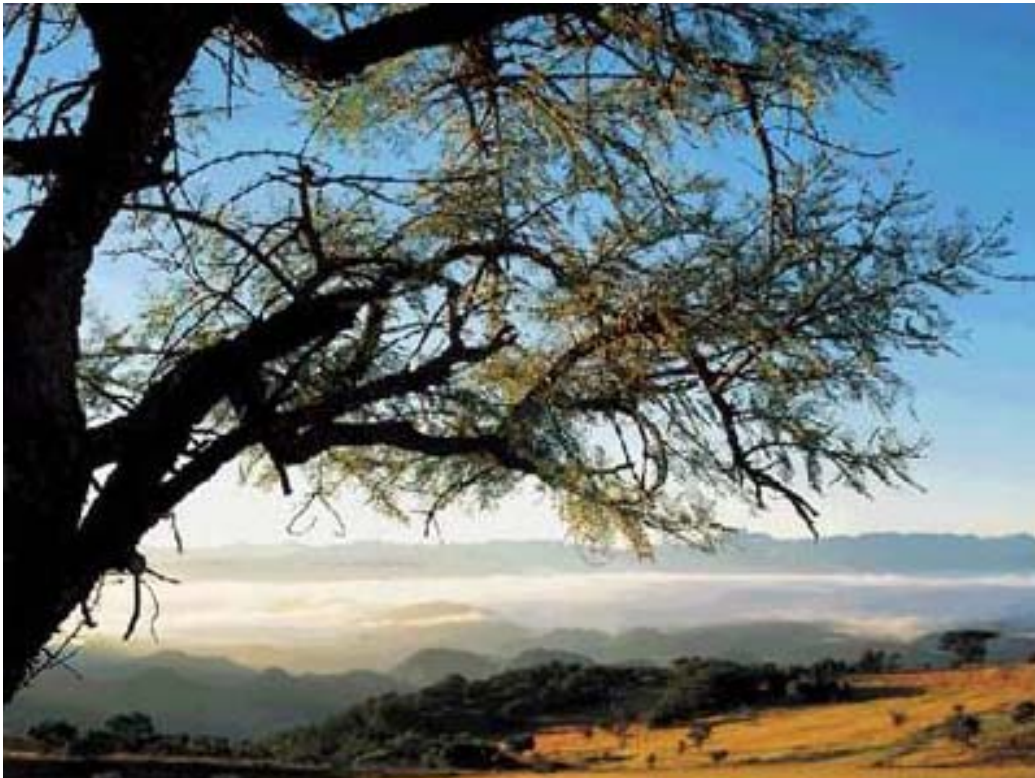


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APPENDIX U:  
BATOBIC PLANS AND PROJECTS**

# **Tourism and Biodiversity Corridor**

## ***Final Report***

### ***A Preliminary Tourism Development Strategy for the Tourism and Biodiversity Corridor***



**June 2002**

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2021

# ***A Preliminary Tourism Development Strategy for the Tourism and Biodiversity Corridor***

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***List of abbreviations***

GEF	Global Environmental facility
IDP	Integrated Development Plan
KOBWA	Komati Basin Water Authority
KRBDP	Komati River Basin Development Programme
LDO	Land Development Objectives
MPB	Mpumalanga Parks Board
MYDP	Multi-Year Development Programme
SADC	Southern African Development Community
SDI	Spatial Development Initiatives
SEAHTR	South East African heritage Tourism Route
TBC	Tourism and Biodiversity Corridor
TFCA	Trans Frontier Conservation Area
TFP	Trans Frontier Park
SME	Small and Medium Scale Enterprise

# ***Tourism and Biodiversity Corridor***

## ***A Preliminary Tourism Development Strategy.***

### ***1. Introduction***

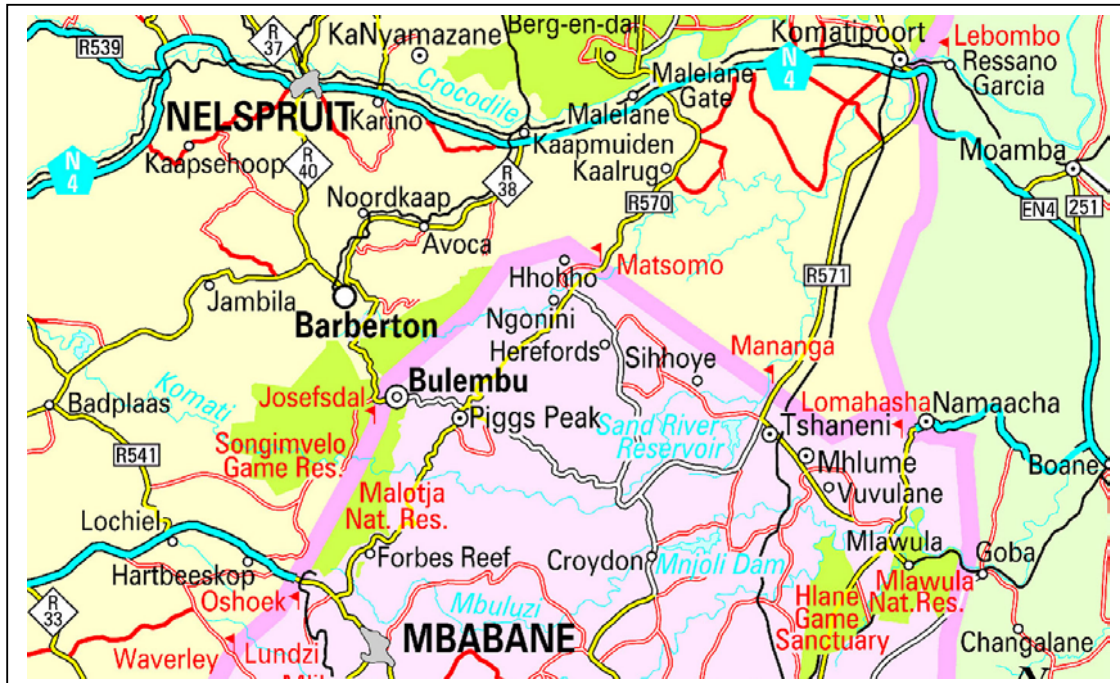
Since 1997, there was increasing consensus between role players in Northern Swaziland, South-eastern Mpumalanga and Southern Mozambique that whilst these predominantly rural areas of the three countries had tremendous inherent development potential for tourism-led growth, that this inherent development potential was tending to be under-emphasised and under-utilised. As a result the decision was taken by the three countries to initiate a number of studies to identify and assess related development opportunities in the Northern Swaziland, South-eastern Mpumalanga and Southern Mozambique sub-region.

One of the many concepts that emerged from this process was that of utilising the unique biodiversity, heritage, cultural, geological and archaeological resource base that is shared by the countries as a basis for the development of an economic development corridor where tourism-led developments were the primary activities.

The concept has been called different names, and the geographical focus has also differed marginally. There was talk of the 'Royal Route to the Sea', the 'Songimvelo Circle', the Swaziland Biodiversity and Tourism Corridor to mention a few. By and large, all initiatives have focused on a parts/components of the spatial area running from South Eastern Mpumalanga, through northern Swaziland and into southern Mozambique. The Tourism and Biodiversity Corridor planning area is larger than the above-mentioned initiatives, and includes significant portions of South Eastern Mpumalanga, northern Swaziland and southern Mozambique. The planning area is characterised by very high levels of biodiversity, which combined with the very high diversity of cultural, heritage, geological and archaeological resources renders the area potentially well suited to tourism-led developments.

Whilst the concept had been discussed for a number of years, and even though Swaziland had secured significant funding for the biodiversity component from the Global Environment Facility, progress with the tourism development process was limited between 1997 and 1999. In early 2000, Swaziland Ministry of Economic Planning and Development and the Maputo Corridor Company agreed that in order to build on the considerable local interest in boosting local economic development in the sub-region, and in order to generate development momentum, a process

should be initiated to assess the inherent economic development potential of the broadly defined planning area.



It was agreed that the initial spatial focus would be on the Mpumalanga and Swaziland parts of the corridor since it was here that the greatest levels of existing initiative from the local communities was evident, and because the area was already showing signs of private sector investment interest. (It is important to note that there are joint tourism-led development initiatives taking place in North-east Swaziland and Mozambique as part of the Lubombo Spatial Development Initiative. These include the Lubombo Conservancy Trans Frontier Conservation Area which has been included as one of the demonstration projects in this strategy. See section 9)

Based on a concise analysis of existing data and information, the key trends and opportunities were to be identified and assessed. Then, broadly defined opportunities and priorities for trans-border collaborative development were to be identified, and priorities for intervention identified.

Very early on in the planning process, it became clear that tourism-led developments were inevitably going to be a key part of any development strategy for the planning area. As such it was agreed (at the TBC Provincial Workshop in August 2000) that a broad preliminary tourism-development framework for the sub-region should be prepared. In terms of the nature and extent of the tourism development framework, the

consultants' brief was specific that the emphasis was on a framework that provided broad direction and not a comprehensive planning framework. The framework was to provide a sound and sustainable strategic context within which the initial tourism anchor projects would be identified and conceptualised. In the latter regard, it was agreed that there should be a specific focus on identifying practically implementable projects that would demonstrate the inherent potential of the area to investors and for investment, as well as impact directly in terms of employment creation, economic growth, local economic development and community empowerment.

This report is structured as follows: *Section two* describes the methodology used. *Section three* provides an assessment of the existing socio-economic trends in the study area as defined, and highlights the issues, implications, opportunities and priorities for transborder collaborative development initiatives. The Study Area includes the Eerstehoek, Nkomazi and Barberton districts in the Mpumalanga province of South Africa and the Hhohho district in Swaziland. *Section four* summarises the key tourism development trends in the planning area. *Section five* provides the broader regional tourism development context. *Section six* provides a concise overview of the biodiversity and conservation issues and priorities in the planning area. *Section seven* provides the proposed preliminary tourism development framework and strategies for the planning area. *Section eight* provides an overview of the key anchor projects as proposed for each country. *Section nine* provides an overview of each of the initial anchor projects. *Section ten* provides a list of required follow-up actions.

## **2. Methodology**

The Study Area includes the Eerstehoek, Nkomazi and Barberton districts in the Mpumalanga province of South Africa and the Hhohho district in Swaziland. The socio-economic analysis that under-pins the proposals included a review of the prevailing local socio-economic trends and priorities, and an analysis of the likely ability of other economic sectors to provide sustainable employment and economic growth for the sub-region in the next five years. Implications derived from the analysis focus on impacts in terms of employment, economic growth and investment.

In addition to the broader socio-economic analysis a more focused analysis was made of the tourism sector. An assessment was made of trends in occupancy for existing tourism operations in the planning area. The key tourism products and experiences in the study area were also assessed, and these trends assessed against national, regional (southern

Africa) and international tourism demand trends, thus providing some indication of the 'match' with the identified potential product/experiences.

In addition to the data derived from secondary analyses, further insight was derived via site visits to the existing and/or proposed reserves/conservancies within the planning area. This enabled a reasonably accurate understanding of the current conservation status (both good and bad) of the above-mentioned areas, which in turn highlighted certain strategic choices required for the further development of these conservation areas.

### **3. Key findings in terms of the socio-economic analysis, and related implications for trans-border collaboration**

The full findings of the "Northern Swaziland and South Eastern Mpumalanga Development Initiative – Socio-economic Perspective" are contained in a separate document. The sections immediately below summarise the main findings and their implications for trans-border collaboration. Annex 12 attached provides further summarised information in terms of the key trends in the human and natural resources, as well as in terms of the sub-regional economy.

It is clear from the analysis that the study area is in need of accelerated development. In particular, there is an urgent need for the development of strategies that would create sustainable employment and economic growth.

The inadequate performance of the economy of the Study Area is evident in its **low labour absorption capacity**. The current economic growth rate and the rate at which new entrants to the labour force grows, suggest that the formal economy will not be able to accommodate the entire labour force. This is evident from high unemployment levels in the Study Area. Expansion of existing economic activities and exploitation of new ventures are essential to improve the absorption capacity of the economy.

The Study Area's predominantly **young population will put additional pressure on education facilities** that are already over-utilised and this will inevitably impact negatively on the employability of those entering the labour market. The continued high rate of people entering the human reproduction phase associated with younger populations put additional pressure on this employability through sheer numbers. The predominance of women in the potential economically active population

is indicative of limited job opportunities where usually the men work outside the area.

***The unique geology and associated soil types***, as well as the range of altitudes have resulted in the area having a tremendously rich diversity of biota. The natural resource base and climate make the study very well suited to agricultural-led and tourism-led economic development. Underpinning both of these activities is the natural resource base, and as such its long-term management on a sustainable basis will determine the long-term sustainability of the sorts of economic development strategies.

Presently, the economy of the Study Area is driven by the agriculture sector and ***the importance of the agriculture sector as an employment creator stands out***. The Komati River Basin Development Programme (KRBDP) is a major attempt to exploit the development potential of the Study Area in addressing the increasing poverty in the area. Although 'big dam and resettlement' projects are negatively perceived by many, they can have a positive socio-economic development impact, especially under the circumstances prevailing in the Study Area.

***The past and anticipated declines of the mining sector in the study area will also create additional unemployment and socio-economic hardships***. There is no real prospect at present that these job losses can be made-up elsewhere in the mining sector within the study area. As such alternative sources of employment in economic activities that do not specifically require highly skilled personnel should be vigorously pursued.

***The under-utilised but potentially 'world-class' tourism natural resources seem to offer a clear opportunity*** for tourism-led development. Tourism-led development also offers important potential for SME development since opportunities are relatively plentiful, and access is that much easier within the tourism industry (particularly resource and culturally based). What is also significant, is that much of this under-utilised tourism development potential is located in or adjacent to rural areas that house many of the poorer communities. Such tourism-led development strategies and initiatives will need to be designed and implemented in a coordinated and integrated manner with the agricultural led developments that form part of the KRBDP.

In terms of ***transborder collaboration issues***, a number of observations can be made:

*Firstly*, Swaziland and South Africa share extremely valuable water resources and catchments. These need to be properly managed for the

long-term sustainability of the study area, as well as for the further development of Mozambique, which is a downstream user.

*Secondly*, both countries can and are benefiting from the collaborative development of the water resources in support of extensive irrigated agricultural development.

*Thirdly*, if the underlying resource base is to be sustainably utilised and/or conserved, an integrated and coordinated approach to the conservation and management of the resources is essential. Inevitably, this will require considerable related capacity building, and this too can, and should, be approached on a collaborative and co-operative basis.

*Fourthly*, tourism-led development strategies within the study area could have major positive impacts for economic growth and investment within the study area (due to *inter alia* the potentially employment intensive and SMME friendly nature of the tourism industry, as well as the fact that this sector poses less barriers to entry for less skilled and experienced employment seekers). It is essential for such tourism-led developments that a coordinated and integrated approach is adopted. It is only on this basis that a corridor encompassing a variety of different environments, archaeological experiences, cultures, biological diversity, adventure tourism experiences etc. can be developed.

*Fifthly*, in support of both the agricultural-led and tourism-led development efforts, it is vital that an integrated network of infrastructure and services are developed. If access through the region is perceived to be difficult, excessively slow, dangerous, excessively expensive, etc., both forms of development will be negatively affected.

*Sixthly*, related to the issue of the transborder movement of freight and travelers, in both cases every effort needs to be made to ensure the smooth flow of people/freight across the international borders. In the case of tourists, the seamless transfer of tourists is all the more important since tourists who experience tedious and excessively bureaucratic immigration procedures feel threatened and unwelcome.

*Finally*, with both countries (within the study area) adopting very similar economic development strategies, it would be very useful to consider the establishment of transborder institutional structures. These structures could facilitate the joint design and implementation of policy and strategy, the sharing of lessons of experience, and the sharing of scarce resources such as human expertise and specialised research capacities etc.

In terms of ***relative priorities for intervention***, the following conclusions can be drawn:

Considerable attention has already been given to the issues of river basin management and development. Related institutional structures have been established. These include the Komati Basin Water Authority (KOBWA) that was established between South Africa and Swaziland by Treaty (describing the nature and functions of KOBWA), and oversees the construction of Lake Motsamo and Maguga Dam. There is also a Tripartite Permanent Technical Committee (South Africa Swaziland and Mozambique), which looks at the whole Nkomati River Basin.

In terms of the conservation and management of the underlying resource base, only limited progress has been made to-date. However, Swaziland has secured Global Environmental Facility (GEF) funding for a fairly comprehensive review of the current situation, for future planning and for capacity building. (Swaziland Biodiversity Conservation and Participatory Development Project.) Swaziland has already appointed a full time project manager, and commenced implementation of their work programme.

The agricultural-led development process has also received considerable focus and attention over many years, and no particular new intervention is required at this stage.

The main area requiring urgent intervention is in terms of trans-border tourism-led development as a basis for socio-economic development. As part of such initiatives one would also need to consider the development of related transborder infrastructure, the redesign of transborder border crossing arrangements, transborder conservation initiatives, and strategies for mobilising much needed private sector investment and expertise, etc.

Similarly, the need for and opportunities to establish a transborder institutional structure focused on supporting the implementation of sustainable tourism-led socio-economic development projects is important.

#### **4. *Tourism development issues and trends***

- ***The planning area contains a significant number of publicly, communally and privately owned nature reserves.*** These protected areas provide a range of different natural habitats and



related opportunities for nature based adventure and photographic tourism. The major existing reserves include the following:

### *South African game and nature reserves*

#### *Songimvelo*

Established in 1987, this reserve measures 49 000 hectares in extent. It lies in rugged mountain terrain, the highest point being Mlembe peak at 1851m. The reserve offers luxury accommodation. The reserve consists predominantly of grassland and savannah woodland and shrub forest. The reserve also contains elements of the Cape Floral Kingdom in higher areas, as well as three cycad species that are found there. There are 20 species of ungulates in the reserve including hippo, giraffe and rhino. Predators include leopard and caracal, but could accommodate lion too. Some 309 species of birds have also been recorded in the reserve.

#### *Barberton Game Reserve*

The newest of a suite of publicly owned game reserves to be established in the Barberton Valley, the Barberton Game Reserve measures 2500 hectares in size. It is situated 20kilometers south of Nelspruit to the west of the R40 linking Nelspruit and Barberton. The reserve is easily accessible for day trip visitors from Nelspruit and Barberton. The reserve ranges in elevation from 1150m to 680m above sea level, and the predominant vegetation is Sour Lowveld Bushveld of the savanna biome. The Noordkaap River flows through the length of the reserve, which is presently home to a thriving population of kudu, zebra, blue wildebeest, impala and bushbuck. The rare red duiker and klipspringers also occur with one of the highest populations per unit area of mountain reedbuck. Predators include serval, jackal and leopard. Some of the oldest exposed rock formations (greenstones) are found in the reserve. Processes are presently underway to include an additional 1000 hectares of private land through a joint management agreement.

#### *Piranie Nature Reserve*

The Peranie Nature Reserve falls within the limits south of the N4 Maputo Development Corridor and north of the R38 between Barberton and Kaapmuiden. Through a cooperation agreement between the private sector landowners and the State, this newly formed area comprises approximately 10 000 hectares dedicated to conservation and ecotourism, and a further 10 000 hectares set aside for a conservancy with associated agricultural activities. The veld type

is Sour Lowveld Bushveld comprising Broken Marula Veld. A variety of game already occurs in the area with plans to introduce the Big 5. The area also boasts 444 recorded bird species. Within the reserve are remnants of African Rock art and an authentic iron smelter. The original Zeederberg old coach/wagon road originating from the time of the transport riders also runs through the reserve. A fully functional lodge is already operational in the reserve and in addition to providing accommodation for ecotourists, also provides conference and wedding reception facilities.

### *Mountainlands Game Reserve*

Consisting of portions of State, communal and private land, this reserve measures some 18 000 hectares in extent. Elevations range from 600m to 1300 meters above sea level with a number of perennial streams flowing through the area. The vegetation is mostly Sour Lowveld Bushveld of the Savanna Biome merging into the North Eastern Mountain Grassland of the Grassland biome at higher elevations. The range in elevation, and the broken mountain topography result in a variety of habitats supporting a very rich biodiversity. More than 1500 plant species have been identified in the area, a number of which are endemic and endangered. Various game species including kudu, mountain reedbuck, common reedbuck, bushbuck, bushpig, klipspringer, grey duiker, and the rare red duiker already occur. Carnivores such as leopard, caracal, civet, genet and jackal are also already present on the reserve. The reserve has the potential to accommodate the Big Five, and the re-introduction of larger game commenced in April 2002. this reserve also contains examples of archaen geology and Early and Middle Stone Age settlements.

### *Swaziland game and nature reserves*

#### *Malolotja Nature Reserve*

The 18 000 hectare reserve is the last true wilderness area in Swaziland. Altitudes range from 650-1900meters above sea level. It is a paradise for hikers. The area is dominated by rugged mountains and includes two of Swaziland's highest mountains, Ngwenya (1837m) and Silotwane (1680m), as well as its highest waterfall Malolotja Falls (95 meters). In addition to the mountain valleys there are beautiful valleys, deep river gorges, and grass covered plains. It boasts some of the world's oldest and best-preserved sedimentary rocks, in the world. The Lion Cavern which, is dated at 41 000 BC is the oldest known site of mining activity in the World. The great variety of habitats and

vegetation types, ranging from open grassland to forest makes this one of the most interesting botanical areas of Swaziland.

The reserve contains tremendous varieties of plants including rare cycads and elements of the Cape Floral Kingdom. The superb variety of wild flowers is second only to South Africa's Namaqualand. The reserve contains a wide range of smaller mammals (reedbuck, grey rhebuck, oribi, klipspringer, common and red duiker, zebra, warthog, blue and black wildebeest, red hartebeest, blesbok and common reedbuck). In addition 280 bird species occur including specialities such as the blue swallow, blue crane, bald ibis, flufftails, Gurneys sugarbird, Chorister robin, crowned eagle and narina trogon. There are 18 species of amphibians and 54 species of reptiles.

#### *Phophonyane Lodge and Nature Reserve*

This is a small private game reserve famed for its abundant birdlife that thrives in the indigenous forests.

#### Lubombo Conservancy

This is a local initiative aimed at ensuring the cooperative and collaborative management of a number of contiguous but separately owned nature reserves. These include Hlane Game Reserve, Mlawula Nature Reserve, Shewula Game Reserve and the Mbuluzi Game Reserve.

Hlane Game Reserve: Situated in the Swaziland Lowveld, this 30 000 hectare reserve includes the geographically separate Simunye Nature Reserve. The reserve provides important habitat and food for scavenger species such as vultures and jackals. Hlane is home to Swaziland's 'big cats' – lion leopard and cheetah. The reserve is one of the few conserved areas of potentially productive Lowveld (the rest having been converted to agriculture) and consequently it has unusually high numbers of game including Burchell's zebra, white rhino, elephant, warthog, kudu, impala, waterbuck, bushbuck, nyala, common duiker, steenbok and giraffe. An interesting ritual performed on Hlane is the 'Butimba' , which is an annual royal hunt led by the Swazi King.

Mlawula Nature Reserve: The Mlawula Nature Reserve comprises two conservation areas (Mlawula and Ndindza), that are managed as a unit and together cover an area of 16 400 hectares. The reserve offers rugged scenery and has a rich archaeological history with some spectacular caves dating back to 110 000 years as well as many Early and Middle stone Age remains. The reserve ranges in altitude from a

high point in the Lubombo mountains of 573 meters to a low of 57 meters in the Lowveld and incorporates a variety of vegetation types including dry thorn savannah, open grassland, and moist woodland. The reserve protects a wide range of endemic plant species including very rare cycads, a variety of antelope, more than 350 species of birds which is the highest bird count in Swaziland.

Shewula Game Reserve: Developed on Shewula community land and managed by the Shewula community. A community owned and operated camp has been developed, providing four self-catering rondavels perched on the very edge of the Lubombo escarpment with a view that includes most of the Lowveld.

Mbuluzi Game Reserve: This is a privately owned and managed 2500 hectare reserve. It offers attractive riverside scenery with good game viewing, fly fishing and bird watching opportunities.

- ***There are also considerable portions of communal land that could be well suited to tourism based developments.*** Some of these areas have already been set aside as community based conservation areas, whilst others are operated on a joint agriculture/conservation/tourism basis. They are briefly discussed below.

#### *Mahushe Shongwe Game Reserve*

This Game Reserve (established 1987) is located in the Nkomazi district next to Mzinti village, which is inhabited by members of the Matsamo community, and is very well located relative to an existing tarred road. The reserve measures some 1100 hectares in extent. The landscape is characterised by gently undulating granitic hills covered by Lowveld veld type. The vegetation is broad-leaved woodland providing medium quality grazing and sandy soils.

The reserve is fully game fenced; there are two earth dams; a satisfactory internal road network; a small field office, workshop, store and slaughtering facilities; staff housing for a reserve manager and one field ranger picket; small education hall and ablution block; tented camp (4 units of 2 beds with en-suite bathroom); common kitchen and swimming pool. Importantly, the reserve is very well maintained and operated. At least 10 species of game are found on the reserve including giraffe, zebra, kudu, impala, nyala. With proper marketing and limited reorganisation of facilities this could be significantly improved.

There is regular utilisation of the facility by local, regional and international tourists. The tourism product is nature based photographic and limited consumptive (hunting) tourism. Notwithstanding the virtually non-existent marketing, this reserve continues to enjoy reasonably good (in the context) occupancies. The reserve currently has an occupancy level of around 30% (2001). With proper marketing this could be expected to grow. This type of tourism product is experiencing strong growth in the regional and international context, and the long-term prospects are very good providing a stable macro-economic and political situation is provided. The introduction of a private sector operator should enhance the marketing of the reserve, which should further boost occupancies within the existing 8-bed camp.

#### *Mawewe cattle/game ranching project area*

The Mawewe cattle/game ranching project (started in 1992) is located on the Mpumalanga/Swaziland border between Jeppes Reef and Border Gate in the Nkomazi district. The project area is about 9200 hectares in extent with an undulating granitic landscape covered by Lowveld veld type. Vegetation consists of open to closed woodland with grazing of medium quality. The project area is dissected by numerous seasonal streams.

Key existing infrastructure includes the 50km perimeter game-proof fence, boreholes, and drinking troughs. Game species include impala, kudu and giraffe. A small Swazi style tourist camp has been developed. The project is run by an elected committee with the assistance of the MPB.

At present the tourism component/potential is very significantly under-utilised. The area could be redeveloped (part game and part cattle) in partnership with a private sector developer/operator in a manner that would make it very suitable for consumptive tourism uses, which are likely to provide much needed socio-economic benefits for the local community. This project would focus primarily on the local and regional hunting market. The consumptive tourism market is a growing one, and the long term demands for this type of tourism are good, particularly since the availability of affordable hunting opportunities for local and regional 'biltong' market are increasingly limited.

### *Masibekela/Mananga Resource Area and the Matsamo cattle/game project area*

The Masibekela/Mananga Resource Area is located in the extreme south-eastern corner of Mpumalanga on the Swaziland-Mozambique border. This resource area measures is about 6000 hectares in extent, and consists of three main types of vegetation. These include a central perennial wetland system surrounded by thorny savanna in flat areas and open woodland on steep Mananga mountain. Veld type is Zululand Thornveld which only occurs in this particular part of Mpumalanga. Mananga mountain harbours an extensive colony of cycads, several rare species of conservation importance have been found in the wetland area, and this is also an important bird habitat.

The Matsamo cattle/game project area is located south of Mzinti village in the Nkomazi District. The local community approached the Mpumalanga Parks Board to assist in developing the area as a cattle/game project (along similar lines to Mawewe in 1995. This project area measures is about 6000 hectares in extent, and consists of undulating granitic landscape with Lowveld veldtype. The area is presently used for communal livestock grazing and for the harvesting of fuelwood for domestic purposes.

Both areas lend themselves to the development of infrastructure and facilities focused primarily on the local and regional hunting market. The consumptive tourism market is a growing one, and the long term demands for this type of tourism are good, particularly since the availability of affordable hunting opportunities for local and regional 'biltong' market are increasingly limited. In view of the scenic value of this location, the camps could be marketed for 'affordable' non-consumptive adventure tourism (mainly hiking related) out of the hunting season.

### *Ebutsini Community tourism area*

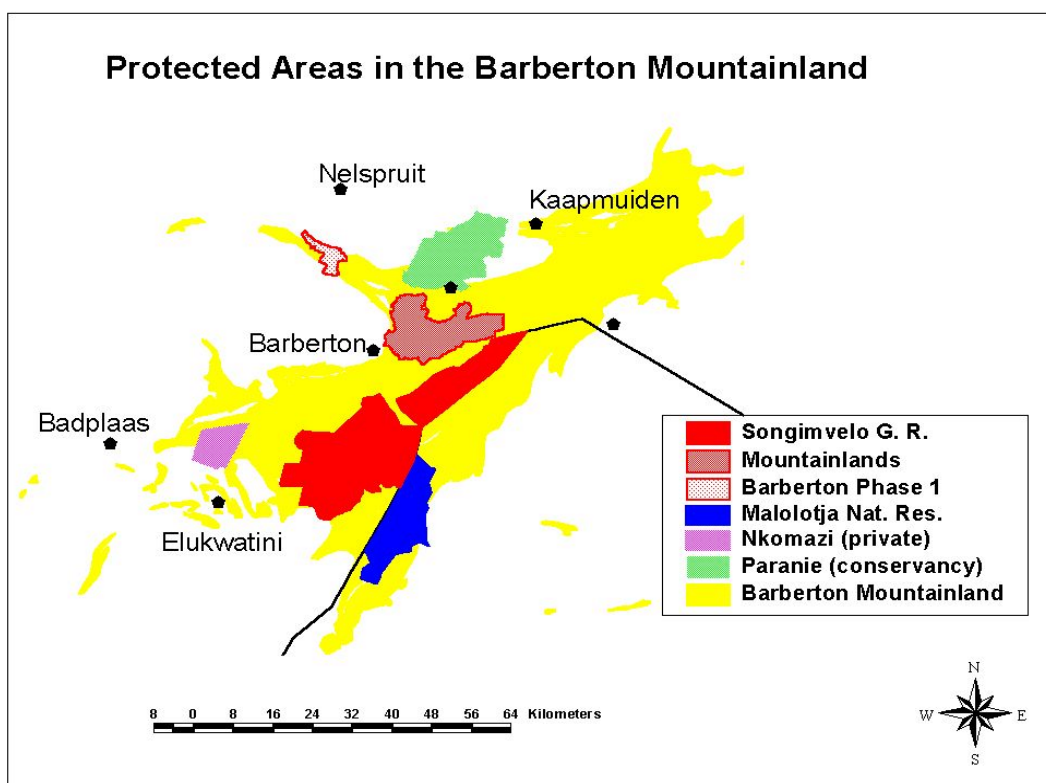
The Ebutsini community is located within an area of about 10 000 hectares. Situated within South Africa, this area of land is 'strategically' wedged between Songimvelo and Malolotja Game Reserves. As such it is well located relative to the existing and proposed tourism and conservation facilities/activities that form part of the Tourism and Biodiversity Corridor. The land is of high biodiversity value, and remains in reasonably good condition despite the fact that it has no formal conservation status. Its scenic value is also very high making it potentially conducive to tourism related activities. The local community has already established a reasonably

successful 4X4 route through the area, and have secured additional grant funding to expand their infrastructure and facilities.

#### *Sand River cattle and game ranch*

Located in Swaziland, this 21000 hectare ranch is owned jointly by the Swaziland parastatal Tibiyo and the Commonwealth Development Corporation. The Sand River dam is located on the farm, and has a surface area of 700 hectares. The vegetation on the ranch is in good condition, and besides supporting cattle also supports about 3000 head of game. Whilst the ranch presently operates as a cattle ranch, it used to also allow 'biltong' hunting opportunities.

- **The planning area has unique geology and archaeology.** The Barberton Mountainlands has worldwide recognition as a remarkable locality for understanding the history and evolution of the Earth. The Barberton Greenstone Belt rocks evolved between 3.5 and 3.2 billion years ago, making them amongst the oldest and best exposed rocks in the world. In addition there are few places in the world where the rocks of this great age are as well preserved. Research is constantly yielding new scientific discoveries, and microfossils dated at 3.3 billion years old (on par with the Warrawoona Group in Australia) have been found in the area.



- **Wide range of cultural and heritage opportunities** including both traditional indigenous cultures as well as colonial influences and Dravidian and Arabic influences from 1000 to 3000 years ago. These include Middle Stone Age sites (22 000-100 000 years old) in Barberton, 16<sup>th</sup> and 17<sup>th</sup> century bushman rock paintings in Piggs Peak (amongst 20 other sites in Swaziland), various ancient dwellings and settlements around 500 years old (one complete village on Wonderscheur in Mountainlands), Lions Cavern, which at between 41 000 and 36 000 BC is the oldest known mine in the world, Labambo Royal Kraal (Swaziland – current), Eureka City (1800s mining settlement), Sheba Gold mine which is the oldest working mine in the world, De Kaap Valley (Valley of Death), Dravidian temple sites (in Mountainlands Game Reserve, Nkomazi Wilderness Nature Reserve and Songimvelo Game Reserve) etc.
- **Arts and crafts:** A wide range of quality handcrafts is available to visitors and represent a blend of the best of traditional designs and modern techniques. Some are sold in specialist stores, whilst others are available from the markets and even on the side of the road. The truly traditional Swazi craft is grass weaving, and mats and baskets in all sizes are available. Local materials are used in the production of carved wooden bowls and figures, beadwork, calabashes, spears, battle-axes, shields, drums, leatherwork and soapstone carvings.

Within the STBC there are many locations where tourist will be able to view and purchase Swazi crafts from roadside entrepreneurs. The larger and more formal stores are located in close proximity to the major road networks where tourist traffic numbers are largest. Some of the better-known stores include Coral Stephans Ltd. weaving studios (at Piggs Peak). The crafts made here are based on fine mohair that is carded, spun, dyed and hand woven into the most spectacular fabrics. More recently, the craftspeople are working with Mopane silks, Raffia and cotton yarn. Also at Piggs Peak is Tintsaba Crafts where some 500 women make sisal baskets, beadwork, grass baskets, sleeping mats, mountain grass basket ware, wooden baskets, wood and soapstone carvings, clay pots and calabashes. A little further south at Ngwenya craftspeople specialise in glassware, silk screened batiks and Swazi candles.

- **There is a good potential match between tourism development potential in the TBC, and tourism demand trends in South Africa:** In terms of inherent potential it is a well-accepted fact that South Africa has particularly good inherent potential for nature based tourism – particularly related to the varied scenery and



wildlife. Surveys (Grant Thornton Kessel Feinstein discussions 2002) indicate that scenic beauty and wildlife remain the main draw cards for foreign air arrivals to SA (30 per cent and 28 per cent respectively). Also very interesting is that on departure 44 per cent of foreign air arrivals felt that the country's scenic beauty is the most appealing characteristic whilst 27 per cent felt that it was the country's wildlife.

In terms of the SA domestic tourism industry, it is estimated that a total of 33.5 million trips are undertaken annually<sup>1</sup>. Of some concern to a province like Mpumalanga, which has such a rich and varied potential for tourism development, is that at present it is second lowest destination for domestic tourists at 6 per cent. This is just less than Free State (7 per cent), and North West (8 per cent) and substantially less than the Limpopo, Eastern Cape and Western Cape Provinces at 13 per cent. KwaZulu Natal (18 per cent) and Gauteng (19 per cent) are the most popular domestic destinations.

- Notwithstanding the obvious tourism development potential as described above, ***this inherent tourism development potential is hardly utilised at all***. Clearly the area is not a well-known tourism destination, and one result is that there is a very limited amount of development, as well as poor levels of utilisation. The fact that tourism-led development in the Wild Frontier area is very new is also reflected in the paucity of statistics that are available for the area. Using the latest available information from the Mpumalanga Tourism Authority, together with information gleaned (via interviews) with the Wild Frontier Regional Tourism Organisation, the following picture emerges. Of the estimated 1 million travelers who visit Mpumalanga every year, about half (500 000) are traveling for leisure, business or religious reasons. Of the 500 000 it is further estimated that 50 per cent (250 000) travel for leisure purposes. Of this 250 000 it is estimated that 12 per cent (30 000) people visit the Wild Frontier annually. The Wild Frontier area houses about 8 per cent of Mpumalanga's tourism facilities/product (measured in terms of numbers of B&Bs, lodges, guesthouses, hotels, self catering accommodation and guest farms). In terms of the composition of the local economy, the wholesale, retail trade and tourism sector is the third largest component of the local economy, but has been growing at a relatively slow rate of about 1.2 per cent between 1996-2000, which is only the fifth fastest rate between the 7 Mpumalanga Tourism

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<sup>1</sup> About 21 per cent (just over 7 million) are holiday trips, 60 per cent are 'visiting friends and relatives', and the balance are for religious, business and health reasons.

regions<sup>2</sup>. Whilst this rate of growth is not especially encouraging, it is the view of the Wild Frontier RTO that growth in the period since 2000 has been very encouraging with a number of new investments made. In this regard it is estimated that there has been a doubling of tourism beds since 2000 (N Oosthuizen, Barberton Tourism Organisation. Pers. Comm). There are also a number of investments in process (such as Msauli Village Rehabilitation, the development of the Nkomazi Wilderness project etc.). In general it appears that most of the existing new developments have been in terms of the development of B&Bs and guesthouses, although there are larger projects that are in advanced stages of negotiation, or in implementation, such as Msauli, Nkomazi Wilderness, Impala hotel, Mountainlands game Reserve, Montagomanie lodge and others. In general these projects are all based on the utilisation of the areas natural and to a lesser extent cultural heritage.

## **TOURISM DEVELOPMENT ISSUES**

If one considers the tourism development situation in each country the following trends emerge. On the South African side of the border are two main districts - Barberton and Nkomazi.

***In the Barberton district*** the major existing tourism attractions include the Piranie, Songimvelo, Mountainlands, Barberton, Nkomazi Wilderness and Ligwalagwala reserves/conservancies, as well as a range of archeological, geological and culture and heritage attractions (as described above). At this stage, this potential remains largely under-utilised, and the area is not a well-known destination at all<sup>3</sup>. The area has a number of key advantages that bode well for its future development. They include the following:

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<sup>2</sup> At the national level the following trends are evident. Whilst South Africa experienced very good growth in foreign tourist arrivals from 1994-1998, this growth has stagnated since 1998. Between 1998 and 1999 foreign tourist arrivals increased marginally (5,3 million to 5,89 million), since 1999 numbers have declined in absolute terms, and in 2001 arrivals (5.72 million) were lower than 1998. Part of this decline can be ascribed to the worldwide decline in foreign travel over this period. South Africa does have the inherent potential to grow its tourism industry, and the expectation (Grant Thornton Kessel Feinstein discussions 2002) is that this should happen with the huge emphasis currently being placed by SA Tourism on marketing SA as a tourism destination.

<sup>3</sup> One of the much better known attractions that is located on the edge of the TBC is the Badplaas resort. This relatively thriving resort provides tourists with access to natural hot springs/baths. The ability to attract some of these tourists further into the TBC is an important challenge.

- The area has tremendous inherent development potential in terms of nature based photographic and consumptive tourism, in adventure tourism, and in terms of culture and heritage tourism. All of these sectors of the tourism market are key growth sectors in the global tourism economy.
- All the major reserves have reasonably good access by road. Piranie and Mountainlands via tarred roads, and Songimvelo (the last portion) via gravel road. All reserves are accessible by 2X4 wheel drive vehicles.
- This district is well located in terms of proximity to Swaziland and it's related attractions, particularly so once the upgrade of roads linking Barberton to Bulembu to Piggs Peak and Tshaneni are implemented.
- Tourism-led development is receiving a very high priority by the various levels of local, sub-regional government, as well as the various private sector organisations within this district.

***In the Nkomazi district*** the performance of the tourism sector has been fairly limited to-date, and could be significantly improved. Key strategic issues that bode well for future development potential include the following.

- *Firstly*, the Nkomazi district is located immediately south of the Kruger National Park – a prime, well-known, existing tourism destination.
- *Secondly*, this district is well located in terms of proximity to Mozambique and Swaziland both of which countries have tremendous inherent but under-utilised tourism development potential.
- *Thirdly*, this district enjoys very good bulk road access, again strengthening its location as an area through which tourists move between the Kruger National Park, destinations elsewhere in Mpumalanga, Swaziland, and Mozambique, as well as the key source market of Gauteng.
- *Fourthly*, this district has inherent and under-utilised development potential for the development of nature based, adventure and cultural tourism products. These types of product are all important growth sectors in the global tourism market. In this regard, there are a number of provincial/community nature reserves/conservancies in the Nkomazi district that are at present very significantly under-

utilised. They include Mahushe Shongwe, Masibekela/Mananga, and Matsamo.

However, it is unlikely that the reserves/conservancies within Nkomazi could compete with the Kruger National Park, or the nature reserves that have already been established in Northern Swaziland in terms of their scenic value and spectrum of existing wildlife, and their related potential to provide opportunities for photographic tourism. As such they are likely to battle to attract tourists, and as a result they are also unlikely to attract private sector investment for such activities. A potentially more attractive option that requires further investigation, would be to use these reserves for other types of tourism experience such as destinations for consumptive tourism (which is not for instance available within the Kruger National Park) with a component of cultural tourism. According to the Mpumalanga Parks Board. The Legwalagwala Conservancy is already operating on similar lines to this, with positive results.

Opportunities for the development of budget tourism facilities at Lake Matsamo have already been identified, although it is not clear as to whether or not any interest from investors has been expressed in these opportunities thus far.

Swaziland has benefited relatively little from southern Africa's recent tourism growth even though it has a diverse tourism development potential (nature based, archeological, adventure, geological, cultural etc.). Since 1998, arrivals have been decreasing. Swaziland has the locational and natural and cultural tourism potential to 'exploit' a portion of transit tourist traffic passing between KwaZulu Natal, Mozambique and Mpumalanga, especially once the planned road upgrade projects are implemented.

However, being a relatively small country that can be traversed by car within a few hours, transit tourists tend - in the absence of easy access and knowledge of tourism attractions, products and facilities - to pass through the country without staying overnight. This of course has negative impacts.

The situation where limited transit traffic stays overnight in Swaziland could be aggravated by the development of the Maputo Development Corridor and the Lubombo SDI both of which inter alia will facilitate quicker and easier traffic flows along their axes.

The challenge for Swaziland is to strengthen themselves as a tourism destination, and to ensure that their tourism products/destinations are marketed and developed as an integral part of the wider tourism initiatives such as the Trans Africa Coast2Coast Tourism Highway

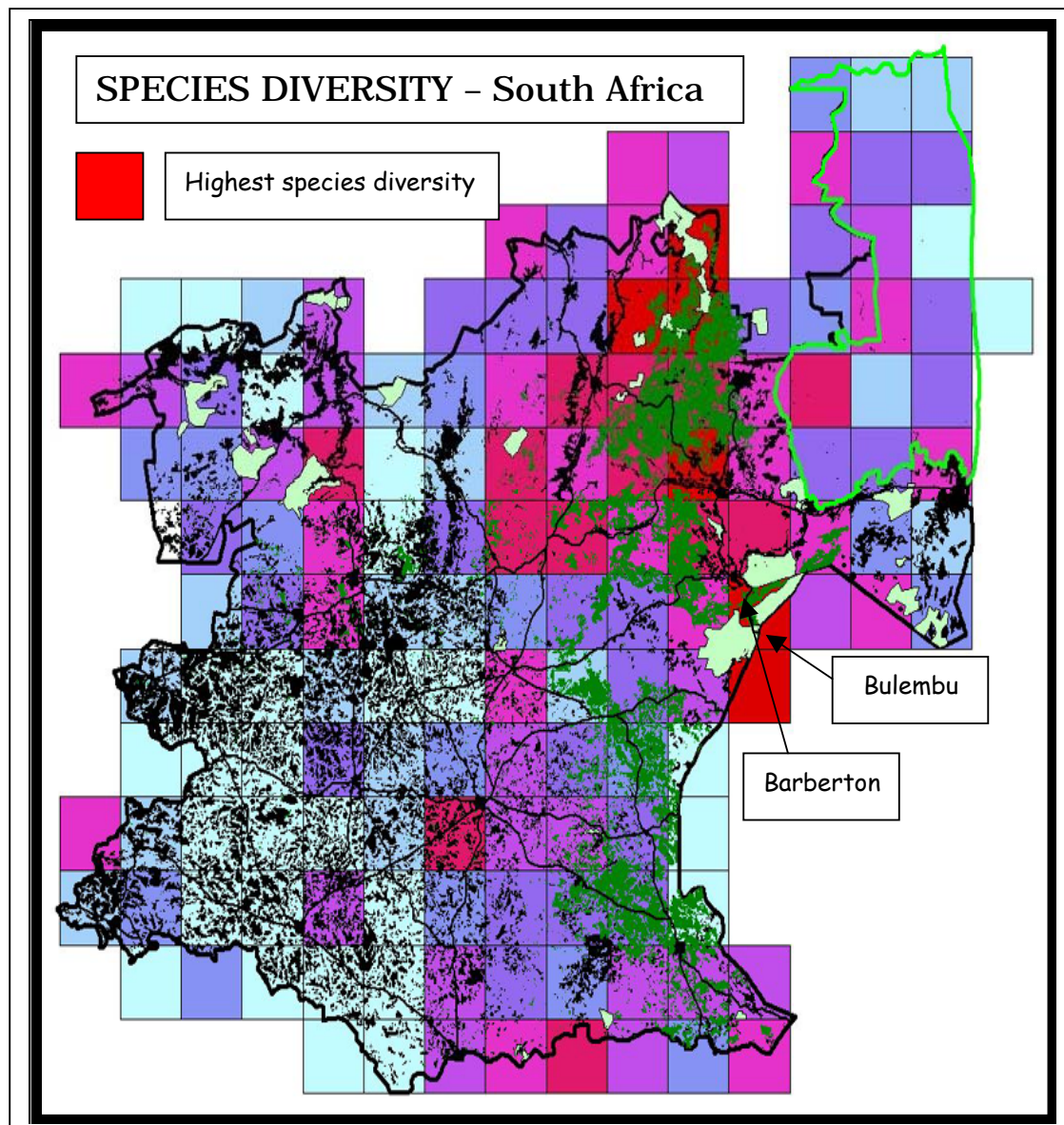
Initiative. The incorporation of Northern Swaziland into the Wild frontier RTO and the related development of the Tourism Route Roads and Information Office projects should benefit Swaziland.

On the positive side it should be noted that:

- Road access to Malolotja, Piggs Peak, Maguga dam, Poponyane is currently good, and if the proposed upgrading of the road between Bulembu and Piggs Peak is implemented, this will further enhance the level of access.
- The Maguga Dam site is very picturesque, has low human settlement densities around the dam, has a very scenic undulating topography which could, if packaged in an innovative way provide a very attractive international destination for the Gauteng and Mpumalanga boating fraternity. This site also offers a big range of opportunities for hiking, horse riding, mountain biking, quad biking, 4X4 trails, canoeing, water skiing, angling and fly fishing.
- The rehabilitation of Bulembu (refer to section 9.2 for detail) and Msauli (refer to section 9.1 for detail) villages into tourism-based residential areas, as well as the expansion of facilities at Malolotja would provide a significant boost for tourism development in the sub-region.
- The proposed upgrading of the Barberton to Bulembu to Piggs Peak to Tshaneni road will greatly enhance the level of usage of this route for tourist traffic. This in turn will boost tourism demand along the route.

## **5. *Biodiversity and conservation issues and trends***

The area incorporates a continuum of habitats from the Drakensburg representing the Afromontane Archipelago (1050-1400m) to the Middleveld (400-1000m), to the Lowveld (150-400m), to the Lubombo Mountains (high point of 770m), to the Maputaland/Tongaland coastal plain. Whilst these types of habitat are found elsewhere in Swaziland and South Africa, it is only in the northern parts of Swaziland that this continuum is compressed into a maximum east-west distance of 200km. This renders the area uniquely valuable from a scientific point of view compressing high levels of biodiversity into a relatively small area.



The ***Drakensberg ecoregion*** of Afromontane grasslands and woodlands forms a high plateau extending from the Eastern Cape through Lesotho and western Swaziland into Mpumalanga. It displays several sub-levels of local endemism – one of which is the Barberton Centre that extends from South Africa into Swaziland. The area is very rich in biota, plants, mammals, snakes, birds, etc. The grassland biome is foremost among the biomes in southern Africa that are poorly represented within existing protected areas. Malolotja Nature Reserve and Songimvelo are two of the

few protected areas where a substantial area of the grassland biome and rare and endemic species are conserved<sup>4</sup>.

The **Middleveld** and **Lowveld** encompass a range of productive habitats. These areas contain very fertile soils and can (and historically did) support a large and varied range of larger mammal species. Whilst vast areas of the Middleveld have been settled by pastoralists and sugarcane monoculture, biologically valuable but increasingly discontinuous areas do survive either in inaccessible country, on private or state ranches, or in proclaimed protected areas. The northern Lowveld in Swaziland is notable in supporting rare relict tropical species such as rare snakes, and the overall amphibian and avifaunal diversity is probably the richest in the country. Key protected areas include Mlilwane Wildlife Sanctuary (Middleveld), Mkhaya Game Reserve (western Lowveld), Hlane Game reserve (Lowveld), Mlawula Nature Reserve (Lowveld and Lubombos).

About 10 000 hectares of the northern Swaziland **Lubombo Mountains** is protected within the parastatal reserves of Mlawula and Ndzindza, and 800 hectares of the higher Lubombo to the immediate south of Siteki falls within the Muti Muti private nature reserve. Endemics include plants, lizards, and snakes. The Swaziland Lubombos are also noteworthy in supporting the range's only population of Oribi, the southernmost populations of Sharpe's Grysbeak, and in Mozambique the small area of Lubombos adjacent to Swaziland supports the country's only population of Mountain Reedbeak.

The **Maputaland/Tongaland** coastal plain lies between the Indian Ocean and the eastern foothills of the Lubombo Mountains. Much of the plain consists of recent marine sediments and ancient dune lines, and falls within the Maputaland-Pondoland Regional Mosaic that is a recognised global centre of floral and faunistic diversity, which incorporates the Lubombo Mountains. The vegetation is exceptionally diverse, incorporating forest, woodland, grassland and swamps with at least 15 major vegetation types described.

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<sup>4</sup> By way of example, the globally threatened bird species that are protected within Malolotja include the Blue Swallow, Blue Crane, Ground Woodpecker, Buffstreaked Chat, Southern Bald Ibis. Species that are regarded as threatened within southern Africa include Stanley's Bustard, Striped Flufftail, Broadtailed Warbler (all restricted to the grassland biome); the Brown Robin, Forest Canary, and Chorister Robin (indigenous forests of the highlands). Two globally threatened species found in the bushveld in the lowlands include Rudd's Apalis and the Pinkthroated Twinspot. The globally threatened Cape Griffon Gyps breeds on cliffs across the border in Mozambique. Lowland species regarded as threatened include the Bateleur, Lappet faced Vulture, Whiteheaded Vulture and the Finfoot.

## **CONSERVATION ISSUES ARISING**

- Small as the planning area may be, there is no other region in southern Africa of comparable size that has the same richness of plant and animal species.
- As a consequence of its exceptionally varied topography and habitat types, Swaziland contains a greater diversity of bird species in a smaller area than the Kruger National Park which is a world-renowned birding locality. The potential for attracting visitors and thereby generating incomes for the continued conservation of the area's biodiversity exists, if the appropriate infrastructure were to be developed.
- 121 species of mammals have been identified in Swaziland. The richness of mammals is highest in the northeast and northwest. A similar pattern is shown for the artiodactyls, rodents, insectivores and all mammals except herbivores. Bats and carnivores show highest species richness in the northeast.
- Swaziland has a tremendous diversity – 156 forms – of amphibians and reptiles. Nine reptiles and one amphibian that occur in Swaziland are listed in the South African Red Data Book
- Swaziland straddles the catchments of four of southeastern Africa's most important river systems including the Nkomati, Mbuluzi, Usutu, and Pongola. Surveys indicate at least 51 different species and sub-species of fish. Again a number of these species are listed in the Southern Africa Red Data Book. Furthermore, it is important to note that 80% of Swaziland's fish fauna are located within the SBTC area.

## **6. *Regional tourism development context***

There are a variety of tourism development initiatives underway within the south-eastern portion of Africa. Collectively they offer a very diverse range of tourism products, experiences and environments that are potentially complementary in nature.

There are within the region, a number of strategic development planning initiatives that are focused at a sub-regional level. These include the Tourism and Biodiversity Corridor, the Swaziland Biodiversity and Tourism Corridor, the Songimvelo/Malolotja TFCA, the Greater Limpopo Transfrontier Park, the Lubombo Spatial Development Initiative (SDI),



the Maputo Development Corridor SDI, the Limpopo SDI, the proposed Mountainlands World Heritage Site<sup>5</sup> as well as a variety of tourism planning initiatives along the coastline between Beira and the Greater St Lucia Wetland Park. Collectively these areas protect a great diversity of species, many of them endemic species; a large variety of ecosystems; include amongst oldest reserves and the largest transfrontier conservation areas in the World (Greater Limpopo).

Whilst the development planning interventions that have underpinned these nature and cultural based tourism-led development initiatives have tended to be somewhat local or at best sub-regional (albeit international) in nature, little practical effort has been placed on integrating these various initiatives at a strategic level into an overall regional tourism context. This is unfortunate in that the individual initiatives are geographically all located very close together, and are potentially well linked by existing bulk infrastructure (albeit that at present some infrastructure is in urgent need of upgrading and/or maintenance). Furthermore by combining their individual products and experiences they collectively offer a vast array of diverse yet complementary tourism products and experiences. These potential advantages are further reinforced by opportunities for participating countries/authorities to benefit from economies of scale associated with a regional approach to tourism marketing, management and development<sup>6</sup>.

More recent discussions held under the auspices of the South East African Tourism Committee have considered the possibility of defining a South East African Heritage Tourism Route (SEATR). Whilst it appears that nothing firm has been put on paper, it is the purpose of this section to describe the emerging *concept* of the South East African Heritage Tourism Route<sup>7</sup>.

#### *What is the SEAHTR?*

- The SEAHTR is a regional tourism route running through Mozambique, South Africa, Swaziland and Zimbabwe.

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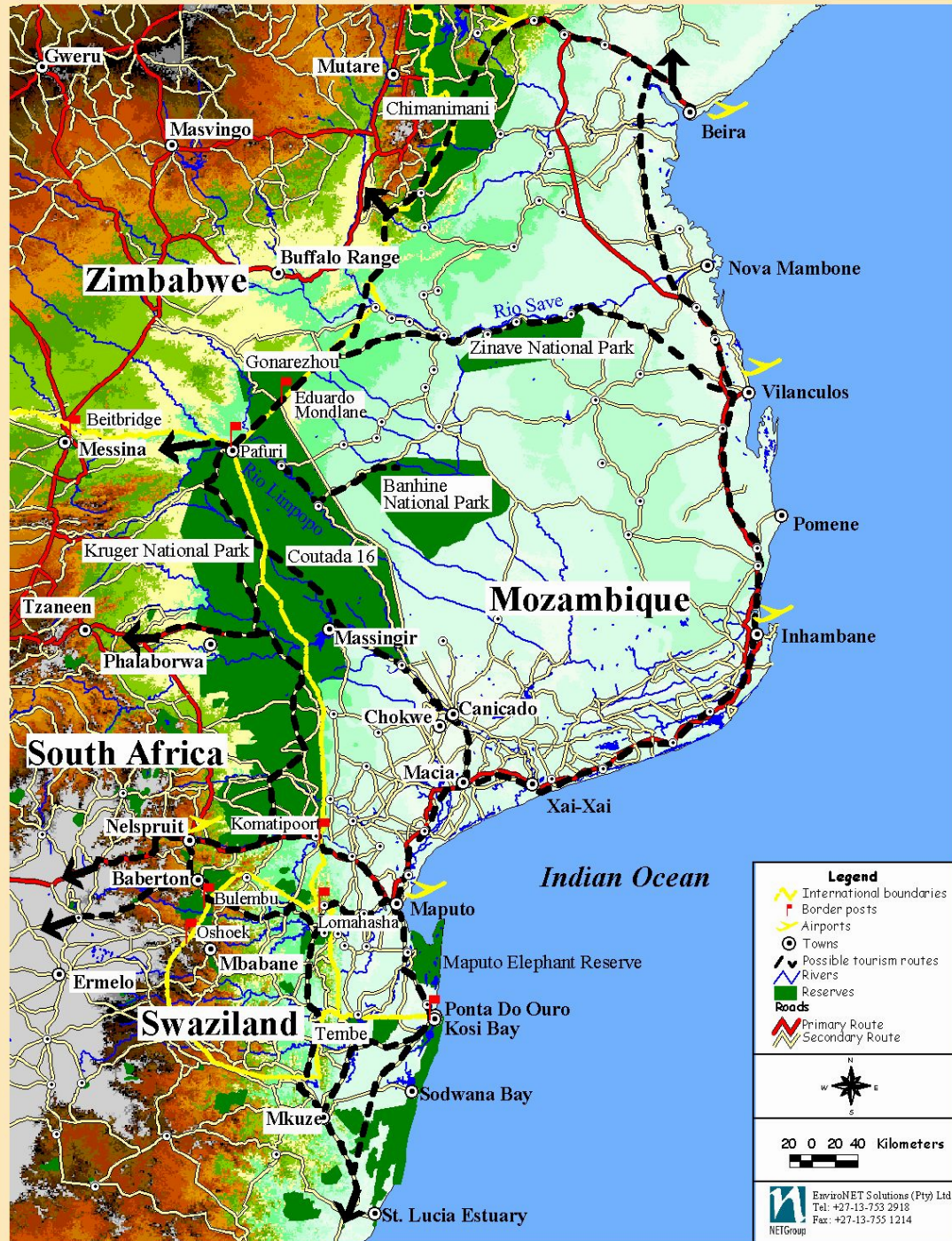
<sup>5</sup> This is a recent initiative being proposed by private sector land-owners in the Mountainlands area.

<sup>6</sup> These include: Economies of scale associated with the joint development of infrastructure, facilities and services thereby avoiding duplication, as well as sharing of human and final resources; Greater coordination of tourism development policy and strategy; Sharing of lessons of experience; Creating a critical mass to be internationally significant and attractive; etc.

<sup>7</sup> This route name is not formally accepted. It was derived for the purposes of this report by the consultant to reflect the geographical context 'South East Africa' and the proposed product 'Heritage Tourism'

- The route is comprised of an integrated set of tourism circuits that can be travelled individually or jointly.
- Individually and collectively the circuits provide the traveller with and extremely diverse tourism experience. This diversity includes price, product, and level of service.
- The SEAHTR also provides the traveller with access to very diverse natural environments including marine, coastal, bushveld, mountain and forest environments each with their unique fauna and flora. The SEAHTR is relatively unspoiled, with a significant part of the journey in wilderness areas.
- Tourism products are extremely varied within SEAHTR and include a variety of nature based experiential/adventure tourism opportunities, heritage/cultural tourism opportunities and ecotourism opportunities.
- Along the route is a wide range of traditional cultures as well as evidence of strong historical colonial influences. From an archaeological perspective the areas covered by the route are extremely rich.
- The various circuits within the SEAHTR provide the traveller a wide variety of opportunities for self-drive tourism (including 2X4 and 4X4 vehicles).
- Along the route are various forms of accommodation ranging from camping to luxury accommodation. Similarly in terms of catering, the tourist can choose a range between fully catered (luxury) and self-catering accommodation.
- Since the diversity of price, product and level of service is so wide, the SEAHTR offers tourism opportunities for the local, regional and international tourist.
- From a transportation perspective, the SEAHTR is well located relative to the broader regional road and air infrastructure. Furthermore, whilst bearing in mind the large nature based and wilderness component of the route, the SEAHTR is never-the-less also reasonably well provided for in terms of access to supply, service and emergency amenities.

## SOUTH EAST AFRICAN HERITAGE TOURISM ROUTE



### *Some of the key attractions*

Some of the major game/nature reserves include Cimanimani, Zinave, Banhine, Coutada 16, Maputo Elephant Reserve (all located in Mozambique); Gonarezhou, Malilangwe and various other private and community reserves in South-eastern Zimbabwe; the Kruger National Park, Mountainlands Game Reserve, Songimvelo Game Reserve, Mahusha Shongwe, Mawewe, Masibekela/Mananga, Ndumo, Tembe Elephant Reserve, Hluhluwe/Umfolozi Complex, Mkuzi and the Greater St. Lucia Wetland Park (all of which are located in South Africa), not to mention dozens of private South African game reserves many of which are world renowned. Finally in the Swaziland portion of the SEAHTR the traveler can visit the Malolotja, Hlane, Mlawula Reserves as well as a variety of private game and nature reserves.

From a cultural heritage perspective the SEAHTR provides the opportunity for tourists to interact with, observe and/or learn about a wide variety of existing, past and even ancient cultures. These include the traditions of the Zulu, Venda and Shangaan people (in South Africa), and the Tsonga and Swahili cultures in south and northern Mozambique, the Swazi culture and the Matebele and Shona cultures in Zimbabwe. The strong British (South African, Zimbabwe, Swaziland) and Portuguese (Mozambique) colonial influences are also very much in evidence. In various localities within SEATR there are opportunities for tourists to view the remnants of ancient civilisations including various middle Stone Age and Bushman sites. Finally along the route the tourist can purchase diverse hand crafts and art works including beads, baskets, weaving, carving (wood and stone), pottery, glassware, candles, textiles to mention a few.

In terms of experiential/adventure tourism opportunities include walking/hiking (in various environments); cycling and mountain biking; horseback riding; paragliding; ballooning; flying (micro-lights, gliders); snorkelling and scuba diving; fishing (fly fishing, deep-sea, coarse fishing, spear fishing); sailing; surfing; rubber rafting, canoeing, kayaking and tubing; Water skiing and parasailing; off-road driving (4X4) amongst others.

### *The vision for the SEAHTR*

To establish the SEAHTR as a world-class natural and cultural heritage tourism route with its own branding identity. The SEAHTR route, and its component parts such as the TBC, would be well, and consistently signposted (including the individual circuits and across international

borders). The route, and component parts, would also be subject to a level of collaborative marketing and product development, and accredited establishments along the route would be regulated in terms of a common set of standards/grading. (The route would be based on a good infrastructure network and enhanced levels of visitor security.)

## **7. Development framework and principles for the Tourism and Biodiversity Corridor**

### **7.1 Strategic objectives**

The overall strategic objective of this initiative is the promotion and support of sustainable and collaborative socio-economic development between South Africa (South Eastern Mpumalanga), Swaziland (Hhohho District) and Mozambique (Southern Mozambique).<sup>8</sup>

More specifically there are a number of socio-economic objectives and biodiversity conservation objectives for the sub-region and/or planning area. They are as follows:

- To utilise 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 and adjacent to the planning area.
- To generate new/additional tourism and conservation-led employment opportunities.
- To create a more diversified and robust economy within and adjacent to the planning area.
- To mobilise private sector investment and expertise for tourism and conservation development within the planning area.
- To increase the benefits flowing to the rural communities in order to launch a process of sustainable development over the long-term.

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<sup>8</sup> Whilst there appears to be increasing consensus that Mozambique needs to be an integral part of the TBC, and whilst it is also reported that Mozambique wishes to be part of the initiative (Pers. Comment – N Oosthuizen, Wild Frontier Regional Tourism Organisation), to-date the practical focus of planning and investor mobilisation efforts has been in Swaziland and South Africa where the TBC initiative originated.

There are also a number of more specific biodiversity conservation objectives for the sub-region and/or planning area. They are as follows:

- To demonstrate the strong positive relationship between the conservation of biodiversity and tourism development.
- To develop a sustainable management and biodiversity conservation system.
- To conserve and/or rehabilitate areas with a high existing or potential biodiversity value

## **7.2 Preliminary design principles**

- Any proposed developments must be designed and implemented in a manner that is sustainable. In terms of this project, sustainable is seen to **constitute a balance between the social, economic and environmental considerations**. In this regard it is noted in particular that the planning area is characterised by a very high incidence of poverty, as well as high biodiversity and tourism development potential. These three characteristics have the potential to conflict, and it is as such imperative that in the development of certain initiatives that a balance between the issues is attained.
- **Any proposed tourism development framework must ensure that the natural resource base in the planning area is properly conserved.** A number of the reserves/conservancies (including Malolotja, Songimvelo, Mountainlands, Nkomazi Wilderness, Pirane game/nature reserves) are strategically important assets since they protect strategically vital water catchments, and also have very high bio-diversity value. As such it is proposed that all proposed developments within the planning area should be designed to comply with standards that would provide for environmental auditing against ISO 14000 standards at some stage.
- **The existing and proposed game/nature reserves/conservancies offer potentially very attractive tourism investment opportunities that need to be better utilised.** There are numerous areas/localities within and adjacent to these nature reserves that could sustain tourism developments. In some instances facilities already exist but are severely under-utilised (such as Komati River Lodge and Kromdraai in Songimvelo). In other cases such as in the Songimvelo Panhandle and around Maguga Dam), the potential exists, but has never been utilised.

- ***The revenue generating ability of these various nature reserves need to be enhanced*** in order to provide additional resources for much needed conservation and development initiatives within the other existing and/or potential reserves in the broader planning area. This should have the impact of reducing their impact on the State/Provincial budgets, although it should be noted that in many instances the additional tourism developments will not cover all costs associated with land management, and as such Government will still be required to provide the balance of funding.
- ***Revenue generated from the nature reserves/conservancies in the sub-region, should be re-invested locally.*** There is a need to ensure an institutional structure and legal framework that allows/ensures that locally generated revenues are reinvested into the planning area's nature reserves and adjacent communities.
- ***Far greater levels of private sector investment and expertise needs to be mobilised in support of tourism marketing, management and development.*** The primary role of the private sector would be to invest resources and expertise into the planning area, and to promote it as an important tourism destination through their development and marketing of individual facilities and attractions. The primary role of the state would be to provide regional planning support and generic marketing in partnership with the private sector. This in turn would promote economic growth and employment creation.
- ***The tourism development framework must wherever possible and practical endeavor to build linkages between the proposed tourism developments within the nature reserves and existing and/or proposed community based tourism development initiatives adjacent to the Reserves.*** In particular it is noted that the Ebutsini, Sheba, Lomshiyo communities have embarked on their own tourism initiatives. Any proposed tourism development initiatives within the State (wholly or partly) should seek to support rather than compete with these. Similarly, specific efforts will be made to ascertain where tourism and/or conservation related activities could be 'outsourced' to local communities, and for the use of indigenous building technologies. Wherever possible private sector expertise should be brought in to support these development efforts especially in terms of aspects such as sustainability (economic, financial, environmental and social) as well as marketing.



- ***The design principles formulated for the planning area need to be integrated into and consistent with the development objectives and priorities of the relevant District, Sub-regional, Local and Tribal authorities' areas.*** As such the objectives and priorities for the Tourism and Biodiversity Corridor and its component parts in South Africa would need to be fully integrated into the relevant Local and District Authority Land Development Objectives (LDOs) and Integrated Development Plans (IDPs). The principles for development as included in the South African Development Facilitation Act (1995) and the National Environmental Management Act (1998) will also need to be applied. In the same vein, and to avoid ad hoc decision making that results in conflicting land use developments in close proximity to one another, it is important that an integrated development strategy and land use plan for the whole Planning Area is prepared. Similarly, as the Swaziland Biodiversity and Tourism Corridor initiative progresses it would be important that their related design principles, strategies and projects are integrated into the relevant public sector planning and development processes and programmes.
- ***Areas with land claims:*** It is essential that in those instances where there are land claims on any areas of land targeted for tourism developments within the planning area, that the principles and procedures, and rights and obligations of the applicants and the Government are clearly stated in the bidding documents (Requests for Proposals) that are to be presented to prospective investors. As far as possible these claims should be resolved as soon as possible since the uncertainty around land tenure acts as a strong disincentive to further private sector investment and development.

## **8. Conceptual tourism development strategy**

The strategies provided are not intended to provide a comprehensive package, and more detailed and site-specific strategies will need to be developed on a site-by-site basis. When and where additional strategies are formulated for specific project sites and/or specific nature reserves, such strategies should not be in conflict with the basic design principles spelled out in section 6, or in conflict with the strategies described in this section.

The strategies described below have been developed over the period of the past two years. More recently elements of the strategy have been developed in more detail via such initiatives such as the "Study on Tourism Promotion and Development in the Republic of South Africa".



This initiative (that looked at a number of locations in South Africa) was commissioned by the Department of Environment Affairs and Tourism, and was in the process of finalization at the time of completing this report (The study is also referred to as the JICA Study – JICA being the Japanese development funding agency). The JICA study provides more detail about certain of the strategies and how they could be implemented within the South African component of the TBC.

A second related document that should be read in conjunction with this TBC Preliminary Tourism Development Strategy is the TBC Multi year Development Programme (MYDP) that was completed in the latter part of 2001. The MYDP (which built on the preliminary tourism development strategy in so far as they were defined in late 2001) takes a more business planning type focus on the TBC, and highlights the following:

- The key activities that need to be undertaken as part of the TBC initiative.
- The related institutional responsibilities for executing such activities.
- The current status in terms of each activity.
- The likely time framework within which such activities are intended to be implemented.

### **8.1 The vision**

The vision is to:

- Establish the sub-region as a world-class tourism destination
- To restructure the economy from one that is stagnant and based primarily on mining and agricultural led development, to one that is growing, and underpinned by tourism, conservation and agricultural-led development.
- The tourism product to be developed is based on a blend of nature based (photographic and consumptive), adventure, and cultural (including arts and crafts) tourism activities.
- The existing ownership and 'control' structures of the land is such that the key stakeholders are a blend of people from the public, private and community sectors.
- To market, manage and develop the conservation and tourism assets on the basis of a regional and collaborative approach with Swaziland and Mozambique.

## **8.2 Demonstration projects and related scheduling**

Whilst the planning area has undoubted tourism development potential, this potential has remained largely under-utilised to-date. The reasons for this lack of utilisation are varied, but would certainly include the fact that the private sector has in many instances been 'crowded out' by the public sector in terms of investment. Secondly, that the area is not at all well known as a tourism destination. Thirdly, that the private sector is probably concerned about the sustainability/security of investing substantial amounts of money in infrastructure and facilities on land which is generally not owned on a freehold basis. Fourthly, the State has also had concerns about the potential impacts of allowing private sector investment into areas that were essentially set aside for conservation uses. Fifthly, there are also certain strategic elements of tourism related infrastructure that need to be developed and/or upgraded.

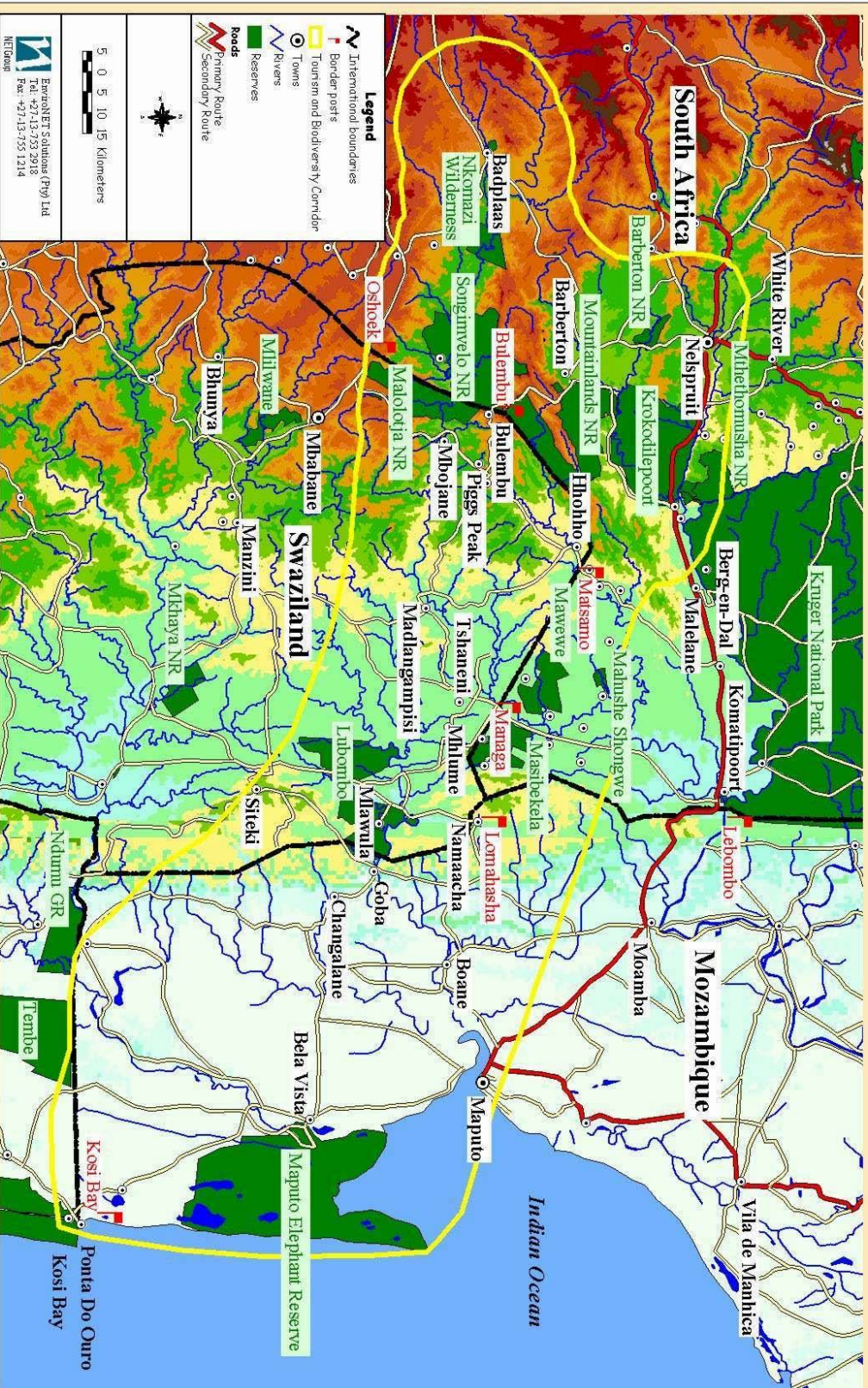
In recent years there has been a far greater acceptance of the need to form partnerships between the State, the private sector and communities for the development of conservation based tourism ventures.

However, these concepts of private sector investment, tourism-led development, and of partnerships still need active support and encouragement until the approach, related procedures, principles and so on are well accepted and understood.

For this reason it is proposed that an important strategy in promoting the development of the planning area as a priority for sustainable tourism-led investment and economic growth, is to identify a range of demonstration projects that will demonstrate how tourism related investments and partnerships can be structured in a viable and sustainable manner. As part of the initial demonstration process 14 initial demonstration projects have been selected. They are all described very briefly below. In those instances where these anchor projects have been conceptualized in some detail, are described in Annexures 1-11.

Whilst no hard and fast scheduling has been described, it is clear that certain of the investment opportunities are more likely to be able to be implemented in the short run (with implementation in the first half of 2002) than others. It is proposed that those projects that are potentially implementable in the short run should be pursued first, and that the publicity achieved can be harnessed for the marketing of the other investment opportunities.

# TOURISM AND BIODIVERSITY CORRIDOR



Similarly, it is hoped that once investors have invested in the planning area and tourists are present (such as the new owners of the houses at Msauli), these tourists constitute a semi-captive market for other particular tourism ventures (such as game drives and 4X4 drives in Songimvelo, Mountainlands, Ebutsini etc.) thus one creates a 'snowball effect' with each development boosting the marketing of the destination, whilst at the same time increasing the demand for a variety of tourism products, as well as support services.

There are already a number of investment initiatives underway including the following: Investment and development process at **Piranie** is already underway and has been driven largely as a private sector initiative. Its impact on the broader planning area is likely to be limited to one of marketing. Similarly the development of the **Nkomazi Wilderness Nature Reserve** is also well underway as a private sector driven tourism and conservation initiative. The successful development of this project will contribute much investor confidence and to the development momentum in the area. Recently initiative was launched to prepare a nomination for the entire **Barberton Mountainlands as a World Heritage Site** possibly under the banner of the "**Cradle of Life**". If this initiative is successful, and the prospects would appear to be very good in context of the areas unique ancient geology and earliest known life forms on earth, then this status would provide very valuable marketing for the sub-region's (and the country's) tourism industry, and also ensures that the sites is properly managed and conserved.

It is proposed that **The Rehabilitation of Msauli Village** be pursued as the **first new initiative**. The successful rehabilitation of Msauli village, and the subsequent sale of individual properties with rehabilitated houses is a development opportunity that can be implemented immediately. The major spin-off effects of this are expected to include the initial local employment creation and SME development during the course of the rehabilitation of the village. The proposed traversing rights (not exclusive) to the Songimvelo Game Reserve would also secure a revenue stream for the Mpumalanga Parks Board (MPB) that would not only enhance the MPB's budgetary situation, but also act as a focused marketing campaign ('word of mouth') for Songimvelo, and secure additional funds for limited capital expenditure projects and programmes. The successful sale of the residential stock in Msauli will also have the spin off effect of boosting investor confidence in the destination. Once the new owners are using their properties, they provide something of a captive market for a number of the tourism-related facilities/products in the area. These include escorted and self-drive vehicular travelers through Songimvelo, Malolotja, Mountainlands Game Reserve, Barberton Town, Ebutsini 4X4 trail etc. Finally, having a semi-

permanent population will also increase the demand for related commercial and social services. This in turn contributes the diversification of the local economy, and create a new economic life-line for the people living in this somewhat isolated valley.

**The second** demonstration project is the upgrading of the Barberton to Bulembu Road, which is a strategic access route into the TBC. This upgrading is to be undertaken using concrete block paving. This method of construction has been selected specifically because it not only provides a very sound technical/engineering solution, but because it is also a method of construction that can be very labour and SME intensive. The funding for this section of road was secured from national and provincial government in January 2002 and planning construction of the road is underway.

**The third** demonstration project to be pursued, and it could well be in parallel with the rehabilitation of Msauli is **The Commercialisation of Komati River Lodge, Kromdraai** which are both existing facilities in Songimvelo Game Reserve **and the development of tourism facilities in the Songimvelo Panhandle** section of Songimvelo. The priority for these two projects is related to the fact that they are both significant existing assets that are extremely poorly utilised. The major spin off effects of this development is likely to include employment creation; further diversification of the local economy; marketing of the destination; increased demand for additional tourism activities for tourists resident at Komati River Lodge and Kromdraai; and increased opportunity for SME development.

**The fourth** initiative builds on the current processes of establishing the basic infrastructure and facilities at Mountainlands Game Reserve a step further by initiating the process of **tourism investor mobilisation for the development of the tourism facilities in Mountainlands**. This process is intended to result in the development of new game lodges, and possibly a hotel, conference facilities, education and training centre, sporting and recreational facilities and walking and 4X4 trails with their related camps. Once again, one could anticipate spin off opportunities related to employment creation, diversification of the local economy, marketing of the destination, increased demand for additional tourism activities for tourists resident at the various Mountainlands Game Reserve lodges and camps, and increased opportunity for SME development. This initiative is particularly important in that it is also based on a partnership between the three main categories of land owners who represent the local community (Lomshiyo Trust), the Private sector (Dycedale and Wonderscheur) and the public sector (Mpumalanga Parks Board). As such it presents an important community public private partnership (CPPP) opportunity.



**The fifth** demonstration project, which will derive considerable demand from the developments at Msauli, Songimvelo and Mountainlands, is the **Ebutsini Community tourism project**. This is a community-based initiative based in the very picturesque area of communal land that is located between Malolotja and Songimvelo. The initiative is largely geared to the adventure tourism market and included the development of a tourism office and provides tourist accommodation as well as the opportunity to drive along a demarcated route that is suited to the use of 4X4 vehicles. In the latter regard this project is intended to capitalize on the tremendous growth in sales of 4X4 vehicles in general, but in particular to mobilise clients from among the likely tourist who will be using the first three demonstration projects (referred to above) as well as the tourist demand that should result from the demonstration projects that are described below that will take place in Swaziland. This project also includes the expansion of the existing medicinal plant seedling nursery, and the propagation of rare and endangered plant species. The produce of the nursery is intended for the local, regional and international markets.

**The sixth** demonstration project is the development of a **tourism information centre in Badplaas**. The Badplaas tourism information centre is strategically located relative to the flow of tourists moving from Gauteng Province to Barberton and from the Highlands meander (Dullstroom, Machadadorp etc) through Badplaas (and from resorts such as Badplaas) into the project area. Presently Badplaas does not have a suitable tourism information centre and this has a negative impact on marketing and information dissemination to self-drive tourists. The Information Office franchising concept of the Mpumalanga tourism Authority is ideally suited to this end.

**The seventh** demonstration project, which is closely aligned to the sixth, is concerned with **the upgrading of the road signage throughout the TBC** (including Mpumalanga and Swaziland) with a consistent set of internationally approved (SADC approved) road route signs. The design of these signs has already been completed and approved as part of the Tourism Route Signage project initiated by the Wild Frontier RTO, as well as the preparation of a related map book. Roads and facility audits for the entire Wild Frontier area have already been completed, and planning for the erection of the signs is already underway.

**The eighth** demonstration project is directly concerned with transboundary collaboration in terms of economic development and conservation management, as well as enhancing the diversity of tourism product and experience available to the tourist. The **establishment of the Malolotja/Songimvelo Trans Frontier Park (TFP) and the**

**broader Songimvelo/Malolotja Transfrontier Conservation area (TFCA)** is intended to provide the tourist with very easy access to a wide range and diversity of tourism products across an international border. This will provide those hiking, horse riding or self driving tourists with a unique opportunity to experience such activities in a transboundary context, unfettered by the normally associated hindrances of international border control, as well as in very diverse environments. This process is already in its early stages of conceptualization/implementation through the drawing-up of the relevant international protocols.

**The ninth** demonstration project is also concerned with transboundary collaboration in terms of economic development and conservation management and is focused on the establishment of the Lubombo Conservancy TFCA between Swaziland and Mozambique. This process is also already in its early stages of conceptualization/implementation.

**The tenth** demonstration project is concerned with the **Expansion of Tourism Facilities in Malolotja**. As was mentioned earlier in this report, occupancy levels in Malolotja have traditionally been higher than those of Songimvelo, and with the improved marketing of the planning area as a destination, and with the successful development of the previous demonstration projects described above, one can anticipate an increased demand for facilities related to the photographic and adventure tourism activities that are on offer in Malolotja. The expansion of accommodation facilities in the form of wood-faced cabins is nearing completion and the development of an interpretation center at the Ngwenya mine with rest room and restaurant facilities is also nearing completion.

**The eleventh** demonstration project is concerned with the **Development of Tourism Facilities at the Maguga Dam**. This dam is situated in a very picturesque setting, and has superb access by road. This access will be even further enhanced if the proposed upgrade of the Barberton to Bulembu to Piggs Peak road is implemented. Market realities suggest that much of the dam resort tourist market is likely to be drawn from places such as Gauteng and Nelspruit. These tourists do at present have quite a significant number of similar opportunities closer to home. However, once the above mentioned demonstration projects come on stream, the marketing of the Maguga projects can be set within the context of a very diverse range of tourism products and experiences. Furthermore, with the successful development of Bulembu, Msauli, Songimvelo, and Mountainlands, one could expect that there will be additional tourism demand for the particular types of tourism products on offer at Maguga (such as house boats, canoeing, fresh water game fishing, water skiing etc.).

**The twelfth** demonstration project, is concerned with the upgrading of the internal road network at Mlawula Nature Reserve to a level suited to 2X4 vehicles, and the development of a new entrance gate on the recently upgraded road between Siteki and the Mhlumeni/Goba border. Funding has already been secured for this project and work is already underway.

**The thirteenth** demonstration project is located in Swaziland, and is concerned with the **Rehabilitation of Bulembu Village**. This project is expected to have very similar types of impacts as were described in the case of the first demonstration project – the Rehabilitation of Msauli Village. The key difference here is that the development project at Bulembu is almost three times larger than that at Msauli, and would be expected to have commensurately larger socio-economic spin-offs. The successful rehabilitation and sale of this village is likely to provide a very significant boost to the subsequent demonstration projects as described below, as well as for the South African projects mentioned above. The later scheduling is directly related to the fact that Msauli is smaller and more appropriate to ‘test the market with’ as well as the fact that the timing in relation to mining activities is far more appropriate. It is possible that the scheduling of this project may move forward as a result of the recent (April 2002) decision to liquidate the Havelock mine.

**The fourteenth** demonstration project, which could depending on the demand analysis and assessment be shifted forward in the scheduling, is the development of a **Consumptive Tourism Zone** in the Nkomazi of Mpumalanga and far north-eastern section of the Hhohho district of Swaziland. Within this area there are a number of existing reserves/conservancies that are unlikely to be able to compete with the Kruger National Park, or the nature reserves that have already been established in Northern Swaziland in terms of their scenic value and spectrum of existing wildlife, and their related potential to provide opportunities for photographic tourism. As such they are likely to battle to attract tourists, and as a result they are also unlikely to attract private sector investment for such activities. A potentially more attractive option that requires further investigation would be to use these reserves as destinations for consumptive tourism (which is not for instance available within the Kruger National Park) with a component of cultural tourism. This type of tourism use is potentially very important since it would offer attractive returns to the local communities, a variety of entrepreneurial opportunities, and it is also a market where there is very significant demand from local ‘biltong hunters’ who do not demand very high standards of physical infrastructure and services. *(Note: This project has yet to be initiated)*



### **8.3 Tourism management strategies**

- ***The maintenance and in certain respects the enhancement of the conservation function.*** To a very significant degree, the underlying tourism product being offered is the natural environment. From a long-term economic sustainability perspective, it is therefore essential that the natural environment is properly conserved.
- ***The Swaziland and Mpumalanga Governments will be responsible for putting in place the environmental regulatory framework for the planning area within which the tourism developments will be implemented, and for monitoring compliance by developments in terms of this framework.*** The Governments could where practical also devolve - on a management contract basis - the environmental management function to the private sector. In such instances the State will always maintain the environmental regulatory function.
- ***The development of a set of development and operating standards that will guide the development process for the Planning Area.*** Due to the very real environmental sensitivities associated with the development of tourism facilities and infrastructure within the planning area, it is essential that the Mpumalanga and Swaziland Governments put in place a set of sustainable environmental standards. All developments will need to be designed and operated to conform to these standards. It is proposed that the ISO 14000 standards would provide such a set of internationally accepted standards.
- ***The development of a legal and institutional framework for the processing of 'unsolicited bids' from interested private sector parties for tourism and/or conservation related activities needs to be developed.*** Whilst an initial set of tourism anchor (or demonstration) projects (refer to section 9) has been selected for immediate development, there are many other viable and sustainable development opportunities that exist within and adjacent to the existing and/or proposed reserves/conservancies. Initiatives from enterprising members of the community which are not in conflict with the conservation and/or tourism development framework/objectives, and which will also ensure the better utilisation and maintenance of these state assets need to be encouraged and supported. This framework would also need to provide guidance in respect of the criteria and procedures for the evaluation and adjudication of bids. At present it appears that the necessary legal and institutional policy framework to facilitate such an approach does not exist within

Swaziland or the Mpumalanga Province. This framework will also need to provide for greater efficiency in the evaluation of bids. The current timeframes involved in government processes tend to be so tedious that they discourage private investment.

- ***The development of a legal and institutional framework that would facilitate the local re-investment of revenues generated within the planning area nature reserves/conservancies.*** Such funds would/could only be utilized for legitimate Provincial government related responsibilities. These include: *Firstly*, conservation activities within and adjacent to the Reserves. *Secondly*, the maintenance of physical assets within and adjacent to the Reserves which are on state and/or communal land. *Thirdly*, socio-economic development (Local Economic Development) initiatives with adjacent communities. So as to ensure that the re-investment principle is effectively applied, very specific conservation and land management objectives and strategies for each nature reserve will need to be defined in a goal oriented management plan.

#### **8.4 Tourism marketing and product development strategies**

- ***The private sector developers/operators will assume the primary responsibility for the marketing of the individual project investment areas.*** In view of the very real financial and technical capacity constraints faced by the Provincial and Local levels of Government, and the local communities, this strategy would also be applied in those instances where partnerships between the private sector and the State and/or communities are being utilized.
- ***The public sector in collaboration with the various parastatal and community tourism associations will be responsible for promoting the planning area as a destination.***
- ***Tourism product development strategy should focus on supporting the public and private sectors*** in further defining and developing the tourism products. Main products would be related to the development of game reserves/wildlife lodges and resorts; adventure tourism pursuits (including hiking, mountain biking, quad biking, 4X4, rock climbing, abseiling, paragliding); scenic drives focused on natural and cultural heritage; and specific interest tourism products (that are based on the mining history, geology and archeology). As part of this strategy it would also be important to improve on existing products (by improved marketing, interpretation, and building product linkages); expanding certain products (such as

the under-utilised potential related to the game reserves and wildlife); and the development of new products (especially in terms of the adventure tourism activities in the reserves and in the mountains).

### **8.5 Tourism development strategies**

- ***The State, private sector and community land owners are to identify a range of tourism investment opportunities in and adjacent to the nature reserves, and then to package them for investor mobilization.***
- ***The development of tourism related facilities and infrastructure in the provincially controlled nature reserves as a means of generating socio-economic development and growth.*** Over and above the contribution that tourism development can make to economic growth and employment creation, tourism developments within the Provincially controlled nature reserves will generate very important sources of extra income for the nature reserves. This income can be utilized to fund the various conservation and socio-economic activities. Such incomes would supplement the funding that is currently being derived from the Provincial budget, and will partly alleviate the shortfall in funding experienced on these nature reserves. It is possible that in certain reserves the additional funding derived from the tourism activities could result in reduced fiscal impact to the Provincial Government.
- ***Tourism development initiatives need to focus on the development of smaller tourism facilities providing more affordable (not exclusively high-income) tourism facilities geared to the adventure tourism, wildlife viewing and scenery.*** The analysis of existing market trends indicates that these types of facilities/accommodation are the best utilized at present.
- ***The mobilization of private sector investment and expertise for the development of tourism on both communally controlled and State land.*** The key role and function of the private sector partners would be to provide the necessary human and financial resources to facilitate the development, marketing and operation of the tourism facilities. The prevailing socio-economic circumstances of the local communities are such that they cannot develop the necessary infrastructure and facilities. Furthermore, since these communities also lack the required skills and experience, they are very unlikely to be able to operate such tourism facilities without outside support. Similarly, the Swaziland and Mpumalanga Province Governments are

very hard pressed within the context of other more pressing socio-economic priorities, to provide the necessary human and financial resources to facilitate the tourism development process.

- ***The development of tourism infrastructure and facilities based on the use of partnerships between the State and/or the local communities with the private sector.***
- ***The upgrading of key elements in the access road network.*** Since Gauteng and Mpumalanga are likely to be the biggest source markets for the Tourism and Biodiversity Corridor, and as most of these Gauteng and Mpumalanga based tourists are likely to be self-drive tourists, it is important that the main access road network is reasonably well developed. By and large the main access road network is adequate, but there are a few important exceptions. These include the surfacing of the Barberton to Bulembu Road (see too section 9.2); secondly, the rehabilitation and upgrading of the Wonderfontein to Carolina to Badplaas to Msauli to Bulembu road; and thirdly the upgrading (realignment and widening) of the Nelspruit to Barberton Road.
- ***Focus the development of tourism accommodation and infrastructure on communally controlled land wherever possible as a priority.*** There are significant areas of communally controlled land that have significant inherent and under-utilized tourism development potential (such as the Lomshiyo Trust land in the Mountainlands game reserve). This is significant bearing in mind the extremely poor socio-economic circumstances currently prevailing in these areas, and the fact that the opportunities for further employment creation in the other economic sectors is very limited. Within this context it is proposed that wherever possible, the development of new accommodation facilities should take place on communally controlled land in order to facilitate greater empowerment benefit flows (including the development of SMEs) to local communities.
- ***The maintenance of the existing gravel road network providing access to the nature reserves needs to be improved.*** The priority focus areas would need to be on those nature reserves selected as part on the initial set of demonstration/anchor projects. These are Songimvelo, Mountainlands Game Reserve, Songimvelo Panhandle, and Mawewe/Masibekela/Mohushe Shongwe complex in Mpumalanga. At present the gravel road network providing access to these nature reserves is often not properly maintained (due to resource constraints) with the result that one could not guarantee

the 2X4 tourists access to these nature reserves. This in turn significantly reduces the attractiveness of these locations to tourism investors, and as a spin-off reduces the revenue and employment generating capacity of these under-utilized assets. The maintenance function could also be used as a means of generating further sustainable opportunities for small entrepreneurs who could become responsible for the road maintenance function. The necessary funding would need to be sourced from the Swaziland and/or Mpumalanga Provincial and/or specific local authority budgets. In certain instances such as in the case of the Barberton to Bulembu Road, it is possible that national and provincial funding can be obtained.

In Swaziland's case the access to Malolotja and to Maguga Dam is significantly better than is the case for the South African Reserves/conservancies. The one weak link is the road between Bulembu and Piggs Peak, as well as between Piggs Peak and Tshaneni. Both of these roads have been identified by the Swaziland Government as priorities for upgrading and have already been subject to preliminary and now detailed planning..

## **8.6 Spatial development strategies**

- ***The Swaziland and Mpumalanga Governments are responsible for identifying those locations within and adjacent to the Provincially/Nationally controlled protected areas that are immediately available for the development of tourism facilities and infrastructure.*** The basis for this basic zoning will be the sustainability of likely environmental impacts. The Governments should also define (again on the basis of environmental impacts) those areas within each of the nature reserves that are not available for the development of tourism infrastructure and/or facilities. Where the potential environmental impacts of tourism development are not clear, tourism developments should not be allowed to proceed prior to the necessary environmental analyses and assessments being undertaken. Government should however avoid unnecessary delay with these assessments as this too will act as a disincentive to private sector investment. In those instances where investors wish to urgently invest in such areas (where government has not yet done the necessary environmental assessments), the costs associated with the execution of the necessary environmental impact assessments will have to be carried by the prospective investors.
- The Swaziland and Mpumalanga Province Governments will be responsible for putting in place an Environmental Management

Framework that will guide further tourism developments in the long run.

### **8.7 Investor mobilisation strategies**

- ***The development by the public sector of specific elements of strategic infrastructure.*** Whilst the sub-region has reasonably good road infrastructure, a critical weakness that has been identified is the very poor state of the Barberton – Bulembu- Piggs Peak – Tshaneni road. This road is the ‘spine’ of the Tourism and Biodiversity Corridor. In view of the market failure, and the roads strategic function, the road’s upgrading will need to be developed via public and/or donor finance<sup>9</sup>.
- ***The identification and mobilization of specifically targeted investors to ‘kick-start’ the tourism investment process.*** The sub-region is not well known as a tourism destination, very little marketing of the region has taken place, and resources and expertise for marketing the region are very limited. Within this context priority will initially be given to identifying certain investors with a proven track record in terms of the development, operation and marketing of nature based, adventure and cultural tourism facilities. The mobilizing of these established and credible investors/developers/operators into the sub-region will help establish the sub-region as a destination as quickly as possible.
- ***Collaboration between the public, private and community institutional structures in the sub-region.*** The planning and development process thus far, as well as the future mobilization and facilitation of investment into the region is supported by a strong collaborative effort by a range of public, private and community organizations. Key stakeholders that have, and will continue to play an active and direct role include the national ministries of tourism and environmental affairs in both Swaziland and South Africa. At a provincial level, the Mpumalanga Tourism Authority and the Department of Finance and Economic Affairs are supporting the initiative. At a local authority level the Umjindi Municipality has played a leading role with the Barberton Chamber of Business and the Wild Frontier Regional Tourism Association. The longer-term sustainability of the initiative is also significantly dependent on the active support, and more particularly participation of the local private

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<sup>9</sup> At the time of writing the Barberton to Bulembu section, and the Piggs Peak to Tshaneni section of road have secured funding. Funding for the Piggs Peak to Bulembu section is still outstanding.

sector and communities. In the latter regard the Lomshiyo Trust and community, the Sheba community, and the Ebutsini community are critical.

- ***A sustainable and growing tourism development industry will require an appropriately trained work force.*** This issue will require a collaborative effort between the public, private and community sectors especially since the area has a low tourism base, and related skill levels are limited.

## **9. Demonstration projects**

Below are listed those proposed anchor projects where some degree of planning and conceptualization has taken place. As can be seen from the discussion in the annexes, in certain instances projects are well advanced, whilst in other, considerable further work is required before the projects could be marketed to prospective investors..

- 9.1 Msauli Village Rehabilitation (See Annex 1)
- 9.2 Barberton to Bulembu Road upgrading (See Annex 2)
- 9.3 Commercialisation of existing facilities at Komati River Lodge and Kromdraai in Songimvelo, and the development of new facilities in the Songimvelo Panhandle. (See Annex 3)
- 9.4 Mountainland Game Reserve – development of tourism facilities and investor mobilisation. (See Annex 4)
- 9.5 Ebutsini Community Tourism project. (See Annex 5)
- 9.6 Badplaas Tourism Information Centre (See Annex 6)
- 9.7 Upgrading of the TBC Route Road signage (See Annex 7)
- 9.8 Establishment of the Songimvelo/Malolotja Trans Frontier Park (TFP) and Trans frontier Conservation Area (TFCA). (See Annex 8)
- 9.9 Establishment of the Lubombo Conservancy TFCA between Swaziland and Mozambique (See Annex 9)
- 9.10 Development of tourism facilities at Maguga Dam (See Annex 10)
- 9.11 Rehabilitation of Bulembu Village (See Annex 11)

## **10. Follow-up actions**

This report is largely conceptual in terms of the vision, objectives, principles and strategies it describes. The report is also preliminary in that it provides details about only a few selected anchor investment projects which, at the time of writing were either already in implementation, or appeared to be the most likely to be implemented within the next 6-12 months. The report is very much a working

document that assists those driving the TBC process on a day-to-day basis. However, this preliminary and conceptual approach does have limitations, and now that the point has been reached where there is very considerable interest and support for the initiative from communities, the public sector, donor agencies and the private sector, it is important that the planning framework is developed more comprehensively, and more inclusively. These aspects are discussed further below.

The report requires very specific follow-up actions in order to facilitate the inclusion/adoption of the objectives, principles, and strategies into the development priorities and strategies of the various levels of government in Mpumalanga. Whilst the existing efforts to identify and implement some of the initial anchor projects has done much to increase the level of political support for development in parts of the Wild Frontier area of Mpumalanga, and to boost the development momentum in the project area the longer term success of the Tourism and Biodiversity Corridor is inevitably going to be very strongly impacted on by the extent to which the public sector actively supports and promotes the initiative. These public sector initiatives are vitally important in terms of creating the favorable investment environment within which the private sector can operate. In this regard the TBC needs to be included into the plans – Land Development Objectives and Integrated Development Plans – of all (it is already included in some) those local and provincial authorities that are potentially impacted on by this initiative. To initiate such a process will require a process of dialogue and debate between those currently driving the initiative and the various authorities in order to explain exactly why such a process is necessary.

It is also important that specific actions are taken in respect of the many rural communities. These communities have a history of marginalisation, and have also suffered the effects of sharp declines in employment from the mining sector. The agricultural sector in the Barberton district has also been growing very slowly. Whilst the greater emphasis being placed on tourism-led development in the Wild Frontier area is easy to motivate from an economic perspective, special care will need to be taken to ensure that the rural communities are fully involved and included in the planning and development process than has taken place thus far. These communities have a very strategic role to play in any tourism-led development initiative in that firstly, they live adjacent to many of the prime tourism assets. If communities experience little or no benefits from the development process, there is every chance that they will become embittered with the process and may well disrupt it with very bad consequences from tourism. Secondly, these communities also live on, or control areas of communal land that could offer additional opportunities for the development of complementary tourism development products and experiences. If these areas of land are to be included into the



broader tourism product and facilities, the communities will need to more fully understand the broader tourism development strategy for the TBC. Thirdly, the developments in the region offer a good opportunity for economic growth, wealth creation, and empowerment of local rural communities, and these opportunities should not be missed.

One of the main reasons for the increased level of interest and commitment from government for the TBC is that there is an increasing perception (as well as some tangible results) that the TBC initiative will lead to substantial new socio-economic development and growth. In order to ensure that this positive momentum and sentiment is maintained, and that public, private and donor support does not wane, it is imperative that the actual progress made with the initiative is properly monitored, recorded and publicised. In this regard, it is important that proper 'tracking systems' are designed and implemented whereby the level of success and/or failure of the initiative can be monitored on a reasonably scientific basis over a period of time. Such a system will not only provide important intelligence for public sector decision-making processes in terms of public funds, but this information is also potentially very useful to prospective donor and/or private sector investors in terms of providing them with accurate intelligence as to investor trends.

It is a surprising feature of the TBC initiative that it has, notwithstanding its success thus far, never secured a permanent project manager (with resources) to 'drive' the process. Tremendous reliance has been placed on the goodwill of individuals in the private sector, and small amounts of grant funding to support the technical work programme. It is critical that as part of the implementation of the TBC initiative in the future, that a properly funded and credible programme manager and technical team (that could be made up of selected technical consultants rather than permanent staff) be put in place to manage the TBC implementation process. This programme manager and team would take the lead in terms of the following key activities:

- *To facilitate the implementation of the TBC Multi-year Development Programme.* Related to this is the regular updating of the MYDP in terms of progress made with existing projects, as well as to include into the MYDP new additional project initiatives where applicable.
- *To facilitate the identification and conceptualisation of additional anchor investment projects* as part of the TBC. In this regard the programme manager will need to ensure that new projects identified are consistent with the objectives, principles and strategies as defined in the TBC Preliminary Tourism development strategy.

- *To facilitate the periodic updating of the TBC Preliminary Tourism Development Strategy.* As and when necessary the TBC Tourism Development Strategy will need to be updated to reflect changes in priority, to include additional elements of strategy, and to include new anchor projects that may have been identified.
- *To identify and facilitate the removal (where possible) of particular bottlenecks* (on an ongoing basis) that hinders the identification, conceptualisation and implementation of investment projects. These include political, institutional, technical and financial constraints.
- *To identify and facilitate the mobilisation of sources of technical and financial assistance* to support the implementation of the TBC Tourism Development Strategy and the Multi-Year Development Programme. In this regard it will be important to consider sources within the public sector (national, provincial and local authority), the private sector and the donor community.
- *The design and financing of relevant technical studies* that will facilitate the implementation of the MYDP. In this regard it must be noted that funding will not be used for capital expenditures, or for studies that should typically be the responsibility of investors. This technical component is specifically aimed at supporting the creation of an investor friendly enabling environment and on getting projects prepared/packaged to a level where they can be offered to prospective investors.
- *Interaction and coordination* with the relevant public, private and community stakeholders in context of facilitating the implementation of particular investment projects and the TBC programme. Such activities will be focused on those projects within the South African component of the TBC.
- *Strategic level interaction and coordination with the relevant South African government departments* (national, provincial and in particular local authorities) to ensure integration of the TBC Tourism Development Strategy and the related Multi-Year Development Programme into the relevant public sector policy and strategy frameworks (i.e. national tourism development priorities [including marketing, investor mobilisation, public works and poverty relief programmes etc.], provincial tourism development strategies [including infrastructure programmes, marketing initiatives, capacity building initiatives, youth development initiatives etc.], and local authority Integrated Development Plans.)

- *Transboundary collaboration and coordination* in order to ensure coherency and consistency between policy and strategy between the three countries that make up the TBC. In this regard it needs to be noted that the responsibility is confined to the technical aspects of the programme, and in no way interferes with aspects that are typically the responsibility of the relevant countries Foreign Affairs ministries. Particular emphasis should be placed on collaboration and coordination with the Swaziland Biodiversity and Tourism programme, which is already funded and operational.
- *Investor mobilisation in support of the various anchor investment projects.*
- *Marketing of the TBC and its opportunities nationally and internationally.* This function would be executed in very close collaboration with existing initiatives by the Barberton Tourism Local Organisation, Wild Frontier Regional Tourism Organisation, the Mpumalanga Tourism Authority and SA Tourism, as well as the Swaziland and Mozambique marketing initiatives and would focus on supporting, expanding and developing already established initiatives in this field.

In so far as the anchor projects are concerned, a number of the projects listed are in their conceptualisation stages. Since it is very likely that concepts may change somewhat, and that new exciting projects may be identified in the implementation process, it is also strongly recommended that the anchor projects be periodically updated so that the document reflects their current status reasonably accurately. It needs to be remembered that one of the key reasons for pursuing selected anchor projects was their demonstration effect to other would-be investors that the destination is one that is already popular with a range of investors. There can be little doubt that one of the best ways to convince would-be investors is to inform them about all the other existing investment success stories taking place in an area.

***Msauli Village Rehabilitation***

**INTRODUCTION**

Msauli Village was developed as a mining town in the early 1940s. Msauli is situated in a picturesque valley at the foot of the Ngwenya Mountains in the eastern Lowveld of Mpumalanga. Msauli is also located within the boundaries of the Songimvelo Game Reserve. Road access to the area is via a secondary road running from Badplaas to Barberton over the Saddleback pass. The distance by road to Barberton is 55km, to Badplaas 60 km and to the Bulembu Border Post 15km.

Mining operations at Msauli have ceased and the mine is in the process of decommissioning. As part of this decommissioning process, the current owners of the mine – African Chrysotile Asbestos Limited – are obliged to remove all structures and to rehabilitate the land.

ACA has found an investor/developer who wishes to purchase Msauli village including certain of the physical infrastructure/buildings for tourism/residential uses, and as a result related elements of infrastructure and certain facilities are to be retained. Once a closure certificate has been obtained, any structures remaining at the option of the new owner no longer carries the obligation to be removed and rehabilitated, as it no longer constitutes a mine.

The Mpumalanga Parks Board are responsible for the management of the Songimvelo Game Reserve. At 48 000 hectares Songimvelo is the largest of Mpumalanga's game reserves. It forms a contiguous conservation area with the 18 000 hectare Malolotja Nature Reserve in Swaziland. Both of these protected areas have tremendously high bio-diversity, and protect a range of rare and/or endangered plants/birds/animals. Songimvelo is an important water catchment for the Komati, Lomati and the Msoli rivers. This south-eastern part of Mpumalanga and western Swaziland is recognised world-wide as a remarkable locality for understanding the history and evolution/formation of the earth. The Barberton Greenstone belt rocks were formed between 3.5 and 3.2 billion years ago, making them the second oldest in the world. The area is also rich in archaeological and cultural history. Plans are already underway to make available considerable new portions of land in both countries as part of a Transfrontier Conservation Area of around 200 000 hectares (at least).

The Mpumalanga Parks Board has for a period of time been interacting with the mine owners (ACA) so as to ensure that any future change of ownership and land use at Msauli is one that will complement and supplement the future development of Songimvelo.

## **STRATEGIC ISSUES**

- The quality of the natural environment within Songimvelo is very good. The inherent tourism development potential of this nature reserve is significantly under-utilised, and the ability of this reserve to generate much needed revenues for the Mpumalanga Parks Board and its conservation activities, has been under-utilised.
- Whilst a limited amount of accommodation has been developed for tourist use within Songimvelo (Komati River Lodge and chalets at Kromdraai), such facilities have in practice been extremely poorly utilised to-date. In this regard, a key strategic issue has been that this area is not a well-known tourism destination, which situation has been exacerbated by the very limited marketing of the area. The limited marketing of the area also needs to be understood within the context of the Mpumalanga Parks Board's, and indeed the Mpumalanga Province's, very severe human and financial resource constraints.
- The Mpumalanga Parks Board is the adjacent landowner on all sides of Msauli village (which is essentially an island within Songimvelo Game Reserve). So as to support their tourism and conservation efforts within Songimvelo, the MPB has encouraged and supported a change of the current land use and its ownership to ones that are tourism based, and conservation friendly.
- The MPB is of the opinion that a change of land use to tourism/recreation and related residential uses, under the management and development of a sustainable and reputable developer would be strategically beneficial (economically, financially, and in terms of conservation) to the current operations and future development of Songimvelo.
- A critical issue in this regard is to encourage/ensure that the selected new investor has a proven track record in terms of the development, marketing and ongoing operation of such nature/adventure tourism based facilities<sup>10</sup>.

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<sup>10</sup> *Should the ownership of Msauli be transferred to a developer/operator that cannot rehabilitate and operate the village on a long term sustainable basis, this would*

- The existing owners can legally sell the village to a new owner on the basis of a private/private sector deal. There is no need for an open tendering process.
- The value of the village (and the ability to market and sell the existing housing stock) to a new investor will be significantly enhanced if supported by a mutually beneficial arrangement with the Mpumalanga Parks Board in terms of access to MPB land and facilities. The terms and conditions, and the nature and extent of such access would need to be formally agreed to as a 'side/parallel' agreement to the private/private sector deal between the current mine owners and a new investor.
- From a broader socio-economic development perspective, the development of tourism in this locality is the logical choice now that the mining operations are ceasing, and because of the inherent development potential of the area for nature based, adventure and cultural tourism. Tourism development is potentially well placed to absorb some of those retrenched from mining activities, as well as to generate a range of new local economic development opportunities for adjacent communities.
- There are certain land claims within the broader Songimvelo Game Reserve. These need to be resolved (one way or another) so as to provide a degree of certainty for the ongoing operation of tourism ventures in the area.
- There are a limited number of rural households located within and/or immediately adjacent to the Songimvelo Game Reserve. There are no fundamental reasons to suggest that these families cannot be included as active or passive partners in the long term tourism development processes within the area.
- The development of this tourism node is strategically vital to the longer-term development of the TBC.

## **OBJECTIVES**

The overall objective of this initiative is to promote sustainable socio-economic development within the context of this strategically important nature conservation and tourism development area. This area has been identified as a priority area for tourism-led development at a national

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*constitute the loss of an important opportunity to boost tourism development in the area, it could also pose a major risk to the MPB and the future development of Songimvelo.*

level (KPMG report on infrastructure in support of international and domestic tourism development), at a Provincial level (Mpumalanga Tourism Growth Plan), via the Spatial Development Initiatives, by Swaziland (Biodiversity and Tourism Corridor) as well as in terms of the development of a Transfrontier Conservation Area (with Songimvelo and Malolotja as the core)

Specific objectives include:

- ACA Limited would like to dispose of the village in a manner that realises a reasonable financial return for their shareholders.
- The MPB would like to see the change of land use from mining to one more commensurate with the MPB managed conservation and tourism activities within Songimvelo. As such MPB would encourage and support a conversion of this mining village to tourism/conservation and related residential uses.
- There are a number of priority socio-economic objectives:

**Firstly**, to identify a suitable tourism/residential investor to purchase the village before the existing infrastructure falls into disrepair. The private sector investor/operator would be responsible for the rehabilitation, operation and maintenance of the tourism infrastructure and facilities within the village.

**Secondly**, to use the development momentum gained via the private sector driven marketing and investment process in Msauli to boost the use of tourism infrastructure and facilities at Komati River Lodge and Kromdraai in Songimvelo. Similarly, to use this development momentum to boost the demand for further tourism-led developments in the Songimvelo Panhandle (essentially undeveloped at this stage), as well as Diepgezet and Josefsdal, both of which areas are also significantly under utilised.

**Thirdly**, to use the tourism development process as a basis for employment creation within the area.

**Fourthly**, the generation of new revenue streams (via the tourism development process) which could be used to support the long-term conservation and socio-economic development activities within and adjacent to the reserve.

## **PROPOSALS**

### ***Description of existing assets***

#### ***Infrastructure***

- The residential area of Msauli village is served with a reasonably well constructed road network. The portion of the road running through the village is tarred to control dust. Minor roads give access to many of the natural attractions in the area. The road network in Songimvelo varies. Certain sections such as ‘The Plains’ have a well-developed network that was developed for guided game drives, whilst ‘Dunbar Valley’ and the ‘Panhandle’ are only suited to heavy-duty 4X4 vehicles.
- The village is provided with power from ESKOM through a dedicated overhead power line running from Barberton to a main sub-station. All accommodation units are provided with power at a nominal 220V. The installed capacity of the power supply is 12.5MW, which is more than adequate for the proposed tourism/recreational and residential uses. Additional power is generated in the rainy season by a hydroelectric installation (1.25MW) in the Komati River.
- All the rivers in the area are perennial and provide the village with an abundant water supply. Water for human consumption is pumped from two pumping stations in the Mtsoli River, which is renowned for its clear and uncontaminated water quality. Potable water is processed at a water treatment plant<sup>11</sup> with a capacity of 2 000 000 litres per 24 hours. Potable water is collected in several strategically situated reservoirs from where it is distributed to consumers.

#### ***Accommodation facilities***

- Approximately 100 houses that were used for senior personnel constitute the most valuable part of the accommodation facilities. Houses are either three or four bed roomed units, some 25% with en-suite or double ablution facilities. Thirty-nine of the houses are brick and mortar construction with the remainder being prefabricated. Eight of the houses are provided with swimming pools.

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<sup>11</sup> *Comprises a chemical assisted settling pond, sand filters and automatic chlorination.*



### *Recreational facilities*

- There is a recreation club with mens and ladies bar as well as function halls, a small shop, snooker and dart facilities and a well laid out barbecue area.
- A nine hole golf course situated next to the Mtsoli River and Songimvelo Game Reserve.
- Soccer field with pavilion and commentators box.
- Swimming pool, squash court, floodlit Bowling Green and three paved tennis courts, one of which is floodlit.

### *Other facilities/infrastructure*

- A well equipped guesthouse near the main office complex.
- A television transposer station comprising two satellite dishes with authorised broadcast rights for the immediate area is operated by the company.

### *Mine buildings and infrastructure*

- The main office complex that consists of eight large office areas, two smaller offices, toilet facilities and a large conference room, all housed in a double storey plastered brick building. Substantial storage facilities are also provided.

### ***Key principles***

- Rather than removing all existing infrastructure in Msauli village, the preferred option from a socio-economic development perspective is for the bulk of the housing, recreational and office infrastructure to be retained by ACA and then sold to a new tourism investor. The new investor will rehabilitate and maintain such infrastructure/facilities.
- Those buildings and infrastructure not suited to rehabilitation and re-use by the new investor/developer will need to be removed by ACA.
- The rehabilitation work required to restore the land (including dump rehabilitation) will need to be executed by ACA according to the

rehabilitation plan as approved by the Ministry of Mineral and Energy Affairs.

- When the village is sold the MPB will enter into negotiations with the new investor/developer so as to provide long-term access to Songimvelo according to specific conditions as agreed between these parties. Such negotiations can also if required by the prospective investor(s) also take place in parallel to the negotiations between the new investor/developer and ACA.

### ***Project parameters***

- Access granted by the MPB to traverse sections of Songimvelo will be based on a non-exclusive use lease/concession agreement. The land allocated for such traversing will not be sold to the developers/operators. Similarly, with the exception of the approximately 2000 hectares of land within which the village is located, those traversing rights to Songimvelo will not be exclusive rights.
- The introduction of any non-indigenous fauna and/or flora into the village and/or Songimvelo is prohibited, and the further control and management of alien infestations within the present 'surface rights' area will be the responsibility of the investor.
- The MPB retains the responsibility for all conservation management functions within Songimvelo and including the village. It is specifically noted that the introduction and/or reintroduction and/or removal of any animal species, including indigenous species, is the sole responsibility of the MPB. (See too ***element/contract two*** below)

### ***Project elements***

#### ***Element/contract one: Msauli Village***

- The rehabilitation of (and possibly extension), the development site (Msauli mining village) for tourist, recreational, accommodation and related facilities.
- The rehabilitation and operation of all related infrastructure and facilities by the selected investor/operator. The marketing and disposal of existing and/or new houses and/or facilities.
- The restocking of indigenous wildlife into the project area (Songimvelo Game Reserve).

- Security, fencing and access control for the village.

***Element/contract two: Access to Songimvelo Game Reserve***

- ***Zone A (Including Msauli village and the golf course):***  
Approximately 200 hectares that is owned and operated by the private sector and is reserves for the exclusive use of the village residents. This zone will be fenced and will have limited plains game within it. MPB will be responsible for all conservation functions, and for this service they will recover costs from the investor/developer/operator.
- ***Zone B (Including Diepgezet, Nooitgezien and Josefsdal):***  
Approximately 5000 hectares. Residents of Msauli will have access to this zone for hiking, cycling, climbing, self drive etc. Part of this area (estimated at 2000 hectares) will be restocked with plains game. Msauli resident's access to Zone B is not exclusive. Msauli resident's will be required to pay a yearly levy for unlimited (but controlled) access. Members of the general public are also able to access this area in terms of certain conditions, fees and controls. The development of additional lodges within this area by private sector and/or community-based developers at a later date is not precluded.
- ***Zone C (Including Songimvelo Plains and Dunbar Valley etc.):***  
This zone of some 30 000 hectares is characterised by Big Four game (no Lions), and as such access is more tightly controlled. Msauli residents will not have exclusive rights to this area. In view of the dangers associated with the wildlife within the area, (and bearing in mind the opportunity to introduce Cheetah and Spotted Hyena into this zone) walking/hiking would need to be on an 'accompanied' basis with an accredited guide. The terrain within this part of Songimvelo is particularly scenic and spectacular, but will only be suited to heavy 4X4 vehicles. To avoid over congestion within this zone strict controls will need to be developed to limit and control access. Is most likely that the bulk of vehicular access will need to be on the basis of guided game vehicles with professional operators/guides. It is proposed that tariffs for access to this area, be it for hiking or vehicular game viewing, will be on the basis of 'pay as you go'.
- ***Zone D (The Panhandle):*** The Panhandle has an area of about 14 000 hectares. The area is particularly well suited to hiking, but could be developed to provide limited access for self-drive 4X4 vehicles. There are existing structures on this part of the reserve

that could with very limited expenditure be redeveloped/rehabilitated for overnight accommodation. (See too section 8.3)

### ***Role of the partners – Public sector; Private sector; Communities***

#### *The State*

- The MPB will be responsible for the conservation management function within Songimvelo including Zones A, B, C, and D.
- The Department of Minerals and Energy Affairs will be responsible for overseeing and approving the Msauli mine rehabilitation plan. Ongoing monitoring of the rehabilitation

#### *ACA Limited (Current owners/operators of the mine)*

- Rehabilitation as per approved decommissioning programme of the mine, excluding any residential/recreational structures and supporting infrastructure indicated by the new investor/developer.
- Operation/maintenance of the bulk infrastructure and services (including security) on a basis as agreed to with the new investor/developer.

#### *The new investor/developer*

- Rehabilitation, redevelopment, operation and maintenance of accommodation facilities.
- Rehabilitation of the bulk infrastructure.
- Operation and maintenance of the bulk infrastructure on a phasing in basis as agreed to with ACA Limited.
- Marketing of all houses and facilities.
- Rehabilitation and maintenance of the golf course.
- Rehabilitation, operation and maintenance of all sporting and recreational facilities.
- Fire risk management

- Alien plant control as per agreed upon programme.

***Benefit flows – Public sector; Private sector; Communities***

- Public sector benefits via increased revenue from gate fees and lease/concession fees. These revenues can be reinvested directly back into the conservation and socio-economic development functions.
- The community benefits via direct employment, on the job training, and via related entrepreneurship opportunities (wood, refuse removal, road maintenance, tourist guiding, rehabilitation and maintenance, retail etc.).
- The private sector benefits by way of access to prime investment opportunities resulting from the decommissioning of a mine, as well as a package of rights to access Songimvelo Game Reserve which should enhance the potential to market this new tourism destination and its related facilities.

**STATUS AND FOLLOW-UP ACTIONS REQUIRED**

This project is an advanced stage of negotiation. The only key issues that deal finalisation is awaiting is final agreement on the traversing arrangements, and the final land disposal by the Minister.

**Barberton to Bulembu Road****INTRODUCTION**

At a macro level the single most important new infrastructural element in the Tourism and Biodiversity Corridor is the development of an all weather road running from Barberton in South Africa, through and over the mountains into Swaziland (via the Josefsdal/Bulembu border post) to Piggs Peak, then through northern Swaziland to Tshaneni (in the east) where it will link into the existing tarred road network that continues east into Mozambique via Namaacha border post and onto Maputo and/or Ponta Do Ouro.

**STRATEGIC ISSUES**

- The Barberton to Bulembu project entails the development of a strategic international tourism link road between South Africa (Barberton) and Swaziland (Bulembu). This road link will provide vastly improved access for tourists and travelers into the Tourism and Biodiversity Corridor, thereby boosting demand for the existing and proposed tourism products and facilities.
- Part of the road has already been upgraded to a black-top standard, but a distance of about 33km remains gravel. During rainy weather and/or at night this road is generally considered to be too dangerous for 2X4 vehicles, and certainly tourist 'unfriendly'.
- Within the context of the South African Governments Priority Areas for Tourism Infrastructure Investment programme, a decision was taken in early 2001 to upgrade the remaining section of the road by block paving the road. A key rationale for using this type of approach was the ability to upgrade the road using labour intensive methods combined with the block paved roads durability and flexibility. The road is due to be completed by March 2002.
- The *second* section of road to be developed as part of the Tourism and Biodiversity Corridor is within Swaziland, and is an extension of the Barberton to Josefsdal road. This component of the road (MR20) runs from the Swaziland side of the border – a village called Bulembu – through to Piggs Peak some 20km in distance. A detailed engineering design for this part of the road has been completed, as has the economic feasibility study. At this stage, the Swaziland Government has not secured funding for this 20km section of road. Present average daily traffic on this section of road is fairly low at

between 55 at the border post to 280 (at Piggs Peak) vehicles. However, it should be noted that the low levels of usage of this section of road can almost certainly be attributed to the very poor condition of the road (to-date) on the South African side of the border, compounded by the fact that the border post operates for very few hours per day. With the decision by South Africa to proceed with the upgrading of their section of the road, and a commitment by the border authorities to reconsider the operating hours at the border post should usage/demand increase, these two existing obstacles will be lessened. A second related issue is the decision by both countries to pursue the development of the Tourism and Biodiversity Corridor, which should have a direct impact in terms of increased traffic flows. (It should be noted that the Josefsdal border post is not open to commercial traffic at all. This status will remain unchanged for the future.)

- The third section of road provides the linkage between Piggs Peak and Bulandzeni (Tshaneni) some 37km to the east. The existing average daily traffic on this road varies from around 590 on the western side to 170 in the east. The Swaziland Government has secured the funding for this section of the road upgrading which is due to commence implementation.

## **OBJECTIVES**

The primary objective of this project is to complete to an all weather standard the provincial road linking Barberton to the Josefsdal Border gate with Swaziland.

Secondary objectives include:

- To utilise labour intensive construction techniques for the construction and upgrade of the 33 kilometer stretch thereby creating much needed employment.
- To construct the road in a manner that will provide maximum opportunity for the use of small contractors thereby providing a boost to SMME development in the project region.
- To create skills training opportunities in the road construction process.

## **PROPOSAL**

### ***Key principles***

- The use of concrete blocks to upgrade the road is intended to provide a highly durable all weather road for 2X4 vehicles.
- Road design, construction and maintenance will comply with accepted quality and safety standards that apply in South Africa.
- Use is to be made wherever possible and feasible of labour intensive construction techniques.
- Local labour is to be utilised wherever possible and feasible in the construction of the road.
- In constructing the road, use should be made wherever possible and feasible of local small and medium scale enterprises. This includes those activities associated with the making of the concrete blocks.
- Wherever possible and practical the road construction process should be used for the development of local skills that can be re-used in the region.
- One constructed the responsibility for long-term maintenance will be that of the Mpumalanga Department of Public Works, Roads and Transport.

### **STATUS AND FOLLOW-UP ACTIONS REQUIRED**

This project is already in implementation (as of February 2002). It is anticipated that the road upgrading should be complete towards the latter part of 2003 (about 20 months). The project is being managed by a Joint Steering Committee between the Barberton Chamber of Business and the Umjindi Municipality. Detailed activities and responsibilities are defined in the Tourism and Biodiversity Corridor Multi-Year Development Programme.



***Songimvelo Game Reserve - Commercialisation of Tourism Facilities***

**INTRODUCTION**

The Mpumalanga Parks Board are responsible for the management of the Songimvelo Game Reserve. At 48 000 hectares Songimvelo is the largest of Mpumalanga's game reserves. It forms a contiguous conservation area with the 18 000 hectare Malolotja Nature Reserve in Swaziland. Both of these protected areas have tremendously high bio-diversity, and protect a range of rare and/or endangered plants/birds/animals. Songimvelo is an important water catchment for the Komati, Lomati and the Msoli rivers.

Tourism developments have to-date been limited. The bulk of the existing developments have taken place within the "pan" or plains section of the reserve that is located south of the Barberton to Bulembu Road. The most significant tourism development is the Komati River Lodge development. it consists of a tented camp capable of accommodating 20 persons in ten en-suite tents. Although the facilities have been very poorly marketed and equally poorly utilised, they remain in good condition. Furthermore their location in a location that is very well populated with a diversity of plains and Big Game (Elephant, Rhinoceros, Buffalo, and Leopard) make these an important tourism investment opportunity. The area is very well suited to photographic (wildlife and scenery), adventure (mainly hiking), and limited consumptive tourism.

The Songimvelo Panhandle (part of the 48 000 hectare reserve) has an area of about 14 000 hectares. It is located north of the Barberton to Bulembu road and immediately adjacent to the Swaziland border. The natural environment is in a near pristine condition, and to date the area has been maintained as a wilderness area. The area is particularly well suited to hiking, but could be developed to provide limited access for self-drive 4X4 vehicles. There are existing structures on this part of the reserve that could with very limited expenditure be redeveloped/rehabilitated for overnight accommodation. Prior to any 4X4 vehicular access being allowed, certain specifically designed road improvements (to the MPB's environmental requirements) will need to be made to the route. In this regard, the use of a rehabilitate/operate/transfer principle will apply. The length of the concession to a private sector investor/developer will be proportional to the likely cost of improving this road.

The existing Kromdraai budget camp is located on the banks of the Komati River, and provides fairly basic accommodation in wooden chalets for up to 300 people. From a tourism perspective the lodge is not

very well located for tourists wishing to access the Songimvelo plains section of the Game Reserve (for photographic tourism) since there is no road infrastructure linking it to the 'Songimvelo plains' road network. As a result, it has been operating at extremely low levels of occupancy. This facility which has an inherent value of at least R5 million could be converted to provide accommodation for self-catering tourists who wish to access the adventure tourism opportunities including hiking, mountain biking, 4X4 trails, river rafting that are available in sections of the greater Songimvelo Game Reserve.

## **STRATEGIC ISSUES**

- The quality of the natural environment within Songimvelo is very good. The inherent tourism development potential of this nature reserve is significantly under-utilised, and the ability of this reserve to generate much needed revenues for the Mpumalanga Parks Board and its conservation activities, has been under-utilised.
- Whilst a limited amount of accommodation has been developed for tourist use within Songimvelo (Komati River Lodge and chalets at Kromdraai), such facilities have in practice been extremely poorly utilised to-date. In this regard, a key strategic issue has been that this area is not a well-known tourism destination, which situation has been exacerbated by the very limited marketing of the area. The limited marketing of the area also needs to be understood within the context of the Mpumalanga Parks Board's, and indeed the Mpumalanga Province's, very severe human and financial resource constraints.
- From a tourism development perspective, the area and the existing facilities are tremendously under-utilised. The Komati River Lodge is currently operating at a level of 3% occupancy which is completely unacceptable in context of the inherent development potential and the existing natural resource base and existing facilities. Similarly the significant investments undertaken at Kromdraai are largely wasted.
- From a broader socio-economic development perspective, the development of tourism in this locality is the logical choice now that the mining operations are ceasing, and because of the inherent development potential of the area for nature based, adventure and cultural tourism. Tourism development is potentially well placed to absorb some of those retrenched from

mining activities, as well as to generate a range of new local economic development opportunities for adjacent communities.

## **OBJECTIVES**

The overall objective of this initiative is to promote sustainable socio-economic development within the context of this strategically important nature conservation and tourism development area. This area has been identified as a priority area for tourism-led development at a national level (KPMG report on infrastructure in support of international and domestic tourism development), at a Provincial level (Mpumalanga Tourism Growth Plan), via the Spatial Development Initiatives, by Swaziland (Biodiversity and Tourism Corridor) as well as in terms of the development of a Transfrontier Conservation Area (with Songimvelo and Malolotja as the core)

Specific objectives include:

- The concessioning to the private sector of the operation and maintenance of the Komati River Lodge tented camp, the Kromdraai chalets, and the development of tourism operations in the Songimvelo Panhandle. This should ensure the more efficient and effective utilisation of the existing facilities.
- From a tourism development perspective the development and operation of quality tourism facilities that are located in a very scenic and well stocked nature reserve, will provide a significant boost to tourism-led socio-economic development efforts in South Eastern Mpumalanga and Northern Swaziland.

## **PROPOSALS**

### ***Description of existing assets***

- An existing 20 bed (Ten en suite tents) tented camp with all related facilities (dining, kitchen, office, storage, swimming pool, etc.) at Komati River Lodge.
- An existing 300 bed (50 chalets) camp located on the banks of the Komati River. These chalets are all geared to self-catering tourists, and centralised swimming pool facilities are also provided.
- Bulk road access to both facilities is reasonable.

- All facilities have good access to water, sanitation and energy supplies.

### ***Key principles***

- Songimvelo Game Reserve is of strategic significance in terms of the role it plays as a water catchment, as well as a conservation area for a tremendous diversity of biota. Any developments must not occur at the expense of this primary function.
- The responsibility for the management of Songimvelo is the responsibility of the Mpumalanga Parks Board. In order to enhance the levels of utilisation of the assets and the inherent tourism development potential, private sector investment and expertise will be mobilised to develop, operate and maintain tourism related infrastructure and facilities.
- Linkages between the developments in Songimvelo and other public, private and community based initiatives in areas adjacent to Songimvelo (including Swaziland) will wherever possible be promoted. In this regard specific emphasis is to be placed on identifying opportunities, and designing specific development support programmes for involving those communities living adjacent to Songimvelo in related upstream and downstream SME activities.

### ***Parameters***

- The land allocated for new developments (such as in the Panhandle) and or the operation of existing facilities will not be sold to developers/operators. A lease/concession agreement of up to 20 years (renewable) will be utilised for the proposed developments. It should be noted that the length of lease/concessions will be in direct proportion to the level of investment and scale of benefits to the State and/or local communities.
- It is proposed that Komati River Lodge could if required be extended at the developer/operators costs up to 40 beds. Similarly up to four lodges sharing 40 beds could be developed and operated by the private sector in the 'panhandle'.
- Building plan and EIA procedures will be specified by the Mpumalanga Government.

### ***Project elements***

*Element one:* The commercialisation of Komati River Lodge with the option to extend the facilities to 40 beds subject to the satisfactory compliance with EIA procedures.

*Element two:* The commercialisation of Kromdraai Chalets

*Element three:* The development of up to 40 beds of accommodation in the 'Panhandle' as well as the development of the 4X4 route (to MPB environmental requirements).

Investors/developers will be responsible for all the maintenance of all facilities and related infrastructure (i.e. site specific infrastructure) that they use for their tourism operations. Investors/operators are also encouraged to include proposals in their submissions as to how the maintenance of infrastructure and facilities could be used to generate SME opportunities.

### ***Role of the partners – Public sector; Private sector; Communities***

#### *The State*

- Initial site selection for accommodation
- DFA procedures
- Environmental feasibility studies for the lodges
- Environmental regulation
- Environmental management

#### *Private sector*

- Development, operation and maintenance of accommodation facilities
- Marketing and booking arrangements
- Development, operation and maintenance of on-site infrastructure (energy, water, sewage).
- Mobilization of funds and expertise

- On the job training for tourism related staff (guiding, vehicle recovery, basic first aid, lodge management and maintenance).
- Detailed EIAs for lodges

### ***Benefit flows - Public sector; Private sector; Communities***

Public sector benefits via increased revenue from gate fees and lease/concession fees. These revenues should be invested directly back into the conservation, maintenance of infrastructure and facilities, and socio-economic development functions. The State will also benefit via the maintenance of specific assets by the private sector.

The Community benefits via capacity building via on-the-job training, related entrepreneurship opportunities (wood, refuse removal, road maintenance etc.) and direct employment (related to tourism itself and the assumed environmental management responsibilities on communal and/or State land).

The Private sector benefits by way of access to prime investment opportunities that were previously unavailable on state land, and the resultant opportunity to achieve acceptable financial returns.

### **STATUS AND FOLLOW-UP ACTIONS REQUIRED**

Whilst the MPB appears to have accepted the above-mentioned conceptual proposals, there has been very limited actual practical progress with implementing these proposals to-date.

A description of detailed follow-up actions required and related responsibilities is provided in the TBC Multi-year Development Programme document

## **Mountainlands Game Reserve**

### **INTRODUCTION**

The Barberton Mountainlands Nature Reserve measures approximately 18 000 Hectares, and is situated to the east of Barberton town. The reserve is situated in an area of great beauty with high plant species diversity. The natural resource base is characterised by a variety of habitats set in a undulation and at times mountainous setting. The area has a very rich biodiversity and great scenic beauty. Several Red Data plants and bird species are found in the area. There are various antelope as well as carnivore species existing at present. Historically the Big Five also occurred in the area.

The Mpumalanga Parks Board has been appointed as custodian of approximately 10 000 hectares of State land within the nature reserve. Through cooperative management agreements with surrounding private and communal landowners whose land makes up the remaining portion of the reserve, these portions of land have been consolidated into a single ecologically and economically viable entity, capable of accommodating the Big Five (lion, leopard, elephant, rhino and buffalo).

This reserve is strategically very well located in a tourism development context both within Mpumalanga Province and in terms of the development of the Songimvelo/Malolotja Transfrontier Conservation Area between South Africa and Swaziland respectively. It is likely that the Mountainlands Reserve will in due course become part of the Songimvelo/Malolotja TFCA.

### **STRATEGIC ISSUES**

- The quality of the natural environment within Mountainlands is good. This reserve has only recently been established, and as such the inherent tourism development potential of this nature reserve has not been utilised.
- The nature reserve comprises 3 types of landowners – private, community Trust and State land. The latter's land was proclaimed as a conservation area in 1996 (proclamation No. 2 of 1996). The remaining portions is unproclaimed at present but will be proclaimed as a nature reserve in the near future.

- The reserve has been fenced with a game fence suited to 'plains game'. Initiatives are underway to secure funding for an upgrade of the fence to Big Five standards (via electrification).
- The reserve has reasonably good access in terms of existing provincial and national tarred roads. The condition of the roads within the reserve is generally poor.
- Numerous perennial stream originate on and flow through MGR.
- From a broader socio-economic development perspective, the development of tourism in this locality is the logical choice now that the mining operations are ceasing, and because of the inherent development potential of the area for nature based, adventure and cultural tourism. Tourism development is potentially well placed to generate a range of new local economic development opportunities for adjacent communities.
- The development of this tourism node is strategically vital to the longer-term development of the TBC.

## **OBJECTIVES**

The overall objective of this initiative is to promote sustainable socio-economic development within the context of this strategically important nature conservation and tourism development area. This area has been identified as a priority area for tourism-led development at a national level (KPMG report on infrastructure in support of international and domestic tourism development), at a Provincial level (Mpumalanga Tourism Growth Plan), via the Spatial Development Initiatives, by Swaziland (Biodiversity and Tourism Corridor) as well as in terms of the development of a Transfrontier Conservation Area (with Songimvelo and Malolotja as the core).

Specific objectives include:

- The mobilisation of private sector investments and lending
- The development of the MGR on the basis of a community/private public partnership
- The generation of a more diversified local economy
- The empowerment of the Lomshiyo and Sheba communities



## **PROPOSALS**

### ***Description of existing assets***

#### ***Infrastructure***

- The nature reserve is reasonably well located relative to existing provincial and national tarred roads including the N4 (major link between Gauteng and Maputo) and the R40 and R38.
- The road network within the reserve is suited to 4X4 vehicles at present. Prior to the mobilisation of tourism investors, some upgrading of this internal network may be required. Planning in this regard is currently underway.
- MGR is fully game fenced. The current fence is suited to Big Five save for the addition of the electrified fencing to be installed on the existing fence.
- There are numerous buildings within the nature reserve. Their current use and state of repair varies. Some are still used as residences by private/communal landowners. Future uses will be resolved in the later stages of the tourism development process.
- The reserve has easy access to ESKOM power. ESKOM currently provides power to three active mines within/adjacent to the reserve, and there is also one power line for residential purposes.
- There are 7 perennial stream in the nature reserve, as well as numerous non-perennial streams. They provide the nature reserve with an abundant water supply for both human and wildlife uses.

#### ***Key principles***

The following general principles apply:

- The members of the partnership commit themselves to the broader objective of developing the Mountainlands Nature Reserve for tourism and related uses on a sustainable basis. The development of related infrastructure and facilities, as well as the restocking of the Mountainlands Nature Reserve are all actions intended to support

the broader socio-economic objectives. The development of the tourism-related activities will be the responsibility of the partnership, and will be done in such a manner that they do not undermine the long-term conservation of the underlying resource base.

- The partnership will undertake to manage the reserve (certain responsibilities in this regard are delegated to the MPB). This includes the fencing of the reserve; game management; security and anti-poaching activities; veld management etc. The details of the management plan will also be made available to private tourism lodge developers, operators and investors.
- The reserve will be developed with a combination of common and private road networks.
- The reserve will be zoned in a manner that provides a spectrum of high intensity through to low impact wilderness zones.
- Development sites have been located in a manner that ensures that access is available to 2X4 vehicles, and in a manner that avoids unnecessary traversing within the MGR.
- If consumptive tourism is to be pursued, there will be a clear separation of photographic and consumptive tourism uses.
- The MGR will be managed as a secure area with access and egress tightly controlled.
- Tourism investment opportunities within MGR include leases/concessions, joint ventures, and freehold sale in certain sections.

In so far as the stocking of game is concerned, the following should also be noted:

- The Mpumalanga Parks Board (MPB) has committed to the restocking of the reserve through locating and relocating game to Mountainlands Nature Reserve from excesses in other reserves as well as from their breeding programmes. (Commenced in April 2002)
- The partnership will be responsible for ensuring that the necessary basic infrastructure exists to facilitate the management of these game populations (basic roads etc.) while the MPB takes

responsibility for the environmental and biological management of the reserve.

### ***Project parameters***

- Consumptive and non-consumptive use of the surplus game is ‘in principle’ allowed. Such actions need to be guided by the nature reserves management plan, and related decisions need to be taken in consultation with the partnership, and in particular those within the partnership responsible for the day-to-day management of the game species, as well as those responsible for photographic and non-consumptive tourism uses.

### ***Project elements***

Detailed planning for the tourism facilities within MGR has yet to be completed. At the time of writing it has been agreed that the major ***tourism products*** are likely to include at least the following:

- Ecotourism activities including game viewing, bird watching, photography.
- Adventure tourism including hiking, mountain biking, paragliding, hang gliding, abseiling, kloofing and limited 4X4 routes.
- Heritage tourism pursuits focused on the various historical and cultural sites within MGR
- Environmental education
- Controlled hunting in specifically demarcated areas

Within the context of these proposed products, the proposed investments projects are likely to include the following:

- Game lodges
- Hotel and conference facilities
- Environmental education centre and camps
- Adventure and sporting facilities
- Hiking and 4X4 trails and camps

### ***Role of each stakeholder***

#### ***The partnership (State, community trust, private land owners)***

- The MPB as partner will be responsible for the conservation management function within the nature reserve
- Development of a tourism development plan, and the mobilisation of investors.
- Securing of necessary bulk infrastructure as agreed in terms of the tourism development plan
- The MPB is responsible for sourcing and management of the game populations.

#### ***Private investors***

- Development and marketing of tourism related facilities
- Destination promotion and advertising
- Development, operation and maintenance of facilities and private lodge/activity specific infrastructure

### **STATUS AND FOLLOW-UP ACTIONS REQUIRED**

The partners are expending considerable effort on getting the necessary regulatory frameworks in place (legal and institutional aspects) as well as creating an attractive investment environment (including aspects such as strategic infrastructure and facilities, game stocking, basic staffing, resolution of outstanding land settlement issues. In addition, a number of specific interventions are planned (refer to the TBC Multi-year Development Programme) in order to support the Lomshiyo Trust and the Mpumalanga Parks Board in terms of investor mobilisation.

***Ebutsini Tourism Project***

**INTRODUCTION**

- This community based initiative includes the further development of the existing 4X4 route, expansion of the medicinal nursery (both size and markets), upgrading of the Ekulindeni Tourism Office, and the development of a variety of tourist accommodation facilities.
- Project is located on communally owned land. The area of land is some 10 000 hectares. The land is very sparsely inhabited at present, and has a high biodiversity and scenic value.

**STRATEGIC ISSUES**

- The area is geographically very well located relative to existing portions of high value conservation land including the Songimvelo, Malolotja State game reserves, as well as a number of private reserves including the Nkomazi Wilderness Nature Reserve, and the somewhat more distant Barberton Mountainlands Game Reserve and the Pirane Nature Reserve.
- The area is also very well located relative to existing and proposed tourism products that can complement and be complemented by the Ebutsini tourism facilities and products. In particular the following are important: The Songimvelo Game Reserve including the existing tourism facilities at Komati River Lodge and Kromdraai; the Msauli Village that is currently in the process of rehabilitation and conversion from mining related uses to photographic and adventure tourism uses.
- This tourism development initiative is also strategically located from a socio-economic perspective in that whilst the area has undoubtedly high potential for tourism-led development, at present this potential is largely under-utilised. The impacts of the under-performance of the tourism sector to-date is exacerbated by the very limited potential for other economic development and the sharp drop in employment opportunities from the mining sector. As a result the area experiences high levels of poverty.

## **OBJECTIVES**

The primary objective of this project is to generate sustainable long-term socio-economic development and growth for the Ebutsini Community. Further related objectives include:

- Diversification of the local economy
- Diversification of the sub-regional tourism product and experiences in terms of adventure and cultural tourism
- Local economic empowerment

## **PROPOSALS**

### **Description of existing assets**

The only existing assets are the tourism office complex buildings (7 offices totalling 200 square meters), the 30 kilometer long Adventure Tourism Route (4X4), and the medicinal nursery. The office complex is about 5 years old. The Adventure Tourism Route has been operational for five years, and the medicinal nursery for 3 years.

### ***Key principles***

- The Adventure Tourism Route is to conform to basic environmental standards. Whilst no formal standard has been selected, the Research and Development division of the Mpumalanga Parks Board has been consulted on the existing alignment of the route and basic maintenance requirements so as to ensure that it is environmentally sustainable.
- The whole cluster of tourism infrastructure and facilities is to be owned, managed and operated by the local community.
- The tourism products should be marketed as an integral part of the broader Tourism and Biodiversity Corridor in order to support the community in their efforts to boost usage of the facilities, as well as to diversify the tourism product range within the TBC.
- Opportunities for greater use of the facilities by private sector adventure tourism operators need to be pursued in order to increase the utilisation of the route and its related facilities and in turn to boost revenues and socio-economic benefit flows to the Ebutsini community.

### ***Project elements***

The key elements of the project include:

- The development of a tourism office where tourist information will be readily available, and where reservations for various types of locally available accommodation can be made, and where bookings for the Ebutsini Adventure Tourism Route as well as other day trips in the TBC can be made. In addition the intention is that these buildings will also house the management staff component for the medicinal nursery and other tourism accommodation facilities and infrastructure.
- The development and operation of a Cultural Village. This will entail the development of about 12 beds of tourist accommodation in traditional structures. The objective with these developments is to ensure that the Ebutsini community are able to maximise the upstream and downstream business opportunities that are associated with tourists using the Adventure Tourism route, for tourists visiting the Ebutsini project area and for tourists visiting other tourism sites in the TBC who would like to overnight in a more traditional living environment. The intention is that this accommodation will be made available on a dinner, bed and breakfast basis.
- The expansion of the existing medicinal nursery. This includes the expansion of propagation activities, particularly of two very rare endemic species of plant. Once sufficient stocks have been propagated, the intention is to market these products locally, nationally and internationally. Initial demand studies have already shown that these species should fetch very good prices on the international markets. In addition to the propagation activities, this nursery also produces plants with medicinal value. These plants are sold to local traditional healers, and once production levels are sufficiently high, these sales could be expanded provincially and nationally.
- The upgrading and expansion of the existing 4X4 route. This will include basic maintenance and upgrading of the route, as well as erosion control (much of which is associated with the hauling of wood by locals using sledges), the construction of small bridges and crossings, and the upgrading/development of a picnic site.
- The development of a 32 bed camping/caravanning accommodation facility owned by the local community.

- Related environmental regulation and management responsibilities.
- Related capacity building for lodge operators, community conservators, and tourism information centre operators.

### ***Project parameters***

- No deviations will be allowed from the prescribed Adventure Tourism Route unless in the company of, and on the instruction of, an appointed and/or approved official.
- No use of 2X4 vehicles on the route by tourists.
- The lodge and camping/caravanning facilities will have permanent staff members to assist, guard and supervise tourist groups.
- The lodge and/or camping/caravanning facilities will provide the necessary facilities and supplies for self-catering tourists – wood, fire places, refuse bins, etc.
- Building plan approval will be the responsibility of the Local municipality and the Mpumalanga Province Government

### **STATUS AND FOLLOW-UP ACTIONS REQUIRED**

This project has been in implementation for a number of years. The proposed expansion and upgrading processes, as well as the closer integration of the Ebutsini community's tourism products and facilities into the TBC is being funded to a large extent by way of funding already secured from the DEAT poverty Relief Funds.



**Badplaas Tourism Information Centre****INTRODUCTION**

The Badplaas tourism information centre is strategically located relative to the flow of tourists moving from Gauteng Province to Barberton and from the Highlands meander (Dullstroom, Machadadorp etc) through Badplaas (and from resorts such as Badplaas) into the project area.

**STRATEGIC CONTEXT**

- Presently Badplaas does not have a suitable tourism information center and this has a negative impact on marketing and information dissemination to self-drive tourists.
- One of the primary functions of the MTA, RTOs and LTOs and information offices are to provide up-to-date and accurate information about tourism products, experiences, destinations, infrastructure, services as part of the process of 'selling' the various regions, towns etc. as tourism destinations. Within this context initiatives that ensure greater exposure through information office and various information distribution networks are to be pursued in order to help boost the 'sales of Mpumalanga products.' (Mynhardt, 2001, 29)
- Mpumalanga has designed a marketing information and management system that creates and facilitates a regular flow of information for the use and analysis of product owners, interested stakeholders and tourists.

**THE PROPOSAL**

- It is envisaged that an owner-operated concept will be developed for the information office network in Mpumalanga. This approach is intended to stimulate private sector entrepreneurship and the establishment of sustainable and profitable information offices.
- As part of the owner operated licensing a complete service package will be provided to the licensee. This includes access to the MTA database, Website, research information, training, and branding. It will also facilitate inclusion in all MTA promotional material, IT infrastructure, information office marketing activities, a reservation system, and advice on financial matters

- At the time of writing this project is still in the process of conceptualization. Discussions with the prospective private sector developer/operator indicate that this particular tourism information center would be developed as an integrated tourism service center. It would include a petrol filling station (suitable for cars and busses), the 'Cradle of Life Museum', high standard food and ablution facilities, and recreational facilities (including a few species of wild game) catering for children.

### **STATUS AND FOLLOW-UP ACTIONS REQUIRED**

The Mpumalanga tourism association has identified a prospective private sector investor who would develop and operate this Tourism Information as a private sector business at, or near, Badplaas. Negotiations are currently underway in to determine the implementation programme.

## ***Upgrading of TBC road signage***

### **INTRODUCTION**

The Wild Frontier Tourism Region of Mpumalanga has been identified as a priority region within which the Mpumalanga Tourism Route Road and Signing Framework should be implemented. This framework was initiated in 1998 in response to discussion between the MTA, tourism business operators and roads authorities (including SA National Roads Agency and Mpumalanga Provincial Roads) in response to concerns regarding the poor level of tourism signage along the road infrastructure in Mpumalanga.

### **STRATEGIC ISSUES**

- The Tourism Route Road Signage Framework is intended to support the establishment of effective tourism related information infrastructure. It is one key part of Mpumalanga's integrated tourism information system.<sup>12</sup>
- Mpumalanga has now developed a sophisticated route road development system. The route road development concept assumes that tourists traveling by road to a particular destination do not necessarily take the shortest and quickest route. Rather tourists tend to balance 'effort of getting there' with the traveling experience along the route (Mynhardt, 2001, 28)
- For a tourist to plan such a trip requires promotional and information material including road signs as well as maps, brochures and an information office network (see too annex 6).

### **OBJECTIVES**

To establish an effective tourism related information infrastructure, specifically route road signage in the Wild Frontier tourism region of Mpumalanga. (It should be noted that as and where necessary this tourist signage would be supplemented by the provision of strategically located and easily accessible tourist information centers and information bureaus.)

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<sup>12</sup> Other key elements including the information office system and network, and the MTA electronically supported marketing, data base and customer profiling system.

## **PROPOSALS**

The key project elements

The key activities required in order to implement such a system in the Wild Frontier tourism region include the following:

- An audit of existing tourism plant.
- The development of a new tourism map for the Wild Frontier tourism region.
- The development of a new brochure of the Wild Frontier tourism region.
- The design and erection of route road signs and tourism facility signs.

## **STATUS AND FOLLOW-UP ACTIONS REQUIRED**

This project is already in implementation in the Wild Frontier (and has been completed in the Highlands Meander).

The road signage for the Wild Frontier has been designed and approved by the Southern African Development Community (SADC). The road signage will extend throughout the TBC – South Africa, Swaziland and Mozambique. (Partial funding already secured from the Premier's Fund for all 'generic level' Tourist Route Road signs.)

In terms of the Wild frontier map book Wild Frontier has forged a strategic alliance with the Lowveld Legogote RTO in order to produce a joint map book more cost effectively. This process is now also in implementation.

There is very close and active collaboration between the MTA, the Wild Frontier Regional Tourism Organization and the Tourism and Biodiversity Corridor Initiative in terms of this project.

***Songimvelo/Malolotja Transfrontier Park and Conservation Areas*****INTRODUCTION**

The Songimvelo-Malolotja TFCA is located on the South Africa-Swaziland border between Barberton (SA) and Pigg's Peak (Swaziland) and covers an area of approximately 700km<sup>2</sup>, with potential extensions of another 500km<sup>2</sup>. The core of the TFCA is formed by the 49 000 ha Songimvelo Game Reserve (SA) and 18 000 ha Malolotja Nature Reserve (Swaziland) which share a common border. The other identified core areas on the Swaziland side are three protection-worthy areas<sup>13</sup>, namely the Bulembu, Makhonjwa, and Sondeza National Landscapes.

The area is characterised by a long and diverse history of land use. Middle-stone-age artifacts dating back 30 000 to 50 000 years were found on Ida Dover (SA). Stone walled sites of the Later Iron Age (the last 1000 years) are common. They range from complex 'village-type' sites in the lowly-lying southern area to single stone rings on the exposed uplands. Historian Hromnik<sup>14</sup> convincingly argues that many of these sites can actually be linked to Dravidian (Indian) gold miners and traders, which were active in this region many centuries ago. The eNcakeni area (mostly the area known today as Songimvelo) was settled by the bakaNgwane (people of Swaziland) under the eMjindini authority during the reign of King Mswati II (1840-1868).

Ngwenya Mountain in Swaziland is the site of the world's oldest mine, the Lion Cavern, where around 4100 BC, haematite and specularite were mined for cosmetic and ritual uses. This ancient mine is located next to the more modern iron ore mine, which ceased production in 1978. The old Forbes Reef Gold Mine is located in the Forbes Reef forest. A hundred years ago all workable gold was extracted over a twenty years period and Forbes Reef settlement became a ghost town. Stibnite and Stibiconite (antimony) were mined from 1906 to 1917 in the Mali mine on the farm Soodorst (SA). Gold was mined at the Onvewacht and Komati Lily mines (SA). Asbestos is still being actively mined at the Msauli (SA) and Havelock Mine (Swaziland) on the serpentines along the south-eastern Swaziland border.

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<sup>13</sup> ANON. 1979. *Survey of Nationally Protection worthy Areas of Swaziland. Unpublished Report. Swaziland National Trust Commission.*

<sup>14</sup> Hromnik C.A. 1991. *Dravidian gold mining and trade in ancient Komatiland. J.A.A.S. 26(3&4): 283-290*

## STRATEGIC ISSUES

- The name for this TFCA has provisionally been taken from the Songimvelo Game Reserve on the South African side and Malolotja Nature Reserve on the Swaziland side. The name Songimvelo is already well established in the South African provincial tourism-planning sector while Malolotja Nature Reserve is internationally known as a backpacking destination. However, more appropriate names for the TFCA could be the 'Barberton Mountainland TFCA' (which reflect the Worldwide recognition of the area as being of great geological interest) or Makhonjwa Hills TFCA (a name encountered on both sides of the border).
- The TFCA is situated in the Barberton Mountainland, which forms part of the African erosion surface. Elevation ranges from 600 to 1900m above sea level. The TFCA contains catchments of national hydrological importance for both Swaziland and South Africa and is drained by numerous perennial rivers and streams of which the Nkomati and Mlumati are the most significant. The topography is very rugged, with only the Nkomati valley in Songimvelo representing gently rolling terrain. Generally, the broken unspoilt natural landscape of supreme visual impact makes the TFCA aesthetically the most attractive portion of the Swaziland-South African border. Of particular interest are the spectacular, deeply incised gorges of the Mntsolli, Malolotja and Mlumati rivers, as well as several waterfalls (including the Malolotja Falls-Swaziland's highest waterfall).
- The Barberton Mountainland represents an early Precambrian greenstone belt. The entire succession of supracrustal rocks constituting the greenstone belt is known as the Swaziland Sequence. The undeformed nature and state of preservation of the geological phenomena account for the international acclaim, which the area enjoys amongst earth scientists. Its rock exposures yield key information on the origin and evolution of the Earth crust, the nature of early life, and the character and development of the ancient ocean and atmosphere. The feature, together with the completeness of the stratigraphic column it presents, attracts worldwide attention to the Barberton Mountainland.
- The Barberton Mountainland is considered to be one of five centres of endemism along the Transvaal escarpment (Fourie et al. 1988)<sup>15</sup>.

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<sup>15</sup> Fourie S.P., Jacobsen N.H.G., Kleynhans C.J. & Tarboton W. 1988 *Biogeographical importance and species/areas warranting particular conservation attention. In Ferrar*

The area is characterised by high species diversity. In Songimvelo for example more than 1440 species have so far been identified, and in Malolotja more than 1000 species, including many endemics have also been identified. Since 1991 at least four species new to science have been collected from the reserve. This high species number reflects Songimvelo's location in the quarter-degree grid with the highest recorded plant diversity in Mpumalanga.

- Veld type 8 (north-eastern Mountain Sourveld), which covers most of the TFCA, is rapidly being lost to afforestation and the spread of alien plant and fish species. This extensive grassland area is therefore of critical importance to conservation. Furthermore, the granite derived soils along the eastern border of Malolotja and the serpentine soils in both reserves are unique features that support important plant communities. The upland bog system in Malolotja reputedly supports the most diverse *vlei* communities in Swaziland<sup>16</sup> and probably in the region.
- Numerous rare and endangered plant species have been found in the TFCA area. Of these, the occurrence of the only remaining wild population of the Woolly Cycad, *Encephalartos heenanii* ranks as the most important. Some 400 of these plants occur on Songimvelo with a very few plants growing just across the Swaziland border similar habitat. A significant number of restricted cycads, namely *Encephalartos paucidentatus* also occur in both Songimvelo and Malolotja. Important populations of *Encephalartos laevifolius* are found in Malolotja. Several species of *Protea* occur in the region and entire Swaziland population of *Protea comptonii* occurs in Malolotja and Bulembu Mountain.
- Since the proclamation of the reserves a number of large herbivores have been introduced. The white rhino population on Songimvelo is one of the largest in the Mpumalanga Province. Disease-free buffalo are also present on Songimvelo. Elephant occur on both Malolotja and Songimvelo. Seventy-three mammals have been recorded from Songimvelo and sixty-four from Malolotja. Twenty-seven small mammals occur in Malolotja including three species of grass climbing mouse (*Dendromus spp*). The TFCA has important populations of regionally threatened species.<sup>17</sup>

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A.A., Isaacs G. & Stacey J.R. (Ed.). *Environmental conservation features of the Transvaal Escarpment. Occasional Report 31.* CSIR, Pretoria.

<sup>16</sup> Compton, R.H. 1966. *An Annotated checklist of the Flora of Swaziland. Journal of South African Botany. Supplementary Volume No. VI.*

<sup>17</sup> Thick-tailed bushbaby (*Otolemur crassicaudatus*); Samango monkey (*Cercopithecus mitis*); Honey badger (*Mellivora capensis*); African civet (*Civettictus civetta*); White-tailed

- More than three hundred and thirty bird species have been recorded from Songimvelo and more than two hundred and seventy in Malolotja. Important species recorded from the area include White stork (*Ciconia ciconia*), Yellow-billed Stork (*Mycteria ibis*), Bald ibis (*Geronticus calvus*), Bat hawk (*Macheiramphus alcinus*), Martial Eagle (*Polemaetus bellicosus*), African finfoot (*Podica senegalensis*), Stanley's bustard (*Neotis denhami*) and Blue swallow (*Hirundo atrocaerulea*). Of the approximately 92 endemic southern African bird species, 33 have been recorded from Malolotja. The two reserves provide important breeding habitat for African finfoot, Martial eagle, Bald ibis (*Geronticus calvus*), Stanley's bustard and Blue crane. At least eight breeding pairs of the critically endangered Blue swallow are present at Malolotja.
- More than twenty species of freshwater fishes have been recorded from each protected area, including threatened and rare species such as the Incomati rock catlet (*Chiloglanis bifurcus*), Phongolo rock catlet (*Chiloglanis emarginatus*), and southern mouthbrooder (*Pseudocrenilabrus philander*). All six southern African endemic species of rock catlet (*Chiloglanis spp.*) have been recorded from Malolotja and Songimvelo. Both reserves provide important protected habitat for eels.
- More than fifty species of reptiles and amphibians have been recorded from Songimvelo and from Malolotja eighty-nine species, comprising 65 reptiles and 24 amphibians. Several regionally important species are found in the area including the Swaziland endemic Thick-tailed rock gecko (*Afroedura major*), the near-endemic Barberton girdled lizard (*Cordylus warreni babertornensis*), and the near-endemic Swazi rock snake (*Lamprophis swazicus*). All three species of southern African grass lizard (*Chamaesaura spp.*) occur in Malolotja. Regionally important frogs include the Natal ghost frog (*Heleophryne natalensis*), Plaintive rain frog (*Breviceps verucosus*), Long-toed running frog (*Semnodactylus wealii*), Striped grass frog (*Ptychadena porosissima*) and Yellow striped reed frog (*Hyperolium semidiscus*).

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mongoose (*Ichneumia albicauda*); Aardwolf (*Proteles cristatus*); Leopard (*Panthera pardus*); Serval (*Laptailurus serval*); African wild cat (*Felis lybica*); Antbear (*Orycterophus afer*); White rhinoceros (*Ceratotherium simum*); Cape buffalo (*Syncerus caffer*); Red duiker (*Cephalophus natalensis*); Tsessebe (*Damaliscus lunatus*); Oribi (*Ourebia ourebi*), and Grey rhebok (*Pelea capreolus*).



- In terms of land uses, the Malolotja Nature reserve was proclaimed during 1977 whereas Songimvelo was established in 1987. A number of tourist facilities have been established in both reserves and are functional at this stage. On the South African side a number of private conservation initiatives have sprung up in the Barberton Mountainlands. These could, together with community land and other state land, be linked with Songimvelo-Malolotja into a single entity of 1 200 km<sup>2</sup>. The surrounding land use outside the core TFCA area is mostly plantation forestry and grazing. Apart from a number of formal settlement along the borders of the TFCA, a number of households are scattered across the landscape within the TFCA practicing subsistence agriculture (maize farming and livestock grazing). Income levels are low and future prospects seem slim.
- A comparative study on the value of the respective forms of land use (namely forestry, maize farming, livestock grazing and ecotourism) on Songimvelo revealed that only forestry could generate financial returns on a par with the full tourism development potential. However, its environmental impact is much higher in terms of the loss of original vegetation and its associated fauna as well as the resulting stream flow reduction. This would have major repercussions for the users downstream, particularly the emergent sugar cane farmers in the Nkomazi district, who depend directly on irrigation water from the Nkomati and Mlumati rivers. Based on the present catchment value of the Songimvelo area and the extent of plantations already present in the Barberton/ Pigg's Peak area, it is unlikely that new large-scale planting permits would be allocated by the Department of Water Affairs and Forestry.
- Landscape beauty, game viewing, cultural and (soft) adventure products, within the context of the BTC/TBC, strengthen the areas profile and future potential. The potential growth assumes a 'without frontiers' vision based on a partnership between Mpumalanga and Swaziland. If this partnership is not forthcoming then the Songimvelo Circle will not exist and the tourism product offered by both Mpumalanga and Swaziland is that much weaker. The further expansion of the ecotourism facilities in this area and the integration of the tourism experiences across the area have thus been identified as the main opportunity for income generation and job creation in the TCA area. The different types of land-ownership hold the potential to realise true public-community-private partnerships.

- Major constraints that have been identified include the following:
  - The border which is largely impermeable and which divides the TFCA without allowing the natural synergy to operate.
  - Restricted opening times of the Bulembu border post.
  - The poor condition of the 32 km dirt road linking Barberton and Havelock across the Bulembu border post.
  - Subsistence farming in this mountainous area with little benefits to the individual but with great constraints to a broader ecotourism and development perspective.
  - Presence of old abandoned mines and still operating mines such as Msauli and Havelock.
  - Spread of alien invasive plants from the forestry areas, resulting in stream flow reduction.
  - Still not a well recognised destination in terms of marketing (although this could change in the light of current initiatives).

## **OBJECTIVES**

The Songimvelo-Malolotja TFCA Objectives of the Parties are as follows:

- (1)(a) To promote sustainable economic development and the sustainable utilisation of natural resources in the Area for the benefit of present and future generations by identifying and establishing appropriate and viable economic activities and initiatives in the Area in accordance with the Objectives and the TFCA Objectives and to develop, market and promote the TFCA to this end;
- (b) To address the needs and aspirations of local communities by ensuring their direct participation in and/or ownership of and/or derivation of benefit from any programmes or initiatives that are undertaken in the Area and encouraging or empowering them to do so in whatever way is possible and appropriate.
- (2)(a) To protect depleted, threatened, rare or endangered species and populations in the Area and, in particular, to preserve habitats in the Area considered critical for the survival of such species;
- (b) To maintain those ecological processes which characterise the Area and to protect the integrity of ecosystem structure and function in the Area;
- (c) To prevent outside and inside activities from detrimentally affecting the Area by identifying such threats and undertaking appropriate action to remove or mitigate such threats.
- (3)(a) To preserve, protect and manage any historical and cultural sites

- and natural aesthetic values of terrestrial and aquatic areas in the Area, for present and future generations;
- (b) To facilitate the interpretation of natural and cultural heritage in the Area for the purposes of conservation, education and tourism;
  - (c) To provide for research and training, and for monitoring the environmental effects of human activities in and near the Area, including the direct and indirect effects of development and adjacent land-use practices.
- (4)(a) To make full use of the opportunities and advantages offered by the trans-national nature of the Area and to use this to maximum effect in meeting these objectives;
- (b) To promote cross border co-operation and interaction between the Parties at all levels including that of local communities, private sector, non-governmental organisations and government agencies;
  - (c) To attempt to resolve any specific problems in the Area but without impinging on the sovereignty of either party;
  - (d) To investigate options for the facilitation of cross-border movement, the positioning of fences, and the possible creation of visa-free areas or reserves;
  - (e) To create an enabling framework to facilitate the achievement of these objectives; and
  - (f) To perform strategic studies in order to formulate an agreed programme to implement these objectives.

## **PROPOSAL**

### ***Design Principles***

- Under the TFCA initiative, management of ecosystems encompasses conservation, utilisation and control activities. The aim of conservation is:
  - to maintain the potential of the wildlife resources,
  - that of utilisation so as to derive sustainable economic benefits';
  - while that of control so as to reduce any detrimental effects of wildlife.
- Conservation of wildlife shall be achieved by ensuring the survival of optimum numbers of species managed for sustainable utilisation, and by promoting sustainable land use practices, which includes the existing protected areas, which form part of the TFCA's.

- Sustainable use of wildlife resources under the TFCA initiative is considered as a desirable and feasible form of land use. However as the ethical perceptions of uses and type of uses may vary between countries and cultures, in certain cases ecologically sustainable consumptive uses, especially in some protected areas, may be precluded on ethical grounds. In situations where consumptive use of natural resources is a complementary land use, use of wild species will have to be conducted within an ethical context that:
  - Includes respect for the viability of wild species and integrity of natural ecosystems.
  - Recognises the individual and collective responsibility for maintaining the sustainability of the shared natural resources, and;
  - Reflects the need to seek equity of benefits among the present generation and between the present and future generations.
- The TFCA needs to be formalised within the context that each country recognises and respects the sovereignty of its partners. However, legislation, policies and practices that would promote natural resource integrity and optimum socio-economic benefits should be harmonised. Furthermore, as the Parties to the TFCA initiative are also members of various Regional and International Treaties, Protocols and Conventions that promote biodiversity conservation, they shall endeavour to manage the shared ecosystems and their attendant biodiversity in accordance with the principles stipulated in such Treaties, Protocols and Conventions.
- As ecotourism development and marketing is likely to be the banner for the proposed TFCA's, mechanisms for the equitable sharing of revenues, particularly from entry fees to the TFCAs will need to be worked out at the outset to avoid unnecessary conflicts.
- Local community participation, under the TFCA initiative, will be through the promotion of Community Based Natural Resource Management (CBNRM) in the interstitial areas. The guiding principle under CBNRM is one of sustainable rural development that enables rural communities to manage and directly benefit from natural resources. This is achieved through dual objectives. By making wildlife profitable, through active participation of the private sector, it attempts to stimulate rural development. It also simultaneously provides local communities with incentives to conserve wildlife and to manage inter-related natural resources such as soil, water, woodlands, arable land and grazing land.

- The success of the TFCA initiative will depend on long –term political support and sustained commitment by all the partner nations to contribute financial, intellectual and other resources to the process of establishment, development and sustainable management of the proposed TFCAs.

### ***Proposed work programme***

#### **PHASE 1.** Establishment of the Songimvelo-Malolotja Transfrontier Park

- Establish a collaborative managing/coordinating structure for TFP development.
- Formalisation of Inter-State Agreement to establish TFCA.
- Integration of Malolotja and Songimvelo conservation management plans to form a TFP management plan

#### **PHASE 2.** Establishment of the Songimvelo-Malolotja Transfrontier Conservation Area

- Define stakeholder participation strategy.
- Expand the TFP collaborative managing/coordinating structure to form a collaborative managing/coordinating TFCA structure.
- Integration of suitable surrounding areas into a joint TFCA conservation management plan.
- Collaborative development of 1 year and 3 year development plan for TFCA.

### **STATUS AND FOLLOW-UP ACTIONS REQUIRED**

This initiative is currently in the process of implementation via a task group from Swaziland and South Africa (in the latter case represented by the Mpumalanga Parks Board).

**Lubombo Transfrontier Conservation Area****INTRODUCTION**

This proposed TFCA straddles the border between South Africa, Mozambique and Swaziland. It encompasses an area between the Lubombo Hills in the west, and the Indian Ocean in the east, and offers a unique combination of big game, extensive wetlands and coastal areas. The TFCA is 4,195 km<sup>2</sup> in extent, of which 317 km<sup>2</sup> (8%) is in Swaziland, 2783 km<sup>2</sup> (66%) in Mozambique and 1095 km<sup>2</sup> (26%) in South Africa (see map at Annexure 1). In Swaziland, the Lubombo Conservancy forms a key component of the land to be included. In Mozambique the key portions of land include the Maputo Elephant Reserve as well as portions of state owned communal land, with a relatively low population density. In South Africa, the key portions of land include the Ndumo Game Reserve, the Tembe Elephant Reserve, the Pongola Game Reserve, Mkuze Game Reserve, the Hluhluwe-Umfolozi Game Reserve, and the Greater St. Lucia Wetland Park.

**STRATEGIC ISSUES**

- The 103 species of mammals in the proposed TFCA include both black and white rhino. Other Red Data Book mammals include samango monkey, suni and red duiker. Unfortunately severe poaching has reduced or even eliminated several species of large animals from the Mozambique side, presenting an important opportunity for mammal restocking programmes, particularly of buffalo, hippo, tsessebe, Burchells zebra, blue wildebeest, roan, sable, oribi, waterbuck, eland, kudu, impala, bushbuck, steenbok, suni and nyala. When ungulates are established, cheetah and wild dog can follow.
- Of the more than 427 bird species found in the area, four species and 43 subspecies are endemic to Maputaland, which is internationally recognized as a Centre of Endemism. In the Ndumo Game Reserve alone, 416 bird species have been recorded. The 112 species of reptiles include the loggerhead and leather backed turtles, which nest along the extensive beaches.
- The vegetation of Maputaland falls within the savannah biome, and consists primarily of Subhumid Lowveld Bushveld and Natal Lowveld Bushveld, with limited Coastal Bushveld-Grassland, a complex mosaic of savannah, sand forest, grassland, dune forest,

floodplain, pan systems and swamp communities. The conservation of these sand forests and their associated fauna in particular is important, as this habitat type is very limited in extent. The world's largest remaining area of sand forest (5km wide and 20 km long) lies to the north of Ndumo Game Reserve in Mozambique. This area has tremendous potential for tourism because of its rich bird life.

- The TFCA also has a strong Zulu and Swazi cultural history. From an archaeological perspective archeologists have made several interesting discoveries, including a very rare record of modern man dating back 110,000 years, as well as many Early and Middle Stone Age remains within the TFCA.
- The extraordinary biodiversity of this TFCA, coupled with its magnificent scenery, makes this a potentially significant new Southern African tourist destination. Existing tourist facilities are concentrated on the South African side of the border. Ndumo Game Reserve and Tembe Elephant Reserve have a good network of roads, and well established but limited accommodation facilities. Hlane, Mlawula and Mbuluzi Reserves in Swaziland have limited accommodation, ranging from camping to several self-catering 4 bedroom lodges. In the Maputo Elephant Reserve only camping is available, and access is restricted to 4X4 vehicles.
- There are many opportunities throughout the TFCA for private sector investment in tourism.
- In terms of the Lubombo Conservancy, this area is comprised of 60 000 hectares of statutory proclaimed protected areas, private property and Swazi nation land. This area is unique in its scenic beauty, rich diversity of habitat and endemic species, strategic position for access by tourists and traditional Swazi linkages - the Royal hunting ground in Hlane and the Shewula community involvement. Founder members included: Hlane Royal Game Reserve (managed by Big Game Parks a private sector business operating in the Conservation and Tourism field in Swaziland); Mlawula Nature Reserve (managed by Swaziland National Trust Commission, the parastatal responsible to the Ministry of Tourism, Environment & Communications for the management of all national parks and antiquities; Shewula Community Nature Reserve, managed by the Shewula Trust, a committee elected from community members; Mbuluzi Game Reserve (established and managed by Tambankulu Estates); and Siza Ranch (part of a state cattle ranch, and managed by the Ministry of Agriculture.

## **OBJECTIVES**

The key objectives of the Lubombo TFCA are described in the protocol between Swaziland and Mozambique. They include:

- The promotion of sustainable economic development and the sustainable utilisation of natural resources in the area for the benefit of present and future generations. In support of this, to identify and establish appropriate and viable economic activities and initiatives in the area and to develop, market and promote the TFCA to this end;
- Addressing the needs and aspirations of local communities by ensuring their direct participation in and/or ownership of and/or derivation of benefit from any programmes or initiatives that are undertaken in the Area and encouraging or empowering them to do so in whatever way is possible and appropriate;
- Protecting depleted, threatened, rare or endangered species and populations in the area and, in particular, preserving habitats in the area that are considered critical for the survival of such species;
- Maintaining those ecological processes which characterise the Area and to protect the integrity of ecosystem structure and function in the Area;
- Preventing outside activities from detrimentally affecting the area by identifying such threats and undertaking appropriate action to remove or mitigate such threats;
- Preserving, protect and manage any historical and cultural sites and natural aesthetic values of terrestrial and aquatic areas in the area, for present and future generations;
- Facilitating the interpretation of terrestrial and aquatic ecosystems in the area for the purposes of conservation, education and tourism;
- Providing for research and training, and for monitoring the environmental effects of human activities in and near the area, including the direct and indirect effects of development and adjacent land-use practices;
- Making full use of the opportunities and advantages offered by the transnational nature of the Area and to use this to maximum effect in meeting the objectives. Related to this to firstly, promote cross



border co-operation and interaction between the Parties at all levels including that of local communities, private sector, non-governmental organisations and government agencies. Secondly, to investigate options for the facilitation of cross-border movement, the positioning of fences, and the possible creation of visa-free areas or reserves and to create an enabling framework to facilitate the achievement of these objectives;

- Performing strategic studies in order to formulate an agreed programme to implement the above-mentioned objectives.

### **STATUS AND FOLLOW UP ACTIONS REQUIRED**

This initiative is already in implementation under the leadership of a joint Swaziland and Mozambique Task Group that reports to the Swaziland/Mozambique TFCA Commission

## ***Maguga Dam Tourism Facilities***

### **INTRODUCTION**

Maguga dam is situated in a relatively under-developed area. It is located about 12 kilometers southeast of Piggs Peak. Due to its remote nature, and the fact that Maguga dam has only recently been completed, the tourism development potential of the area has not as yet been utilised. The very scenic location of this very substantial body of water does present good opportunities for the development of water related tourism and recreation facilities. Furthermore the potential of the broader basin area for adventure based recreational tourism activities is also considered to be very good.

### **OBJECTIVES**

The primary objective is the promotion of sustainable tourism-led development adjacent to the Maguga dam.

### **PROPOSAL**

Whilst no finality has been reached on the future tourism developments at Maguga Dam, studies undertaken as part of the development of the dam considered the following: A market survey was undertaken to indicate the size and viability of a tourism based anchor development. The research was more qualitative than quantitative in order to understand the market segments that would possibly frequent a water-based resort type development at Maguga Dam. A financial analysis was also completed as was a technical and institutional assessment

In terms of the above the development proposals advocated the development of a floating marina concept, consisting of 40 self-catering floating chalets and 30 hotel-type catered accommodation units, a restaurant and shopping facility, a caravan park with 40 sites and land based recreation facilities. The planning framework also incorporated a conceptual framework for community-based developments.

### **STATUS AND FOLLOW-UP ACTIONS REQUIRED**

The official status of these proposals is unclear at the time of writing. The proposals still need to be formally adopted by the Swaziland Government.

**Bulembu Village Rehabilitation**

*(Details about this project need to be confirmed with Swaziland Government and the Biodiversity and Tourism Corridor Initiative.)*

**INTRODUCTION**

Situated in North Western Swaziland, right on the border with Mpumalanga.

Developed as a mining village in the 1930s

Located on the northern Boundary of Malolotja.

The road linking Barberton over the Saddleback pass to Piggs Peak runs through the town of Bulembu.

The distance by road to Barberton is about 60km, and to Piggs Peak about 30km.

Underground mining operations have ceased, and the focus of existing activities is on the reprocessing of the existing asbestos dumps in order to reclaim the remaining fibres for which there is a good market. This process only requires a staff component of 300 (management and labourers) as opposed to the staffing component of 2500 when the mine was at full operation. The estimated time framework within which the mining operations would be completed is not clear, but seems to be in the order of 10-12 years.

**STRATEGIC ISSUES**

- Bulembu is a very picturesque town with considerable existing residential, office, entertainment and sporting facilities. In particular, Bulembu has about 280 previously 'management' quality houses that are in a reasonable condition. These houses and the related support infrastructure and facilities could be redeveloped/utilised as a major new tourism development node within northwestern Swaziland.
- There are however a number of serious threats which undermine this development potential. *Firstly*, if mining operations are to proceed for the next ten years, it is very unlikely that any significant tourism developments could be implemented. *Secondly*, if the mining does continue for the next ten years, it seems likely

that a significant portion of the existing infrastructure will in fact be allowed to deteriorate to an extent that it will lose its tourism development potential and investment value.

- Swaziland Government needs to consider (based on a related analysis) whether from a legal as well as socio-economic perspective the continuation of mining activities, and the likely loss of all or part of these vital infrastructure and facilities is in fact justified. In particular the potential loss of employment, investment, entrepreneurial opportunities needs to be clarified.
- Havelock mine was liquidated about ten years ago, and then repurchased by the current owners. It is not clear as to whether or not funds have been set aside for the rehabilitation of work that took place prior to and leading up to the liquidation. If funds have not been kept in trust, this will pose a serious problem since the current owners may only be responsible to rehabilitate those developments that they executed since they purchased the mine.
- Bulembu is located immediately adjacent to two important game reserves - Malolotja and Songimvelo. The Mpumalanga Parks Board is responsible for Songimvelo on the South African side of the border, whilst the Swaziland National Trust Commission is responsible for Malolotja. Both the MPB and the SNTC are promoting increased tourism activities in their respective reserves, and would as such support a change of the current land use at Bulembu and its ownership (and at Msauli) to ones that are tourism based, and conservation friendly.
- The SNTC and the MPB are of the opinion that a change of land use to tourism/recreation and related residential uses, under the management and development of a sustainable and reputable developer would be strategically beneficial (economically, financially, and in terms of conservation) to the current operations and future development of Malolotja and Songimvelo.
- A critical issue in this regard is to encourage/ensure that the selected new investors have a proven track record in terms of the development, marketing and ongoing operation of such nature/adventure tourism based facilities. Should the ownership of Bulembu be transferred to a developer/operator that cannot rehabilitate and operate the village on a long term sustainable basis, this would constitute the loss of an important opportunity to boost tourism development in the area, it could also pose a major risk to the SNTC and MPB for the future development of Malolotja,

Songimvelo, and the broader Swaziland/South Africa Tourism and Biodiversity Corridor.

- Bulembu is owned by the Swaziland Government, but leased back to the mining company for the next 10-12 years. (This needs to be verified)
- The value of the village (and the ability to market and sell the existing housing stock) to a new investor will be significantly enhanced if supported by a mutually beneficial arrangement with the SNTC and the Mpumalanga Parks Board in terms of access to Malolotja and Songimvelo. The terms and conditions, and the nature and extent of such access would need to be formally agreed to as a 'side/parallel' agreement to the private/private sector deal between the current mine owners and a new investor.
- From a broader socio-economic development perspective, the development of tourism in this locality is the logical choice now that the mining operations are ceasing, and because of the inherent development potential of the area for nature based, adventure and cultural tourism. Tourism development is potentially well placed to absorb some of those retrenched from mining activities, as well as to generate a range of new local economic development opportunities for adjacent communities.
- The development of this tourism node is strategically vital to the longer-term development of the proposed tourism and biodiversity corridor linking Nelspruit to Barberton to Piggs Peak and through northern Swaziland to southern Mozambique.

## **OBJECTIVES**

The overall objective of this initiative is to promote sustainable socio-economic development within the context of this strategically located village on the border of South Africa and Swaziland, and in the midst of the Songimvelo, Barberton Mountainlands, and Malolotja nature conservation and tourism development area.

This area has been identified as a priority area for tourism-led development by both countries<sup>18</sup>.

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<sup>18</sup> In SA, at a national level (KPMG report on infrastructure in support of international and domestic tourism development), at a Provincial level (Mpumalanga Tourism Growth Plan), via the Spatial Development Initiatives, by Swaziland (Biodiversity and Tourism Corridor) as well as in terms of the development of a Transfrontier Conservation Area (with Songimvelo and Malolotja as the core)

Specific objectives include:

- The SNTC and MPB would support a change of land use from mining to one more commensurate with the conservation and tourism activities within Malolotja and Songimvelo. As such SNTC and MPB would encourage and support a conversion of this mining village to tourism/conservation and related residential uses.
- There are a number of priority socio-economic objectives: **Firstly**, to identify a suitable tourism/residential investor to purchase Bulembu before the existing infrastructure falls into disrepair. The private sector investor/operator would be responsible for the rehabilitation, operation and maintenance of the tourism infrastructure and facilities within the village. **Secondly**, to use the development momentum gained via the private sector driven marketing and investment process into Bulembu (and Msauli) to boost the use of tourism infrastructure and facilities within Malotja, the proposed Barberton Mountainlands Game Reserve, adjacent to Maguga dam, and in Songimvelo. **Thirdly**, to use the tourism development process as a basis for employment creation within the area. **Fourthly**, the generation of new revenue streams (via the tourism development process) which could be used to support the long-term conservation and socio-economic development activities within and adjacent to the reserve.

## **PROPOSALS**

### ***Description of existing assets***

#### ***Infrastructure***

- The residential area of Bulembu is served with a well-constructed road network.
- The village is provided with power
- All the rivers in the area are perennial and provide the village with an abundant water supply. (This needs to be verified)

#### ***Accommodation facilities***

- Approximately 280 houses that were used for senior personnel constitute the most valuable part of the accommodation facilities.

- Labourers housing quarters for about 2000 persons in varying states of repair.

#### *Recreational facilities*

- There is a recreation club with bars, cinemas (350 seat) as well as function halls, various shops, and a post office.
- A nine hole golf course situated which has been allowed to fall into a poor state of repair.
- Soccer/cricket field with pavilion and commentators box.
- Swimming pool, squash court, bowling Green and paved tennis courts

#### *Other facilities/infrastructure*

- A hospital (details of facilities and size to be verified at a later date as and when necessary)
- Extensive office and workshop facilities.

### **KEY PRINCIPLES**

In the event that agreement is reached that the mining operations are to be ceased, and that a rehabilitation programme is to be implemented as part of the 'closure' process, the following principles are proposed.

- Rather than removing all existing infrastructure in Bulembu, the preferred option from a socio-economic development perspective is for the bulk of the management housing, recreational and office infrastructure to be sold to a new tourism investor. The new investor will rehabilitate and maintain such infrastructure/facilities.
- Those buildings and infrastructure not suited to rehabilitation and re-use by the new investor/developer will need to be removed by the owners.
- The rehabilitation work required to restore the land will need to be executed according to the rehabilitation plan as approved by the relevant Swaziland Ministry.

- When and if the village is sold to a reputable and sustainable tourism/recreation and related residential developer, the SNTC will enter into negotiations with the new investor/developer so as to provide long term access to Malolotja according to specific conditions as agreed between these parties. In the event that Malolotja and Songimvelo (and potentially as well the Barberton Mountainlands game Reserve) are combined into a Trans Frontier Conservation Area (TFCA), then these traversing agreements could be renegotiated to extend access for residents of both Bulembu and Msauli into both sides of the TFCA.

## **PROJECT PARAMETERS**

- Access granted by the SNTC (and MPB in the case of a TFCA) to traverse sections of Malolotja will be based on a lease/concession agreement. The land allocated for such traversing will not be sold to the developers/operators. Similarly the traversing rights to Malolotja will not be exclusive rights.

## **PROJECT ELEMENTS**

### ***Element/contract one: Bulembu Village***

- *The rehabilitation of (and possibly extension), the development site (Bulembu mining village) for tourist, recreational, accommodation and related facilities.*
- *The rehabilitation and operation of all related infrastructure and facilities by the selected investor/operator. The marketing and disposal of existing and/or new houses and/or facilities.*
- *Security, fencing and access control for the village.*

### ***Element/contract two: Access to Malolotja Game Reserve***

- Access to Malolotja Game Reserve will be tightly controlled. Bulembu residents will not have exclusive rights to this area. In view of the limited dangers associated with the wildlife within the area, walking/hiking would not necessarily need to be on an 'accompanied' basis with an accredited guide. The terrain within Malolotja is particularly scenic and spectacular, but to avoid over congestion strict controls will need to be developed to limit and control access. It is most likely that the bulk of vehicular access will need to be on the basis of guided game vehicles with professional



operators/guides. It is proposed that tariffs for access to this area, be it for hiking or vehicular game viewing, will be on the basis of 'pay as you go'.

### ***Role of the partners – Public sector; Private sector; Communities***

#### ***The State***

- The SNTC will be responsible for the conservation management function within Malolotja.
- The relevant Swaziland Department will be responsible for overseeing and approving the Bulembu mine rehabilitation plan, as well as the ongoing monitoring of the rehabilitation

#### ***Current owners/operators of the mine***

- Rehabilitation as per approved decommissioning programme of the mine, excluding any residential/recreational structures and supporting infrastructure as indicated by the new investor/developer.
- Operation/maintenance of the bulk infrastructure and services (including security) on a phasing out basis as agreed to with the new investor/developer.

#### ***The new investor/developer***

- Rehabilitation, redevelopment, operation and maintenance of accommodation facilities.
- Rehabilitation of the bulk infrastructure.
- Operation and maintenance of the bulk infrastructure on a phasing in basis as agreed to with the mine owners/operators and the Swaziland Government.
- Marketing of all houses and facilities.
- Rehabilitation and maintenance of the golf course. If desired and based on an EIA (done at the developers cost), the golf course could be expanded to 18 holes.

- Rehabilitation, operation and maintenance of all sporting/recreational facilities.
- Fire risk management
- Alien plant control as per agreed upon programme.

***Benefit flows – Public sector; Private sector; Communities***

- Public sector benefits via increased revenue from gate fees and lease/concession fees. These revenues can be reinvested directly back into the conservation and socio-economic development functions.
- The community benefits via direct employment, on the job training, and via related entrepreneurship opportunities (wood, refuse removal, road maintenance).
- The private sector benefits by way of access to prime investment opportunities resulting from the decommissioning of a mine, as well as a package of rights to access Malolotja Game Reserve which should enhance the potential to market this new tourism destination and its related facilities. This in turn should result in the opportunity for the new investor/developer to achieve acceptable financial returns

**STATUS AND FOLLOW-UP ACTIONS REQUIRED**

This project proposal has no official status as yet. In order to take the project further than this conceptual stage it is important that the Swaziland Government indicate whether or not they would like to pursue it, and within what time framework. Some key related issues include getting clarity on the time framework within which the mining operations will or could cease. Secondly, getting clarity as to whether or not funds have been set aside for the rehabilitation of all mining works.

***Northern Swaziland and South Eastern Mpumalanga development perspective<sup>19</sup>***

**1. ORIENTATION**

The Study Area includes the Eerstehoek, Nkomazi and Barberton districts in the Mpumalanga province of South Africa and the Hhohho district in Swaziland. The following districts surround the area:

- Nelspruit, Nzikazi and White River (South Africa) to the north;
- Carolina and Ermelo (SA) to the west;
- Lubombo (Swaziland) to the east; and
- Manzini (Swaziland) to the south.

South-eastern Mpumalanga/Hhohho covers an area of some 12 945 square km, registering an estimated population density of 62 people per square km in 2000 compared to corresponding densities of 58 in Swaziland and 49 in Mpumalanga. The study area locates the national capital of Swaziland, Mbabane (population 60 000), to the south-west of the Hhohho district while the district capital is Piggs Peak in the north-west. Barberton is the largest town in the South African portion of the Study Area.

**2. RESOURCES**

**2.1 Human Resources:**

The current population of the Study Area is estimated at approximately 800 000, increasing at a rate of around 3% p.a. As in neighbouring areas and countries, however, the spread of HIV and AIDS has substantially reduced average life expectancy and, together with malaria, while putting pressure on the health services, might curb the continued high population growth.

As can be observed from the Tables below, the Study Area has a relatively young population structure. Even without empirical evidence, this is bound to put pressure on education facilities that will impact

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<sup>19</sup> From "SOUTH-EASTERN MPUMALANGA (SOUTH AFRICA)/HHOHHO DISTRICT (SWAZILAND): BRIEF SOCIO-ECONOMIC PERSPECTIVE". September 2000. Prepared by DB Consulting for the Maputo Corridor Company

negatively on the employability of those entering the labour market. The continued high rate of people entering the human reproduction phase associated with younger populations put additional pressure on employability through sheer numbers.

**Table 1: Percentage distribution of the population by age group, gender, urban and rural; Study Area; 1997**

Age group	Rural			Urban			Grand Total
	Male	Female	Total	Male	Female	Total	
<b>0-14</b>	49.8	50.2	100	49.0	51.0	100	47.0
<b>15-64</b>	45.2	54.8	100	48.7	51.3	100	48.6
<b>65+</b>	43.0	57.0	100	46.5	53.5	100	4.4

**Source:** Derived from data obtained from the Ministry of Economic Planning and Development, Mbabane, Swaziland and Mpumalanga Development Profile, DBSA, 1998.

Another interesting observation from the Tables is the predominance of women in the potential economically active population (15- 64 years age group) as well as in the 65+ years age group. This is indicative of limited job opportunities where usually the men work outside the area. This is even evident in the urban areas of the Study Area, where job opportunities are more available than in the rural areas. The larger number of females in the 65+ years age group stem mainly from the higher life expectancy of women in the area.

**Table 2: Percentage distribution of the population by age group and gender; Study Area; 1997**

Age group	0-14	15-64	65+	Total
<b>Male</b>	49.7	46.1	43.4	47.7 (381 600)
<b>Female</b>	50.3	53.9	56.6	52.3 (418 400)
<b>Total</b>	100	100	100	100 (800 000)

**Source:** Derived from data obtained from the Ministry of Economic Planning and Development, Mbabane, Swaziland and Mpumalanga Development Profile, DBSA, 1998.

## 2.2 Natural Resources:

The Study Area has a unique geology and archaeology and spans a gradient of habitat including high altitude Drakensburg (1050-1400m), Middleveld (1400-1000m), Lowveld (1000-400m), through to the Lebombo Mountains in the east.

These altitude gradients coincide with a range of geologies and associated soils, providing for a very rich diversity of biota. Within the Swaziland portion of the Study Area this continuum is compressed into an east-

west distance of only 200km. This renders the area uniquely valuable from an ecological and scientific point of view. There is no other region in southern Africa of comparable size that has the same richness of plant and animal species.

The Study Area is already home to a number of publicly, communally and privately owned nature reserves including the Songimvelo, Barberton, Pirane, Mountainlands reserves in Mpumalanga, and the Malolotja, Poponyane, Mlawula, Ndindza, Tshaneni, Mbuluzi and Shewula reserves/conservancies in Swaziland. These areas provide a range of differing opportunities for nature-based adventure and photographic tourism.

Most of the Study Area has a subtropical climate. The area is well watered, but drought is a recurring problem, and the storage of water is thus critical. Three of the five major rivers in Swaziland rise in South Africa, and all five flow into either South Africa or Mozambique. The exploitation of water resources is therefore governed by bilateral or trilateral agreements. The Komati River System in the Study Area is one of the last river systems that has been undeveloped (up to the 1990's at least) from a water storage viewpoint.

Large areas of medium to very high potential soils in the South African portion, estimated at about 35 000 ha within 2 km of the Komati and Lomati rivers, makes it a high potential irrigation development area. In the Swaziland portion of the Study Area, some 24 000 ha of soil in similar conditions is available.

Talks about the development of the Komati River Basin started between Swaziland and South Africa towards the end of the 1970's and Mozambique joined in by the early eighties. This developed into the identification, investigation, and eventual implementation of the Komati River Basin Development Programme (KRBDP). Phase 1 includes the construction of two dams, the Driekoppies Dam (also called Lake Motsamo) in South Africa, and the Maguga Dam in Swaziland of which both are located in the Study Area. The Driekoppies dam has already been built while construction of the Maguga Dam has commenced.

The Study Area also has worldwide recognition as a remarkable locality for understanding the history and evolution of the earth. The Barberton Greenstone Belt rocks evolved between 3.5 and 3.2 billion years ago, making them the second oldest in the world.

The mining potential of the area is also considerable including gold, asbestos, nickel, copper and magnesite. Within the Study Area there are

a number of operating mines of significance (Sheba gold mine is the oldest working mine in the world, and was at a stage the richest producer of gold per unit of ore mined).

There are also a number of mines, which are no longer operational, that are of tourism/heritage interest including various historic buildings in Barberton, Eureka City (1800's) and Lions Cavern (at between 41 000 and 36 000BC the oldest known mine in the world). There are also very important ancient dwelling sites including Wonderscheur (500 years old), Middle Stone Age sites (22 000-100 000 years old), and about 20 sites where bushman paintings can be viewed.

### **3. ECONOMY**

Swaziland's economy<sup>20</sup> is based on agriculture and agro-industry (mainly sugar, citrus and woodpulp). Growth sectors include soft drink concentrates, other food products, refrigerators, textiles and paper products. Asbestos and coal are the major minerals. The two largest towns, Mbabane in the Hhohho district and Manzini, are 40 km apart. This area is the country's commercial, financial, tourism and manufacturing hub.

Political change in South Africa has impacted adversely to Swaziland's advantages in attracting foreign investment, at least in the short to medium term, since more investments were directed to Swaziland to avoid international sanctions against South Africa.

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<sup>20</sup> Data restrictions impact adversely on a proper economic analysis of Swaziland on a district level. Nevertheless, assuming a fixed ratio between the number of formally employed and production figures a reasonable indication of the size of the economy on a district level can be obtained if formal employment figures were available. Reasonably meaningful figures regarding employment were obtained from the Ministry of Economic Planning and Development in Mbabane on a district level.

A distinction was made between formal and informal employment and unemployment (using the structure of the national data) in order to allow comparison with available labour force statistics for the South African districts. Since no formal employment figures exist per kind of economic activity on a district level, the structure of the district economies could not be determined. Hence, the total Swazi economy was analysed. Employment and GGP data, although somewhat outdated, are reasonably available regarding the South African districts. The relatively small number of economic actors in these district economies impact adversely on the stability of trends and data series fluctuate notably from census to census. However, in the tables, the three South African districts' data were aggregated and compared to those of Swaziland and Mpumalanga province.

The economy of the South African portion of the Study Area is driven by the agriculture sector. Its economy is, however, slightly more diverse than that of Swaziland with manufacturing (including energy), mining and community and social services<sup>21</sup> the other major sectors.

Table 3 presents an overview of the Gross Geographic Product (GGP) generated in the Study Area for 1997. Table 3 also provide information on the performance of the total Swazi economy, and that of the Mpumalanga province of South Africa, in order to put the performance of the Study Area into perspective.

The Study Area's economy is currently driven by agriculture as indicated by this sector's share in the GGP of the area. The other large sector, community and social services, is not a directly productive sector. The Swazi economy, on the other hand is dominated by the manufacturing sector, although many of its activities are also agriculture related. The Mpumalanga economy is also driven by the manufacturing sector of which the energy sector constitutes a large part.

**Table 3:** *Gross Geographic Product at constant prices by kind of economic activity, Rm, 1997.*

Area	Agr.	Min.	Man.	Cons	Trade	Trans	Fin	Serv.	Total
Study area	NA	NA	NA	NA	NA	NA	NA	NA	1123.3 100%
Swazi-land	144.9 (10.8%)	17.9 (1.3%)	491.5 (36.8%)	64 (4.8%)	133.7 (10.0%)	80.6 (6.0%)	134 (10.0%)	270.2 (20.2%)	1336.9 100%
Mpumalanga	1713.2 (7.9%)	4578.1 (21.1%)	10123.5 (46.7%)	392.9 (1.8%)	1361.7 (6.3%)	787.3 (3.6%)	875.8 (4.0%)	1832.4 (8.5%)	21664.9 100%

**Source:** Derived from data obtained from the Ministry of Economic Planning and Development, Mbabane, Swaziland and Mpumalanga Development Profile, DBSA, 1998.

The size of the GGP generated in the Study area is equal to about 84% of the GGP generated in Swaziland while it is equal to about 5% of the Mpumalanga economy. This would change if past growth trends were indicative of future growth, since the Study Area's economy grew at a slower rate than those of the reference economies did.

<sup>21</sup> The contribution of the services sector might give a skewed picture of the real situation. This stems from the fact that government services are over accentuated as a result of the former homeland governmental functions hosted in two of the three districts which represent the South African portion of the Study Area, namely Eerstehoek and Nkomazi. Although the data still reflects this, a scaling down of this sector's contribution to the GGP will become evident over time as rationalisation progresses.

**Table 4:** Average annual growth rate in Gross Geographic Product by kind of economic activity, percentages, 1993-1997.

Area	Agr.	Min.	Man.	Const	Trade	Trans	Fin	Serv.	Total
Swazi-land	4.3	-2.6	4.1	14.2	7.6	1.2	4.8	-0.3	3.5
Mpuma-langa	1.5	2.9	4.5	0.0	2.4	2.4	3.1	4.6	3.4

**Source:** Derived from data obtained from the Economist Intelligence Unit, Country Profiles, Swaziland 1999-2000, August 1999 and Mpumalanga Development Profile, DBSA, 1998.

The inadequate performance of the economy of the Study Area is evident in its low labour absorption capacity. From Table 5 below the observation can be made that some 54% of all people that are able and willing to work in the Study Area are not employed in the formal sector of the economy. More than 40% of the labour force is unemployed, while the informal sector currently accommodates only about 11% of the labour force. The current economic growth rate and the rate at which new entrants to the labour force grows, suggest that the formal economy will not be able to accommodate the entire labour force. Expansion of existing economic activities and exploitation of new ventures are essential to improve the absorption capacity of the economy. The position regarding employment in the Study Area is in concert with that prevailing in the rest of Swaziland and Mpumalanga although the employment situation in Swaziland appears to be better<sup>22</sup>.

**Table 6:** Study Area: Composition of the Labour Force, 1997.

	Total labour force (A+B+C)	Formally employed (A)	Unemployed (B)	Active in informal sector(C)
Study area	165880	76292 (46.0%)	70620 (42.6%)	18969 (11.4%)
Swaziland	176897	95681 (54.1%)	64153 (36.3%)	17063 (9.6%)
Mpumalanga	1002691	481927 (48.1%)	394768 (39.4%)	125996 (12.6%)

**Source:** Derived from data obtained from the Ministry of Economic Planning and Development, Mbabane and Mpumalanga Development Profile, DBSA, 1998.

*In terms of the structure of the economy (refer table 7) in the study area the following major trends emerge:*

<sup>22</sup> This could be ascribed to inaccurate data manipulations in order to make the Swazi data compatible to that of the South African districts.



### 3.1 Agriculture:

The importance of the agriculture sector as an employment creator stands out. Agriculture renders employment to about 25% of the formally employed in the South African portion of the Study Area. The corresponding figures for Swaziland and Mpumalanga are 24% and 18%, respectively. The additional employment creation through informal and subsistence agriculture activities and of which the latter are not reflected in the data at all, further accentuates the importance of the agriculture sector in the economy of the Study Area.

**Table 7: Distribution of formal employment by kind of economic activity, 1997.**

Area	Agr.	Min.	Man.	Const	Trade	Trans	Fin	Serv.	Total
Study area									76292 100%
Swazi-land	23130 24.2%	1322 1.4%	17182 18.0%	3965 4.1%	10574 11.1%	1983 3.3%	3965 4.1%	33561 35.1%	95681 100%
Mpuma- langa	85254 17.7%	94110 19.5%	89680 18.6%	25388 5.3%	45613 9.5%	15881 3.3%	15776 3.3%	110225 22.9%	481927 100%

**Source:** Derived from data obtained from the Ministry of Economic Planning and Development, Mbabane and Mpumalanga Development Profile, DBSA, 1998.

Two-thirds of all agricultural land in Swaziland is used for livestock, with the balance devoted to arable agriculture and forestry with the latter especially evident in the Study Area. There are two forms of land tenure and production in both Swaziland and South Africa. These include Swazi Nation Land (SNL) and Title Deed Land (TDL) in Swaziland, and privately owned and traditional tribal land in South Africa.

Because it is dependent on rainfed cultivation, SNL, which accounts for approximately 60% of the total land area in Swaziland, and tribal land are highly vulnerable to drought. SNL is held in trust by the king, and controlled and allocated by chiefs according to traditional arrangements. It is operated on the basis of communal tenure, and mainly used for subsistence agriculture (mainly maize and cattle) with little production for markets<sup>23</sup>.

TDL accounts for around 40% of the total land area in Swaziland. The land is used for commercial production, with company estates and plantations (forestry, sugarcane, citrus and pineapples) and cattle farming. There is some cultivation of sugarcane by Swazi smallholders

<sup>23</sup> Subsistence agriculture is not as widespread in the Hhohho district than in the rest of Swaziland.

and this area is actively addressed by the current KRBDP<sup>24</sup>. Large areas of TDL are under irrigation, and further growth on TDL will remain limited unless there is an increase in water supplies and land for irrigated agriculture also addressed by the Komati River Basin project. The KRBDP is regarded as one of the major development opportunities in Swaziland. The construction of the Maguga Dam will result in Swaziland obtaining an additional 83 million cubic meters of water for irrigation development. About 7 400 ha is suitable for irrigated agriculture in the lower Komati and the available water will be enough to irrigate the entire area. Almost 75% of this area is planned to be sugar cane development with the rest mainly citrus. The Komati River downstream development is expected to increase agriculture production in the Study Area considerably while agro-industries are also expected to expand.

The agriculture sector is responsible for about 26% of the total GGP generated in the Study Area (South African portion). Potential for further growth is related to the successful implementation of the KRBDP. This programme has already increased existing (i.e. before the construction of the Driekoppies Dam) sugar cane production, other agricultural and agro-industrial production, as well as developed new irrigation for sugar, citrus, cotton and beans on the South African side of the Study Area. Importantly, the development process in South Africa was linked to the establishment of small growers/farmers, initially on 2 ha per farmer and later on about 12 ha, as a means of ensuring local economic development and empowerment, as well as providing such farmers with a 'quota' thereby guaranteeing them a market for their crop. Further expansions are expected to materialise. All this are not reflected in the data yet, but is bound to increase the GGP contribution of both the agriculture and manufacturing sectors markedly.

### 3.2 Mining development:

Mineral earnings in Swaziland are supported by asbestos production, coal mining and quarried stone for use in domestic construction. In the South African portion of the Study Area, it is mainly mining production in the Barberton district that accounts for the relatively large contribution of more than 13% by this sector.

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<sup>24</sup> The development objective of the Komati River Basin Development Programme (KRBDP) is to generate economic growth and ensure that the benefits thereof are optimally distributed to also reach the poor communities. The KRBDP focuses on agricultural production, agro industrial development support, and stimulation of market related industrial and commercial activities.

On the South African side of the study area, Mining contributes about 22% to the formal employment opportunities created in the South African portion of the Study Area. This points to a rather labour intensive mining sector, since this sector has a share of some 13% only in the aggregate GGP generated in the area. However, as stated up above, prospects for accelerated employment creation in the mining sector are bleak and, in fact, further reductions are more likely. Gold is the main economic mineral (gold production from the area amounts to around 250kg per month – 1995 figure). The Sheba gold mine is the oldest working mine in the world, and was at a stage the richest producer of gold per unit of ore mined. Apart from gold, the Barberton Greenstone Belt also contains concentrations of asbestos (Msauli and Havelock Mines), nickel, copper and magnetite. Whereas asbestos mining in the area has historically provided an important source of employment and economic growth, the longer-term prospects in the Study Area are poor.

On the Swaziland side, the Havelock mine at Bulembu has already ceased underground operations and is operating on a very small staff. Current activities are only geared to the reprocessing of the existing asbestos dump. Similarly, at the Msauli mine in Songimvelo Game Reserve, the mine is in the process of closure. Employment is at 15% of full production, underground mining will cease in about a year to 18 months, and full closure will be in about three years. As a result of these developments, significant additional unemployment will result. There are no plans to develop new asbestos mines in the study area. Overall, further exploitation of the mining sector in the study area is limited.

### 3.3 *Manufacturing:*

Until the mid-1980s commercial agro-processing (sugar, woodpulp, citrus, pineapples, cotton and meat) accounted for about 80% of manufacturing production in Swaziland. The manufacturing sector has since diversified, particularly in the late 1980s. The Coca-Cola concentrate plant relocated to Swaziland from South Africa in 1986 during the sanctions and disinvestment period, while a number of other companies located in Swaziland to take advantage of cheap refined sugar, which is processed into confectionery, syrups and mixes for export to South Africa. The textile industry has expanded significantly, but is now facing competition as a result of trade liberalisation. The most recent manufacturing success, towards the middle of the nineties, has been Masterfridge, which produces refrigerators for the South African and international markets. The manufacturing sector with a share of almost 40%, is the largest contributor to the GGP generated in Swaziland. This sector's share in formal employment opportunities is about 18%. The discrepancy in production and employment shares in

favour of production, points to a manufacturing sector that is considerably less labour intensive than the rest of the economy.

In the South African portion of the Study Area, the manufacturing sector contributes about 15% to the total GGP generated<sup>25</sup>. This is mainly attributed to the agro-industries in the area as well as the relatively strong energy sector. The KRBDP is expected to expand, and already has, the activities of the manufacturing sector in the Study Area. In addition, there is some scope for informal manufacturing activities to be exploited with the end goal of entering the formal sector. This will create opportunities for employment creation in the manufacturing sector, currently contributing more than 12%.

### *3.4 Construction:*

The construction sector in Swaziland performed strongly in the nineties and has a share of about 5% in the economy. Since 1996/97 construction activity has been stimulated by major capital expenditure on road projects and the KRBDP. This, and the chronic shortage of adequate urban housing will ensure continued growth in this sector. The construction sector is relatively less pronounced in the South African portion of the Study Area with a contribution of about 3% to the GGP. This sector is expected to grow gradually in concert with expected moderate growth in the overall economy of the area.

The construction sector provides employment to about 5% of the formally employed in the South African portion of the Study Area, while the corresponding figure for Swaziland is 4%. This points to a more labour intensive construction industry in the South Africa portion than in Swaziland. Accelerated growth in this sector due to developments associated with the KRBDP and specifically the progress with the building of the Maguga Dam will boost growth in this sector, specifically in Swaziland.

### *3.5 Trade:*

The commercial sector's contribution to the GGP generated in the South African portion of the Study Area amounts to about 8%. Potential for further growth in this sector, linked to the tourism potential of the region, is substantial. Accelerated access to the formal trade sector via the informal sector is essential to exploit this sector to its full potential. The trade sector also accounts for an 8% share in formal employment creation in the Study Area (South African portion). Potential for further

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<sup>25</sup> The dominance of this sector at the provincial level is largely due to the fact that energy the energy sector in the Highveld district is included in this sector.

growth is even more pronounced in terms of employment than production if tourism and its linkages with the informal sector were further exploited.

Swaziland has a well-developed retail and wholesale sector, which is dominated by branches of South African chain stores. Its share in the economy is 10% if GGP is taken as yardstick, compared to a share of 11% in formal employment. Sugar and woodpulp have been the leading exports since the 1960s, with sugar dominating until it was overtaken by soft-drink concentrate in 1993. In recent years the export base has been diversified through non-traditional products such as soft-drink concentrate, sugar-based products, paper products, textiles and refrigerators. However, the export base has stagnated in the last three years because of a decline in foreign direct investment. South Africa is the leading trading partner and Swaziland's main source of imports and its main export market. Mozambique is Swaziland's second most important regional trading partner.

Tourism was an important revenue earner for Swaziland when gambling was illegal in South Africa. With the legalisation of casinos in South Africa, and increased competition for South African tourists from the growing Mozambican tourism industry, the sector's growth rate has declined in recent years. Swaziland's main attraction now lies in marketing itself as part of a regional trip. The country's participation in trilateral development initiatives with South Africa and Mozambique could promote it as a destination for European and North American tourists who, together with the conference business, are considered the main potential market. The Study Area has a rich cultural heritage including both traditional African cultures and the remnants of past colonial times. These natural, archeological, cultural, historical assets should collectively provide a very rich resource base from which to drive a tourism-led development process. At present however, this tourism development potential is significantly under-utilised.

### 3.6 *Transport:*

The transport sector contributes about 2% to the economy of the South African portion of the Study Area, compared to a 3% share in formal employment. Further growth is related to growth in the rest of the economy. There is a good road and rail network in the Study Area. Swaziland Railway is one of the few profitable railways in Africa. It depends largely on through-traffic from the north to the ports of Richards Bay and Durban, although it has diversified by expanding services to the Mozambican port of Maputo. Swaziland is served by a joint-venture airline between the government and a South African carrier, which flies

to regional destinations. Key road links, which are in vital need of upgrading in support of tourism-led development within the study area, include the Bulembu to Piggs Peak linkage, the Piggs Peak to Tshaneni linkage, and the Nelspruit to Barberton (which has recently been approved by the SA Government, and the Barberton to Bulembu linkage.

### **3.7 *Finance:***

The financial sector is relatively well developed and makes a 5% contribution to the economy of the Study Area (South African portion). This sector is considerably less labour intensive if its share in GGP and formal employment is taken as measure. The financial sector's share is about 1% in formal employment opportunities in the area.

Swaziland also has a well-developed commercial banking system, which is served by South Africa's Nedbank, Standard Bank, First National Bank and the parastatal, Swaziland Development and Savings Bank.

### **3.8 *Community and social services:***

In terms of its contribution to the total GGP generated in the South African portion of the Study Area, the community and social services sector is the largest sector. To promote accelerated economic growth, the relative importance of this sector compared to the more productive sectors, should be scaled down. However, care should be taken not to erode the already limited base of employment opportunities any further. The community and social services sector contributes some 23% to formal employment opportunities. The creation of alternative employment opportunities in the more productive sectors is of utmost importance. Development of the tourism potential of the Study Area could become a major employment creator, in concert with further exploitation of the agriculture and manufacturing potential.



# Mpumalanga Tourism Growth Strategy

- Final Report -

16 November 2007



Mpumalanga Tourism & Parks Agency



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## ABBREVIATIONS AND ACRONYMS

BEE	Black Economic Empowerment	MICE	Meetings, Incentive, Conferences, Exhibitions
DEd	Department of Education	MP	Mpumalanga Province
DEDP	Department of Economic Development and Planning (Mpumalanga)	MRTT	Mpumalanga Regional Training Trust
DM	District Municipality	MTA	Mpumalanga Tourism Authority
EU	European Union	MTPA	Mpumalanga Tourism and Parks Agency
GDP	Gross Domestic Product	PGDS	Provincial Growth & Development Strategy
GDRP	Gross Domestic Regional Product	PPP	Public Private Partnership
GP	Gauteng Province	RTO	Regional Tourism Organisation
HRD	Human Resource Development	SADC	Southern African Development Community
KMIA	Kruger Mpumalanga International Airport	SANParks	South African National Parks Board
KNP	Kruger National Park	Stats SA	Statistics South Africa
KZN	KwaZulu Natal Province	SWOT	Strengths, Weaknesses, Opportunities and Threats
LM	Local Municipality	THETA	Tourism, Hospitality and Sport Education and Training Authority
LTO	Local Tourism Organisation	TIO	Tourist Information Office
MEGA	Mpumalanga Economic Growth Agency	TFCA	Transfrontier Conservation Area
MOA	Memorandum of Agreement	ToR	Terms of Reference
		TUT	Tshwane University of Technology
		UK	United Kingdom

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The work of the project was greatly facilitated by the cooperation and rapport from both the public and private sector. For this we would like to express our appreciation to Mr. Sisa Tamda, Managing Director of Kruger Mpumalanga International Airport, Dr. Bandile Mkhize, Executive Director Kruger National Park the MRTT Hospitality and Tourism Academy. Indeed, we would like to thank the many officials and representatives of the Mpumalanga tourism sector.....the hotel and lodge managers, the ground tour operators, district and local municipalities' official and many others ..... who assisted in this study and are impossible to thank individually.

Finally, we would like to acknowledge the contribution of Mrs. Chanda Musonda Chellah, Advisor (Trade), Commonwealth Secretariat, who was especially supportive – not only participating in the initial fieldwork mission, but making herself readily available at all times to discuss and resolve matters as they arose during the course of the assignment.

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**London, November 2007**

## 1. INTRODUCTION

Mpumalanga has the potential to be a premier international and domestic tourism destination. By any standards it is an exceptionally beautiful and interesting Province, aptly named 'the land of the rising sun' – the scenery is different, the climate is different and the ambience is different. Although relatively small geographically, Mpumalanga possesses a wealth of natural resources which include the world renowned Kruger National Park with its diversity of wildlife, the world's 3<sup>rd</sup> largest canyon – Blyde River Canyon, breathtaking vistas from the Bulembu Mountains, a diversity of flora and the world's oldest exposed rocks in Barberton, Wetlands and much more. In addition Mpumalanga has a rich cultural and historical heritage, as amply described in a recent publication – Mpumalanga, History and Heritage<sup>1</sup>.

Despite the general recognition of the Province's abundant natural, historical and cultural attractions, Mpumalanga has failed to translate this resource base into a significant tourism industry. The Province's share of the international tourism to South Africa has fallen over the last few years; fewer domestic tourists now visit Mpumalanga.

The Provincial Government wishes to develop the tourism sector as a driver of economic activity and diversification. The Mpumalanga Provincial Growth & Development Strategy (PGDS) has established tourism as a priority sector as the Province has the natural and cultural resource base upon which to develop a sustainable industry on the one hand and on the other, take advantage

of the expanding markets for international and domestic travel.

However, the Provincial Government is aware that the realisation of the Province's tourism potential will not just simply happen. Tourism development will require stimulation and change.

### ***Aims of the Tourism Growth Strategy***

As specified in the project Terms of Reference, the objective is to elaborate a framework to guide tourism initiatives and development, providing the following outputs

- an integrated tourism marketing plan,
- a tourism product development plan,
- a tourism human resource plan,
- proposal for an appropriate institutional framework, and
- an action plan for implementation.

### ***Methodology***

In formulating the growth strategy, three fieldwork missions were undertaken to Mpumalanga during which consultations were held with stakeholders directly associated with the tourism sector, in addition to an extensive review of published and unpublished tourism related reports, policy papers and other documents (See Ch. 26 for list of documents consulted).

An important part of the study approach was the involvement of stakeholders in a highly participative manner so that the initiatives would be designed in such a way as to directly meet the needs of the sector and evoke

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<sup>1</sup> Mpumalanga, History and Heritage, edited by Peter Deluis, 2007

its support and enthusiasm for their implementation. This was chiefly achieved through the organisation of three Tourism Planning Workshops (April, 2007) under the aegis of the Mpumalanga Tourism and Parks Agency (MTPA).

The participants in these industry workshops included representatives from both the private and public sectors holding key positions in organisations and associations of importance in the sector. The purpose of these Tourism Planning Workshops was to

- assess the present status and characteristics of tourism in Mpumalanga
- review the strengths and weaknesses of the tourism sector covering product development, HRD & training, infrastructure & access, marketing, institutional relationships, , business environment
- identify issues and priorities
- identify actions for tourism development.

In addition, the draft strategy was presented to a Tourism Summit meeting (6 & 7 August, 2007) attended by our 150 stakeholders from both the public and private sectors.

The deliberations and recommendations from these meetings and workshops formed the basis of the tourism growth strategy and plan as elaborated in this report.

When considering the comprehensiveness of this strategy report it is important to bear in mind that a number of issues identified by stakeholders during the Tourism Planning Workshops could not be addressed due to the limited budget available for the assignment.

These issues include access transport, research & statistics, development of the nature & game reserves managed by MTPA, environmental management, the business climate for enterprise development, community involvement and the transformation of the sector.

However, these issues are to be addressed separately by the MTPA as part of the implementation of the growth strategy. In this regard, the MTPA itself has formulated an investment strategy for the parks and reserves under its control. This strategy paper is incorporated as an annex (Ch. 25) to this report.

## 2. SHAPING THE FUTURE

### 2.1 TOURISM TODAY

#### *Falling Market Share*

Last year (2006), Mpumalanga received an estimated 1,200,000 foreign tourist arrivals and 1,800,000 domestic trips, spending just under R4 billion in the Province.

Variable	No (000s)	Exp Rbn	Share %
Foreign Arrivals	1,200	3.0	7
Domestic Trips*	1,800	0.8	5

Source: SAT \*including intra provincial trips

Mpumalanga's share of the country's foreign and domestic tourism market, currently about 6% in value terms, has fallen in recent years.

#### *Due to Lack of Product*

Various reasons have been identified for this loss of market share. These reasons include insufficient marketing spend, lack of skills and poor quality service, shortcoming in infrastructure, poor and non functioning institutional relationships, history of too many fragmented programmes and initiatives. Although all of these have undoubtedly contributed to Mpumalanga's loss of competitiveness, the major reason is **lack of product**.

Mpumalanga has a wealth of primary natural and cultural attractions. These have been well documented and include Kruger National Park, Blyde River Canyon, Bulembu Mountains, Sudwala Caves, cultural villages etc. But these

primary attractions can only attract tourism if there are adequate supporting facilities and services available. Here, Mpumalanga has major problems. There is an insufficient supply of accommodation; standards are low, and there has been no significant new investment in the last five years.

Type	3*-5* Rooms	Room Occ
Hotel	1,580	60 to 70%
Lodge	1,170	40 to 50%
Guesthouse	500	
B & B	420	

Source: MTA Annual Report, 2004/5 & consultants

Excluding KNP, the stock of hotel rooms in the 3\* to 5\* category is small. Bearing in mind seasonality patterns, room occupancies are high which means little spare capacity; similarly with lodges and guesthouses and to a lesser extent with B & B's.

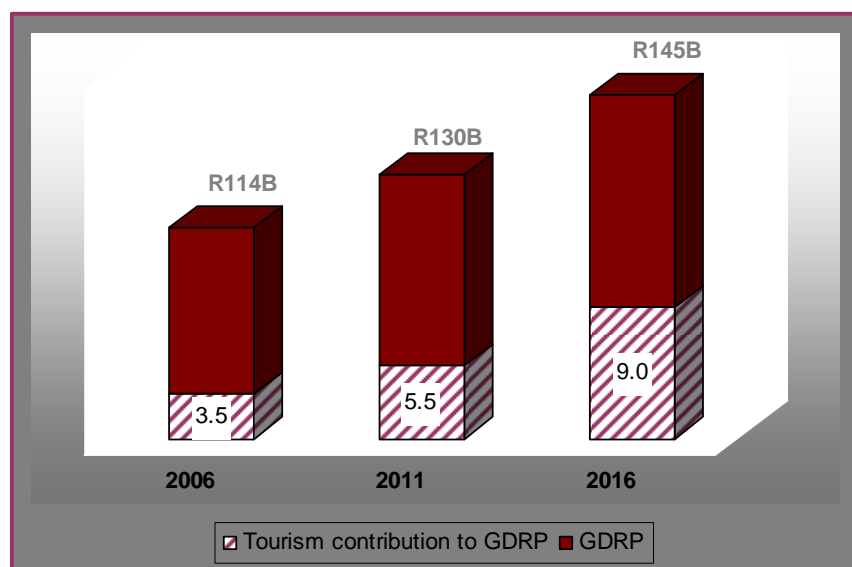
### 2.2 GOVERNMENT POLICY TO DEVELOP TOURISM

#### *Tourism to be a Driver of Economy*

The Provincial Government wishes to develop the tourism sector as a driver of economic activity and diversification. The Mpumalanga Provincial Growth & Development Strategy (PGDS) has established tourism as a priority sector as the Province has the natural and cultural resource base upon which to develop a sustainable industry on the one hand and on the other, take advantage of the expanding markets for international and domestic travel.

The PGDS has set goals and targets to improve the economic performance of the Province<sup>2</sup>. GDP is targeted to increase by 2.5% annually. For tourism, the target is to increase its contribution to GDP by 10% per annum.

This is a formidable challenge. It means that tourism must grow consistently by 10.0% yearly, significantly outperforming not only the Mpumalanga economy generally, but also the national tourism industry.



With the achievement of this growth over the next decade, tourism's direct contribution to the provincial economy will represent about 6% of GDRP in 2016. When the indirect impacts of tourist spending are also taken into account,

tourism's overall contribution to Mpumalanga GDRP could be as high as 15%.

### ***Means a Challenging Target for Industry Growth***

For the Province the target is to increase tourist spending from international and domestic tourism from an estimated R3.8 billion in 2006 to just over R10 billion in 2016, in terms of constant money values.

## **2.3 POTENTIAL FOR DEVELOPMENT**

### ***Can Mpumalanga Tourism Product be Expanded?***

A major issue is the extent to which the supply of the Province's tourism product can be expanded and diversified. An indicative assessment was undertaken of what the market wants, correlated with what Mpumalanga can realistically supply in terms of product development. The analysis demonstrated that Mpumalanga's tourism product can be diversified and expanded to cover a wide range of product market segments to include:

- nature tourism
- activity tourism
- adventure
- golf
- eco-resorts
- special interest
- touring
- residential
- sports
- shopping
- medical
- conference
- festivals/events
- leisure/entertainment

Reflecting the product/market opportunities and the feedback from the consultations with stakeholders, Vision for Mpumalanga Tourism 2016 has been developed.

<sup>2</sup> Mpumalanga Sector Studies Integrated Strategic Document, January 2007



## 2.4 VISION FOR MPUMALANGA TOURISM 2016

The foundations of Mpumalanga's diversified tourism product – wildlife & nature tourism, activity & adventure tourism, resort tourism, sports tourism, residential tourism, conference & meetings, leisure/entertainment, industrial & township tourism, coupled with the increasing interest in the Province's cultural heritage – were initiated in 2007 with a ten year tourism growth strategy and plan.

The implementation of this plan put in place the appropriate institutional framework, destination and product marketing campaigns, HRD programmes and investment promotion which combined to create the enabling environment for the development of the industry. The plan has also been instrumental in further protecting the Province's natural resources – Mpumalanga now has some of the best managed nature & game reserves and heritage sites in Africa.

With foresight the Provincial Government and District Municipalities encouraged the upgrading, diversification and expansion of the tourism product. This has resulted in a more balanced spatial spread of tourism development and associated benefits throughout the Province.

Areas which have attracted major developments are:

- Kruger National Park & adjacent private reserves
- Blyde River Canyon & other reserves managed by MTPA
- Nelspruit/White River
- Barberton
- Sabie/Hazyview
- Pilgrim's Rest/Graskop
- Dullstroom
- Witbank
- Wakkerstrom
- Loskop

**Kruger National Park** continues to be a major tourism draw - its status further enhanced by the development of the Great Limpopo Transfrontier Park. This has attracted significant new investment – one of the early developments being a R1.2 billion Le Meridien Kruger Park Golf Resort & Spa, which opened in 2009.

**Blyde River Canyon and the other Reserves managed by MTPA** have benefited from a significant Public Private Partnership investment programme. This PPP investment programme has not only enhanced the attractiveness of the parks, through better management, but also increased the capacity of the parks to cater for more tourists through the development of visitor attractions such as the cable car and visitor heritage centre at Blyde River Canyon and resorts/accommodation facilities.





In the **Nelspruit/White River Area**, the development of the Sports Stadium, the Woolmer Cricket Academy and the International Conference Centre have transformed Nelspruit/White River which has become an 'in destination' attracting visitors from Gauteng, KZN, Mozambique, Swaziland and further a field for short breaks, conferences, sports meetings, festivals and events. In addition to various festivals and events, the Nelspruit Flower Show, organised by the Lowveld National Botanical Gardens, has become a major event. There is now a wide range of accommodation to suit all pockets from 5\* flagship hotels to B&Bs, supported by excellent restaurants and lively night life entertainment.

The designation of the 'Cradle of Life' site as a World Heritage Site gave impetus to the development of **Barberton** as a tourism centre. Capitalising on the plant species diversity in the area, a BioPark has been developed which is a major attraction for tourists, both international and domestic. Barberton is the centre for sightseeing in the Bulembo Mountains, the Songimvelo Nature Reserve and Lubombo Transfrontier Conservation Area.

Increased investment has been attracted to **Sabie** and **Hazyview** with residential tourism and a 5\* golf resort complex. Sabie's slow pace and old world ambience has been maintained. Hazyview has further developed as a centre for touring to KNP and Blyde River Canyon.

**Pilgrim's Rest's** national monument status has been enhanced by the development of a world class living museum with re-enactment of period events, complete with costumes etc. New investment has been attracted – hotel and golf resort, restaurants.

**Dullstroom** has developed as a major hunting and angling centre with associated resorts. A major impetus to the development of Dullstroom was the development of a polo estate, with residential properties, horse riding, hiking, fly-fishing. A high altitude training facility is also located in the area. The **Wakkerstroom** and **Chrissiesmeer** areas have become identified as two of Africa's major ornithological sites.

By far the largest new investment has been a world class theme/amusement park near **Witbank** on the borders of the Nkangala and Gert Sibande districts. The park attracts some two million visitors annually, about 60% of which are South Africans and the balance from neighbouring SADC countries. With the associated hotels, restaurants and other services, some 10,000 of new jobs have been created.

Under the Heritage, Greening Mpumalanga and Tourism Flagship programme a 'mega tourism' destination has been created by consolidating the nature reserves in the Nkangala District, centred on **Loskop**.

In addition, the Ndebele cultural village has been remodelled and now incorporates an Ndebele Arts & Design Centre. Artists and designers are located there, selling their products and designs domestically and internationally.

Integrating the various products is the **Mpumalanga Route** which is now a major magnet for foreign visitors and rivals the Western Cape's Garden Route. The Mpumalanga Route has two major branches, one to Maputo and down the Mozambique coastline to KZN; the other through Swaziland to KZN. Other branches include the Panorama, Highland Meander, and loops through Gert Sibande District and Piet Retief.

The increased importance given to the tourism sector by the Provincial Government has paid off through increased investment in tourism and leisure facilities. Many properties have expanded and upgraded their facilities.

An added impetus was given to investor interest in the tourism sector by the construction of a new stadium for the FIFA World Cup, 2010 (which now attracts significant 'sports' tourism) and an international conference centre, which attracts an increasing number of business meetings.

Improved air access was a key factor in attracting increasing numbers of foreign tourists. There are now direct flights from the UK and Germany, along with flights to regional destinations in SADC.

The development of the tourism sector, creating between 30,000 and 40,000 new job opportunities, required an intensive skills training programme for persons wishing to enter the hospitality sector and on-going, on-the-job training for existing staff within the industry. A system of formal certified training is now in place providing a solid foundation for human resource development in tourism.

Reorganising the institutional relationships has brought about enhanced co-operation between stakeholders. The three Regional Tourism Organisations now work closely with and are supported by their respective District Municipalities. This co-operation is reflected at local level between the Local Tourism Organisations and the Local Municipalities. The Mpumalanga Tourism Forum is now well established and, being representative of all stakeholders, brings coherence to the sector in dealing with strategic issues.

The tourism sector is now better regulated. The mandatory tourism business licensing system ensures operators comply with health, safety and security regulations. The national classification and grading system has been implemented which ensures minimum standards for all types of accommodation and businesses.

Visitor security was recognised as a top priority. Increased police presence in tourist areas, an awareness campaign and a 'zero' tolerance attitude by police and residents alike have resulted in a safe environment in which visitors move freely about.

The promotional campaign established by the MTPA has put Mpumalanga on the international tourist 'map'. Tourist numbers have more than doubled, with the resulting benefits in terms of increased earnings and jobs for those involved and increased tax revenues to Government.

More than this, the growth of the tourism sector has effected significant economic transformation and empowerment, reflected in the increased number of historically disadvantaged communities and individuals now having a significant 'stake' in the industry. The tourism sector is now broader based in all aspects – product, ownership, empowerment and opportunities – making tourism a platform for wealth creation for all Mpumalanga citizens.

## 2.5 STRATEGY FOR GROWTH

To achieve the target of R10 billion in tourism spending over the next decade, there is need to broaden and diversify the primarily nature-based tourism product offerings of Mpumalanga into more main-stream segments of the market such as sports events, business/conference meetings, theme/amusement park.

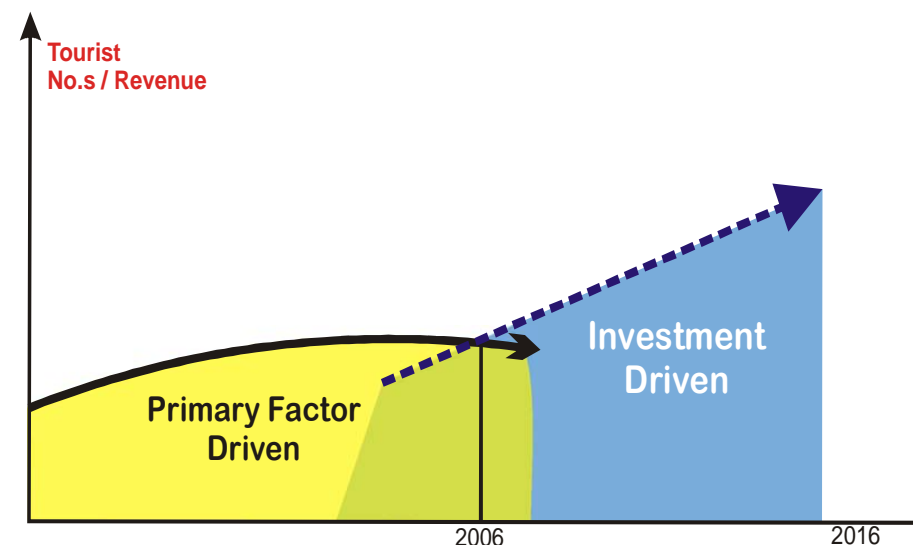
This means that Mpumalanga will have to:

### ➤ Move to an investment driven strategy

Excluding parts of KNP and the private reserves, Mpumalanga is a short stay/low spend destination. This is because the tourism industry is totally dependent on its natural attractions as the motivation for tourists to visit. But the natural attractions, though unique in many ways, are not sufficiently strong in themselves to attract the numbers required to support a significant tourism sector. This is a **primary factor driven** strategy and characterized by limited investment, insufficient accommodation, medium to low quality product and inadequate airlift.

To move on to the next stage of development requires an **investment driven strategy**, with sustained investment in all aspects of the industry – new products, destination marketing, human resource development etc.

## Tourism Development Strategy



## 2.6 LINKING STRATEGY TO SUSTAINABLE BENEFITS

The wider objective of the growth strategy is to obtain sustainable benefits for the people of Mpumalanga by generating additional economic activity. The fundamental mechanism to achieve this wider objective is by increasing tourism revenue.

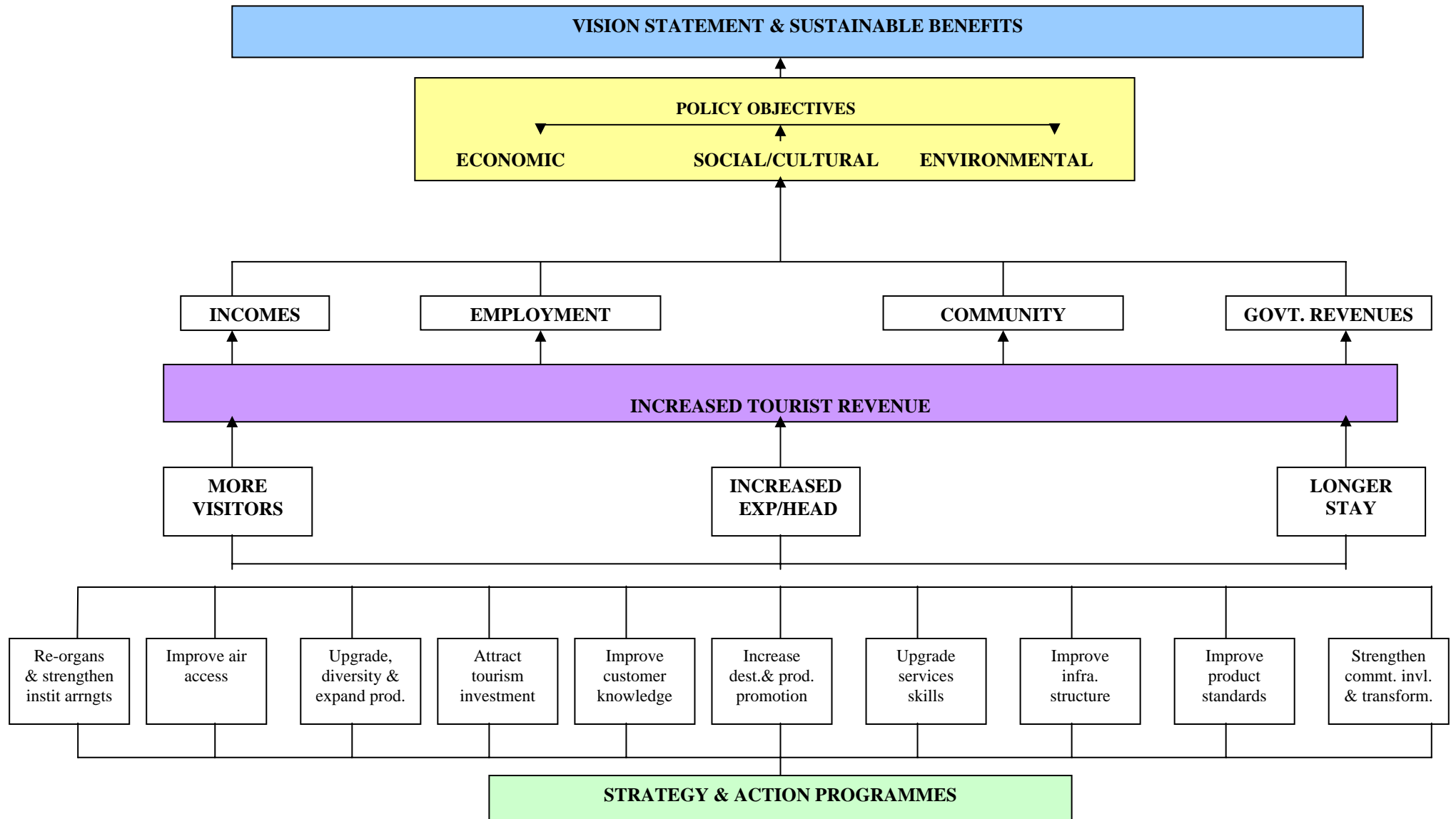
The process of securing these sustainable benefits from tourism revenue is shown on the following chart.

To get more visitors, persuade them to stay longer and spend more money requires the implementation of ten strategic initiatives to deal with the issues confronting Mpumalanga's tourism sector, viz:

- reorganise the institutional framework
- improve air access
- upgrade, diversify and expand the product
- attract tourism investment
- improve customer research and 'know how'
- increase destination and product promotion
- upgrade service skills
- improve economic infrastructure
- strengthen transformation and empowerment
- improve product standards

Implementation of the initiatives set out in this strategy document will increase spending in the Province from international and domestic tourists from an estimated R3.8 billion in 2006 to just over R10 billion in 2016, in terms of constant money values; create between 30,000 and 40,000 new job opportunities in the Mpumalanga tourism sector and generate a substantial increase in tourism related tax and other revenues for the Provincial Government

**CHART 2.1 ACHIEVING SUSTAINABLE BENEFITS**



## 2.7 ACTION PLAN IMPLEMENTATION

We see the implementation of the growth strategy in three distinct but related phases.

Actions	Phase	Phase I: 2007 – 2008 Organising for Growth	Phase II: 2008 – 2011 Growth 'take off' Phase	Phase III: 2011 – 2016 'Rapid Growth Phase	Agencies Responsible
<b>A. Arrangements for Strategy Implementation</b>		<ul style="list-style-type: none"> <li>➤ Provincial Govt. approval of strategy</li> <li>➤ 'buy in' by stakeholders</li> <li>➤ publication of strategy document</li> <li>➤ adequate funding for MTPA</li> <li>➤ PPP commercialisation for MTPA parks/reserves</li> </ul>	<ul style="list-style-type: none"> <li>➤ update of growth strategy</li> <li>➤ increased funding for MTPA</li> </ul>	<ul style="list-style-type: none"> <li>➤ update of growth strategy</li> <li>➤ increased funding for MTPA</li> </ul>	Govt, MTPA Stakeholders
<b>B. Institutional Framework</b>		<ul style="list-style-type: none"> <li>➤ staffing &amp; strengthening of MTPA</li> <li>➤ establish Tourism Forum</li> <li>➤ rationalise RTO structure</li> <li>➤ registration of tourism operators</li> <li>➤ prepare MTPA corporate strategy &amp; plan</li> </ul>	<ul style="list-style-type: none"> <li>➤ strengthening/training of MTPA staff</li> <li>➤ update of MTPA corporate strategy and plan</li> </ul>	<ul style="list-style-type: none"> <li>➤ on-going strengthening/training of MTPA</li> <li>➤ update of MTPA corporate strategy and plan</li> </ul>	Govt, MTPA RTOs, LTOs, DMs, LMs
<b>C. Destination and Product Marketing</b>		<ul style="list-style-type: none"> <li>➤ undertake low cost/high market profile initiatives to effect quick turnaround and generate momentums for growth</li> <li>➤ production of collaterals</li> <li>➤ improve web-site</li> <li>➤ brand Mpumalanga Route</li> <li>➤ formulate marketing plan</li> <li>➤ establish reliable statistical data base and market research</li> <li>➤ establish marketing groups and partnerships</li> </ul>	<ul style="list-style-type: none"> <li>➤ continuation of initiatives to maintain momentum</li> <li>➤ increased destination &amp; product marketing</li> <li>➤ increased resources for branding/promoting Mpumalanga Route</li> <li>➤ set-up e-commerce (reservations system etc)</li> <li>➤ regularly update marketing plan</li> <li>➤ increased range of collaterals</li> <li>➤ emphasis on promoting MICE</li> </ul>	<ul style="list-style-type: none"> <li>➤ intensive destination &amp; product marketing</li> <li>➤ increased resources for branding/promoting Mpumalanga Route</li> <li>➤ regularly update marketing plan</li> <li>➤ joint campaigns with other SA provinces, Swaziland and Mozambique</li> <li>➤ e-marketing/e-distribution</li> </ul>	MTPA, RTOs, KNP, KMIA,
<b>D. Upgrade, Diversity &amp; Expand Product</b>		<ul style="list-style-type: none"> <li>➤ prepare outline feasibility assessments for flagship projects</li> <li>➤ facilitate implementation of national classification and grading system</li> <li>➤ establish data base of potential investors</li> </ul>	<ul style="list-style-type: none"> <li>➤ investment promotion</li> <li>➤ excellence awards scheme</li> <li>➤ establish 'one-stop' shop for investors</li> <li>➤ update data base of potential investors</li> </ul>	<ul style="list-style-type: none"> <li>➤ on-going investment promotion campaign</li> <li>➤ improve and extend excellence awards scheme</li> </ul>	MTPA, MEGA, Treasury & other relevant Depts
<b>E. Upgrade Service Skills</b>		<ul style="list-style-type: none"> <li>➤ survey of training needs</li> <li>➤ set-up HRD Consultative Committee</li> <li>➤ organise HRD Forum</li> <li>➤ undertake tourism awareness programme</li> <li>➤ training for MTPA, Provincial, District &amp; Local tourism personnel</li> </ul>	<ul style="list-style-type: none"> <li>➤ train-the-trainer courses</li> <li>➤ training programmes for new entrants &amp; existing employees</li> <li>➤ expansion of MRTT's training programmes</li> <li>➤ Set-up in-house training programme</li> </ul>	<ul style="list-style-type: none"> <li>➤ train-the-trainer courses</li> <li>➤ training programmes for new entrants &amp; existing employees</li> </ul>	MTPA, MRTT THETA

## **PART I: TOURISM TO MPUMALANGA TODAY**



### 3. SOCIO-ECONOMIC STRUCTURE

Located in the north-eastern region of South Africa and occupying 6.5% of the surface area of the country, the Province is characterised by a wealth of natural resources and spectacular scenery.

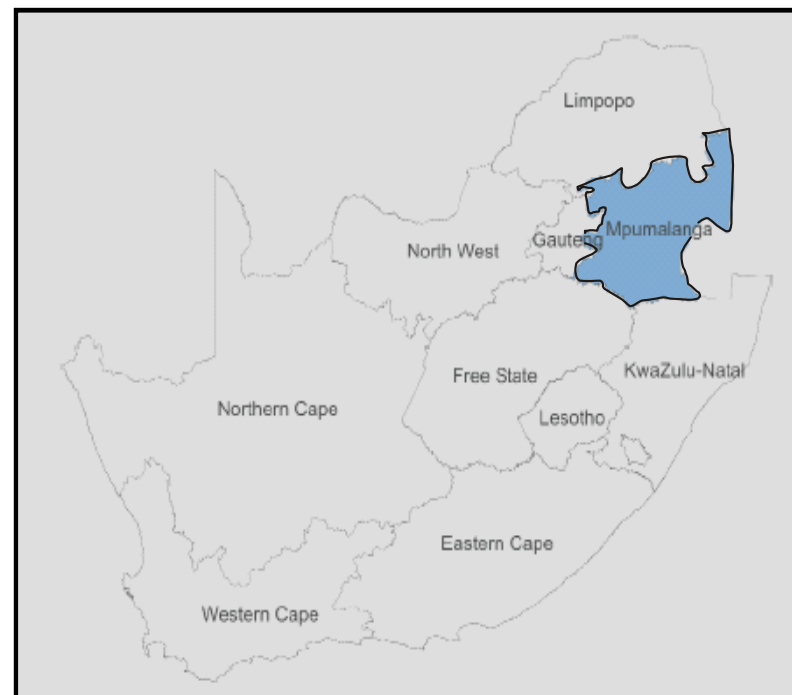
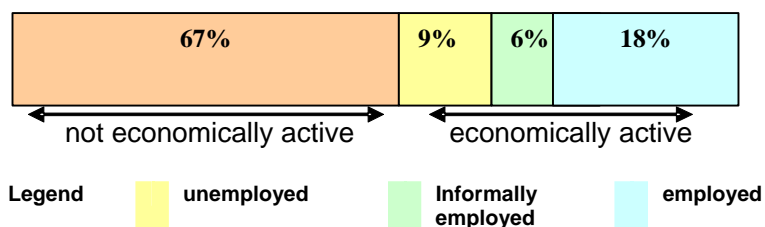
#### 3.1 POPULATION, LABOUR FORCE AND EMPLOYMENT

The population of Mpumalanga is about 3.5 million people, representing almost 7.5% of the population of South Africa.

With some 40% of the population younger than 15 years of age and a further 27% of the population aged 16 and older not economically active, the Province has a very high dependency ratio (67%).

This high dependency ratio is made worse by the lack of job opportunities. The 33% of the population that is economically active amounted to just over 1.1 million in 2006 of which we estimate 55% (635,000) are formally employed, 18% (210,000) informally employed and 27% (310,000) unemployed. In summary, less than one quarter of the population has some form of employment.

#### *Population, labour force and employment*

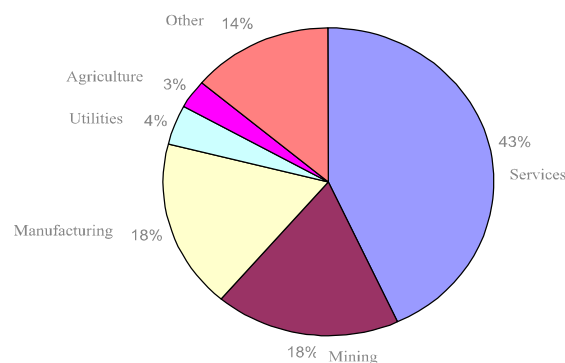


### 3.2 STRUCTURE OF THE PROVINCIAL ECONOMY

The output (GDRP) of Mpumalanga's economy in 2006 is estimated at about R114 billion, representing approximately 6.7% of total GDP of the South African economy. This proportion has been fairly consistent<sup>3</sup> over the last five years, indicating that the growth rate of the Provincial economy has matched that of the national economy.

#### *Sectoral Breakdown of Provincial Output*

As illustrated, the services sector accounts for just over 40% of the Provincial economy.



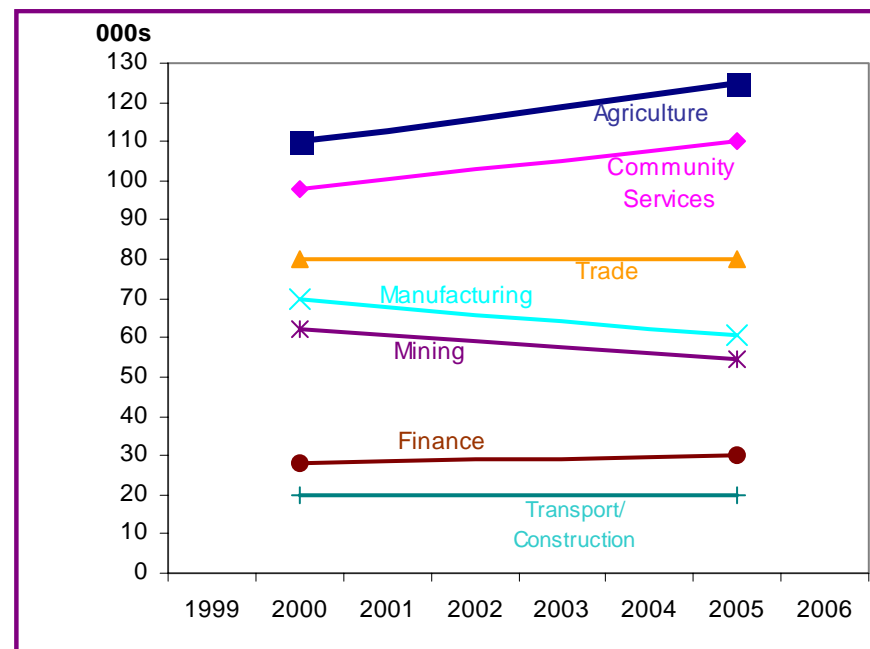
Within the services sector, community, social and general government services account for one third (33%) of output; transport & communications for almost a fifth (19%); finance & business services for just over a quarter (26%) and balance (22%) by trade and the hotel/restaurant sector. (Figures on tourism's contribution not available)

<sup>3</sup> Mpumalanga Economic Profile, Dept. of Economic Development & Planning, March, 2007

#### *Sectoral Breakdown of Formal Employment*

Although only contributing about 3% to the economy, agriculture is the largest employer, accounting for about 16% of formal employment in the Province.

#### *Sectoral Breakdown of Formal Provincial Employment*

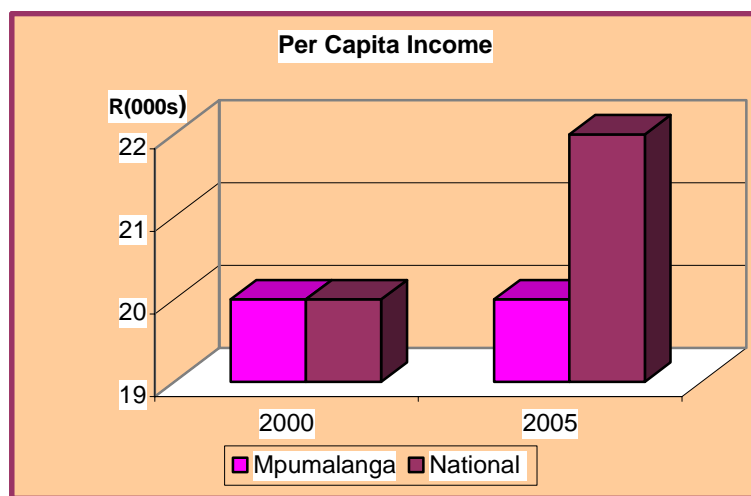


Community services (government, education, health etc) is the second largest employer in the Province and has generated increasing number of jobs over the last five years. Employment trends in the other sectors are either static or tending to decline.

Jobs in hotels & restaurants represent just under 2%<sup>4</sup> (12,000) of total formal employment. However, this significantly underestimates the wider tourism sector's contribution, since employment by tour operators, car rental companies, air transport etc are not included.

### **Income Gap**

Although not a perfect measure of living standards, per capita income is a frequently used indicator of a country or region's economic well being. On the basis of published statistics<sup>5</sup> the per capita income of Mpumalanga is below the national average.



<sup>4</sup> Mpumalanga Provincial Outlook and Review, 2006

<sup>5</sup> Mpumalanga Provincial Economic Outlook and Review, 2006

## **3.3 ECONOMIC CHALLENGE**

The challenges facing Mpumalanga have been identified in the Provincial Growth and Development Strategy 2004 - 2014. These include poverty, income disparities, HIV/AIDS, lack of skills etc.

### **Key to meeting these challenges are:**

- job creation - increasing employment opportunities in the formal economy at a higher rate than the growth in the labour force
- closing the income and productivity gaps with the rest of the nation.
- economic transformation – helping historically disadvantaged communities and individuals

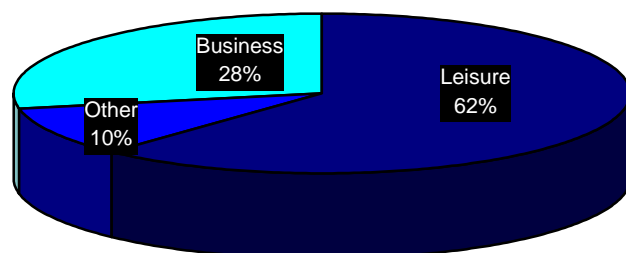
This can only be done by identifying and developing value added internationally traded products/services in agri-business, mining, manufacturing and in the services sector. However, the services sector's capacity to constitute a 'driver' of national economic activity is limited by the fact that much of the output is either non-traded (community/government services) or sheltered (utilities). Internationally traded services with significant growth potential are few, **tourism** being the main one.

## 4. TOURISM DEMAND

### 4.1 NATIONAL CONTEXT

#### 4.1.1 International Tourist Arrivals & Spending

South Africa recorded some 8.4 million foreign tourist arrivals in 2006, representing a 14% increase over the corresponding figure for 2005. A breakdown by main purpose of visit indicates that the majority came for 'leisure' purposes which included general holiday, VFR and personal shopping.



#### **Main Source Markets**

The 14% growth in foreign tourist arrivals was primarily driven by growth from Africa and the Middle-East – particularly Mozambique, Lesotho and Zimbabwe.

**Table 4.1: Foreign Tourist Arrivals by Source Market**

Market	Arrivals (000s)		Diff +/- (000s)
	2005	2006	
Africa & Middle East	5,407	6,321	914
Botswana	795	762	-32
Lesotho	1,657	1,914	257
Mozambique	596	917	321
Swaziland	910	991	81
Zimbabwe	774	980	206
Americas	322	358	36
USA	233	255	22
Europe	1,309	1,382	73
UK	470	488	18
Germany	250	258	8

Source: SAT

Spending by foreign tourists fell by R16 billion in 2006 compared with the previous year.

**Table 4.2: Tourist Foreign Direct Spending (excluding Capex)**

Category	R billion		Diff +/-
	2005	2006	
Leisure	36.3	24.2	-12.1
Business	21.1	17.0	-4.1
Other	3.3	3.5	0.2
<b>TOTAL</b>	<b>60.7</b>	<b>44.7</b>	<b>-16.0</b>

Source: SAT

Although foreign direct spend decreased across the majority of spend categories in 2006, the biggest decline was in respect of 'shopping', which dropped from R32 billion to R12.5 billion. The decrease in 'shopping' spend (both personal and wholesale) arises from the major South African retailers increasing their footprints in the SADC region. The biggest loss was from Mozambique (R5 billion), followed by Botswana (R3.4 billion), Zimbabwe (R3 billion) and Swaziland (R1.2 billion).

#### **4.1.2 Domestic Trips**

According to SAT<sup>6</sup> 'domestic travel increased by 2.6% in 2006 as 37 million domestic trips were undertaken. About 42% of the South African adult population travelled (i.e. 12 million domestic tourists), which means that fewer South Africans travelled more (i.e. took on average 3.1 domestic trips in 2006). This was down from 14 million people who took a domestic trip in 2005.

Revenue from domestic tourism was approximately R16.5 billion, with VFR travellers generating two thirds of all domestic tourism revenue (i.e. 66%). This was down from 2005 as the two highest revenue generating purposes of travel (holiday and business) declined in both incidents of travel and spend per trip.

While VFR travel increased from 69% to 78%, holiday travel declined from 12% in 2005 to 7% in 2006 (with revenue decreasing from R6.8 billion to R3 billion) and business travel dipped from 6% to 5% (with revenue decreasing by R1 billion). Average spend per day also

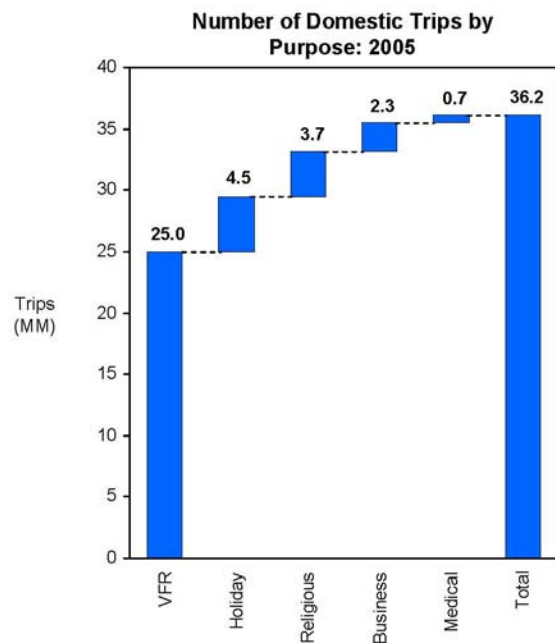
declined for both while VFR went from R339 per trip to R375 per trip.

The major beneficiaries of domestic tourism in 2006 were KwaZulu Natal and Gauteng, with both provinces being the source and destination of the majority of domestic trips.

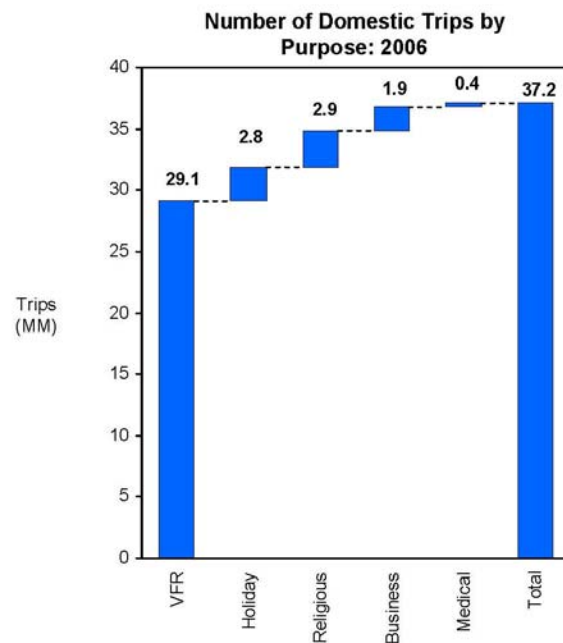
This is the second year of the domestic survey and it is still too early to detect trends in the market as the rise of low-cost airlines brought down the cost of travel for some but the fuel price made it more expensive for others. One of the challenges in growing the domestic market is making it a lifestyle choice and not just driven by the purpose of visiting friends or family'.

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<sup>6</sup> INDABA 2007 Factsheet, South African Tourism

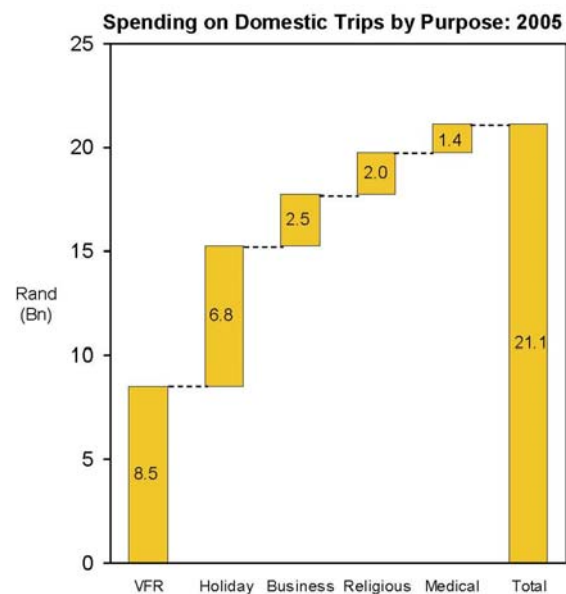


<b>Share of Total Trips</b>	69%	12%	10%	6%	2%	100%
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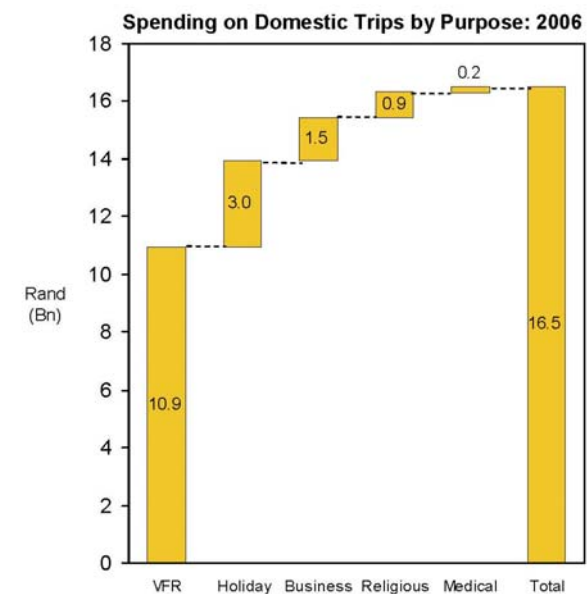


<b>Share of Total Trips</b>	78%	7%	8%	5%	1%	100%
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Source: SAT Domestic Surveys for 2005, 2006



<b>Share of Tot Spend</b>	40%	32%	12%	9%	6%	100%
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<b>Share of Tot Spend</b>	66%	18%	9%	5%	1%	100%
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## 4.2 PROVINCIAL CONTEXT

### 4.2.1 International Tourist Arrivals

Mpumalanga received an estimated 1,200,000 foreign tourist arrivals in 2006, representing an increase of about 9% when compared with the corresponding figure for 2005.

**Table 4.3: Foreign Tourist Arrivals and Bednights Spent in Sectoral Provinces, 2006**

Province	2004		2005		2006	
	Arr	B'nite	Arr	B'nite	Arr	B'nite
Mpumalanga	1,000	4,030	1,100	4,220	1,200	4,600
KwaZulu Natal	2,380	8,640	1,600	9,640	1,600	9,385
Western Cape	1,530	16,120	1,600	16,875	1,750	20,665
<b>TOTAL</b>	<b>6,680</b>	<b>57,580</b>	<b>7,400</b>	<b>60,270</b>	<b>8,400</b>	<b>70,000</b>

Source: SAT and Consultants estimates

Although Mpumalanga is getting a declining share of foreign tourists arrivals – now about 14% compared with 21% in 2002, the proportion of bednights spent in the province has more or less held steady at about 7%.

#### Main Source Markets

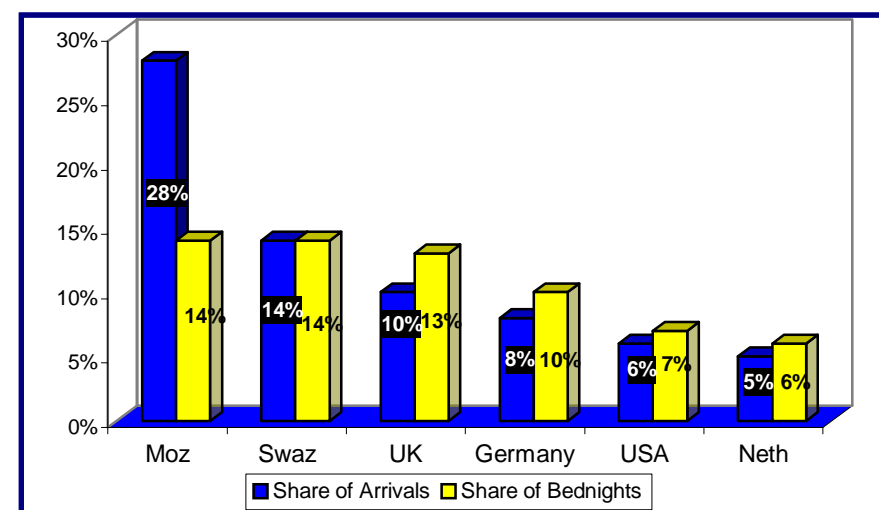
Mpumalanga's top 7 source markets are Mozambique, Swaziland, UK, Germany, USA, Netherlands and France, which together account for approximately 75% of arrivals and 70% of bednights spent in the province.

**Table 4.4: Foreign Tourist Arrivals and Bednights Spent by Source Market, 2006**

Market	000s		Market	000s	
	Arr	B'nite		Arr	B'nite
Mozambique	340	660	USA	70	340
Swaziland	165	640	Netherlands	60	290
UK	125	600	France	45	175
Germany	95	460	Other	300	1,435

Source: Consultants estimates

The share of arrivals and bednights accounted for by the different source markets is shown on following chart.



### Purpose of Visit

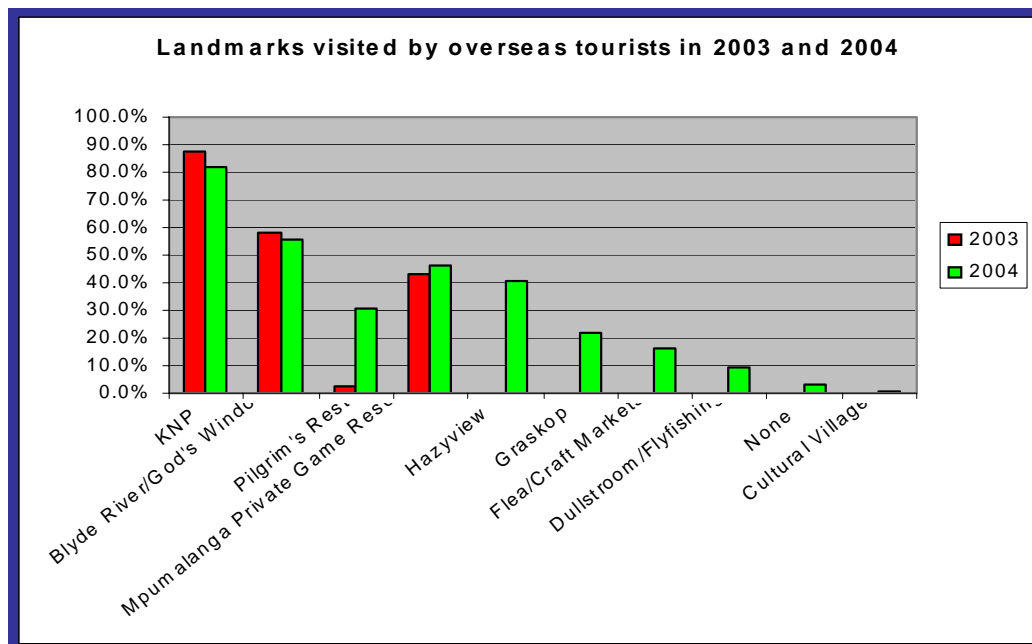
Holiday is the main purpose of visit for all markets except Mozambique and Swaziland where shopping and VFR is the main purpose of visit respectively.

**Table 4.5: Purpose of Visit by Main Source Market, 2004**

Market	Holiday	Shopping	Purpose of Visit % VFR	Business	Other	Total
Mozambique	22	70	3	2	3	100
Swaziland	24	7	42	9	18	100
UK	86	-	9	4	1	100
Germany	90	-	3	4	3	100
USA	75	-	6	13	6	100
Netherlands	90	-	3	3	4	100

Source: Consultants estimates

### Places Visited



Kruger National Park and Blyde River/ God's Window are the two more popular attractions visited.

Source: SAT Mpumalanga Provincial Reports (Q1-Q4) 2004



#### 4.2.2 Domestic Trips

In 2006, Mpumalanga received 1.8 million domestic trips, a decline of 5% when compared with the previous year. The Province's share of all domestic trips also declined.

Excluding trips taken by Mpumalanga residents (whether within or outside the province), the province receives about 3% of the domestic market.

**Table 4.6: Domestic Trips to Mpumalanga**

Variable	No. of Trips (000s)	
	2005	2006
To Mpumalanga	1,900	1,800
To all Provinces	36,200	37,100
Share (%)	5.2	4.8

*Source: SAT Domestic Surveys for 2005, 2006*

#### Source Markets

Some 60% of domestic trips to Mpumalanga are generated by residents of other provinces, primarily Gauteng. The findings of the SAT Domestic Survey suggest that the number of trips taken by Mpumalanga residents within their own province declined in 2006 and there was no growth in the number of trips taken by residents of other provinces to Mpumalanga.

**Table 4.7: Mpumalanga's Source Markets**

Market	No. of Trips (000s)	
	2005	2006
Mpumalanga	800	700
Other Provinces	1,100	1,100
<b>TOTAL</b>	<b>1,900</b>	<b>1,800</b>

*Source: SAT Domestic Surveys for 2005, 2006*

## **PART II: TOURISM SECTOR REVIEW**

## 5. STRUCTURE OF TOURISM SECTOR

As illustrated on the following diagram, Mpumalanga's tourism sector is composed of environment based natural attractions, facilities, amenities, services and supporting economic infrastructure. In looking at the Province's tourism sector it is important to distinguish between:

- the primary tourism attractions – natural environment, cultural heritage etc
- the economic infrastructure – airports, roads, utilities, telecommunications
- the tourism facilities and services – accommodation, restaurants, transport
- the enabling environment – institutional arrangements, regulations, human resource development etc
- sector management – destinations marketing, investment promotion, research & statistics etc.

The primary tourism attractions, economic infrastructure, supporting facilities & services, enabling environment and sector management are interdependent in several ways:

- (i) if the primary attractions are or become severely impaired by environmental damage or overuse etc – the *raison d'être* for tourism facilities disappears
- (ii) conversely, the primary attractions can effectively attract tourism only if there is adequate supporting facilities and services available

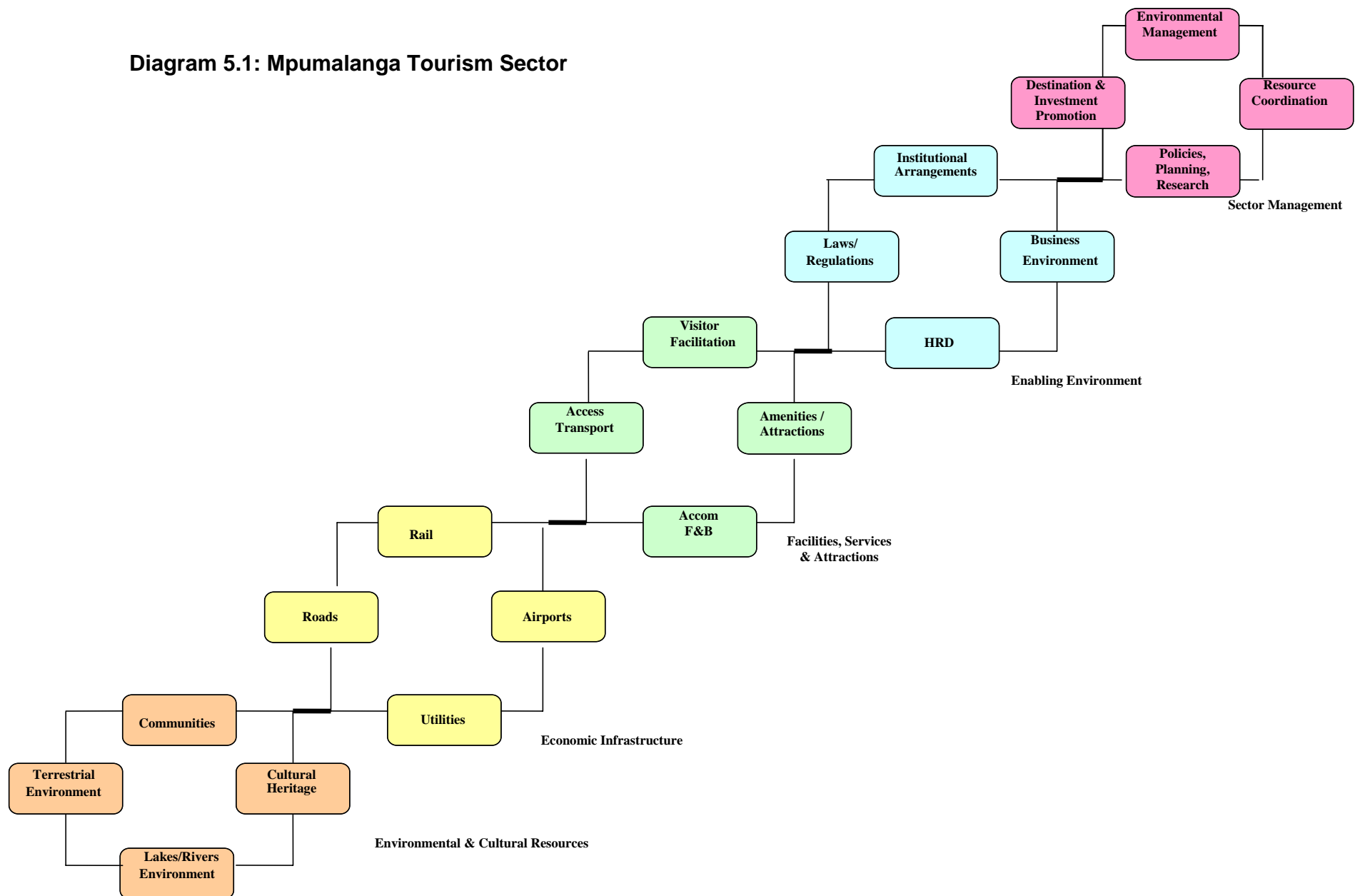
(iii) underpinning the tourism facilities, it is necessary to have:

- the economic infrastructure of roads, airports, telecommunications etc
- the enabling environment of appropriate institutions, regulations etc
- effective sector management covering policies & planning, destination marketing etc.

Successful tourism requires many different components to be in place before there is a 'complete' product on offer in the marketplace. The implication is that a deficiency in any one component will undermine the capacity of Mpumalanga to meet the expectations of tourists.

The various components of the tourism product are reviewed in Chapters 6 through 15 following. Only very limited attention could be given to certain aspects – particularly the development potential of the parks and protected areas managed by MTPA, research & statistics, environmental management, access transport and the economic infrastructure – as these were outside the scope of work and budgetary resources for this study.

**Diagram 5.1: Mpumalanga Tourism Sector**



## 6. NATURAL RESOURCES AND CULTURAL HERITAGE

### 6.1 ENVIRONMENTAL SETTING

The Drakensberg Escarpment divides Mpumalanga into a western half consisting mainly of high-altitude grassland Highveld and an eastern half consisting of the low altitude, subtropical Lowveld. The central part of the Province is very mountainous, with heights exceeding 2000m in most places. The Lowveld has a subtropical climate, due to its latitude and proximity to the warm waters of the Indian Ocean, with maximum temperatures reaching over 40°C in summer. The Highveld is comparatively much cooler. The Drakensberg Escarpment receives the most rainfall, with all other areas being moderately well-watered by mostly summer thunderstorms. Winter rainfall is rare. The Highveld often experiences severe frost, whilst the Lowveld is mostly frost-free.

### 6.2 TERRESTRIAL

The Province's terrestrial assets include forests, mountains, waterfalls, special flora and wildlife. The Province is host to some unique attractions such as the world famous Kruger National Park (KNP) and Blyde River Canyon, the world's 3<sup>rd</sup> largest canyon.

#### *Flora*

Mpumalanga's rich flora includes over 130 species of indigenous wild flowers which bloom for up to three months every spring. (Many of the rarer species are exhibited at the Lowveld Botanic Gardens in Nelspruit,

which is considered South Africa's second most important botanical garden, despite its relative small size). The plant species diversity is second only to Cape Fynbos in the Western Cape. With over 2,100 different species found at the Makhonjwa Mountains (near Barberton) and the Blyde Mariepskop Complex, the area has been nominated as a World Heritage Site.

#### *Caves*

The Sudwala Caves are the world's oldest dolomite caves. Speleologists have charted some 2,500m of the cave system and believe that it extends for several kilometres more. The caves have also been nominated as a World Heritage Site. The more modest Echo Caves further north in the Molopong Valley continue to protect some of the Province's ancient San rock engravings. Hundreds of other smaller caves honeycomb the Mpumalanga escarpment, but the only other accessible site of historical significance is the Mapogo Caves in the Cultural Heartland which served as a stronghold of last resort for local tribes for hundreds of years. The Ndebele nation still gathers at the caves every year to honour fallen freedom fighters.



### 6.3 LAKES & WETLANDS

The Gert Sibande District of Mpumalanga has southern Africa's largest natural freshwater lake district. The village of Chrissiesmeer in the Province's grasslands is surrounded by 270 lakes and pans, which attract over 20,000 flamingo each year. The sprawling wetland is home to 82 water birds and 170 other bird species, many of which are endemic to the region, and an abundance of frog species.

The marshy region known as the Grass & Wetlands has become an important bird watching destination, particularly in the Wakkerstroom area and around Chrissiesmeer.

### 6.4 CULTURAL HERITAGE

#### *Archaeological, Historical Attractions*

A comprehensive account of Mpumalanga's history and heritage is contained in the publication Mpumalanga – History and heritage, edited by Prof. Peter Deluis, 2007.

The Province has a wide range of attractions which include:

- The Cradle of Life site near Barberton where the first form of life on earth was discovered and has been nominated as a World Heritage Site;
- The earliest recorded evidence of humanoid settlement and large-scale mining of red ochre at Lion Cavern and Dumaneni in the Ngwenya Mountains;
- San and Khoisan cave paintings; one of the more accessible sites is at the Botshabelo Mission Station, near Middelburg;

- Stone ruins, dating between 1500BC and colonial times, at places such as Legoya, near Ermelo, whose origins remain unclear;
- Fort Merensky and Botshabelo Mission Station, near Middleburg;
- The ruins the 19<sup>th</sup> century capital of the Ndzundza Ndebele kingdom at Erholweni (near Roosenekal);
- Historic towns and Anglo-Boer War sites including Waterval Boven, Dullstroom, Machadodorp, Lydenburg, Chrissiesmeer, Long Tom Pass, Bergendal, Witbank;
- Former gold rush towns such as Barberton, Kaapsehoop, Eureka and Pilgrim's Rest (which has been declared a national monument in its entirety);
- Historic churches, such as St. Peter's Church in Sabie;
- The ruins of Rebel Pedi Prince Kgalema Dinkwanyane's African Christian utopia;
- Mafofolo situated at the confluence of the Waterval and Speckbook Rivers;
- Struggle for Freedom sites: in the 1980s the region was at the forefront of resistance movement. Machadodorp has an old 'apartheid bridge' over the railway line where it is planned to build an Apartheid Museum, while three cenotaphs, acknowledging the names of the victims of the liberation struggle, have been (or are being) built in each District Municipality;
- The Samora Machel memorial and interpretative centre at the Mbuzini crash site, south of Komatipoort; and
- Modern buildings such as Provincial Government and Legislative building in Nelspruit; the KMIA terminal building and the new international sports stadium being constructed for, initially, the 2010 World Cup.

Under the Heritage component of the Heritage, Greening Mpumalanga and Tourism Flagship Programme

(Programme Implementation Plan, Version 3), heritage sites will be assessed and graded by the Department of Culture, Sport and Recreation with the aim of having well conserved and managed heritage sites.

### ***Cultural Attractions***

There are many aspects of Mpumalanga's culture which, if adequately promoted, can be interesting attractions for visitors. These include traditional cultural patterns of the various ethnic groups in the Province (such as life styles, customs, ceremonies, festivals, dress, dance, music, handicrafts, cuisine, economic activities and architectural styles). However, indigenous culture is not necessarily traditional. Mpumalanga also offers some of the region's best music, photography, art, theatre and cinema.

Cultural tourism (as promoted under the Cultural Heartland motif) focuses on the culture of the Ndebele people who are famous for their vibrant house painting, bead work and crafts. The Province already boasts a number of Ndebele museums and cultural villages, including the Kghodwana Cultural Village, near Loopspruit (about 50 miles northwest of Pretoria); the Ndzundza Mabhoko Royal Draal, near Marble Hall; the Botshebelo Historical Village, near Middelburg; and the Little Elephant/Ndlovu Encane Art & Craft Market in Middelburg.

Elsewhere, one of the best is the Shangana Cultural Village, located some 5km from Hazyview, which has been created and built by local Shangaan people and incorporates a bustling African market village where local craftspeople make and trade their craft. However, despite this rich heritage, usage of these products shows an

underutilization by international tourists and particularly by domestic tourists. The cultural product needs to be more targeted, more authentic and more sophisticated. The key challenge is to showcase it with dignity and authenticity. Some people like to witness the real life; others prefer to see a reconstruction.



## 7. ECONOMIC INFRASTRUCTURE

The provision of adequate infrastructure is one of the key conditions for the development of a thriving vibrant tourism industry in the Province. The multiple use of infrastructure by both tourists and the local population means that tourism can help to pay for infrastructure developments in which the local population can share.

In 1998, DEAT undertook a review of infrastructure in support of domestic and international tourism development in South Africa. The subsequent report identified 19 priority areas for tourism infrastructure investment, including two areas - Barberton and Malelane - in Mpumalanga. A Tourism Infrastructure Investment Framework (TIIF) identified a series of projects (to be put into national and provincial capital expenditure programmes) and actions to enhance the tourism infrastructure. The TIIF (like the Spatial Development Initiatives and the Transfrontier Parks) is also being used to guide income enhancement projects for the rural communities, including tourism and tourism-related projects, and for the allocation of poverty relief funding. Progress has been relatively slow, and many community-based tourism projects have fallen short of expectations.

### 7.1 ROADS

Mpumalanga has a relatively well-developed main road network. Good arterial and through roads exist throughout the Province. However, the roads in rural areas are in poor condition and are mostly gravel.

The main road network comprises a total of approximately 23,968km, of which 700km are Primary or National roads (maintained by National Government) and 15,885km are Secondary or Provincial roads (maintained by Provincial Government). The Province also has 7,383km of tertiary or unproclaimed gravel roads.

The Province is characterized by an east-west axis centred on the N4 road between Pretoria and Maputo which forms the core of the Maputo Development Corridor (a project that also includes the Maputo Port, the Lebombo Border Post, and the rail network and energy supplies in addition to the N4 toll road). The N4 is the responsibility of the South African National Roads Agency which has awarded a contract to the Trans Africa Concessions (TRAC) Consortium to maintain it over a 30-year period. Three of the toll plazas are situated in within the boundaries of the Province.

Provincial road maintenance and new projects fall under the Provincial Department of Roads. There is a considerable backlog. The lack of good surfaced roads into many of the rural nodes could seriously hamper the future tourism development of these areas. Provision of adequate local access roads to specific sites and attractions is essential (although for some tourists the use of 4-wheel drive vehicles over bumpy roads may be acceptable).



## MPUMALANGA

Major Rail Route — — — —

Airport ✈

National Route —————

Major Provincial Route —————

### ***Tourist Routes***

In addition to the N4 and other national roads providing access to the KNP and other major attractions, a number of tourist routes were identified and promoted by the former Mpumalanga Tourism Authority, including the Highland Meander (passing through Dullstroom) and The Panorama (passing through Lydenburg, Ohrigstad, Pilgrim's Rest, Graskop, Sabie, Hazyview and White River), taking in such sites as God's Window, the Blyde River Canyon, Bourke's Luck Potholes, etc. These routes are generally well signposted and in good condition. Elsewhere, the signage to touristic sites is variable, and sometimes inadequate.

A number of important roads need upgrading, viz:

- Barberton to the border with Swaziland – gravel road needs to be upgraded to a tarred surface road as it passes through one of the more outstanding areas of scenic beauty in the Province
- Sections of R36 from Ohrigstad to Lydenburg and Pilgrim's Rest need to be repaired/improved.
- Sections of the N17 in the Gert Sibande District need to be improved.

### **7.2 RAIL NETWORK**

The railway network in Mpumalanga covers approximately 2,083km. The most important lines are the Pretoria-Maputo and the Johannesburg-Durban lines (of which portions run through the Province). The remainder of the Province is generally well served in terms of rail infrastructure which serves most of the urban nodes. However, at present, the rail network is not significantly used by tourists (whether

international or domestic) in South Africa, apart from some luxury services and steam trains.

The recently announced Moloto Rail Development Corridor project will lessen travel time and reduce the number of accidents on the Moloto corridor in the Nkangala District by providing a multi modal integrated system consisting of rail (main line) and road based (feeder) services.

### **7.3 AIRPORTS**

In total, there are 15 licensed aerodromes or landing strips in the Province, of which eight are public licensed airports/landing strips, while the remaining seven are private licensed aerodromes/landing strips.

KMIA is Mpumalanga's only international airport, but there are few international services at present.

KMIA is owned and operated by Primkop Airport Management (Pty) Ltd. which is presently 90 percent-owned by ABB (of Switzerland), with the local community (on whose land the airport is built) owning the remaining 10 percent. The community receives R5 per passenger.

The airport can handle all types of aircraft up to B747-400F, but not the new Airbus A380. Although the runway is 3.1 km long and 60m wide, its present length limits the takeoff payload for a B747-400F to 79 percent of the total payload for a long haul flight to (say) LHR/London.

### ***Development Plans***

At times KMIA is operating close to its capacity constraints. In preparation for the future (and especially for 2010), there are plans to add more parking bays; improve the radar system; extend the terminal building; provide a dedicated international terminal; provide night landing facilities; provide dedicated bus and taxi terminals; widening of the entrance road and new cargo terminal. The expansion plans for 2010 will be funded from the National Infrastructure Fund.

As a result of the planned improvements, the capacity of the airport will be substantially increased. In 2010, KMIA will be able to handle 12 aircraft per hour compared with 8 at present.

## **7.4 UTILITIES**

### ***Water, Sanitation, Electricity***

While certain areas still suffer from the backlog in installation of basic services, on the whole, areas of current tourism activity are reasonably serviced. However, the lack of such services in certain areas may hamper future tourism growth. District and local municipality planning frameworks need to be adapted to include the areas identified for future growth in this strategy and plan.

### ***Waste Management***

Around 43 percent of all households have refuse collection services or access to a communal refuse dump. Under the Greening Mpumalanga component of the Heritage, Greening Mpumalanga and Tourism Flagship Programme,

integrated and sustainable waste management service will be provided to as wide a range of communities as possible, including the provision of central waste disposal sites, with implementation planned for the period 2007-2010. Periodic waste clean-ups and a cleanest town competition will also contribute to a clean and healthy environment. This is particularly important for tourism development.

### ***Telecommunications***

Overall, the Province is well provided with telecommunications services. However, internet access can be variable and slow.

## **7.5 OR TAMBO INTERNATIONAL AIRPORT**

OTIA serves as the primary airport for international and domestic travel to and within South Africa. It is Africa's busiest airport, handling over 16 million passengers in 2005. There are expected to be over 21 million passengers per year by 2010. The airport is the hub of South Africa's largest international and domestic carrier, South African Airways (SAA), and a number of smaller local airlines.

### ***Development Plans***

Major new development is taking place at the airport in preparation for the 2010 FIFA World Cup. The development includes the expansion of the international terminal, with a new international pier capable of facilitating the Airbus 380, a new central terminal building, an additional multi-storey car park, upgrading of the existing Terminal A (which presently suffers from congestion at international check-in points) and

realignment of the associated roadways to accommodate more space for international departures. The airport is likely to see the arrival of the new Airbus A380 in its first years of service, as Airbus has already listed OTIA as one of the few destinations worldwide capable of handling this aircraft. Thus, there should be few concerns about future passenger capacity constraints.

The station for the new Gautrain Rapid Rail Link (which will connect central Johannesburg, Sandton, the airport and Pretoria) will be housed above the new Central Terminal, the aim being to have the first link between the airport and Sandton in place in time for the Football World Cup, and the remainder completed by March 2011. This will provide direct rail travel from OTIA to the Province.

## 8. FACILITIES AND SERVICES

Tourist facilities and services consist of accommodation, restaurants, banking/bureau de change, medical services, security and so on. Based on the former MTA database, the following represents a pen-picture of the tourism sector.

**Table 8.1: Tourist Facilities and Services, 2004**

Facility/Service	No.	Facility/Service	No.
Hotels	69	Taverns	18
Guesthouses	116	Tour Operators	42
B & Bs	90	Car Operators	64
Lodges	134	Conference Venues	38
Caravan/Camps	36	Info. Offices	32

Source: Mpumalanga Tourism Authority, *Tourism Fact Sheet, 2005 second edition (reproduced in Mpumalanga Provincial Economic Outlook and Review, 2006)*

Under the Mpumalanga Tourism and Parks Agency Act, 2005), all tourism facilities and services now must be registered and licensed by the MTPA. At present, this is not the case.

### 8.1 TOURIST ACCOMMODATION

There are approximately 24,000 bed places (roughly 8,500 rooms) in the Province. Not all of the listed accommodation has been graded by the South African Grading Council, which makes it difficult to ascertain the proportion that conforms to 'export ready' international standards. The statistics indicate that over half of the total tourist accommodation capacity is concentrated in the Ehlanzeni District, especially Hazyview, Nelspruit, White River and Sabie, with a further 2,725 beds in the southern part of the KNP. Nkangala District and Gert Sibande District each have fewer than 4,000 bed places.

**Table 8.2: Distribution of Tourist Accommodation**

Area	Beds
Kruger National Park*	2,500
Sabi Sands	225
Ehlanzeni District	10,815
Nkangala District	3,670
Gert Sibande District	3,820
Other	2,970
<b>Total</b>	<b>24,000</b>

\* Marula and Kkayeni regions only

Source: MTPA Research Department and Consultant's Estimates

**Table 8.3: Number of Rooms by Type and Grade of Accommodation (excl. KNP)**

Grade	Self Catering	Guesthouse	Hotel	Lodge	Pack*	Car Van**	B & B
1*	322	15	68				3
2*	118	62	137		273	287	3
3*	659	206	663	305	115	607	76
4*	702	269	844	512	19		328
5*	40	26	72	350			14
<b>Total</b>	<b>1,841</b>	<b>578</b>	<b>1,784</b>	<b>1,167</b>	<b>407</b>	<b>894</b>	<b>424</b>

Source: MTA Annual Report, 2004/5

\* beds \*\*sites

As shown on Table 8.3, there are 1,784 rooms in hotels; 1,167 in lodges, 578 in guesthouses and 424 in bed & breakfast establishments.

As foreign tourists tend to stay in 3\* and higher graded serviced accommodation, the number of rooms available is about 3,700, a figure which has changed little in recent years.

Unlike the retail sector, there has been comparatively little investment in the tourist accommodation sector in recent years, with the main emphasis on development of new B&B establishments in converted homes.

## 8.2 CONFERENCE FACILITIES

Offering a wide variety of facilities for smaller conferences and meetings, MICE is Mpumalanga's fastest growing hospitality product. Among the larger conference and casino facilities are

- the Arena at the Emnotweni Casino Complex and Riverside Mall in Nelspruit, which offers 720 m<sup>2</sup> of open floor space capable of accommodating from 25 to over 850 people. It can seat close to 900 people cinema style or 700 classroom style; and
- the Graceland Hotel Casino and Country Club's Liberty Hall Convention Centre (a 333 m<sup>2</sup> convention room offering a maximum capacity of 400 cocktail style) and the Graceland Arena (a large multi-purpose 1,200 m<sup>2</sup> venue capable of seating 1,100 people for boxing, musical and other special events) in Secunda.



Smaller hotels and lodges also generate significant revenue from local meetings and workshops. However, the Province lacks a major facility comparable to the International Convention Centres in Cape Town, Durban and Johannesburg which can accommodate up to 5,000 delegates.

### **8.3 CAR HIRE**

Car hire is readily available at KMIA and other locations in the Province and relatively inexpensive, although for insurance reasons most companies do not permit their vehicles to be taken into Mozambique.

### **8.4 TOURIST INFORMATION**

Tourist information offices (TIOs) are located at some 35 locations in the major towns and tourist centres in the Province. Only one (at KMIA) is operated by MTPA, but this is currently out-of-service. The others are operated mostly by local tourism associations or (in the case of those at Nelspruit, White River and Sabie) by the Lowveld Chamber of Business and Tourism (LCBT) which also has an information office in Cape Town.

### **8.5 TRAVEL FACILITATION**

Travel facilitation refers to immigration and customs requirements and services at the points of entry and departure to and from Mpumalanga, including KMIA and the border posts with Mozambique and Swaziland. Such services are generally administered efficiently.

### **8.6 POLICING, SAFETY AND SECURITY**

While reasonably adequate policing exists in the Province, the perception of crime in South Africa generally remains high and a deterrent for some potential visitors, even though the great majority of tourists are not directly affected by crime. Moreover, the Crime and Victimisation Mapping Tool (launched by the Centre for Justice and Crime Prevention in April 2007) indicates that Mpumalanga was amongst the safest areas in South Africa for crimes such as murder, house robbery and sexual assault of children, with relatively few high-risk areas.

### **8.7 HEALTH AND EMERGENCY SERVICES**

Excellent medical facilities exist in the main urban centres, particularly Nelspruit. These are already used by visitors from Mozambique. More can be made of the advantages of such facilities, which have a price advantage while offering recuperation opportunities in nearby tourism facilities, for promotion in the growing medical tourism market.

Visitors to some parts of the Province are advised to take anti-malaria precautions (even though the number of cases affecting tourists in any year is very small). Of major concern is the incidence of HIV/AIDS in the Province which is one of the highest in the country.



## 9. ACCESS TRANSPORT

There is no available information on the mode of transport used by visitors to the Province. However, in a sample survey<sup>7</sup> of visitors to Mbombela Local Municipality, it was found that 65 percent of the respondents had used their own car to come to the area; 10 percent rented cars; 10 percent taxis; 9 percent came by tour bus/coach; 4 percent by aeroplane; and only 1 percent each by train or motorbike.

### *International Tourism*

In 2006, Mpumalanga received an estimated 14% of all visits by foreign visitors to the various provinces of South Africa. This is equivalent to a total of 1,200,000 foreign visitors, of which an estimated 340,000 were from Mozambique and 165,000 from Swaziland (both of which might be presumed to have entered the Province by road or rail). Overseas visitors (from Europe, North America, Asia and Australasia) amounted to an estimated 480,000 tourists. The bulk of these are presumed to have first entered South Africa by air – the great majority via the OR Tambo International Airport (OTIA) which is located some 22km east of Johannesburg. Most would probably have proceeded to visit Mpumalanga by road from this airport. A much smaller number (probably less than 100,000) may have used the Kruger Mpumalanga International Airport (KMIA) as their first point of entry into the Province. Others may have entered the Province by road from neighbouring

provinces such as KwaZulu-Natal, the Free State or Limpopo.

### *Domestic Tourism*

In 2006, domestic tourists made a total of 1.8 million trips to or within Mpumalanga, of which 700,000 were intra-provincial trips made by residents of the Province and 1,100,000 were inter-provincial trips made by residents of other provinces.

Within South Africa as a whole, nearly half of all domestic trips (including both intra-provincial and inter-provincial trips) were made in a minibus taxi, while personal vehicles were used in over a third of all trips. Planes, buses and trains remain infrequently used modes of transport for domestic tourism (SA Tourism Domestic Tourism Survey for 2005).

## 9.2 AIR ACCESS

### *Scheduled Services*

At present (May 2007), air services are provided by the following operators:

- South African Airlink (Cape Town, Durban, Johannesburg)
- South African Express (Johannesburg)
- Nationwide (Cape Town via Johannesburg)
- Interlink Airlines (Johannesburg)

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<sup>7</sup> Mbombela Tourism Sector Plan: Responsible Tourism Plan for Mbombela Local Municipality, Final, March, 2006 (Tshwane University of Technology)

- Pelican Air Services (Vilanculos, which is located some 700km north of Maputo in Mozambique, and the departure point for the Bazaruto archipelago)

who, between them provide services to Johannesburg (10 flights per day with a total of 380 seats) and, less frequently, with Cape Town (10 flights per week, including two via Johannesburg) and Durban (9 flights per week), as well as Vilanculos in Mozambique (two flights per week).

Planned new destinations include Pemba and Maputo (both in Mozambique) which are awaiting approval.

Total passengers handled by KMIA last year (2006) amounted to 215,000 (both arriving and departing), of which approximately 70 percent are considered to be tourist and 30 percent business visitors. Traffic has been growing steadily in recent years: up 27 percent in 2005; 21 percent in 2006 and 18 percent in the first two months of 2007. The busiest months tend to be August/September/October, and the slowest January and February.

Air fares to /from the Province are comparatively high due to the lack of competition.

### ***Charter Flights***

The fact that travel by air to the Province for overseas tourists presently involves transfers at OTIA is undoubtedly a deterrent to attracting more tourists to Mpumalanga. More direct flights are needed if tourism is to develop. The strategy being pursued by the management is to try to get a low cost airline to operate charter flights to/from UK to KMIA. Charters would probably operate from November to

April which is said to be the best period for visiting KNP. The service might operate Victoria Falls-KMIA-Cape Town as no other airline has taken up that route, but this depends on civil aviation agreements with Zimbabwe.

Introduction of charter services could result in a substantial increase in the number of international tourists to Mpumalanga, but most would probably want to stay at or around KNP unless efforts are made to develop and promote the Province's other tourist attractions.

### ***Other Air Services***

Mpumalanga's smaller cities and larger game reserves have domestic airports or landing strips which facilitate charter flights. Additionally, there are private airlines operating light aircraft to Skukuza, Malelane and other wild life areas. For example, Federal Air charter flights depart 3 times daily from OTIA to Skukuza Airport. From there, access to the private reserves is by vehicle or via a short flight.

## **9.3 ROAD ACCESS**

### **9.3.1 Main roads**

The principal points of entry to the Province by road are the N4 from Mozambique; the N12 from OTIA connecting with the N4 from Pretoria at Witbank; the N17 from Johannesburg to Secunda and Ermelo; the N2 and N11 from KwaZulu-Natal; the N3 from Free State and southern KZN including Durban; and the N11 and R40 from Limpopo. The main crossing points from Swaziland are Jeppe's Reef (for KNP), Bulembu (for Barberton and Nelspruit) and Oshoek (for the N17). The N4 Maputo Corridor is the main through road for the Province. It by-

passes Witbank, Middelburg and other towns with the result that these towns attract very little tourism business from passing traffic on the way to KNP or the coast (not even for petrol which can now be obtained at filling stations on the N4).

The road distance from Johannesburg to Nelspruit is approximately 300km and some 420 km to the nearest gate (Numbi) to the KNP, and 480 km to the main camp, Skukuza. With an early start, motorists can generally reach the southern camps by early afternoon. Roads to the park are tarred, and multilane highways run at least two thirds of the distance. Durban, the most accessible coastal resort, is a eight hour drive, all of it along a multilane highway, while the Eastern Cape can be reached in a long all-day journey: Port St Johns (850 km), Grahamstown and East London (both 990 km) and Port Elizabeth (1,060 km).

### ***Toll Fees***

All national roads are tolled but most have an alternative route, signposted 'A', which are not tolled. These roads are usually slower, have fewer service, fuel and rescue facilities but are often far more scenic and interesting. Toll fees on the tolled routes between Johannesburg and Cape Town are R100, to Durban R95, to Messina (Zimbabwe border) R75 and to Komatipoort (Mozambique border) R88.50. A recent survey<sup>8</sup> indicated that tollgate fees had either a big influence (35 percent of respondents) or some influence (25 percent) on respondents' decision to come to Mbombela. The remainder (40 percent) said that tollgate fees had no influence.

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<sup>8</sup> Mbombela Tourism Sector Plan, op. cit.

### **9.3.2 Internal Roads**

The R38 north provides acts as a conduit to and from the big game areas, including the KNP and the adjacent private game reserves. In addition, a number of tourist routes – including the Highland Meander and the Panorama Route – have been designated and signposted for visiting motorists. However, in other parts of the Province, road access to touristic sites is less good.

## **9.4 RAIL ACCESS**

The Province is served by a mainline service which operates daily between Johannesburg, Pretoria and Komatipoort on the Mozambique border and from Komatipoort to Maputo. Branch lines connect with Burgersfort; Dullstroom, Lydenburg and Ohrigstad; Sabie, Grasskop and through Limpopo to the border with Zimbabwe; White River; and to Phalaborwa in Limpopo Province. This line is joined by the mainline from Johannesburg at Witbank. There are also rail links to Secunda, Ermelo and other urban centres. The new Gautrain at OTIA will provide additional rail links to the Province. However, a former rail link to Skukuza in KNP and beyond is no longer operational as the tracks have been lifted.

Luxury tourist trains also travel to Mpumalanga (especially to the game reserves) from Gauteng, the Cape, KwaZulu-Natal, Mozambique and Swaziland, including the Blue Train and Rovos Rail. The Blue Train (operated by Spoornet) can be chartered for journeys from Pretoria to Nelspruit and Malelane on the border of KNP, while Rovos offers charters from Pretoria to Dullstroom (for trout fishing

and walking) and from Pretoria to Malelane (for game viewing). There are also regular golf safaris.

Rovos Rail also operates steam trains tours from Pretoria to KNP and on to Swaziland and St. Lucia on the Coast, while the Oosterlijn Steam Company (based at Waterval Boven) operates shorter day trips to Waterval Onder, Machadodorp, Hazyview, etc.

## **9.5 OTHER PUBLIC TRANSPORT**

### ***Long Distance Buses***

There are daily scheduled coach services from Gauteng, Mozambique and Swaziland to Nelspruit, as well as other major cities such as Witbank, Middelburg, Machadodorp, Hazyview, Malelane, Komatipoort and Ermelo. Charter coach services operate to the Kruger National Park and nearby private game reserves, while South Africa's only backpacker bus, the BazBus, also stops in Nelspruit, Witbank/Middelburg and other main cities as part of its regular service.

### ***Minibus Taxis***

Minibus taxis are South Africa's cheapest, fastest and most popular form of public transport, but vehicles are often old. The small commuter buses, which are licensed for 18 passengers each, link every town and village in the Province, regardless of their remoteness.

### ***Metered Taxis***

Most major cities in Mpumalanga have metered taxi services. They are significantly more expensive than other means of public transport, and often difficult for the visitor to find. There are no taxi ranks at KMIA or outside the main hotels. The practice of charging per passenger, rather than per cab, makes them relatively expensive for travel groups, while standards of cleanliness and customer care do not meet international standards. There is need for training of taxi drivers and adherence to a dress code.

## 10. AMENITIES AND ATTRACTIONS

### 10.1 NATIONAL PARKS AND RESERVES

#### 10.1.1 Kruger National Park

Kruger National Park (which is managed by South African National Parks) now forms part of the Great Limpopo Transfrontier Park. The total surface area of the Transfrontier Park is approximately 35,000 km<sup>2</sup> and straddles three countries, South Africa, Mozambique and Zimbabwe. This international game park brings together some of the best and most established wildlife areas in southern Africa.

Visitor accommodation within KNP comprises a total of 4,165 beds in 1,379 units (including 22 tented camps and rondavels operated by SANParks; 7 lodges outsourced/concessioned, to private operators plus a number of 'put-up-your-own' camping sites. Some 2,500 beds (875 units) are located in the Marula and Nkayeni regions that fall within Mpumalanga Province and the remaining 1,663 beds (504 units) in Limpopo Province. In addition, there are 225 beds in the various lodges in the Sabi Sands Game Reserve which is also part of Mpumalanga, although located within KNP.

In 2006/7, KNP (both parts) received a total of 1.2 million guests (compared with 1.3 million in the previous year). The visitor numbers include both day visitors (the majority staying in accommodation outside or adjacent to the Park) and overnight visitors staying at camps or lodges located within the Park.

KNP is approaching its estimated capacity of approximately 1.5 million visitors per year. At peak periods (particularly Christmas and Easter) there can be long delays to get in, with quotas at each gate. Some visitors may even be turned away. However, with improved distribution of visitors throughout the year, KNP could accommodate somewhat more than 1.5 million. Otherwise, policy would be to limit the day visitors in favour of the stayover visitors who spend more with an average length of stay of approximately three nights. KNP runs its own safaris for people staying at the tented camps, while the private lodges run their own game drives in special reserves within KNP. Private tour operators pay an annual licence to take clients into the Park. KNP is looking at the possibility of opening more gates; e.g. one for the northern part and one for the southern part (perhaps near KMIA).

KNP is currently undertaking a review of its tourism objectives and strategic approach in respect of visitor management, infrastructure upgrading, links with cultural heritage based opportunities, pricing and sustainable revenue growth, marketing, and transformation and empowerment.

There is a strong desire on the part of KNP management to work closely with the MTPA in the realisation of these objectives.

### 10.1.2 MTPA Game and Nature Reserves

MTPA manages the following Game and Nature Reserves:

- Blyde River Canyon Nature Reserve (recently designated a National Park – the first in the country to be managed by a provincial agency)
- Barberton Mountainlands and Nature Reserves
- Barberton Nature Reserve
- Loskop Dam Nature Reserve
- Mabusa Nature Reserve
- Mahushe Shongwe Game Reserve
- Mdala Nature Reserve
- Mkhombo Nature Reserve
- Mthethomusha Game Reserve
- Nooitgedacht Dam Nature Reserve
- Ohrigstad Dam Nature Reserve
- S.S. Skosana Nature Reserve
- Songimvelo Nature Reserve
- Sterkspruit Nature Reserve
- Verloren Valei Nature Reserve

In addition, MTPA has recently taken over responsibility for Bushbuckridge Nature Reserve, Manyeleti Game Reserve and Andover Game Reserve.

Blyde River Canyon is by far the most-visited of the MTPA reserves (with approximately 250,000 admissions per year, of which an estimated 70 percent are international visitors). The next two in order of popularity are Loskop Dam Nature Reserve and Songimvelo Nature Reserve (which is linked to Malolotja Nature Reserve in Swaziland).

#### ***Blyde River Canyon***

Blyde River Canyon is Mpumalanga's second most popular natural attraction after KNP. The 25km-long chasm is the world's largest green canyon, while its 700m cliffs making it the third largest canyon of any sort on Earth. The views from the canyon rim have inspired names such as God's Window, Bourke's Luck Potholes, the Pinnacle and the Three Rondavels. The Blyde River is open to white-water rafter's part of the year. A dozen or so waterfalls lie within easy reach of both Blyde River Canyon and the Potholes, including Lone Creek Falls, Kadashi Waterfall, Mac Falls. The Blyde Mariepskop Complex contains well over 2,000 plant species and has been nominated as a World Heritage Site.

### 10.1.3 Private reserves

Bordering or in KNP are some of the world's most exclusive private lodges, camps and reserves. These include the Sabi Sands Game Reserve, which includes a number of separate game reserves and game lodges. Although these game reserves border Kruger National Park, there are no fences between them and KNP. This means the animals can wander as they please across vast stretches of grazing land. However, not all private lodges are exclusive. A growing number offer more affordable opportunities to those wishing to experience the African bush and wildlife. In addition to those in and around KNP, there are other private reserves and game lodges in other parts of the Province.





## MPUMALANGA

- Nature Reserves 
- Place of Interest 
- Caves 
- Cultural Village 

## 10.2 LOWVELD NATIONAL BOTANICAL GARDEN

The Lowveld National Botanical Garden is one of eight gardens run by the South African National Biodiversity Institute (SANBI), formerly the National Botanical Institute (NBI). It is situated off the R40 to White River, about three kilometres from the centre of Nelspruit. The Crocodile and Nels rivers flow through the gardens.

As with most of South Africa's botanical gardens, the Lowveld NBG consists of a cultivated garden area (about 25 ha) surrounded by a larger area of natural vegetation (about 134ha). In addition to approximately 600 plant species occurring naturally in the Garden, more than 2,000 additional species have been planted. A number of trails wind through the Garden, which is at its best in the summer months.

The park-like ambience make the Garden a popular retreat for local citizens while overseas visitors are attracted by the wide diversity of plants including South Africa's best collection of indigenous ferns, 650 tree species and the rare cycads for which the garden is particularly well-known. A new visitor centre, completed in June 2004, allows access to a part of the garden that was previously unreachable. It houses a fully licensed restaurant; art, décor and book shop, as well as a small information centre.

In 2005/6, combined visitor numbers at SANBI's eight natural botanical gardens reached a record of 1.25 million, the most visited garden being the Western Cape's Kirstenbosch NBG with 750,000 visitors. Although there are no statistics available on visitor numbers to the Lowveld

NBG, anecdotal evidence suggests that admissions are not much more than 50,000 yearly.

## 10.3 SPORTING ACTIVITIES

### 10.3.1 Fishing, Hunting and Shooting

Mpumalanga's mountainous trout streams attract fishing enthusiasts from all over South Africa and abroad. The rainbow and brown trout fishing industry has encouraged the growth of highland towns, such as Dullstroom, and scores of lodges.

Hunting is available on both privately-owned game ranches, as well as in controlled hunting areas on state land. This includes both non-lethal 'green' hunts with scientists, and lethal hunting safaris featuring all of Africa's Big Five. Hunts can only be conducted by properly licensed Hunting Outfitters, with hunters guided by licensed Professional Hunters to ensure that international ethical and wildlife standards are maintained.

Mpumalanga also offers excellent bird shooting opportunities, including duck, geese, guinea fowl, pigeons, doves and quail, but needs to be restricted to designated areas.

### 10.3.2 Adventure Trails and Hiking

Mpumalanga brands itself as the adventure sports capital of Africa. The products, which are mainly targeted at the domestic South African market, include:



- Hang gliding and para gliding at the Blyde River Canyon, Barberton and Ngodwana;
- Hot air ballooning at Hazyview;
- Mountain biking at Sabie (which hosts the South African National Mountain Biking Championships every September);
- 4x4 courses, motorcycle rallies, veteran car safaris; and other motor sports (including the country's largest car rallies, such as the Sasol Rally);
- White water rafting and abseiling at Blyde River Canyon, Sabie River and Oliphants River;
- Canoeing and kayaking on the Province's many rivers, lakes and public dams;
- Other water sports (such as canoeing, yachting and rafting, power and motor boating, skiing, etc.) on Mpumalanga's network of large public dams, including the Kruger Dam near Middelburg, and the nearby Loskop Dam Game Reserve;
- Road running, including the annual Skukuza Half Marathon, the Columbus/ Loskop Marathon and the gruelling Long Tom Marathon;
- Gold panning at Pilgrim's Rest (which hosted the International Gold Panning Championships in 2005).

### **10.3.3 Golf**

Mpumalanga has 25 golf courses, many of which are renowned for their scenic beauty and excellent winter conditions. Well known courses include Leopard Creek (situated near Malelane, on the southern border of the KNP); Badplaas Golf Course; Graceland Golf Club; Nelspruit Golf Club; Sabie River Golf Club; White River Golf Club; and Skukuza Golf Club (which is situated in the

middle of the Kruger National Park). The Jock of the Bushveld amateur championships attracts 1,400 entrants from around the world every May. Recent golf course developments (for example, White River and Leopard Creek) incorporate major real estate components.

However, it should be noted that water shortages in some parts of the Province may constrain future developments.

### **10.3.4 Sports Facilities**

The construction of a R300 million stadium in preparation for the 2010 FIFA World Cup will provide the Province with a major sporting venue, while the planned Bob Woolmer Cricket Academy will serve both as a free coaching facility for young cricketers from all over South Africa and a commercial training facility for regional and international cricketers wishing to hone their skills. Mpumalanga also offers southern Africa's premier high altitude training conditions that draw sportsmen from as far as Europe, the Americas and Asia. The Provincial government has allocated R2 million towards the completion of a feasibility study for a high altitude training centre earmarked for the Dullstroom area.

## **10.4 OTHER TOURISM PRODUCTS AND ATTRACTIONS**

Other types of products and attractions that are actually or potentially important for attracting both international and domestic tourists include:

### **10.4.1 Agricultural Tourism**

Specialist tours are available to farms in each of the Province's four distinct agricultural regions, including farms

run by women farmers, who are competing globally in the essential oil, medicinal plant and sugar markets; sunflower and maize farms; a community owned trout farm; beekeeping and forestry projects. The larger fruit, nut and sugar estates also offer tours of their fields and factories on request. In addition, the region's commercial forests are being opened to hikers and other outdoor adventurers. The Province is also home to a citrus wine estate, nut factories, alternative medicine farms run by traditional healers, Africa's most northern vineyard and the southern hemisphere's largest integrated paper mill at Ngodwana.

#### **10.4.2 Industrial Tourism**

The Province's coal mines (located mainly in Nkangala District) produce 80 percent of South Africa's total coal production. The country's only black-owned coal mine, Kuyasa Mining, is near Witbank. The mines and quarries welcome package tours, while local mine worker unions are also eager to take tourists into the rural villages to show how ordinary miners live. The massive coal-fired power stations in Gert Sibande District generate about 70% percent of southern Africa's electricity. Secunda is home to SASOL'S world's largest coal-to-petrol plant. These installations are only open to special package tours.

#### **10.4.3 Events and Festivals**

Major sporting events include the Sasol Rally, the Jock of the Bushveld Amateur Golf Championships, the annual Skukuza Half Marathon, the Columbus/ Loskop Marathon and the gruelling Long Tom Marathon. Festivals include the National Potato Festival, Secunda; Kosmos Karnival, Secunda; Sejacufe Jazz Festival; and the increasingly popular Mpumalanga Arts & Culture Festival (MACFEST).

#### **10.4.4 Casinos and Other Entertainment Facilities**

Mpumalanga has three modern casinos: the Emnotweni Casino at Nelspruit; the Graceland Hotel Casino & Country Club at Secunda; and the Champions Casino at Witbank. These also provide live shows and mainly attract local visitors. While the Province may lack sophisticated nightlife, there are active local theatres (e.g. at White River) and ample live entertainment. The larger townships offer visitors a selection of jazz, kwaito and kwaza clubs in informal settings. Mpumalanga also offers secluded health hydros and yoga retreats, especially in and around Badplaas.

#### **10.4.5 Shopping**

Nelspruit's shopping malls are favourite destinations for visitors from both Mozambique and Swaziland, especially for apparel, electronics, computers, cameras, apparel and household appliances.

Shopping is a significant boost to the Nelspruit economy. According to data derived from tax receipts at the Lebombo border post, tourists from Mozambique spend approximately R30 million at retail outlets in Nelspruit every month (PGDS 2004 – 2014).

#### **10.4.6 Meetings and Conference Facilities**

The Province has a wide range of facilities for meetings and smaller conferences, but lacks the capability to host large regional or international conferences.

#### 10.4.7 Other Attractions

The Oosterlijn Steam Company (based at Waterval Boven) runs a collection of restored locomotives and vintage carriages on steam safaris to a variety of destinations, including Waterval Onder, Machadodorp and Hazyview. Mpumalanga is home to southern Africa's only dinosaur park at the Sudwala Caves. The Province also offers go-cart racing, paint-ball expeditions, or even a 'green hunt' to dart wild lion, elephant and rhino.

### 10.5 TOURISM REGIONS

The former Mpumalanga Tourism Authority (MTA) created seven tourism regions with specially designated tourist routes, named Highlands Meander; The Panorama; Cultural Heartland; Wild Frontier; Grass and Wetlands; Cosmos Country; and Lowveld Legogote. Each of the regions is identified with different aspects of the Province's tourism product.

#### 10.5.1 Highlands Meander

The Highlands Meander is South Africa's foremost trout fishing destination. There is excellent accommodation along with a variety of other attractions including hiking trails, nature reserves, rock climbing, spectacular wild flower displays and scenic drives. The region's scenic beauty, diversity and string of historic towns (such as Dullstroom, Lydenburg, Machadodorp, Ohrigstad, Belfast and Waterval Boven) and hideaways have made it a popular weekend getaway for city dwellers from Gauteng.



### **10.5.2 The Panorama**

This spectacular region contains some of country's most beautiful scenery including the Blyde River Canyon, God's Window and Bourke's Potholes. Other attractions include the historic mining village of Pilgrim's Rest (now a national monument) and the villages of Sabie, Graskop, Ohrigstad and Hazyview (gateway to KNP and the private game reserves). Visitors can also enjoy abseiling, bungee jumping, rock climbing, caving, white water rafting, 4x4 trails, hot air ballooning, walking trails and gold panning.

### **10.5.3 Cultural Heartland**

Home of the Ndebele people (noted for their artistic talents), this region offers a variety of tourist attractions, including cultural villages, the Loskop Dam Nature Reserve (which is popular weekend destination) and other nature reserves, and the Botshabelo Cultural Village. Further south are the important mining towns of Middelburg and Witbank. Hunting is available at lodges in the Globblersdal and Marble Hall areas.

### **10.5.4 Wild Frontier**

This region is a gateway to Mozambique, Swaziland and the KNP (with entrance gates at Malelane and Komatipoort). The Makhonjwa mountains, known as the *Cradle of Life*, have some of the world's oldest forms of life. Other attractions include the former mining town of Barberton; the region's hiking and 4x4 trails; the hydro spas at Badplaas; the Samora Machel monument; the Barberton Game Reserve; and the Songimvelo Nature Reserve. The outstanding scenic Bulembu Pass leads over the mountains into Swaziland.

### **10.5.5 Grass and Wetlands**

The highland grasslands are of international significance as birding sites, where a number of rare and endangered species, endemic to the region, attract visitors from all over the world. Wakkerstroom, in the extreme south of the region, is a haven for bird lovers and wild flower enthusiasts, while, in the north around Chrissiesmeer, hundreds of water pans attract flamingo and other water bird species. The region's dams are well known for angling.

### **10.5.6 Cosmos Country**

This important industrial, agricultural and mining region is located to the south-east of Gauteng, offering easy weekend access for visitors. The Grootdraai Dam is a popular watersports destination. Secunda is known for the Sasol fuel-from-coal plant and underground coal mining complex, each amongst the largest in the world. Events include the National Potato Festival; Kosmos Karnival; and the Sejacufe Jazz Festival.

### **10.5.7 Lowveld Legogote**

The southern Kruger Park, and the private reserves on its border, are the major features of this otherwise important tropical fruit and vegetable growing region. The main city, Nelspruit, is the seat of the provincial administration, a major shopping destination and the main departure point for visits to the attractions of the Lowveld. White River, known for its art galleries and lodges, is another base for excursions to both the KNP (via the Numbi Gate) and the scenic attractions of the Panorama route. Other attractions include the Sudwala Caves and the Lowveld National Botanical Garden.

## **11. SKILLS, TRAINING NEEDS AND HRD**

### **11.1 INTRODUCTION**

One of the key objectives of provincial development policy is the development of Mpumalanga's human resources. To this end, priority is being given to investment in human capital formation and the reshaping of the secondary school curriculum to include greater emphasis on vocational training. A shortage of skilled manpower severely constrains growth and competitiveness in the tourism as well as in other industries. The challenge is how to transform the present labour force, which is characterized by a narrow skills base, poor levels of productivity and high levels of illiteracy, into a labour force which meets the requirements of the modern economy.

The Nelspruit Declaration (May 2004) identified human resource development as one of the critical conditions for growing tourism in the Province. This was again highlighted at the Mpumalanga Provincial Growth and Development Summit in February 2005. In addition the Mbombela Tourism Sector Plan<sup>9</sup> identified lack of service ethic and customer care as a major weakness.

The legislative framework for HRD and training in the tourism industry is set by the Qualifications Authority Act; the Skills Development Act; the Skills Development Levies Act; and the National Qualifications Framework.

Under the Skills Development Act, a Sector Education and Training Authority (SETA) has been established in each major industry to assist with the raising of skills. The Tourism, Hospitality and Sport Education and Training Authority (THETA) was established in May 2000 as the tourism SETA.

THETA is responsible for ensuring that training programmes and qualifications are of a high standard throughout the country by accrediting education and training providers, monitoring provision and registering assessors.

### **11.2 TRAINING DEMAND**

Currently, there is very little meaningful national or provincial labour market data for the tourism sector. Accordingly, information on the actual number of employees, their skills levels and employer requirements is not available.

For South Africa as a whole, THETA has estimated that a total of 600,000 persons were employed in the tourism industry in 2000, of which 477,000 were employed in the hospitality sector. More recent calculations by the SAT give a figure of 425,930 for direct employment in the travel and tourism industry and a total of 947,530 jobs, when indirect employment impacts are included.

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<sup>9</sup> Mbombela Tourism Sector Plan: Responsible Tourism Plan for Mbombela Local Municipality, Final, March 2006 (Tshwane University of Technology)

In a report<sup>10</sup> prepared for the former Mpumalanga Tourism Authority, it was estimated that approximately 33,000 persons were permanently employed at tourism facilities in Mpumalanga in 2002, with a further 3,600 temporary workers. This excluded employees in the Kruger National Park, estimated at a further 2,100 persons. The greatest number of people permanently employed were in operations (47%), followed by administration (15%), food and beverage (15%) and then general management (12%). A relatively high proportion of jobs were part-time or casual.

It is likely that the bulk of the direct permanent jobs are in the accommodation sector. It is estimated that more than 80 percent of all businesses in the sector are SMMES, the majority of which have limited capacity to provide training to employees who have extensive skills development needs.

### **11.3 TRAINING DELIVERY – EDUCATION AND TRAINING SUPPLY**

Nationally, some 97 government institutions and private training colleges and 276 other private training institutions are registered with THETA. However, this list is known to be incomplete as most enterprise-based training providers are not accredited with THETA.

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<sup>10</sup> Report f& Database for the Mpumalanga Tourism Authority (developed by the Institute for Tourism and Leisure Studies at the Potchefstroom University for CHE, 2002)

#### **11.3.1 Formal Training**

##### ***(i) Degree or Diploma Level***

Tourism training on a NQF level 5 and above is lacking in the Province. Currently, Tshwane University of Technology (TUT) is one of the few tertiary institutions seeking to address this problem. Other institutions engaged in the field of tourism education and training are located outside Mpumalanga, including the University of Johannesburg's School of Hospitality and Tourism (which incorporates the former Technikon Witwatersrand Hotel School); the former Swiss-supported North West Hotel School (with campuses at Mafikeng and Ga-Rankuwa) which offers one-year certificates, two-year diplomas, three-year advanced diplomas, and various skills programmes (short courses registered by THETA); and industry schools (such as Three Cities Hotel School, International Hotel School, Protea Hotels In Service Training).

It is planned to establish a National Institute for Higher Education in Mpumalanga, but course details are not yet available.

##### ***(ii) Certificate Level***

Established in 1993, the Mpumalanga Regional Training Trust (MRTT) is a specialized training institution that equips individuals with skills across a wide range of fields. Registered as a THETA service provider, it operates the Hospitality & Tourism Academy (and 4-star MRTT hotel and conference centre) located between Ka-Nyamazane and Nelspruit. It was officially opened March 2005. It provides THETA-approved skills and certificate



programmes in hospitality and tourism-related programmes. Prior to certification, learners are placed in hospitality and tourism-related operations for experiential training programmes. There is Marketing and Placements Officer whose responsibility is to find suitable employment for the school's graduates.

The programmes currently offered are two certificate and two skills programmes:

Programme	Level	Duration	No. of Students
Assistant Chef's	NQF Level 02	3 Months	20
Receptionist	NQF Level 02	3 Months	20
Prof. Cooking	NQF Level 04	1 Year	20
Food & Bev. Ser.	NQF Level 04	1 Year	20

Envisaged new programmes include diploma level courses in hotel management; professional cookery; front office; etc. Immediate priorities are for a new certificate programme in housekeeping; training programmes for tour guides; and in-house short training courses for operators of guest houses and lodges.

### **(iii) FET Colleges**

The Province is developing three Further Education and Training (FET) colleges - one each in the Gert Sibande, Ehlanzeni and Nkangala districts - which are intended become 'cutting edge' skills training centres for unemployed school leavers who did not go to college or university and for youths and adults who seek training opportunities. This follows the merger of former technical

colleges as part of the FET transformation programme, and comes after concerns of the National Department of Education regarding the relevance and responsiveness of South African FET College curricula to the requirements of employers and the economy. Tourism is among the specific skills to be addressed by the new FET colleges.

### **(iv) In-House Training**

Many major employers deliver significant skill development through their own in-house training establishments or operations. For most staff, particularly those employed in the larger chain hotel groups and tourism establishments in the parks and reserves, the only form of training they receive is in-house or on-the-job training, including refresher courses. Apart from those employed by the larger hotels (e.g. Southern Sun, Sun International, Protea, etc.), comparatively few receive structured in-company training. Certain enterprises do not offer employees any training at all.

In most cases, in-company training consists of ad hoc courses provided by the company's own staff (where a new employee works together with and under the supervision of a more skilled staff member) or by external consultants or agencies, but rarely forms part of a continuous or structured approach to enhance the quality of services offered.

A variant of the traditional on-the-job training approach is a learnership scheme in which graduates from secondary junior schools are systematically trained on-the-job in selected companies by a trained and certified mentor. THETA has been entrusted with project implementation

and management of the Tourism Learnership Project (TLP) by the Business Trust and the Department of Labour - which is accelerating the provision of learnerships and skills programmes with a view to promoting better service. Training is combined with lessons for one day per week in a variety of subjects related to the trainee's specific profession. Although usually focusing on positions in food and beverage departments and housekeeping, the apprenticeship system is also applicable to front office, maintenance and other departments. In addition, THETA traineeships are offered to unemployed persons (two per hotel) who receive R1000 per month from the hotel which is later refunded by THETA.

In-house training is sometimes perceived as a solution to deeper problems affecting the output from the formal training institutions.

#### **(v) Private Colleges**

At national level, there has been a proliferation of private colleges offering various tourism courses. Private colleges, like their government sector counterparts, tend to concentrate more on full-time programmes, thereby making it difficult for many would-be trainees from SMMES and rural communities to participate. Moreover, the quality of training from some of the private colleges can be questionable.

#### **(vi) Ad-hoc Training Courses**

In addition to those offered through THETA, training courses are also provided by bodies such as the Grading Council (training of accommodation assessors); DEAT (support system for tour guiding); National Registrars and

Provincial Registrars (tourist guide registration), while the Tourism Enterprise Programme (TEP) is a significant tourism SMME support programme funded by the private sector which includes training.

Although filling an important gap, such courses are too irregular and do not form part of a structured tourism training plan or programme, with little in-company follow-up.

The TLP incorporates a national customer services programme, called SA Host, which aims at building personal, professional and community pride while inspiring a greater commitment to giving excellent customer service. It focuses on training people in interpersonal communications, customer relations and service. The programme has nine regional trainers who conduct customer care courses throughout the country.

### **11.4 TOURISM EDUCATION**

In schools, tourism has now been accredited as one of the Grade 12 level subjects. Over 55,000 South African high schools offer travel and tourism as a high school subject. This helps to inform schoolchildren about prospects for careers in the tourism industry. There is need to develop a supplementary career guidance and advisory database.

### **11.5 TOURISM AWARENESS**

There is need to raise the awareness and understanding of the importance of tourism to the local economy among the public, local government officials, police departments, the media, stakeholders and opinion formers. Education of the local community and information sharing and cooperation



among stakeholders, will generate a more cohesive awareness and a better appreciation of the industry as a whole. This can be achieved through development and implementation of a media campaign, networking and information exchange, research and advocacy. Other initiatives, such as a tourism mascot, school lecture tours, career fairs and essay competitions, can raise awareness among children and young people about the importance and benefits of tourism and help to build local pride. This might also lead to the curtailment of the present tendency in some sections of the industry to indulge in 'price gouging' of tourists.

## 11.6 KEY ISSUES AND CHALLENGES

The main challenge with human resource development in the tourism sector is to substantially increase the effectiveness of the HRD support system. In this regard, a number of challenges have to be addressed:

### **(i) Training gaps**

At national level<sup>11</sup>, stakeholders believe a skills shortage is constraining growth and that this is likely to intensify as tourism demand grows. The weak linkages between industry and the training institutions are seen as a major contributory factor.

The skills gap in the industry is centred around managerial capability. Preliminary findings from ongoing DEAT research show that the main skills shortages in the sector are in the intermediary and high-skills level band. It

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<sup>11</sup> Based on findings of the joint THETA/SA Tourism Skills Review Project Phase 2 (February 2005)

appears to be particularly difficult to recruit skilled *black* professional and managers. Vacancies of operational staff are more easily filled as minimal training is required. On the other hand, a surplus of skills in some generic areas has been identified. The recruiting process is heavily weighted towards previous experience, as the industry attaches little value to formal qualifications. There are high rates of turnover among junior and supervisory staff, some to better-paid overseas jobs. As a result, South Africa's tourism competitiveness is being hampered by a failure to fill key gaps and to systematically upgrade skills. The impacts of the skills gap are sub-standard levels of service provision; declining skills levels (due to inappropriate qualifications); and delay in meeting national transformation goals for the industry.

These findings are equally applicable at provincial level in Mpumalanga.

### **(ii) Current Training Modalities Inadequate**

Current training efforts only address a relatively small proportion of the overall demand for skills development and capacity building. Present approaches to filling the gaps include in-house training programmes and a proliferation of externally provided educational and training courses. These have only moderate success as they are often equipping students with the wrong skills. Many formal training courses, including some of those at MRTT, are not in line with industry needs.

None of the existing methods of delivering tourism training is satisfactory. The type of courses, number of trainees and the level of training is not meeting the needs of the industry. To meet the projected training needs, the MRTT

will have to greatly expand its current programmes. Additional manpower will also be needed. The MRTT training needs to be supplemented by a network of effective in-house training and a province-wide system of mobile accelerated training for small tourism enterprises delivered by a cadre of professional trainers.

**(iii) Sector Skills Plan**

There is need for an in-depth HRD assessment to inform the preparation and implementation of a sector skills plan that addresses real needs at provincial level. Under existing conditions of supply shortfalls and scarce resources, it is essential that efforts be targeted at areas with the highest potential for leveraging excellence in tourism service. A major challenge is to accelerate training for historically disadvantaged people and to develop a BEE strategy for HRD in the tourism sector. Training is also needed for public officials, taxi drivers, street vendors, etc.

In addition, there is need for a body to monitor the delivery of tourism training in the Province on a regular basis, as well as for a tourism 'watchdog' to carry out random checks on service levels and to monitor pricing and health standards.

## 12. DESTINATION MARKETING

One of the main functions of the MTPA is destination marketing, achieved through a combination of activities such as advertising, production and distribution of collaterals, public relations and through its web-site.

The MTPA undertakes all of these activities, the main constraint being lack of funds. In this regard the MTPA is severely under-resourced.

Currently, the MTPA's total budget is in the region of R145 million. However, when the expenditures associated with the operations and management of the parks/reserves are excluded, the MTPA's operational budget for marketing, product development, HRD, research etc., is only about R30 million, of which approximately R8 million is spent on direct marketing activities (i.e. excluding salaries, overheads and expenses). By contrast, the KwaZulu Natal Tourism Authority's budget is about R58 million, half of which (almost R30 million) is spent on direct marketing activities

### 12.1 MARKETING STRATEGY

As outlined in the MTA's Annual Report 2004/5, the marketing strategy to date has been to:

- network with strategic partners in order to promote partnerships
- create a platform for the Province's tourism producers/suppliers to promote their products to travel trade buyers

- develop strategic opportunities to increase Mpumalanga's exposure in domestic, regional and international markets.

### 12.2 REGIONAL BRANDING

An element of the strategy was to promote Mpumalanga on a regional/branded basis – the Panorama, Cultural Heartland etc., in an attempt to give more 'depth' to the Province's attractions and at same time get a better spatial spread of tourism. In principle, the concept makes sense. In practice it hasn't worked for the most part and has in fact resulted in a diffused image and fragmented approach to marketing Mpumalanga. For example, although there are brochures/maps on the different regions, they are of variable quality. Moreover, there is no touring map/brochure on the Province which integrates the various regions.

The reason why this regional branding approach hasn't worked is fourfold. Firstly, Mpumalanga does not have a strong image in the market place – the Province is not known abroad and lacks a clear identity within the country. Secondly, not enough was spent on marketing. Thirdly, there is a lack of critical mass of attractions and facilities in most of the regions. Fourthly, individually, the attractions are not strong enough to be major draws. That this is the case was illustrated in an article on 'Selling South Africa to the World' in the Star newspaper (8<sup>th</sup> May) which highlighted the country's outstanding sites of scenic, historical and cultural significance. Sites in seven provinces were described; Mpumalanga was not among them.

We are not suggesting that the regional branding concept should be abandoned entirely – just that the Province's approach to destination marketing in the foreseeable future should not be founded on a regional branding strategy. In the long run, with the development of product in the regions, the concept could be revisited.

### 12.3 MARKETING ACTIVITIES

The main marketing activities undertaken include:

#### (i) participation at major exhibitions and workshops

- WTM-London, ITB-Berlin, Indaba-Durban
- Getaway shows in Johannesburg and Cape Town
- Workshops in Pretoria, Sun City, Stellenbosch and other cities

#### (ii) print and broadcasting media

- generic advertising and editorials in various publications such as
  - Update magazine (Southern Sun Hotels)
  - Sawubana (SAA in-flight magazine)
  - South Afrika magazines, Germany
  - Fact filer, UK

#### (iii) collaterals

- 'Sunrise', MTPA's official publication
- Game & nature reserves brochure
- Maps of province

#### (iv) publicity and PR

- video on Mpumalanga shown on the plasma screens at OTIA
- journalists familiarisation trips.

#### (v) web-site

Increasingly, tourist destinations are using their web-sites not only to provide information to potential tourists, but also to actively sell holidays (through links to product suppliers) and customer relations management (CRM).

The MTPA's web-site ([www.mpumalanga.com](http://www.mpumalanga.com)) was launched in May 2007 at INDABA. Although there are particular elements of the site still under construction, there are a number of shortcomings which need to be addressed, viz:

- no overall map of Mpumalanga – the site assumes that the viewer is familiar with the geography of the Province. But this is patently not the situation, particularly where foreign tourists are concerned
- although the main tourism source markets for Mpumalanga are international and regional, the site is geared almost exclusively to the domestic tourist market. Although the domestic tourist would most likely know where the Province is in South Africa and how to get there, few (if any) foreign tourists know the location of the

Province and how to get there. Moreover, there is only an English language version of the site.

- some links to operators and local tourism associations etc, do not work – for example the link to Forever Resorts doesn't work, or indeed, the link to associations, tourism services etc
- search engine sub-optimization
  - using Google to access *South African Tourism*, Mpumalanga does not feature on any of the pages. Cape Town, North West Province, Eastern Cape, the Garden Route all feature on the first five pages

In fact, the South African Explored Mpumalanga site ([www.sa-venues.com](http://www.sa-venues.com)) is considerably better. This site has maps, photo gallery and links to accommodation, tours, allowing bookings to be made on line. It also has a German language version.

#### **12.4 TOURIST INFORMATION OFFICES**

The tourist information offices (TIOs) fulfil a very important servicing function for tourists by providing information on places of interest, events, etc., in their respective localities. The TIOs also have another important function – disseminating information on the attractions, things to-see-and-do in the neighbouring localities. In this regard their role has been constrained by inadequate supplies of tourist information literature from neighbouring localities and regions, inadequate display facilities and lack of knowledge of tourism in other areas.

## 13. INSTITUTIONAL ARRANGEMENTS

### 13.1 PROVINCIAL GOVERNMENT

Because of the diverse nature of tourism, there are many departments, state owned enterprises (SOEs) and NGOs which have important roles in relation to tourism.

The Provincial Government Department with responsibility for tourism is the Department of Economic Development & Planning. The MTPA is legislatively delegated the responsibility for tourism promotion and development in Mpumalanga.

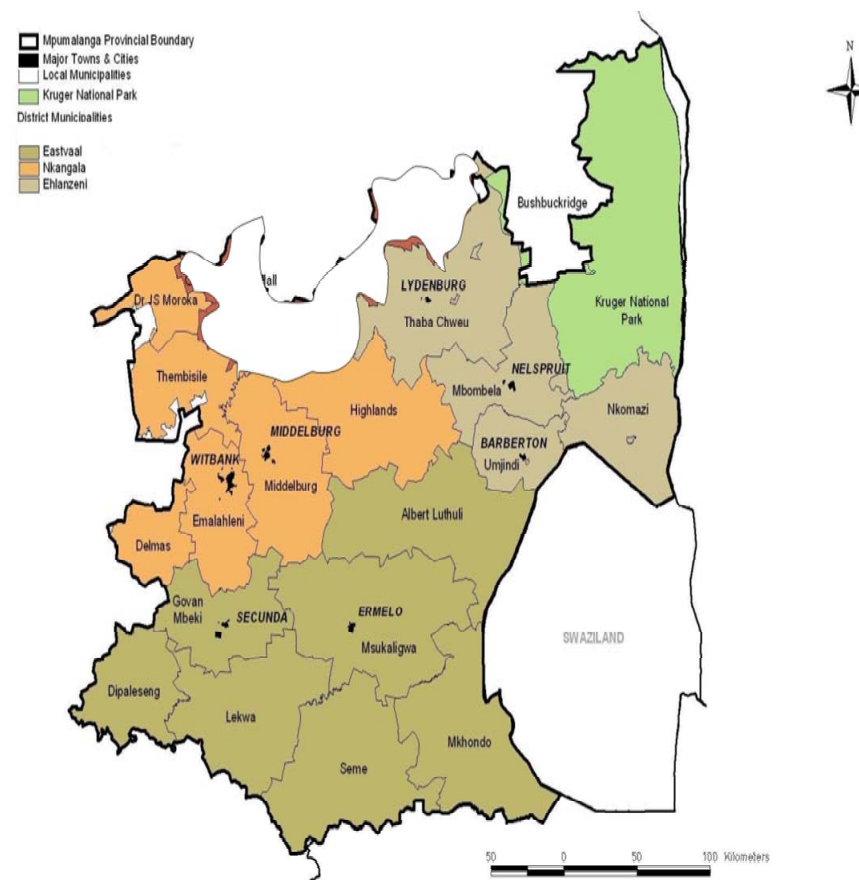
### 13.2 DISTRICT AND LOCAL MUNICIPALITIES

The Province is divided into three district municipalities, which are further subdivided into 18 local municipalities. There are responsible for the preparation and implementation of Integrated Development Plans (IDPs) at district and local level, which can have a major bearing on economic, including tourism, development.

**Table 13.1: District and Local Municipalities**

District	Local
Gert Sibande	Albert Luthuli, Msukaligwa, Mkhondo, Pixley kaSeme, Lekwa, Dipaleseng, Govan Mbeki
Ehlanzeni	Thaba Chweu, Mbombela, Umjindi, Nkomazi, Bushbuckridge
Nkangala	Delmas, Emalahleni, Steve Tshwete, Highlands Emakhazeni, Thembisile, Dr. J. S. Moroka

**Figure 13.1: District and Local Municipalities**



### 13.3 REGIONAL TOURISM ORGANISATIONS

The seven tourism regions created by the former Mpumalanga Tourism Authority (MTA) were formalised as Regional Tourism Organisations (RTOs) and established as Section 21 companies. Funding was seen as coming from a number of sources – membership, District Municipalities, activities.

Operating guidelines were formulated covering structures, roles and responsibilities, operational procedures and administration. As outlined, the roles and responsibilities of the RTOs are extensive, covering

- broadening the tourism base in the region
- providing holistic tourism planning and marketing
- developing linkages and cooperatives
- establishing accredited information centres
- creating institutional arrangements to support growth

Membership of the RTOs is open to all stakeholders, including the Local Tourism Organisations (LTOs). The Chairpersons of the RTOs form an RTO Chairpersons Forum.

### 13.4 LOCAL TOURISM ORGANISATIONS

There are an estimated 35 Local Tourism Organisations (LTOs) in the Province. These local organisations and associations are generally very active in promoting and developing tourism to their respective areas. These activities include production of collaterals, organisation of events, operation of tourism information offices etc. In all, the LTOs in the Province have some 2,500 members.

### 13.5 PRIVATE SECTOR

The private sector is well structured both sectorally (through FEDHASA, SATSA, MISA etc) and regionally (through the 35 LTOs and 7 RTOs).

### 13.6 MPUMALANGA TOURISM & PARKS AGENCY

#### 13.6.1 Role and Functions

The MTPA was established under the Mpumalanga Tourism & Parks Agency Act 2005, with the objectives to:

- a) 'provide for effective management and conservation of bio-diversity and eco-systems within the Province;
- b) develop and ensure effective management of protected areas
- c) foster, promote and sustainably develop and market tourism; and
- d) promote and create socio-economic growth and transformation within the tourism and conservation industry, thereby creating economic and employment opportunities for previously disadvantaged individuals and local communities in the Province.'

In achieving these objectives, the MTPA has a wide range of powers which gives the organisation the statutory responsibilities for:

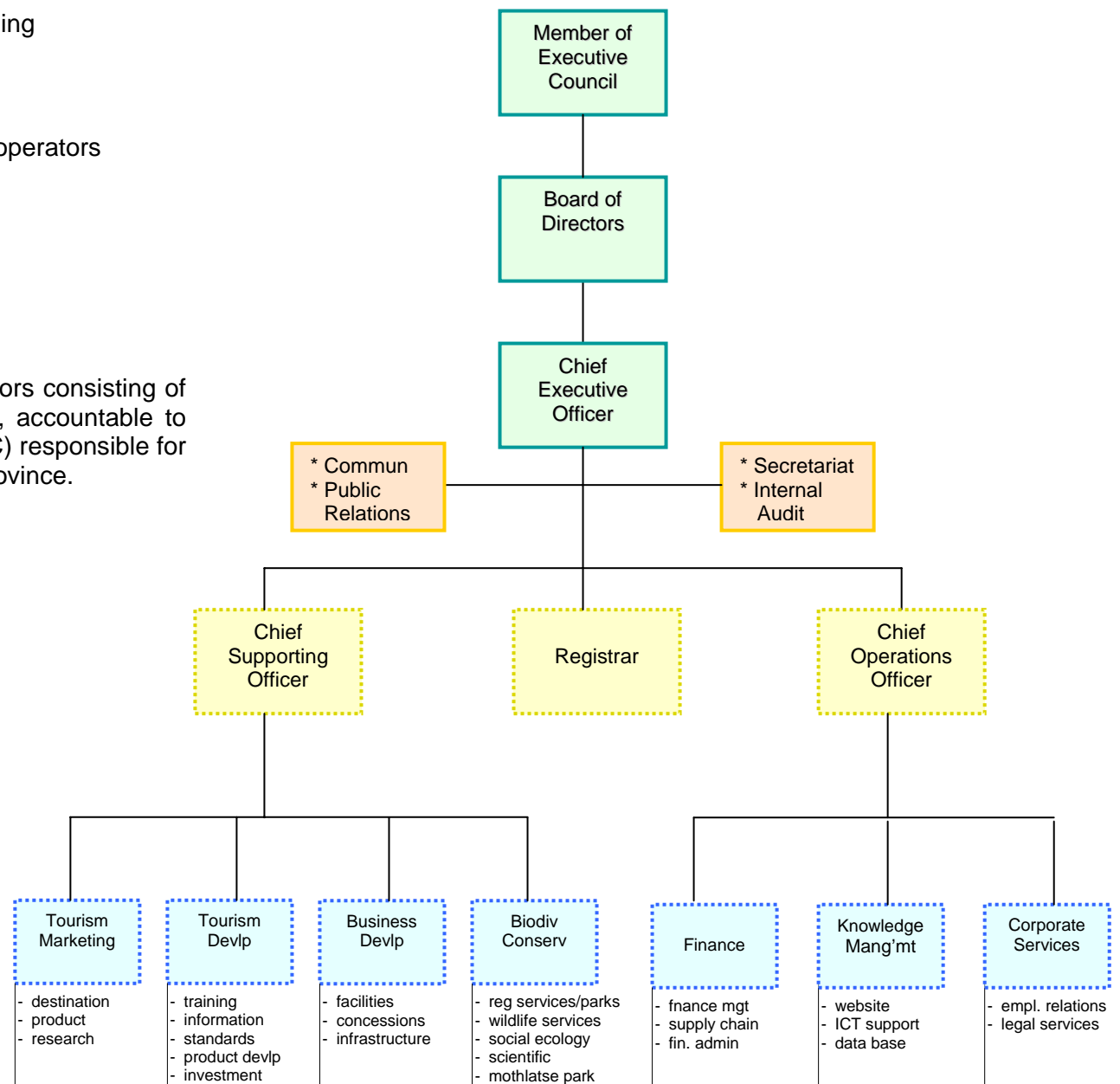
- destination marketing
- product development
- training



- product standards, classification & grading
- research and information
- dissemination of tourist information
- public relations and communications
- registration and certification of tourism operators
- conservation management
- public awareness and education
- managing designated protected areas
- promoting economic transformation

### 13.6.2 Organisational Structure and Funding

The MTPA is directed by a board of directors consisting of a chairperson and up to eleven directors, accountable to the Member of the Executive Council (MEC) responsible for tourism and conservation matters in the Province.





MTPA activities are funded by the Provincial Government. Excluding operational and capital expenditures associated with management of the parks and reserves, the MTPA's annual budget for marketing, HRD, product development, research, etc., is estimated to be about R30m, of which about R8m is spent on marketing.

**Table 13.2: Breakdown of MTPA's Budget\*, 2006/7**

Budget Heading	R (000s)	Details
Tourism Devlpmt	22,000	Training, product devlpt, standards etc
Tourism Marketing	8,000	trade shows, collaterals, website, advertising , research

\* excluding park management costs

### 13.7 INSTITUTIONAL RELATIONSHIPS AND ISSUES

The institutional relationships between the main stakeholders in the Province is illustrated on Figure 13.2. Based on a review of the institutional arrangements and the deliberations of the stakeholders at the Tourism Planning Workshops convened in April 2007 in connection with the preparation of this growth strategy, the following issues were identified.

#### ➤ Arrangements unnecessarily elaborate and complicated

The institutional arrangements as outlined on Fig. 13.2 are more appropriate for a large tourism sector. For Mpumalanga, with about 250 small size tourism establishments, the structures are unnecessarily elaborate, complicated and expensive (in terms of executive time) to operate. As a result, the arrangement hasn't been effective.

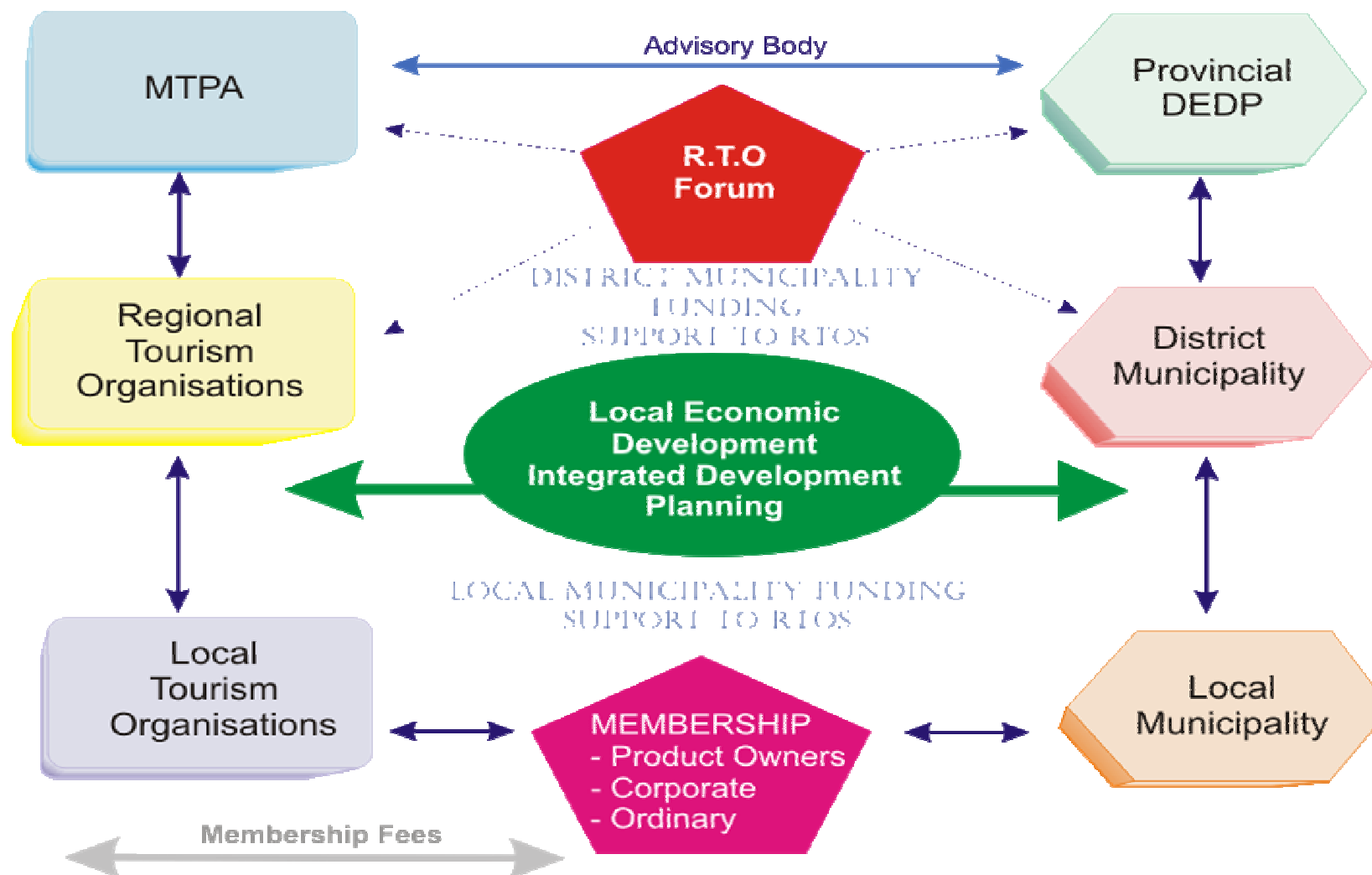
#### ➤ Poor communications with and between stakeholders

According to the Tourism White Paper, tourism should be 'government-led, private sector-driven and community-based'. However, for this approach to be effective there must be good communications and coordination of activities between all stakeholders. This is lacking in the Province. Equally important, the modalities or mechanisms for effective communications are lacking.

#### ➤ Status and role of RTOs unclear

Because of lack of funding, it is questionable whether the RTOs have ever been able to discharge their designated functions effectively. Indeed, it could be argued that their goals and functions were too ambitious, given the small scale of the tourism sector within the various regions and the inadequacy of resources. These issues have been compounded by the abolition of the MTA, leaving the present status and role of the RTOs unclear.

**Figure 13.2: Organigram of Provincial Relationships Between Government Structures and Private Sector in Mpumalanga**



➤ RTO areas do not accord with administrative boundaries

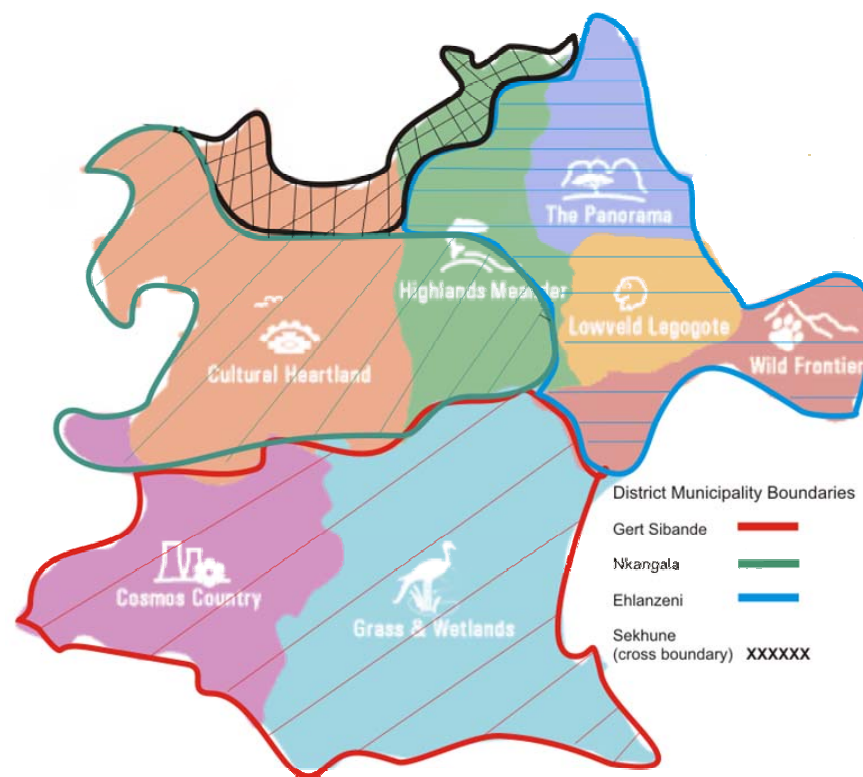
The RTO areas are not aligned with the district municipalities' boundaries. If the RTO areas are considered as 'tourist routes' this is not a problem. If, on the other hand, the RTOs are considered as 'tourist development areas', then this would constitute a problem as the District Municipalities and the Local Municipalities have the responsibility for the implementation of the integrated development plans.

➤ RTOs and LTOs deemed not to be fully inclusive.

The introduction of RTOs (at district municipality level) and LTOs (at local municipality level) have been welcomed by district municipalities in the Province. They are seen to be good vehicles to support the growth of the tourism sector and to encourage involvement of all South Africans in the sector.

It must be noted that the RTOs and LTOs are predominantly driven by the private sector practitioners. Whilst this in its own right has tremendous benefits for the tourism sector as it benefits from the experiences of the private sector, it also poses challenges in that it continues to sustain the exclusion of the black majority of South Africa.

At district level, RTOs are being encouraged to transform their representatively as well as their programmes. The district municipalities are considering financial support to some of the operational programmes of RTOs, once transformation has been achieved.



Some local municipalities have begun a process of outsourcing the marketing of tourism to their LTOs and they have put in place memoranda of understanding to support these relationships.

➤ Inadequate engagement by MTPA with District Municipalities

The relationship between the MTPA and district municipalities requires serious effort. The Districts feel that the MTPA needs more than just a reshuffle of a Board and a name change. The MTPA needs to align its programmes with those of the Districts and to consider the planning platforms that Districts have put in place and to support these when developing interventions in local economic development.

The Districts also feel that there is no coherent strategy in place to market the province that will in turn benefit the planning programmes at district level. The visits to the Indaba in Durban and other international arenas have been helpful in their own right in exposing the offerings of the Province holistically but there is a real need for the Province to develop its own exhibition event(s) with a dual role of bringing tourists to the Province and to expose the communities in tourism development and facilitation.

There is a need to co-ordinate programmes at provincial and district level. There has been no visible input from the MTPA on the Integrated Development Plans (IDPs) that districts have been finalizing in the past couple of months. This is an area of concern for Districts as they feel that the lack of integration of programmes will continue to undermine development of the Province.

The footprints for the products managed by MTPA are in the Districts and yet there is no relationship between MTPA and the Districts on the development and management of these assets. Some of the nature reserves are in an unappealing state and this is a matter of concern for Districts. But with limited dialogue between MTPA and the Districts, the situation is not likely to improve.

There has been little or limited discussion between the Provincial Government and Districts on the preparations for the World Cup 2010 and its opportunities for the tourism sector as a whole.

The relationship between line departments at provincial and national government with Districts is also quite problematic and requires attention.

➤ Involvement of Traditional Authorities

At District Municipality level, there has been a concerted effort to establish good relations with traditional authorities. In some instances, the Tourism Working Groups at local and district level have invited representatives of the traditional authorities to be part of their structures and this had yielded some positive results.

In certain districts of the Province, communal land is still available for development and this land is managed by traditional authorities. Some prominent tracts of the land in the Province are under land claims and traditional authorities are at the centre of managing these processes.

Good relations would be helpful in ensuring that land could be made available for development of the sector and where the land under dispute is used for tourism, good relations could be supportive of continued use of the lands for the intended purpose under good management arrangements.

## **PART III: STRATEGIC FRAMEWORK**

## 14. TOURISM'S VALUE AND GROWTH OBJECTIVES

Tourism's value to the economy is measured in terms of:

- boosting GDP growth
- employment generation
- tax revenues to government
- income generation at community level
- foreign exchange earnings, and
- linkages with other sectors of the economy.

The economic impact derives from the spending by tourists.

### 14.1 NATIONAL ECONOMIC IMPACT

Preliminary statistics<sup>12</sup> for 2006 indicate that spending by foreign tourist arrivals and from domestic trips amounted to R61.2 billion.

#### National Value of Tourism, 2006

Variable	Arrivals (000s)	Spend R (Million)	Avg. Nights
Foreign Tourist	8,400	44,700	8.2
Domestic Trips	37,100	16,500	n/a
<b>Total</b>	<b>45,500</b>	<b>61,200</b>	-

Source: South African Tourism

Although domestic travel accounted for four fifths (82%) of tourist volume, foreign visitors contributed the bulk (73%) of tourism spending.

#### Contribution to GDP

Tourism's direct contribution to GDP in 2006 was estimated at R57.3 billion, representing about 3.4% of national output. However, when the indirect impacts of tourist spending are also taken into account, tourism's overall contribution to GDP is estimated at 8.3%.

#### Contribution to Employment

The number of jobs directly dependent on tourism was estimated at 425,930 for 2006. When the indirect impacts of tourist spending are also taken into account, the total number of jobs directly and indirectly dependent on tourism in 2006 was estimated at 947,530 – about 7.5% of total national employment.

### 14.2 PROVINCIAL ECONOMIC IMPACT

As statistics are not available on tourist spending in the various provinces, we have made a number of simplifying assumptions<sup>13</sup> when calculating the value of tourism to Mpumalanga's economy.

<sup>12</sup> Indaba 2007 Factsheet, South African Tourism, May 2007

<sup>13</sup> Main assumptions are that a) average daily expenditure by foreign tourists in Mpumalanga is the same as in the rest of the country and b) that spending patterns of domestic tourists per trip in Mpumalanga is the same as in the rest of the country.

### Value of Tourism to Mpumalanga, 2006

Variable	Arrivals (000s)	Spend R (Billion)	Avg. Nights
Foreign Tourist	1,200	3.0	4.0
Domestic Trips	1,800	0.8	n/a
<b>Total</b>	<b>3,000</b>	<b>3.8</b>	<b>-</b>

Source: South African Tourism, Consultants estimates

### Contribution to GDRP

When allowances are made for leakages etc we estimate that tourism's direct contribution to the Mpumalanga economy was about R3.5 billion, representing 3.0% of the Province's output (GDRP) in 2006. When the indirect impacts of tourist spending are also taken into account, tourism's overall contribution to GDRP is likely to have been between 7 and 8%.

### Contribution to Employment

In the absence of employment statistics for the tourism sector we have use the very simplifying assumption that the relationship between tourism's contribution to GDP and direct employment at national level holds true at provincial level for 2006. On this basis, we estimate the number of jobs directly dependent on tourism to be about 30,000.

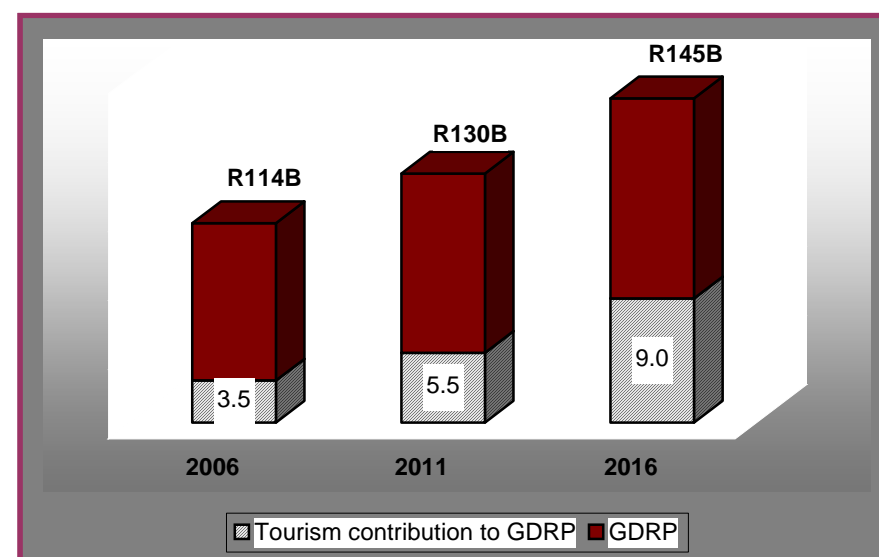
## 14.3 GROWTH OBJECTIVES FOR TOURISM

The Provincial Government wishes to develop the tourism sector as a driver of economic activity and diversification. The Mpumalanga Provincial Growth & Development Strategy (PGDS) has established tourism as a priority sector as the Province has the natural and cultural

resource base upon which to develop a sustainable industry on the one hand and on the other, take advantage of the expanding markets for international and domestic travel.

The PGDS has set goals and targets to improve the economic performance of the Province.<sup>14</sup> GDP is targeted to increase by 2.5% annually. For tourism, the target is to increase by 10% per annum its contribution to GDP.

This is a formidable challenge. It means that tourism must grow consistently by 10.0% yearly, significantly outperforming not only the Mpumalanga economy generally, but also the national tourism industry.



<sup>14</sup> Mpumalanga Sector Studies Integrated Strategic Document, January 2007

With the achievement of this growth over the next decade, tourism's direct contribution to the provincial economy will represent about 6% of GDRP in 2016. When the indirect impacts of tourist spending are also taken into account, tourism's overall contribution to Mpumalanga GDRP could be as high as 15%.

**For the Province the target is to increase tourist spending from international and domestic tourism from the estimated R3.8 billion in 2006 to just over R10 billion in 2016, in terms of constant money values.**



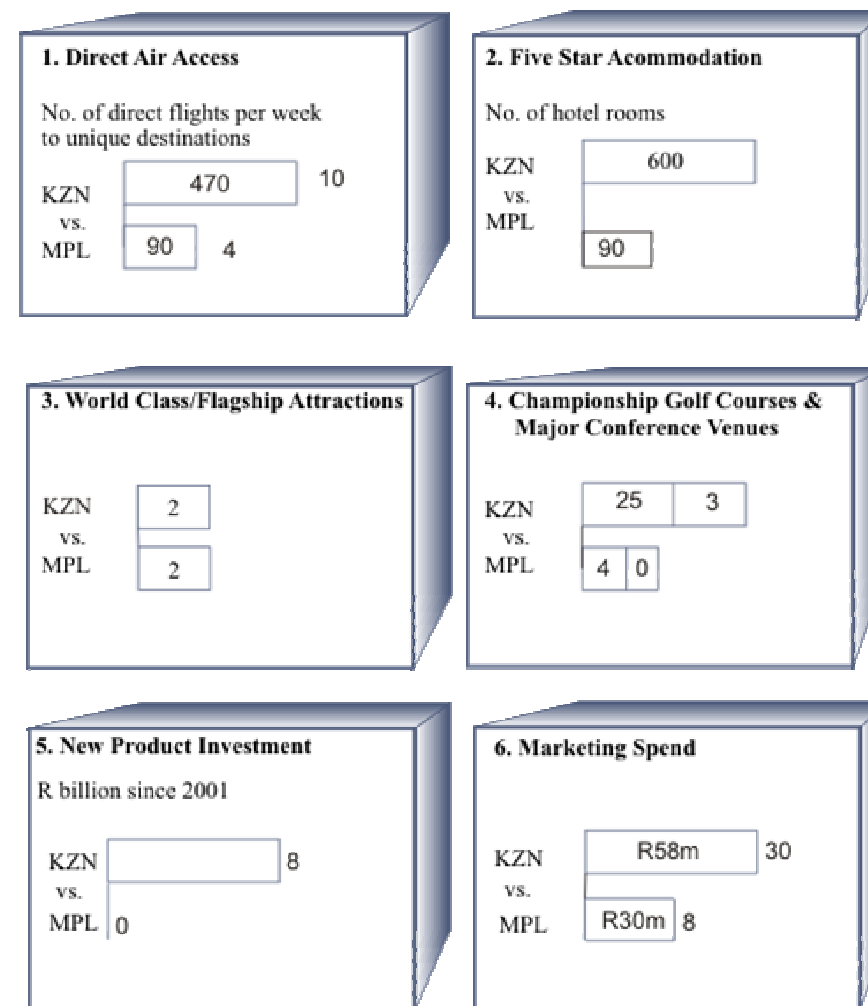
## 15. DEVELOPING A COMPETITIVE TOURISM PRODUCT

A number of elements go to make up a competitive tourism product – the key ones being:

- direct and frequent access
- range of good accommodation and high standards
- variety of attractions, things-to-see-and-do
- new product investment
- destination marketing spend

Mpumalanga is targeting a direct tourism spend of R10 billion by 2016 in terms of constant money values. As KZN currently earns about R14 billion in tourism revenue, a comparison with Mpumalanga's tourism product on these key elements illustrates what needs to be put in place to achieve this target.

- KZN has 470 direct flights per week from 10 unique destinations compared with Mpumalanga's 90 flights from 4 destinations
  - the difference in airlift is even greater when the size of aircraft is also taken into account. For the most part Airbus/B737s (110 seats) are used on flights to Durban whereas 20 seater planes are used on flights to KMIA



- In terms of 5\* hotel accommodation, KZN has some 7 properties with about 600 rooms. Mpumalanga has about 90 hotel rooms in this category.
- In terms of 4\* hotel accommodation, KZN has some 18 properties with about 1,800 rooms. Mpumalanga has 8 properties and about 600 rooms.
- The KZN Tourist Authority has a budget of R58 million, of which just under R30 million is spent on direct marketing activities. Excluding operational and capital expenditures associated with park and reserves management, the MTPA has a budget of about R30 million, of which about R8 million is spent on direct marketing activities.
- KZN has three 5\* conference venues. The Durban International Convention Centre plenary hall can seat 1,800 delegates with the Sun Coast Conference Centre and Royal Durban each having a seating capacity of 500 persons in their respective main auditoriums. Mpumalanga doesn't have anything equivalent.
- KZN has some 25 18 hole championship golf courses. Mpumalanga has four (Graceland, Leopard Creek, Sabie River and White River).
- KZN's two world class/flagship attractions (Greater St. Lucia Wetlands Park and Ukhaklambe – Drakensberg Park) are more than matched by Mpumalanga's Kruger National Park and Blyde River Canyon.
- During the past five years, there has been no significant new investment in the tourism product in Mpumalanga, whereas in Durban in 2003 alone, new investment exceeded R 2.5 billion,
  - Zimbali Lodge R650 million
  - 200 bedroom hotel R300 million
  - R1.4 billion Sun Coast Casino & Entertainment World.

## 16. POTENTIAL FOR PRODUCT EXPANSION AND DIVERSIFICATION

A major issue is the extent to which the supply of the Province's tourism product can be expanded and diversified.

An assessment of what the market wants, linked to Mpumalanga's ability to supply the required tourism products is shown on the following matrix. Correlating what the market wants with what Mpumalanga can realistically supply indicates how Mpumalanga's tourism product can be expanded and diversified and what is necessary to achieve this in terms of product development – the basis of the Province's sustainable tourism vision.

The assessment outlined on Table 16.1 following is based on the product/site inspection trips undertaken during the course of the fieldwork; a review of the district and local development plans and other relevant documents; and the deliberations by stakeholders during the tourism planning workshops convened (April 2007) as part of the process of this tourism strategy formulation.

**Table 16.1: Matrix of Product – Market Potential for Expansion and Diversification**

MARKET SEGMENT	CHARACTERISTICS	REQUIREMENTS	DEVELOPMENT POTENTIAL ISSUES
<b>A. Nature Tourism</b>			
<ul style="list-style-type: none"> <li>wildlife safaris</li> <li>birding</li> <li>botanical</li> <li>natural history</li> </ul>	<ul style="list-style-type: none"> <li>high use of tourism plant</li> <li>high spend</li> <li>seasonal</li> <li>moderate growth rate</li> </ul>	<ul style="list-style-type: none"> <li>nature reserves/parks</li> <li>guides &amp; ground tour arrangements</li> <li>range of accommodation – self catering to luxury lodges</li> <li>good interpretation</li> </ul>	<ul style="list-style-type: none"> <li>KNP well known and operational, but nearing carrying capacity limits</li> <li>MTPA game and nature reserves have considerable potential</li> <li>potential for development of Nelspruit Botanical Gardens</li> <li>better road access infrastructure required</li> <li>improved interpretation needed</li> </ul>
<b>B. Activity Tourism</b>			
<ul style="list-style-type: none"> <li>fly-fishing</li> <li>hiking</li> <li>mountain biking</li> <li>sailing/kayaking</li> <li>horse riding</li> </ul>	<ul style="list-style-type: none"> <li>moderate use of tourism plant</li> <li>moderate spend</li> <li>seasonal</li> <li>moderate growth rate</li> </ul>	<ul style="list-style-type: none"> <li>nature reserves/parks</li> <li>marked trails</li> <li>range of accommodation – cabin/huts to lodges/small hotels</li> </ul>	<ul style="list-style-type: none"> <li>MTPA nature reserves have considerable potential</li> <li>additional trekking and biking trails needs to be developed</li> <li>trained guides required</li> </ul>
<b>C. Soft and Hard Adventure</b>			
<ul style="list-style-type: none"> <li>climbing</li> <li>rafting</li> <li>4 x 4</li> <li>abseiling</li> </ul>	<ul style="list-style-type: none"> <li>moderate use of tourism plant</li> <li>moderate spend</li> <li>seasonal</li> </ul>	<ul style="list-style-type: none"> <li>nature reserves/parks</li> <li>mountains/rough terrain</li> <li>rivers/lakes</li> <li>good information</li> <li>range of accommodation – cabins/huts to lodge/small hotels</li> </ul>	<ul style="list-style-type: none"> <li>MTPA nature reserves have considerable potential</li> </ul>

MARKET SEGMENT	CHARACTERISTICS	REQUIREMENTS	DEVELOPMENT POTENTIAL ISSUES
<b>D. Golf</b>			
	<ul style="list-style-type: none"> <li>high use of tourism plant</li> <li>high spend</li> <li>seasonal</li> <li>high growth</li> </ul>	<ul style="list-style-type: none"> <li>18 hole championship courses</li> <li>hotels/villas/lodges</li> <li>high quality facilities</li> <li>quality good restaurants</li> <li>entertainment</li> </ul>	<ul style="list-style-type: none"> <li>number of sites with potential (e.g. Pilgrim's Rest)</li> <li>must be real estate development – resort, villas</li> <li>supply of water</li> <li>seamless access to resorts</li> </ul>
<b>E. Eco-Resorts</b>			
<ul style="list-style-type: none"> <li>mountain</li> <li>wellness/spas</li> </ul>	<ul style="list-style-type: none"> <li>high spend</li> <li>high use of tourist plant</li> <li>all year demand</li> <li>high growth</li> </ul>	<ul style="list-style-type: none"> <li>small scale hotels (approx. 30 to 50 rooms)</li> <li>high quality facilities (infinity pool)</li> <li>secluded settings</li> <li>nature walks, trails, things-to-see-and-do</li> <li>professional therapists, dieticians</li> <li>medical support facilities</li> </ul>	<ul style="list-style-type: none"> <li>number of potential locations available</li> <li>small hotels and lodges of appropriate scale</li> <li>range of things-to-see-and-do needs to be developed <ul style="list-style-type: none"> <li>trails developed</li> <li>points of interest to be developed</li> </ul> </li> <li>wellness treatment by professionals <ul style="list-style-type: none"> <li>high quality clinical equipment</li> </ul> </li> </ul>
<b>F. Residential/ (long stay)</b>			
<ul style="list-style-type: none"> <li>villa/town houses, condos (ownership, rentals)</li> </ul>	<ul style="list-style-type: none"> <li>retirees</li> <li>holiday homes</li> <li>long, frequent visits</li> <li>high spend</li> <li>Dec/April &amp; holidays</li> <li>high growth</li> </ul>	<ul style="list-style-type: none"> <li>seamless access</li> <li>reassurance about safety and services</li> <li>things-to-do (golf, fishing etc)</li> <li>tax incentives</li> <li>regulatory framework</li> <li>medical support facilities</li> </ul>	<ul style="list-style-type: none"> <li>number of potential locations (White River, Sabie)</li> <li>associated with golf estates</li> </ul>
<b>G. Sports</b>			
<ul style="list-style-type: none"> <li>sports meets</li> <li>events</li> </ul>	<ul style="list-style-type: none"> <li>comprise 3 groupings participants, fans and passive spectators</li> <li>high use of tourist plant</li> <li>short 2 – 4 days</li> <li>high growth</li> </ul>	<ul style="list-style-type: none"> <li>good and appropriate sporting facilities</li> <li>range of accommodation</li> <li>things-to-see-and-do</li> <li>good local food</li> <li>entertainment/local ambiance</li> </ul>	<ul style="list-style-type: none"> <li>stadium to be constructed in Nelspruit</li> <li>Woolmer Cricket Academy to be established</li> <li>lack of ground transport</li> <li>limited supply of budget hotel and other appropriate accommodation</li> </ul>
<b>H. Shopping</b>			
	<ul style="list-style-type: none"> <li>high spend</li> <li>short stay</li> <li>high use of tourism plant</li> <li>limited growth potential</li> </ul>	<ul style="list-style-type: none"> <li>range of accommodation</li> <li>things-to-see-and-do</li> <li>range of restaurants</li> <li>entertainment</li> <li>safety and security</li> </ul>	<ul style="list-style-type: none"> <li>limited opportunities for future as retail complexes developed in Mozambique</li> <li>potential is in identifying retail products not available in Mozambique and packaging with hotels stays</li> </ul>

MARKET SEGMENT	CHARACTERISTICS	REQUIREMENTS	DEVELOPMENT POTENTIAL ISSUES
<b>I. Conference &amp; Incentive Meetings</b>			
	<ul style="list-style-type: none"> <li>businesses/groups/clubs and associations</li> <li>short 2 – 4 days</li> <li>highly profitable</li> <li>high use of tourist plant</li> <li>large expanding market</li> </ul>	<ul style="list-style-type: none"> <li>top quality meeting facilities</li> <li>high standard accommodation</li> <li>range of restaurants</li> <li>entertainment</li> <li>things-to-see-and-do</li> <li>safety and security</li> <li>spouse/partner/family programmes and attractions</li> </ul>	<ul style="list-style-type: none"> <li>no large convention facilities</li> <li>limited airlift to Province</li> </ul>
<b>J. Special Interest</b>			
<ul style="list-style-type: none"> <li>culture/heritage</li> <li>history</li> <li>archaeology</li> <li>townships</li> </ul>	<ul style="list-style-type: none"> <li>moderate spend</li> <li>high use of tourist plant</li> <li>all year demand</li> </ul>	<ul style="list-style-type: none"> <li>number of unique cultural, heritage, historical, archaeological sites</li> <li>knowledgeable guides &amp; ground tour arrangements</li> <li>facility to 'experience' and learn culture</li> </ul>	<ul style="list-style-type: none"> <li>interpretative centres and museums required</li> </ul>
<b>K. Festivals/Events</b>			
<ul style="list-style-type: none"> <li>music</li> <li>arts</li> </ul>	<ul style="list-style-type: none"> <li>high spend</li> <li>short stay</li> <li>high use of tourist plant</li> <li>all year demand</li> </ul>	<ul style="list-style-type: none"> <li>unique festival and events</li> <li>particular timing to avoid clashing with events in other provinces</li> <li>things-to-see-and-do</li> <li>good local food</li> <li>entertainment/local ambiance</li> <li>safety and security</li> </ul>	<ul style="list-style-type: none"> <li>festivals need to be further developed (e.g. Potato Festival, MACFEST)</li> <li>limited airlift to Province</li> <li>limited supply of budget hotel and other accommodation</li> <li>cultural performances need to be more widely promoted and developed</li> </ul>
<b>L. Go-as-you-please Touring</b>			
<ul style="list-style-type: none"> <li>Self drive</li> </ul>	<ul style="list-style-type: none"> <li>long stay</li> <li>high use of tourism plant</li> <li>high spend</li> <li>seasonal</li> <li>high growth</li> </ul>	<ul style="list-style-type: none"> <li>range of scenic attractions</li> <li>museums, interpretative centres</li> <li>good road network</li> <li>good sign posting</li> <li>good local tourist information</li> <li>range of quality accommodation</li> <li>good quality restaurants</li> </ul>	<ul style="list-style-type: none"> <li>need to open up new scenic routes</li> <li>improved sign posting in places</li> <li>road improvements required</li> <li>touring guide/map to integrate region (cosmos, panorama etc) within Province</li> </ul>
<b>M. Leisure/Entertainment</b>			
	<ul style="list-style-type: none"> <li>short-stay 2 – 4 days</li> <li>high use of tourist plant</li> <li>high spend</li> <li>all year round</li> </ul>	<ul style="list-style-type: none"> <li>major theme park resort, such as a Disney World</li> <li>good access transport network</li> <li>range of mid price accommodation</li> <li>moderate climate</li> </ul>	<ul style="list-style-type: none"> <li>large populations within 2 to 3 hours drive</li> <li>land availability</li> </ul>

## 17. SWOT ANALYSIS

A SWOT analysis is a useful tool in helping identify the direction for the development of Mpumalanga tourism industry.

### 17.1 STRENGTHS

- KNP and Blyde River Canyon – flagship and world class natural assets
- Wetlands with its diverse species of birdlife
- the biodiversity
- the outstanding scenic beauty of Bulembu Mountains
- nominated world heritage sites Barberton, Sudwala caves
- distinct Ndebele culture
- good road network to all areas
- international airport capable of accommodating large aircraft
- diversity of attractions – golf, fishing, etc
- diversity of interests – history, archaeology, etc
- number of good restaurants
- good medical facilities
- shopping opportunities
- sports stadium (2010)
- Woolmer Cricket Academy (to be developed)

### 7.2 WEAKNESSES

- narrow base – few ‘drivers’ of demand, other than KNP and to a lesser extent Blyde River Canyon
- inadequate investment in the tourism product – no anchor resorts, no conference centre
- failure to capitalise on niche markets
- complicated, non functioning institutional relationships
- fragmented approach to everything

- stakeholders do their ‘own thing’
- no integration of the regional attractions
- no linkages with similar products in other destinations
- fragmented marketing
- poor merchandising
  - web-site inadequate and poorly constructed
  - no touring guides/maps
- insufficient airlift
- limited quantity and quality of accommodation
- poor quality of service generally
- diffused and weak image of Mpumalanga
- poor road access to scenic areas, nature sites
- no classification and grading of tourism operations
- poor road signage in places.

### 17.3 OPPORTUNITIES

- large and increasing affluent market in Gauteng for leisure holidays/short trips
- MTPA game and nature reserves, whose potential not yet realised
- proximity to major international hub – OR Tambo
- large and high spend market for conventions and business meetings
- large number of niche markets, international, regional and domestic
- buoyant international and domestic demand for quality tourism real estate.
- 2010 FIFA World Cup

### 17.4 THREATS

- safety and security
- inadequate funding for tourism by government
- health concerns (malaria, HIV/AIDS)

## **PART IV: THE WAY FORWARD – VISION, STRATEGY AND ACTION PLANS**

## 18. MPUMALANGA TOURISM VISION 2016

The foundations of Mpumalanga's diversified tourism product – wildlife & nature tourism, activity & adventure tourism, resort tourism, sports tourism, residential tourism, conference & meetings, leisure/entertainment, industrial & township tourism, coupled with the increasing interest in the Province's cultural heritage – were initiated in 2007 with a ten year tourism growth strategy and plan.

The implementation of this plan put in place the appropriate institutional framework, destination and product marketing campaigns, HRD programmes and investment promotion which combined to create the enabling environment for the development of the industry. The plan has also been instrumental in further protecting the Province's natural resources – Mpumalanga now has some of the best managed nature & game reserves and heritage sites in Africa.

With foresight the Provincial Government and District Municipalities encouraged the upgrading, diversification and expansion of the tourism product. This has resulted in a more balanced spatial spread of tourism development and associated benefits throughout the Province.

Areas which have attracted major developments are:

- Kruger National Park & adjacent private reserves
- Blyde River Canyon & other reserves managed by MTPA
- Nelspruit/White River
- Barberton
- Sabie/Hazyview
- Pilgrim's Rest/Graskop
- Dullstroom
- Witbank
- Wakkerstrom
- Loskop

**Kruger National Park** continues to be a major tourism draw - its status further enhanced by the development of the Great Limpopo Transfrontier Park. This has attracted significant new investment – one of the early developments being a R1.2 billion Le Meridien Kruger Park Golf Resort & Spa, which opened in 2009.

**Blyde River Canyon and the other Reserves managed by MTPA** have benefited from a significant Public Private Partnership investment programme. This PPP investment programme has not only enhanced the attractiveness of the parks, through better management, but also increased the capacity of the parks to cater for more tourists through the development of visitor attractions such as the cable car and visitor heritage centre at Blyde River Canyon and resorts/accommodation facilities.





In the **Nelspruit/White River Area** the development of the Sports Stadium, the Woolmer Cricket Academy and the International Conference Centre have transformed Nelspruit/White River which has become an 'in destination' attracting visitors from Gauteng, KZN, Mozambique, Swaziland and further afield for short breaks, conferences, sports meetings, festivals and events. In addition to various festivals and events, the Nelspruit Flower Show, organised by the Lowveld National Botanical Gardens, has become a major event. There is now a wide range of accommodation to suit all pockets from 5\* flagship hotels to B&Bs, supported by excellent restaurants and lively night life entertainment.

The designation of the 'Cradle of Life' site as a World Heritage Site gave impetus to the development of **Barberton** as a tourism centre. Capitalising on the plant species diversity in the area, a BioPark has been developed which is a major attraction for tourists, both international and domestic. Barberton is the centre for sightseeing in the Bulembo Mountains, the Songimvelo Nature Reserve and Lubombo Transfrontier Conservation Area.

Increased investment has been attracted to **Sabie** and **Hazyview** with residential tourism and a 5\* golf resort complex. Sabie's slow pace and old world ambience has been maintained. Hazyview has further developed as a centre for touring to KNP and Blyde River Canyon.

**Pilgrim's Rest's** national monument status has been enhanced by the development of a world class living museum with re-enactment of period events, complete with costumes etc. New investment has been attracted – hotel and golf resort, restaurants.

**Dullstroom** has developed as a major hunting and angling centre with associated resorts. A major impetus to the development of Dullstroom was the development of a polo estate, with residential properties, horse riding, hiking, fly-fishing. A high altitude training facility is also located in the area. The **Wakkerstroom** and **Chrissiesmeer** areas have become identified as two of Africa's major ornithological sites.

By far the largest new investment has been a world class theme/amusement park near Witbank on the borders of the Nkangala and Gert Sibande districts. The park attracts some two million visitors annually, about 60% of which are South Africans and the balance from neighbouring SADC countries. With the associated hotels, restaurants and other services, some 10,000 of new jobs have been created.

Under the Heritage, Greening Mpumalanga and Tourism Flagship programme a 'mega tourism' destination has been created by consolidating the nature reserves in the Nkangala District, centred on **Loskop**.

In addition, the Ndebele cultural village has been remodelled and now incorporates an Ndebele Arts & Design Centre. Artists and designers are located there, selling their products and designs domestically and internationally.

Integrating the various products is the **Mpumalanga Route** which is now a major magnet for foreign visitors and rivals the Western Cape's Garden Route. The Mpumalanga Route has two major branches, one to Maputo and down the Mozambique coastline to KZN; the other through Swaziland to KZN. Other branches include the Panorama, Highland Meander, and loops through Gert Sibande District and Piet Retief.

The increased importance given to the tourism sector by the Provincial Government has paid off through increased investment in tourism and leisure facilities. Many properties have expanded and upgraded their facilities.

An added impetus was given to investor interest in the tourism sector by the construction of a new stadium for the FIFA World Cup, 2010 (which now attracts significant 'sports' tourism) and an international conference centre, which attracts an increasing number of business meetings.

Improved air access was a key factor in attracting increasing numbers of foreign tourists. There are now direct flights from the UK and Germany, along with flights to regional destinations in SADC.

The development of the tourism sector, creating between 30,000 and 40,000 new job opportunities, required an intensive skills training programme for persons wishing to enter the hospitality sector and on-going, on-the-job training for existing staff within the industry. A system of formal certified training is now in place providing a solid foundation for human resource development in tourism.

Reorganising the institutional relationships has brought about enhanced co-operation between stakeholders. The three Regional Tourism Organisations now work closely with and are supported by their respective District Municipalities. This co-operation is reflected at local level between the Local Tourism Organisations and the Local Municipalities. The Mpumalanga Tourism Forum is now well established and, being representative of all stakeholders, brings coherence to the sector in dealing with strategic issues.

The tourism sector is now better regulated. The mandatory tourism business licensing system ensures operators comply with health, safety and security regulations. The national classification and grading system has been implemented which ensures minimum standards for all types of accommodation and businesses.

Visitor security was recognised as a top priority. Increased police presence in tourist areas, an awareness campaign and a 'zero' tolerance attitude by police and residents alike have resulted in a safe environment in which visitors move freely about.

The promotional campaign established by the MTPA has put Mpumalanga on the international tourist 'map'. Tourist numbers have more than doubled, with the resulting benefits in terms of increased earnings and jobs for those involved and increased tax revenues to Government.

More than this, the growth of the tourism sector has effected significant economic transformation and empowerment, reflected in the increased number of historically disadvantaged communities and individuals now having a significant 'stake' in the industry. The tourism sector is now broader based in all aspects – product, ownership, empowerment and opportunities – making tourism a platform for wealth creation for all Mpumalanga citizens.

## 19. STRATEGY FOR GROWTH

### 19.1 FUTURE CHARACTER OF MPUMALANGA TOURISM

The factors that will determine the character of Mpumalanga's tourism are:

- type of tourism (product experience) to be developed
- the quality of development
- the scale and design of development
- the rate of growth to be pursued
- the extent to which tourism development is dispersed throughout the Province.

Based on our discussions with stakeholders (individually and collectively at the workshops), review of relevant reports and documents and our fieldwork research, the following guidelines are recommended to guide the development of the future character of Mpumalanga's tourism.

- Mpumalanga is endowed with a wealth of attractive tourism resources, (KNP, Blyde Canyon, Bulembu Mountains, Wetlands) which serve as 'honey pots' and provide the base for investment in complementary attractions and experiences. The specialness and authenticity of these attractions are not negotiable and must be protected at all costs
- Product quality must be upmarket – attracting high spend tourism
- Ideally, tourism development should be widely dispersed throughout the Province. In practice development has to take into account the location of

tourist attractions, range of product possibilities, existing and planned level of infrastructure, particularly roads, utilities, etc

- Mpumalanga's natural, cultural and man-made attractions offer potential for the development niche products, viz
  - nature: birdwatching, botanical, safaris etc
  - culture: communities etc, festivals
  - heritage: archaeology, history
  - soft adventure: horse trekking, walking safaris
  - hard adventure: extreme sports
- There is need to broaden and diversify the primarily nature-based tourism product offerings of Mpumalanga into more main-stream segments of the market such as sports events, business/conference meetings, theme/amusement park.

### 19.2 INVESTMENT DRIVEN STRATEGY

To achieve the target of R10 billion in tourism spending over the next decade, Mpumalanga will have to

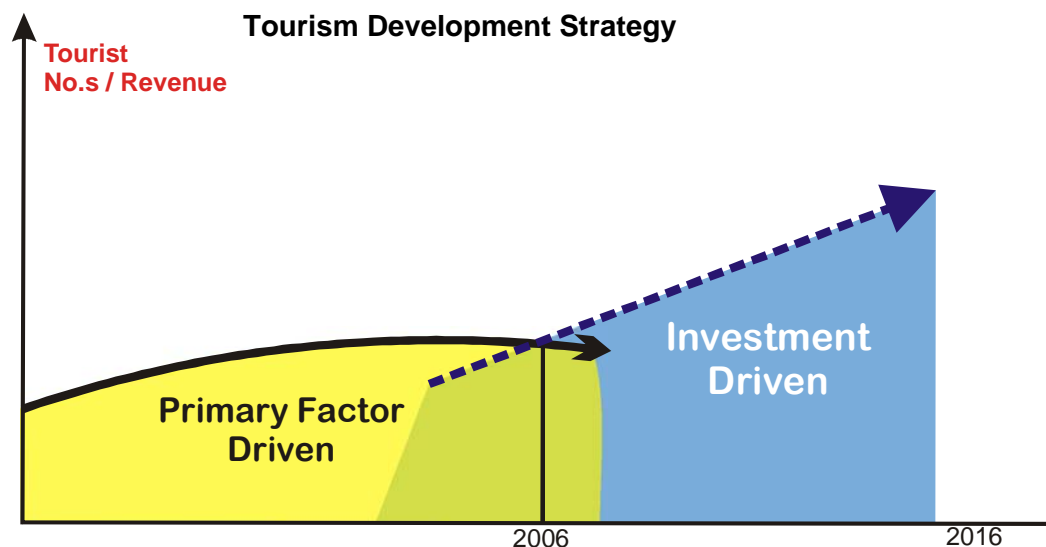
#### ➤ **Move to an investment driven strategy**

Excluding parts of KNP and the private reserves, Mpumalanga is a short stay/low spend destination. This is because the tourism industry is totally dependent on its natural attractions as the motivation for tourists to visit. But

the natural attractions, though unique in many ways, are not sufficiently strong in themselves to attract the numbers required to support a significant tourism sector. This is a **primary factor driven** strategy and characterized by limited investment, insufficient accommodation, medium to low quality product and inadequate airlift.

Mpumalanga is not alone in this regard. All destinations, where the core products are nature and culture based but are not considered world class (such as the Galapagos, Egypt, Greece) face this problem. The strategy that many destinations which do not have 'world class' nature and cultural attractions have pursued, is to invest heavily in related products – golf, health & wellness, theme parks, conference & incentive etc. These destinations have seen their tourism sectors prosper and grow.

To move on to the next stage of development requires an **investment driven strategy**, with sustained investment in all aspects of tourism – new products, destination marketing, human resource development etc.



### 19.3 LINKING STRATEGY TO SUSTAINABLE BENEFITS

The wider objective of the growth strategy is to obtain sustainable benefits for the people of Mpumalanga by generating additional economic activity.

The fundamental mechanism to achieve this wider objective is by increasing tourism revenue. Without an increase in revenue there can be: no growth in income; no improvement in employment, or Government tax revenues; and no possibility of improving community benefits from tourism.

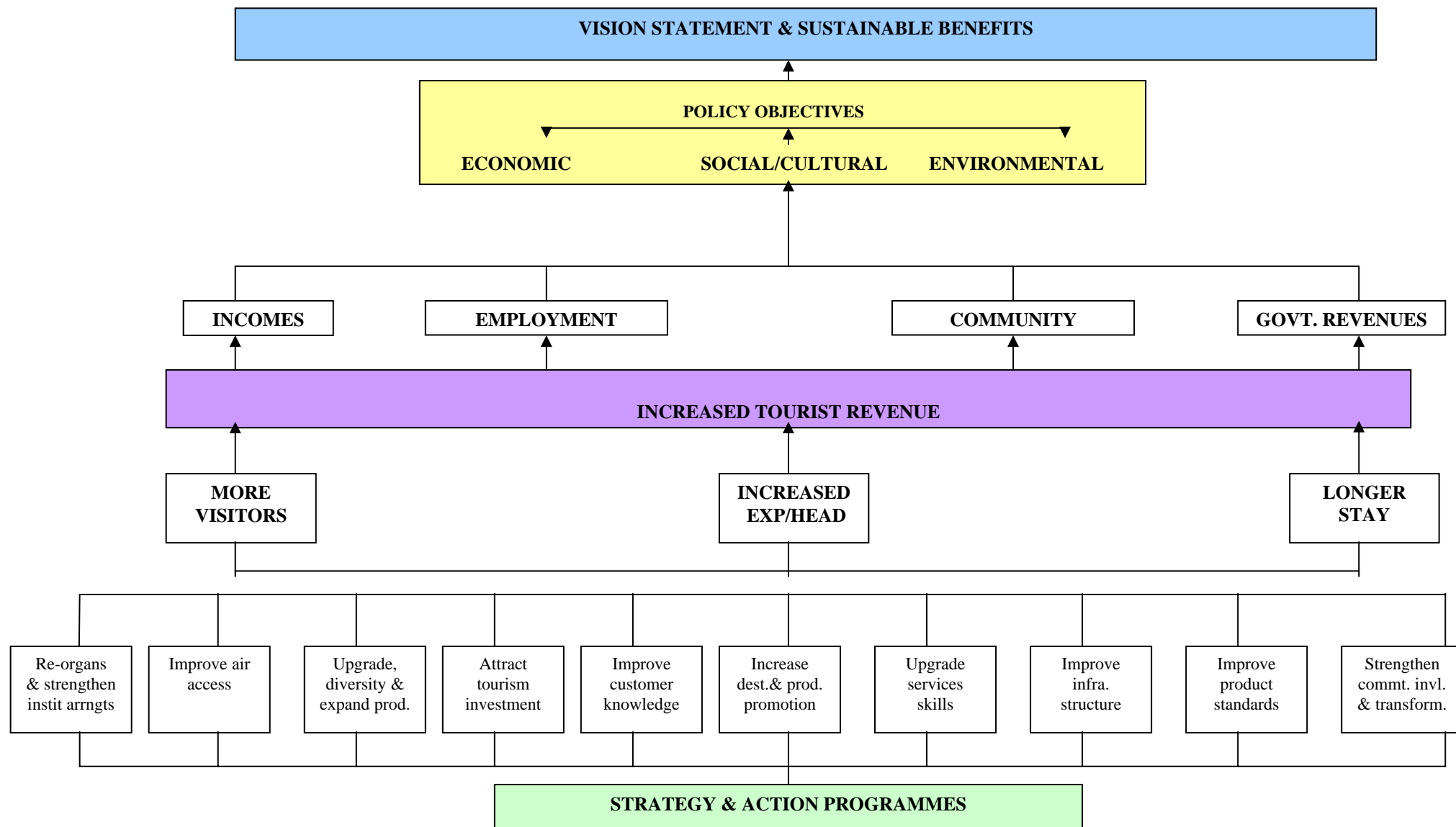
The process of securing these sustainable benefits from tourism revenue is shown on the following chart. To increase tourism revenue there must either be

- more visitors,
  - increased per capita spending by visitors, or
  - longer stays,
- or some combination of above.

To get more visitors, persuade them to stay longer and spend more money requires the implementation of ten strategic initiatives to deal with the issues confronting Mpumalanga's tourism sector, viz:

- reorganise the institutional framework
- improve air access
- upgrade, diversify and expand the product
- attract tourism investment
- improve customer research and 'know how'
- increase destination and product promotion
- upgrade service skills
- improve economic infrastructure

**CHART 19.1 ACHIEVING SUSTAINABLE BENEFITS**



- strengthen transformation and empowerment
- improve product standards.

Strategy and actions in respect of product development, HRD, marketing and institutional arrangements are elaborated in the following chapters. The elaboration of strategy and actions plans in respect of the other strategic initiatives - developing MTPA's game and nature reserves, customer knowledge & know-how, infrastructure development, air access improvement, strengthening transformation and empowerment are outside the scope of this study.

However, these initiatives are to be addressed separately by the MTPA as part of the implementation of the growth strategy. In this regard the MTPA has itself formulated an investment strategy for the parks and reserves under its control. This strategy paper is incorporated as an annex (Ch. 25) to this report.



## 20. PRODUCT DEVELOPMENT PLAN

### 20.1 STRATEGIC APPROACH

Reflecting the Vision for Mpumalanga Tourism, the following flagship projects are proposed:

- Development of a world class Theme/Amusement Park Resort that will attract large numbers of domestic and international visitors to the Province, thereby halting and eventually reversing its declining share in both of these markets;
- Development of an International Convention Centre (with associated new hotel development) that will attract large numbers of conference and business visitors to the Province (many of whom will be induced to visit the Province's tourist attractions through the promotion of pre- and post-conference packages;
- Further development of Nelspruit as tourism hub through sports, shopping and medical tourism;
- Flagship hotel and villa resort developments at Pilgrim's Rest, White River, Hazyview, Sabie, Barberton incorporating golf, spas/wellness, etc;
- Commercialisation of MTPA parks and reserves;
- Enhancement of existing products;
- Biopark development at Barberton;
- Ndebele Arts and Design Centre;
- Further development of events based tourism;
- Loskop Area Tourism Centre
- Luxury steam train from Sabie/Nelspruit/Barberton to Malelane and Maputo;
- New accommodation development (including budget accommodation) at Nelspruit;
- Industrial Museums;
- Casinos and other forms of entertainment
- Improve product standards.

Development would not be limited to these flagship projects. In most places they would constitute the nucleus around which many smaller (restaurant, arts/cultural studios, museums etc) would be clustered.

### 20.2 DEVELOPMENT PLAN

#### 20.2.1 World Class Theme/Amusement Park Resort

Leisure spend will become an important and growing feature of the South African economy. Consumers will increasingly spending their leisure time and disposable income visiting theme parks, amusement parks or other leisure facilities. In addition, inbound tourism to South Africa is growing at record pace. In 2006, the leading theme park in South Africa (Sun City) had an attendance of some two million visitors, of which approximately one million overnight guests stayed at the resort's hotels. A significant proportion of the guests are regional and international visitors. A new world class theme park (such as Disney Amusement Park) in Mpumalanga is likely to be complementary to Sun City and other existing parks. The proposed project would play a very substantial role in enhancing the profile of Mpumalanga as a leisure destination and of the country as a whole.

A major world class theme/amusement park and its associated hotels would draw very large numbers of domestic, regional and foreign tourists every year, create thousands of new jobs; grow the service sector of the provincial economy, and enhance South Africa's prestige in the global community. Based on



experience at Sun City and elsewhere, the project could attract up to two million admissions annually at full build out, of which around 60 percent would be local or domestic visitors and 40 percent regional (especially from neighbouring SADC countries). More than half would be overnight visitors staying at hotels and other forms of tourist accommodation, either within or adjacent to the theme park.

It is proposed that this project should be located in the Witbank area (on the borders of Nkangala and Gert Sibande District Municipalities) which has the advantage of being a relatively short distance - one and a half hours driving time from the OR Tembo International Airport. The area is also well served by public transport (both rail and bus) which would make the Park accessible to previously disadvantaged communities. It is estimated that some 60 percent of the nation's population resides within 200km of this area. The theme park can also capitalize on the area's moderate climate and location in the Ndebele cultural heartland.

The project would generate substantial economic benefits, tourism benefits, social benefits and fiscal benefits at national, provincial and district levels. The economic activity from this project (including an estimated 10,000 jobs upon full build out) would occur throughout the Province and be a catalyst for transforming Witbank into a more tourism oriented city. Furthermore, the Project would act as a stimulus for additional foreign direct investment in the tourism sector as well the broader economy. The tourism benefits would include the off-site spending by international and domestic visitors on off-site tourist accommodation; tours and other travel services provided by local travel agencies; and additional spending by international tourists on air passenger services provided by local airlines. Social benefits will arise from the Project's employee training, educational programmes, and other community development

initiatives, while the fiscal benefits would derive from the tax revenues generated by the project.

### **20.2.2 International Convention Centre**

At present, the Province lacks a major convention facility, comparable to the existing international convention centre's in Cape Town, Durban and Johannesburg, capable of handling large regional and international conventions and exhibitions. In Durban, the International Convention Centre' plenary hall can seat 1,800 delegates while Halls 1, 2 and 3 can be combined to create a venue which seats up to 5,000 delegates. The nearby Durban Exhibition Centre (DEC) is a world class multi-purpose exhibition, function and conference centre. Two large halls offer a combined space of 9600m<sup>2</sup>. The DEC also offers 20,000m<sup>2</sup> of plazas and gardens which are suitable for outdoor events and conference parking.

Provision of such a facility (plus associated visitor accommodation) in the Province would generate substantial economic benefits for the provincial (and national) economy. For example, an economic impact assessment of the Cape Town International Convention Centre (CTICC) conducted in 2001 indicated that the Centre would provide a cumulative contribution to Gross Domestic Product (GDP) of R25 billion over ten years, and sustain 47,000 new direct and indirect jobs over the same period. Given that Nelspruit is the business centre of the Province, and the seat of the provincial government, with good road, rail and air access, it is recommended that the Mpumalanga ICC should be located in the greater

Nelspruit area. The proposed ICC's location must be in reasonably close proximity to restaurants, entertainments etc. This project would also incorporate a conferencing service targeted at the business tourism incentives market.

Capital costs for the project have previously been estimated at R150 million. The implementing agencies would be the Mpumalanga Economic Growth Agency (MEGA), with strategic support from MTPA; the Department for Economic Development and Planning (DEDP); Mbombela Local Municipality; and private sector construction companies and operators.

#### **20.2.3 Further Development of Nelspruit as Tourism Hub through Sports, Shopping, Medical and Research Tourism**

The contribution of the sports stadium and Bob Woolmer Cricket Academy coupled with the ICC will establish Nelspruit as a tourism centre, which can be enhanced by the further development of shopping and medical tourism. In addition Nelspruit could become a centre for conservation and eco-tourism studies.

#### **20.2.4 Development of Flagship Integrated Resorts**

Capitalising on booming demand for international and domestic real estate by investors, retirees and families wanting holiday homes, flagship integrated resorts (with golf, polo, wellness/spas, etc) should be developed at Dullstroom, Pilgrim's Rest, White River, Hazyview, Sabie, Barberton.

#### **20.2.5 Commercialisation of MTPA Parks and Reserves**

The MTPA parks and reserves represent a major opportunity to expand and diversify the Province's nature and leisure tourism product. However, the parks and reserves require major

investment and improved management. This can be achieved through a commercialisation strategy which could attract private sector investment.

#### **20.2.6 Enhancement of Existing Products**

##### ***Blyde River Cable Car and Visitor Heritage Centre***

In order to transform the current Blyde River Canyon area into a major South African landmark tourist attraction that would attract increased numbers of domestic and foreign visitors, significant private sector investment is necessary to develop a cable car (modelled on that at Table Mountain) in the Blyde River Canyon providing two-way rides to visitors to/from the canyon and, secondly, the establishment of a Visitor Heritage Centre showcasing the region's natural, cultural and historical heritage (perhaps modelled along the lines of the University of Witwatersrand's Origins Centre). Potential environmental concerns would also need to be addressed.

##### ***Songimvelo Nature Reserve***

With the implementation of the MTPA's commercialisation policy in respect of its parks and reserves, it is anticipated that private sector investment will be attracted to develop the reserve.

### ***Bourke's Luck Tourism Centre***

Under the Tourism component of the Heritage, Greening Mpumalanga and Tourism Flagship Programme (Programme Implementation Plan, Version 3), it is proposed to convert the former Bourke's Luck military base and hospital into a tourism centre, comprising a 120-bed lodge with tourist access to the potholes, together with provision of a number of tourism-related services and facilities (curio shops, a tourism training centre, bank services and various shops and businesses) and construction of hiking trails.

### ***Pilgrim's Rest Historical Mining Town Rejuvenation***

The national monument status of Pilgrim's Rest represents significant tourism potential. However, in its current form, this is not being sufficiently realised. The proposed project involves the transformation of the current product into a world class living museum with re-enactment of historical events, complete cast with period costumes, etc. The project could also incorporate the development of a tramline linking the lower and upper towns and a craft centre. Implementation would result in the retention of current, and growth of new, tourist volumes – both domestic and foreign. The project would also attract new investment in the accommodation sector. The estimated R4 million in capital investment could yield 800 or more direct jobs. The implementing agencies would be Thaba Chweu Local Municipality, Ehlanzeni District Municipality, MTPA, DCSR (Department of Culture, Sport and Recreation); private investors, with national DEAT in an oversight role.

### ***Lowveld National Botanical Garden***

Although the Botanical Garden in Nelspruit is one of the more significant gardens in South African, it needs to be made more appealing to the general public. Capitalising on Mpumalanga flora we recommend the organisation of an annual flower and

garden show modelled to some extent on the world famous Chelsea Flower Show in London.

### **20.2.7 BioPark Development at Barberton**

The Barberton (or Makhonjwa) Mountainlands forms the core of a proposed World Heritage Site in which some of the oldest rocks and first life forms on earth are found. The plant species diversity is second only to the Cape Fynbos in the Western Cape. The area has over 2,100 different species while more than 400 bird species have been recorded, along with 24 different amphibians and reptiles. Given this biodiversity significance (which is highlighted in the Mpumalanga Biodiversity Conservation Plan, 2006), we recommend development of a BioPark.

The proposed BioPark would showcase Mpumalanga and South Africa's biodiversity. It would offer an interactive experience with nature. The development concept, which would require a site of about 10 acres (4 hectares), would include:

- interpretative room – video presentation on what the BioPark contains
- exhibition areas with interlinking pathways to showcase South Africa's forests, plants, bird life, etc
- restaurants and retail outlets
- meeting rooms
- parking

The Barberton BioPark would complement both the existing Lowveld National Botanical Garden in Nelspruit and plans to upgrade the Songimvelo Game Reserve and link it to the adjacent Malolotja Nature Reserve in Swaziland as part of the Lubombo Transfrontier Initiative.





\*Modelled on INBioparque, Costa Rica



### **20.2.8 Ndebele Cultural Arts & Design Centre**

There are many aspects of Mpumalanga's culture which, if adequately promoted, can be interesting attractions for visitors. At present, cultural tourism in the Province tends to focus on the on the culture of the Ndebele people who are famous for their vibrant house painting, bead work and crafts. The Province already boasts a number of Ndebele and other cultural villages. However, despite this rich heritage, usage of these products shows an underutilization by international tourists and particularly domestic tourists.

The cultural product needs to become more sophisticated. The key challenge is to showcase it with dignity and authenticity. This applies equally to township tours. It is proposed that MTPA works closely with the Provincial Department of Culture, Sport and Recreation (DCSR) and local communities to draw up a development and marketing plan for a cultural design centre if necessary seeking external funding for this project.

The Cultural Arts & Design Centre would house a number of Ndebele designers, painters etc who would create/design more sophisticated products (for example indigenous silk products, hand blown glassware) than the traditional bead work and handicrafts. The designs will reflect the Ndebele and other community's cultural heritage, but at the same time they would compete with main stream consumer products. To encourage designers, artists and skilled crafts people to locate and run their businesses from the Design Centre, incentives should be available – exemption from income taxes, low rents etc.

### **20.2.9 Further Development of Events Based Tourism**

The Province has a number of festivals and events (MACFEST, Potato festival, Sasol Rally etc) which should be further

developed by adding on fringe events to attract wider audiences. The emergence of new festivals/events should be encouraged.

### **20.2.10 Loskop Area Tourism Centre**

Under the Tourism Component of the Heritage, Greening Mpumalanga and Tourism Flagship Programme, it is proposed to consolidate all the different small parks (Loskop Dam Nature Reserve; Mabusa Nature Reserve (which includes the Zithabiseni Resort and Conference Centre); Mdala Nature Reserve; Mkhombo Nature Reserve; and S.S. Skosana Nature Reserve in the Nkangala district into a 'mega-tourism' destination aimed at capturing the Gauteng weekend market. This project (which is further endorsed here) would result in a more attractive and marketable tourist destination as compared with the smaller and more fragmented initiatives currently taking place. The project requires private sector investment to be initiated. There is need for development of a themed concept and a detailed feasibility study, including the identification of small scale projects that would be available to surrounding communities.

### **20.2.11 Luxury Steam Train from Sabie to Maputo**

Using the existing rail network, a luxury steam train journey from Sabie/Machadorp/Barberton to Maputo could be developed. Limited rolling stock would be involved, - perhaps two carriages and a dining car. As the return journey could be completed in a day, the product would be of interest to day-excursionists as well as overnights in both directions.

Associated with this would be the development of the Kruger – Malelane Junction. With remodelling the old station could become a centre for crafts of all kinds, along with café, gardens and retail outlets.

#### **20.2.12 New Accommodation Development**

There is need for additional tourist accommodation to cater not only for the anticipated influx of visitors for the 2010 FIFA World Cup but also for the expected growth in tourism to the Province following the adoption and implementation of this Strategy and Action Plan. Much of this will be provided as part of the major new projects proposed in the preceding paragraphs e.g. the Theme Park; the International Convention Centre; resort developments at Dullstroom, Pilgrim's Rest and other locations. However, there is need also for additional middle range and budget accommodation for the emerging domestic markets.

#### **20.2.13 Industrial Museums**

In order to capitalize on the region's importance as South Africa's main coal mining area, we recommend that at least two industrial museums/interpretative centres be established – one at Middelburg (based on coal mining) and one at Secunda (based on Sasol's fuel-from-coal plant and underground coal mining complex). These museums could be like the existing Kimberley Mine Museum, situated next to the Big Hole, the National Coal Mining Museum in England or the Atlas Coal Mine National Historic Site in Alberta, Canada. It is anticipated that the industrial museum at Secunda could be jointly developed by Sasol and the Gert Sibande District Municipality.

Museums are important to local communities for a number of reasons. The economic benefits are an obvious reason. Less obvious, but equally important are the sense of identity and pride in local heritage that they evoke in the local community.

#### **20.2.14 Casinos and Other Forms of Entertainment**

Contributing to the expansion of nightlife and entertainment in the Province, the Government plans to issue a fourth casino licence.

#### **20.2.15 Improve Product Standards**

The tourism sector is essentially an export sector. To be successful, it is very important that the tourism product is 'export ready'. It is useful to consider the experience of other economic sectors such as manufacturing and agriculture to provide insight on the development of export ready product. In these sectors, products that do not meet international standards cannot be marketed. Some programmes to develop export ready product classify enterprises use a tiered system with Tier 1 being, for example, export ready, Tier 2 being near export ready, and Tier 3 requiring significant upgrading and investment.

Export ready for the tourism sector includes not only product standards but also includes "requirements" for doing business with the international travel trade. This is important for participating international marketing programmes and packaging arrangements.

Export ready status is not only concerned with the quality of the product. It is also concerned with the capacity of the operator to engage in international business, to take direct reservations from customers, to take credit cards, to have adequate insurance and the like. In today's global markets, these are essential requirements to do business.

The export ready concept is illustrated below.

By law, all tourism enterprises must be registered with the MTPA. In conjunction with the South African Grading Council, a classification and grading system should be established. The classification system would specify the requirements for an enterprise to be classified in different categories of operation – hotel, lodge, B&B etc. The grading systems would specify for each category the minimum requirements to be graded as a 5\*, 4\* etc operation.

Strengthening the drive to improve standards, an excellence award scheme should be introduced.

**Figure 20.1: Export Ready Tourism Product**



## 21. HUMAN RESOURCE DEVELOPMENT PLAN

### 21.1 STRATEGIC APPROACH

Although numbers currently employed in the tourism are small, the coming on stream of the recommended developments as outlined in the previous chapter will create between 30,000 and 40,000 new job opportunities in the sector over the next ten years. Thus there is a need to provide training for:

- persons wishing to enter the hospitality sector
- on-going on-the-job training for existing staff within the industry who currently lack adequate skills to perform their jobs in a satisfactory manner.

The requirement is to establish a system for formal, certified training in

- vocational craft skills
  - reception
  - table waiting
  - bar service
  - cooking
  - food preparations and presentation
  - housekeeping
- tour guiding
  - archaeological cultural/heritage guiding
  - nature/wildlife guiding
- supervisory and middle management
- customer care
  - all front-line personnel.

### 21.2 HRD PLAN

Addressing the tourism HRD needs of the Province requires collective effort by key role players (including the industry, Government, THETA, educational institutions, the Departments of Education and Labour, MRTT, TUT, as well as the MTPA as co-coordinator). The priority actions are as follows:

#### ***HRD Co-ordination***

In order to improve sector skills development co-ordination between relevant stakeholders, MTPA will

- establish a HRD Consultative Committee comprising key industry stakeholders;
- convene a Provincial Tourism Skills Development Forum
- appoint a Tourism Training Co-ordination Officer whose tasks would include
  - conduct a skills audit based on industry needs to establish training and skills shortfalls;
  - identification of ways the shortages can be met, including training courses;
  - preparation (in association with industry and other stakeholders) of a Provincial Sector Skills Plan; and
  - measure and monitor trends in addressing critical skills gaps.
- establish and manage a customer care line to which consumers can report poor service.



### ***Training delivery***

The facilities of the MRTT and the three new FETS will be used for the delivery of practical and academic tourism training courses, including basic courses in hygiene, food preparation and safety. To meet the projected training needs, the MRTT will have to expand its current programmes and to recruit additional trainers.

Formal training will be supplemented by continuation of the THETA-managed learnership scheme; and establishment of a network of effective in-house training and a province-wide system of mobile accelerated training for small tourism enterprises delivered by a cadre of professional trainers.

Training of provincial and local government staff, including MTPA personnel, will be realised through their participation in formal tourism training courses; specific training in respective areas of specialisation; and on-the-job training by external trainers.

### ***Tourism Awareness***

Enhanced tourism awareness will be achieved through the development and implementation by MTPA, the industry and local authorities of media campaigns (plus other initiatives such as lectures, career fairs and essay competitions for schools) to help raise awareness about the importance and benefits of tourism and to build local pride.

### ***Implementation***

HRD should be implemented on a broad front through the sharing of resources and efforts. Such collaboration should include the private sector, labour unions, and national and provincial government departments. MTPA is expected to lead

the implementation of the above HRD strategy and action plan, with DEAT, THETA, MRTT and the industry (including the Tourism Enterprise Programme) as its partners. In so doing, it will take into consideration the output of the planned National Tourism Skills Development Forum in November 2007; the joint DEAT/THETA-commissioned tourism skills audit and sector skills plan review; and the National Skills Development Implementation Plan (which is expected to outline major national projects that can promote Black Economic Empowerment in line with the Tourism BEE Charter and Scorecard).

In the implementation of the HRD plan it is important that a working relationship is formalised (through a MOA or other modality) between the MTPA (which reports to DEDP) and the MRTT (which reports to DED).

## 22. MARKETING PLAN

### 22.1 STRATEGIC APPROACH

Increased demand – in tourism as well as in any other industry – cannot rely solely on having a product of the right kind and quality, on a market-led pricing policy and on an effective distribution network. What is also essential is systematic promotion to potential tourists and trade intermediaries (tour operators, travel agents) bridging the gap between the tourism product supplier (the hotelier, nature & game reserve etc) and the potential visitor.

In formulating a marketing strategy and plan, two key factors have a determining influence.

The first is that Mpumalanga has neither the product range nor volume, nor the resources to undertake general destination marketing campaigns. Consequently, in the short/medium term the small scale of Mpumalanga's current tourism product offering requires that to be effective and get the best returns on expenditures, the promotion must be targeted at niche product segments. However, as the product base expands, increasingly more resources will need to be allocated to for destination marketing.

The second factor is that South African Tourism determines and implements the national marketing strategy. SATourism determines the source markets which should be targeted, the country's brand image in these markets, the products/destinations featured in advertising and publicity campaigns, the promotional activities undertaken and the budgets allocated. Consequently, the MTPA's approach must be to dovetail the Mpumalanga's marketing

strategy and plan with that of SATourism's, while at the same time using SATourism's marketing activities as 'platforms' to mount its own promotional campaigns.

#### ***Marketing Strategy***

In framing the Provincial marketing strategy we recommend the following initiatives:

- create image of Province as a “must see – must experience” destination centred around the Mpumalanga Route
- target a limited number of markets – where potential tourists needs and expectations match what Mpumalanga has to offer
- promote to niche product segments
- establish product marketing groups for effective targeted marketing and enhancement of standards
- particular emphasis on promotion of MICE
- produce a range of collaterals
- undertake a sustained promotional campaign
- develop e-marketing, e-distribution and e-commerce
- improve product packaging and distribution
- establish marketing partnerships
- undertake market research
- improve air access transport
- improve the TIO service.

## 22.2 MARKETING PLAN

### 22.2.1 Image Creation

Outside of South Africa, few people have heard of Mpumalanga; little is known about the Province. Many people of course, have heard about KNP, but it is not identified with Mpumalanga.

To establish the Province as a 'must see – must experience' destination a distinct, unifying theme has to be created, which evokes images of a unique destination with a range of interesting things to see and do. We recommend the branding of the 'Mpumalanga Route' as the central unifying theme, which should be featured on all collaterals, videos etc.

#### ***Branding the Mpumalanga Route***

Rather than having a number of isolated or 'stand alone' attractions, there is need to link the various projects described above, together with the Province's other tourism products, under a common brand name as a viable alternative to the Garden Route in the Western Cape which is a major magnet for foreign visitors to South Africa.

It is proposed that this new route should be branded and marketed as the Mpumalanga Route which would take visitors from Johannesburg through Mpumalanga via Swaziland (or Mozambique) to the Coast at St. Lucia or Durban (where hired cars could be dropped off at the airport for the flight home). With its combinations of stunning mountain scenery, outstanding wildlife, historic sites, culture, championship golf courses, events, the Kingdom of Swaziland (or Mozambique) and the Indian

Ocean, this route would be second to none in terms of tourist attractiveness.

The main route would take overseas visitors from OTIA or domestic tourists from Gauteng along the N12 or N4 to Witbank where they could visit the new Theme Park before continuing along the N4 to Nelspruit or White River which could be used as bases for visiting The Panorama, the Kruger National Park and the private game reserves. The main route would then proceed via Barberton and its Biopark through Swaziland to the Coast. Here it would be necessary to upgrade existing gravel roads, especially the road over the Bulembu Pass into Swaziland.

However, just as the ancient Silk Route in Asia had many different strands, the Mpumalanga Route would not necessarily follow a single route. For example, there could be diversions to the industrial museums at Middelburg or Secunda; the Ndebele cultural villages; the Loskop Dam; the Highland Meander or The Panorama, while, as an alternative to travelling to the Coast via Swaziland, some visitors might prefer to continue along the N4 to Maputo and Mozambique. The aim would be to maximize the average length of stay in Mpumalanga by developing packages that would include overnight (or longer) stays at Witbank, Dullstroom, Pilgrim's Rest, Nelspruit, Blyde River Canyon, Barberton, etc. as well as Kruger National Park.

### 22.2.2 Target Markets and Products

In the short/medium term, the MTPA should target the following markets.

Markets	Domestic	Regional	International
Areas	Gauteng	Mozambique/ Swaziland	UK, US, Germany, Netherlands
Products	<ul style="list-style-type: none"> <li>• week-ends</li> <li>• events/festivals</li> <li>• special interest</li> <li>• activity/adventr</li> <li>• MICE</li> <li>• heritage</li> </ul>	<ul style="list-style-type: none"> <li>• shopping</li> <li>• week-ends</li> <li>• events/festivals</li> <li>• medical</li> </ul>	<ul style="list-style-type: none"> <li>• wildlife</li> <li>• scenic beauty</li> <li>• mountains</li> <li>• heritage</li> <li>• golf</li> <li>• special interest</li> </ul>

In the long run, with the development of main stream products such as the ICC and Theme/Amusement park, the target markets will be closely aligned with those of the country as a whole.

### 22.2.3 Promote to Niche Product Segments

Among the wide range of niche product segments that Mpumalanga could exploit, the following offer the best potential.

- wildlife safaris
- golf
- birding
- hiking/walking
- fly-fishing
- botanical
- special interest
  - heritage tours
  - industrial tours
  - township tours
  - agricultural tours
- events/festivals

- sports
- medical
- wellness
- adventure
- MICE
- self-drive tours

A wide range of niche products can be promoted which could also have an international dimension. Examples include a cycling event from Nelspruit to Swaziland via Barberton to Maputo returning to Nelspruit via Samora Machel monument; formation of a Mpumalanga soccer team; endurance (iron man) event comprising swimming-cycling-running along Panorama Route (Blyde-God's Window-Potholes-Pilgrim's Rest-Sabie-Sudwala-Nelspruit). Sponsorship should be sought for such events.

### 22.2.4 Establish Product Marketing Groups

Centred on the niche product segments we recommend the establishment of marketing groups, for example,

- Lodges of Mpumalanga
- B & Bs of Mpumalanga
- MICE venues.

Minimum standards would be established for membership of the various groups. At the very least, the establishments/operations would have to be 'export ready'. Brochures (which can be self financing) should be produced and distributed.

The MTPA would be responsible for coordinating these product marketing groups.

### **22.2.5 Produce a Range of Collaterals**

These should include:

- (i) destination image brochure
- (ii) accommodation listing
- (iii) 'what's on in Mpumalanga' and calendar of events
- (iv) posters
- (v) updated video (12 to 15 mins for use at travel fairs, road shows, etc)
- (vi) maps
- (vii) smaller brochures (A5) on selected niche products
  - golf, hiking, sports, birding, events, heritage etc
- (viii) product manual
  - lists all niche products and associated ground tour operators
- (ix) touring map/brochure (funding by car rental/petrol companies)
- (x) speciality literature for the MICE market

### **22.2.6 Undertake Sustained Promotional Campaign**

Adequately funded marketing campaign to include:

- (i) travel trade shows
  - Indaba; ITB (Germany); WTM (UK); Bird Watching Fair (UK); etc
- (ii) advertising
  - limited general advertising in specific print media, which have long shelf life
  - niche market media (Birders World, Sunday Times Travel Magazine UK)
  - selected web sites
- (iii) educational trips for journalists, travel writers

- print media
- Audubon, National Geographic
- (iv) public relations/representation
  - press releases, advertorials
  - press trips
- (v) corporations and professional associations
  - MICE promotion

### **22.2.7 Develop E-Marketing, E-Distribution and E-Commerce**

The creative use of technology is crucial to the development of tourism in the Province. The Internet provides the technology platform for Mpumalanga to establish itself in niche markets on an equal footing with its competitors at comparatively modest costs.

Adequate resources must be allocated for this activity – not only for the development and management of the web site, but equally important, to recruit the necessary skills to maintain and further develop the site. Priorities are:

- construct web-site more as vacation planner rather than information source
  - list and link product packages
  - list and link foreign tour operators who feature these packages in their brochures
  - list and link ground tour operators who have packages
  - show how to get to Mpumalanga; links to the airlines and travel bookers
  - slide show on products
- develop online reservation capability
- sell advertising space (banners, pop-ups, etc).
- achieve search engine optimisation

### **22.2.8 Improve Product Packaging and Distribution**

Packaging and distribution of the various products will not just simply happen. A dynamic is required to put the packages together and offer them to the market. This dynamic can be provided by the Province's incoming tour operators or ground tour operators who interface between the market (tourists, groups, foreign tour operators) and the product suppliers (hotels, resorts, guides, etc).

It is very important that Mpumalanga's tourism web site has links to the ground tour operators' web sites.

#### **22.2.9 Establish Marketing Partnerships**

Marketing partnerships should be established with a) key players within the Province, b) other provinces within South Africa and c) neighbouring countries to promote specific products.

- KNP and KMIA
- Mpumalanga Route to the Sea (with Mozambique)
- Birding (with Swaziland and KZN)

#### **22.2.10 Undertake Market Research**

To monitor and guide the Province's marketing and product development strategy, market research should be undertaken on an ongoing basis to include:

- visitor surveys to determine tourist profiles (where from, what they do etc)
- data base of intermediaries (for each niche market, identifying the relevant associations, media channels etc)
- product inventory

- market segmentation studies to match products with markets for domestic, regional and international markets.

#### **22.2.11 Improve Air Access Transport**

Air access transport services must be improved in respect of frequency of service, seat capacity and tariffs. Key to achieving this would be:

- an incentive strategy to airlines (national, regional, international and charters) to use KMIA
- change from restricted to an 'open-skies' policy.

#### **22.2.12 Improve the TIO Service**

Although the Province's tourist information outlets are funded and managed at local level, a coordinated approach should be established with regard to services provided, literature displays, information and reservations, pricing for services etc.

### **22.3 INCREASED FUNDING FOR MARKETING**

As indicated earlier, increased resources will need to be allocated for promotional activities to ensure a sustained marketing campaign over the next decade. In the short/medium term a budget of in the order of R25 million is required, increasing to R50 million in the longer term.

Possible sources are:

- increased resources from Government,
  - revenue generation from MTPA activities,
  - re-allocation within the existing total MTA budget
  - levies from gambling, toll gates etc.
- or some combination of the above.

## 23. INSTITUTIONAL FRAMEWORK

### 23.1 GUIDING PRINCIPLES

As discussed in Ch. 13 earlier, the present institutional arrangements in the Province as shown on Fig. 13.2, look fine in principle, but don't work in practice.

In recommending an alternative institutional framework, the guiding principles are that the arrangements:

- must provide for efficient and effective industry communications and information flows
- must be simple and practical
- must facilitate inclusiveness of all stakeholders – both big and small
- must be easy to implement and understand
- must recognise and reflect the statutory positions and roles of different stakeholders
- must ensure high stakeholder buy-in
- must incorporate all spheres of decision-making and influence
- must be effective.

### 23.2 RATIONALISE ROLE AND STRUCTURE OF RTOs

Excluding self catering, the regional distribution of establishments is as follows:

Region	Est	Region	Est
Cosmos Country	4	Lowveld Legogote	65
Cultural Heartland	31	Panorama	48
Grass & Wetlands	9	Wild Frontier	37
Highlands Meander	34	Kruger/Sabi	11

Source: MTA Annual Report 2004/5

As none of the regions have the critical mass of tourism establishments/operators needed to support a viable organisation, we recommend their rationalisation into 3 Regional Tourism Organisations, each aligned with their respective District Municipalities.

Region	Areas	District Mun.
Nkangala Tourism Region	Cultural Heartland, Highlands Meander	Nkangala
Gert Sibande Tourism Region	Cosmos Country, Grass & Wetlands	Gert Sibande
Ehlanzeni Tourism Region	Panorama, Lowveld Legogote, Wild Frontier, Kruger/Sabi	Ehlanzeni

#### ***Role and Function of the RTOs***

The small size of the tourism sector in the Province does not justify the setting up of elaborate, highly staffed RTOs.

Consequently, we recommend that the role of the RTOs to be simply:

***a representative body for the tourism stakeholders at district level.***



The functions of the RTOs would be to

- articulate/represent the views of all tourism stakeholders in region
- interface (on behalf of the regional stakeholders) with the MTPA, District Municipalities and Government departments/sections responsible for tourism
- provide input to district and provincial policies, strategies and plans
- represent regional stakeholders at tourism forums
- coordinate the production of a tourism brochure on the region identifying attractions and places of interest; describing touring routes etc. These brochures should be self-financing through sale of advertising space as is done at moment.

The RTO offices should be located in the same town as the District Municipality Offices, and ideally in the same office as the Local Tourism Organisation.

A simple organisational structure is envisaged, with the Chairperson and Vice Chairperson being selected from the Chairpersons of the LTOs. Staffing would be an executive with secretarial support, which could be on a part-time basis depending on the work load.

The details (legal structures, funding etc) of the reorganisation of the RTOs need to be worked out.

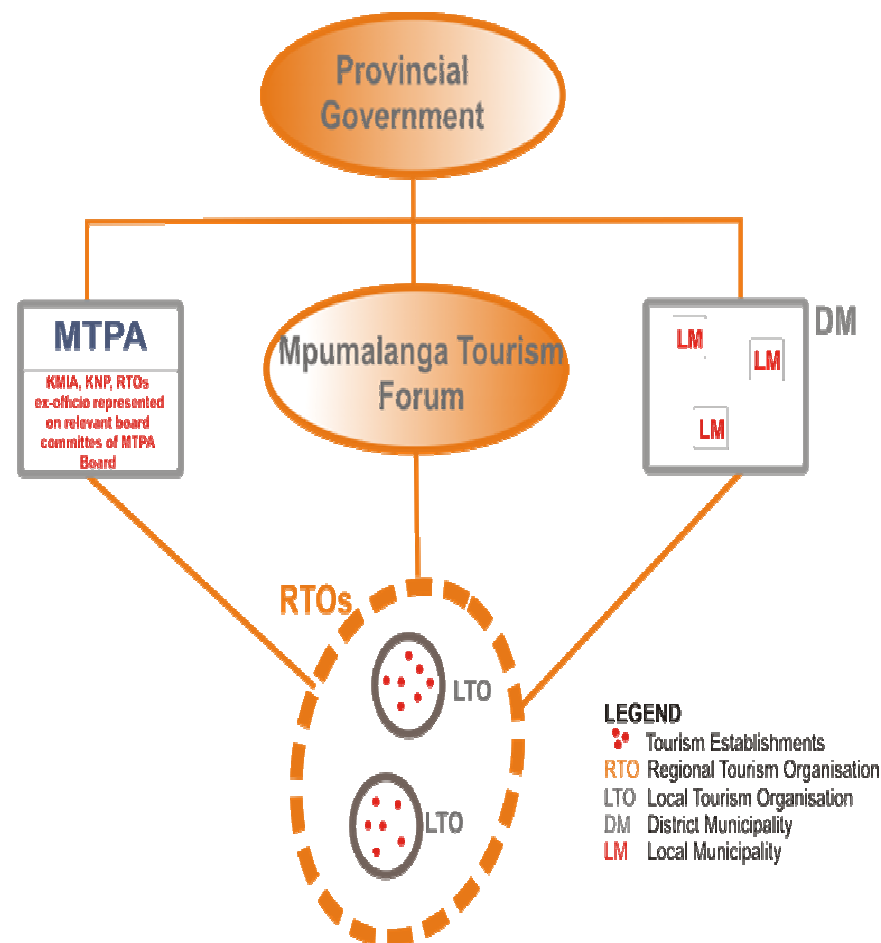
### 23.3 INSTITUTIONAL RELATIONSHIPS

The proposed institutional relationships are illustrated on the chart.

#### 23.3.1 Mpumalanga Tourism Forum

We recommend the establishment of an inclusive Mpumalanga Tourism Forum, representing tourism

stakeholders in their dealings with the Provincial Government on





issues influencing tourism policy and performance, development strategies and plans, marketing, product development and HRD.

The functions of the Mpumalanga Tourism Forum would be to:

- identify and advise on strategic issues essential to the further development of tourism in the Province
- recommend the commissioning of specific research to assist industry planning.
- stimulate co-operation and discussion between organisations involved in tourism.
- contribute to policy formulation for tourism development in the Province

Membership of the Forum would be drawn from the tourism sector's representative bodies along with key players, to include

- |                                  |                                  |
|----------------------------------|----------------------------------|
| • Regional Tourism Organisations | • Hotel & Restaurant Association |
| • District Municipalities        | • ICC (when established)         |
| • MRTT                           | • KNP                            |
| • TFCAs                          | • Theme Park (when established)  |
| • MTPA                           | • FEDHASA                        |
| • KMIA                           | • SATSA                          |

The above is an indicative listing of possible members. Other relevant tourism industry associations and organisations could be included as appropriate.

### **23.3.2 Key Players to be Ex-officio Members of Relevant Board Committees of the MTPA Board**

To facilitate closer cooperation and working relationships, key tourism players should be co-opted (as ex-officio, non voting members) to the relevant board committees of the MTPA Board, as provided for under the MTPA Act of 2005. Players to be considered for co-option would include KMIA, KNP and when established, the chairpersons of the proposed three RTOs, the ICC and Theme/Entertainment Park.

## 24. ACTION PLAN

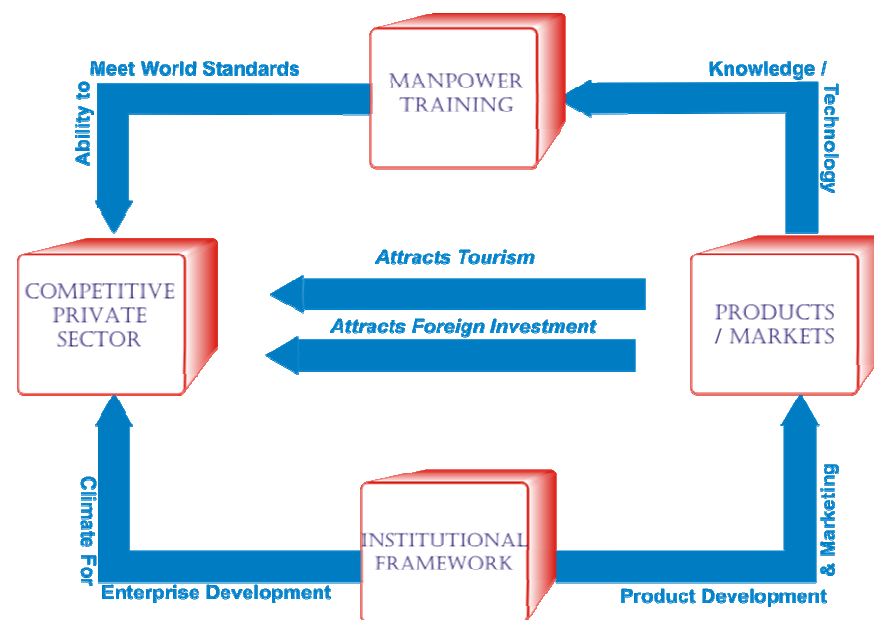
### 24.1 SCHEDULING ACTIONS

An issue of concern to tourism planners is how to sequence the recommended action programmes. Should the tourism product be expanded and standards improved prior to the establishment of a marketing campaign? Should capacity building and human resource development precede product development and marketing? The greatest consensus appears to be to do all at once. This is not as simplistic as it appears at first sight. Because all actions are so interlinked, trying to identify the best sequence is not a realistic approach. No single measure can bring much benefit without at least some progress in respect of the other actions.

Based on our experience we consider it more instructive to view the development of the tourism sector as a process rather than as a sequence of activities as shown on the following chart.

Establishing the appropriate institutional framework (arrangements, regulations), will create the climate for enterprise development within Mpumalanga on the one hand, and on the other, ensure product development and the promotion of the Province as a holiday destination in the different source markets. Manpower training, involving the transfer of knowledge and technology will ensure that the tourism industry can meet international standards of service and customer care. The combination of a trained workforce, sustained marketing campaign and the appropriate institutional arrangements will result in a competitive private tourism sector, attracting investment (both foreign and domestic) and be attractive to holidaymakers.

Figure 24.1: The Process of Tourism Development



### 24.2 IMPLEMENTATION PLAN

We see the implementation of the growth strategy in three distinct but related phases as outlined on Table 24.1.

#### ***Phase I: Short Term 2007 – 2008***

During this period – ***the organising for growth phase*** – the focus will be on achieving

- Provincial Government approval of the tourism growth strategy
- consensus and 'buy-in' by all stakeholders to the growth strategy
- ensure that growth strategy is aligned with DM and LM IDPs, particularly with regard to provision of infrastructure
- publication of the growth strategy
- implement public private partnership (PPP) investment strategy for MTPA parks/reserves
- undertake series of low cost/high market exposure initiatives to effect quick turnaround and generate momentum for growth. Initiatives to include promotion of 'Shopping Weekends'; website improvement; testimony from champions such as Richard Branson; Calendar of Events etc
- MTPA to be adequately funded to fulfil statutory role and functions
- staffing up and institutional strengthening of the MTPA
- set-up new institutional framework/arrangements
- establish foundations for sustained marketing campaign
- prepare outline feasibility assessments for flagship products
- undertake investment promotion campaign in association with MEGA
- prepare a rolling three year MTPA corporate strategy and plan
- establish marketing partnerships
- establish a reliable statistical data base & market research programme
- set-up modalities for improved community and previously disadvantaged involvement.

### **Phase II: Medium Term 2008 – 2010**

During this period – **the growth 'take-off' phase** – the focus will be on

- product diversification and expansion
  - golf resorts, retirement villages, health & wellness resorts
  - commercialisation of MTPA managed parks & game reserves
- development of flagship products
  - ICC
  - Theme/Entertainment park
  - Bio Park
  - Ndebele Arts & Design Centre
  - TFCAs
- improving air access and airlift from source markets
- branding and extensive promotion of Mpumalanga Route and linkages with other routes
- emphasis on promoting MICE
- increased destination and product marketing
- upgrade service skills and standards.

### **Phase III: Long Term 2011 – 2016**

During this period – **the 'rapid' growth phase** – the focus will be on

- further product development and expansion
- more intensive destination and product marketing.

**Table 24.1: Strategy Implementation Plan**

Phase Actions	Phase I: 2007 – 2008 Organising for Growth	Phase II: 2008 – 2011 Growth 'take off' Phase	Phase III: 2011 – 2016 'Rapid Growth Phase	Agencies Responsible
<b>A. Arrangements for Strategy Implementation</b>	<ul style="list-style-type: none"> <li>➤ Provincial Govt. approval of strategy</li> <li>➤ 'buy in' by stakeholders</li> <li>➤ publication of strategy document</li> <li>➤ adequate funding for MTPA</li> <li>➤ PPP commercialisation strategy for MTPA parks/reserves</li> </ul>	<ul style="list-style-type: none"> <li>➤ update of growth strategy</li> <li>➤ increased funding for MTPA</li> </ul>	<ul style="list-style-type: none"> <li>➤ update of growth strategy</li> <li>➤ increased funding for MTPA</li> </ul>	Govt, MTPA Stakeholders
<b>B. Institutional Framework</b>	<ul style="list-style-type: none"> <li>➤ staffing &amp; strengthening of MTPA</li> <li>➤ establish Tourism Forum</li> <li>➤ rationalise RTO structure</li> <li>➤ registration of tourism operators</li> <li>➤ prepare MTPA corporate strategy &amp; plan</li> </ul>	<ul style="list-style-type: none"> <li>➤ strengthening/training of MTPA staff</li> <li>➤ update of MTPA corporate strategy and plan</li> </ul>	<ul style="list-style-type: none"> <li>➤ on-going strengthening/training of MTPA</li> <li>➤ update of MTPA corporate strategy and plan</li> </ul>	Govt, MTPA RTOs, LTOs, DMs, LMs
<b>C. Destination and Product Marketing</b>	<ul style="list-style-type: none"> <li>➤ undertake low cost/high market profile initiatives to effect quick turnaround and generate momentum</li> <li>➤ production of collaterals</li> <li>➤ improve web-site</li> <li>➤ brand Mpumalanga Route</li> <li>➤ formulate marketing plan</li> <li>➤ establish reliable statistical data base &amp; market research</li> <li>➤ establish marketing groups and partnerships</li> </ul>	<ul style="list-style-type: none"> <li>➤ continuation of initiatives to maintain momentum</li> <li>➤ increased destination &amp; product marketing</li> <li>➤ increased resources for branding/promoting Mpumalanga Route</li> <li>➤ set-up e-commerce (reservations system etc)</li> <li>➤ regularly update marketing plan</li> <li>➤ increased range of collaterals</li> <li>➤ emphasis on promoting MICE</li> </ul>	<ul style="list-style-type: none"> <li>➤ intensive destination &amp; product marketing</li> <li>➤ increased resources for branding/promoting Mpumalanga Route</li> <li>➤ regularly update marketing plan</li> <li>➤ joint campaigns with other SA provinces, Swaziland and Mozambique</li> <li>➤ e-marketing/e-distribution</li> </ul>	MTPA, RTOs, KNP, KMIA,
<b>D. Upgrade, Diversity &amp; Expand Product</b>	<ul style="list-style-type: none"> <li>➤ prepare outline feasibility assessments for flagship projects</li> <li>➤ facilitate implementation of national classification and grading system</li> <li>➤ establish data base of potential investors</li> </ul>	<ul style="list-style-type: none"> <li>➤ investment promotion</li> <li>➤ excellence awards scheme</li> <li>➤ establish 'one-stop' shop for investors</li> <li>➤ update data base of potential investors</li> </ul>	<ul style="list-style-type: none"> <li>➤ on-going investment promotion campaign</li> <li>➤ improve and extend excellence awards scheme</li> </ul>	MTPA MEGA Treasury & other relevant Depts.
<b>E. Upgrade Service Skills</b>	<ul style="list-style-type: none"> <li>➤ survey of training needs</li> <li>➤ set-up HRD Consultative Committee</li> <li>➤ organise HRD Forum</li> <li>➤ undertake tourism awareness programme</li> <li>➤ training for MTPA, Provincial, District &amp; Local tourism personnel</li> </ul>	<ul style="list-style-type: none"> <li>➤ train-the-trainer courses</li> <li>➤ training programmes for new entrants &amp; existing employees</li> <li>➤ expansion of MRTT's training programmes</li> <li>➤ Set-up in-house training programme</li> </ul>	<ul style="list-style-type: none"> <li>➤ train-the-trainer courses</li> <li>➤ training programmes for new entrants &amp; existing employees</li> </ul>	MTPA, MRTT THETA

## **PART V: ANNEXES**

## 25. MTPA PARKS INVESTMENT STRATEGY

[This Chapter has been prepared by the MTPA]

### 25.1 OVERVIEW OF EXISTING SITUATION AND FACILITIES

#### 25.1.1 Introduction

Mpumalanga Tourism & Parks Agency (“MTPA”) is the mandated management authority for the Mpumalanga Provincial Parks. In common with the historic role of nature conservation agencies, MTPA has protected and managed biodiversity, and also delivered tourism and recreational services to visitors to the nature reserves.

MTPA is at an important juncture regarding tourism in its parks. Previous attempts to commercialise the parks have not been successful. As a result of the inability to attract external investors and the lack of investment by MTPA and its predecessors themselves, the parks have not been developed to realise their undoubted ecotourism potential, arguably contributing to the relative under performance of the Province in tourism. One of the constraints is that there are few purpose-built tourism facilities in the reserves, for example some of the accommodation is converted houses. At the same time, lack of investment in upgrading and maintaining existing facilities has led to a portfolio of facilities that are not suitable for the demands of the modern discerning tourist who has a range of products to choose from in a highly dynamic and competitive market. This under investment, combined with inadequate service levels and operating standards, has resulted in under utilised assets that are not generating adequate revenues to MTPA, not contributing meaningfully to socio economic benefits nor

doing justice to the tourism potential of the parks. This is reflected in the performance of the reserves over the last three years.

#### Occupancy rates at reserves (%)

Facility	2006/7	2005/6	2004/5
1. Kromdraai Camp	6,9	28,5	8,0
2. Belvedere House	41,0	19,4	30,9
3. Groendak House	7,9	1,4	13,7
4. Blyde Hiking Chalets	13,7	30,7	26,6
5. Ohrigstad House	15,4	55,8	8,8
6. Loskop Chalets	7,1	39,1	13,5
7. C.N. Mahlangu Lodge	10,8	N/A	N/A
8. Mkhholwane Lodge	13,3	N/A	N/A
9. Zwelabo Camp	1,0	N/A	N/A
<b>Average Occupancy</b>	<b>13,0</b>	<b>29,2</b>	<b>16,9</b>

#### Comparative day visitor numbers

Reserve	Visitors 2006/7	Visitors 2005/6	Visitors 2004/5
1. Blyde River Canyon	196,535	216,344	222,616
2. Loskop Dam	7,738	8,716	11,279
3. Songimvelo	874	549	355
4. Barberton	345	240	457
5. Nooitgedacht Dam	2,676	4,754	1,171
6. Ohrigstad Dam	4,008	2,495	3,384
7. Mahushe Shongwe	3,105	1,007	548
8. Verloren Valei	81	253	190
9. S.S. Skosana	2,225	N/A	N/A
10. Mdala	451	N/A	N/A
<b>Totals</b>	<b>218,038</b>	<b>239,071</b>	<b>242,866</b>

Apart from those reserves above, the MTPA also manages the following reserves: Mkhombo Dam; Mabusa; Sterkspruit; Andover; Manyeleti; Bushbuckridge; Mawewe; Mthethomusha; Masibekela and Barberton Mountainlands.

### **25.2.1 Overview of Current Facilities**

The Blyde River Canyon National Park (BRCNP) has high quality natural tourism attractions and is a popular stop-over for tourists on the way to the Kruger National Park. There are viewing points of the canyon at various locations including Pinnacle, God's Window, Wonder View, Lowveld and Three Rondawels. Access to all these sites is currently free. Tourists pay for access to Bourke's Luck Potholes where there is an entrance area, visitor centre, a kiosk, curio sellers, picnic area and a day hiking trail. There is limited MTPA managed accommodation in BRCNP with the self catering, 2 star Belvedere Guest House having 5 bedrooms. Groendak Guest House is currently closed to the public due to its dilapidated state and the lack of funds to restore it. Similarly, the 3 day hiking trail which has three trail huts sleeping 30 hikers is also closed. There are plans to establish a new 37km luxury Loggers Hiking Trail with new three overnight lodges. Funds have been secured and construction is due to start in early 2008. As part of the same project, the upgrading and expansion of selected strategic tourism infrastructure at the Pinnacle, God's Window, Bourke's Luck and Three Rondawels will take place.

Songimvelo Nature Reserve (SNR) forms part of the Songimvelo-Malolotja Transfrontier Conservation Area forming part of the Lubombo TFCA Protocol between South Africa, Swaziland and Mozambique. The tourism potential of

SNR and the TFCA is immense but is currently largely untapped, with MTPA's only accommodation being Kromdraai Camp which has 30 6-bed self catering chalets. This facility is graded as a 2 star facility. Msauli Village is an old mining village on the boundary of SNR. It is currently unoccupied and not being used, with MTPA maintaining the facilities in anticipation of a future development. This village, once restored, can potentially accommodate up to 800 people and includes a 9 hole golf course, chapel, hospital, school and sports facilities.

Loskop Dam Nature Reserve has 1 star graded chalets, known as Berg Hutte. These rustic cabins are Fish Eagle, Crocodile Hut and Hippo Hut, each accommodating between 6 and 8 people. The Loskop Dam Aventura Resort, while located on the banks of the Loskop Dam, is privately owned by Forever Resorts and operates independently from MTPA.

Other accommodation facilities at MTPA parks are:

- Ohrigstad Dam Guest House, a 2 star accommodation sleeping 6 people on a self catering basis
- C.N. Mahlangu Lodge in S.S Skhosana Reserve has 16 2-bed self catering chalets
- Mdala Nature reserve has the following facilities:
  - Mkhholwane Lodge – 12 bed self catering
  - Zwelabo Camp – 8 bed self catering
  - Manala Camp – 10 bed self catering, used as a school group facility
  - Five guest houses that can potentially accommodate 6 guests each, but are not open to the public due to lack of funds to furnish them.

A number of the reserves currently do not have overnight accommodation facilities, but are open for day visitors to undertake activities such as fishing. Developing products that are appropriate to the targeted market segments could enhance the tourist experience and make MTPA parks a more attractive destination than is currently the case.

### **25.1.3 Park Infrastructure**

Apart from the tourist facilities, the assets and infrastructure on the reserves has suffered from a prolonged period of under-investment and poor maintenance. The budgetary constraints have caused such maintenance as has been undertaken to be reactive and sporadic. Without urgently addressing the current state and condition of the infrastructure MTPA will not be able to realise its vision of being a premier tourist destination. For example:

- a) boundary fences are old and in poor repair, increasing the risk of animals escaping from the reserves or unauthorized access by poachers and others
- b) the road network is poorly maintained, making the reserves an unappealing tourist destination and inhibiting effective management
- c) buildings, including administration offices, staff accommodation, workshops, garages and stores are generally in a poor state and require maintenance. This creates a poor image for the MTPA and restricts it from attracting and retaining staff on the reserves

The above analysis indicates the reality that MTPA currently faces in its parks and highlights the urgent need for a structured and planned approach to developing the parks to their potential.

## **25.2 POLICY AND LEGAL FRAMEWORK**

MTPA operates in a complex policy and legislative environment. Not only does it have to comply with provincial policies and legislation, but the national biodiversity-related legislation is strongly influenced by international policies and agreements. The objectives of MTPA in its founding act include the need to promote transformation within the tourism and conservation sectors, thereby creating opportunities for disadvantaged individuals and communities in the Province. This mandate talks to the role that MTPA should play in fulfilling the government's socio economic policy objectives, such as those embodied in ASGISA. In addition, Mpumalanga has adopted a Provincial Growth and Development Strategy (PGDS) that seeks, inter alia, to provide a framework for growth and development. MTPA has the responsibility of implementing several of the key identified priority projects that contribute to job creation and skills development in the province and is an implementer of certain of the Heritage, Greening & Tourism projects under the "Bid Five Provincial Flagship Projects" of the Premier. These national and provincial policy imperatives guide the strategy of investment in the MTPA parks.

The legal framework is equally comprehensive and there are thus numerous pieces of legislation that need to be taken into account when considering commercialisation of parks. This includes amongst others, legislation applicable to land; forests; protected areas; land restitution; water and environmental impact assessments, as well as the MTPA's founding legislation and the Public Finance Management Act 1999 (PFMA), specifically Treasury Regulation 16 relating to Public Private Partnerships ("PPP"). The BEE Tourism Charter and Scorecard also need to be complied with.



The Mpumalanga Tourism & Parks Act No.5 of 2005 creates the framework within which MTPA operates. This act gives the MTPA the power to enter into agreements and in consultation with the MEC, to enter into PPPs. The MTPA Act also gives MTPA the right to utilise as its revenue, inter alia, any fees and other money accrued or appropriated by the MTPA in order to achieve its objectives and exercise the powers and functions of the MTPA. The Act further gives MTPA powers to identify tourism development opportunities in the Province.

The PPP regulations and compliance with them are critical in formulating plans for commercialisation. The PPP framework seeks to bridge the gap between the substantial public investment requirements and limited available resources by allowing national and provincial institutions to enter into PPPs with private sector partners for investment on state assets and to improve service delivery. The PPP framework is set out in Treasury Regulation 16 issued in terms of the PFMA. National Treasury's PPP Manual has been issued as PPP practice notes to make the application of the PFMA and its regulations easier.

### **Tourism PPPs**

South Africa's tourism industry has experienced considerable growth in the last decade, but the development of tourism-based businesses on state-owned land has been slow. National Treasury has sought to boost this sector of the economy by providing practical guidelines in the form of the PPP Toolkit for Tourism to make the PPP process relevant to the particular characteristics of the country's nature and heritage tourism industry.

The *PPP Toolkit for Tourism* is principally based on the application of the PPP definition: a private party acquires the use of state property for its own commercial purposes, assuming substantial risk, and receives a benefit from charges collected from users.

An Ecotourism PPP is defined as follows:

*A contractual arrangement between a public entity and a private sector entity, whereby the private sector entity invests in upgrading an existing asset, and/or builds new infrastructure. The private sector entity is granted a right to commercially utilise the state asset (land or buildings), in broad support of a public function (conservation). The private sector entity makes a return on the investment over the life of the contract, and returns the upgraded or new infrastructure to the public entity in an agreed condition at the end of the contract. The private sector entity pays a regular user fee to the public entity (turnover linked or fixed fee rental).*

In terms of the PFMA, MTPA may not proceed with a PPP without the prior written approval from National Treasury. National Treasury may only grant approval if it is satisfied that the proposed PPP will: –

- (a) provide value for money
- (b) be affordable for MTPA; and
- (c) transfer appropriate technical, operational and financial risk to the private entity

There are three distinct Treasury Approvals required in terms of Treasury Regulation 16. The first (Treasury Approval I – TA I) requires the submission by MTPA of a feasibility study report, to determine whether the envisaged PPP is in its best

interest. The feasibility study must show affordability and an initial indication of how value for money will be achieved, through appropriate risk transfer. Once the feasibility report has been submitted and approved by National Treasury, MTPA can proceed with the bid documentation preparation and drafting of the contracts. Treasury Approvals 2 and 3 follow during, and at the conclusion of, the procurement process.

MTPA is both obliged and committed to complying with the PPP regulations as it engages the private sector for the development and operation of tourism facilities within the parks.

### **25.3 LAND RESTITUTION**

Approximately 80% of the park surface area is under restitution claims. The claims have been submitted by different communities, and are at various stages of progress and finalisation.

Until these claims are finalised, any concessioning arrangements with the private sector will have to be pursued jointly by MTPA and the verified claimant communities. MTPA and the future land owners need to enter into a co-management and benefit sharing agreement to ensure the sustainable management and development of each park and the equitable distribution of benefits arising from development opportunities. Such agreements would also provide security of tenure for any potential private sector investor. Challenges have been experienced in assessing proposals to develop tourism in the parks while land restitution is in process but models are being developed that will hopefully enable the process to move forward.

Given the urgency with which Government is determined to resolve the issue of land restitution, land claims on protected areas have become a concern for parks management agencies throughout the country. A task team has been established to draw up guidelines for issues such as co-management arrangements and economic developments within protected areas. These will include benefit sharing between the community land owners and the conservation agencies.

The National Department of Environmental Affairs & Tourism and the Department of Land Affairs have recently signed a Memorandum of Understanding (MoU) to guide the settlement of restitution claims on protected areas. The MoU recognises that protected areas are assets of national and international significance and must be managed in perpetuity as protected conservation areas. At the same time, it promotes the involvement of claimants in the joint management of protected areas through co-management arrangements and seeks to ensure that the settlement will result in beneficiation for the claimants through appropriate economic activities. Settlement negotiations are, however, very slow, given the inherent sensitivities on these issues. As claims are settled and co-management agreements signed, transparent processes to identify private sector parties for development and operation of tourism products will follow.

Experience has shown that settling land claims is a lengthy process and it is difficult to estimate time frames. Also, the process is beyond the control of the MTPA and while it can do its best to support, facilitate and accelerate the process, it does not have the mandate nor influence to bring the matters to a speedy resolution.

## 25.4 COMMERCIALISATION AND DEVELOPMENT STRATEGY

The historic role of nature conservation agencies has been not only to protect and manage biodiversity, but also to deliver tourism and recreational services to visitors to the parks. However, it is debatable whether conservation agencies should be involved in the development and operation of tourism facilities in a dynamic and competitive market.

### 25.4.1 Commercialisation

For this reason, MTPA is committed to a process of commercialisation for the upgrading, expansion and development of existing or new infrastructure and facilities as well as the operation of these facilities. Such commercialisation could encompass:

- Development and operation of selected facilities by MTPA itself;
- Outsourcing and lease agreements;
- Management agreements;
- PPPs under the Build Operate Transfer (BOT) model.

### 25.4.2 Objectives

The broad objectives of the commercialisation strategy for MTPA's parks are:

1. To contribute to the economic growth of Mpumalanga in line with the Provincial Growth & Development Strategy (PGDS) and in support of the BEE Tourism Charter and Scorecard
2. To contribute financially to the MTPA

### 25.4.3 Principles

The guiding principles to be applied in pursuit of achieving MTPA's vision and the commercialisation objectives are:

- Developing a diverse range of alternative tourism products to meet the requirements of different market segments, including providing affordable access to local communities and others from previously disadvantaged backgrounds;
- Developing products that complement and do not compromise or threaten the natural resources on which the tourism developments rely;
- Planning and zoning developments spatially within protected areas to ensure an integrated approach between conservation and development and to maintain the integrity of the biodiversity and cultural resources;
- Partnering with land claimants and other local communities to promote a conservation economy in and around the parks in support of local economic development in line with the PGDS;
- Following a consultative and integrated approach by involving all relevant stakeholders in the development process, including alignment with municipal IDPs;
- Creating an enabling and investor friendly environment;
- Promoting the involvement of the private sector in the development, funding and management of tourism facilities; and
- Complying with all relevant legislation and regulations, including the PFMA and Treasury Regulations, the Tourism BEE Charter and Scorecard, as well as environmental legislation such as Environmental Impact Assessment Regulations

## 25.5 STAKEHOLDER PARTICIPATION

The planning and implementation of the commercialisation strategy will be consultative to ensure alignment to the provincial and local tourism development strategies and to obtain the support of the key role players. MTPA will participate in, and where necessary create, appropriate forums in which relevant stakeholders will be consulted. The interested and affected stakeholders will be identified for each area, such as at a district or even park level, or for individual developments, and the list of potential stakeholders below is not exhaustive:

- MEC and Provincial cabinet;
- Local communities, including land claimants and land owners;
- Protected area neighbours;
- District and local municipalities ;
- National and Provincial Government departments (eg. DWAF, DLA, DEAT, DPW, National Treasury, DALA, DEDP etc);
- NGOs;
- General public;
- Scientific community;
- Private sector including investors and concessionaires ;
- Tourism sector stakeholders including product owners, operators and associations; and
- Development finance institutions such as MEGA, DBSA and IDC etc.

## 25.6 WAY FORWARD

The implementation of the development strategy for MTPA parks is summarised briefly below.

### 25.6.1 Product Development

In line with the Mpumalanga Tourism Growth Strategy, MTPA has a critical role in developing and diversifying the range of tourism products in the Province. The products will be developed taking cognisance of market demands and requirements, with focus on the segments set out below. This is a preliminary assessment of the reserve potential and will be refined as detailed development plans are drafted and further consultation takes place with various stakeholders. Any developments will also have to take place within the zoning of the parks and in compliance with EIA regulations.

Segment	Sector	Reserves with potential
Nature tourism	Wildlife safaris	SNR, Loskop Dam NR, Manyeleti
	Birding	BRCNP, SNR, Loskop Dam NR, Barberton Mountainlands, Verloren Vlei
	Botanical	BRCNP, SNR, Barberton Mountainlands
	Natural history	BRCNP, SNR, Barberton
Activity tourism	Fishing	Loskop Dam NR, Nooitgedacht NR, Ohrigstad Dam NR, Mkhombo Dam NR
	Hiking	BRCNP, SNR, Loskop Dam NR
	Mountain biking	Loskop Dam NR, SNR, Barberton, Mdala
	Sailing / kayaking	Loskop Dam NR; Nooitgedacht Dam NR, Ohrigstad Dam NR
Soft and hard adventure	Climbing	SNR, BRCNP
	Rafting	BRCNP
	4x4	Loskop Dam NR, SNR, Ohrigstad Dam NR, Barberton Mountainlands
	Abseiling	BRCNP

### **25.6.2 Action Programmes**

To facilitate an integrated approach to development and commercialisation of MTPA parks and alignment with the Mpumalanga Tourism Growth Strategy, the following programmes will be pursued:

1. capacitate and resource MTPA for its commercialisation strategy
2. involvement and participation in settlement of land claims
3. maintain and where applicable upgrade the biodiversity and conservation estate within the parks by improving infrastructure and services essential for tourist developments
4. improve access to the parks
5. implement the commercialisation strategy to upgrade and diversify the product range
6. promotion and marketing of the parks and tourism attractions
7. upgrade service levels
8. strengthen community involvement and transformation of tourism industry

### **25.6.3 Development Plans**

#### **25.6.3.1 Upgrade and Develop Blyde River Canyon National Park**

Plans to transform BRCNP into a major landmark national tourism attraction will be implemented to establish it as a “must-see” destination rather than a stop-over on the way to the Kruger National Park. Apart from upgrading the viewing sites, establishing a new hiking trail and other outdoor adventure activities, the plan envisages the development of a

cable car transporting tourists from the top of the canyon to the peninsula in the middle of Blyde Dam, with associated activities such as guided boat trips along the canyon banks. A Heritage Visitor Centre showcasing the region’s natural, cultural and historic heritage is also planned.

#### **25.6.3.2 Development of Songimvelo Nature Reserve**

Plans are to link SNR to the adjacent Malolotja Nature Reserve in Swaziland as part of the Lubombo Transfrontier Conservation Area initiative. Integral to the realization of the TFCA is a focus on adventure tourism opportunities ranging from game viewing, hiking, 4x4 trails, extreme sports and educational trails (geology; archaeology and cultural history). The Integrated Tourism Master Plan for the TFCA envisages a range of accommodation within the park appropriate to the target market and incorporating tented camps; camping facilities; self catering chalets and day visitor facilities.

#### **25.6.3.3 Development of Loskop Tourism Complex**

The concept is to create a tourism belt incorporating the Highveld parks such as the Loskop Dam Nature Reserve, Mabusa Nature Reserve including Zithabiseni Resort, Mdala Nature Reserve, Mkhombo Dam Nature Reserve and S.S. Skosana Nature Reserve. A range of tourist facilities and leisure attractions around the dams and reserves will be developed to cater mainly for the nearby Gauteng market. This concept requires further feasibility studies before it can move to detailed planning and raising funds for the identified projects.

#### **25.6.3.4 Upgrade and Development of other MTPA parks**

While the initial focus will be on the MTPA parks mentioned above, there is clear tourism potential in many of the other parks, possibly catering for specialist niche markets. For example, the plant species diversity in the Barberton Mountainlands is second to only the Cape Fynbos and presents an opportunity to showcase the province's biodiversity. In addition, further investigation and planning is necessary for former Limpopo Provincial Reserves that are in the process of being transferred to the MTPA, as there are potential opportunities that should be explored. These reserves include Manyeleti and Andover.

Further investigation will be conducted into each of the remaining parks and development plans will be drafted, approved and implemented accordingly.

#### **25.6.4 Action Plan for Implementation**

The implementation of the commercialisation strategy will be undertaken in a phased approach as follows:

##### **25.6.4.1 Phase I: Short Term 2007 – 2008**

This **organizing for growth phase** will focus on:

- MEC and Provincial Government approval for the strategy
- Consensus with relevant stakeholders
- Capacitating and resourcing MTPA

- Drafting and implementation of Integrated Infrastructure Maintenance and Upgrade Plan for rehabilitation of MTPA parks, including improvement of access and development of infrastructure
- Drafting of Integrated Reserve Management Plans for all parks, including zoning for developments
- Settlement of land claims
- Concluding co-management and benefit sharing arrangements with community land owners
- Detailed business plans and funding raised for BRCNP and SNR
- Implementation of funded projects for BRCNP
- Concluding feasibility studies for Loskop Tourism Complex
- Initiating studies and drafting of development plans for other MTPA parks

##### **25.6.4.2 Phase II: Medium Term 2008 – 2010**

This **growth take-off phase** will focus on

- Implementation and conclusion of projects for flagship reserves – BRCNP, SNR and Loskop Tourism Centre
- Finalisation of outstanding land claims, including co-management and benefit sharing agreements
- Implementation of Integrated Infrastructure Maintenance and Upgrade Plan
- Promotion and marketing of new developments
- Upgrading service levels
- Full participation by communities in support of transformation objectives

- Detailed business plans and fund raising for priority projects for other MTPA parks
- Implementation of projects on other MTPA parks

#### **25.6.4.3      *Phase III: Long Term 2011 – 2016***

This ***rapid growth phase*** will focus on

- Further product development in MTPA parks
- Managing and maintaining facilities
- Operation of facilities to international standards



## 26. LIST OF DOCUMENTS CONSULTED

1. South Africa Domestic Tourism Growth Strategy Final report – Revised value, January 2006 (Atos KPMG Consulting)
2. Mpumalanga Province: Provincial Growth and Development strategy (PGDS) 2004-2014
3. Mpumalanga Tourism Authority: Annual Report 2004/2005
4. Songimvelo-Malolotja TFCA: Integrated Tourism Master Plan, Final Report, August 2006 (prepared by Peace Parks Foundation and V&L Landscape Architects)
5. South African National Parks: Annual Report 2005/2006
6. Mbombela Tourism Sector Plan: Responsible Tourism Plan for Mbombela Local Municipality, Final, March 2006 (Tshwane University of Technology)
7. Mpumalanga Provincial Economic Outlook and Review 2006
8. Mpumalanga Sector Studies Integrated Strategic Document, January 2007 (prepared by Department of Economic Development and Planning, Mpumalanga Provincial Government)
9. Heritage, Greening Mpumalanga and Tourism Flagship Programme, Programme Implementation Plan Version
10. Terms of Reference for the feasibility study to determine a tourism master plan for Mpumalanga, September 2005 (prepared by Brentlana Solutions (Pty) Ltd.
11. Report & Database Mpumalanga Tourism authority (developed by the Institute for Tourism and Leisure Studies at the Potchefstroom University for CHE, 2002)
12. MTPA Research Department: Accommodation Survey
13. South African Tourism: Tourism Growth Strategy, May 2002
14. South African Tourism: Tourism Growth Strategy: 2005-2007 Second edition *Gearing up to be Globally Competitive*: South African Tourism
15. South African Tourism/DEAT/DTI: Global Competitiveness Project: Summary of Key findings of Phase 1, October 2004
16. South African Tourism/THETA: Skills Review Project – Final Presentation – February 2005
17. South African Tourism: 2005 Annual Domestic Tourism Report
18. South African Tourism: Annual Report 2005
19. South African Tourism: INDABA 2007 Factsheet
20. Lowveld Cricket Academy, Nelspruit (prepared by Bob Woolmer, Jonty Rhodes and Gareth Pyne-James), January 2007
21. MTPA presentation to the first workshop, 17<sup>th</sup> April 2007
22. Mpumalanga Province: Mpumalanga Tourism and Parks Agency Act, 2005
23. Mpumalanga Province: Mpumalanga Tourism Regulations, 2007
24. A Framework/Model to Benchmark Tourism GDP in South Africa, South African Tourism, September 2006
25. South African National Parks: Kruger National Park, Park Management Plan, Versions 1 (Oct, 2006)
26. Mpumalanga – History and heritage, edited by Peter Delvies, Professor of History, University of Witwaterstrand, 2007





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***A Preliminary Tourism Development Strategy for  
the Tourism and Biodiversity Corridor 2011-2014***

***March 2011***

**Prepared by:** DB Consulting  
PO Box 70705  
Bryanston  
2021

# ***A Preliminary Tourism Development Strategy for the Tourism and Biodiversity Corridor 2011-2014***

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### ***List of abbreviations***

IDP	Integrated Development Plan
MTPA	Mpumalanga Tourism and Parks Agency
MYDP	Multi-Year Development Programme
SADC	Southern African Development Community
TBC	Tourism and Biodiversity Corridor
TFCA	Trans Frontier Conservation Area
TFP	Trans Frontier Park
SME	Small and Medium Scale Enterprise

# ***Tourism and Biodiversity Corridor***

## ***A Preliminary Tourism Development Strategy 2011-2014***

### ***FINAL REPORT***

#### ***1. Introduction***

As was noted in the 2002 Preliminary Tourism Development Strategy for the Tourism and Biodiversity Corridor, the predominantly rural areas of Northern Swaziland, South-eastern Mpumalanga and Southern Mozambique have tremendous inherent development potential for tourism-led growth, although this inherent development potential has tended to be under-utilised.

The central concept that emerged from the previous planning processes is that of utilising the unique biodiversity, heritage, cultural, geological and archaeological resource base that is shared by the countries as a basis for the development of an economic development corridor where tourism-led developments are the primary activities.

##### ***1.1 Purpose of this document***

The Barberton Tourism and Biodiversity Corridor programme (BATOBIC) commissioned DB Consulting (December 2010) to review and update the previously prepared (2002) Tourism and Biodiversity Corridor development strategy.

As such, the main objectives of this consultancy are to *firstly* evaluate the previous Preliminary Tourism Development Strategy for the Tourism and Biodiversity Corridor (June 2002 TBC Strategy) in context of projects subsequently (to 2002) undertaken in the project area and in context of any/all new and relevant tourism and conservation based strategies/studies that have been prepared for the planning area. *Secondly*, where needed to update and review such, based on the current needs for tourism development in the area. *Thirdly*, to develop a Multi-Year Development Programme (MYDP) which will guide the process of the implementation of projects that form the BATOBIC programme as may be relevant to the implementation of the updated Strategy previously referred to. If appropriate, this will be a review and update of the MYDP developed in 2001.

##### ***1.2 Methodology***

**Strategic emphasis:** The proposed approach to implementing this project is guided by the overall principle that BATOBIC is focused on achieving tangible economic growth and development. Key indicators in this regard are increased tourism flows, investment, job creation and capacity building.

**Geographical focus area:** It is also important to confirm that this process will focus primarily on strategy and multi-year planning for the South African areas of what is often referred to as the Tourism and Biodiversity Corridor. This area stretches from Kaapmuiden in the east through Barberton to Badplaas in the west. Furthermore, it is part of a long term vision and integrated plan to unlock the potential of the area and position it as a diversified tourism destination. The programme has its origins in the various national, provincial and local planning studies that have been conducted in the area over the last few years. These studies have consistently identified the area as having large, undeveloped tourism potential. As

such, the 2011-2014 version of the TBC Strategy and Multi-Year Development programme will place a far lesser emphasis on assessing, or proposing revised, projects, priorities and programmes in the Swaziland and Mozambique areas of the TBC (as defined in the 2002 TBC Strategy). However the strategy does where applicable identify potential strategic linkages, development opportunities and complementarities of a cross border nature where required.

**Prioritisation:** In view of BATOBIC's objective to achieve impacts as quickly as possible, it is also essential that the Multi-Year Development Plan identify and focus on those projects that can reasonably be implemented within the *time-framework* of 1-3 years. In terms of the types of projects to be pursued as priorities the emphasis will be placed on potential anchor investment or demonstration projects that will not only create desired socio-economic impact (which generally indicates that they are larger scale projects), but that are also most likely to demonstrate the value and impact of development models (such as community/Private [CPPS] and/or community/public/private partnerships [CPPPs]) which are likely to be applied on multiple projects (and possibly at varying scales). In terms of the sectoral emphasis, a similar approach as was applied in the 2002 strategy has been followed - that tourism-led developments were/are inevitably going to be a key part of any development strategy for the planning area (even though the role of the agriculture sector in terms of employment creation and local economic development should not be underestimated). As such the 2010-2014 TBC Strategy is aimed at providing a sound and sustainable strategic context within which the initial tourism anchor projects have been identified, prioritised and conceptualised.

### *1.3 Structure of the report*

This report is structured as follows: *Section two* provides a summary assessment of the key existing socio-economic trends in the South African portions of the TBC, and highlights the related planning and development issues, implications, opportunities and priorities. *Section three* summarises the key tourism development trends in the planning area. *Section four* provides the broader regional tourism development context. *Section five* provides a concise overview of the biodiversity and conservation issues and priorities in the planning area. *Section six* provides the proposed preliminary tourism development framework and strategies for the planning area. *Section seven* provides an overview of the key anchor projects. *Section eight* provides a list of required follow-up actions.

## **2. Key socio-economic issues and trends, and related planning implications**

In general it is clear that the South Africa portions of the study area are in need of accelerated development. In particular, there is an urgent need for the development of strategies that would create sustainable employment and economic growth. The key indicators that underpin this conclusion are as follows:

The inadequate performance of the economy of the Study Area is evident in its **low labour absorption capacity**. This is evident from the high unemployment levels in the Study Area which are in excess of 26%<sup>1</sup> (Umjindi IDP 2010-2011). Expansion of existing economic activities and exploitation of new ventures are essential to improve the absorption capacity of the economy.

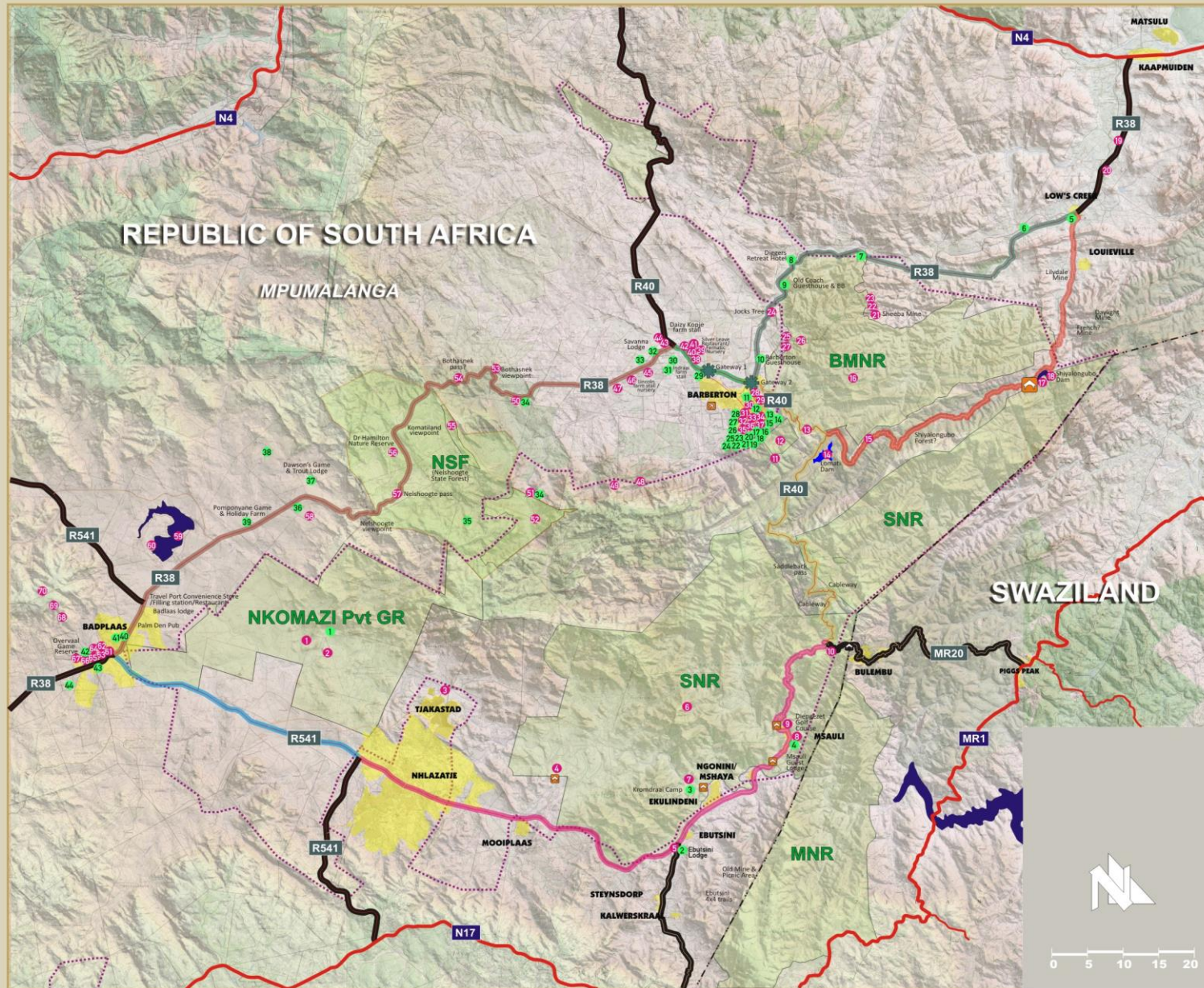
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<sup>1</sup> The source data for this statistics appears to be from 2002.



# Barberton Tourism and Biodiversity Corridor

## Tourism Master Plan



### LEGEND

#### ACCESS

INTERNATIONAL BOUNDARY	PROTECTED AREAS
TOWNS AND VILLAGES	BMWHs
FEEDER ROADS	INTERNATIONAL BORDER POSTS
REGIONAL TARRED ROADS	GATES
REGIONAL GRAVEL ROADS	AIRFIELD

### TOURIST ROUTE SECTIONS, ACCOMMODATION AND ATTRACTIONS

#### TOURIST ROUTE SECTIONS

- 1. Badplaas to Lukwatini R541
- 2. Lukwatini to Josefsdal
- 3. Josefsdal to R38/R40 intersect East
- 4. Mlumati to Low's Creek
- 5. Low's Creek to R38/R40 intersect East
- 6. R38/R40 East tp R40/R38 West
- 7. R40/R38 West to Badplaas

#### TOURIST AND TRAVELLER ACCOMMODATION

- 1. Nkomazi GR (Komatia Tented Lodge)
- 2. Ebutisini lodge
- 3. Kromdraai Camp - Songimvelo Game Reserve
- 4. Msaoli Guest House
- 5. Cranko's Creek Guest House
- 6. La Luna Guest Farm
- 7. Paradise Game Ranch
- 8. Diggers Retreat Hotel
- 9. Old Coach Guest House
- 10. Barberton Guest House
- 11. Oppikoppi Inn Krater
- 12. Barberton Manor Guest House
- 13. Guthrie's Bed & Breakfast
- 14. Luvum 1485 Co
- 15. Fountain Baths Guest House
- 16. Cockney Liz Hotel
- 17. Chill Inn Accommodation (same thing)
- 18. Chill Inn Lodge (same thing)
- 19. English Lodge (can't find)
- 20. Fernlea house Lodge
- 21. Fortuna (Can't find)
- 22. Makhanya Guest House
- 23. Phoenix Hotel
- 24. The Gold Nugget Guesthouse
- 25. Royal Sheba Guest House
- 26. Stopforth house
- 27. Barberton Caravan Park Chalets (one destination)
- 28. Barberton Caravan Park (one destination)
- 29. Phumula Holiday Camp
- 30. Barberton Daisy Lodge
- 31. Grace Farm Cottages
- 32. Aloe Ridge Herbs and Guest Farm
- 33. Savanna Lodge
- 34. Queen Rose Hiking Trail (Makash Hut and Queens View Hut)
- 35. Jambila Jeugsentrum
- 36. Malasha Guesthouse
- 37. Dawson's Game & Trout Lodge
- 38. Inniesbos Guest House
- 39. Pomponyane Holiday & Game Farm
- 40. Tharans Rest Camp
- 41. Maryvale Rest Camp
- 42. Forever Resorts Badplaas
- 43. Cornerstone Guesthouse
- 44. Villa Rozana

- #### ATTRACTION NAME
- 1. Badgali Inland Dive Site & Komati Springs
  - 2. Nkomazi Game Reserve
  - 3. bridge NB GEO sites
  - 4. Doornhoek Conference & Enviro Education Centre
  - 5. Ebutisini 4x4 Trail
  - 6. Songimvelo Nature Reserve
  - 7. Ou Skapbrug Historic Bridge
  - 8. Msaoli Recreation Club
  - 9. Diepgezet / Msaoli Golf Course
  - 10. VIEWPOINT 2
  - 11. Tienie Louw Nature Reserve
  - 12. Barberton Nature Reserve
  - 13. Saddleback pass
  - 14. Lomati Dam
  - 15. Peddler's Bush
  - 16. Barberton Mountainlands Nature Reserve
  - 17. Songimvelo Panhandle
  - 18. Shiyalungubo Dam
  - 19. Boondocks Heritage site
  - 20. Nukain Mabusa Rock Painting
  - 21. Sheeba Mine
  - 22. Eureka 4x4 trail end - Iapa
  - 23. Eureka City
  - 24. Jock's Tree
  - 25. Eureka 4x4 trail start
  - 26. Olifantskloof
  - 27. Fairview Mine (Historical or current?)
  - 28. Mountainlands 4x4 Trail start/end
  - 29. Oppikoppi 4x4 trails
  - 30. Barberton Golf Course
  - 31. Jock of Bushveld Museum
  - 32. Locomotive Museum
  - 33. Blockhouse Historic Building
  - 34. Barberton Museum
  - 35. Kerb stone From 1800's
  - 36. First Stock Exchange
  - 37. Belhaven Museum
  - 38. St John's Catholic Church & Care Centre
  - 39. Queen River Historic Bridge
  - 40. Key Farm Horse & Pony Rides
  - 41. Paintball War Games
  - 42. Fernatic Nursery
  - 43. Sudekaap River Historic Bridge
  - 44. Daisy Kopie National Heritage Site
  - 45. Nataldrift Wholesale Nursery
  - 46. Lincoln Macadamia Nursery
  - 47. Hopewell Nursery
  - 48. Thomcroft Nature Reserve
  - 49. Cynthia Letty Floral Reserve
  - 50. Queen Rose Hiking Trail
  - 51. Queen River Hiking Trail
  - 52. Queens River Nature Reserve
  - 53. Bothasnek viewpoint
  - 54. VIEWPOINT1
  - 55. Nelshoogte Nature Reserve
  - 56. Dr Hamilton Nature Reserve
  - 57. Nelshoogte pass
  - 58. Enkhonjanani Royal Kraal
  - 59. Vygeboom Dam
  - 60. Barberton Yacht Club
  - 61. GoKarts
  - 62. Cross-Country Carls
  - 63. Badplaas Picnic Site
  - 64. Eco Adventures Badplaas
  - 65. Badplaas Resort Chip 'n' Putt
  - 66. Badplaas Horse Trails
  - 67. Waterfall Gorge
  - 68. Emanzana 4x4 trail
  - 69. Emanzana Nature Reserve
  - 70. Trail Viewpoint

## PLAN 1: REGIONAL ASSESSMENT

0 5 10 15 20 40km



***The unique geology and associated soil types***, as well as the range of altitudes have resulted in the area having a tremendously rich diversity of biota. The natural resource base and climate make the study very well suited to agricultural-led and tourism-led economic development. The fact that it is the natural resource base that underpins both of these economic activities implies that the long-term management on a sustainable basis of the natural resource base is essential.

***Presently, the economy of the Study Area is driven by the agriculture (30.8%) and mining (11.2%)***. The importance of the agriculture sector as an employment creator stands out especially in context of the declines of the mining sector (noted in the Umjindi IDP 2010) which will also create additional unemployment and socio-economic hardships. There is no real prospect at present that these job losses in the mining sector can be reversed (locally within the sector). As such alternative sources of employment in economic activities need to be actively pursued.

***The under-utilised but potentially ‘world-class’ tourism natural resources offer a clear opportunity*** for tourism-led development. Tourism-led development also offers important potential for SME development since opportunities are relatively plentiful, and access is that much easier within the tourism industry (particularly resource and culturally based). What is also significant is that much of this under-utilised tourism development potential is located in or adjacent to rural areas that house many of the poorer communities. Such tourism-led development strategies and initiatives will need to be designed and implemented in a coordinated and integrated manner with the agricultural led developments that form part of the KRBDP.

There are also a number of important ***transborder collaboration issues*** that should be noted in terms of the promotion of tourism-led development:

- *Firstly*, that the underlying resource base within South Africa and Swaziland is very well suited to tourism-led development. If this resource base is to be sustainably utilised and/or conserved, an integrated and coordinated approach to the conservation, management and development of the resources is essential. Inevitably, this will require considerable related capacity building, and this too can, and should, be approached on a collaborative and co-operative basis.
- *Secondly*, tourism-led development strategies within the South Africa, Swaziland and Mozambique could have major positive impacts for economic growth and investment<sup>2</sup>. It is essential for such tourism-led developments that a coordinated and integrated approach is adopted. It is only on this basis that a corridor encompassing a variety of different environments, archaeological experiences, cultures, biological diversity, adventure tourism experiences etc. can be developed.
- *Thirdly*, in support of tourism-led development efforts, it is vital that an integrated network of infrastructure and services are developed. If access through the region is perceived to be difficult, excessively slow, dangerous, excessively expensive, etc., development will be negatively affected.
- *Fourthly*, related to the issue of the transborder movement of travelers, every effort needs to be made to ensure the smooth flow of people across the international borders. This is especially important since tourists who experience tedious and excessively bureaucratic immigration procedures feel threatened and unwelcome.

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<sup>2</sup> Due to inter alia the potentially employment intensive and SMME friendly nature of the tourism industry, as well as the fact that this sector poses less barriers to entry for less skilled and experienced employment seekers)



### 3. Tourism development issues and trends

Within the context of the above listed socio-economic issues and trends, there are a number of tourism specific issues and trends that need to be noted:

- ***The planning area contains a significant number of publicly, communally and privately owned nature reserves.*** These protected areas provide a range of different natural habitats and related opportunities for nature based adventure and photographic tourism. The most significant of these existing reserves include the following:
  - The South African reserves include Songimvelo, Barberton Game Reserve, Nkomazi Wilderness Nature Reserve, Piranie Nature Reserve, and the Mountainlands Nature Reserve
  - The Swaziland reserves include Malolotja, Phophonyane, Lubombo Conservancy (including Hlane, Mlawula, Shewula and Mbuluzi Reserves).
  - ***There are also portions of communal land that could be well suited to tourism based developments.*** The key areas identified at present include the Matsamo cattle/game project area and the Ebutsini Community tourism area.
  - In Swaziland the *Sand River cattle and game ranch*.
- ***The planning area has unique geology.*** The Barberton Makhonjwa Mountainlands contains the oldest and best preserved volcanic and sedimentary rocks on earth. Our knowledge of the earth from 3.6 billion years ago has grown tremendously as a result of research done in the Barberton Mountainlands. It is within this context that the area has already achieved the 'Tentative Listing' accreditation from UNESCO as a prospective World heritage Site. The marketing and related economic benefits that would result from 'World Heritage Site' accreditation are likely to be significant for the TBC.
- ***Wide range of cultural and heritage opportunities*** including both traditional indigenous cultures as well as colonial influences and Dravidian and Arabic influences from 1000 to 3000 years ago. These include Middle Stone Age sites (22 000-100 000 years old) in Barberton, 16<sup>th</sup> and 17<sup>th</sup> century bushman rock paintings in Piggs Peak (amongst 20 other sites in Swaziland), various ancient dwellings and settlements around 500 years old (one complete village on Wonderscheur in Mountainlands), Lions Cavern, which at between 41 000 and 36 000 BC is the oldest known mine in the world, Labambo Royal Kraal (Swaziland – current), Eureka City (1800s mining settlement), Sheba Gold mine which is the oldest working mine in the world, De Kaap Valley (Valley of Death), Dravidian temple sites (in Mountainlands Nature Reserve, Nkomazi Wilderness Nature Reserve and Songimvelo Game Reserve) etc.
- ***Arts and crafts:*** A wide range of quality handcrafts is available to visitors and represent a blend of the best of traditional designs and modern techniques. Some are sold in specialist stores, whilst others are available from the markets and even on the side of the road.
- ***There is a good potential match between tourism development potential in the TBC, and tourism demand trends in South Africa:*** In terms of inherent potential it is a well-accepted fact that South Africa has particularly good inherent potential for nature based tourism – particularly related to the varied scenery and wildlife. The 2009 Annual Tourism Report (SA Tourism) confirms that natural attractions, cultural and

historical sites, business and wildlife are the main reasons for foreign tourists visiting South Africa.

The Mpumalanga Province is renowned as a prime destination for nature-based tourism – especially photographic tourism. Notwithstanding its inherent development potential as well as its past performance as a nature based tourism destination there are some worrying signs for Mpumalanga tourism:

- Using foreign visitor trends as an indicator, it is clear that Mpumalanga Province has lost a substantial market share of tourist arrivals to South Africa since 2002. From a high of 21% in 2002, this percentage dropped to 16.3% (2003); 15.3 (2004); 14.9 (2005); 14.1 (2006); and 12.8 (2007). Since 2007 there has been some improvement to 13.4 (2008) and 14% in 2009. Foreign tourist direct spending has also dropped significantly from some R5 Billion in 2002 to about R 3.9 Billion in 2007, and then improved substantially to 5.3 Billion in 2008 and 2009. The trend is clear - notwithstanding the large number of world class attractions - the province has consistently struggled to grow its market share.
- Even in the domestic tourism market, which accounts for 75% of total SA market by volume, the trend is worrying. In 2008 Mpumalanga is ranked only 5<sup>th</sup> (out of 9) in terms of preferred destinations. This position deteriorated further to 6<sup>th</sup> in 2009.
- Notwithstanding the obvious tourism development potential of the TBC area, ***this inherent tourism development potential is hardly utilised at all***. Clearly the TBC area is not a well-known tourism destination, and one result is that there is a very limited amount of development, as well as poor levels of utilisation. The fact that tourism-led development in the Kruger Lowveld area is very new is also reflected in the paucity of statistics that are available for the area.
  - ***In the Barberton district*** the major existing tourism attractions include the various public and private nature reserves/conservancies, as well as a range of archeological, geological and culture and heritage attractions (as described above). At this stage, the related tourism development potential remains largely under-utilised, and the area is not a well-known destination at all. The area has a number of key advantages that bode well for its future development. They include the following:
    - The inherent development potential in terms of nature based photographic and consumptive tourism, in adventure tourism, and in terms of culture and heritage tourism. All of these sectors of the tourism market are key growth sectors in the global tourism economy.
    - All the major reserves have reasonably good access by road. Piranie and Mountainlands via tarred roads, and Songimvelo (the last portion) via gravel road. All reserves are accessible by 2X4 wheel drive vehicles. (Note: Internal road access is not universally 'good' within portions of Mountainlands and Songimvelo.)
    - This district is well located in terms of proximity to Swaziland and it's related attractions, particularly so as a result of the surfacing of the Barberton to Bulembu Road. This linkage would be substantially further improved when, and if, the road between Bulembu and Piggs Peak is upgraded.

- ***Biodiversity and conservation issues and trends:*** The area incorporates a continuum of habitats from the Drakensburg representing the Afromontane Archipelago (1050-1400m) to the Middleveld (400-1000m), to the Lowveld (150-400m), to the Lubombo Mountains (high point of 770m), to the Maputaland/Tongaland coastal plain. Whilst these types of habitat are found elsewhere in Swaziland and South Africa, it is only in the northern parts of Swaziland that this continuum is compressed into a maximum east-west distance of 200km. This renders the area uniquely valuable from a scientific point of view compressing high levels of biodiversity into a relatively small area.
  - The *Drakensberg ecoregion* of Afromontane grasslands and woodlands forms a high plateau extending from the Eastern Cape through Lesotho and western Swaziland into Mpumalanga. It displays several sub-levels of local endemism – one of which is the Barberton Centre that extends from South Africa into Swaziland. The area is very rich in biota, plants, mammals, snakes, birds, etc. The grassland biome is foremost among the biomes in southern Africa that are poorly represented within existing protected areas. Malolotja Nature Reserve and Songimvelo are two of the few protected areas where a substantial area of the grassland biome and rare and endemic species are conserved.
  - The *Middleveld* and *Lowveld* encompass a range of productive habitats. These areas contain very fertile soils and can (and historically did) support a large and varied range of larger mammal species. Whilst vast areas of the Middleveld have been settled by pastoralists and sugarcane monoculture, biologically valuable but increasingly discontinuous areas do survive either in inaccessible country, on private or state ranches, or in proclaimed protected areas. The northern Lowveld in Swaziland is notable in supporting rare relict tropical species such as rare snakes, and the overall amphibian and avifaunal diversity is probably the richest in the country.
- ***Regional tourism development context:*** There are a number of tourism development initiatives currently underway that impact on the BATOBIC TBC planning area. The most important of these include the Songimvelo/Malolotja TFCA, the proposed Barberton Mountainlands World Heritage Site, and the Ehlanzeni Responsible Tourism Development Plan (which includes a number of local municipalities including Mjindi). Since these individual initiatives are geographically all located very close together and in certain instances ‘overlap’ geographically it is important that opportunities for collaboration are pursued, and that policies and strategies are complementary. Collectively these initiatives are focused on the development of a very diverse range of tourism products, experiences and environments that are potentially complementary in nature. By combining their individual products and experiences they collectively offer a vast array of diverse yet complementary tourism products and experiences. These potential advantages are further reinforced by opportunities for participating authorities to benefit from economies of scale associated with a regional approach to tourism marketing, management and development<sup>3</sup>.

#### 4. ***Development framework and principles for the Tourism and Biodiversity Corridor 2011-2014***

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<sup>3</sup> These include: Economies of scale associated with the joint development of infrastructure, facilities and services thereby avoiding duplication, as well as sharing of human and financial resources; Greater coordination of tourism development policy and strategy; Sharing of lessons of experience; Creating a critical mass to be internationally significant and attractive; etc.

#### 4.1 Key issues arising from the Mpumalanga Tourism Growth Strategy (2007)

The Mpumalanga Tourism Growth Strategy (MTGS) provides the provincial level strategic context for the TBC 2011-2014. The MTGS has identified a number of strategic priorities for the Barberton area as follows:

A review of the DRAFT Mpumalanga Tourism Growth Strategy also highlighted a number of important trends and strategies that are relevant to this assessment:

##### Vision:

- Diversified and expanded tourism product.
- More balanced spatial spread of tourism product.

*In terms of the Barberton area the key elements of the vision were that it would by 2016 have been designated as the 'Cradle of Life' site as a World Heritage Site. This in turn would have given impetus to the development of **Barberton** as a tourism centre. Capitalising on the plant species diversity in the area, a BioPark (WHS Interpretation Centre) would have been developed which is a major attraction for tourists, both international and domestic. Barberton is the centre for sightseeing in the Bulembu Mountains and the Songimvelo Nature Reserve.*

##### Strategy:

- To achieve a targeted R10 Billion in tourism spending (for Mpumalanga) by 2016 there was/is a need to broaden and diversify the primarily nature-based tourism product into more mainstream segments such as sports events, business/conference meetings, theme/amusement park. Mpumalanga's natural, cultural and man-made attractions were also identified as offering potential for niche products based on nature, culture, heritage, soft adventure and hard adventure. Product quality was to be up market.
- Investment driven strategy: To achieve the targeted R10 Billion of tourism spending Mpumalanga will have to move to an investment driven strategy with sustained investment in new products, destination marketing, human resources development etc.
- To obtain sustainable benefits for the people of Mpumalanga. In this regard the fundamental mechanism to achieve this was to be by increasing tourism revenue. Without an increase in revenue there can be: no growth in income; no improvement in employment, or Government tax revenues; and no possibility of improving community benefits from tourism. To increase tourism revenue there must either be more visitors, increased per capita spending by visitors, or longer stays, or some combination of above.
- Product Development Planning: The key interventions for the TBC planning area included the development of a number of 'flagship' projects which included a new hotel(s) in Barberton (including golf course and spa) and the BioPark (WHS Interpretation Center at Barberton).
- Marketing: Two key factors were identified as having a determining influence. The first was that Mpumalanga has neither the product range nor volume, nor the resources to undertake general destination marketing campaigns. Consequently, in the short/medium term the small scale of Mpumalanga's current tourism product offering requires that to be effective and get the best returns on expenditures, the

promotion must be targeted at niche product segments. However, as the product base expands, increasingly more resources will need to be allocated to for destination marketing.

The second factor was that South African Tourism determines and implements the national marketing strategy. SATourism determines the source markets which should be targeted, the country's brand image in these markets, the products/destinations featured in advertising and publicity campaigns, the promotional activities undertaken and the budgets allocated. Consequently, the MTPA's approach must be to dovetail the Mpumalanga's marketing strategy and plan with that of SATourism's, while at the same time using SATourism's marketing activities as 'platforms' to mount its own promotional campaigns.

#### 4.2 *Strategic objectives of the TBC 2011-2014 Development Strategy*<sup>4</sup>

The primary strategic objective of this TBC 2011-2014 Development Strategy is the promotion and support of sustainable tourism-led socio-economic development in the Barberton District of South Africa.

The objectives and strategies described below are all consistent with those defined in the MTGS (2007) as described above. The vision, objectives and strategies are also and are also all consistent with the 'vision' for tourism development in the Umjindi Local Municipality as described in the "Umjindi Responsible Tourism Development Strategy" document (February 2008) which defines the vision as follows:

*To create a tourism destination which is rich in historical intrigue, story telling and eco-tourism experiences of both scenic beauty and adventure that will provide entertainment to holiday travelers and satisfaction to historians. In turn this product offering will provide recognition to the region as well as ongoing growth in economic and social return for the local community."*

The Umjindi Responsible Tourism Development Strategy also defined a number of tourism goals deemed to be important to achieving the stated vision. These tourism goals are described below and are also consistent with the detailed objectives, principles and strategies defined in the TBC 2011-2014 Strategy. They are:

- *To increase visitor numbers, visitor spend and length of stay.*
- *To mobilise greater private sector investment in tourism product and small enterprise development.*
- *To ensure the responsible development of tourism that is commercially viable, environmentally conscious and culturally sensitive.*
- *To ensure the creation of a safe and secure environment for tourists.*

There are also a number of more detailed objectives and biodiversity conservation objectives. They are as follows:

- To utilise 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 and adjacent to the planning area.
- To generate new/additional tourism and conservation-led employment opportunities.

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<sup>4</sup> *The objectives of the TBC 2011-2014 Strategy are consistent with those specified in the 2002 TBC Strategy*

- To create a more diversified and robust economy within and adjacent to the planning area.
- To mobilise private sector investment and expertise for tourism and conservation development within the planning area.
- To increase the benefits flowing to the rural communities in order to launch a process of sustainable development over the long-term.
- To demonstrate the strong positive relationship between the conservation of biodiversity and tourism development.
- To develop a sustainable management and biodiversity conservation system.
- To conserve and/or rehabilitate areas with a high existing or potential biodiversity value

#### 4.3 *Preliminary design principles for the TBC Strategy 2011-2014*

- Any proposed developments must be designed and implemented in a manner that is sustainable. In terms of this project, sustainable is seen to ***constitute a balance between the social, economic and environmental considerations***. In this regard it is noted in particular that the planning area is characterised by a very high incidence of poverty, as well as high biodiversity and tourism development potential. These three characteristics have the potential to conflict, and it is as such imperative that in the development of certain initiatives that a balance between the issues is attained.
- ***Any proposed tourism development framework must ensure that the natural resource base in the planning area is properly conserved.*** A number of the reserves/conservancies (including Malolotja, Songimvelo, Mountainlands, Nkomazi Wilderness game/nature reserves) are strategically important assets since they protect strategically vital water catchments, and also have very high bio-diversity value. As such it is proposed that all proposed developments within the planning area should be designed to comply with standards that would provide for environmental auditing against ISO 14000 standards at some stage.
- ***The existing and proposed game/nature reserves/conservancies offer potentially very attractive tourism investment opportunities that need to be better utilised.*** There are numerous areas/localities within and adjacent to these nature reserves that could sustain tourism developments. In some instances facilities already exist but are severely under-utilised (such as in Songimvelo). In other cases such as in the Songimvelo Panhandle and around Maguga Dam), the potential exists, but has never been utilised.
- ***The revenue generating ability of these various nature reserves need to be enhanced*** in order to provide additional resources for much needed conservation and development initiatives within the other existing and/or potential reserves in the broader planning area. This should have the impact of reducing their impact on the State/Provincial budgets, although it should be noted that in many instances the additional tourism developments will not cover all costs associated with land management, and as such Government will still be required to provide the balance of funding.
- ***Revenue generated from the nature reserves/conservancies in the sub-region, should be re-invested locally.*** There is a need to ensure an institutional structure and legal framework that allows/ensures that locally generated revenues are reinvested into the planning area's nature reserves and adjacent communities.

- ***Far greater levels of private sector investment and expertise needs to be mobilised in support of tourism marketing, management and development.*** The primary role of the private sector would be to invest resources and expertise into the planning area, and to promote it as an important tourism destination through their development and marketing of individual facilities and attractions. The primary role of the state would be to provide regional planning support and generic marketing in partnership with the private sector. This in turn would promote economic growth and employment creation.
- ***The tourism development framework must wherever possible and practical endeavor to build linkages between the proposed tourism developments within the nature reserves and existing and/or proposed community based tourism development initiatives adjacent to the Reserves.*** In particular it is noted that the Ebutsini, Sheba, Lomshiyo communities have embarked on their own tourism initiatives. Any proposed tourism development initiatives within the State reserves (wholly or partly) should seek to support rather than compete with these. Similarly, specific efforts will be made to ascertain where tourism and/or conservation related activities could be 'outsourced' to local communities, and for the use of indigenous building technologies. Wherever possible private sector expertise should be brought in to support these development efforts especially in terms of aspects such as sustainability (economic, financial, environmental and social) as well as marketing.
- ***The design principles formulated for the planning area need to be integrated into and consistent with the development objectives and priorities of the relevant District, Sub-regional, Local and Tribal authorities' areas.*** As such the objectives and priorities for the Tourism and Biodiversity Corridor and its component parts in South Africa would need to be fully integrated into the relevant Local and District Authority Integrated Development Plans (IDPs).
- ***Areas with land claims:*** It is essential that in those instances where there are land claims on any areas of land targeted for tourism developments within the planning area, that the principles and procedures, and rights and obligations of the applicants and the Government are clearly stated in the bidding documents (Requests for Proposals) that are to be presented to prospective investors. As far as possible these claims should be resolved as soon as possible since the uncertainty around land tenure acts as a strong disincentive to further private sector investment and development.

## 5. ***Conceptual tourism development strategy***

The strategies provided are not intended to provide a comprehensive package, and more detailed and site-specific strategies will need to be developed on a site-by-site basis. When and where additional strategies are formulated for specific project sites and/or specific nature reserves, such strategies should not be in conflict with the basic design principles spelled out in section 4.3 or in conflict with the strategies described in this section.

The strategies described below have been developed over the period of the past 10 years. A second related document that should be read in conjunction with this TBC Tourism Development Strategy is the TBC Multi year Development Programme (MYDP) that was

initially completed in 2001 and has been revised (as part of this same consultancy) in 2011. The MYDP highlights the following:

- The key activities that need to be undertaken as part of the TBC initiative.
- The related institutional responsibilities for executing such activities.
- The current status in terms of each activity.
- The likely time framework within which such activities are intended to be implemented.

### 5.1 The vision

The vision for the TBC 2011-2014 Strategy is to:

- Establish the sub-region as a world-class tourism destination.
- To develop and get agreement between the public, community and private stakeholders on a common medium term (3-15 years) vision, strategy, priorities and action plan for the future development of this area.
- To restructure the economy from one that is stagnant and based primarily on mining and agricultural led development, to one that is growing and underpinned by tourism, conservation and agricultural-led development.
- The tourism product to be developed is based on a blend of nature based (photographic and consumptive), adventure, and cultural (including arts and crafts) tourism activities.
- The existing ownership and 'control' structures of the land is such that the key stakeholders are a blend of people from the public, private and community sectors.
- To market, manage and develop the conservation and tourism assets on the basis of a regional and collaborative approach with Swaziland and Mozambique.

### 5.2 Key elements of strategy

As was noted in section 1.2 of this document a key part of the methodology is to develop a strategy that is focused, not unnecessarily complicated, and last but not least that will result in tangible development impacts as quickly as possible. The TBC 2011-2014 Strategy is underpinned by five key elements of strategy. They include:

- The identification and implementation of selected demonstration projects
- Tourism management strategies
- Tourism marketing and product development strategies
- Tourism investment mobilisation strategies
- Tourism related spatial development strategies

#### *5.2.1 The identification and implementation of demonstration projects*

Whilst the planning area has undoubted tourism development potential, this potential has remained largely under-utilised to-date. The reasons for this lack of utilisation are varied, but would certainly include *firstly*, the fact that the private sector has in many instances been 'crowded out' by the public sector in terms of investment. *Secondly*, that the area is not at all well known as a tourism destination. *Thirdly*, that the private sector is probably concerned about the sustainability/security of investing substantial amounts of money in infrastructure and facilities on land which is generally not owned on a freehold basis. *Fourthly*, the State has also had concerns about the potential impacts of allowing private sector investment into areas that were essentially set aside for conservation uses. *Fifthly*, there are also certain strategic elements of tourism related infrastructure that need to be developed and/or upgraded.



In recent years there has been a far greater acceptance of the need to form partnerships between the State, the private sector and communities for the development of conservation based tourism ventures. Furthermore substantially more projects based on CPPs and CPPPs have been implemented since 2002, with a significant number of projects been implemented in Mpumalanga. However, these concepts of private sector investment, tourism-led development, and of partnerships still need active support and encouragement until the approach, related procedures, principles and so on are well accepted and understood by government, communities and the private sector.

For this reason it is proposed that the top priority strategy for boosting the development momentum in the planning area, and at the same time demonstrating how tourism investment can and should proceed (including the use of community/private partnerships [CPPS] and community/ public /private partnerships), is to identify a range of demonstration projects that will demonstrate how tourism related investments and partnerships can be structured in a viable and sustainable manner<sup>5</sup>.

This approach of using demonstration projects was initially proposed and accepted as part of the 2002 TBC Strategy. A number of these demonstration projects have in fact been implemented and they are discussed below.

Regrettably quite a number of the initial demonstration projects have also not been implemented. As part of the initial demonstration process for the TBC 2011-2014 Strategy 7 further demonstration projects have been selected and described very briefly below. These same demonstration projects are also described in more detail in Annexures 1-8 of this document.

*Progress achieved since the TBC 2002 Development Strategy:*

**As noted above a number of the demonstration projects identified in the TBC 2002 Strategy have been implemented in the intervening period.** They include the following:

*Firstly*, the upgrading of the Nelspruit to Barberton Road (R40) which was/is a critical access road between Nelspruit and Barberton. This route also provides access to the TBC for tourists travelling along the N4 between Gauteng and Maputo and the Mpumalanga Lowveld including the Kruger National Park. The investment value of this project was R350 million

*Secondly*, the Barberton to Bulembu Road was upgraded and surfaced thus providing for all weather travel along an important section of the TBC as well as proving strategic access for travelers between Barberton and the Bulembu border post (with Swaziland). (Regrettably the Swaziland extension of this road, between Bulembu and Piggs Peak which was [understood to have been] planned for surfacing now appears to have been removed from the Swaziland priority roads upgrading programme. The impact of this is that this strategic tourism link between the South African surfaced road network and the Swaziland surfaced road network is incomplete. The fact that this area is typically mountainous and experiences

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<sup>5</sup> *There are already a number of investment initiatives underway including the following: Investment and development process at **Piranie** is already underway and has been driven largely as a private sector initiative. Its impact on the broader planning area is likely to be limited to one of marketing. Similarly the development of the **Nkomazi Wilderness Nature Reserve** is also well underway as a private sector driven tourism and conservation initiative. The successful development of this project will contribute much investor confidence and to the development momentum in the area.*

high rainfall makes the inadequacy of this section of road particularly threatening to tourists (with the exception of those travelling by 4X4 vehicles). The investment value of this project was R145 million

*Thirdly*, the development of the Barberton Tourism Information Center (2005) and the establishment of a related Section 21 Company based on a partnership between the private product owners and the Umjindi Municipality. The investment value of this project has exceeded R5 million.

*Fourthly*, as a private sector initiative, an integrated tourist information centre has been developed near the junction of the R38 and R541 a short distance east of Badplaas. This information centre, which operates on a commercial basis, offers a range of services to tourists including much needed tourism information as well as the opportunity to buy meals, and to view nature and geology based tourism products. It also includes a museum, a 15 unit lodge facility, a conference facility and access to a filling station. When completed the investment value of this Cradle of Life Tourism and Conservation Centre is expected to be around R100 Million (according to the developer, 2011). Presently the Centre employs between 70-100 permanent staff. This number is expected to increase by a further 150 people in the next phase of the development.

*Fifthly*, the development of the Komati River Lodge in the Nkomazi Game Reserve. This 24-bed lodge caters for the 'luxury' end of the market. It was developed at a cost of R 24 million and employs 25 permanent staff.

*Sixthly*, the development of Dawsons Lodge is located between Carolina and Barberton (20km east of Carolina and 72 south-west of Nelspruit). This 35 bed lodge caters for the luxury end of the market. It was developed at a cost of R 22 million and employs 43 staff.

*Seventhly*, the implementation (2008) of the Mountainlands Estate leisure residential development in the Mountainlands Nature Reserve. On completion this development will include the development of 18 privately owned 'syndicated' lodges. The completed investment value will be approximately R 200 million. The anticipated full time employment will be at least 28 staff.

*Eighthly* , the Boondocks conservancy development which investment exceeded R6 million and has created 10 permanent jobs.

*Ninthly* the development of the Komati River Lodge development in Songimvelo (2011). This 20 bed lodge caters for the middle to luxury part of the market. It is currently being constructed at a cost of R12 million and should employ 20-40 staff once fully operational.

*Tenthly*, the Dixie Farm Golf and Wildlife Estate. This is a very substantial development which when completed will see the development of 600 units (houses, apartments and lodges) all set within a golf course and wildlife estate. According to the developers all planning and environmental approval are in place. The estimated value of this development will exceed R1 Billion. Employment estimates are about 700 direct full time jobs. The development is likely to be implemented in phases and due to the scale of the development would take about 10 years to complete.

There have also been encouraging developments in Swaziland that will support product development in the broader TBC area. This includes the development of additional

accommodation facilities at Maguga Dam (where further substantial developments are currently awaiting final approval from the Swazi authorities), at Malolotja (including accommodation upgrades and the establishment of an aerial walkway project, and at Bulembu (where some accommodation facilities have been developed within the mining village (mining operations have ceased)).

**The key demonstration projects that have been identified as part of the 2011-2014 TBC Strategy** are described in detail in Annexures 1 to 8. In summary the main demonstration projects for the 2011-2014 TBC Strategy are as follows:

- **Project 1: Creation of the BATOBIC Programme Management Unit (PMU):** In order for the development programme to be successful over the long term, significant support in terms of planning, marketing, management and mobilization of grant and investment funds is required. The key roles and responsibilities of the PMU is to implement the Tourism and Biodiversity Corridor Strategy. The unit will thus be responsible to identify and facilitate anchor investment and infrastructure projects; including investor mobilisation and to seek further funding of the projects identified from the strategy. The area has seen the creation of several regional strategies over the years. The implementation of these strategies has been hampered by lack of capacity and resources. The creation of the PMU addresses this problem through a dedicated capacity to drive all projects. The PMU office is situated in Barberton and was opened on 1 September 2010. The first steps are to ensure that the previous strategies are still relevant and to implement the already funded projects explained earlier. Further projects will then be identified from the strategy and these will be implemented.
- **Project 2: The development of additional tourism facilities on Lomshiyo Trust land in the Mountainlands Nature Reserve:** This project is focused on the development of additional tourist accommodation (game lodge/hotel of 60 beds) on a portion of community owned land in the Mountainlands Nature Reserve. The project will be developed as a community/private partnership (CPP) underpinned by a long-term lease. Part of the initial capital investment has been sourced via donor funding provided to BATOBIC. The intention is to source the balance of the required capital investment, as well as all working capital for the accommodation component from the private sector partner.
- **Project 3: The development of the Mountainlands Nature Reserve Internal Linking Road network:** This project is focused on extending the main/bulk internal road network within the MNR in a manner that ensures that traversing can take place across the MNR based on a variety of routes. Currently the absence of an internal network of link roads is a major constraint to tourism development and investor mobilisation in MNR. This project will result in the development of approximately 100kms of new linking roads in MNR. The roads will be developed on Lomshiyo Trust land and MTPA land.
- **Project 4: The rehabilitation and upgrading of Msauli Village:** This project is focused on the rehabilitation of an old mining village into leisure residential and/or resort type tourism development. This project was identified as a priority project in the 2002 TBC Strategy. There has been no tangible progress with the implementation of this project partly due to the fact that the property was subject to a land claim that was unresolved until 2010. The situation as of 2011 is that the 'land claim' has been

finalized and the property transferred to the new owners. These new landowners have indicated that they would like to pursue the rehabilitation process based on a community/private partnership. The successful rehabilitation of Msauli village and the subsequent lease of individual properties with rehabilitated houses is a development opportunity that can be implemented in the short term. The major spin-off effects of this are expected to include:

- Employment creation and SME development during the course of the rehabilitation of the village. Preferential clauses would apply in the CPP contract.
- Fixed investment by the private sector based on the rehabilitation and upgrading process.
- Revenue streams for the landowners derived from the leases of the various residential and/or commercial properties. These could include guaranteed base rentals as well as turnover based revenues.
- The proposed traversing rights (not exclusive) into the Songimvelo Game Reserve would also secure a revenue stream for the Mpumalanga Tourism and Parks Agency (MTPA) and would also act as a focused marketing campaign ('word of mouth') for Songimvelo.
- The successful lease of the residential stock in Msauli will also have the spin off effect of boosting investor confidence in the destination.
- SMME development opportunities related to the new leisure residents (100 houses), they provide something of a captive market for a number of the tourism-related facilities/products in the area. These include escorted and self-drive vehicular travelers through Songimvelo, Malolotja, Mountainlands Nature Reserve, Barberton Town, Ebutsini 4X4 trail etc.
- Finally, having a semi-permanent population will also increase the demand for related commercial and social services. This in turn contributes the diversification of the local economy, and create a new economic life-line for the people living in this somewhat isolated valley.

**Project 5: The upgrading of Road Signage in the TBC related to the development of various scenic and special interest (e.g. geology route) tourism routes, locations (e.g. heritage sites in Barberton town), tourism support services (e.g. Barberton Visitor Information Center):** This will entail the development of a consistent set of internationally approved (SADC approved) road route signs in the project area. The design of these signs has already been completed and approved as part of the Tourism Route Signage project initiated by the Kruger Lowveld RTO, as well as the preparation of a related map book. Roads and facility audits for the entire Kruger Lowveld area have already been completed, and planning for the erection of the signs is already underway.

**Project 6: The development of the World Heritage Site Interpretation Center:** It will serve as a multi focus facility with information, interpretative and display function as well as offices to house the personnel to implement all the necessary activities for a fully functional WHS Interpretation Center. Once this project is implemented it has been agreed that the current Barberton Visitor Information Center will re-locate from Barberton town to the WHS Interpretation Center. Presently Barberton does not have a suitable tourism Visitor Information Center and this has a negative impact on marketing and information dissemination to international and domestic tourists. The WHS Interpretation Center combined with the Visitor Information Center are regarded as key elements of the strategy to present the unique attractions of the TBC area to tourists and tourist operators. The WHS Interpretation Center and the re-located Barberton Visitor Information centre will be strategically located relative to the flow of tourists moving from Gauteng Province to

Barberton; from the Highlands meander (Dullstroom, Machadadorp etc.) through Badplaas to Barberton; and from Nelspruit to Barberton.

**Project 7: The establishment of the Songimvelo/Malolotja TFCA:** This demonstration project is directly concerned with the establishment of the Malolotja/Songimvelo Trans Frontier Park (TFP) and the broader Songimvelo/Malolotja Transfrontier Conservation area (TFCA). The project is intended to provide the tourist with very easy access to a wide range and diversity of tourism products across an international border. This will provide those hiking, horse riding or self driving tourists with a unique opportunity to experience such activities in a transboundary context, unfettered by the normally associated hindrances of international border control, as well as in very diverse environments. This process is already in its early stages of conceptualization/implementation through the drawing-up of the relevant international protocols.

**Project 8: Finalisation of the Nomination Dossier for the World heritage Site:** As has been discussed above, the formalisation of the Barberton Makhonjwa Mountainlands (BMM) as a World Heritage Site is regarded as strategically important and beneficial to the long-term development and marketing of the Tourism and Biodiversity Corridor. The BMM site has already achieved Tentative Listing status from UNESCO. There are a number of key steps required to finalise the application process. Step 1: Planning for the WHS Nomination Dossier, and submission of proposal to DEAT and UNESCO. Step 2: Completion and submission of the Nomination Dossier to DEAT and SAWHCC. Step 3: Submission of WHS Nomination Dossier by DEAT to UNESCO. Step 4: Implementation and development of the BMML WHS leading to operationalisation of the WHS. It is important to note that the Department of Culture, Sport and Recreation is the lead implementing agent for this process. BATOBIC will be providing non-financial technical 'support' to the WHS application process.

#### 5.2.2 Tourism management strategies

- The maintenance and in certain respects the enhancement of the conservation function. To a very significant degree, the underlying tourism product being offered is the natural environment or is directly related to the natural environment. From a long-term economic sustainability perspective, it is therefore essential that the natural environment is properly conserved. In this regard the following specific actions are important:
  - The completion of the tourism and conservation management frameworks for the formally protected areas (e.g. Songimvelo, Mountainlands Nature Reserve, etc.)
  - Support to the completion of the WHS Nomination Dossier to UNESCO. Related to this support the development of regulatory frameworks (e.g. tourism and conservation management plans within the proposed WHS area.
- The Mpumalanga Government<sup>6</sup> will be responsible for putting in place the environmental regulatory framework for the planning area within which the tourism developments will be implemented, and for monitoring compliance by developments in terms of this framework. The Government could where practical also devolve - on a management contract basis - the environmental management function to the private sector. In such instances the State will always maintain the environmental regulatory function.

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<sup>6</sup> The same principle would apply for those areas located Swaziland and/or Mozambique

### 5.2.3 Tourism marketing and product development strategies

- The private sector developers/operators will assume the primary responsibility for the marketing of the individual project investment areas. In view of the very real financial and technical capacity constraints faced by the Provincial and Local levels of Government, and the local communities, this strategy would also be applied in those instances where partnerships between the private sector and the State and/or communities are being utilized.
- The public sector in collaboration with the various parastatal and community tourism associations will be responsible for promoting the planning area as a destination. Related to this strategy it will be important for the relevant public sector institutions to give attention to the following aspects (as highlighted in the Responsible Tourism Development Strategy [Umjindi] 2008):
  - Ongoing research into the regions key target segments of which marketing efforts need to focus. Developing a stronger 'brand' for Umjindi (in particular to tie-in the significant gold mining history and storytelling into Umjindi brand).
  - Creating awareness of Umjindi as a tourist destination in identified source markets.
  - Identifying the most effective markets through which to promote Umjindi to tourist markets.
  - Developing and promoting events.
- A priority action for government, communities and the private sector is to promote and support the development of new tourism products in the TBC.
  - Product development would build on the TBC's main tourism experience and product strengths which include: Picturesque scenery; gold mining and historical intrigue; exciting annual events; geological wonders; and ecotourism and adventure. (Ref. *Responsible Tourism Development Strategy [Umjindi] 2008*)
  - As such, the main products would be related to the development of:
    - Scenic routes drives focused on natural and cultural heritage. Related to this, the development of day visitor facilities in suitable scenic locations along such routes. Related to this the development of 'rural tourism products as 'add on' attractions for tourists visiting Barberton;
    - Development of new facilities (lodges, hotels, resorts) in the various public, private and communal game reserves and/or conservation areas;
    - Development of adventure tourism products - including hiking, mountain biking, quad biking, 4X4 routes, rock climbing, abseiling, paragliding);
    - Development of scenic and special interest tourism products (that are based on the mining history, geology, culture and archeology).
    - The development of a series of 'events' that build on the project areas tourism strengths. As has been noted in the Responsible Tourism Development Strategy (Umjindi) 2008 "*events are a way in which the region can generate 'quick wins' through attracting investor numbers and economic impact... Umjindi, especially Barberton has a relatively good annual events calendar ... the following events have been identified as having the potential for greater regional and provincial status: Barberton Mountain Bike Challenge; Barberton Gold Panning Competition; Jock Marathon; Jock Cycle Race*" (Section 3.5, 2008)
  - As part of this strategy it would also be important to improve on existing products (by improved marketing, interpretation, and building product linkages and

‘packages’<sup>7</sup> of products to be sold into the regions key source markets); expanding certain products (such as the under-utilised potential related to the game reserves and wildlife); and the development of new products (especially in terms of the adventure tourism activities in the reserves and in the mountains).

#### 5.2.4 Tourism investment strategies

In addition to upgrading existing products it is essential to develop new product types as well as the size of the product portfolio in order to improve the visitor experience, to attract tourists into the planning area (for instance attract those tourists using the N4 route to go to Kruger National Park, Mozambique and Swaziland into the planning area), and to retain a competitive edge for the planning area. As a relatively unknown and certainly under-developed tourism area the mobilisation of public and in particular private sector investment in support of the development, operation, marketing and maintenance and tourism infrastructure and facilities is an essential component of the TBC 2011-2014 Strategy. In this regard a number of strategies will be applied:

- The ongoing identification of commercially viable and sustainable tourism development projects on state, community and privately owned/controlled land: The State, private sector and community land owners are to identify a range of tourism investment opportunities in and adjacent to the nature reserves, and then to package them for investor mobilization. In terms of the selection of projects, the emphasis is placed on supporting project interventions that are characterized by the following:
  - Projects which could reasonably be implemented within 12-18 months.
  - Projects that are likely to be commercially viable and self-sustaining
  - Are likely to attract private sector investment (rather than relying on grant funding).
  - Projects that will generate employment opportunities for local residents of the project area – the more employment intensive the better.
  - Are located on land which has secure ‘tenure’ status or where tenure can be secured within 6 months (i.e. freehold title, restituted land, land registered via the land redistribution programme).
  - Projects which will not rely on the development of public infrastructure (unless such infrastructure developments have been approved and funded already).
- The identification and mobilization of specifically targeted investors to ‘kick-start’ the tourism investment process. The sub-region is not well known as a tourism destination, very little marketing of the region has taken place, and resources and expertise for marketing the region are very limited. Within this context priority will initially be given to identifying certain investors with a proven track record and whose strengths complement the weaknesses of the community and/or state partner. In this regard the following are important criteria:
  - Financial capacity: The private partner must be able to mobilise all capital (fixed and working) requirements for the development and operation of the relevant assets/facilities.
  - Ability to construct/maintain the proposed fixed assets/facilities: Assess the private partners’ ability to cope with operating risks (constructing/operating/maintaining facilities) in remote locations.

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<sup>7</sup> Such as outdoor and adventure packages; history and heritage packages; geological wonder expeditions. *Responsible Tourism Development Strategy (Umjindi) 2008*

- Track record in marketing similar fixed assets/facilities: to demonstrate a proven track record of marketing related types of tourism/agriculture/forestry products and/or facilities. Demonstrate market credibility and existing client base
- Experience and track record in managing/operating similar fixed assets/facilities: The private partner must be able to demonstrate the nature and extent of their experience in operating similar fixed assets/facilities/farms in similar destinations.
- Policy and strategy in terms of local community upliftment: procurement of local labour; skills transfer and capacity building of employees; and support for SME development, and the procurement of goods and services.
- The mobilization of private sector investment and expertise for the development of tourism on restituted and State land. The key role and function of the private sector partners would be to provide the necessary human and financial resources to facilitate the development, marketing and operation of the tourism facilities. The prevailing socio-economic circumstances of the local communities are such that they cannot develop the necessary infrastructure and facilities. Furthermore, since these communities also lack the required skills and experience, they are very unlikely to be able to operate such tourism facilities without outside support. Similarly, the Mpumalanga Government are very hard pressed within the context of other more pressing socio-economic priorities, to provide the necessary human and financial resources to facilitate the tourism development process.
  - As a part of this strategy initiatives are already underway between BATOBIC and the various larger corporate companies to identify opportunities for a coordinated application of corporate social investment funds in support of community tourism initiatives
- The development of a legal and institutional framework for the processing of 'unsolicited bids' from interested private sector parties for tourism and/or conservation related activities needs to be developed. Whilst an initial set of tourism anchor (or demonstration) projects (refer to section 5.2.1) has been selected for immediate development, there are many other viable and sustainable development opportunities that exist within and adjacent to the existing and/or proposed reserves/conservancies. Initiatives from enterprising members of the community which are not in conflict with the conservation and/or tourism development framework/objectives, and which will also ensure the better utilisation and maintenance of these state assets need to be encouraged and supported. (It is noted that the 'need' may be more applicable in later years, once there is greater development momentum, than at present.) This framework would also need to provide guidance in respect of the criteria and procedures for the evaluation and adjudication of bids. At present it appears that the necessary legal and institutional policy framework to facilitate such an approach does not exist within the Mpumalanga Province. This framework will also need to provide for greater efficiency in the evaluation of bids. The current timeframes involved in government processes tend to be so tedious that they discourage private investment.
- Collaboration between the public, private and community institutional structures in the sub-region. The planning and development process thus far, as well as the future mobilization and facilitation of investment into the region are supported by a strong



collaborative effort by a range of public, private and community organizations. Key stakeholders that have, and will continue to play an active and direct role include:

- The National Ministry of Tourism (that has provided considerable financial support to the BATOBIC TBC Initiative [for the period 2010-2014] focused on technical assistance, capacity building support, institutional development support, investor mobilisation support, construction of specific elements of tourism infrastructure and tourism facilities)
- The Mpumalanga Tourism and Parks Agency (MTPA) that controls the development and operation of the provincial reserves in the planning area, and the Department of Finance and Economic Affairs who have the primary responsibility for promoting tourism development in Mpumalanga.
- At a local authority level the Umjindi Municipality has over the last decade played a leading role with the Barberton Chamber of Business and Barberton Community Tourism in promoting the development of tourism in the Barberton area in general and in the TBC in particular.
- The longer-term sustainability of the initiative is also significantly dependent on the active support, and more particularly participation of the local private sector and communities (e.g. the Lomshiyo Trust and the Ebutsini community are critical).
- The upgrading of key elements in the provincial access road network. Since Gauteng and Mpumalanga are likely to be the biggest source markets for the Tourism and Biodiversity Corridor, and as most of these Gauteng and Mpumalanga based tourists are likely to be self-drive tourists, it is important that the main access road network is reasonably well developed. Since the 2002 TBC Strategy two of the previously identified priority roads have been completed. They are the Nelspruit to Barberton Road and the Barberton to Bulembu Road. In terms of the 2011-2014 TBC Strategy the priority road projects still requiring urgent attention include:
  - *Firstly*, the resurfacing of the rehabilitation and upgrading of the Kaapmuiden to Barberton road;
  - *Secondly*, the surfacing of the Bulembu to Msauli to Ebutsini to Tjarkastad Road.
  - *Thirdly*, Bulembu to Piggs Peak Road (in Swaziland).
- The maintenance of the existing gravel road network providing access to the nature reserves needs to be improved. The priority focus areas would need to be on those nature reserves selected as part on the initial set of demonstration/anchor projects. These are Songimvelo (Msauli access), Mountainlands Nature Reserve, and Songimvelo Panhandle. At present the gravel road network providing access to these nature reserves is often not properly maintained (due to resource constraints) with the result that one could not guarantee the 2X4 tourists access to these nature reserves (NOTE: The intention here is not to promote self drive within the reserve, but to allow tourists to drive themselves safely to the reserve.) This in turn significantly reduces the attractiveness of these locations to tourism investors, and as a spin-off reduces the revenue and employment generating capacity of these under-utilized assets. The maintenance function could also be used as a means of generating further sustainable opportunities for small entrepreneurs who could become responsible for the road maintenance function.
- Focus the development of tourism accommodation and infrastructure on communally controlled land wherever possible as a priority. There are significant areas of communally controlled land that have significant inherent and under-utilized tourism

development potential (such as the Lomshiyo Trust land in the Mountainlands Nature Reserve). This is significant bearing in mind the extremely poor socio-economic circumstances currently prevailing in these areas, and the fact that the opportunities for further employment creation in the other economic sectors are very limited. Within this context it is proposed that wherever possible, the development of new accommodation facilities should take place on communally controlled land in order to facilitate greater empowerment benefit flows (including the development of SMEs) to local communities.

#### 5.2.5 Spatial development strategies

##### 5.2.5.1 Locational issues:

In terms of spatial development issues it is evident that the TBC Planning Area is spatially removed from the N4 (Maputo Development Corridor) which is the major transport route between Gauteng Province (the largest source market for domestic tourists and the place from which most international tourists arrive/depart in/from South Africa). As such the TBC planning area misses out on much of the tourist 'drive by/through' development opportunities. At the time of preparing the TBC 2002 Tourism Strategy three key issues that were highlighted as making the spatial location even worse. *First* was the fact that R40 road between Nelspruit and Barberton was in urgent need of upgrading; *secondly*, that the Wonderfontein to Carolina to Badplaas Road; and *thirdly* it was important to develop a surfaced road link between Barberton and Bulembu in order to facilitate easier access for tourists between Barberton and Swaziland.

Very importantly, by 2010 both of the Nelspruit to Barberton Road and the Barberton to Bulembu Road upgrades had been implemented thereby significantly improving access within the planning area.

However, whilst the implementation of these two road projects has improved access between Barberton and Nelspruit and Bulembu, as an outcome of the TBC 2011-2014 planning process three important elements of road infrastructure remain to be developed.

- *Firstly*, the resurfacing of the rehabilitation and upgrading of the Kaapmuiden to Barberton road; The upgrading of this road will provide tourists with an alternative surfaced scenic and experience rich route between Barberton and the N4 Maputo Corridor route.
- *Secondly*, the surfacing of the Bulembu to Msauli to Ebutsini to Tjarkastad Road. This road is a critical component of the tourism route development programme for the TBC 2011-2014. Presently many sections of this important road network are in a very poor condition and become increasingly dangerous in wet weather and at night. From a broader socio-economic perspective the sections between Ebutsini and Tjarkastad are important link roads, for the substantial rural population, to higher order urban centers of Badplaas, Barberton, and Nelspruit.
- The *third* required road upgrading project is that between Bulembu and Piggs Peak. At the time of developing the TBC 2002 Tourism Strategy it was understood that Swaziland had already programmed the surfacing of this strategic portion of road that would link the South African road network into the Swaziland surfaced road network. Subsequently however this prioritization was reviewed by Swaziland and the upgrading of this portion of road is no longer programmed for implementation by the Swaziland Government. The impact of this change in priority has been that the

Barberton-Bulembu section of road is almost certainly under-utilised due to the fact that the Bulembu-Piggs Peak link is in a poor state of repair – especially in wet weather.

#### *5.2.5.2 The issue of rural marginalised communities*

It is important that specific actions are taken in respect of the rural communities. These communities have a history of marginalisation, and have also suffered the effects of sharp declines in employment from the mining sector. The agricultural sector in the Barberton district has also been growing very slowly. Whilst the greater emphasis that is being placed on tourism-led development in the Kruger Lowveld Tourism area is easy to motivate from an economic perspective, special care needs to be taken to ensure that the rural communities are more fully involved and included in the planning and development process than has taken place thus far, and that they realise tangible benefits from any decision that they make to allocate their land to tourism and/or conservation.

These communities have a very strategic role to play in any tourism-led development initiative in that *firstly*, they live adjacent to or own/control the use rights (Lomshiyo Trust, Msauli Land Claimants, Songimvelo Land Claimants) many of the prime tourism assets. If communities experience little or no benefits from the development process, there is every chance that they will become embittered with the process and may well disrupt it with very bad consequences from tourism. *Secondly*, these communities also live on, or control areas of communal land that could offer additional opportunities for the development of complementary tourism development products and experiences. If these areas of land are to be included into the broader tourism product and facilities, the communities will need to more fully understand the broader tourism development strategy for the TBC. Thirdly, the developments in the region offer a good opportunity for economic growth, wealth creation, and empowerment of local rural communities, and these opportunities should not be missed.

## **6. TBC 2011-2014 Multi –Year Development Programme**

### **6.1 Project name:**

The creation of the BATOBIC Programme Management Unit

#### **Project description:**

In order for the TBC Strategy to be successfully implemented over the long term, significant support in terms of planning, marketing, management and mobilization of grant and investment funds is required. The key roles and responsibilities of the PMU are to implement the Tourism and Biodiversity Corridor Strategy. The unit will thus be responsible to identify and facilitate anchor investment and infrastructure projects; including investor mobilisation and to seek further funding of the projects identified from the strategy.

#### **Key activities to be undertaken:**

- Operationalisation of the PMU:
  - The appointment of the PMU Manager, a community Facilitator and Office Administrator.
  - Renting of suitable office space in Barberton.
- Policy and strategy:

- To facilitate the update of the TBC Strategy and Multi-year Development Programme.
  - Related to this is the regular ongoing (annual) updating of the MYDP in terms of progress made with existing projects, as well as to include into the MYDP new additional project initiatives where applicable.
  - The design and financing of relevant technical studies that will facilitate the implementation of the MYDP.
- *Project interventions: To facilitate the implementation of the NDT TBC support programme (2010-2013):* The key project activities in this regard, all of which form part of the broader TBC 2011-2014 Development Strategy include:
    - Project 1: Operationalisation of the BATOBIC PMU
    - Project 2: Update of the TBC Development Strategy
    - Project 3: Implementation of the Lomshiyo Trust Eco-lodge development project
    - Project 4: Development of a GeoTrail Route.
    - Project 5: Development of a Gateway Visitor Centre.
    - Project 6: Implementation of the Eco-heritage village programme.
    - Project 7: Upgrading, beautification and signage of the main Umjindi access intersections.
- *Investment and investor mobilisation:*
    - To facilitate the identification and conceptualisation of additional demonstration investment projects as part of the TBC. In this regard the programme manager will need to ensure that new projects identified are consistent with the objectives, principles and strategies as defined in the TBC 2011-2014 Tourism Development Strategy.
    - Investor mobilisation in support of the various demonstration investment projects identified. Subsequent to the identification of additional projects, it will be necessary to design and implement related investor mobilisation processes.
- *Communication and marketing:*
    - Project stakeholder interaction: Interaction and coordination with the relevant public, private and community stakeholders in context of facilitating the implementation of particular investment projects and the TBC programme. Such activities will be focused on those projects within the South African component of the TBC.
    - Strategic interaction with Government: Strategic level interaction and coordination with the relevant South African government departments (national, provincial and in particular local authorities) to ensure integration of the TBC Tourism Development Strategy and the related Multi-Year Development Programme into the relevant public sector policy and strategy frameworks.
    - Transboundary collaboration and coordination in order to ensure coherency and consistency between policy and strategy between the Swaziland, Mozambique and South Africa.
    - Marketing of the TBC and its opportunities nationally and internationally. This function would be executed in very close collaboration with existing South African initiatives, as well as the Swaziland and Mozambique

marketing initiatives and would focus on supporting, expanding and developing already established initiatives in this field.

Main activity	Responsibility	Time framework
<ul style="list-style-type: none"> <li>Operationalisation of the PMU</li> </ul>	BATOBIC	January 2011
<ul style="list-style-type: none"> <li>Policy and strategy:               <ul style="list-style-type: none"> <li>To facilitate the update of the TBC Strategy and Multi-year Development Programme.</li> </ul> </li> </ul>	PMU	February 2011
<ul style="list-style-type: none"> <li>Project interventions:               <ul style="list-style-type: none"> <li>Project 1: Operationalisation of the BATOBIC PMU</li> <li>Project 2: Update of the TBC Development Strategy</li> <li>Project 3: Implementation of the Lomshiyo Trust Eco-lodge development project</li> <li>Project 4: Development of a GeoTrail Route.</li> <li>Project 5: Devt. of a Gateway Visitor Centre.</li> <li>Project 6: Implementation of the Eco-heritage village programme.</li> <li>Project 7: Upgrading, beautification and signage of the main Umjindi access intersections.</li> </ul> </li> </ul>	BATOBIC  PMU  PMU  PMU  PMU  PMU  PMU	January 2011  February 2011  Jan to Dec 2011  Dec 2011  2011-2013  2012  2011

## 6.2 Project name:

Lomshiyo Trust Eco-Lodge Development (Mountainlands Nature Reserve)

### Project description:

The development of additional tourism facilities on Lomshiyo Trust land in the Mountainlands Nature Reserve: This project is focused on the development of additional tourist accommodation (game lodge/hotel of 60 beds) on a portion of community owned land in the Mountainlands Nature Reserve. The project will be developed as a community/private partnership (CPP) underpinned by a long-term lease. Part of the initial capital investment has been sourced via donor funding provided to BATOBIC. The intention is to source the balance of the required capital investment, as well as all working capital for the accommodation component from the private sector partner.

### Key activities to be undertaken:

- Step 1: Request for assistance from Lomshiyo Trust. Signing of Memorandum of Agreement. Mobilisation of suitably qualified team of Transaction Advisors.
- Step 2: Project screening (Pre-feasibility)
- Step 3: Inception Phase including introduction of Transaction Advisors; community objectives; proposed approach to investor mobilisation and CPP structuring; work completed and rights currently secured.
- Step 4: Design of Investor mobilisation process (competitive or negotiated bidding route).
- Step 5: Design of proposed Community Private Partnership (allocation of risks and responsibilities)
- Step 6: Requests for proposals
- Step 7: Evaluations of RFPs
- Step 8: Negotiation Phase
- Step 9: Preparation of legal documentation
- Step 10: Signing of contracts
- Step 11: Implementation commences

Main activity	Responsibility	Time framework
<u>Step 1:</u> Mobilisation of suitably qualified team of Transaction Advisors.	PMU	March 2011
<u>Step 2:</u> Project screening (Pre-feasibility)	Transaction Advisors	April 2011
<u>Step 3:</u> Inception Phase	Transaction Advisors	May 2011
<u>Step 4:</u> Design of Investor mobilisation process	Transaction Advisors	May 2011
<u>Step 6:</u> Requests for proposals	Transaction Advisors	June 2011
<u>Step 7:</u> Evaluations of RFPs	Lomshiyo Trust and TAs	July 2011
<u>Step 8:</u> Negotiation Phase	Lomshiyo Trust	Sept 2011

	and TAs	
<u>Step 9:</u> Preparation of legal documentation	Transaction Advisors	October 2011
<u>Step 10:</u> Signing of contracts	Lomshiyo Trust	Nov 2011
<u>Step 11:</u> Implementation commences	Partnership between Lomshiyo Trust and private sector	December 2011

Other issues:

- Finalisation of the MNR tourism and conservation development plan.

### 6.3 Project name:

The Development of the Mountainlands Nature Reserve Internal Linking Road network:

#### Project description:

This project is focused on extending the main/bulk internal road network within the MNR in a manner that ensures that traversing can take place across the MNR based on a variety of routes. Currently the absence of an internal network of link roads is a major constraint to tourism development and investor mobilisation in MNR. This project will result in the development of approximately 100kms of new linking roads in MNR. The roads will be developed on Lomshiyo Trust land and MTPA land.

#### Key activities to be undertaken:

- BATOBIC to apply to NDT for R36 Million in funding
- Once NDT approval secured, BATOBIC to appoint implementing agent in context of the approved NDT project description.

#### Responsibility (Primary) for implementation:

- BATOBIC to apply to NDT for R36 Million in funding

#### Time framework per main activity:

- To be determined in context of NDT Business Plan approval

Main activity	Responsibility	Time framework
1. To be determined		
2. To be determined		
3. To be determined		
4. To be determined		
5.		
6.		



#### 6.4 Project name:

Msauli Village Rehabilitation and Upgrading (Songimvelo Game Reserve)

#### Project description:

This project is focused on the rehabilitation of an old mining village into leisure residential and/or resort type tourism development. This project was identified as a priority project in the 2002 TBC Strategy. There has been no tangible progress with the implementation of this project partly due to the fact that the property was subject to a land claim that was unresolved until 2010. The situation as of 2011 is that the 'land claim' has been finalized and the property transferred to the new owners. These new landowners have indicated that they would like to pursue the rehabilitation process based on a community/private partnership. The successful rehabilitation of Msauli village and the subsequent lease of individual properties with rehabilitated houses is a development opportunity that can be implemented in the short term.

#### Key activities to be undertaken:

- Step 1: Request for assistance from Msauli CPA. Signing of Memorandum of Agreement. Mobilisation of suitably qualified team of Transaction Advisors.
- Step 2: Project screening (Pre-feasibility)
- Step 3: Inception Phase including introduction of Transaction Advisors; community objectives; proposed approach to investor mobilisation and CPP structuring; work completed and rights currently secured.
- Step 4: Design of Investor mobilisation process (competitive or negotiated bidding route).
- Step 5: Design of proposed Community Private Partnership (allocation of risks and responsibilities)
- Step 6: Requests for proposals
- Step 7: Evaluations of RFPs
- Step 8: Negotiation Phase
- Step 9: Preparation of legal documentation
- Step 10: Signing of contracts
- Step 11: Implementation commences

Main activity	Responsibility	Time framework
<u>Step 1:</u> Mobilisation of suitably qualified team of Transaction Advisors.	PMU	April 2011
<u>Step 2:</u> Project screening (Pre-feasibility)	Transaction Advisors	May 2011
<u>Step 3:</u> Inception Phase	Transaction Advisors	June 2011
<u>Step 4:</u> Design of Investor mobilisation process	Transaction Advisors	July 2011
<u>Step 6:</u> Requests for proposals	Transaction Advisors	July 2011
<u>Step 7:</u> Evaluations of RFPs	Msauli CPA and	August 2011

	TAs	
<u>Step 8:</u> Negotiation Phase	Msauli CPA and TAs	October 2011
<u>Step 9:</u> Preparation of legal documentation	Transaction Advisors	November 2011
<u>Step 10:</u> Signing of contracts	Msauli CPA	Dec 2011
<u>Step 11:</u> Implementation commences	Partnership between Msauli CPA and private sector	January 2012

## 6.5 Project name:

Tourism Route Development (including related road, site, and route signage)

### Project description:

The main elements of this project include the upgrading of Road Signage in the TBC in relation to the development of various scenic and special interest (e.g. geology route) tourism routes, locations (e.g. heritage sites in Barberton town), tourism support services (e.g. Barberton Visitor Information Center). The TBC section of the Kruger Lowveld Tourism Region of Mpumalanga has been identified as a priority region within which the Mpumalanga Tourism Route Road and Signing Framework should be implemented<sup>[1]</sup>. This will include the development of a consistent set of internationally approved (SADC approved) road route signs in the TBC and adjacent areas. The design of these signs has already been completed and approved as part of the Tourism Route Signage project initiated by the Kruger Lowveld RTO, as well as the preparation of a related map book. Roads and facility audits for the entire Kruger Lowveld area have already been completed, and planning for the erection of the signs is already underway.

### Key activities to be undertaken:

Main activity	Responsibility	Time framework
1. Bulembu Road GeoTrail Development	BATOBIC/BCT	Dec 2011
2. Barberton Gateway Intersection Upgrade	BATOBIC/BCT	Dec 2011
3. Badplaas/Barberton/Louws Creek Route Development	BATOBIC/ULM/ALM	Dec 2011
4. Barberton EcoHeritage Town Upgrade	BATOBIC/ULM/ALM	Dec 2012
5. Regional Integration with Kruger Lowveld Tourism and Swaziland	BATOBIC/KLT/Swaziland	2013

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<sup>[1]</sup> This framework was initiated in 1998 in response to discussion between the MTA, tourism business operators and roads authorities (including SA National Roads Agency and Mpumalanga Provincial Roads) in response to concerns regarding the poor level of tourism signage along the road infrastructure in Mpumalanga.

#### **6.6 Project name:**

The development of the World Heritage Site Interpretation Center:

#### **Project description:**

It will serve as a multi focus facility with information, interpretative and display function as well as offices to house the personnel to implement all the necessary activities for a fully functional WHS Interpretation Center. Once this project is implemented it has been agreed that the current Barberton Visitor Information Center will re-locate from Barberton town to the WHS Interpretation Center. Presently Barberton does not have a suitable tourism Visitor Information Center and this has a negative impact on marketing and information dissemination to international and domestic tourists. The WHS Interpretation Center combined with the Visitor Information Center are regarded as key elements of the strategy to present the unique attractions of the TBC area to tourists and tourist operators.

#### **Key activities to be undertaken:**

<b>Main activity</b>	<b>Responsibility</b>	<b>Time framework</b>
<b>1. Detailed Conceptualization</b>	WHS Planners	Dec 2011
<b>2. Design of physical facilities</b>	WHS consultant	July 2012
<b>3. Tendering</b>	BATOBIC	2012 Dec
<b>4. Construction</b>	Contractor	Jan-Dec 2013

## 6.7 Project name:

The establishment of the Songimvelo/Malolotja TFCA

### Project description:

This demonstration project is directly concerned with the establishment of the Malolotja/Songimvelo Trans Frontier Park (TFP) and the broader Songimvelo/Malolotja Transfrontier Conservation area (TFCA). The project is intended to provide the tourist with very easy access to a wide range and diversity of tourism products across an international border. This will provide those hiking, horse riding or self driving tourists with a unique opportunity to experience such activities in a transboundary context, unfettered by the normally associated hindrances of international border control, as well as in very diverse environments. This process is already in its early stages of conceptualization/implementation through the drawing-up of the relevant international protocols.

### Key activities to be undertaken:

PHASE 1. The following tasks have already been implemented as part of the establishment of the Songimvelo-Malolotja Transfrontier Park

- Establish a collaborative managing/coordinating structure for TFP development.
- Formalisation of Inter-State Agreement to establish TFCA.
- Integration of Malolotja and Songimvelo conservation management plans to form a TFP management plan

PHASE 2. The following tasks are required to facilitate the establishment of the Songimvelo-Malolotja Transfrontier Conservation Area

- Task 1: Define stakeholder participation strategy. Task completed by end 2010.
- Task 2: The Joint Management plan has been completed.
- Task 3: Expand the TFP collaborative managing/coordinating structure to form a collaborative managing/coordinating TFCA structure. In this regard, as and when there is a need such structure will be put in place.
- Task 4: Integration of suitable surrounding areas into a joint TFCA conservation management plan.
- Task 5: Collaborative development of 1 year and 3 year development plan for TFCA.

### Responsibility (Primary) for implementation:

Main activity	Responsibility	Time framework
Step 1: Define stakeholder participation strategy. Task completed by end 2010.	TFP Managing & Coordinating structure	Complete
Step 2: The Joint Management plan	TFP Managing & Coordinating structure	Complete
Step 3: Establishment of the TFCA Management and Coordinating Structure	TFP Managing & Coordinating structure	To be determined
Step 4: Integration of suitable surrounding areas into a joint TFCA conservation management plan.	TFP Managing & Coordinating	To be determined

	structure	
Step 5: Development of the Annual and 3 year development Plan for the TFCA	TFP Managing & Coordinating structure	To be determined

## 6.8 Project name:

Finalisation of the Nomination Dossier for the World heritage Site

### Project description:

As has been discussed above, the formalisation of the Barberton Makhonjwa Mountainlands (BMM) as a World Heritage Site is regarded as strategically important and beneficial to the long-term development and marketing of the Tourism and Biodiversity Corridor. The BMM site has already achieved Tentative Listing status from UNESCO. It is important to note that the Provincial Department of Culture, Sport and Recreation has been the lead implementing agent for this process thus far. BATOBIC will be providing non-financial 'project administrative support' to the WHS application process.

### Key activities to be undertaken:

The UNESCO process of planning and achieving WHS 'inscription' is well understood by all the agencies involved and is documented in detail elsewhere. This process was approved and initiated but later was interrupted and halted due to lack of funds. There are a number of key steps required to finalise the application process.

Step 1: Re-plan for the resumption of the WHS Planning Project with new funding and agreement from NDT and/or alternate funding agency/source. (UNESCO to be kept informed)

Step 2: Completion and submission of the Nomination Dossier to NDT and SAWHCC.

Step 3: Submission of WHS Nomination Dossier by NDT to UNESCO (poss +/- 2 yrs before approval.)

Step 4: Inauguration of **BML WHS Management Agency** and implementation of component development and commercialisation projects leading to full operationalisation of the WHS.

### Responsibility (Primary) for implementation:

Main activity	Responsibility	Time framework
Step 1: Planning for the WHS Nomination Dossier	National Dept. Tourism (NDT)	Dec 2011
Step 2: Completion and submission of the Nomination Dossier to DEAT and SAWHCC	NDT & Mpumalanga Government	2012-2013
Step 3: Submission of WHS Nomination Dossier to UNESCO	NDT	2014
Step 4: Implementation and development of the BMML WHS	NDT	To be determined

## 6.9 Projected cumulative impact of (existing and) new demonstration projects

Project name	CAPEX Estimate	Jobs Direct/ indirect	Wages
Lomshiyo Trust Mountainlands Lodge	R18 million	Direct = 30 Indirect <sup>8</sup> = 60 Temporary = 200	Direct <sup>9</sup> : R744,000 p.a. Indirect <sup>10</sup> : R1,044,000 p.a. Temporary = R4,412,000
Msauli Village Rehabilitation and upgrading	+ R100 million	Direct = 150 Indirect <sup>11</sup> = 300	Direct <sup>12</sup> : R3,870,000 p.a. Indirect <sup>13</sup> : R5,220,000 p.a.
Mountainlands Internal roads	R24 million	temporary = 534	Temporary = R6,618,000
Road signage and route development project	R9 million	temporary = Godfrey Please	Temporary = Godfrey Please
Development of the WHS Interpretation Center.	R7 million	Direct = 38 temporary = 396	Permanent <sup>14</sup> = R2,470,000 Temporary = R11,100,000
<b>TOTALS</b>	<b>+R158 Million</b>	<b>Direct = 218 Indirect = 360 Temporary = 1130</b>	<b>Direct = R7,084,000 p.a. Indirect = R6,264,000 p.a. Temporary = R22,130,000</b>

## 6.10 Other non-BATOBI projects to be pursued

- Resurfacing of the rehabilitation and upgrading of the Kaapmuiden to Barberton road;
- Surfacing of the Bulembu to Msauli to Ebutsini to Tjarkastad Road.
- Surfacing of the Bulembu to Piggs Peak Road (in Swaziland).

<sup>8</sup> Using a multiplier of x2

<sup>9</sup> Using the minimum wage for tourism industry of R2,150-00 per month

<sup>10</sup> Using the agriculture minimum wage of R1,450 per month

<sup>11</sup> Using a multiplier of x2

<sup>12</sup> Using the minimum wage for tourism industry of R2,150-00 per month

<sup>13</sup> Using the agriculture minimum wage of R1,450 per month

<sup>14</sup> Using average wage of R5,000-00 per month x 13



## **Project 1: Establishment of required institutional capacity (Project Management Unit) to manage and implement the TBC 2011-2014 Strategy and MYP**

### **INTRODUCTION**

It is a surprising feature of the TBC initiative that it has, notwithstanding its success thus far (since inception in 2000), never secured a permanent project manager (with resources) to 'drive' the process. Tremendous reliance has been placed on the goodwill of individuals in the private sector, and small amounts of grant funding to support the technical work programme.

### **STRATEGIC ISSUES**

It is critical that as part of the implementation of the TBC initiative that a properly funded and capacitated Project Management Unit be put in place to manage the TBC implementation process.

### **OBJECTIVES**

To establish and operationalise a PMU consisting of a small full time staff component ( i.e. TBC Programme Manager, TBC community facilitator and office administrator) supported by contracted specialists in response to specific work programmes.

### **PROPOSALS**

This PMU would take the lead in terms of the following key activities:

- *To facilitate the implementation of the TBC Strategy and Multi-year Development Programme.* Related to this is the regular updating of the MYDP in terms of progress made with existing projects, as well as to include into the MYDP new additional project initiatives where applicable.
- *To facilitate the identification and conceptualisation of additional anchor investment projects* as part of the TBC. In this regard the programme manager will need to ensure that new projects identified are consistent with the objectives, principles and strategies as defined in the TBC Preliminary Tourism development strategy.
- *To facilitate the periodic updating of the TBC Preliminary Tourism Development Strategy.* As and when necessary the TBC Tourism Development Strategy will need to be updated to reflect changes in priority, to include additional elements of strategy, and to include new anchor projects that may have been identified.
- *To identify and facilitate the removal (where possible) of particular bottlenecks* (on an ongoing basis) that hinder the identification, conceptualisation and implementation of investment projects. These include political, institutional, technical and financial constraints.
- *To identify and facilitate the mobilisation of sources of technical and financial assistance* to support the implementation of the TBC Tourism Development Strategy and the Multi-Year Development Programme. In this regard it will be important to consider sources within the public sector (national, provincial and local authority), the private sector and the donor community.
- *The design and financing of relevant technical studies* that will facilitate the implementation of the MYDP. In this regard it must be noted that funding will not be used for capital expenditures, or for studies that should typically be the responsibility of investors. This technical component is specifically aimed at supporting the creation

of an investor friendly enabling environment and on getting projects prepared/packaged to a level where they can be offered to prospective investors.

- *Interaction and coordination* with the relevant public, private and community stakeholders in context of facilitating the implementation of particular investment projects and the TBC programme. Such activities will be focused on those projects within the South African component of the TBC.
- *Strategic level interaction and coordination with the relevant South African government departments* (national, provincial and in particular local authorities) to ensure integration of the TBC Tourism Development Strategy and the related Multi-Year Development Programme into the relevant public sector policy and strategy frameworks (i.e. national tourism development priorities [including marketing, investor mobilisation, public works and poverty relief programmes etc.], provincial tourism development strategies [including infrastructure programmes, marketing initiatives, capacity building initiatives, youth development initiatives etc.], and local authority Integrated Development Plans.)
- *Transboundary collaboration and coordination* in order to ensure coherency and consistency between policy and strategy between the three countries that make up the TBC. In this regard it needs to be noted that the responsibility is confined to the technical aspects of the programme, and in no way interferes with aspects that are typically the responsibility of the relevant countries Foreign Affairs ministries. Particular emphasis should be placed on collaboration and coordination with the Swaziland Biodiversity and Tourism programme, which is already funded and operational.
- *Investor mobilisation in support of the various anchor investment projects.* In so far as the anchor projects are concerned, a number of the projects listed are in their conceptualisation stages. Since it is very likely that concepts may change somewhat, and that new projects may be identified in the implementation process, it is also strongly recommended that the anchor projects be periodically updated so that the document reflects their current status reasonably accurately. It needs to be remembered that one of the key reasons for pursuing selected anchor projects was their demonstration effect to other would-be investors that the destination is one that is already popular with a range of investors. There can be little doubt that one of the best ways to convince would-be investors is to inform them about all the other existing investment success stories taking place in an area.
- *Marketing of the TBC and its opportunities nationally and internationally.* This function would be executed in very close collaboration with existing initiatives by the Barberton Tourism Local Organisation, Kruger Lowveld Tourism Organisation, the Mpumalanga Tourism Authority and SA Tourism, as well as the Swaziland and Mozambique marketing initiatives and would focus on supporting, expanding and developing already established initiatives in this field.

#### **STATUS AND FOLLOW-UP ACTIONS REQUIRED**

Funding for this project has been secured, and implementation of the PMU establishment (including staffing) commenced as of October 2010.

**Project 2: Lomshiyo Trust Community Tourism project (Mountainlands Nature Reserve)**

**INTRODUCTION**

The Lomshiyo trust own significant portions of potentially high value tourism and conservation land in the Barberton Mountainlands Nature Reserve. The Barberton Mountainlands Nature Reserve measures approximately 18 000 Hectares, and is situated to the east of Barberton town. The reserve is situated in an area of great beauty with high plant species diversity and at the core of the future WHS since it contains several unique geological features related to the WHS. The natural resource base is characterised by a variety of habitats set in an undulating and at times mountainous setting. The area has a very rich biodiversity and great scenic beauty. Several Red Data plants and bird species are found in the area. There are various antelope as well as carnivore species existing at present. Historically the Big Five also occurred in the area.

The Mpumalanga Parks Board has been appointed as custodian of approximately 10 000 hectares of State land within the nature reserve. Through cooperative management agreements with surrounding private and communal landowners whose land makes up the remaining portion of the reserve, these portions of land have been consolidated into a single ecologically and economically viable entity, capable of accommodating the Big Five (lion, leopard, elephant, rhino and buffalo).

This reserve is strategically very well located in a tourism development context both within Mpumalanga Province and in terms of the development of the Songimvelo/Malolotja Transfrontier Conservation Area between South Africa and Swaziland respectively. It is likely that the Mountainlands Reserve will in due course become part of the Songimvelo/Malolotja TFCA.

**STRATEGIC ISSUES**

- The quality of the natural environment within Mountainlands is good. This reserve was established in 2000. To-date the inherent tourism development potential of this nature reserve remains under-utilised since only the private sector landowners have commenced any form of tourism developments.
- The nature reserve comprises 3 types of landowners – private, community Trust and State land. The land was proclaimed as a Nature Reserve in 1996 (proclamation No. 2 of 1996).
- The reserve has been fenced with a game fence suited to ‘plains game’. Initiatives are underway to secure funding for an upgrade of the fence to Big Five standards (via electrification).
- The reserve has reasonably good access in terms of existing provincial and national tarred roads. The MNR is reasonably well located relative to existing provincial and national tarred roads including the N4 (major link between Gauteng and Maputo) and the R40 (linking Nelspruit to Barberton) and R38 (linking the N4 to Barberton). All these roads are surfaced and in a good state of repair. The condition of the roads within the reserve on the community and state land is generally poorly maintained, while the roads in private land are generally in good condition and well maintained.
- There are numerous perennial streams that originate on and flow through MGR.

- From a broader socio-economic development perspective, the development of tourism in this locality is the logical choice now that the mining operations are decreasing and will naturally phase out (mining is a consumptive activity which by definition has to end at some point), and because of the inherent development potential of the area for nature based, adventure and cultural tourism. Tourism development is potentially well placed to generate a range of new local economic development opportunities for the adjacent communities.
- The development of tourism facilities on the Lomshiyo Trust land, based on a suitably structured community/private partnership, should result in the establishment of a range of sustainable revenue streams and benefit flows to the Lomshiyo Trust.
- The development of this Mountainlands tourism node is strategically vital to the longer-term development of the TBC due to its strategic location.

## **OBJECTIVES**

The overall objective of this initiative is to promote sustainable socio-economic development within the context of this strategically important nature conservation and tourism development area. This area has been identified as a priority area for tourism-led development at a national, provincial and municipal level.

Specific objectives include:

- The mobilisation of private sector investments and lending
- The development of the MGR on the basis of a community/private public partnership
- The generation of a more diversified local economy
- The empowerment of the Lomshiyo community via:
  - Investment (public and private) on Lomshiyo Trust land
  - Preferential employment for members of the Lomshiyo Trust
  - Contractual capacity building programmes
  - The establishment of sustainable revenue streams including lease fees and turnover based payments.
  - Opportunities for Lomshiyo Trust to acquire equity shares in the operating company (via the inclusion of equity options) in the CPP contracts.

## **PROPOSALS**

### ***Description of existing assets***

#### ***Infrastructure***

- The Lomshiyo Trust are the owners of 3 000 hectares of land within MGR. The Lomshiyo land is located in the eastern section of the MNR.
- The MGR is reasonably well located relative to existing provincial and national tarred roads including the N4 (major link between Gauteng and Maputo) and the R40 (linking Nelspruit to Barberton) and R38 (linking the N4 to Barberton). All these roads are surfaced and in a good state of repair.
- The Lomshiyo Trust land is located in the north-eastern section of the MGR and takes access directly off the R38 linking the N4 to Barberton.
- The road network within the reserve is currently only suited to heavy-duty 4X4 vehicles at present. Prior to the mobilisation of tourism investors, significant upgrading of this internal network will be implemented as part of the nationally funded BATOBIC programme. Planning in this regard is currently underway.

- MGR is fully game fenced. The current fence is not suited to Big Five. MGR is already partially stocked with 'plains game' and further stocking programmes are in implementation on a long term basis.
- The reserve has easy access to ESKOM power. ESKOM currently provides power to three active mines within/adjacent to the reserve, and there is also one power line for residential purposes.
- There are 7 perennial streams in the nature reserve, as well as numerous non-perennial streams. They provide the nature reserve with an abundant water supply for both human and wildlife uses.

### ***Key principles***

The following general principles apply:

- The members of the partnership commit themselves to the broader objective of developing the Mountainlands Nature Reserve for tourism and related uses on a sustainable basis. The development of related infrastructure and facilities, as well as the restocking of the Mountainlands Nature Reserve are all actions intended to support the broader socio-economic objectives. The development of the tourism-related activities will be the responsibility of the partnership, and will be done in such a manner that they do not undermine the long-term conservation of the underlying resource base.
- The partnership will undertake to manage the reserve. This includes the fencing of the reserve; game management; security and anti-poaching activities; veld management etc. The details of the management plan will also be made available to private tourism lodge developers, operators and investors.
- The reserve will be developed with a combination of common and private road networks.
- The reserve has been 'broadly' zoned in a manner that provides a spectrum of high intensity through to low impact wilderness zones. The process to prepare the more detailed conservation and tourism development plan will be completed in 2011.
- Development sites have been located in a manner that ensures that access is available to 2X4 vehicles, and in a manner that avoids unnecessary traversing within the MGR.
- If consumptive tourism is to be pursued, there will be a clear separation of photographic and consumptive tourism uses.
- The MGR will be managed as a secure area with access and egress tightly controlled.
- Tourism investment opportunities within MGR include leases/concessions, joint ventures, and freehold sale in certain sections.

In so far as the stocking of game is concerned, the following should also be noted:

- The partnership will be responsible for managing the process whereby the game is located, purchased and relocated (the necessary logistical arrangements excluding game purchase and transport cost) to Mountainlands Nature Reserve.
- The partnership will be responsible for ensuring that the necessary basic infrastructure exists to facilitate the management of these game populations (basic roads etc.)

### ***Project parameters***

- Consumptive and non-consumptive use of the surplus game is 'in principle' allowed. Such actions need to be guided by the nature reserves management plan, and related decisions need to be taken in consultation with the partnership, and in particular those within the partnership responsible for the day-to-day management of the game

species, as well as those responsible for photographic and non-consumptive tourism uses.

### ***Project elements***

The zoning for the development of tourism facilities within MGR has been completed, and the development of the more detailed reserve tourism and conservation management plans will be implemented in 2011. It has been agreed that the major *tourism products* are likely to include at least the following:

- Ecotourism activities focused on photographic tourism.
- Adventure tourism including hiking, mountain biking, paragliding, hang gliding, abseiling, kloofing and limited 4X4 routes.
- Heritage tourism pursuits focused on the various historical and cultural sites within MGR
- Environmental education.
- Controlled hunting in specifically demarcated areas).

Within the context of these proposed products, the proposed investments projects are likely to include the following:

- Game lodges
- Hotel and conference facilities
- Environmental education centre and camps
- Adventure and sporting facilities
- Hiking and 4X4 trails and camps

### ***Role of each stakeholder***

*The partnership (State, community trust, private land owners)*

- The partnership will be responsible for the tourism and conservation management functions within the nature reserve. These will be implemented against the approved tourism and conservation management plan.
- The partnership will be responsible for the design and implementation of investor mobilisation strategies. The land-owners are entitled to implement their own investor mobilisation processes within context of the agreed upon tourism and conservation management frameworks and investor mobilisation strategy.
- Securing of necessary bulk infrastructure as agreed in terms of the tourism and conservation development plan.
- The sourcing and management of the game populations.

### ***The state***

The national Government has made R36 million available for the development of a basic internal roads infrastructure (R12 Million) and the establishment of some initial accommodation facilities on Lomshiyo Trust land (R12 million)

### ***Private investors***

- Development and marketing of tourism related facilities.
- Destination promotion and advertising.
- Development, operation and maintenance of facilities and private lodge/activity specific infrastructure.

## **STATUS AND FOLLOW-UP ACTIONS REQUIRED**

The partners have expended considerable effort on getting the necessary regulatory frameworks in place (legal and institutional aspects) as well as creating an attractive investment environment (including aspects such as strategic infrastructure and facilities, game stocking, basic staffing, resolution of outstanding land settlement issues. The key challenge in the short term is to secure much needed investment in the development and operationalisation of tourism accommodation, related photographic tourism activities, related nature based activities, and related special interest activities. BATOBIC has secured funding to facilitate the investor mobilisation processes, as well as to develop key elements of internal infrastructure (e.g. internal link roads – See project 3).

### **Project 3: Mountainlands internal linking road infrastructure**

#### **INTRODUCTION**

The Barberton Mountainlands Nature Reserve measures approximately 18 000 Hectares, and is situated to the east of Barberton town. The reserve is situated in an area of great beauty with high plant species diversity and at the core of the future WHS since it contains several unique geological features related to the WHS. The natural resource base is characterised by a variety of habitats set in an undulating and at times mountainous setting. The area has a very rich biodiversity and great scenic beauty. Several Red Data plants and bird species are found in the area. There are various antelope as well as carnivore species existing at present. Historically the Big Five also occurred in the area.

This reserve is strategically very well located in a tourism development context both within Mpumalanga Province and in terms of the development of the Songimvelo/Malolotja Transfrontier Conservation Area between South Africa and Swaziland respectively. It is envisaged that the Mountainlands Reserve will in due course become part of the Songimvelo/Malolotja TFCA.

#### **STRATEGIC ISSUES**

- The quality of the natural environment within Mountainlands is good. This reserve was established in 2000. To-date the inherent tourism development potential of this nature reserve remains under- utilised.
- The reserve has reasonably good access in terms of existing provincial and national tarred roads. The MNR is reasonably well located relative to existing provincial and national tarred roads including the N4 (major link between Gauteng and Maputo) and the R40 (linking Nelspruit to Barberton) and R38 (linking the N4 to Barberton). All these roads are surfaced and in a good state of repair.
- The condition of the roads within the reserve on the community and state land is generally poorly maintained, while the roads in private land are generally in good condition and well maintained. Of particular importance is the development of main (linking) road network across the nature reserve to integrate the eastern and western road networks. The poor quality and limited extent of internal link roads are currently a serious obstacle to the process of tourism development in general and to investor mobilisation in particular, since such links are required to ensure a suitably diverse and extensive traversing area to support commercially based photographic tourism .
- From a broader socio-economic development perspective, the development of tourism in this locality is the logical choice now that the mining operations are decreasing and will naturally phase out (mining is a consumptive activity which by definition has to end at some point), and because of the inherent development potential of the area for nature based, adventure and cultural tourism. Tourism development is potentially well placed to generate a range of new local economic development opportunities for the adjacent communities.
- The development of this Mountainlands tourism node is strategically vital to the longer-term development of the TBC due to its strategic location.



## **OBJECTIVES**

### *MNR objectives:*

The overall objective of this MNR development initiative is to promote sustainable socio-economic development within the context of this strategically important nature conservation and tourism development area. This area has been identified as a priority area for tourism-led development at a national, provincial and municipal level. Specific objectives related to the development of MNR include:

- The mobilisation of private sector investments and lending
- The development of the MNR on the basis of a community/private public partnership
- The generation of a more diversified local economy
- The empowerment of the local communities via:
  - Investment (public and private) on community owned/controlled land.
  - Preferential employment for members of the local communities.
  - Contractual capacity building programmes for local communities employed in MNR.
  - The establishment of sustainable revenue streams including lease fees and turnover based payments for local communities on whose land tourism developments take place.
  - Opportunities for local communities to acquire equity shares in the operating company (via the inclusion of equity options) in the CPP contracts.

### *Project specific objectives:*

- To extend the main/bulk internal road network within the MNR in a manner that ensures that traversing can take place across the MNR based on a variety of routes.

## **PROPOSALS**

- The development of approximately 100 km on new linking roads in MNR – specifically in order to link the community and state owned portions of land, and the associated investment/development opportunities, to the more extensively developed road network on the western section of the MNR (privately owned land).

### **Key principles**

The following general principles apply:

- The members of the partnership re-commit themselves to the broader objective of developing the Mountainlands Nature Reserve for tourism and related uses on a sustainable basis, based on the previously identified integrated development approach which has been only partially implemented. The main outstanding developments being the three identified commercial lodge sites together with guided and value added tours into the reserve.
- The development of related infrastructure is intended to support the broader socio-economic objectives and will be done in such a manner that is consistent with the approved tourism and conservation management frameworks. The planned infrastructure developments specified in this project will specifically benefit the community and state land owners and will aim to bring the investments made on such land on par with the investments already made by private land owners in pursuance of the integrated development of the reserve.
- The partnership has committed itself to the use of labour intensive road construction and maintenance in terms of this project.

- The partnership will undertake to manage the reserve. This includes the maintenance of all common infrastructures created (specifically including the link roads proposed in this project).
- The reserve will be developed with a combination of common and private road networks.

**STATUS AND FOLLOW-UP ACTIONS REQUIRED**

Funding for this project has been secured for the implementation of this project via BATOBIC.

## **Project 4: Msauli Village Rehabilitation and Upgrading**

### **INTRODUCTION**

Msauli Village was developed as a mining town in the early 1940s. Msauli is situated in a picturesque valley at the foot of the Ngwenya Mountains in the eastern Lowveld of Mpumalanga. Msauli is also located within the boundaries of the Songimvelo Game Reserve. Road access to the area is via a secondary road running from Badplaas to Barberton over the Saddleback pass. The distance by road to Barberton is 55km, to Badplaas 60 km and to the Bulembu Border Post 15km.

Mining operations at Msauli have ceased and the 'village' has subsequently been transferred to a Land Claimant Community who are now the owners of the land and the above ground infrastructure and facilities. Regrettably there has been little maintenance on the remaining residential facilities since 2000 and as a result the physical infrastructure and facilities are already in a poor state of maintenance. Nevertheless, the Msauli Village is believed to offer a good investment opportunity based largely on the inherent potential of the existing 'village' infrastructure, combined with Msauli's location within Songimvelo Game Reserve.

### ***BACKGROUND TO SONGIMVELO GAME RESERVE***

The Mpumalanga Tourism and Parks Agency are responsible for the management of the Songimvelo Game Reserve. At 48 000 hectares Songimvelo is the largest of Mpumalanga's game reserves. It forms a contiguous conservation area with the 18 000 hectare Malolotja Nature Reserve in Swaziland. Both of these protected areas have tremendously high biodiversity, and protect a range of rare and/or endangered plants/birds/animals. Songimvelo is an important water catchment for the Komati, Lomati and the Msoli rivers.

### **STRATEGIC ISSUES**

- The quality of the natural environment within Songimvelo is very good. The inherent tourism development potential of this nature reserve is significantly under-utilised, and the ability of this reserve to generate much needed revenues for the MTPA and its conservation activities, has been under-utilised.
- Whilst a limited amount of accommodation were developed for tourist use within Songimvelo (Komati River Lodge [20-beds burned down] and chalets at Kromdraai [100 beds]), such facilities have in practice been extremely poorly utilised to-date. In this regard, a key strategic issue has been that this area is not a well-known tourism destination, which situation has been exacerbated by the very limited marketing of the area. The limited marketing of the area also needs to be understood within the context of the MTPAs, and indeed the Mpumalanga Province's, very severe human and financial resource constraints.
- The MTPA is the adjacent land user (Songimvelo area is subject to expansive land claims that are largely unresolved) on all sides of Msauli village (which is essentially an island within Songimvelo Game Reserve).
- The MTPA has historically expressed the opinion that a change of land use from mining to tourism/recreation and related residential uses, under the management and development of a sustainable and reputable operator/developer would be strategically beneficial (economically, financially, and in terms of conservation) to the current operations and future development of Songimvelo.

- Since the new land owners (land claimant community) have extremely limited institutional and financial capacity, and certainly have no 'own' capacity in terms of the management and development of leisure residential facilities, a critical issue for the future development of Msauli will be to ensure that the selected new investor has a proven track record in terms of the development, marketing and ongoing operation of such nature/adventure tourism based facilities<sup>15</sup>.
- The value of the village (and the ability to market and lease the existing housing stock) to a new investor/operator will be significantly enhanced if supported by a mutually beneficial arrangement with the MTPA in terms of access to MPB land and facilities. The terms and conditions, and the nature and extent of such access would need to be formally agreed to as a 'side/parallel' agreement to the private/private sector deal between the current mine owners and a new investor.
- From a broader socio-economic development perspective, the development of tourism in this locality is the logical choice now that the mining operations are ceasing, and because of the inherent development potential of the area for nature based, adventure and cultural tourism. Tourism development is potentially well placed to absorb some of those retrenched from mining activities, as well as to generate a range of new local economic development opportunities for adjacent communities.
- There are certain land claims within the broader Songimvelo Game Reserve. These need to be resolved (one way or another) so as to provide a degree of certainty for the ongoing operation of tourism ventures in the area.
- There are a limited number of rural households located within and/or immediately adjacent to the Songimvelo Game Reserve. There are no fundamental reasons to suggest that these families cannot be included as active or passive partners in the long term tourism development processes within the area.
- The development of this tourism node is strategically vital to the longer-term development of the TBC.

## OBJECTIVES

The overall objective of this initiative is to promote sustainable socio-economic development within the context of this strategically important nature conservation and tourism development area. This area has been identified as a priority area for tourism-led development at a national, provincial and municipal level. Specific objectives include:

- The conversion of this mining village to tourism/conservation and related residential uses.
- To identify a suitable tourism/residential/resort investor to lease the village before the existing infrastructure falls into complete disrepair. The private sector investor/operator would be responsible for the rehabilitation, operation and maintenance of the tourism infrastructure and facilities within the village.
- To use the development momentum gained via the private sector driven marketing and investment process in Msauli to boost the use of tourism infrastructure and facilities at in Songimvelo.
- Similarly, to use this development momentum to boost the demand for further tourism-led developments in the Songimvelo Panhandle (essentially undeveloped at

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<sup>15</sup> *Should the responsibility for the rehabilitation, operation, management and maintenance of Msauli be transferred to a strategic private partner that cannot rehabilitate and operate the village on a long term sustainable basis, this would constitute the loss of an important development opportunity for the Claimant Community, as well as the opportunity to boost tourism development in this impoverished rural are. This failure would also result in associated' losses' to the MTPA operations and the future development of Songimvelo.*

this stage), as well as Diepgezet and Josefsdal, both of which areas are also significantly under utilised.

- To use the tourism development process as a basis for employment creation within the area.
- To generate new revenue streams (via the tourism development process) which could be used to support the long-term conservation and socio-economic development activities within and adjacent to the Songimvelo Game Reserve.

## **PROPOSALS**

### ***Description of existing assets***

#### *Accommodation facilities*

- Approximately 100 houses that were used for senior personnel constitute the most valuable part of the accommodation facilities. Houses are either three or four bed roomed units, some 25% with en-suite or double ablution facilities. Thirty-nine of the houses are brick and mortar construction with the remainder being prefabricated. Eight of the houses are provided with swimming pools. (Note: Numbers to be verified during investor mobilisation process).

#### *Infrastructure*

- The residential area of Msauli village is served with a reasonably well constructed road network. The portion of the road running through the village is tarred to control dust. Minor roads give access to many of the natural attractions in the area.
- From a tourism product perspective, the road network in Songimvelo Game Reserve varies. Certain sections such as 'The Plains' have a well-developed network that was developed for guided game drives, whilst 'Dunbar Valley' and the 'Panhandle' which are also of particular relevance to Msauli Village are only suited to heavy-duty 4X4 vehicles.
- The village is provided with power from ESKOM through a dedicated overhead power line running from Barberton to a main sub-station. All accommodation units are provided with power at a nominal 220V. The installed capacity of the power supply is 12.5MW, which is more than adequate for the proposed tourism/recreational and residential uses. Additional power is generated in the rainy season by a hydroelectric installation (1.25MW) in the Komati River. (Note: To be verified during investor mobilisation process).
- All the rivers in the area are perennial and provide the village with an abundant water supply. Water for human consumption is pumped from two pumping stations in the Mtsoli River, which is renowned for its clear and uncontaminated water quality. Potable water is processed at a water treatment plant<sup>16</sup> with a capacity of 2 000 000 litres per 24 hours. Potable water is collected in several strategically situated reservoirs from where it is distributed to consumers. (Note: To be verified during investor mobilisation process).

#### *Recreational facilities*

- There is a recreation club with men's and ladies bar as well as function halls, a small shop, snooker and dart facilities and a well laid out barbecue area.
- A nine hole golf course situated next to the Mtsoli River and Songimvelo Game Reserve. This facility is rapidly falling into disrepair as a result of under-utilisation and associated revenue shortages.

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<sup>16</sup> Comprises a chemical assisted settling pond, sand filters and automatic chlorination.

- Soccer field with pavilion and commentators box. (Note: To be verified during investor mobilisation process).
- Swimming pool, squash court, floodlit Bowling Green and three paved tennis courts, one of which is floodlit. (Note: To be verified during investor mobilisation process).

#### *Other facilities/infrastructure*

- A guesthouse (budget end of market) near the main office complex.

#### *Mine buildings and infrastructure*

- The main office complex that consists of eight large office areas, two smaller offices, toilet facilities and a large conference room, all housed in a double storey plastered brick building. Substantial storage facilities are also provided.

#### **Key principles**

- The proposal is for the bulk of the housing, recreational and office infrastructure to be leased to a new tourism investor/operator based on a community/private partnership. The new investor will assume the primary technical and financial responsibility for the rehabilitation and maintenance of such infrastructure/facilities.
- The MTPA will enter into negotiations with the Land Owners and the new investor/developer so as to provide long-term access to Songimvelo according to specific conditions as agreed between these parties.

#### **Project parameters**

- Access granted by the MTPA to traverse sections of Songimvelo will be based on a non-exclusive use lease/concession agreement.
- The introduction of any non-indigenous fauna and/or flora into the village and/or Songimvelo is prohibited.
- The MTPA retains the responsibility for all conservation management functions within Songimvelo and including the village. (Note: To be verified during investor mobilisation process).

#### **Project elements**

##### **Element/contract one: Msauli Village**

- The rehabilitation of (and possibly extension), the development site (Msauli mining village) for tourist, recreational, accommodation and related facilities.
- The rehabilitation and operation of all related infrastructure and facilities by the selected investor/operator.
- The marketing and leasing of existing and/or new houses and/or facilities.
- The restocking of indigenous wildlife into the project area (Songimvelo Game Reserve).
- Security, fencing and access control for the village.

##### **Element/contract two: Access to Songimvelo Game Reserve**

**Zone A (Including Msauli village and the golf course):** Approximately 200 hectares that is leased and operated by the private sector and is reserved for the exclusive use of the village residents. This zone will be fenced and will have limited plains game within it.

- **Zone B (Including Diepgezet, Nooitgezien and Josefsdal):** Approximately 5000 hectares. Residents of Msauli will have access to this zone for hiking, cycling, climbing, self drive etc. Part of this area (estimated at 2000 hectares) will be restocked with plains game. Msauli residents have access to Zone B but such access is not exclusive. Msauli residents will be required to pay a yearly levy for unlimited (but controlled)

access. Members of the general public are also able to access this area in terms of certain conditions, fees and controls. The development of additional lodges within this area by private sector and/or community-based developers at a later date is not precluded. (Note: To be verified during investor mobilisation process with 'Claimants' and MTPA).

- **Zone C (Including Songimvelo Plains and Dunbar Valley etc.):** This zone of some 30 000 hectares is characterised by Big Four game (no Lions), and as such access is more tightly controlled. Msauli residents will not have exclusive rights to this area. In view of the dangers associated with the wildlife within the area, (and bearing in mind the opportunity to introduce Cheetah and Spotted Hyena into this zone) walking/hiking would need to be on an 'accompanied' basis with an accredited guide. The terrain within this part of Songimvelo is particularly scenic and spectacular, but will only be suited to heavy 4X4 vehicles. To avoid over congestion within this zone strict controls will need to be developed to limit and control access. It is most likely that the bulk of vehicular access will need to be on the basis of guided game vehicles with professional operators/guides. It is proposed that tariffs for access to this area, be it for hiking or vehicular game viewing, will be on the basis of 'pay as you go'. (Note: To be verified during investor mobilisation process with 'Claimants' and MTPA)..
- **Zone D (The Panhandle):** The Panhandle has an area of about 14 000 hectares. The area is particularly well suited to hiking, but could be developed to provide limited access for self-drive 4X4 vehicles. There are existing structures on this part of the reserve that could with very limited expenditure be redeveloped/rehabilitated for overnight accommodation. (Note: To be verified during investor mobilisation process with 'Claimants' and MTPA).

#### ***Role of the partners – Public sector; Private sector; Communities***

##### ***The State***

- The MTPA will be responsible for the conservation management function within Songimvelo including Zones A, B, C, and D. (Note: To be verified during investor mobilisation process with 'Claimants' and MTPA).

##### ***The new investor/operator***

- Rehabilitation, redevelopment, operation and maintenance of accommodation facilities. (Private party to assume all commercial responsibilities including funding for working and capital investments.)
  - Rehabilitation of the bulk infrastructure.
  - Operation and maintenance of the bulk infrastructure.
  - Marketing of all houses and facilities.
  - Rehabilitation and maintenance of the golf course.
  - Rehabilitation, operation and maintenance of all sporting and recreational facilities.
  - Fire risk management
  - Alien plant control as per agreed upon programme.

#### ***Benefit flows – Public sector; Private sector; Communities***

- Public sector benefits via increased revenue from gate fees and lease/concession fees that would apply in relation to state owned land/reserves. These revenues can be reinvested directly back into the conservation and socio-economic development functions.
- The community benefits via direct employment; the development of upgraded infrastructure and facilities (Transferred at no cost at end of lease – BOT); monthly

revenue streams; on the job training; and via related entrepreneurship opportunities (wood, refuse removal, road maintenance, tourist guiding, rehabilitation and maintenance, retail etc.)..

- The private sector benefits by way of access to prime investment opportunities, as well as a package of rights to access Songimvelo Game Reserve which should enhance the potential to market this new tourism destination and its related facilities.



### **Project 5: Tourism Route Development (including related road, site, and route signage)**

#### **INTRODUCTION**

The main elements of this project include the upgrading of Road Signage in the TBC in relation to the development of various scenic and special interest (e.g. geology route) tourism routes, locations (e.g. heritage sites in Barberton town), tourism support services (e.g. Barberton Visitor Information Center). The TBC section of the Kruger Lowveld Tourism Region of Mpumalanga has been identified as a priority region within which the Mpumalanga Tourism Route Road and Signing Framework should be implemented<sup>[1]</sup>. This will include the development of a consistent set of internationally approved (SADC approved) road route signs in the TBC and adjacent areas. The design of these signs has already been completed and approved as part of the Tourism Route Signage project initiated by the Kruger Lowveld RTO, as well as the preparation of a related map book. Roads and facility audits for the entire Kruger Lowveld area have already been completed, and planning for the erection of the signs is already underway.

#### **STRATEGIC ISSUES**

- The Tourism Route Road Signage Framework is intended to support the establishment of effective tourism related information infrastructure. It is one key part of Mpumalanga's integrated tourism information system.
- Mpumalanga has developed a sophisticated route road development system. The route road development concept assumes that tourists travelling by road to a particular destination do not necessarily take the shortest and quickest route. Rather tourists tend to balance 'effort of getting there' with the travelling experience along the route.
- For a tourist to plan such a trip will require access to promotional and information material including road signs as well as maps, brochures and an information office network.

#### **OBJECTIVES**

To establish an effective tourism related information infrastructure, specifically route road signage in the TBC tourism region of Mpumalanga. (It should be noted that as and where necessary this tourist signage would be supplemented by the provision of strategically located and easily accessible tourist information centers and information bureaus.)

#### **PROPOSALS**

The key project elements to be implemented as part of this project include:

- Establishment of the 'Fig 8' Tourism Route Development and Bulembu Rd GeoTrail Signage projects, both of which are key tourism info infrastructure for the WHS and the region.
- Identify and implement heritage site improvements 'EcoHeritage Town' (Barberton) and related signage including visitor gateway facilities (as already planned and funded).

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<sup>[1]</sup> This framework was initiated in 1998 in response to discussion between the MTA, tourism business operators and roads authorities (including SA National Roads Agency and Mpumalanga Provincial Roads) in response to concerns regarding the poor level of tourism signage along the road infrastructure in Mpumalanga.

- Construction, equipping & networking of an improved VIC for Barberton region linked to a properly instituted KLT structure.

The key activities required in order to implement such a system in the Kruger Lowveld tourism region include the following:

- An audit of existing tourism plant.
- The development of a new tourism map for the TBC planning area which will include all identified tourism routes and places of interest.
- The development of a new brochure of the TBC planning area which will include all identified tourism routes and places of interest.
- The design and erection of route road signs and tourism facility signs.

#### **STATUS AND FOLLOW-UP ACTIONS REQUIRED**

The road signage for the Kruger Lowveld has been designed and approved by the Southern African Development Community (SADC). The road signage will extend throughout the TBC – South Africa, Swaziland and Mozambique. Assessment will be required to estimate and prioritise top-up signage work that may be needed when the funds for the present tourism infrastructure projects are exhausted.

## **Project 6: World Heritage Site Interpretation Centre (incorporating the Barberton Visitor Information Centre)**

### **INTRODUCTION**

The WHS Interpretation Centre (Note: Referred to in the Mpumalanga Tourism Growth Strategy [2007] as the 'BioPark') will serve as a multi focus facility with information, interpretative and display function as well as offices to house the personnel to implement all the necessary activities for a fully functional WHS Interpretation Center. Once this project is implemented it has been agreed that the current Barberton Visitor Information Center will re-locate from Barberton town to the WHS Interpretation Center. Presently Barberton does not have a suitable tourism Visitor Information Center and this has a negative impact on marketing and information dissemination to international and domestic tourists. The WHS Interpretation Center combined with the Visitor Information Center are regarded as key elements of the strategy to present the unique attractions of the TBC area to tourists and tourist operators. The WHS Interpretation Center and the re-located Barberton Visitor Information centre will be strategically located relative to the flow of tourists moving from Gauteng Province to Barberton; from the Highlands meander (Dullstroom, Machadadorp etc.) through Badplaas to Barberton; and from Nelspruit to Barberton.

### **STRATEGIC CONTEXT**

- Presently Barberton does not have a suitable tourism Visitor Information Center and this has a negative impact on marketing and information dissemination to international and domestic tourists.
- Mpumalanga has designed a marketing information and management system that creates and facilitates a regular flow of information for the use and analysis of product owners, interested stakeholders and tourists.

### **OBJECTIVE**

To provide up-to-date and accurate information about tourism products, experiences, destinations, infrastructure, services as part of the process of 'selling' the various regions, towns etc. as tourism destinations.

### **THE PROPOSAL**

- Geographical focus area: the greater Barberton area (Kruger Lowveld / Barberton-Makhonjwa World Heritage Site/ Songimvelo-Malolotja TFCA/ Barberton Bio Park). The VIC will be located at Barberton town.
- Proposed facilities: Buildings and related structures and facilities for this envisaged multi-focus visitor attraction. The facilities will include living and static displays. Its displays and information will showcase the sense-of-place of the entire region, including the region's natural wonders: it's famous ancient geology illustrating where life began; its stunning mountain scenery; its wildlife and other heritage and cultural treasures. It will include details about the Greater Barberton's inhabitants including their history and culture, and the connection between people and their environment. It will showcase the educational value of all of the region's natural and cultural resources. It will include various forms of tourist information.
- It is envisaged that an owner-operated concept will be applied in order to stimulate private sector entrepreneurship and financial sustainability.

- As part of the owner operated licensing a complete service package will be provided to the licensee. This includes access to the MTPA database, Website, research information, training, and branding. It will also facilitate inclusion in all MTA promotional material, IT infrastructure, information office marketing activities, a reservation system, and advice on financial matters.
- At the time of writing this project is still in the process of conceptualization<sup>17</sup>. This particular tourism information center could be developed as an integrated tourism service center - including a petrol filling station (suitable for cars and busses), a 'Cradle of Life Museum', high standard food and ablution facilities, and recreational facilities.
- The facility will be developed in a manner that promotes collaboration with other tourism information facilities in the planning area including those at Nelspruit, Komati Wilderness Information Center and in Swaziland.

#### **STATUS AND FOLLOW-UP ACTIONS REQUIRED**

It is important to note that the Department of Culture, Sport and Recreation is the lead implementing agent for the process leading to the approval and implementation of the Barberton Makhonjwa Mountainland WHS. Whilst BATOBIC will be providing non-financial technical 'support' to the WHS application process, BATOBIC has secured R7 Million in support of the physical facilities for the Interpretation Centre. In the event that the WHS is not approved, the facility will be referred to as the Barberton Visitor Information Centre.

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<sup>17</sup> According to the current Business plan key elements will/could include:

1. Visitor bus-disembarkation facility (restrooms and bus-stop-shop); linking to expanded information/tourism communications facilities; including hi-tech lecture theatre, meeting rooms and indoor/outdoor display areas & scenic view sites or elevated platforms. It has emphasis on linked out-door settings and recreational/educational spaces and facilities.

2. Separate but adjacent building for Early Earth and First Life Geological displays and interpretative facilities; includes a central 3-D terrain model (including timber plantations and 18 km Havelock Mine Ropeway) geological specimens, photographs, graphics, and "Virtual Archaean Time Telescope" all with detailed interpretative stories for visitors & learners. (Teaching kids about Barberton & its setting.) Indoor outdoor link to include adjacent natural area used to illustrate connection between geological diversity & ecological diversity, e.g. serpentine soils and rare plants.

3. Mining and Transport displays linked to existing historical sites and collections (Tiger Trap tours, Sheba Mine Museum, Bray's Golden Quarry, Eureka City etc). These double as educational displays and commercial advertising links to local tourism products & activities. Heritage walk, other local Barberton/Umjindi heritage assets / buildings etc, peri-urban hiking trails included.

## **Annex 7**

### **Project 7: Songimvelo/Malolotja Transfrontier Park and Conservation Areas**

#### **INTRODUCTION**

The proposed Songimvelo-Malolotja TFCA is located on the South Africa-Swaziland border between Barberton (SA) and Pigg's Peak (Swaziland) and covers an area of approximately 700km<sup>2</sup>, with potential extensions of another 500km<sup>2</sup>. The core of the TFCA is formed by the 49 000 ha Songimvelo Game Reserve (SA) and 18 000 ha Malolotja Nature Reserve (Swaziland) which share a common border. The other identified core areas on the Swaziland side are three protection-worthy areas<sup>18</sup>, namely the Bulembu, Makhonjwa, and Sondeza National Landscapes.

The area is characterised by a long and diverse history of land use. Middle-stone-age artifacts dating back 30 000 to 50 000 years were found on Ida Dover (SA). Stone walled sites of the Later Iron Age (the last 1000 years) are common. They range from complex 'village-type' sites in the lowly-lying southern area to single stone rings on the exposed uplands. Historian Hromnik<sup>19</sup> convincingly argues that many of these sites can actually be linked to Dravidian (Indian) gold miners and traders, which were active in this region many centuries ago. The eNcakeni area (mostly the area known today as Songimvelo) was settled by the bakaNgwane (people of Swaziland) under the eMjindini authority during the reign of King Mswati II (1840-1868).

Ngwenya Mountain in Swaziland is the site of the world's oldest mine, the Lion Cavern, where around 4100 BC, haematite and specularite were mined for cosmetic and ritual uses. This ancient mine is located next to the more modern iron ore mine, which ceased production in 1978. The old Forbes Reef Gold Mine is located in the Forbes Reef forest. A hundred years ago all workable gold was extracted over a twenty years period and Forbes Reef settlement became a ghost town. Stibnite and Stibiconite (antimony) were mined from 1906 to 1917 in the Mali mine on the farm Soodorst (SA). Gold was mined at the Onvewacht and Komati Lily mines (SA). Asbestos was until the last decade still being actively mined at the Msauli (SA) and Havelock Mine (Swaziland) on the serpentines along the south-eastern Swaziland border. All mining activities at Msauli and Havelock have now ceased.

#### **STRATEGIC ISSUES**

- The TFCA is situated in the Barberton Mountainland, which forms part of the African erosion surface. Elevation ranges from 600 to 1900m above sea level. The TFCA contains catchments of national hydrological importance for both Swaziland and South Africa and is drained by numerous perennial rivers and streams of which the Nkomati and Mlumati are the most significant. The topography is very rugged, with only the Nkomati valley in Songimvelo representing gently rolling terrain. Generally, the broken unspoilt natural landscape of supreme visual impact makes the TFCA aesthetically the most attractive portion of the Swaziland-South African border. Of particular interest are the spectacular, deeply incised gorges of the Mntsoli, Malolotja and Mlumati

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<sup>18</sup> ANON. 1979. *Survey of Nationally Protection worthy Areas of Swaziland*. Unpublished Report. Swaziland National Trust Commission.

<sup>19</sup> Hromnik C.A. 1991. *Dravidian gold mining and trade in ancient Komatiland*. J.A.A.S. 26(3&4): 283-290

rivers, as well as several waterfalls (including the Malolotja Falls-Swaziland's highest waterfall).

- The Barberton Mountainland represents an early Precambrian greenstone belt. The entire succession of supracrustal rocks constituting the greenstone belt is known as the Swaziland Sequence. The underformed nature and state of preservation of the geological phenomena account for the international acclaim, which the area enjoys amongst earth scientists. Its rock exposures yield key information on the origin and evolution of the Earth crust, the nature of early life, and the character and development of the Ancient Ocean and atmosphere. The feature, together with the completeness of the stratigraphic column it presents, attracts worldwide attention to the Barberton Mountainland.
- The Barberton Mountainland is considered to be one of five centres of endemism along the Transvaal escarpment (Fourie et al. 1988)<sup>20</sup>. The area is characterised by high species diversity. In Songimvelo for example more than 1440 species have so far been identified, and in Malolotja more than 1000 species, including many endemics have also been identified. Since 1991 at least four species new to science have been collected from the reserve. This high species number reflects Songimvelo's location in the quarter-degree grid with the highest recorded plant diversity in Mpumalanga.
- Veld type 8 (north-eastern Mountain Sourveld), which covers most of the TFCA, is rapidly being lost to afforestation and the spread of alien plant and fish species. This extensive grassland area is therefore of critical importance to conservation. Furthermore, the granite derived soils along the eastern border of Malolotja and the serpentine soils in both reserves are unique features that support important plant communities. The upland bog system in Malolotja reputedly supports the most diverse *vlei* communities in Swaziland<sup>21</sup> and possibly in the region.
- Numerous rare and endangered plant species have been found in the TFCA area. Of these, the occurrence of the only remaining wild population of the Woolly Cycad, *Encephalartos heenanii* ranks as the most important. Some 400 of these plants occur on Songimvelo with a very few plants growing just across the Swaziland border similar habitat. A significant number of restricted cycads, namely *Encephalartos paucidentatus* also occur in both Songimvelo and Malolotja. Important populations of *Encephalartos laevifolius* are found in Malolotja. Several species of *Protea* occur in the region and entire Swaziland population of *Protea comptonii* occurs in Malolotja and Bulembu Mountain.
- Since the proclamation of the reserves a number of large herbivores have been introduced. The white rhino population on Songimvelo is one of the largest in the Mpumalanga Province. Disease-free buffalo are also present on Songimvelo. Elephant occur on both Malolotja and Songimvelo. Seventy-three mammals have been recorded from Songimvelo and sixty-four from Malolotja. Twenty-seven small mammals occur

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<sup>20</sup> Fourie S.P., Jacobsen N.H.G., Kleynhans C.J. & Tarboton W. 1988 Biogeographical importance and species/areas warranting particular conservation attention. In Ferrar A.A., Isaacs G. & Stacey J.R. (Ed.). *Environmental conservation features of the Transvaal Escarpment. Occasional Report 31.* CSIR, Pretoria.

<sup>21</sup> Compton, R.H. 1966. An Annotated checklist of the Flora of Swaziland. *Journal of South African Botany. Supplementary Volume No. VI.*

in Malolotja including three species of grass climbing mouse (*Dendromus spp.*). The TFCA has important populations of regionally threatened species.<sup>22</sup>

- More than three hundred and thirty bird species have been recorded from Songimvelo and more than two hundred and seventy in Malolotja. Important species recorded from the area include White stork (*Ciconia ciconia*), Yellow-billed Stork (*Mycteria ibis*), Bald ibis (*Geronticus calvus*), Bat hawk (*Macheiramphus alcinus*), Martial Eagle (*Polemaetus bellicosus*), African finfoot (*Podica senegalensis*), Stanley's bustard (*Neotis denhami*) and Blue swallow (*Hirundo atrocaerulea*). Of the approximately 92 endemic southern African bird species, 33 have been recorded from Malolotja. The two reserves provide important breeding habitat for African finfoot, Martial eagle, Bald ibis (*Geronticus calvus*), Stanley's bustard and Blue crane. At least eight breeding pairs of the critically endangered Blue swallow are present at Malolotja.
- More than twenty species of freshwater fishes have been recorded from each protected area, including threatened and rare species such as the Incomati rock catlet (*Chiloglanis bifurcus*), Phongolo rock catlet (*Chiloglanis emarginatus*), and southern mouthbrooder (*Pseudocrenilabrus philander*). All six southern African endemic species of rock catlet (*Chiloglanis spp.*) have been recorded from Malolotja and Songimvelo. Both reserves provide important protected habitat for eels.
- More than fifty species of reptiles and amphibians have been recorded from Songimvelo and from Malolotja eighty-nine species, comprising 65 reptiles and 24 amphibians. Several regionally important species are found in the area including the Swaziland endemic Thick-tailed rock gecko (*Afroedura major*), the near-endemic Barberton girdled lizard (*Cordylus warreni babertornensis*), and the near-endemic Swazi rock snake (*Lamprophis swazicus*). All three species of southern African grass lizard (*Chamaesaura spp.*) occur in Malolotja. Regionally important frogs include the Natal ghost frog (*Heleophryne natalensis*), Plaintive rain frog (*Breviceps verucosus*), Long-toed running frog (*Semnodactylus wealii*), Striped grass frog (*Ptychadena porosissima*) and Yellow striped reed frog (*Hyperolium semidiscus*).
- In terms of land uses, the Malolotja Nature reserve was proclaimed during 1977 whereas Songimvelo was established in 1987. A number of tourist facilities have been established in both reserves and are functional at this stage. On the South African side a number of private conservation initiatives have sprung up in the Barberton Mountainlands. These could, together with community land and other state land, be linked with Songimvelo-Malolotja into a single entity of 1 200 km<sup>2</sup>. The surrounding land use outside the core TFCA area is mostly plantation forestry and grazing. Apart from a number of formal settlements along the borders of the TFCA, a number of households are scattered across the landscape within the TFCA practicing subsistence agriculture (maize farming and livestock grazing). Income levels are low and future prospects seem slim.

<sup>22</sup> Thick-tailed bushbaby (*Otolemur crassicaudatus*); Samango monkey (*Cercopithecus mitis*); Honey badger (*Mellivora capensis*); African civet (*Civettictus civetta*); White-tailed mongoose (*Ichneumia albicauda*); Aardwolf (*Proteles cristatus*); Leopard (*Panthera pardus*); Serval (*Laptailurus serval*); African wild cat (*Felis lybica*); Antbear (*Orycterophus afer*); White rhinoceros (*Ceratotherium simum*); Cape buffalo (*Syncerus caffer*); Red duiker (*Cephalophus natalensis*); Tsessebe (*Damaliscus lunatus*); Oribi (*Ourebia ourebi*), and Grey rhebok (*Pelea capreolus*).

- A comparative study on the value of the respective forms of land use (namely forestry, maize farming, livestock grazing and ecotourism) on Songimvelo revealed that only forestry could generate financial returns on a par with the full tourism development potential. However, its environmental impact is much higher in terms of the loss of original vegetation and its associated fauna as well as the resulting stream flow reduction. This would have major repercussions for the users downstream, particularly the emergent sugar cane farmers in the Nkomazi district, who depend directly on irrigation water from the Nkomati and Mlumati rivers. Based on the present catchment value of the Songimvelo area and the extent of plantations already present in the Barberton/Pigg's Peak area, it is unlikely that new large-scale planting permits would be allocated by the Department of Water Affairs and Forestry.
- Landscape beauty, game viewing, cultural and (soft) adventure products, within the context of the TBC strengthen the areas profile and future potential. The potential growth scenario assumes a 'without frontiers' vision based on a partnership between Mpumalanga and Swaziland. If this partnership is not forthcoming then the package of tourism product offerings by both Mpumalanga and Swaziland is that much weaker. The further expansion of the ecotourism facilities in this TFCA area and the integration of the tourism experiences across the area have thus been identified as the main opportunity for income generation and job creation in the TFCA area. The different types of land-ownership hold the potential to realise true public-community-private partnerships.
- Major constraints that have been identified include the following:
  - The border which is largely impermeable and which divides the TFCA without allowing the natural synergy to operate.
  - Restricted opening times of the Bulembu border post.
  - The poor condition of the dirt road linking Piggs Peak to the Bulembu border post.
  - Spread of alien invasive plants from the forestry areas, resulting in stream flow reduction.
  - The underdeveloped nature of Songimvelo/Malolotja as a well recognised destination in terms of marketing (although this could change in the light of current initiatives).

## OBJECTIVES

The Songimvelo-Malolotja TFCA Objectives of the Parties are as follows:

- (1)(a) To promote sustainable economic development and the sustainable utilisation of natural resources in the Area for the benefit of present and future generations by identifying and establishing appropriate and viable economic activities and initiatives in the Area in accordance with the Objectives and the TFCA Objectives and to develop, market and promote the TFCA to this end;
- (b) To address the needs and aspirations of local communities by ensuring their direct participation in and/or ownership of and/or derivation of benefit from any programmes or initiatives that are undertaken in the Area and encouraging or empowering them to do so in whatever way is possible and appropriate.
- (2)(a) To protect depleted, threatened, rare or endangered species and populations in the Area and, in particular, to preserve habitats in the Area considered critical for the survival of such species;
- (b) To maintain those ecological processes which characterise the Area and to protect



- the integrity of ecosystem structure and function in the Area;
- (c) To prevent outside and inside activities from detrimentally affecting the Area by identifying such threats and undertaking appropriate action to remove or mitigate such threats.
- (3)(a) To preserve, protect and manage any historical and cultural sites and natural aesthetic values of terrestrial and aquatic areas in the Area, for present and future generations;
- (b) To facilitate the interpretation of natural and cultural heritage in the Area for the purposes of conservation, education and tourism;
- (c) To provide for research and training, and for monitoring the environmental effects of human activities in and near the Area, including the direct and indirect effects of development and adjacent land-use practices.
- (4)(a) To make full use of the opportunities and advantages offered by the trans-national nature of the Area and to use this to maximum effect in meeting these objectives;
- (b) To promote cross border co-operation and interaction between the Parties at all levels including that of local communities, private sector, non-governmental organisations and government agencies;
- (c) To attempt to resolve any specific problems in the Area but without impinging on the sovereignty of either party;
- (d) To investigate options for the facilitation of cross-border movement, the positioning of fences, and the possible creation of visa-free areas or reserves;
- (e) To create an enabling framework to facilitate the achievement of these objectives; and
- (f) To perform strategic studies in order to formulate an agreed programme to implement these objectives.

## **PROPOSAL**

### ***Design Principles***

- Under the TFCA initiative, management of ecosystems encompasses conservation, utilisation and control activities. The aim of conservation is:
  - to maintain the potential of the wildlife resources,
  - that of utilisation so as to derive sustainable economic benefits’;
  - while that of control so as to reduce any detrimental effects of wildlife.
- Conservation of wildlife shall be achieved by ensuring the survival of optimum numbers of species managed for sustainable utilisation, and by promoting sustainable land use practices, which includes the existing protected areas, which form part of the TFCA’s.
- Sustainable use of wildlife resources under the TFCA initiative is considered as a desirable and feasible form of land use. However as the ethical perceptions of uses and type of uses may vary between countries and cultures, in certain cases ecologically sustainable consumptive uses, especially in some protected areas, may be precluded on ethical grounds. In situations where consumptive use of natural

resources is a complementary land use, use of wild species will have to be conducted within an ethical context that:

- Includes respect for the viability of wild species and integrity of natural ecosystems.
  - Recognises the individual and collective responsibility for maintaining the sustainability of the shared natural resources, and;
  - Reflects the need to seek equity of benefits among the present generation and between the present and future generations.
- The TFCA needs to be formalised within the context that each country recognises and respects the sovereignty of its partners. However, legislation, policies and practices that would promote natural resource integrity and optimum socio-economic benefits should be harmonised. Furthermore, as the Parties to the TFCA initiative are also members of various Regional and International Treaties, Protocols and Conventions that promote biodiversity conservation, they shall endeavour to manage the shared ecosystems and their attendant biodiversity in accordance with the principles stipulated in such Treaties, Protocols and Conventions.
  - As ecotourism development and marketing is likely to be the banner for the proposed TFCA's, mechanisms for the equitable sharing of revenues, particularly from entry fees to the TFCAs will need to be worked out at the outset to avoid unnecessary conflicts.
  - Local community participation, under the TFCA initiative, will be through the promotion of Community Based Natural Resource Management (CBNRM) in the interstitial areas. The guiding principle under CBNRM is one of sustainable rural development that enables rural communities to manage and directly benefit from natural resources. This is achieved through dual objectives. By making wildlife profitable, through active participation of the private sector, it attempts to stimulate rural development. It also simultaneously provides local communities with incentives to conserve wildlife and to manage inter-related natural resources such as soil, water, woodlands, arable land and grazing land.
  - The success of the TFCA initiative will depend on long –term political support and sustained commitment by all the partner nations to contribute financial, intellectual and other resources to the process of establishment, development and sustainable management of the proposed TFCAs.

#### ***Proposed work programme***

**PHASE 1.** The following tasks have already been implemented as part of the establishment of the Songimvelo-Malolotja Transfrontier Park

- Establish a collaborative managing/coordinating structure for TFP development.
- Formalisation of Inter-State Agreement to establish TFCA.
- Integration of Malolotja and Songimvelo conservation management plans to form a TFP management plan

**PHASE 2.** Establishment of the Songimvelo-Malolotja Transfrontier Conservation Area

- Define stakeholder participation strategy. This task has been completed.
- Expand the TFP collaborative managing/coordinating structure to form a collaborative managing/coordinating TFCA structure. In this regard, as and when there is a need to address joint management objectives, such structure will be put in place. Note too

that the Joint Management plan is complete and involved participation from SAPS, Military, Dept. of Home Affairs, Dept of Health, Customs, SARS because of the cross border dynamics.

- Integration of suitable surrounding areas into a joint TFCA conservation management plan.
- Collaborative development of 1 year and 3 year development plan for TFCA.

#### **STATUS AND FOLLOW-UP ACTIONS REQUIRED**

This initiative is currently in the process of implementation via a task group from Swaziland and South Africa (in the latter case represented by the Mpumalanga Tourism and Parks Agency).

**Project 8: Finalisation of the Nomination Dossier for the World heritage Site:**

**INTRODUCTION**

As has been discussed above, the formalisation of the Barberton Makhonjwa Mountainlands (BMM) as a World Heritage Site is regarded as strategically important and beneficial to the long-term development and marketing of the Tourism and Biodiversity Corridor. The BMM site has already achieved Tentative Listing status from UNESCO.

**STRATEGIC ISSUES**

There are a number of key steps required to finalise the application process. Step 1: Planning for the WHS Nomination Dossier, and submission of proposal to DEAT and UNESCO. Step 2: Completion and submission of the Nomination Dossier to DEAT and SAWHCC. Step 3: Submission of WHS Nomination Dossier by DEAT to UNESCO. Step 4: Implementation and development of the BMML WHS leading to operationalisation of the WHS. It is important to note that the Department of Culture, Sport and Recreation is the lead implementing agent for this process.

**OBJECTIVES**

BATOBIC will provide non-financial support to those processes aimed at pursuing the approval of BMM as a WHS.

**PROPOSAL**

BATOBIC will assist in mobilizing the required funding to implement Steps 1-4 as described above.

**STATUS AND FOLLOW-UP ACTIONS**

BATOBIC will be providing non-financial technical 'support' to the WHS application process.