for any substance which is considered as dangerous or hazardous and is controlled by national legislation	---
(d) roads, railways, airfields and associated structures and activities outside the boundaries of town planning schemes 'Roads': - national road under the National Roads Act - toll road/ national freeways - provincial road/ arterial roads and major collector streets by a metropolitan or local authority - road in a designated sensitive area/ in any area regarded by the relevant authority as sensitive 'Railways': - railway under the South African Transport Services Act - private railway exceeding 1 km in length 'Airfields' includes a helipad within 300 m of existing or planned urban/ residential development	XX
(e) marinas, harbours, and all structures below the high-water mark of the sea	X
(f) cableways and associated structures - for mining and industrial purposes - in the context of recreational facilities, the construction of cableways for the purpose of transporting groups of people in a cable-car to places that are difficult to reach or to enjoy the scenic landscape of such places	X
(g) structures associated with communication networks, other than telecommunication lines and cables, as well as access roads leading to these structures This includes: - television/ radio masts for broadcasting purposes - radio air traffic control towers/ microwave towers	XX
(h) racing tracks for motor-powered vehicles and horse racing, excluding indoor tracks	X
(i) canals and channels, including diversions of the normal flow of water in a river bed and water transfer schemes between water catchments and impoundments Water transfer schemes means any transfer where: - the diverted flow does not return to the stream, within 20 km of the point of withdrawal - the mean annual flow transferred is not less than 0.5 cubic metres per second 'Canal' means an artificial watercourse for inland navigation or for irrigation. 'Channel' means a natural or artificial bed or running water; comparatively narrow piece of water joining two large pieces. Water pipelines of major water schemes which is controlled by legislation is also included under this activity.	X
(j) dams, levees or weirs affecting the flow of a river	X
(k) reservoirs for public water supply	XX
(l) schemes for the abstraction or utilisation of ground or surface water for bulk supply purposes Bulk supply' is water supplied in a significant volume to a local authority, who in turn reticulates it to individual consumers. It is also supplied in bulk to mines, industries, and agricultural schemes in some cases.	X
(m) public and private resorts and associated infrastructure A resort is a place frequented by people for holiday, sport, recreation, health or similar purpose.	XX
(n) sewage treatment plants and associated infrastructure	XX

Description of Activities	Relationship to Tourism Development
<ul style="list-style-type: none"> - more than 15,000 cubic metres per day - more than 5,000 cubic metres per day and a boundary of which is less than 200 metres from the nearest boundary of an existing or planned residential area, place of worship, educational institution, health care institution, marina park/ reserve or sea-water intake point - where the receiving environment can be regarded by the relevant authority as environmentally sensitive 	
(o) buildings and structures for industrial and military manufacturing and storage of explosives or ammunitions or for testing or disposal of such explosives ammunition	XX
2 The change of land use	
(a) residential use to industrial or commercial use	X
(b) light industrial use to heavy industrial use	---
(c) agriculture or undetermined use to any other land use	X
(d) use for grazing to any other form of agricultural use	X
(e) use for nature conservation or zoned open space to any other land use	X
3 The concentration of livestock in a confined structure for the purpose of mass commercial production.	X
<p>4 The intensive husbandry of, or importation of, any plant or animal that has been declared a weed or an invasive alien species.</p> <ul style="list-style-type: none"> - any plant declared a weed or invader plant under the Conservation of Agricultural Resources Act - any plant or animal declared to be an invader plant or animal in terms of any provincial ordinance 	---
5 The release of any organism outside its natural area of distribution that is to be used for biological pest control.	---
6 The genetic modification of any organism with the purpose of fundamentally changing the inherent characteristics of that organism.	---
<p>7 The reclamation of land below the high-water mark of the sea and in inland water including wetlands.</p> <p>'Sea' means the water and the bed of the sea below the low-water mark and within the territorial waters of South Africa, including the water and the bed of any tidal river and of any tidal lagoon.</p> <p>'High-water mark' means the highest line reached by the water of the sea during ordinary storms occurring during the most stormy period of the year, excluding exceptional or abnormal floods.</p> <p>Wetlands are those areas transitional between terrestrial and aquatic systems, where the water table is usually at or near the surface or the land is periodically covered with shallow water; or are deep water habitats which are permanently flooded. Wetlands must have one or more of the following attributes:</p> <ul style="list-style-type: none"> - at least periodically, the land supports predominantly hydrophytes; - the substrate is predominantly undrained hydric soil; - the substrate is nonsoil and is saturated with water or covered by shallow water at some time during the growing season of each year; - the surface water is permanent and often deep, so that water is the principle medium within which the dominant organism live, whether or not they are attached to the substrate. 	X
<p>8 The disposal of the waste as required in terms of section 20 of the Environment Conservation Act, 1989.</p> <p>'The disposal of waste' means the discarding or disposal of any matter whether solid, liquid or gaseous. This includes the disposal of waste falling under the provisions of section 22(1) of the Water Act, 1956 governing the purification and disposal of water used for industrial purposes and effluent, or to a 'water care work' as defined in section 1 of the Water Act, 1956, but shall not include the private disposal of domestic waste.</p>	XX
9 Scheduled processes listed in the Second Schedule to the Atmospheric Pollution Prevention Act, 1965 (Act No. 45 of 1965).	---

Note: XX; Activities that might be included for tourism development.

X; Activities that might be included for tourism development depending on the type of tourism development.

---; Activities that might not be include the tourism development in general.

Source: JICA Study Team, modified from EIA Guideline in South Africa

In this section, preliminary IEEs for all candidate projects/programs are carried out in order to provide basic information for a full-scale EIA.

In Section 22.2, the candidate projects and programs were selected. The “Product, Facilities & Infrastructure” Group include infrastructure or hard development. These candidate projects and programs are categorized into the following four (4) types.

Type A: Projects/ programs of small-scale development

Type B: Projects/ programs of integrated infrastructure and/or large-scale development

Type C: Projects/ programs of road development

Type D: Projects/ programs of water supply development

Table 22.4.2 shows a list of candidate projects/programs by type. Tables 22.4.3 - 10 shows the list of candidate projects/ programs by type and the results of IEEs.

Table 22.4.2 Candidate Projects & Programs Required IEE and Classification of Type

Projects and Programs	Outline	Type
Pilanesberg-Madikwe Corridor Subject Area		
Product, Facilities & Infrastructure		
Development Program for Heritage Park:		*1
Planning and designing for Heritage Park development		*2
Construction of infrastructure	Road (internal & access), water supply, electricity, fence, gates	Type B
Investment promotion and investor evaluation		*2
Development in Molatedi Dam area		*1
Development of day visitor facilities around Molatedi Dam		Type B
Upgrading of Lodge at Molatedi Dam	Upgrading and beautification	Type B
Development of range of recreational water based activities on/at Molatedi Dam		*2
Development of tourist facilities in Pilanesberg Game Reserve expansion area	Accommodation, conference, restaurant, etc. To be expanded in stages	Type B
Development of game tour guiding companies in Pilanesberg expansion and Madikwe		*2
Development of commercial wildlife breeding centre in the north of Heritage Park		*1
Development of the commercial breeding centre		Type A
Wildlife breeding tourist interpretation facilities	Investigate, design and construct	Type A
Development of Youth Tourism Cultural Exchange Centre	Investigate, design and construct	Type A
Development of tourist recreation and entertainment facilities in Heritage Park		*1
Investigation of heritage attraction and facility opportunities in subject area		*2
Designing and construction of tourist recreation and entertainment facilities in Heritage Park	Heritage interpretation facilities, museums, crafts selling areas, tea gardens, restaurants, filling stations, etc	Type A
2 Real Estate Project	Existing concept near Sun City including accommodation, cultural village, sports facilities, kids entertainment, etc.	Type B
3 Road Development:		*1
3.1 Improvement of road from Batthalerwa to Derdepoort	Paving of the main road running through Heritage Park	Type C
3.2 Development of road signage in and around Heritage Park	Facilitation of tourist navigation	Type A
4 Investigation & Development of Transport Alternatives		*2
5 Water Supply Development		*1
5.1 Study of Water Supply		*2
5.2 Construction of Water Supply Facilities		Type D
6 Increase in Switchboard Capacity		Type A
Khayelitsha Subject Area		
Product, Facilities & Infrastructure		
1 Development of African Music and Dance Showcase:		*1
1.1 Planning and designing of African Music and Dance Showcase		*2
1.2 Investment promotion and investor evaluation		*2
1.3 Develop African Music and Dance Showcase facilities	Buildings (theatres, studios, training facility, music museum, crafts design centre, memorabilia store, craft outlets) & Infrastructures	Type A
1.4 Find well known music personalities and form music and dance troupe		*2
1.5 Sourcing or writing/creation of African Music and Dance Shows		*2
1.6 Source other African Music and Dance shows		*2
1.7 Source/organize calendar of events/festivals, etc		*2
1.8 Develop African Music and Dance Showcase specific crafts/merchandise		*2
2 Develop Range of Khayelitsha Tours and Interpretation		*2
3 Lookout Hill Project (Phase 2)	Ongoing, Retail development, restaurants, museum, curio & craft shops	Type A
4 Khayelitsha Central Business District (CBD) Project	Retail, commercial, industrial,	Type B

Projects and Programs	Outline	Type
	govern't, residential use	
5 Demand Study on Infrastructures for Tourism Development		*2
Valley of the Olifants Subject Area		
Product, Facilities & Infrastructure		
1 Develop Wildlife Education and Research Centre (WERC)		*1
1.1 Planning and Designing of WERC and Development of Wildlife Research & Education Tourist Route (WR&ETR)		*2
1.2 Investment promotion and investor evaluation		*2
1.3 Construction of infrastructure at WERC	Road, water supply, etc	Type A
1.4 Construction of tourist facilities at WREC	Exhibition centre, visitor/ interpretation centre, arts & crafts, accommodation, etc	Type A
1.5 Develop WR&ETR signage for self-drive tourists		Type A
1.6 Develop WR&ETR curios and crafts		*2
1.7 Develop program to assist existing and new tourist establishments		*2
2 Phalaborwa Heritage Art and Culture Centre	Existing plan, To be located close to the airport	Type A
3 Road Development:		*1
3.1 Upgrading of R36	Paving	Type C
3.2 Improvement of general road signage	Along all roads in area	Type A
3.3 Preparation of new road tourist maps		*2
4 Investigation of and resulting required increase in telecommunication capacity		*2
Barberton Subject Area		
Product, Facilities & Infrastructure		
1 Overall Programming for Development and Conservation for Greater Trans Frontier Conservation Area		*2
2 Development Program for Mountainlands Game Reserve:		*1
2.1 Planning and designing for Mountainlands Development		*2
2.2 Investment promotion and investor evaluation		*2
2.3 Construction of infrastructure	Road (internal & access), water supply, electricity, fence, gates	Type B
2.4 Construction of facilities	Accommodation, etc	Type A
2.5 Development of tourist activities		*2
3 Development Program for Songimvelo Game Reserve:		*1
3.1 Planning and designing for Songimvelo Development		*2
3.2 Investment promotion and investor evaluation		*2
3.3 Construction of additional required infrastructure & upgrading of existing infrastructure where relevant	Road (internal & access), water supply, electricity, fence, gates	Type B
3.4 Upgrading of existing lodge facilities	Accommodation, etc	Type A
3.5 Construction of additional facilities	Accommodation, etc	Type A
3.6 Expansion of tourist activities (particularly wildlife and adventure activities)		*2
4 Further Development of Barberton Game Reserve		Type A
5 Development of Roads:		*1
5.1 R40 (between Nelspruit and Barberton) improvement project	Road width expansion	Type C
5.2 Road from Elukwatini to Bulembu upgrading project	Paving	Type C
5.3 Road from Ekulindeni Village to Songimvelo gate (road condition)	Paving/improvement	Type C
5.4 R538 (between Karino and Plaston) improvement project	Road width expansion	Type C
6 Water Supply Development		*1
6.1 Study and Investigation of Water Resource for three reserve areas		*2
6.2 Construction of Water Supply Facilities		Type D
7 Construction of electric service connection lines and or installation of generators		Type A
8 Telecommunication Development		*1
8.1 Increase capacity of telecommunication networks		Type A
8.2 Construction of new telephone service lines		Type A
9 Other Tourist Facilities:		*1
9.1 Develop a variety of Barberton special interest & general interest tours & improve interpretation of Barberton sights		*2
9.2 Upgrading of Bulembu border post		Type A
9.3 Develop tourist stops on Barberton Bulembu Pass Road		Type A
10 Development of Tourist Signage		Type A

Source: JICA Study Team

Note: Type A: Projects/ programs of small-scale development

Type B: Projects/ programs of integrated infrastructure and/or large-scale development

Type C: Projects/ programs of road development

Type D: Projects/ programs of water supply development

*1: Project/ program title

*2: No need to prepare IEE because of soft type project/ program

Table 22.4.3 List of Type A Projects/ Programs

Type A Projects and Programs	
Pilanesberg - Madikwe Corridor Subject Area	
1 Development Program for Heritage Park:	
1.7 Development of commercial wildlife breeding centre in the north of Heritage Park:	
1) Development of the commercial breeding centre	
2) Wildlife breeding tourist interpretation facilities	
1.8 Development of Youth Tourism Cultural Exchange Centre	
1.9 Development of tourist recreation and entertainment facilities in Heritage Park	
2) Designing and construction of tourist recreation and entertainment facilities in Heritage Park	
3 Road Development: 3.2 Development of road signage in and around Heritage Park	
6 Increase in Switchboard Capacity	
Khayelitsha Subject Area	
1 Development of African Music and Dance Showcase: 1.3 Develop African Music and Dance Showcase facilities	
3 Lookout Hill Project (Phase 2)	
Valley of the Olifants Subject Area	
1 Develop Wildlife Education and Research Centre (WERC): 1.3 Construction of infrastructure at WERC	
1.4 Construction of tourist facilities at WREC	
1.5 Develop WR&ETR signage for self-drive tourists	
2 Phalaborwa Heritage Art and Culture Centre	
3 Road Development: 3.2 Improvement of general road signage	
Barberton Subject Area	
2 Development Program for Mountainlands Game Reserve: 2.4 Construction of facilities	
3 Development Program for Songimvelo Game Reserve: 3.4 Upgrading of existing lodge facilities	
3.5 Construction of additional facilities	
4 Further Development of Barberton Game Reserve	
7 Construction of electric service connection lines and or installation of generators	
8 Telecommunication Development: 8.1 Increase capacity of telecommunication networks	
8.2 Construction of new telephone service lines	
9 Other Tourist Facilities: 9.2 Upgrading of Bulembo border post	
9.3 Develop tourist stops on Barberton Bulembo Pass Road	
10 Development of Tourist Signage	

Table 22.4.4 Result of IEEs of Type A

	Environmental Item	Evaluation	Remarks
Social environment	Resettlement	Yes	Depending on the location of site
	Economic activities	Yes	Depending on number of accumulation of people/ goods
	Traffic/ public facilities	Yes	Depending on increasing of traffic volume
	Split of communities	No	
	Cultural property	Yes	Depending on the location of site
	Water rights/ rights of common	Yes	Depending on the location of site
	Public health condition	No	
	Waste	Yes	Depending on number of accumulation of people/ goods
	Hazard (risk)	No	
Natural environment	Topography/ geology	Yes	Depending on the location of site
	Soil erosion	Yes	Depending on the location of site
	Groundwater	No	
	Hydrological	No	
	Coastal zone	No	
	Fauna/ flora	Yes	Depending on the location of site
	Meteorology	No	
	Landscape	Yes	Depending on the location of site and the design
Pollution	Air pollution	Yes	Depending on increasing of traffic volume
	Water pollution	Yes	Depending on construction/ operation method
	Soil contamination	No	
	Noise/ vibration	No	
	Land subsidence	No	
	Offensive odor	No	

Table 22.4.5 List of Type B projects/ programs

Type B Projects and Programs	
Pilanesberg-Madikwe Corridor Subject Area	
1 Development Program for Heritage Park: 1.2 Construction of infrastructure 1.4 Development in Molatedi Dam area 1) Development of day visitor facilities around Molatedi Dam 2) Upgrading of Lodge at Molatedi Dam 1.5 Development of tourist facilities in Pilanesberg Game Reserve expansion area	
2 Real Estate Project	
Khayelitsha Subject Area	
4 Khayelitsha Central Business District (CBD) Project	
Barberton Subject Area	
2 Development Program for Mountainlands Game Reserve: 2.3 Construction of infrastructure	
3 Development Program for Songimvelo Game Reserve: 3.3 Construction of additional required infrastructure & upgrading of existing infrastructure where relevant	

Table 22.4.6 Result of IEEs of Type B

Environmental Item		Evaluation	Remarks
Social environment	Resettlement	Yes	Depending on the location of site
	Economic activities	Yes	Depending on number of accumulation of people/ goods
	Traffic/ public facilities	Yes	Depending on increasing of traffic volume
	Split of communities	Yes	Depending on increasing of traffic volume
	Cultural property	Yes	Depending on the location of site
	Water rights/ rights of common	Yes	Depending on the location of site
	Public health condition	Yes	Depending on volume of waste
	Waste	Yes	Depending on number of accumulation of people/ goods
	Hazard (risk)	Yes	Depending on increasing of traffic volume
Natural environment	Topography/ geology	Yes	Depending on the location of site
	Soil erosion	Yes	Depending on the location of site
	Groundwater	Yes	Depending on the method of water supply
	Hydrological	Yes	Depending on the location of site
	Coastal zone	No	
	Fauna/ flora	Yes	Depending on the location of site
	Meteorology	Yes	Depending on the scale of the reclamation
	Landscape	Yes	Depending on the location of site and the design
Pollution	Air pollution	Yes	Depending on increasing of traffic volume
	Water pollution	Yes	Wastewater at construction and operation of facilities
	Soil contamination	No	
	Noise/ vibration	Yes	Depending on increasing of traffic volume
	Land subsidence	No	
	Offensive odor	Yes	Depending on increasing of traffic volume

Table 22.4.7 List of Type C projects/ programs

Type C Projects and Programs	
Pilanesberg-Madikwe Corridor Subject Area	
3 Road Development:	3.1 Improvement of road from Batlhalerwa to Derdepoort
Valley of the Olifants Subject Area	
3 Road Development:	3.1 Upgrading of R36
Barberton Subject Area	
5 Development of Roads:	5.1 R40 (between Nelspruit and Barberton) improvement project 5.2 Road from Elukwatini to Bulembu upgrading project 5.3 Road from Ekulindeni Village to Songimvelo gate (road condition) 5.4 R538 (between Karino and Plaston) improvement project

Table 22.4.8 Result of IEEs of Type C

Environmental Item		Evaluation	Remarks
Social environment	Resettlement	Yes	Depending on the location of site
	Economic activities	Yes	Accumulation of people/ goods
	Traffic/ public facilities	Yes	Increasing of traffic volume
	Split of communities	Yes	Increasing of traffic volume
	Cultural property	Yes	Depending on the location of site
	Water rights/ rights of common	Yes	Depending on the location of site
	Public health condition	No	
	Waste	Yes	Accumulation of people/ goods
	Hazard (risk)	Yes	Increasing of traffic volume
Natural environment	Topography/ geology	Yes	Depending on the location of site
	Soil erosion	Yes	Depending on the location of site
	Groundwater	Yes	Depending on the construction method
	Hydrological	Yes	Depending on the location of site
	Coastal zone	No	
	Fauna/ flora	Yes	Depending on the location of site
	Meteorology	No	
	Landscape	Yes	Depending on the location of site and the design
Pollution	Air pollution	Yes	Increasing of traffic volume
	Water pollution	Yes	Wastewater at construction and operation of vehicles
	Soil contamination	No	
	Noise/ vibration	Yes	Increasing of traffic volume
	Land subsidence	No	
	Offensive odor	No	

Table 22.4.9 List of Type D projects/ programs

Type D Projects and Programs	
Pilanesberg-Madikwe Corridor Subject Area	
5 Water Supply Development:	5.2 Construction of Water Supply Facilities
Barberton Subject Area	
6 Water Supply Development:	6.2 Construction of Water Supply Facilities

Table 22.4.10 Result of IEEs of Type D

Environmental Item		Evaluation	Remarks
Social environment	Resettlement	Yes	Depending on the location of site
	Economic activities	No	
	Traffic/ public facilities	No	
	Split of communities	No	
	Cultural property	No	
	Water rights/ rights of common	Yes	Depending on the location of site
	Public health condition	No	
	Waste	No	
	Hazard (risk)	No	
Natural environment	Topography/ geology	No	
	Soil erosion	No	
	Groundwater	No	
	Hydrological	Yes	Depending on the location of site
	Coastal zone	No	
	Fauna/ flora	Yes	Depending on the location of site
	Meteorology	No	
	Landscape	Yes	Depending on the location of site and the design
Pollution	Air pollution	No	
	Water pollution	Yes	Wastewater at construction and operation of vehicles
	Soil contamination	No	
	Noise/ vibration	Yes	Depending on the distance from residential area
	Land subsidence	No	
	Offensive odor	No	

22.5 Selection of Priority Projects & Programs

Priority projects and programs are candidate projects and programs that need to be implemented in the short to medium term (by 2006) and are the subjects for further study.

22.5.1 Selection Methodology

The selection of the priority projects and programs are made in the following manner:

(1) Criteria

Three criteria or factors are considered in the selection. Each project or program is assessed in terms of the degree in these factors that are particularly important to achieving development objectives.

- Urgency: timing for implementation in the overall development plan for the area
- Importance: extent of contribution to attracting more tourists into the area, leading to creation of more jobs and to socio-economic development in the area
- Implementability: identifiability (or ease of planning) of a project implementing body, existence of current initiatives, and degree of difficulty that would potentially hamper and/or delay project implementation

(2) Scoring

A score of 'A' or 'B' is given for rating the project or program, and the priority is determined in accordance with the cumulative score. 'A' or 'B' evaluation is based on the following criteria:

- Urgency:
 - A: Immediately needed to achieve the objectives, and/or prerequisite for other projects and programs
 - B: Less urgent, and/or pre-conditions need to be established (e.g., implementation of certain projects or programs should come first before implementing this project or program)
- Importance:
 - A: No substitution, significantly enhancing the attractiveness of the area
 - B: Relatively less important, and/or substitute measures or their equivalents are available for achieving the objectives.
- Implementability:
 - A: No major difficulty to identify or plan the project-implementing agency, no other major difficulty with implementation
 - B: Possibility of potentially major difficulty/obstacles against implementation

(3) Priority

Projects and programs that score AAA or AAB, i.e., ranked first (1) or second (2) priority are selected as the priority projects and programs. Those that score ABB or BBB are evaluated as being of secondary importance.

22.5.2 Evaluation of Candidate Projects and Programs

The evaluation results for the candidate projects and programs are detailed in Tables 22.5.1 – 22.5.4.

Table 22.5.1 Prioritisation of Projects & Programs – Pilanesberg-Madikwe Corridor Subject Area

Projects and Programs	Group	Urgency	Importance	Implement-ability	Rating score	Priority
Product, Facilities & Infrastructure						
Overall Programming for Development and Conservation for entire Heritage Park:	PD					
Planning and designing for Heritage Park development	PD/IF	A	A	A	AAA	1
Construction of broad infrastructure for Heritage Park	IF	A	A	A	AAA	1
Investment promotion and investor evaluation	PD	A	A	A	AAA	1
Development in Molatedi Dam area	PD/IF					1
Development of day visitor facilities around Molatedi Dam	PD/IF	A	A	A	AAA	1
Upgrading of Lodge at Molatedi Dam	PD	A	A	A	AAA	1
Development of range of recreational water based activities on/at Molatedi Dam	PD	A	A	A	AAA	1
Pilanesberg Game Reserve Expansion	PD/IF	A (initial stage)	B	A	AAB	2 (initial stage)
Development of game tour guiding companies in Pilanesberg expansion and Madikwe	PD	B	A	B	ABB	3
Development of commercial wildlife breeding centre in the north of Heritage Park	PD/IF					2, 3
Development of the commercial breeding centre	PD/IF	A	A	B	AAB	2
Wildlife breeding tourist interpretation facilities	PD/IF	B	B	A	AAB	3
Development of Youth Tourism Cultural Exchange Centre	PD/IF	B	A	A	AAB	2
Development of tourist recreation and entertainment facilities in Heritage Park	PD					2, 3
Investigation of heritage attraction and facility opportunities in subject area	PD	A	B	A	AAB	2
Designing and construction of tourist recreation and entertainment facilities in Heritage Park	PD	B	A	B	ABB	3
Real Estate Project	PD/IF	B	B	A or B	ABB	3
Road Development:	IF					1, 2
Improvement of road from Batlhlerwa to Derdepoort	IF	A	A	A	AAA	1
Development of road signage in and around Heritage Park	IF	B	A	A	AAB	2
Investigation & Development of Transport Alternatives	IF	B	A	A or B	AAB (investigation)	2 (investigation)
Water Supply Development						
Study of Water Supply	IF	A	A	A	AAA	1

Projects and Programs	Group	Urgency	Importance	Implement-ability	Rating score	Priority
Construction of Water Supply Facilities	IF	A	A	A	AAA	1
Increase in Switchboard Capacity	IF	B	B	A	ABB	3
Marketing & Promotion						
Marketing & Promotion of Potential Product:	MP					1, 2, 3
Develop/establish a brand/clear-cut image for the total subject area, using existing icons	MP	A	A	A	AAA	1
Develop marketing & promotion campaign for total subject area	MP	B	A	A	AAB	2
Identify, develop and host subject area signature event	MP	B	B	A or B	ABB	3
Active promotion of MICE tourism product	MP	B	A	A or B	AAB	2
Human Resource Development						
Develop & Implement Tourism Entrepreneurial Training Program for local community:	HR					1, 2
Tourism entrepreneurial opportunity identification and development training	HR	A	A	A	AAA	1
Tourism entrepreneurial operation skills training	HR	B	A	A or B	AAB	2
Tourism business advisory centre	HR	B	A	A or B	AAB	2
Tour Guiding and Interpretation Training Program	HR	B	A	A or B	AAB	2
Institutional Development						
Establish Heritage Park Project Implementation Unit (PIU)	IN	A	A	A	AAA	1
Determine management, operation and maintenance scheme for Heritage Park	IN	A	A	A	AAA	1
Establish Focus Area Destination Tourism Organizations (equivalent of LTO)	IN	A	A	A	AAA	1
Establish strong links between LTO/RTO and Provincial Tourism Marketing Agency	IN	A	A	A	AAA	1

Note: For the abbreviations in 'Group', see text in the previous section.

Source: JICA Study Team

Table 22.5.2 Prioritisation of Projects & Programs - Khayelitsha Subject Area

Projects and Programs	Group	Urgency	Importance	Implement-ability	Rating score	Priority
Product, Facilities & Infrastructure						
Development of African Music and Dance Showcase:	PD					1
Planning and designing of African Music and Dance Showcase	PD	A	A	A	AAA	1
Investment promotion & investor evaluation	PD	A	A	A	AAA	1
Develop African Music and Dance Showcase facilities	PD/IF	A	A	A	AAA	1
Find well known music personalities and form music and dance troupe	IN	A	A	A	AAA	1
Sourcing or writing/creation of African Music and Dance Shows	PD	A	A	A	AAA	1
Source other African Music and Dance shows	PD	A	A	A	AAA	1
Source/organize events/festivals, etc	PD	A	A	A	AAA	1
Develop African Music and Dance Showcase specific crafts/ merchandise	PD	B	A	A	AAB	2
Develop Range of Khayelitsha Tours and Interpretation	PD	B	A	A	AAB	2
Lookout Hill Project (Phase 2)	PD					Ongoing
Khayelitsha Central Business District (CBD) Project	PD					Plan exists
Demand Study on Infrastructures for Tourism Development	IF	A	A	A	AAA	1
Marketing & Promotion						
Develop marketing campaign for African Music and Dance Showcase:	MP	B	A	A	AAB	2
Establish agreements with tour operators	MP					
Establish agreement with Cape Town International Airport	MP					
Develop market & promotional activities for African Music and Dance Showcase	MP					
Develop marketing/promotion activities for Khayelitsha township tours	MP	A	A	A	AAA	1
Develop distribution channel for African Music and Dance Showcase and Khayelitsha merchandise, arts and crafts	MP	B	A	A	AAB	2
Human Resource Development						
Identify and develop local community musical talents, local entertainment troupes, interpretation of music	HR	A	A	A	AAA	1
Development of arts and crafts design and manufacture skills	HR	A	A	A	AAA	1
Develop & Implement Tourism Entrepreneurial Training Program for local community:	HR					1
Tourism entrepreneurial opportunity identification and development training	HR	A	A	A	AAA	1
Tourism entrepreneurial operation skills training	HR	A	A	A	AAA	1
Tourism business advisory centre	HR	A	A	A	AAA	1

Projects and Programs	Group	Urgency	Importance	Implement-ability	Rating score	Priority
Tour guiding and interpretation training	HR	A	A	A	AAA	1
Institutional Development						
Establish Project Implementation Unit for African Music and Dance Showcase	IN	A	A	A	AAA	1
Determine management, operation and maintenance scheme for African Music and Dance Showcase	IN	A	A	A	AAA	1

Note: For the abbreviations in 'Group', see text in the previous section.

Source: JICA Study Team

Table 22.5.3 Prioritisation of Projects & Programs - Valley of the Olifants Subject Area

Projects and Programs	Group	Urgency	Importance	Implement-ability	Rating score	Priority
Product, Facilities & Infrastructure						
Develop Wildlife Education and Research Centre (WERC)	PD					1, 2
Planning and Designing of WERC and Development of Wildlife Research & Education Tourist Route (WR&ETR)	PD	A	A	A	AAA	1
Investment promotion and investor evaluation	PD	A	A	A	AAA	1
Construction of infrastructure at WERC	IF	A	A	A	AAA	1
Construction of tourist facilities at WREC	PD/IF	A	A	A	AAA	1
Develop WR&ETR signage for self-drive tourists	IF	A	B	A	AAB	2
Develop WR&ETR curios and crafts	PD	A	A	A	AAA	1
Develop program to assist existing and new tourist establishments	PD	A	B	A	AAB	2
Phalaborwa Heritage Art and Culture Centre	PD	B	A	A or B	AAB	2
Road and Transport Upgrading:	IF					
Upgrading of R36	IF	A	A	A	AAA	1
Improvement of general road signage	IF	A	B	A	AAB	2
Preparation of new road tourist maps	IF	A	B	A	AAB	2
Investigation of and resulting required increase in telecommunication capacity	IF	B	B	A	ABB	3
Marketing & Promotion						
Promote area as key entry point or the route into KNP	MP	A	A	A	AAA	1
Establish distinctive wildlife research experience brand	MP	A	A	A	AAA	1
Promote the unique wildlife experience – wildlife research	MP	A	A	A	AAA	1
Identify, develop and host subject area signature events	MP	B	B (relative to measures above)	A or B	ABB	3
Human Resource Development						
Development of local community craft and curio making design and manufacture skills	HR	A	A	A	AAA	1
Development of wildlife viewing/research guiding skills and interpretation	HR	A	A	A	AAA	1
Training program for product owners to WR&E brand and products	HR	B	A	A	AAB	2
Institutional Development						
Establishing Project Implementation Unit for WERC and WR&ETR (Wildlife PIU)	IN	A	A	A	AAA	1
Determine management, operation and maintenance scheme for WERC and WR&ETR	IN	A	A	A	AAA	1
Re-establish LTO in Hoedspruit	IN	A	A	A	AAA	1

Note: For the abbreviations in 'Group', see text in the previous section.

Source: JICA Study Team

Table 22.5.4 Prioritisation of Projects & Programs - Barberton Subject Area

Projects and Programs	Group	Urgency	Importance	Implement-ability	Rating score	Priority
Product, Facilities & Infrastructure						
Overall Programming for Development and Conservation for Greater Trans Frontier Conservation Area	PD	A	A	A	AAA	1
Mountainlands Game Reserve Development:	PD/IF					1
Planning and designing for Mountainlands Development	PD/IF	A	A	A	AAA	1
Investment promotion and investor evaluation	PD	A	A	A	AAA	1
Construction of infrastructure	IF	A (short to mid-term measure)	A	A	AAA	1 (short to mid-term measure)
Construction of facilities	PD	A (short to mid-term measure)	A	A	AAA	1 (short to mid-term measure)
Development of tourist activities	PD	A	A	A	AAA	1
Further Development of Songimvelo Game Reserve:	PD/IF					1
Planning and designing for Songimvelo Development	PD/IF	A	A	A	AAA	1
Investment promotion and investor evaluation	PD	A	A	A	AAA	1
Construction of additional required infrastructure & upgrading of existing infrastructure where relevant	IF	A	A	A	AAA	1
Upgrading of existing lodge facilities	PD	A	A	A	AAA	1
Construction of additional facilities	PD	A	A	A	AAA	1
Expansion of tourist activities (particularly wildlife and adventure activities)	PD	A	A	A	AAA	1
Further Development of Barberton Game Reserve	PD/IF	A	A	A	AAA	1
Roads and Transport Upgrading:	IF					
R40 (between Nelspruit and Barberton) improvement project	IF	A	A	A	AAA	1
Road from Elukwatini to Bulembu upgrading project	IF	A	A	A	AAA	1
Road from Ekulindeni Village to Songimvelo gate (road condition)	IF	A	A	A	AAA	1
R538 (between Karino and Plaston) improvement project	IF	A	A	A	AAA	1
Water Supply Development						
Study and Investigation of Water Resource for three reserve areas	IF	A	A	A	AAA	1
Construction of Water Supply Facilities	IF	A	A	A	AAA	1
Construction of electric service connection lines and or installation of generators	IF	A	A	A	AAA	1
Telecommunication Development						
Increase capacity of telecommunication networks	IF	B	B	A	ABB	3

Projects and Programs	Group	Urgency	Importance	Implement-ability	Rating score	Priority
Construction of new telephone service lines	IF	B	B	A	ABB	3
Other Tourist Facilities:	PD/IF					
Develop a variety of Barberton special interest & general interest tours & improve interpretation of Barberton sights	PD	A	A	A	AAA	1
Upgrading of Bulembo border post	IF	A	A	A	AAA	1
Develop tourist stops on Barberton Bulembo Pass Road	PD	B	B	A	ABB	3
Development of Tourist Signage	IF	A	B	A	AAB	2
Marketing & Promotion						
Marketing & Promotion of Existing Product:	MP					1
Increase/improve marketing & promotion activities for Songimvelo Game Reserve	MP	A	A	A	AAA	1
Increase/improve marketing/promotion activities of greater Barberton area	MP	A	A	A	AAA	1
Marketing & Promotion of Potential Product:	MP					1
Develop marketing & promotion campaign for total subject area	MP	A	A	A	AAA	1
Develop branding/clear-cut image for total subject area	MP	A	A	A	AAA	1
Identify, develop and host subject area signature adventure events	MP	A	A	A	AAA	1
Human Resource Development						
Craft development, design & manufacture skills training	HR	B	A	A	AAB	2
Tourism business skills training of local communities to take up tourist business opportunities	HR	A	A	A	AAA	1
Institutional Development						
Establish Project Implementation Unit (PIU) for product development in Mpumalanga Biodiversity Corridor (MBC)	IN	A	A	A	AAA	1
Determine management, operation and maintenance scheme for the products and attractions proposed above	IN	A	A	A	AAA	1
Strengthen/expand/develop the Barberton LTO	IN	A	A	A	AAA	1
Establish strong linkages between LTO and new RTO (Wild Frontier)	IN	A	A	A	AAA	1
Establish strong linkages between LTO and MTA	IN	A	A	A	AAA	1

Note: For the abbreviations in 'Group', see text in the previous section.

Source: JICA Study Team

22.5.3 Selection Results

The proposed priority projects and programs selected through the process above are summarized in Tables 22.5.5 – 22.5.8. A new numbering system is used, and some of the priority projects and programs are grouped together.

These proposed projects and programs are the subject of further study, including proposals in respect of their scope, examination of demand, costing, pre-feasibility studies (for major

projects) and implementation schedule.

Table 22.5.5 List of Priority Projects & Programs – Pilanesberg-Madikwe Corridor Subject Area

Priority Projects and Programs	
A Product, Facilities and Infrastructure	
A-1	Overall Programming for Development and Conservation for entire Heritage Park
A-2	Construction of broad infrastructure for Heritage Park
A-3	Development in Molatedi Dam area
A-4	Pilanesberg Game Reserve expansion
A-4-1	Development of Midmarket Resort
A-4-2	Development of Youth Tourism Cultural Exchange Centre
A-5	Road Transport Upgrading
A-5-1	Improvement of road from Batthalerwa to Derdepoort
A-5-2	Development of road signage in and around Heritage Park
A-6	Water Supply Development
B Marketing and Promotion	
B-1	Marketing & promotion of potential product and total subject area
C Human Resource Development	
C-1	Develop & Implement Tourism Entrepreneurial Training Program for local community
C-2	Tour Guiding and Interpretation Training Program
D Institutional Development	
D-1	Establish Heritage Park Project Implementation Unit (PIU)
D-2	Establish Focus Area Destination Tourism Organizations (equivalent to LTO)
D-3	Establish strong links between LTO/RTO and Provincial Tourism Marketing Agency

Table 22.5.6 List of Priority Projects & Programs - Khayelitsha Subject Area

Priority Projects and Programs	
A Product, Facilities and Infrastructure	
A-1	Development of African Music and Dance Showcase
A-1-1	Development of facilities for African Music and Dance Showcase
A-1-2	Development of music, dance, shows and events/festivals for African Music and Dance Showcase
A-1-3	Development of African Music and Dance Showcase specific crafts/ merchandise
A-2	Development of range of Khayelitsha tours and interpretation
A-3	Demand study on infrastructures for tourism development in Khayelitsha
B Marketing and Promotion	
B-1	Marketing and promotion for African Music and Dance Showcase
C Human Resource Development	
C-1	Development of local community musical talents, local entertainment troupes, interpretation of music
C-2	Arts, crafts, and merchandising training
C-3	Tourism entrepreneurial training program for local community
C-4	Tour guiding and interpretation training
D Institutional Development	
D-1	Establishing Project Implementation Unit for African Music and Dance Showcase

Table 22.5.7 List of Priority Projects & Programs - Valley of the Olifants Subject Area

Priority Projects and Programs	
A Product, Facilities and Infrastructure	
A-1	Wildlife Education and Research Centre
A-2	Wildlife Education and Research Route Product
A-3	Road and Transport Upgrading
A-3-1	Upgrading of R36
A-3-2	Improvement of general road signage
A-3-3	Preparation of the latest road map/tourist map
B Marketing and Promotion	
B-1	Marketing and promotion of the area (as key entry point or the route into KNP, establishing distinctive wildlife research experience brand, promoting unique wildlife experience)
C Human Resource Development	
C-1	Development of local community craft and curio making design and manufacture skills
C-2	Development of wildlife viewing/research guiding skills and interpretation
C-3	Training program for product owners to incorporate WR&E brand and products
D Institutional Development	
D-1	Establishing Project Implementation Unit for WERC and WR&ETR (Wildlife PIU)
D-2	Re-establish LTO in Hoedspruit

Table 22.5.8 List of Priority Projects & Programs - Barberton Subject Area

Priority Projects and Programs	
A Product, Facilities and Infrastructure	
A-1	Overall Programming for Development and Conservation for Greater Trans Frontier Conservation Area
A-2	Mountainlands Game Reserve Development
A-3	Further Development of Songimvelo Game Reserve
A-4	Development of range/variety of Barberton special interest and general interest tours & Improvement of interpretation of Barberton sights
A-5	Road and Transport Upgrading
A-5-1	R40 (between Nelspruit and Barberton) improvement project
A-5-2	Road from Elukwatini to Bulembu upgrading project
A-5-3	Road from Ekulindeni to Songimvelo gate (improvement of road condition)
A-5-4	R538 (between Karino and Plaston) improvement project
A-6	Other Tourist Facilities
A-6-1	Upgrading of Bulembo border post
A-6-2	Development of tourist signage
B Marketing and Promotion	
B-1	Marketing & promotion of existing product – ie marketing of subject area
C Human Resource Development	
C-1	Craft development, design & manufacture skills training
C-2	Tourism business skills training for local communities
D Institutional Development	
D-1	Establishing Project Implementation Unit for product development in Mpumalanga Biodiversity Corridor
D-2	Strengthen/expand/develop the Barberton LTO
D-3	Establish strong linkages between LTO and new RTO (Wild Frontier)/MTA

Source: JICA Study Team