

**REPUBLIC OF SOUTH AFRICA
DEPARTMENT OF ENVIRONMENTAL AFFAIRS & TOURISM
AND SOUTH AFRICAN TOURISM**

JAPAN INTERNATIONAL COOPERATION AGENCY

THE STUDY ON TOURISM PROMOTION AND DEVELOPMENT PLAN IN THE REPUBLIC OF SOUTH AFRICA

***DRAFT FINAL REPORT
Volume 3: Focus Area Tourism
Development***

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List of Abbreviations

ACSA	Airports Company of South Africa
APCOSA	The Association of Professional Conference Organizers of Southern Africa
ASATA	Association of Southern African Travel Agents
ATM's	Air Traffic Movements
ATNS	Air Traffic and Navigation Services Company
B&B	Bed and Breakfast
BABASA	Bed and Breakfast Association of South Africa
BEE	Black Economic Empowerment
CAIA	Chemical and Allied Industries Association
CBOs	Community-Based Organizations
CBRTA	Cross-border Road Transport Agency
CIP	Critical Infrastructure Programme
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
COASA	The Coach Operators Association of South Africa
CPPP	Community Public Private Partnership Programme
CSIR	Council for Science and Industrial Research
DBSA	Development Bank of Southern Africa
DEAT	Department of Environment Affairs and Tourism
DTI	Department of Trade and Industry
DWAF	Department of Water Affairs and Forestry
EIA	Environmental Impact Assessment
EIBTM	European Incentive Business Travel and Meeting Exposition
EIR	Environmental Impact Report
ETQA	Education and Training Quality Assurance body
EU	European Union
EXSA	The Exhibition Association of South Africa
FEDHASA	Federated Hospitality Association of South Africa
FEDHASA	Federated Hospitality Association of South Africa
FSC	Forestry Stewardship Council
GDP	Growth Domestic Product
GEAR	Growth, Employment and Redistribution
GGP	Gross Geographic Product
GKG	Gaza-Kruger Gonnarezhou
GSM	Global Systems for Mobile Communications
HCTC	Hospitality and Catering Training Council
HILG	Hotel Industry Liaison Group
HITB	Hospitality Industries Training Board
HSRC	Human Science Research Centre
IA	Implementing Agent
IATA	International Airline Transport Association
ICC	International Convention Centre
ICUN	World Conservation Union
IDC	Industrial Development Corporation
ITMAS	International Tourism Marketing Assistance Scheme
JICA TDPD	Japan International Cooperation Agency Tourism Promotion and Development Plan
JTB	Japan Travel Bureau
KZN	KuwaZulu-Natal
LSM	Living Standard Measure
LTO	Local Tourism Organization.
MATTA	Malaysian Association of Tour and Travel Agents
MEC	Member of the Executive Council
MICE	Meetings, Incentives, Conventions and Exhibition
MINMEC	Ministerial committee comprising members from provincial tourism

MIPTEC	ministries and the Minister and Deputy-Minister of DEAT Committee comprising members from provincial tourism departments and tourism boards and DEAT
MITF	Malaysia International Travel Fair
MTN	Mobile Telephone Network
NATAS	National Association of Travel Agents
NGO	Non-Governmental Organizations
NQF	National Qualifications Framework
NQs	National Qualifications
NRA	South African National Roads Agency
OTOA	Overseas Tour Operators Association of Japan
PATIIIs	Priority Areas for Tourism Infrastructure Investment
PCOs	Professional Conference Organizers
PHASA	Hunting Association of South Africa
RDP	Reconstruction and Development Program
RDP	Reconstruction and Development Programme
RPL	Recognition of Prior Learning
RTO	Regional Tourism Organization
SAA	South African Airways
SAACI	The South African Association of for the Conference Industry
SACAA	South African Civil Aviation Authority
SADHS	South African Demographic and Health Survey
SAFCC	South African Federation of Convention Cities
SAIX	South African Internet Exchange
SAMSA	South African Maritime Safety Authority
SANP	South African National Parks
SAQA	South African Qualifications Authority Act
SARCC	South African Rail Commuter Corporation
SARS	South African Revenue Service
SAT3/ WASC/SAFE	Southern Africa/Western Africa Submarine Cable/South Africa-Far East
SATCHI	South African Association of Trainers, Consultants and Service Providers to the Hospitality Industry
SATI	South African Tourism Institute
SATOUR	South Africa Tourism Board
SATourism	South African Tourism
SATRA	South Africa Telecommunications Regulatory Authority
SATSA	Southern African Tourism Services Association
SAVRALA	South African Vehicle Renting and Leasing Association
SDF	Skills Development Facilitator
SEAs	Strategic Environmental Assessments
SEAT	Sector Educational and Training Authority
SMEDP	Small and Medium Enterprise Development Programme
SMMEs	Small, Micro- and Medium-sized Enterprises
SMPC	SA Tourism Marketing Partnership Committee
SSP	Skills Support Programme (as part of SMEDP)
Stats SA	Statistics South Africa
TBCSA	Tourism Business Council of South Africa
TETASA	Travel Education and Training Authority of South Africa
THETA	Tourism, Hospitality and Sport Education and Training Authority
TISA	The Timeshare Institute of South Africa
TLP	Tourism Learner ship Project
TSA	Tourism Satellite Account
UNISA	University of South Africa
VFR	Visiting Friends and Relatives
WSP	Workplace Skills Plan
WTO	World Tourism Organisation
WTTC	World Travel & Tourism Council

EXECUTIVE SUMMARY

This volume of the report describes the methodology of tourism development planning for specific 'focus areas'. It includes: (i) selection of the focus areas, (ii) planning methodology including development objectives, planning principles, and specific considerations to be made in the planning process, (iii) selection of the priority projects and programs, (iv) planning of the priority projects and programs, and (v) the evaluation of these projects/programs.

FOUR priority focus areas for tourism development were selected by a process based on national initiatives and socio-economic criteria

Potential focus areas were selected among areas/projects identified by existing national initiatives. Selection criteria were devised bearing in mind the South African government's tourism policies and objectives as well as existing tourism project selection. The criteria covered a broad spectrum including socio-economic aspects (i.e poverty relief, social development, etc), tourism supply and demand (existing and potential supply and demand) and general considerations (value-adding potential, relation to national initiatives, etc). Areas already with earmarked funds for tourism development were excluded and "bonus points" were awarded to areas for which DEAT indicated a preference. Points were also weighted according to the importance of the criteria, as decided by DEAT and the JICA Study Team.

Based on these criteria, a score was given to each area. From these scores and taking into consideration the Study Team's consultations with the DEAT on the needs of tourism development planning, four focus areas were finally selected:

1. Madikwe (previously identified by PATII)
2. Khayelitsha – (previously identified by Cluster Study Area)
3. Valley of the Olifants – (previously identified by Cluster Study Area)
4. Badplaas/Barberton/Malelane – (previously identified by PATII)

Development Plans for the Focus Areas comprise staged development for both short and long term measures

The Development Plans for each area incorporate both long-term and short to medium term plans, consisting of what is to be undertaken in the next few years, toward what is to be achieved in the long term.

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

Existing initiatives in the Focus Areas are supported where considered valid

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

If the existing initiatives are consistent with the identified strengths and potential, these initiatives are further developed, thereby strengthening their momentum. In case the area's strengths and potentials lie beyond the development areas targeted by the current initiatives, new plans are proposed, which are based on the strengths and potential.

<i>For each Focus Area, priority projects & programs were selected and developed</i>	
	<p>For each Focus Area, desirable projects and programs were identified. These candidate projects/program were then prioritised by scoring each according to the degree to which it satisfied three criteria, i.e:</p> <p>Urgency: timing for implementation in the overall development plan for the area;</p>
	<p>Importance: extent of contribution to attracting more tourists into the area, leading to creation of more jobs and to socio-economic development in the area; and</p> <p>Implementability: identification of a project implementing body, existence of current initiatives, and degree of difficulty that would potentially hamper and/or delay project implementation.</p>
<p>These proposed projects and programs were then subjected to greater study, including details of their scope, tourist demand, costing, economic viability, pre-feasibility studies and implementation structure. The tourism development concepts, plans, and projects/programs for each Focus Area are summarised below.</p>	

Tourism Development in Badplaas/Barberton/Malelane

<i>The main strength of this area is the unique mountainous terrain close to neighbouring countries</i>	<p>This area boasts:</p>
	<ul style="list-style-type: none"> • Unique mountainous terrain and scenic beauty with diverse flora and fauna, which are found in the area's southern parts (between Barberton and the border with Swaziland); • Barberton's mining history; • Unique geology found in the mountain range; • Proximity to neighbouring countries, Swaziland and Mozambique - particularly the cultural heartland of Swaziland that can be accessed via one of the most scenic routes in South Africa; and • The inter-regional initiative that has already been started for the development and conservation of wildlife and nature-based resources as well as the development of the tourism sector, i.e. The Tourism Biodiversity Corridor.

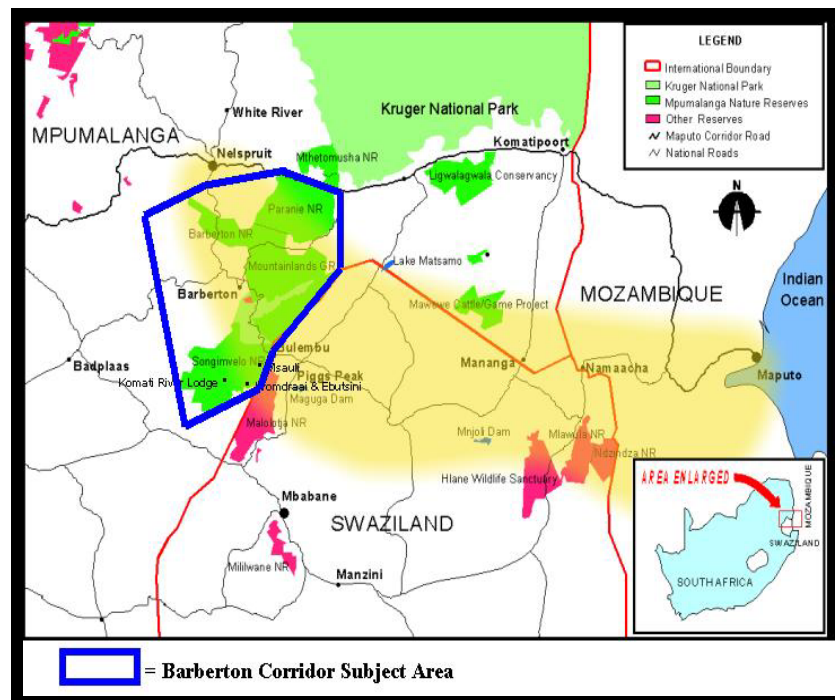
Spatially, development efforts should be focused on the sub-area corresponding to the Tourism and Biodiversity Corridor (Figure 6) that is located within South Africa, considering that:

- The major strengths exist in this sub-area, with the highest development potential.
- Current initiatives in the area are taken within the Corridor, and thus the development along the Corridor will strengthen the momentum of the initiatives.

While this does not necessarily rule out any possibility of tourism development in other parts of the area, it is judged that given the current underdeveloped status of the area, major efforts along the Corridor are required for establishing the area's comparative advantage, thereby most effectively enhancing the tourist draw of the area as a whole.

For these considerations, this study will focus on planning for the Tourism and Biodiversity Corridor (within South Africa) with respect to this focus area.

The proposed area of focus is the 'Tourism and Bio-diversity Corridor'



A Clear-cut Image

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

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

A variety of mountain adventure opportunities

The area's product offering will be clearly differentiated by developing, as a core attraction, a variety of mountain-based adventure opportunities, including: mountain trekking, hiking and mountain biking; quad-biking; rock and mountain climbing; abseiling; paragliding; team building experiences through soft adventure activities.

Game/nature reserves will be developed or upgraded in ways to establish synergy with adventure activities and to take advantage of the area's mountainous/scenic terrain, whilst at the same time differentiating the wildlife experience from the standard experience offered elsewhere in South Africa, including:

- Provide the above mentioned adventure activities within game reserves (without carnivores), thereby offering these experiences altogether at one place.
- Provide lodges that will fit with these activities including larger ones than conventional game reserve lodges, which can accommodate families quite comfortably.

By combining adventure with wildlife a new experience can be offered



MOUNTAINLANDS - FAMILY RESORT

Both foreign and domestic markets will be targeted with an emphasis on the domestic and overnight markets

The broad target market goals are specified as:

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

It is estimated that the proposal would attract an additional 500 tourists/day to the area by the tenth year

Without implementation of the JICA Study Team's recommendations total tourism to the area is expected to grow from the current 127 000 to around 135 000 by 2011 (a compound growth of 0.5% pa). With the JICA Study Team's recommendations total tourism to the area is expected to increase from the current 127 000 to around 320 000 in 2011 (a compound growth of 9.3% pa). This represents around 5 additional tourists to the area per day due to the JICA Study recommendations in 2002, increasing to around 290 additional tourists per day by year 5 and 500 additional tourists per day by year 10.

The area has few skilled people in tourism but training is being developed

In general, this focus area has a low level of activity in tourism human resource development, and limited numbers of skilled people in the tourism industry. Neither at the Provincial level, nor specifically in the area is tourism human resource development coordinated, monitored or facilitated in one place. However, between the Biodiversity Corridor and the active Barberton Tourism Association and Barberton Municipality, training action and coordination is developing.

Barberton Tourism Association/PIU could coordinate HR development

A more formalised and coordinated approach to human resource development for the area will be preferable as it moves forward and develops its tourism potential. We recommend that an HR development and coordination function for the study area reside within Barberton Tourism Association/PIU, with close links to the Biodiversity Corridor. And the Wild Frontier RTO. We suggest that the province may be too far removed from this particular area's tourism on the ground to provide its HR development coordination.

The following HR programs are recommended, facilitated and coordinated at the area level, but with significant support from the Bio Diversity Corridor, the Province and the RTO:

- Tourism SMME Entrepreneurial Training Program.
- Tour Guiding, Adventure Guiding and Interpretation Program
- Mountain Adventure and Wildlife Craft and Merchandise Production
- HR Development Facilitation

A 'grass roots level' of development will be important, such as by a strengthened Barberton Tourism Organisation. Integration with the Biodiversity Corridor is also important

It is recommended that the development, marketing and HR functions for tourism in this area be handled close to grass roots levels, probably by a strengthened Barberton Tourism Organisation, and/or the initiators and role-players in the Tourism and Biodiversity Corridor. The Wild Frontier RTO is also a possible structure, which could take on some roles, particularly with respect to marketing for the area.

A destination tourism organisation, equivalent to a strong LTO, should be set up to carry out destination marketing and provide an HR development facilitation function. A PIU for the valley of the Barberton JICA development program should be set up to handle the program implementation, which will relate mainly to facilitating the development of the lodges and resorts in the two parks and the merchandising and crafts and any required infrastructure. The ongoing development of the park could be done from this unit, however, it would be better housed within the Mpumalanga Parks Board at Provincial level if there is capacity.

Of critical importance will be the interaction and integration of this LTO/PIU with the Biodiversity Corridor Initiative.

The following projects have been selected as priority projects for implementation in the short to medium term (2006).

Priority Projects and Programs- Barberton Subject Area:

A Product, Facilities and Infrastructure

- A-1 Overall Programming for Development and Conservation for Greater Trans Frontier Conservation Area
- A-2 Mountainlands Game Reserve Development
- A-3 Further Development of Songimvelo Game Reserve
- A-4 Development of range/variety of Barberton special interest and general interest tours & Improvement of interpretation of Barberton sights
- A-5 Road and Transport Upgrading
 - A-5-1 R40 (between Nelspruit and Barberton) improvement project
 - A-5-2 Road from Elukwatini to Bulembu upgrading project
 - A-5-3 Road from Ekulindeni to Songimvelo gate (improvement of road condition)
 - A-5-4 R538 (between Karino and Plaston) improvement project
- A-6 Other Tourist Facilities
 - A-6-1 Upgrading of Bulembu border post
 - A-6-2 Development of tourist signage

B Marketing and Promotion

- B-1 Marketing & promotion of existing product – ie marketing of subject area

C Human Resource Development

- C-1 Craft development, design & manufacture skills training
- C-2 Tourism business skills training for local communities

D Institutional Development

- D-1 Establishing Project Implementation Unit for product development in Mpumalanga Biodiversity Corridor
- D-2 Strengthen/expand/develop the Barberton LTO
- D-3 Establish strong linkages between LTO and new RTO (Wild Frontier)/MTA

The initial cost of the priority projects is about R229 million

The initial cost of the priority projects amounts to about R229 million including product, facilities and infrastructure projects, marketing and promotion projects, human resource development project, and institutional projects.

These priority projects would yield an EIRR of about 14%

The Economic Internal Rate of Return was estimated to be 14.1% for the priority projects and programs. Although the result is indicative in nature, this value exceeds the economic opportunity cost of capital that is often assumed at 12%, and is high enough for justifying the investment in them from the national economic point of view.

Chapter 13

Focus Area Selection and Planning

13.1 Introduction

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

13.2 Selection of Focus Areas

13.2.1 Selection Criteria

A list of criteria identified by the JICA Study Team for use in the Focus Area selection process as well as the measure with which to assess whether the criteria has been fulfilled is provided below in Table 13.2.1.1. The Study Team ensured that identified criteria embrace government's tourism policy and objectives and existing tourism project selection criteria (refer to Interim report for further detail on criteria identification process).

Table 13.2.1.1 JICA TPDP Study Focus Area Selection Criteria

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

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

13.2.2 The Selection Process

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

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

Weighting Scale (1 – 10):

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

13.2.3 The Selection Results - Selected Candidate Focus Areas

The selection process calculations are provided in Figures 13.2.3.1 and 13.2.3.2 below and the process is divided into two parts:

- Part I: Rating of the Areas by Selection Criteria (Figure 13.2.3.1)
- Part II: Weighting of Selection Criteria & Final Scoring (Figure 13.2.3.2)

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

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

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

Figure 13.2.3.1 Focus Area Selection Matrix – Part I

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

Figure 13.2.3.1 Focus Area Selection Matrix – Part II

Weighting of Selection Criteria & Final Scoring

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

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

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

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

Thus the four selected candidate focus areas are:

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

13.3 Planning Methodology

13.3.1 Tourism Development Objectives

The tourism development policy should:

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

13.3.2 Basic Planning Principles

A set of basic planning principles is provided below and summarised in Figure 13.3.2.1, which will guide the tourism development planning process and ensure that it is effective and will generate tangible results.

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

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

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

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

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

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

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

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

the best development potential within each area.

(3) Long-term planning and staged development

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

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

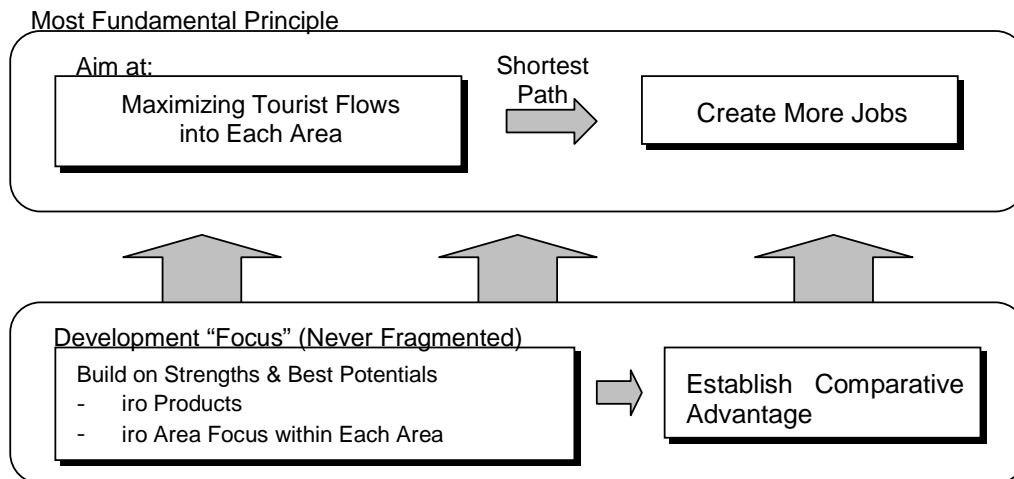
In this study, the planning horizon will be set at 10 years, with the long-term target year being 2011. The short- to medium-term horizon is 5 years, with its target year set at year 2006.

(4) Support existing initiatives where valid

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

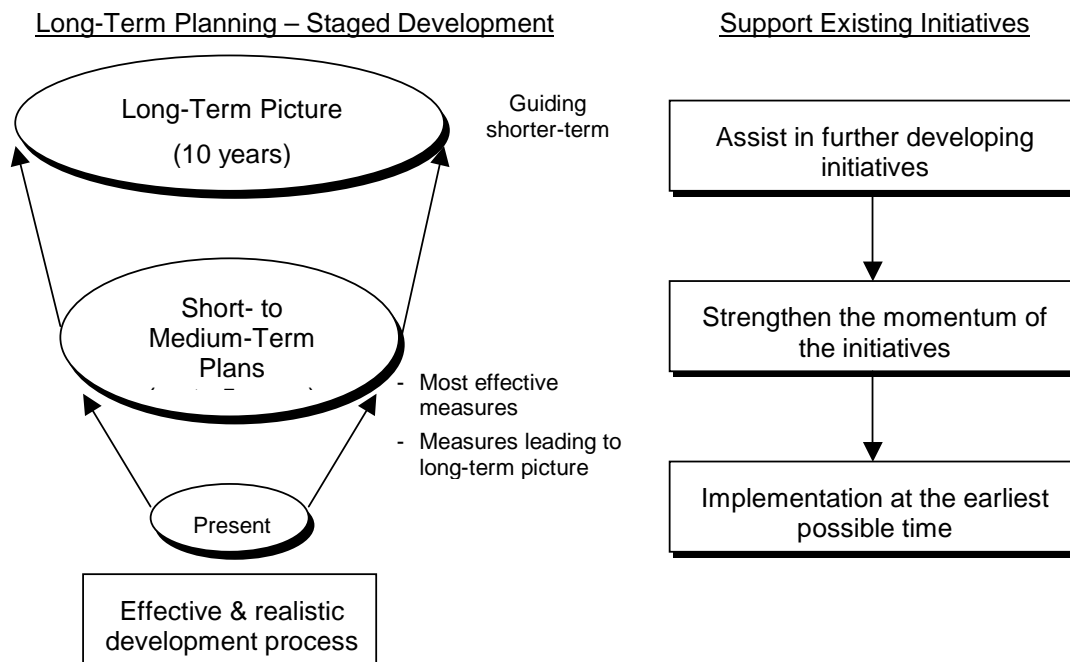
If the existing initiatives are consistent with the identified strengths and potential of each area in this study, these initiatives will be further developed, thereby strengthening their momentum. In case the area's strengths and potentials lie beyond the development areas (e.g., tourism products) targeted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

Figure 13.3.2.1 Basic Planning Principles (1 of 2)



Source: JICA Study Team

Figure 13.3.2.1 Basic Planning Principles (2 of 2)



Source: JICA Study Team

13.3.3 Tourism Product Development

(1) Tourism product defined

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

(2) Tourism product development strategy

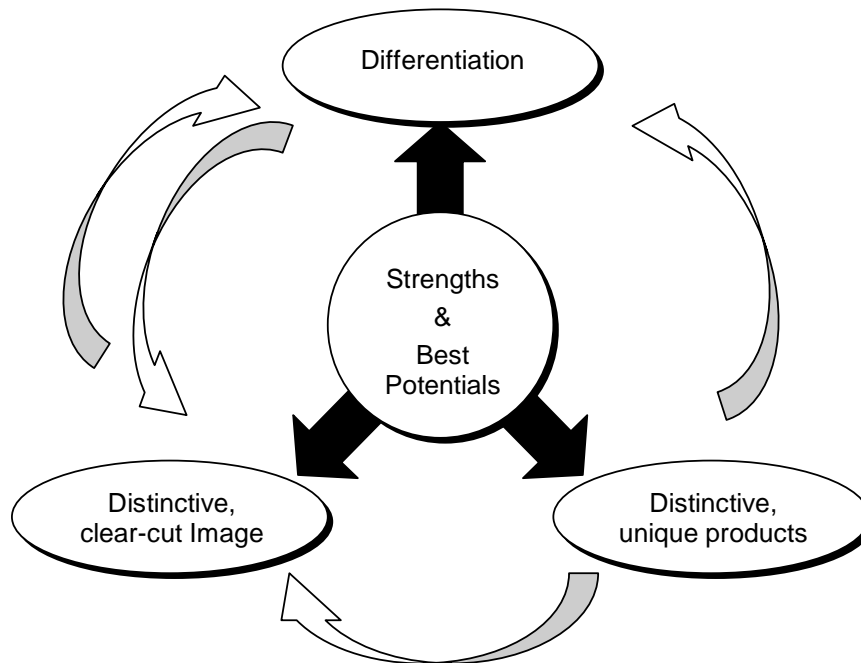
In view of the current development status of the selected focus areas (as described in later chapters), development of tourism attractions and products is a crucially important element to make the areas attractive enough to potential tourists.

Essential principles in formulating an effective strategy for product development include (as shown in Figure 13.3.3.1):

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

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

Figure 13.3.3.1 Effective Strategy for Product Development



Source: JICA Study Team

Differentiation from competing destinations:

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

Distinctive, clear-cut image:

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

Distinctive, unique attractions and products:

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

(3) Tourism product development methodology

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

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

Please note that this methodology links strongly with that for tourism demand, particularly in respect of market segment identification (Section 13.3.5(1)).

13.3.4 Refining Focus Areas – Subject Areas within Focus Areas

A major constraint to development planning is that, in three of the focus areas, the selected areas were very large in geographic coverage and for this reason included a wide and very varied range of tourism product. This necessitated the refining of relevant focus areas in order to satisfy the core planning principles, which guides the planning for the focus areas (see Section 13.3.2) as well as ensure the development of a successful product development strategy (see Section 13.3.3).

Satisfying planning principles:

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

Developing a successful product development strategy:

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

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

13.3.5 Other Tourism Components

(1) Tourism demand

i) Rationale

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

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



Source: JICA Study Team

ii) Methodology

Demand calculation:

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

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

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

Target Markets:

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

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

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

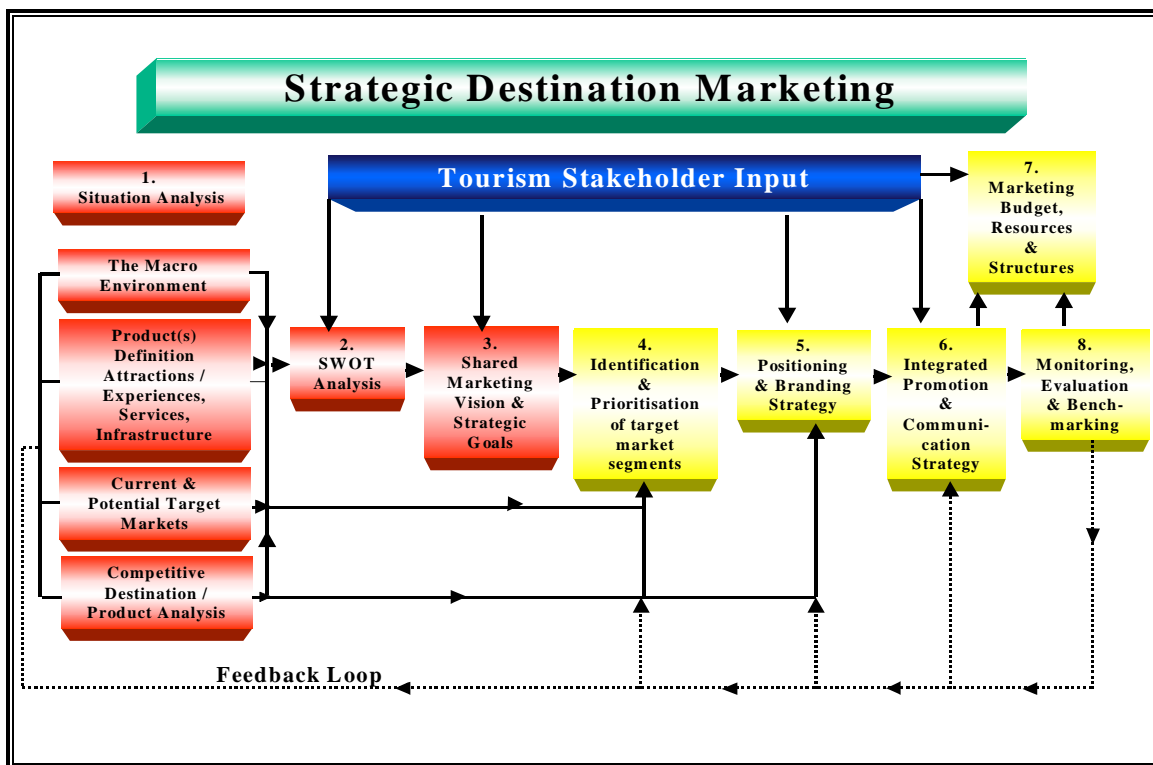
(2) Tourism Promotion

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

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

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

Figure 13.3.5.1 Destination Marketing Strategy Development Process



Source: JICA Study Team

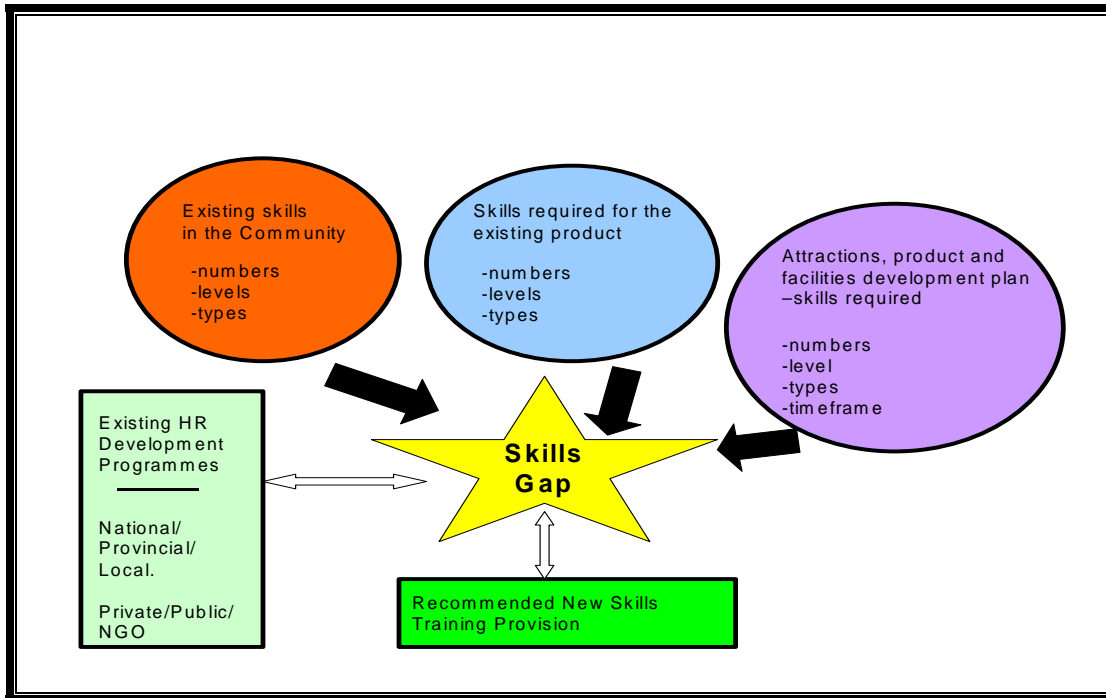
Figure 13.3.5.1 depicts the overall destination marketing strategy development process. The research conducted for focus areas covers steps 1, 2, 3 and 4 in the process. Step 5 is partially covered in the development strategies and development concepts. The further development of the marketing and promotion plan will finalise the positioning and branding, and provide the broad promotion and communication strategies for the areas. It will also provide recommendations on implementation bodies and sources of funds.

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

(3) Human Resource Development

The human resource development plan will be developed following the methodology process detailed in Figure 13.3.5.2 below.

Figure 13.3.5.2 Human Resource Development Plan - Methodology



Source: JICA Study Team

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

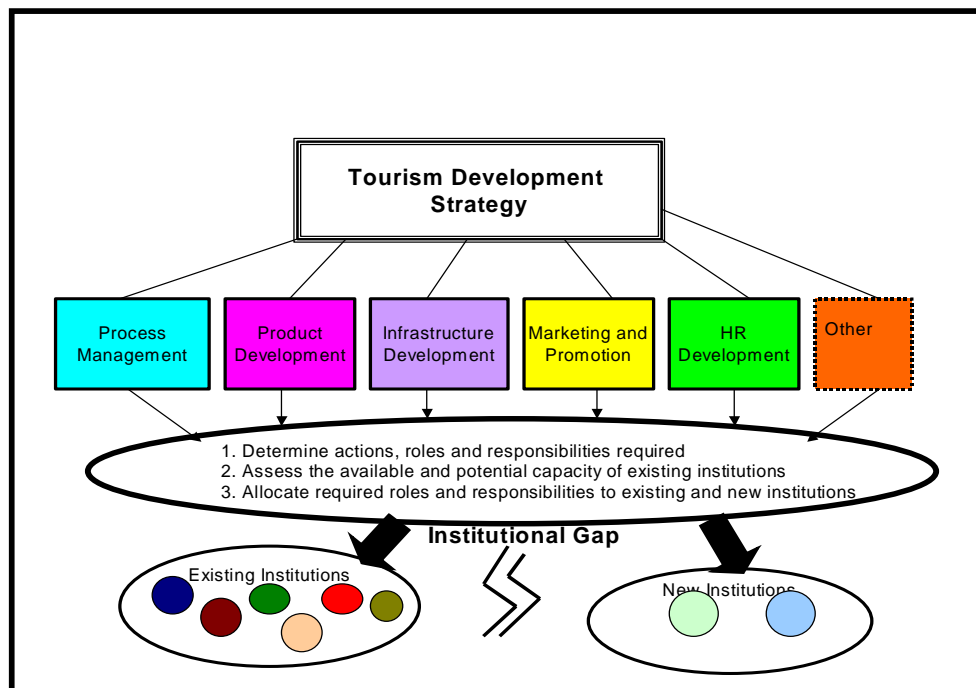
The existing HR development programs available either from a national, provincial or local level, whether private, public or NGO, will be determined, and where possible the plan will indicate where the focus area HR development initiatives should tap into and draw on these programs.

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

(4) Institutional Development

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

Figure 13.3.5.3 Institutional Development Process



Source: JICA Study Team

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

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

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

(5) Socio-Economic Impact

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

An analysis was undertaken to estimate the direct and indirect socio-economic impacts of

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

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

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

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

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

Table 13.3.5.1 Sampled Numbers and their Share in the Tourism Industry*

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

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

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

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

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

(6) Environmental Considerations

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

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

Chapter 14

Pilanesberg–Madikwe Corridor Tourism Development Plan

Chapter 15

Khayelitsha Tourism Development Plan

Chapter 16

Valley of the Olifants Tourism Development Plan

Chapter 17

Badplaas/Barberton/Malelane Area Tourism Development Plan

17.1 Tourism Development Concept

17.1.1 Background and Current Condition

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

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

Major tourism resources in the area include:

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

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

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

17.1.2 Strengths and Potential

(1) Strengths

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

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

heartland of Swaziland that can be accessed via one of the most scenic routes in South Africa.

(2) Potential

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

- Good potential for developing mountain-based soft adventure tourism and some hard adventure combined with a game viewing experience, offering a variety of activities, nature walks and trails by using unique mountainous terrain, diverse flora and fauna, and geology;
- Good potential for developing circular tourist routes linking the area with Swaziland via scenic driving routes (see Box 17.1.2.1 below for major tourism resources available in Swaziland);
- Good potential for offering team-building experiences connected to game reserves and mountain-based activities for the domestic market;
- Good potential for significantly improving the interpretation and packaging of products featuring Barberton's history, thereby diversifying the area's product offering; and
- Potential for attracting special interest tourists or markets with respect to adventure, geology (and possibly unique flora and fauna).

Box 17.1.2.1 Major Tourist Attractions in the North West of Swaziland

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

Pigg's Peak:

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

Malolotja Nature Reserve:

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

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

17.1.3 Development Concept

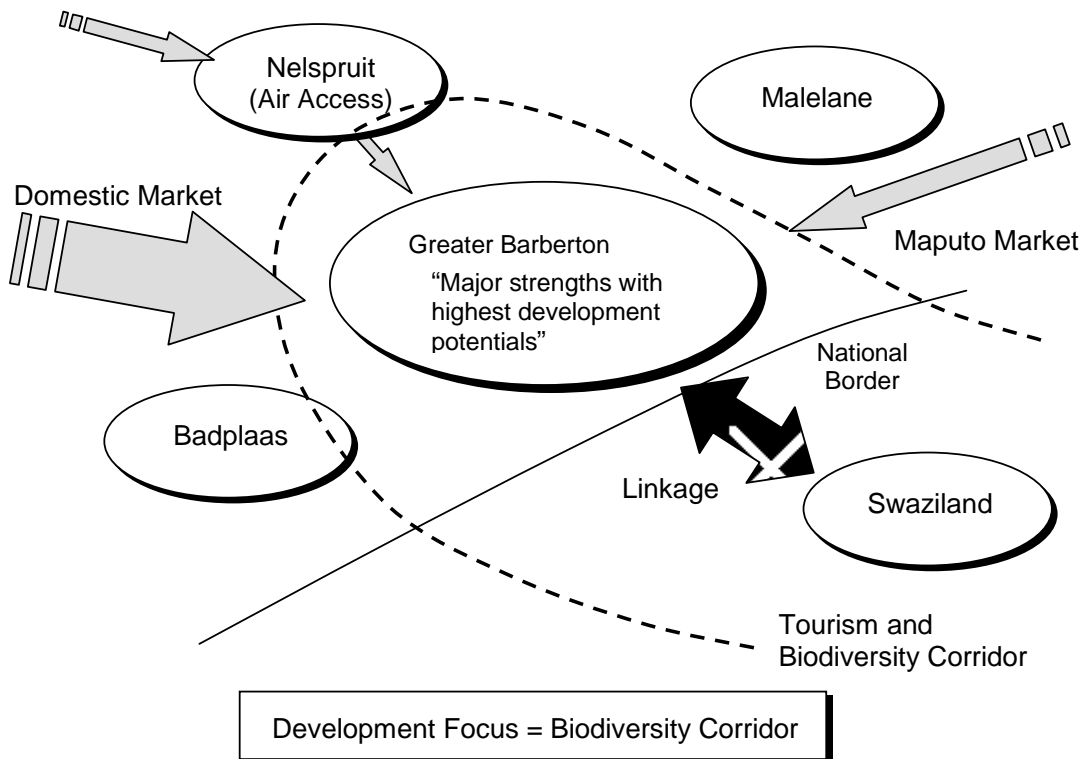
In order to drastically enhance the area's attractiveness and establish its comparative advantage, development efforts should be concentrated on building on its strengths and potentials mentioned above.

(1) Area Focus

- Spatially, development efforts should be focused on the sub-area corresponding to the Tourism and Biodiversity Corridor (Figure 17.1.3.1) that is located within South Africa, considering that:
 - The major strengths exist in this sub-area, with the highest development potential.

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

Figure 17.1.3.1 Development Concept for Badplaas/Barberton/Malelane Area



Source: JICA Study Team

(2) Development Emphasis/Goals

i) The Clear-cut Image

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

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

ii) Product Emphasis/Goals

- Differentiation: Clearly differentiate the area's product offering by developing, as a core attraction, a variety of mountain-based adventure opportunities, including:

- Mountain trekking, hiking and mountain biking;
- Quad-biking;
- Rock and mountain climbing;
- Abseiling;
- Paragliding;
- Team building experiences through soft adventure activities.
- Synergistic, differentiated & improved wildlife viewing experience: Develop and/or upgrade game/nature reserves in ways to establish synergy with adventure activities and to take advantage of the area's mountainous/scenic terrain, whilst at the same time differentiating the wildlife experience from the standard experience offered elsewhere in South Africa, including:
 - Provide the above mentioned adventure activities within game reserves (without carnivores), thereby offering these experiences altogether at one place
 - Provide lodges that will fit with these activities including larger ones than conventional game reserve lodges, which can accommodate families quite comfortably.
- Product diversification: In order to offer a diversified experience, and adding to the nature-based experiences already discussed, develop and/or drastically upgrade the products featuring the following:
 - Barberton's history
 - Mining activities
 - Geology
- Events: Actively explore hosting events relating to adventure tourism and mountain-based activities as a powerful marketing tool to promote the area (see Box 17.1.3.1 for details on potential events that could be targeted).
- Holiday homes: Explore the potential for permanent holiday home development in the town of Barberton as well as the greater area, similar to the development of closely located towns such as Waterval-Boven, Dullstroom, etc.
- Link with Swaziland: Explore the link of the area with Swaziland, including the scenic driving route, Swazi culture and arts/crafts attractions in Swaziland in close proximity to the Bulembo border post.

Box 17.1.3.1 Examples of Potential International Adventure Events

Raid Gauloise:

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

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

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

Other International Events:

Camel Endurance Trophy (sponsored by Camel and Landrover).

iii) Target Market Emphasis/Goals

The broad target market goals are specified as:

- Foreign vs. Domestic: Targeting of both the foreign (including the East Asian market) and

domestic markets, with a higher emphasis or importance being placed on domestic markets.

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

17.2 Long Term Development Framework

17.2.1 Definition of Subject/Study Area

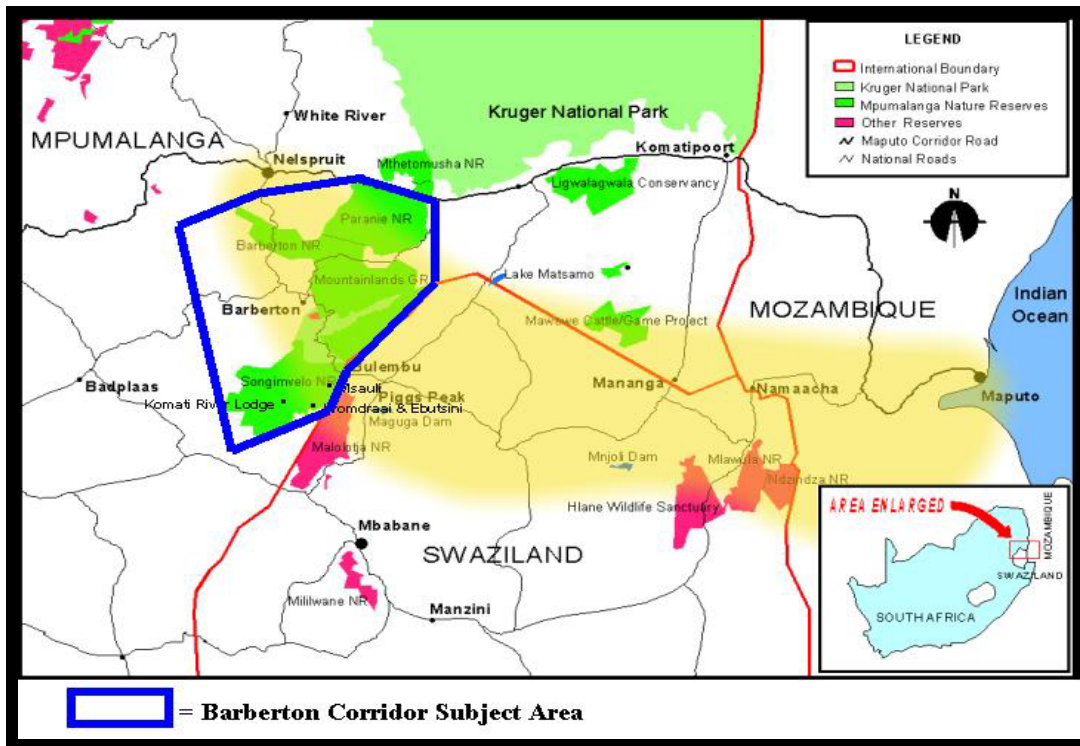
As indicated in the Interim Report, the three sub-areas within this focus area (Badplaas, Barberton and Malelane) have distinctly different tourism identities. Barberton is by far the strongest of the three areas in respect of the uniqueness, range and variety of its tourism offering. It is also by far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

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

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

In future, this area is defined as **the Barberton Corridor Subject Area**. The Barberton Corridor Subject Area is demarcated in Map 17.2.1.1 above.

Map 17.2.1.1 Barberton Corridor Subject Area



17.2.2 Demand Analysis

(1) Current Demand

A summary of the final current estimated tourist numbers is provided below in Figure 17.2.2.1. The detailed demand analysis and the sources of data are provided in Appendix A.

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

Figure 17.2.2.1 Final Current Tourism to the Study Area

Origin	Type of Tourist		
	Overnight	Day	Total
Domestic:	79924	24445	104369
Foreign:	16419	6451	22870
Total estimated visitors to the study area	96343	30896	127238

In order to assess how the Subject Area is performing in respect of tourist demand, tourist visitor projections for the total Mpumalanga Province as well as the total Wild Frontier Tourism Region (in which the Subject Area is located) are included in the calculations. The Subject Area is performing poorly in respect of foreign tourism demand to the Mpumalanga Province - it is

attracting only 4% of all foreign tourists to the Province. The Subject Area is showing good performance in respect of domestic demand – it is attracting 16% of all holiday domestic tourists to the Mpumalanga Province, and 89% of non-visiting friends and relatives domestic tourists to the Wild Frontier Tourism Region.

(2) Potential Demand

A summary of the future estimated tourist numbers is provided below in Figure 17.2.2.2. The detailed demand analysis and the sources of data are provided in Appendix A.

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

Figure 17.2.2.2 Estimated Future Tourism to the Study Area

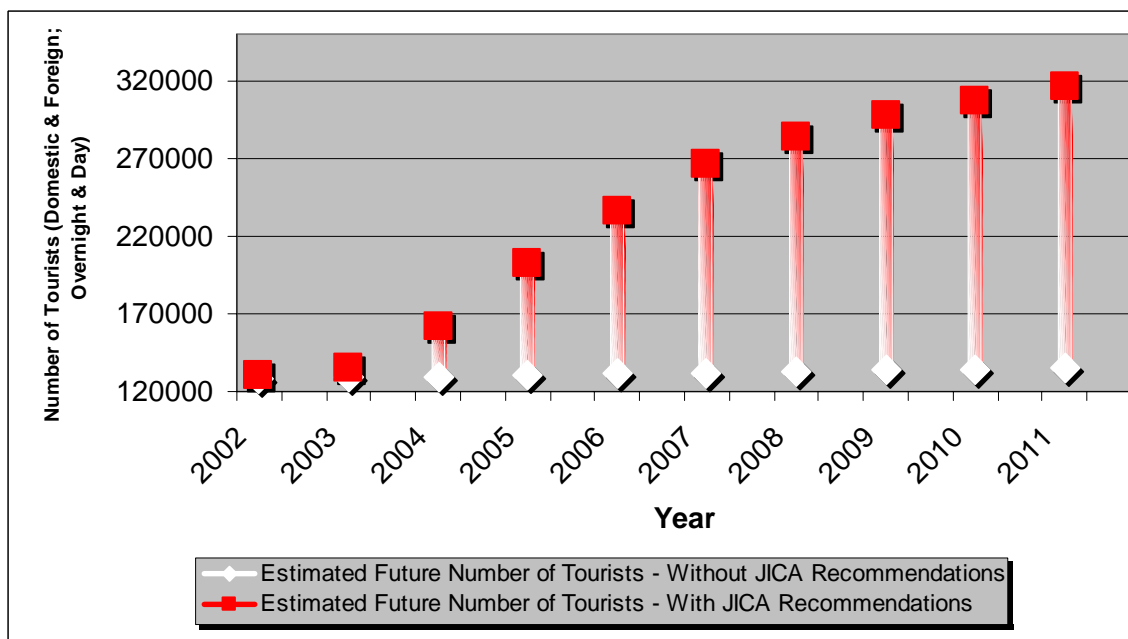


Figure 17.2.2.2 shows that without implementation of the JICA Study Team's recommendations total tourism to the area is expected to grow from the current 127 000 to around 135 000 by 2011 (a compound growth of 0,5% pa). With the JICA Study Team's recommendations total tourism to the area is expected to increase from the current 127 000 to around 320 000 in 2011 (a compound growth of 9,3% pa). This represents around 5 additional tourists to the area per day due to the JICA Study recommendations in 2002, increasing to around 290 additional tourists per day by year 5 and 500 additional tourists per day by year 10.

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

The domestic market is and will remain the main source market for this area - representing around 80% of total tourism demand. Although the day visitor market is important and

significant, overnight tourists currently and in the future will represent the greater proportion of total tourist demand - between 76% and 81% of total demand.

(3) Preliminary Target Markets (Current & Future)

The detailed current and future target market assessment is provided in Appendix B. We summarise the major current target markets as well as the target markets that have medium to high future penetration potential in Table 17.2.2.1 below.

Table 17.2.2.1 Barberton Current & Future Medium to High Potential Target Markets

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

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

17.2.3 Socio-Economic Framework

(1) Conditions of Focus Areas

i) Location

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

ii) History and Culture

Although there is evidence that prehistoric man frequented the spectacular hills around Barberton as well as the de Kaap valley (the largest landlocked valley in South Africa) both during the Stone – and Iron Ages, the real settlement of the valley took place in 1884. The Barber brothers, Fred and Henry and their cousin Graham came upon a rich gold reef in the Makhonjwa mountains in June 1884 – a reef so rich that it sparkled in the sun. Barberton was a boomtown during the gold rush that followed the discovery and housed South Africa's first stock exchange. Many of the buildings and monuments to be seen today are a reminder of those wild

and wonderful days. However, most miners soon moved onto to the newly discovered Rand field near Johannesburg. Currently, all working gold mines in the region (less than a handful) are over 100 years old.

Archaeological and cultural heritage in the Barberton includes Lion Cavern (oldest mine in the world – 45,000 years), various Iron Age (500 years) and Stone Age (22,000-100,000 years) sites, 16th and 17th century Bushman paintings, Sheba Gold mine (World's oldest working gold mine), historic buildings, Eureka City (1800's mining settlement), and rich Swazi culture.

Siswati in the language mainly used in the area (66%) and they are known as Swazi⁴. Tradition has it that the Swazi, as part of the Nguni expansion southward from East Central Africa, crossed the Northern Province River and settled in Southern Mozambique in the late fifteenth century. The marriage is essentially a linking of two families, rather than of two persons, and the bearing of children is the essential consummation of wife hood. In the ancestral cult, the world of the living is projected into a world of spirits. Men and women, old and young, aristocrats and commoners, continue the patterns of superiority and inferiority established by earthly experiences.

iii) Social

The approximate population of the area is 227,173 with 48,989 households and more than 95% of them are African⁵. This represents 8.1% of the total population in the Mpumalanga Province. The majority of people (76.1%) live in non-urban areas.

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

There are 41 clinics and hospitals in the area, representing 12% of the total number in the Province catering to an average of 5,541 people per clinic, which is adequate for the area⁶. However, the distribution of these clinics and their standards require improvement.

The crime rate in the Mpumalanga province is between 1% and 2% of national occurrences⁷.

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

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

⁴ Refer to the table in Appendix J.

⁵ The data was extracted from the 1996 census of Barberton and Eerstehoek districts, which may cover the Focus Area.

⁶ World Health Organization (WHO) often recommends 1 clinic per 10,000 people.

⁷ Refer to the table in Appendix J.

Table 18.2.3.1 Population and House Holds

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

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

Source: 1996 census

iv) Economy

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

Table 18.2.3.2 Economic Conditions of the Area

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

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

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

Source: 1996 Census

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

The monthly household expenditure of R1, 751 is lower than the provincial and National averages and more than 30% of households are living under the poverty line of R800 per month.

(2) Issues and Priorities

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

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

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

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

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

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

(3) Expected Socio-Economic Impacts

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

i) Tourism Expenditure

Table 18.2.3.3 shows the projection of total expenditure by tourists to the subject area, estimated based on the demand analysis made earlier (for the case with the proposed plans) and the results of the socio-economic impact assessment survey conducted as part of this study.⁸ The total tourist expenditure is compared with GDP in 2000 (at current prices) and GGP of Mpumalanga Province in 1996 (adjusted at 2000 prices). Although the amount in absolute terms is not very large, the rate of growth is expected to be significant.

Table 18.2.3.3 Projected Total Expenditure by Tourists to the Subject Area with the Proposed Plans

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

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

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

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

ii) Job Creation

Currently, direct tourism employment in the subject area is estimated at about 480, based on the result of the socio-economic impact assessment survey. Employment creation resulting from the proposed tourism development plans is estimated in Table 18.2.3.4, assuming that the number of jobs increases in proportion to the total tourist expenditure.

Total employment in the table includes both direct and indirect employments, which was estimated using the ratio of employment for "Tourism Economy" to that for "Tourism Industry" (averaging the ratios estimated in DEAT and WTTC studies).⁹

⁸ Detailed calculation of the total tourist expenditure for the subject area is provided in the section of Economic Evaluation for the priority projects and programmes described later in this volume.

⁹ For details of the results of these two studies, see the chapter of Tourism Demand and Its Impact in Volume I.

Table 18.2.3.4 Projection of Tourism-Related Employment in the Subject Area with the Proposed Plans

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

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

iii) Social Impacts

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

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

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

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

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

17.3 Product Development Plan

17.3.1 Existing Supply of Tourism Resources and Assets

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

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

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

17.3.2 Tourism Resource/Asset Map

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

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

17.3.3 Interpretation of Current Tourism Product(s)

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

A summary of the current tourism products for the Barberton Subject Area is provided in Figure 17.3.3.1 below.

Figure 17.3.3.1 Current Tourism Products – Barberton Subject Area

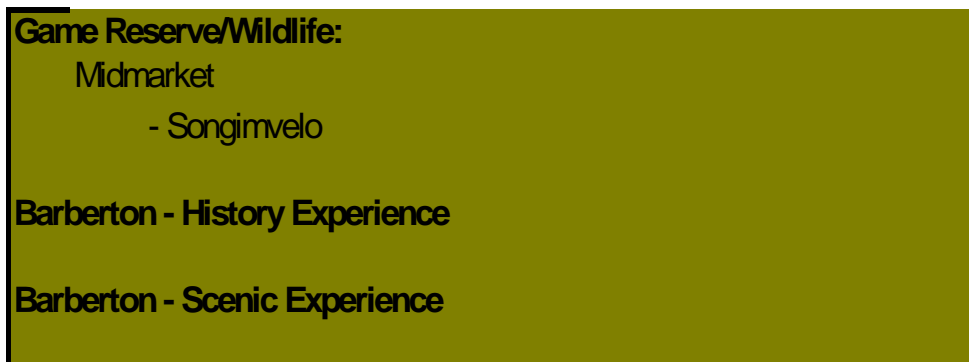


Figure 17.3.3.1 shows that although the area boasts an extensive resource base, the area's actual current product offering is primarily centred on the Barberton historic and scenic experiences, with a weak wildlife offering.

17.3.4 Core Tourism Product Strength & Potential of the Area

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

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

17.3.5 Potential Tourism Products

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

A summary of the potential tourism products for the Barberton Subject Area Subject Area is provided in Figure 17.3.5.1 below.

Figure 17.3.5.1 Potential Tourism Products – Barberton Subject Area

Game Reserve/Wildlife: Midmarket/small lodge - Songimvelo - Mountainlands Midmarket - family resort - Mountainlands Upmarket - small lodge - Songimvelo Rhino spotting - Songimvelo Mountainous terrain & Adventure Theme
Adventure: Soft: Mountain Hiking, mountain biking, quad biking, 4x4 Hard: Rock Climbing, abseiling, paragliding, professional 4x4 Cable way adventure products
Scenic Drive Link to Swaziland: Swazi & other local arts & craft shopping route Swazi culture/heritage interpretation route Cable way scenic products
Special Interest: History - gold mining Geology

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

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

17.3.6 Target Market Segments

Appendix B provides a detailed matrix specifying the future penetration potential in each

possible target market by identified potential tourism product. From this matrix it is possible to identify the target market segments with real potential, taken as all segments with medium to high penetration potential.

The target market segments for the Barberton Subject Area are listed in Figure 17.3.6.1 below.

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

17.3.7 Specification of Future Product Development

Recommended future product development for the area is complex (given the range of future potential products as discussed in Section 17.3.6) and will incorporate:

- The improvement of existing product, particularly relating to the packaging of product (marketing), the interpretation of product and the linkages of product;
- The expansion of existing product, particularly relating to the game reserve/wildlife product;
- The development of new product, particularly in respect of the adventure and mountain experiences.

Figure 17.3.6.1 Target Market Segments with Medium to High Penetration Potential – Barberton Subject

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

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Table 17.3.7.1 Recommended Product Development for the Barberton Subject Area

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

Product Item	Description	Location	Timing
Further development of the Scenic Product:			
• Scenic Drive Experience	<p>Although a Barberton scenic experience is already sold, this product needs to be improved and expanded to:</p> <ul style="list-style-type: none"> • Become a “Scenic <u>mountain land</u>” product, i.e. stress that the scenery is mountainous thereby supporting and using the clear-cut image of the area. • Establish the scenic mountain drive as an actual route by: <ul style="list-style-type: none"> - Providing tourist activities along the route such as viewing sites (with interpretation), arts and craft stops/stalls and linkages to the Swaziland linkages. - Developing route signage and maps; - Promoting the route as a tourism product in its own right. 	Barberton to Bulembo	Within 5 years
New Product:			
• Development of the Mountainlands Game Reserve	<p>The development of the Mountainlands Game Reserve should support, strengthen and even assist in establishing the clear-cut image of the area.</p> <p>As the access to this Reserve is far better than that of Songimvelo (on the main tourist route), we recommend that the average size of facilities can be far larger than that of Songimvelo.</p> <p>The following broad components are recommended:</p> <ul style="list-style-type: none"> • Incorporation of the mountain and adventure theme into the Game Reserve, through: • Developing adventure orientated activities within the reserve, linked where possible to the wildlife activities. Both hard and soft adventure activities should be included; • Developing facilities, such as accommodation, around the adventure and mountain theme. • A mid-market mid-sized resort facility. This facility could incorporate both self-catering and serviced facilities and all activities should be family orientated. • Small mid-market lodge facilities. • Day visitor recreation facilities. This could be linked with the mid-market resort, but should provide general picnic and/or restaurant facilities and access to adventure activities elsewhere in the Reserve. 	Mountainlands Reserve	Within 1 - 10 years
• Adventure Products	<p>Although some adventure activities are already offered in the area, it is not yet sold as a tourist product. Thus the adventure product offering needs to be developed.</p> <p>In order to provide a strong adventure product offering, we suggest that adventure activities be incorporated into all relevant existing or planned facilities, i.e. Songimvelo, Mountainlands, etc. In addition we suggest that the development of unique adventure activities/facilities be encouraged throughout the area.</p> <p>Although it is recommended that primarily soft adventure activities be developed, some hard adventure activities should also be incorporated as is relevant.</p>	Songimvelo, Mountainlands and Total Area	Within 1-10 years
• Asbestos Cableway	We believe that this is a prominent feature on the scenic drives and could be considered a unique feature of the area. We recommend that the	Relevant Cableway Area	To be determined

Product Item	Description	Location	Timing
	be considered a unique feature of the area. We recommend that the potential for product development incorporating the cableway, with particular emphasis on potential linkages to major future tourism products for the area such as adventure and mountain lands.	Cableway Area	determined
Product Linkages: Given the broad and varying range of future tourist products in the area, in order to ensure that tourist product development supports the clear-cut image of the area, linkages would need to be established between different products. This is achieved through the compilation and combination of various tourist routes (i.e. adventure route combined with scenic route) as well as area specific tourism maps and signage.			

17.4 Infrastructure Development Plan

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

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

17.4.1 Road

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

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

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

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

(Projects)

These projects should be completed by year 2006.

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

17.4.2 Water Supply to Game Reserves

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

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

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

(Project)

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

- Study and Investigation of Water Resource for three reserve areas

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

- Construction of Water Supply Facilities at three reserve areas

17.4.3 Sewage Treatment

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

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

17.4.4 Electric Supply to Game Reserves

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

(Project)

Within 5 years

- Construction of electric service lines

17.4.5 Telecommunication

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

(Project)

Within 5 years

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

17.4.6 Organization for Development/Operation/Maintenance of Game Reserves

The planning, development, and maintenance of "Reserve/Nature areas" should be implemented by one of the departments of an organization that is newly established for these reserve/nature areas.

A new organization should be established for the effective management of the tourism development. This body would take responsibility for making plans and guidelines of development and conservation, development of each reserve area, recruitment of investors, and continuous operation and regular maintenance of utilities such as water supply facilities, electric supply facilities, fencing, inner roads. These activities are very much needed for success of tourism development and also for maintaining nature within reserve areas.

Fortunately, Park Boards and Barberton Municipality are now jointly making a conceptual development plan for tourism. Operation and maintenance costs should be collected from investors at each reserve area.

(Project)

Very urgent

- Establishment of Development/Operation/Maintenance Organization

Chapter 18

Marketing & Promotion for Focus Areas

18.1 Introduction

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

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

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

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

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

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

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

areas extensively, and preferably be largely private sector driven;

- The public sector should contribute resources, particularly funding, to the marketing of destinations; and,
- The marketing implementation body/bodies should be structured and operated in such a way as to avoid duplication and fragmentation, and achieve synergies and economies.

18.2 Current Promotional Activities in Focus Areas

18.2.1 Pilanesberg-Madikwe Corridor

18.2.2 Khayelitsha

18.2.3 Valley of the Olifants

18.2.4 Barberton

Some promotion of this area as a tourist destination is carried out by the greater province through the Mpumalanga Tourism Authority. The area is reasonably well covered in Mpumalanga Parks' promotional activities, which include a web site, brochures, maps and advertisements.¹⁰ The provincial marketing strategies, and their branding of the areas within Mpumalanga influences the marketing of the localities such as Barberton. Barberton falls under the Wild Frontier region and will fall under its RTO. 7 RTOs are planned for Mpumalanga. The Wild Frontier RTO is not yet fully functional, but it is hoped it will be totally functional in early 2002. RTOs have to source their own funds from municipalities, district councils and the private sector.

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

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

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

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

¹⁰ refer also to Annexure G of Chapter 7 of the Interim Report for the MTA's marketing strategy.

18.3 Tourism Marketing and Promotion Plans

18.3.1 General Strategy Applicable to All Focus Areas

(1) Maintain a long-term perspective

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

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

(2) Establish dedicated tourism destination promotion organisations

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

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

(3) Execute a comprehensive range of tourism promotion activities

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

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

Table 18.1.1.1 below briefly touches on the main types of promotional tools available for tourism destination marketing. From this range of promotional tools, a selection can be made of the key promotional and communication methods to use to market each of the focus areas, depending on their target markets and the message to be communicated.

Table 18.1.1.1 Tourism Promotion Tools Available to Tourism Destination Promotion Organisations

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

Source: JICA Study Team

18.3.2 Marketing & Promotion Plans General Methodology

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

(1) Branding & Positioning

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

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

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

Components:

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

(2) Promotion & Communication Plan

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

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

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

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

- Area specific collaborative marketing where both the private and public sector contribute to costs.

- Collaborative marketing with tour and trip operators based outside the focus area.
- Sponsorships from major entities (inside and outside the area – primarily linked to events).

Components:

- Recommended Promotion & Communication Mix by Product Segment.

(3) Marketing Organisation

Suggestions/recommendations are made regarding:

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

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

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

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

Components:

- Structure
- Resources & Budget

18.3.3 Pilanesberg-Madikwe Corridor

18.3.4 Khayelitsha

18.3.5 Valley of the Olifants

18.3.6 Barberton Subject Area

(1) Branding/Positioning

i) General Principles

The overall branding and positioning for the Barberton area could begin almost immediately as

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

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

ii) Brand Basis

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

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

iii) Brand Essence/Values

Table 18.3.3.6 provides a summary of the various elements the JICA Study Team consider to be important in the overall positioning (ie generic positioning) of the Barberton focus area and the respective target markets for the respective products in the Barberton subject area.

iv) Branding Actions

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

The logo should be catching and simple. We recommend that the focus area work with a design company to finalise the brand identity for the region. The brand essence/values and possible icons provided in Table 18.3.3.6 should be adequate for a design house to base its logo development on.

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

(2) Promotion & Communication Plan

The promotion and communication plan and mix is detailed by product segment in Table 18.3.3.6.

Table 18.3.3.6 Barberton - Branding Essence & Promotion and Communications Mix

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

(3) Marketing Organisation

i) Structure

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

ii) Resources & Budget

The budget is summarised in Figure 18.3.3.4 below. The budget comprise two main parts:

- Administration Budget
- Marketing Activities Budget

Figure 18.3.3.4 Annual DMO Budget for the Barberton Subject Area

Administration	
CEO	R 200,000
Marketing/sales person	R 90,000
Secretary	R 69,000
Equipment rental	R 36,000
Telephone & fax	R 18,000
Stationary	R 24,000
Travel costs	R 30,000
Accounting	R 12,000
Subtotal	R 479,000
Marketing Activities	
Brand & Logo development	R 30,000
PR company	R 24,000
Educationals journalists	R 30,000
Educationals tour operators etc	R 20,000
Area brochures	R 75,000
Web Site	R 30,000
Listings	R 14,400
Exhibition material	R 25,000
Trade shows	R 50,000
Radio advertisements	R 50,000
Press advertisements	R 50,000
Event promotions	R 50,000
Subtotal	R 448,400
Total Annual DMO Budget	R 927,400

As Figure 18.3.3.4 shows, it is suggested that the DMO be a lean structure with three human resources - a CEO/manager, a sales persons who will also carry responsibility for sales activities (such as sales visits) and one support staff. It is suggested that the DMO be housed with another government entity or within a product in order to reduce the equipment and other office cost, including rental. It has been assumed that no office rental will be paid by the DMO. A budget of R930 000 per annum is adequate to allow the DMO to be an effective marketing agency.

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

(1) Introduction & Guiding Principles

Although the dominant target markets for the focus areas are domestic (with the exception of Khayelitsha), given the origin of the funding for this study as well as the parallel process within

this study (South African Tourism Promotion Action Plan for the East Asian Markets), the JICA Study Team has identified below the potential for the focus area in respect of the East Asian market.

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

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

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

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

(2) Pilanesberg-Madikwe Corridor

(3) Khayelitsha

(4) Valley of the Olifants

(5) Barberton Subject Area

As this area is completely unknown to the East Asian market it is essential to establish and

reinforce the recommended positioning of the area, “South Africa’s mountain land, adventure and wildlife experience”, in the short/medium term to the East Asian market. This focus area should focus on the East Asian special interest markets, particularly along the themes of adventure, geology and ecology.

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

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

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

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

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

Focus on the East Asian honeymooner and single young people markets. There is a trend in the

East Asian markets towards travelling to “off the beaten track” destinations amongst the young honeymooner and single young generations. These markets have a great appetite for adventure destinations and want to boast a travel experience to places where nobody else has visited. PR activities in various targeted youth publications and travel publications targeted at this market would be effective.

Chapter 19

Human Resource Development Plans for Focus Areas

19.1 Introduction

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

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

The core HR development focus will be in three areas:

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

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

The human resource development requirements will flow from any existing skills gap to support the current tourism plant in the focus areas, and from new skill requirements derived from the Product Development Plan for each focus area.¹¹

19.2 HR Development in the Pilanesberg-Madikwe Corridor

¹¹ The major thrust of national tourism HR development was covered in the Interim Report, Chapter 5.6.

Subject Area

19.3 HR Development in the Khayelitsha Subject Area

19.4 HR Development in the Valley of the Olifants Subject Area

19.5 HR Development in the Barberton Subject Area

19.5.1 Provincial Level Provincial, Regional & Local Levels

Human resource development is a function of the Provincial Department of Finance and Economic Affairs/Tourism Directorate, although there is no department or person tasked with human resource development. Training used to be the responsibility of the MTA, and as a result the department currently doesn't budget for tourism training. There is however an entity called the Regional Training Trust, which is a parastatal of the Dept. of Education. The Department is working with the Regional Training Trust to set up a tourism academy in Nelspruit. The province has also been active in a number of tourism community education and awareness programs.

At the provincial level the Mpumalanga Parks Board is also active in training for its own staff.

Many of the extensive private sector tourism plant operators in Mpumalanga province are active in tourism skills training. This includes groups like Southern Sun, Protea, etc.

19.5.2 Focus Area

Within the focus area there are a few training initiatives in tourism or related to tourism. These include the following:

The training of Barberton tour guides under the DEAT Poverty Relief Projects and actioned by the Barberton Municipality. 8-10 Guides have been trained by various experts from Barberton, under Ingwe Tourism Training Services based in White River.

The establishment of a mobile craft training centre under the DEAT Poverty Relief Projects, to train community people on-site, between Badplaas and Pilgrims Rest and including Barberton.

Fencing of the Mountainlands Game Reserve, also under the DEAT Poverty Relief Projects, will include training in fencing, bush clearing, etc.

The Tourism and Biodiversity Corridor program includes:

Plans for a community training program to include SME development, service excellence, conservation, security, product development and tourism awareness. It is hoped that the program will commence in January 2002

Plans for a Mountainlands capacity building program which will include community governance training, security staff training and basic and advanced tourism hospitality and conservation training and training in road maintenance, fence repairs etc, all planned for 2002.

The Bulembu Road concrete block paving project will include the following training: an environmental awareness program, a contractor support program, SMME development, business skills training and a range of technical skills training relevant to road construction, environmental rehabilitation, and road maintenance.

In general this focus area has a low level of activity in tourism human resource development, and limited numbers of skilled people in the tourism industry. Neither at the Provincial level, nor specifically in the area is tourism human resource development coordinated, monitored or facilitated in one place. However, between the Biodiversity Corridor and the active Barberton Tourism Association and Barberton Municipality, training action and coordination is developing.

19.5.3 Existing Tourism Employment and Skills Base

The estimated number of direct tourism employees in the Barberton Study Area is XXX¹². Tables 19.5.3.1 and 19.5.3.2 below indicate the composition of the tourism workforce.

¹² JICA SA TPDP Socio Economic Impact Assessment Study, Africon, 2002.

Table 19.5.3.1 Current Tourism Employment in the Barberton Study Area

BUSINESS ACTIVITY	Total No. of Employees	% of Area Total	Managerial		Mid-level		Low-level	
			% of Total	TOTAL	% of Total	TOTAL	% of Total	TOTAL
Bed & breakfasts/ Guest-houses	80	16.5%	25.0%	20	0.0%	0	75.0%	60
Lodge	125	25.8%	12.0%	15	0.0%	0	88.0%	110
Self-catering/ Camping	117	24.2%	33.3%	39	0.0%	0	66.7%	78
Hotel	110	22.7%	13.6%	15	9.1%	10	77.3%	85
Restaurant	15	3.1%	20.0%	3	20.0%	3	60.0%	9
Museum	11	2.3%	18.2%	2	27.3%	3	54.5%	6
Game reserve	6	1.2%	50.0%	3	0.0%	0	50.0%	3
Adventure activities	8	1.7%	50.0%	4	0.0%	0	50.0%	4
Tourism Board / operators	12	2.5%	25.0%	3	50.0%	6	25.0%	3
Total	484	100.0%	21.5%	104	4.5%	22	74.0%	358

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

Table 19.5.3.2 Employment Profile in the Barberton Area

BUSINESS ACTIVITY	AVERAGE MONTHLY INCOME (Rand/Month)			GENDER MANAGER %		GENDER MID-LEVEL %		GENDER LOW-LEVEL %	
	MANAGER	MID-LEVEL	LOW-LEVEL	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Bed & breakfasts/ Guest-houses	4 000	1 500	700	50	50	0	100	63	37
Lodge									
Lodges	3 000	1 500	900	50	50	0	100	50	50
Self-catering/ Camping	-	-	475	59	41	-	-	63	37
Hotel	3 000	1 500	500	10	90	0	100	30	70
Restaurant				100	0	0	100	0	100
Museum	5 000	3 000	2 583	50	50	100	0	83	17
Game reserve	5 000	-	500	50	50	-	-	75	25
Adventure activities	-	-	*	100	0	0	0	66	33
Provincial Authority	25 000	15 000	9 000	100	0	50	50	0	100
Tour operators	5 000	2 125	-	50	50	25	75	-	-

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

From the above table the following observations are relevant and important regarding the employee profile within the Barberton area:

The bed and breakfast and lodge establishments within the area tend to employ primarily low-level employees for cleaning and housekeeping. The respective percentages being 75% and 88%. The majority being males within both these establishments. Their average monthly income varies between R 700 and R 900.

An estimated 25% and 12% of these two establishments are employees working as managers earning an average of between R 3 000 and R 4 000. The genders being equally distributed.

The self-catering, camping facilities and hotels also employ employees, primarily low-level employees, paying them an average of between R 400 and R 500, being equally male and female.

The managerial level employing an estimated 33% for the self-catering and camping facilities and 14% for the hotel. The hotel being managed by 100% female and the self-catering and camping facilities by 59% male and 41% female.

The restaurants within the area employ 20% managerial, 20% mid and 60% low-level of employees. The average monthly income being R 3 000, R 1 500 and R 500 for the respective levels. The managerial level being 100% male, the mid and low-levels being 100% female.

The game reserve and park within the area employs only managerial and low-level employees. The percentage composition being estimated at 50% and 50%. The managerial level being a 50/50 gender composition and the low-level a 75% male and 25% female composition. The average monthly income varying between R 5000 and R 500 for the two levels of employees.

The provincial authority employs the following percentages: 25% managerial, 50% mid-level and 25% low-level. With the managers being males and the low-level employees all females. The mid-level has an equal composition of males and females. The average monthly income varying between R 25 000 for the managerial level and R 9 000 for the low level.

The tour operators operating within the area comprises mainly of 25% managers and 50% mid-level workers. Earning an average monthly income of between R 5 000 and R 2 125. The gender composition being equal on the managerial level and being 25% male and 75% female on the mid-level.

Table 19.5.3.3 below indicates the current tourism qualifications, and the training needs in the Barberton area, as perceived by employers in the industry.

Table 19.5.3.3 Training Needs and Tourism Qualifications within Barberton

BUSINESS ACTIVITY	TOURISM QUALIFICATIONS (% ON LEVEL)			TRAINING NEEDS
	Manager	Mid-Level	Low-Level	
Bed & breakfasts/ Guesthouses	50	0	0	Hunting skills, communication and language skills, tour guiding and housekeeping skills
Lodge	100	0	0	Housekeeping and communication
Self-catering/ Camping	0	0	0	Basic educations for the low-level employees
Hotel	100	100	50	Language and communication skills
Restaurant	0	0	0	None
Museum	50	33	0	None
Game reserve	0	0	0	Tour guiding, hunting and communication skills
Micro lights/Adventure	100	0	0	None
Provincial Authority	100	50	0	None
Tour operators	100	0	0	Qualified tour guiding, financial management and information officer qualifications

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

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

An estimated 50% of the managerial level of employees within the bed and breakfast and guesthouse establishments has tourism related qualifications. The other two levels of employees have no qualifications related to tourism.

The entire managerial staff of the lodges within the focus area have tourism related qualifications, the rest have none.

None of the staff members of the self-catering, camping facilities and restaurants have any tourism related qualifications.

Within the hotel industry the managerial and mid-level employees have 100% tourism related qualifications, while at the low level an estimated 50% have qualifications.

An estimated 50% of the managers of the museums and 33% of the mid-level employees have tourism related qualifications. None of the low-level employees have any relevant qualifications.

None of the staff working within the game reserves and parks has any tourism qualifications.

The micro light operators and the tour guides on the managerial level within the area all have tourism related qualifications. The rest of the employees have none.

A total 100% of the employees working on a managerial level within the provincial authority have tourism related qualifications. Approximately 50% of the mid-level have qualifications.

In general the training needs within the Barberton area are the following: language and communication skills, basic education for the lower levels of employees, financial management and tourism specific skills such as housekeeping, tour guiding and information officer. Hunting skills are also required.

19.5.4 Future Human Resource Development Requirements

Indications are that the current levels of tourism skills are low in this focus area.

The development plans for the Barberton area include the packaging and marketing of the existing facilities, stimulating additional adventure and related activities, some additional accommodation facilities and better historic interpretation.

Training requirements will be in the area of guiding, adventure leaders and interpretation and in the manufacture or development of related crafts. Current training programs and activities will probably cover the training needs for the additional lodge accommodation.

In addition it is envisaged that some entrepreneurial opportunities should present as tourism to the area develops, and business training will be needed to assist community members take up these opportunities.

A more formalised and coordinated approach to human resource development for the area will be preferable as it moves forward and develops its tourism potential. We recommend that a HR development and coordination function for the study area reside within Barberton Tourism Association/PIU, with close links to the Biodiversity Corridor. And the Wild Frontier RTO. We suggest that the province may be too far removed from this particular area's tourism on the ground to provide its HR development coordination.

We recommend that a person based at the Barberton Tourism Association be tasked with the HR function, but this will not require a full time position, and the person would take on other roles and responsibilities.

The demand projections for the Barberton area indicate an additional 4 700 overnight and 1 500 day tourists to the area in 2003, rising to 59 000 and 13 500 respectively in 2005 after the opening of the Wildlife Education and Research Centre in year 2, and to 113 100 and 21 000 respectively in 2007. In total, including direct, indirect and induced employment, this results in

an estimated additional XXX jobs in the area by 2007. Of these many will not be in the direct tourism industry. However the entrepreneurial business opportunities that will present through this tourism growth will be in direct and indirect tourism businesses.

The specific priority tourism projects proposed in the Barberton Area are:

Upgrade of existing lodge facilities in Songimvelo and construction of two new lodge facilities in the Park, with 50 rooms (mid-market) and 20 rooms (up-market) respectively. It is anticipated that these will employ 80 – 100 people directly.

A new mid-market family game resort in the Mountainlands Reserve with 50 self-catering chalets and an 80-bedroom hotel, which will employ an estimated 120 – 140 people.

We recommend the following HR programs for the Barberton, facilitated and coordinated at the area level, but with significant support from the Bio Diversity Corridor, the Province and the RTO:

(1) Tourism SMME Entrepreneurial Training Program

i) Objectives:

To teach prospective and existing SMME entrepreneurs:

To understand the tourism industry

To understand customer service

General business management skills

How to identify tourism business opportunities

How to negotiate/approach the established traditional tourism sector to sell and supply goods and services

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

A number of tourism entrepreneurial training programs have been developed by different institutions and service providers in South Africa. Amongst these are Reach and Teach and Empower-ED. In addition many general non-tourism entrepreneurial training programs also exist.

It is fully expected that the Province will be coordinating and providing tourism SMME

entrepreneur programs as described above. In the study area, the Barberton Tourism HR person would be tasked with identifying candidates from the community in the area and ensuring that they are successfully included on provincial programs, and that they are able to receive ongoing business advice and assistance.

ii) Numbers to be trained:

We recommend that the initial goal is to train and support 5 entrepreneurs a year for two years, after which the situation should be reviewed.

iii) Budget:

The budget to provide the training and advisory services to SSME entrepreneurs is estimated at R100 000 per annum.

(2) Tour Guiding, Adventure Guiding and Interpretation Program

i) Objectives

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

Adventure leaders will be trained in specific adventure activities and will also be required to gain any adventure guiding and/or activity specific qualifications required for the activity.

ii) Numbers to be Trained

Based on the development of the area, we recommend the following target training numbers, after which the situation should be reviewed:

year 1	0 guides	5 adventure leaders
year 2	2 guides	5 adventure leaders
year 3	5 guides	5 adventure leaders.

iii) Budget

The estimated budget to train the guides is R120 000, and to train the adventure leaders R450 000.

(3) Mountain Adventure and Wildlife Craft and Merchandise Production

Working as far as possible with and extending, the provincial mobile craft training program, the Barberton Tourism HR development officer should facilitate the development of training in design and manufacture of crafts and merchandise themed around the mountains, adventure and wildlife.. Such training should link into the entrepreneurial training for individuals who are interested in setting up craft production centres, or who want to work for their own account.

The overall objective is to equip a number of local people with the skills to design and make crafts, which can be sold at the Wildlife Education and Research Centre, profitably.

It is envisaged that the training will target about 10 people per annum for three years and then be reviewed.

The estimated budget for the training is R100 000 per annum.

(4) HR Development Facilitation

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

Working closely with THETA and training providers in the area and keeping abreast of their offerings and programs

Ensuring that the private sector plant and service owners and operators are encouraged to train and to utilise the services of trainers, THETA, the Province etc, particularly encouraging NQ training, and the take-up of tourism industry learnerships

Facilitate the provision of training to public and private sectors in the areas identified as weak in terms of current skills

Facilitating the provision of indirect tourism training, relating to tourism projects, eg in the area of conservation, building, etc,

Facilitate the provision of tourism awareness training in the area.

Facilitate the setting up of training partnerships, where established and larger players partner

a small SMME operator and enable them to participate in some of their training programs.

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

Chapter 20

Institutional Development Plan for Focus Areas

20.1 Introduction

The Institutional Development Plan will indicate the institutional structures required to implement all the aspects of the Tourism Development Strategy in each focus area. As such it will provide the recommendations on structure, which follow on from strategy.

The study team approach entails three major steps:

1. Determine the actions, roles and responsibilities required to implement the various plans forming the Tourism Development Strategy
2. Assess the available and potential capacity of the existing institutions
3. Allocate the roles and responsibilities required to the existing or proposed new institutions.

It should be noted that there are multiple possible institutional structures and allocation of responsibilities which could be proposed for each focus area, and some of the proposals may provide the various options, from which a final option can be chosen during consultation and stakeholder processes in the early implementation phases of the plans.

Elements that will be taken into account when deciding on required structures and allocation of responsibilities include the following:

- The size and total tourism potential of the study area;
- The importance of the study area tourism development to the province, region or locality;
- The extent (capacity, effectiveness etc), of existing structures involved directly and indirectly in tourism;
- The likely resources available at the different levels of government, or likely to be forthcoming from the private sector, the donor or NGO community;
- The level of grass root actions which will be required

In all instances the nature of the institutional framework is expected to change over time. More specifically the programs identified as part of the focus area tourism development strategies require resources and institutional capacity during the implementation phase, which may not be required at later stages once the programs have been implemented and projects are operational.

For each focus area we recommend a Program Implementation Unit ("PIU") which will be tasked with the overall project management and facilitation to implement most short and medium term

programs which largely relate to infrastructure and specific project development. These PIUs may fall away in many areas once the required infrastructure and projects have been successfully implemented. We have indicated this where we believe that it is unlikely that further major project work will ensue in the medium and longer term. In some of the focus areas however, we consider there may be potential for ongoing and further large tourism programs, and in these instances we indicate that the PIUs may phase out or may continue.

Some programs are however, ongoing, and this relates to destination marketing and promotion, and in many instances HR development. The institutional structures to handle these functions will endure and continue at a certain level indefinitely.

Fundamentally we believe that the PIUs and the entities responsible for marketing should be closely linked and possibly part of one entity.

Human resource development can have more of a stop start nature for the focus areas (ie permanent ongoing training in most categories of skills is not required). In addition, compared to marketing which is very specific to a destination, human resource development programs (entrepreneur development, general tourism skills, some guiding skills etc) are largely generic and therefore can be sourced and coordinated nationally or provincially, and the level of human resource development capacity required for the focus area level can be limited. Nevertheless this limited level of HR development coordination for the focus area level should be provided closely integrated with the PIU and the marketing functions.

For each of the focus areas, the following major roles are identified:

- Program implementation – new projects and improvements to existing elements, eg resorts, routes, improvement of interpretation etc
- Program implementation – infrastructure, eg water, roads, telecommunications, signage
- Destination Marketing - implementation (and ongoing development) of the marketing strategies and promotion campaigns
- Human Resource development – facilitation of access to, and provision of, appropriate training

In addition in two of the focus areas, Pilanesberg-Madikwe and Barberton, specific Park development is required, which due to the requirement to integrate the new parks into/existing parks' entities (Provincial Parks) will utilise existing Parks Boards capacity for implementation.

20.2 Pilanesberg-Madikwe Corridor

20.3 Khayelitsha

20.4 Valley of the Olifants

20.5 Barberton

20.5.1 Current Institutions

(1) Government:

This area's governmental Institutions are as follows:

Province: Mpumalanga Provincial Government

District: Ehlanzeni District Municipality DC32

Local: Umjindi Local Municipality MP323

(2) Tourism Administration:

National Government:

DEAT has the following projects and initiatives, which cover or include this area:

1. Poverty Relief Projects (6 in the study area)
2. Badplaas /Barberton/ Malelane PATII
3. Maputo Development Corridor (MDC) SDI
4. Coast to Coast SDI
5. Malolotja/Songimvelo/Mountainlands TFCA

Provincial Government:

The *Department of Finance and Economic Affairs* - Tourism Directorate has the responsibility for tourism product and infrastructure development, safety and security and policy development in the Province.

The *Mpumalanga Parks Board* has the responsibility for provincial parks (tourism development,

promotion, environmental management, etc) in the Province. This includes Songimvelo and the some aspects of the planned Mountainlands Reserve.

The *Mpumalanga Tourism Authority (MTA)* handles all tourism marketing and promotion on the provincial level.

Regional Government:

Ehlanzeni District Municipality DC32 does not as yet have any tourism initiatives or carry any tourism responsibilities, however it should in future be responsible for regional planning and policy, which would include tourism.

Local Government:

Umgindi Local Municipality MP323 (formerly Barberton TLC) is responsible for the implementation and the provision of infrastructure, including that for tourism development. It works closely with the Barberton Tourist Organization and provides it with funds, particularly to fund the information Bureau and its personnel.

Non Government:

RTO (Regional Tourism Organization):

The MTA are launching 7 new tourism regions, within each of which they hope to facilitate the set-up and operation of new RTOs. These RTOs are expected to be private sector funded and led with additional funding from the local and district municipalities. They are intended to have a role of overseeing the LTO tourism marketing and promotion activities. The tourism regions do not follow district council boundaries. Rather, the regions centre on areas of high tourism potential. Barberton falls into the Wild Frontier tourism region for which the RTO has been established.

The Wild Frontier RTO at the moment has no office and no staff. The secretariat of the RTO is rotated between the member LTOs and is currently with the Barberton LTO. The Wild Frontier RTO is an association not for gain and is governed by a constitution. It is intended that later as more projects are being completed that the RTO will become a Section 21 Company. The RTO gets 10% of the membership fees collected by the member LTOs in order to maintain its administration and basic running costs. These amounts will be very low and this line of funding has not yet been activated as fees are not yet being collected from the LTOs. The intention is to get a few projects underway first in order to show the real value to the LTOs and their members and then to start collecting fees to run further projects. There is not a great funding need at present. The Wild Frontier has received funding from the following sources:

- R67 000 from the DBSA for the Route Roads audit and Technical work;
- R300 000 from various sources including the DBSA for various projects of a technical and planning nature; and
- R25 000 funded by Umjindi Municipality for the Barberton LTO branding and marketing strategy.

LTO (Local Tourism Organization)

Barberton Tourism Organization is private sector driven, through a membership system and it has initiated a strategic tourism planning framework, action plan and marketing and branding strategy. The Barberton Information Bureau is operated through cooperation with the Barberton TLC and the Barberton Tourist Organization. Barberton Tourism Information Bureau is funded by the Umjindi Municipality and falls under the Department of the Municipal Manager. The organisation has a budget of R16000 from membership for the 2002 financial year with additional funds being sourced from other sources. This will be used for publicity purposes as well as for purchasing stock such as maps and guidebooks. Income received from sales is not ploughed back into the budget but instead goes into the council's income account. The BTO has approximately 35 members. Members pay a joining fee of R50 after which they pay R20 per establishment per month. The BTO has two staff members who are employed by the municipality. They are in the process of writing a motivation to council requesting a greater budget. Currently there is some debate with regard to whether publicity is the role of the private sector or the BTO. The BTO requires about R80 000 to do an English/German brochure with a German company wanting to establish a Daisy museum in Barberton.

Barberton Chamber of Business (BCOB)

The local chamber of business is a private sector organisation with the local business community as members. Members are from all sectors of business but the BCOB has played a key role in initiating and driving the Tourism & Biodiversity Corridor, viewing it as a catalyst for multi sectoral business development.

The Tourism and Biodiversity Corridor (Swaziland, Mozambique and Mpumalanga)

The Tourism and Biodiversity Corridor is mainly a private sector driven initiative to coordinate and facilitate tourism development and conservation of an area of northern Swaziland, southeastern Mpumalanga and southern Mozambique. The initiative has developed a detailed multi-year development program covering many tourism and conservation initiatives in the area, and with a strong emphasis on the Barberton area. The Tourism and Biodiversity Corridor has received around R300 000 from various sources including the DBSA.

Foreign Governments:

Because of its proximity to Swaziland and the need to integrate some aspects of its tourism development with developments in Swaziland, the Swaziland government has an influence and a role to play in the tourism development strategy of the Barberton area. Swaziland has a program called Swaziland Biodiversity Conservation And Participatory Development Project (BCPD). This program is far advanced on a technical level and is funded by a grant from the World Bank Global Environment Fund (GEF). The BCPD Project is an integrated and multidisciplinary biodiversity conservation and socio-economic development project which is essentially the continuation of the Tourism and Biodiversity Corridor on the Swaziland side. There is good cross border cooperation on government, private sector and non-governmental levels. Several of the programs falling under the TBC and BCOD share impacts and role-players on both sides. As an example: the Wild Frontier RTO has two Swaziland LTO's as members, which covers the entire northern Swaziland region. Another example is the TFCA which covers parks on both sides and which has caused parks authorities from both sides to interact for the first time officially.

International Organizations:

SEATOC (South East African Tourism Committee)

This comprises Swaziland, Mozambique and South Africa (Mpumalanga, KwaZulu-Natal and Northern Province) is grappling with the idea of integrated marketing. The tourism organizational capacity of Mozambique and Swaziland is not as advanced as Mpumalanga Province or South Africa and the organisation does not really have an impact at this stage.

(3) General Comments

This area has the most existing capacity at levels below the province, in the Barberton Tourism Organisation which coupled with the Barberton Municipality has been active in tourism. In addition the Biodiversity Corridor Initiative also has some capacity on the more local level covering the Barberton area, but the corridor initiative covers a greater area than the Barberton Study area. The RTO, the Barberton LTO and the Biodiversity Corridor Initiative rely heavily on the spare time of volunteers.

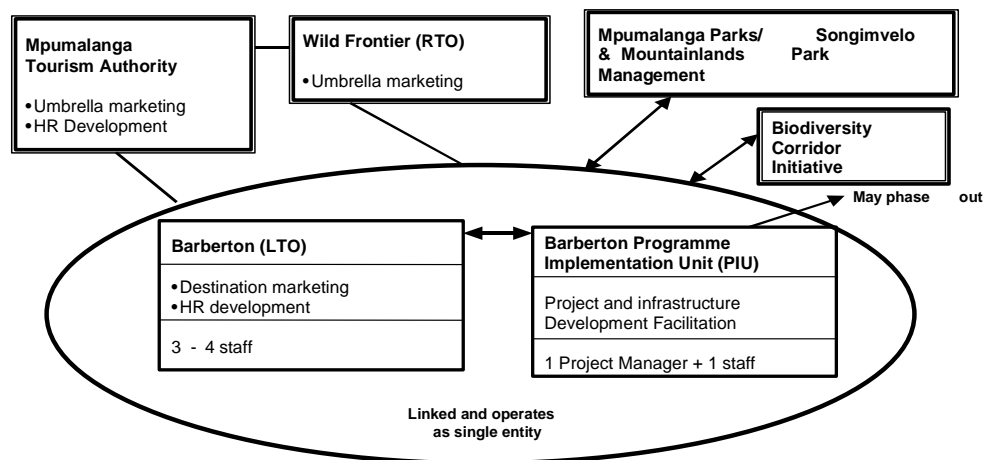
20.5.2 Institutional Development Plan

The Barberton area is a small and not a very important area for tourism within Mpumalanga, which has many other areas with significant tourism development potential. Additionally tourism and developmental initiatives in this region (specifically the Tourism and Biodiversity Corridor)

has achieved much through their “bottom up”, locally driven processes where public private sector partnerships have been formed to initiate and drive these initiatives quite effectively. This should be encouraged. Therefore the study team recommends that the development, marketing and HR functions for tourism in this area should be handled close to grass roots levels, probably by a strengthened Barberton Tourism Organisation, and/or the initiators and role-players in the Tourism and Biodiversity Corridor. The Wild Frontier RTO is also a possible structure, which could take on some roles, particularly with respect to marketing for the area.

The figure below illustrates the recommended institutional structures and their roles for the Barberton area.

Figure 20.5.2.1 Proposed Institutional Structure: Barberton



We recommend that a destination tourism organisation, equivalent to a strong LTO, be set up for the proposed program implementation in this area. This LTO would carry out the destination marketing as per the promotion plan in Chapter 18, and provide an HR development facilitation function. This institution must be permanent. In total the unit will require 3 full-time and one part-time staff member.. Effectively the staff would be multi-functional with an LTO head dedicating to marketing while two lower level officers will be marketing and one half-day HR officer. In addition there would be one person employed for 2003 only, to develop tours and interpretation for the area.

The budget for the LTO is detailed in Chapter 18 (Promotion) and Chapter 19, (HR Development). It is initially R465 000 per annum for marketing, rising to R930 000 per annum as

tourism to the area develops and remaining at this level, and R220 000 per annum initially for HR development, rising to R410 000 in 2005, and dropping off thereafter to lower levels.

A PIU for the valley of the Barberton JICA development program should be set up to handle the program implementation, which will relate mainly to facilitating the development of the lodges and resorts in the two parks and the merchandising and crafts and any required infrastructure. This would require one project manager with one support staff member. The budget for the PIU is R1 000 million per annum for 4 years until the major new accommodation products are operational, whereafter it will decline to R750 000 per annum, and retain one staff member only.

The ongoing development of the park could be done from this unit, however, we believe that it would be better housed within the Mpumalanga Parks Board at Provincial level if there is capacity. dedicated capacity, and at least a secretariat is provided for the park development.

The Barberton area with its two parks has significant ongoing potential to develop tourism beyond the major elements in the JICA program. This might require an ongoing PIU unit as further programs are developed and implemented over the course of the development of the area which is expected to take many years. Therefore this PIU may continue or may phase out.

The "LTO" and the "PIU" must operate in close concert, and we suggest that they share offices, and effectively operate as one unit. They must also liaise closely with the Wild Frontiers (RTO) which should provide support and umbrella marketing.

Of critical importance will be the interaction and integration of this LTO/PIU with the Biodiversity Corridor Initiative. The JICA programs for this area are but one element of the greater Biodiversity Corridor initiative, which essentially looks at conservation and sustainability, with tourism as a commercial activity to support sustainability in a greater area. However it is the only other existing capacity in the area which is looking at tourism development. Cross "board" tenure as well as possible sharing of premises and secretariat support would assist in facilitating this integration. It is intended that this JICA program for the Barberton area, will be able to source resources and fast track key elements of tourism development envisaged in the Biodiversity Corridor initiative.

In addition, the Mpumalanga Tourist Authority will provide umbrella marketing and also support and facilitation for the HR development function. Many elements of HR development are non-specific to the Barberton area, and courses and providers should be coordinated at the provincial level, and tapped into from this level.

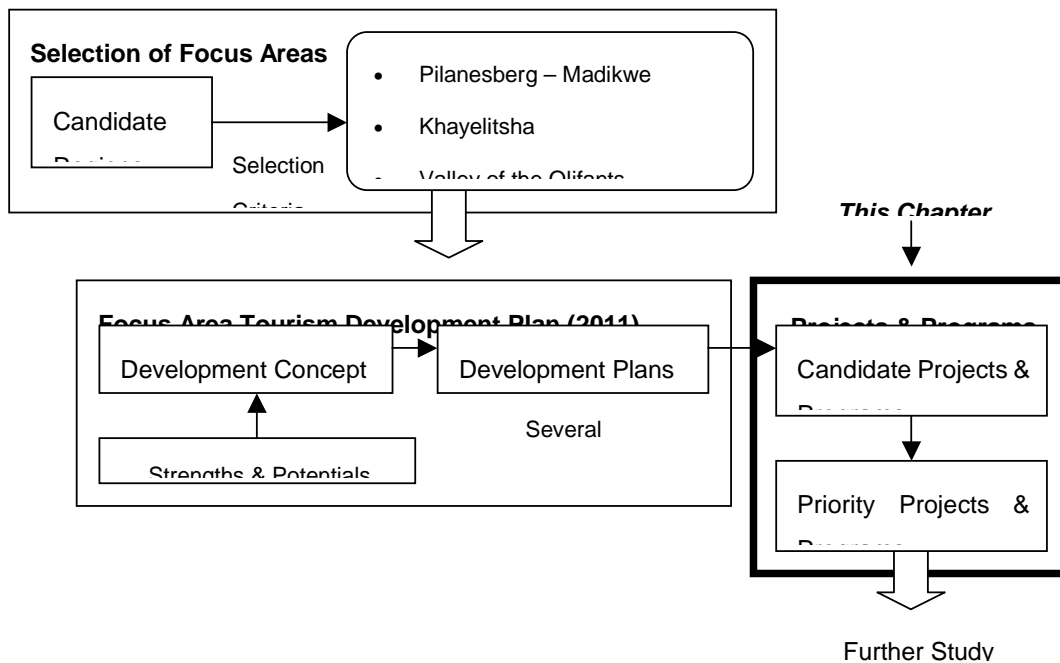
Chapter 21

Selection of Projects and Programs

21.1 Introduction

This chapter prioritises the projects and programs that were identified during the tourism development planning process carried out for each area. As a result of this process (see Figure 21.1.1), priority projects and programs that need to be implemented in the short to medium term are proposed. These priority projects and programs will be the subjects for further study.

Figure 21.1.1 Prioritisation of Projects and Programs



Source: JICA Study Team

Candidate projects and programs are identified during the tourism development planning process carried out for each area and are projects and programs that need to be implemented in the short to long term and that takes into consideration the area's strengths, best potential and development concepts.

Priority projects and programs are candidate projects and programs that need to be implemented in the short to medium term (by 2006) and are the subjects for further study.

21.2 Planning of Priority Projects and Programs

21.2.1 Planning Components

The 'Priority Project Package' for each focus area (Chapter 22) is formulated to address the following components of tourism development:

- A Product, Facilities and Infrastructure
- B Marketing and Promotion
- C Human Resource Development
- D Institutional Development

These four components each have specific priority projects described in the form of project sheets. These projects also have an implementation schedule and costs estimates with financial arrangements. Environmental issues are also considered.

(1) Project Description

The project/program description is prepared as a project sheet, which summarises the following information:

- Project Justification
- Project Objectives
- General Description
- Project Components
- Project Implementing Agency
- Project Cost Estimate
- Implementing Schedule

(2) Implementation Schedule

The Implementation Schedule tabulates the time scale for implementing each project/program. The implementing and operation/management organization is identified for each Focus Area within the Project sheet.

(3) Cost Estimate and Financial Arrangement

The Cost Estimate and Financial Arrangement is discussed based on the following items for each priority project:

- Cost Assumptions

- Project Cost
- Operation/Maintenance Cost
- Finance Alternatives

It is necessary to estimate costs for the selected priority projects at the desirable level of quality. The Republic of South Africa has much experience in tourism development and sufficient human resources in the form of planners, engineers, and architects. Moreover, adequate material, equipment and furnishings for tourism development can be obtained from the domestic market. The priority projects selected within the four focus areas will be implemented making the best use of these domestic resources. The cost estimates that are worked up later in this report consist of study/plan/design, construction including procurement of necessary equipment, contingency, and operation/maintenance.

The cost estimates are made under the following assumptions:

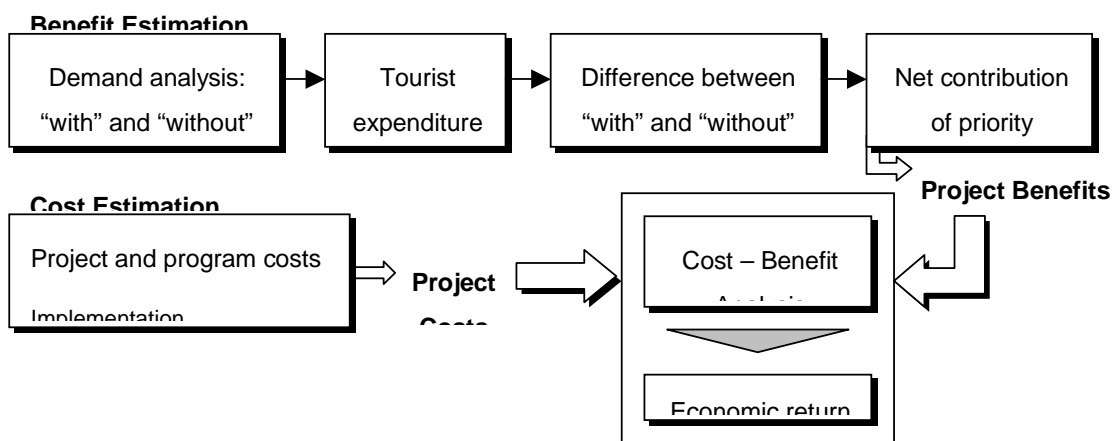
- The implementation body of selected projects will be mainly South African local government, and/or a new Project Implementation Unit (PIU) organized by public and private partnership.
- The total cost of each project will be estimated making the best use of South Africa's abundant domestic resources.
- Project cost will be estimated based on data and information related to the tourism development previously conducted in South Africa. Data and information will be collected from the government office and private sector such as construction companies, developers and architects.
- Each project, especially those of product, facility and infrastructure, comprise many sub-projects. Therefore, the entire project cost will be estimated.
- 15% of the construction cost will be added for contingency.
- 3-5% of the sub-total infrastructure construction cost (cost plus contingency) will be considered for annual operation and maintenance.
- Operation and maintenance cost for tourism facility development projects will be decided considering the size and characteristics of how to operate and maintain the project.
- Overhead profits will be inclusive in each project cost.
- Land acquisition costs and taxes will not be included.
- Costs will be estimated at February 2002 prices.

(4) Economic Evaluation

Economic evaluation of the priority projects and programs is undertaken in order to examine their impact on the national economy. Evaluation is made separately for each area, where the impact of the entire projects and programs is analysed as a whole (not project by project).

The flow of the analysis is shown in Figure 21.2.1.1 and the steps are described below.

Figure 21.2.1.1 Flow of Economic Analysis for Priority Projects and Programs



Source: JICA Study Team

i) Project Benefit Estimation

Project benefits are estimated on the basis of the incremental tourist expenditure to be generated with the priority projects and programs *relative to* the case without these projects and programs (the former to be called "With" project case, and the latter "Without" project case).

Methodology:

1. Use the demand projection for both "with" and "without" project cases conducted in each focus area development plan
2. Estimate total tourist expenditure for both cases
3. Take the difference in total expenditure between the two cases, as the incremental tourist expenditure
4. From this increment that is as a result of the total focus area development plan, estimate the

amount of increment to be attributed only to the priority projects and programs, using assumptions that are considered reasonable.

5. Then, estimate the amount of the net contribution to GDP (or value added) from the estimated incremental tourist expenditure attributed to the priority projects and programs.

ii) Project Cost Estimation

Project costs to be used for the economic analysis are those estimated in the sections regarding project costs in each chapter. These costs include those for implementation and for operation/maintenance. Note that the costs required for implementing programs such as marketing and promotion, human resources development, and institutional development will also be included in the analysis.

iii) Cost-Benefit Analysis

Standard cost-benefit analysis is used to evaluate the economic impact of the projects and programs, using the project benefits and costs estimated in the above steps.

Indicator used:

The economic internal rate of return (EIRR) is used as a measure for the economic evaluation. EIRR is the rate of discount at which cost and benefit streams over the evaluation period are equalized.

The mathematical definition of EIRR is as follows:

$$\sum_{t=0}^n \frac{(B_t - C_t)}{(1+k)^t} = 0 \quad \text{where } k = \text{EIRR (to be obtained solving this equation)}$$

B = benefit
 C = cost
 $B - C$ = net benefit

A 20-year period is used for the project evaluation period, starting in 2002 and ending in 2021.

(5) Preliminary Financial Assessment

Preliminary financial assessment is conducted for major proposed projects expected to generate revenue. Estimation is made as to whether these projects could be a commercial

activity attractive enough to a private entity, using the return on investment (ROI) as a measure for assessing the financial return of the projects. The definition of ROI is identical to that for EIRR as described above, with the only exception that benefits and costs in the above definition are revenues and expenses in the financial analysis. Note that inflation is not considered in the analysis, and thus the ROI estimated is in real terms.

Since all these projects involve development that should desirably be undertaken by the public sector (such as site preparation and infrastructure development), a sensitivity analysis is conducted assuming that the initial cost be borne partly by the public sector. **Note that at this planning stage both revenues and expenses used in the analysis are preliminary in nature, and thus the result should be taken as indicative only.**

(6) Environmental Considerations

Preparation of an EIA in accordance with South African guidelines may be required for tourism development. At the planning stage of all projects/programs, procedures for EIA in these guidelines should be carried out for project components. There are two main stages i.e. the Scoping Report Stage and Environmental Impact Report (EIR) Stage. Preliminary IEEs for projects/programs are carried out in order to provide basic information for a full-scale EIA.

21.3 Candidate Projects and Programs

The candidate projects and programs, namely those proposed in the previous chapters, for the four focus areas are summarized in Tables 21.3.1 – 21.2.4. They are grouped by type of project, with the proposed implementation period and proposed implementing body specified.

The abbreviations used for grouping are as follows:

Functional Groups of Activities	Abbreviation
1. Product and Facilities Development Plan	PD
2. Infrastructure Development Plan	IF
3. Marketing and Promotion Plan	MP
4. Human Resource Development Plan	HR
5. Institutional Development Plan	IN

Table 21.3.1 Candidate Projects & Programs for the Pilanesberg-Madikwe Corridor Subject Area

Table 21.3.2 Candidate Projects & Programs for the Khayelitsha Subject Area

Table 21.3.3 Candidate Projects & Programs for the Valley of the Olifants Subject Area

Table 21.3.4 Candidate Projects & Programs for the Barberton Subject Area

Projects and Programs		Group	By 06	By 11	Remarks	Implementing body
Product, Facilities & Infrastructure						
1	Overall Programming for Development and Conservation for Greater Trans Frontier Conservation Area	PD	√		Trans Frontier Conservation Area- Malolotja, Songimvelo, Mountainlands	MBC-PIU (see Institutional Development Plan below for MBC-PIU)
2	Development Program for Mountainlands Game Reserve:	PD/IF	√	√		Mainly, MBC-PIU
2.1	Planning and designing for Mountainlands Development	PD/IF	√		Planning, design, etc.	MBC-PIU
2.2	Investment promotion and investor evaluation	PD	√			MBC-PIU
2.3	Construction of infrastructure	IF	√	√	Road (internal & access), water supply, electricity, fence, gates	MBC-PIU
2.4	Construction of facilities	PD	√	√	Accommodation, etc	MBC-PIU /private investors
2.5	Development of tourist activities	PD	√	√	Wildlife and adventure activities	MBC-PIU /private investors
3	Development Program for Songimvelo Game Reserve:	PD/IF	√			MBC-PIU
3.1	Planning and designing for Songimvelo Development	PD/IF	√		Planning, design, etc.	MBC-PIU
3.2	Investment promotion and investor evaluation	PD	√			MBC-PIU
3.3	Construction of additional required infrastructure & upgrading of existing infrastructure where relevant	IF	√		Road (internal & access), water supply, electricity, fence, gates	MBC-PIU
3.4	Upgrading of existing lodge facilities	PD	√		Accommodation, etc	MBC-PIU /private investors
3.5	Construction of additional facilities	PD	√		Accommodation, etc	MBC-PIU/private investors
3.6	Expansion of tourist activities (particularly wildlife and adventure activities)	PD	√		Wildlife and adventure activities	MBC-PIU/private investors
4	Further Development of Barberton Game Reserve	PD/IF	√			Mpumalanga Parks Board
5	Development of Roads:	IF	√			
5.1	R40 (between Nelspruit and Barberton) improvement project	IF	√		Road width expansion	Province
5.2	Road from Elukwatini to Bulembu upgrading project	IF	√		Paving	MBC-PIU

Projects and Programs		Group	By 06	By 11	Remarks	Implementing body
5.3	Road from Ekulindeni Village to Songimvelo gate (road condition)	IF	√		Paving/improvement	MBC-PIU
5.4	R538 (between Karino and Plaston) improvement project	IF	√		Road width expansion	Province
6	Water Supply Development	IF				
6.1	Study and Investigation of Water Resource for three reserve areas	IF	√			MBC-PIU
6.2	Construction of Water Supply Facilities	IF	√	√	In line with the tourism development program	MBC-PIU
7	Construction of electric service connection lines and or installation of generators	IF	√	√	In line with the tourism development program	MBC-PIU
8	Telecommunication Development	IF				
8.1	Increase capacity of telecommunication networks	IF	√	√	In line with the tourism development program	Private (Telephone company)
8.2	Construction of new telephone service lines	IF	√	√	In line with the tourism development program	Private (Telephone company)
9	Other Tourist Facilities:	PD/IF	√			
9.1	Develop a variety of Barberton special interest & general interest tours & improve interpretation of Barberton sights	PD	√			Barberton LTO/ Private Sector
9.2	Upgrading of Bulembo border post	IF	√			National Government
9.3	Develop tourist stops on Barberton Bulembo Pass Road	PD	√			MBC-PIU
10	Development of Tourist Signage	IF	√	√		Barberton LTO/Local Government
Marketing & Promotion						
1	Marketing & Promotion of Existing Product:	MP	√			
1.1	Increase/improve marketing & promotion activities for Songimvelo Game Reserve	MP	√			Mpumalanga Parks
1.2	Increase/improve marketing/promotion activities of greater Barberton area	MP	√			Barberton LTO
2	Marketing & Promotion of Potential Product:	MP	√			
2.1	Develop marketing & promotion campaign for total subject area	MP	√			Barberton LTO/Private Sector
2.2	Develop branding/clear-cut image for total subject area	MP	√			Barberton LTO/Private Sector
3	Identify, develop and host subject area signature adventure events	MP	√		e.g., "Barberton Mountain Bike Race," etc	Barberton LTO/Private Sector
Human Resource Development						
1	Craft development, design & manufacture skills training	HR	√	√		Province/Local Government
2	Tourism business skills training of local communities to take up tourist business opportunities	HR	√	√		Province/Local Government
Institutional Development						

Projects and Programs	Group	By 06	By 11	Remarks	Implementing body
1 Establish Project Implementation Unit (PIU) for taking Mpumalanga Biodiversity Corridor (MBC) further – MBC-PIU	IN	√		Planning, development, promotion	Province/ Mpumalanga Parks Board/ Mpumalanga Biodiversity Corridor persons/ Municipality
2 Determine management, operation and maintenance scheme for the products and attractions proposed above	IN	√		Initial proposal will be made in this study.	Province/ Mpumalanga Parks Board/ Mpumalanga Biodiversity Corridor persons/ Municipality
3 Strengthen/expand/develop the Barberton LTO	IN	√			LTO
4 Establish strong linkages between LTO and new RTO (Wild Frontier)	IN	√		Planning	LTO & RTO
5 Establish strong linkages between LTO and MTA	IN	√			LTO & MTA

Note: 'By 06' and 'By 11' ('By year 2006' and 'By year 2011' respectively) indicate the period in which each project or program is proposed to be implemented. For the abbreviations in 'Group', see text.

Source: JICA Study Team

21.4 Environmental Consideration

21.4.1 Existing Condition and Environmental Considerations

- (1) Pilanesberg – Madikwe Corridor
- (2) Khayelitsha
- (3) Valley of the Olifants
- (4) Badplaas/ Barberton/ Malelane Area

i) Existing condition of natural environment and pollution

This area is located in the southern part of Mpumalanga Province and is in the catchment of Komati/ Crocodile River. The terrain morphology is "High Mountains" or "Undulating Hills", and its geological formation is "Barberton, Murchison, Giyani, Beit Bridge".

The vegetation of this area is "Lowveld Bushveld" of the "Savannah" Type. Its natural resources are relatively important. The land use is "Forestry", "Natural Area", or "Conservation/ Protected Area". The population density is low at 10 – 25 per km², and the mean annual rainfall is one of highest in SA. Therefore, the water availability per capita is high at 4,000 – 8,000 m³.

There is no pollution in this area because there is no large-scale industry or high population density.

ii) Environmental consideration for tourism development

This area is located in the mountain area with relatively sensitive natural resources. When tourism development is implemented in this area, special attention is required for soil erosion, landslide, and the impact on flora and fauna. In particular, road development requires an environmental impact assessment and management programs.

21.4.2 Initial Environmental Examination (IEE)

The application procedure of an EIA is shown in Figure 21.3.2.1. There are two main stages i.e. the Scoping Report Stage and Environmental Impact Report (EIR) Stage. The activities required to prepare EIA are shown in Table 21.3.2.1. In this table, the activities for tourism development are described as “1. Construction or Upgrading: (m) public and private resorts and associated infrastructure. Other infrastructure developments are also included in this table. Thus, preparation of an EIA in accordance with South African guidelines may be required for tourism development. At the planning stage of all projects/programs, procedures for EIA in these guidelines should be carried out for project components.

Figure 21.3.2.1. The application procedure of an EIA

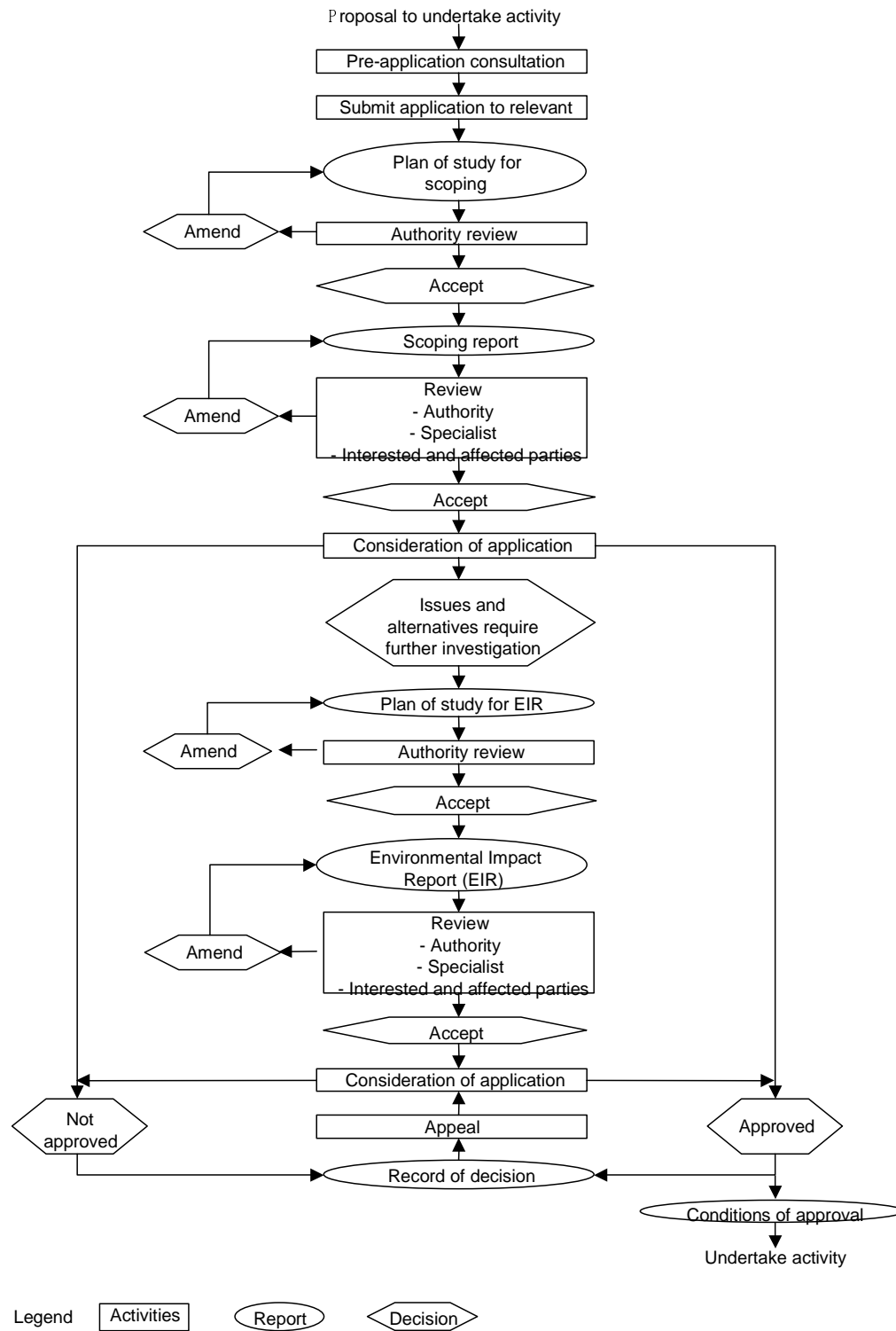


Table 21.3.2.1 Description of Activities Requiring EIA Preparation

Description of Activities	Relationship to Tourism Development
1 Construction or Upgrading	
(a) facilities for commercial electricity generation and supply - 1 (one) megawatt or more	XX
(b) nuclear reactors and installations for the production, enrichment, reprocessing and disposal of nuclear fuels and wastes	---
(c) transportation routes and structures, and manufacturing, storage, handling or processing facilities for any substance which is considered as dangerous or hazardous and is controlled by national legislation	---
(d) roads, railways, airfields and associated structures and activities outside the boundaries of town planning schemes 'Roads': - national road under the National Roads Act - toll road/ national freeways - provincial road/ arterial roads and major collector streets by a metropolitan or local authority - road in a designated sensitive area/ in any area regarded by the relevant authority as sensitive 'Railways': - railway under the South African Transport Services Act - private railway exceeding 1 km in length 'Airfields' includes a helipad within 300 m of existing or planned urban/ residential development	XX
(e) marinas, harbours, and all structures below the high-water mark of the sea	X
(f) cableways and associated structures - for mining and industrial purposes - in the context of recreational facilities, the construction of cableways for the purpose of transporting groups of people in a cable-car to places that are difficult to reach or to enjoy the scenic landscape of such places	X
(g) structures associated with communication networks, other than telecommunication lines and cables, as well as access roads leading to these structures This includes: - television/ radio masts for broadcasting purposes - radio air traffic control towers/ microwave towers	XX
(h) racing tracks for motor-powered vehicles and horse racing, excluding indoor tracks	X
(i) canals and channels, including diversions of the normal flow of water in a river bed and water transfer schemes between water catchments and impoundments Water transfer schemes means any transfer where: - the diverted flow does not return to the stream, within 20 km of the point of withdrawal - the mean annual flow transferred is not less than 0.5 cubic metres per second 'Canal' means an artificial watercourse for inland navigation or for irrigation. 'Channel' means a natural or artificial bed or running water; comparatively narrow piece of water joining two large pieces. Water pipelines of major water schemes which is controlled by legislation is also included under this activity.	X
(j) dams, levees or weirs affecting the flow of a river	X
(k) reservoirs for public water supply	XX
(l) schemes for the abstraction or utilisation of ground or surface water for bulk supply purposes Bulk supply' is water supplied in a significant volume to a local authority, who in turn reticulates it to individual consumers. It is also supplied in bulk to mines, industries, and agricultural schemes in some cases.	X
(m) public and private resorts and associated infrastructure	XX

Description of Activities	Relationship to Tourism Development
A resort is a place frequented by people for holiday, sport, recreation, health or similar purpose.	
(n) sewage treatment plants and associated infrastructure <ul style="list-style-type: none"> - more than 15,000 cubic metres per day - more than 5,000 cubic metres per day and a boundary of which is less than 200 metres from the nearest boundary of an existing or planned residential area, place of worship, educational institution, health care institution, marina park/ reserve or sea-water intake point - where the receiving environment can be regarded by the relevant authority as environmentally sensitive 	XX
(o) buildings and structures for industrial and military manufacturing and storage of explosives or ammunitions or for testing or disposal of such explosives ammunition	XX
2 The change of land use	
(a) residential use to industrial or commercial use	X
(b) light industrial use to heavy industrial use	---
(c) agriculture or undetermined use to any other land use	X
(d) use for grazing to any other form of agricultural use	X
(e) use for nature conservation or zoned open space to any other land use	X
3 The concentration of livestock in a confined structure for the purpose of mass commercial production.	X
4 The intensive husbandry of, or importation of, any plant or animal that has been declared a weed or an invasive alien species.	
<ul style="list-style-type: none"> - any plant declared a weed or invader plant under the Conservation of Agricultural Resources Act - any plant or animal declared to be an invader plant or animal in terms of any provincial ordinance 	---
5 The release of any organism outside its natural area of distribution that is to be used for biological pest control.	---
6 The genetic modification of any organism with the purpose of fundamentally changing the inherent characteristics of that organism.	---
7 The reclamation of land below the high-water mark of the sea and in inland water including wetlands.	
<p>'Sea' means the water and the bed of the sea below the low-water mark and within the territorial waters of South Africa, including the water and the bed of any tidal river and of any tidal lagoon.</p> <p>'High-water mark' means the highest line reached by the water of the sea during ordinary storms occurring during the most stormy period of the year, excluding exceptional or abnormal floods.</p> <p>Wetlands are those areas transitional between terrestrial and aquatic systems, where the water table is usually at or near the surface or the land is periodically covered with shallow water; or are deep water habitats which are permanently flooded. Wetlands must have one or more of the following attributes:</p>	
<ul style="list-style-type: none"> - at least periodically, the land supports predominantly hydrophytes; - the substrate is predominantly undrained hydric soil; - the substrate is nonsoil and is saturated with water or covered by shallow water at some time during the growing season of each year; - the surface water is permanent and often deep, so that water is the principle medium within which the dominant organism live, whether or not they are attached to the substrate. 	X
8 The disposal of the waste as required in terms of section 20 of the Environment Conservation Act, 1989.	
<p>'The disposal of waste' means the discarding or disposal of any matter whether solid, liquid or gaseous. This includes the disposal of waste falling under the provisions of section 21(1) of the Water Act, 1956 governing the purification and disposal of water used for industrial purposes and effluent, or to a 'water care work' as defined in section 1 of the Water Act, 1956, but shall not include the private disposal of domestic waste.</p>	XX
9 Scheduled processes listed in the Second Schedule to the Atmospheric Pollution Prevention Act,	---

Description of Activities	Relationship to Tourism Development
1965 (Act No. 45 of 1965).	

Note: XX; Activities that might be included for tourism development.

X; Activities that might be included for tourism development depending on the type of tourism development.

---; Activities that might not be include the tourism development in general.

Source: JICA Study Team, modified from EIA Guideline in South Africa

In this section, preliminary IEEs for all candidate projects/programs are carried out in order to provide basic information for a full-scale EIA.

In Section 21.2, the candidate projects and programs were selected. The “Product, Facilities & Infrastructure” Group include infrastructure or hard development. These candidate projects and programs are categorized into the following four (4) types.

Type A: Projects/ programs of small-scale development

Type B: Projects/ programs of integrated infrastructure and/or large-scale development

Type C: Projects/ programs of road development

Type D: Projects/ programs of water supply development

Table 22.3.2 shows a list of candidate projects/programs by type. Tables 22.3.3~10 show the list of candidate projects/ programs by type and the results of IEEs.

Table 21.3.2.2 Candidate Projects & Programs Required IEE and Classification of Type

Projects and Programs	Outline	Type
Barberton Subject Area		
Product, Facilities & Infrastructure		
1 Overall Programming for Development and Conservation for Greater Trans Frontier Conservation Area		*2
2 Development Program for Mountainlands Game Reserve:		*1
2.1 Planning and designing for Mountainlands Development		*2
2.2 Investment promotion and investor evaluation		*2
2.3 Construction of infrastructure	Road (internal & access), water supply, electricity, fence, gates	Type B
2.4 Construction of facilities	Accommodation, etc	Type A
2.5 Development of tourist activities		*2
3 Development Program for Songimvelo Game Reserve:		*1
3.1 Planning and designing for Songimvelo Development		*2
3.2 Investment promotion and investor evaluation		*2
3.3 Construction of additional required infrastructure & upgrading of existing infrastructure where relevant	Road (internal & access), water supply, electricity, fence, gates	Type B
3.4 Upgrading of existing lodge facilities	Accommodation, etc	Type A
3.5 Construction of additional facilities	Accommodation, etc	Type A
3.6 Expansion of tourist activities (particularly wildlife and adventure activities)		*2

Projects and Programs	Outline	Type
4 Further Development of Barberton Game Reserve		Type A
5 Development of Roads:		*1
5.1 R40 (between Nelspruit and Barberton) improvement project	Road width expansion	Type C
5.2 Road from Elukwatini to Bulembu upgrading project	Paving	Type C
5.3 Road from Ekulindeni Village to Songimvelo gate (road condition)	Paving/improvement	Type C
5.4 R538 (between Karino and Plaston) improvement project	Road width expansion	Type C
6 Water Supply Development		*1
6.1 Study and Investigation of Water Resource for three reserve areas		*2
6.2 Construction of Water Supply Facilities		Type D
7 Construction of electric service connection lines and or installation of generators		Type A
8 Telecommunication Development		*1
8.1 Increase capacity of telecommunication networks		Type A
8.2 Construction of new telephone service lines		Type A
9 Other Tourist Facilities:		*1
9.1 Develop a variety of Barberton special interest & general interest tours & improve interpretation of Barberton sights		*2
9.2 Upgrading of Bulembu border post		Type A
9.3 Develop tourist stops on Barberton Bulembu Pass Road		Type A
10 Development of Tourist Signage		Type A

Source: JICA Study Team

Note: Type A: Projects/ programs of small-scale development

Type B: Projects/ programs of integrated infrastructure and/or large-scale development

Type C: Projects/ programs of road development

Type D: Projects/ programs of water supply development

*1: Project/ program title

*2: No need to prepare IEE because of soft type project/ program

Table 21.3.2.3 List of Type A projects/ programs

Type A Projects and Programs	
Barberton Subject Area	
2 Development Program for Mountainlands Game Reserve:	2.4 Construction of facilities
3 Development Program for Songimvelo Game Reserve:	3.4 Upgrading of existing lodge facilities 3.5 Construction of additional facilities
4 Further Development of Barberton Game Reserve	
7 Construction of electric service connection lines and or installation of generators	
8 Telecommunication Development:	8.1 Increase capacity of telecommunication networks 8.2 Construction of new telephone service lines
9 Other Tourist Facilities:	9.2 Upgrading of Bulembo border post 9.3 Develop tourist stops on Barberton Bulembo Pass Road
10 Development of Tourist Signage	

Table 21.3.2.4 Result of IEEs of Type A

Environmental Item		Evaluation	Remarks
Social environment	Resettlement	Yes	Depending on the location of site
	Economic activities	Yes	Depending on number of accumulation of people/ goods
	Traffic/ public facilities	Yes	Depending on increasing of traffic volume
	Split of communities	No	
	Cultural property	Yes	Depending on the location of site
	Water rights/ rights of common	Yes	Depending on the location of site
	Public health condition	No	
	Waste	Yes	Depending on number of accumulation of people/ goods
	Hazard (risk)	No	
Natural environment	Topography/ geology	Yes	Depending on the location of site
	Soil erosion	Yes	Depending on the location of site
	Groundwater	No	
	Hydrological	No	
	Coastal zone	No	
	Fauna/ flora	Yes	Depending on the location of site
	Meteorology	No	
	Landscape	Yes	Depending on the location of site and the design
Pollution	Air pollution	Yes	Depending on increasing of traffic volume
	Water pollution	Yes	Depending on construction/ operation method
	Soil contamination	No	
	Noise/ vibration	No	
	Land subsidence	No	
	Offensive odor	No	

Table 21.3.2.5 List of Type B projects/ programs

Type B Projects and Programs	
Barberton Subject Area	
2 Development Program for Mountainlands Game Reserve:	2.3 Construction of infrastructure
3 Development Program for Songimvelo Game Reserve:	3.3 Construction of additional required infrastructure & upgrading of existing infrastructure where relevant

Table 21.3.2.6 Result of IEEs of Type B

Environmental Item		Evaluation	Remarks
Social environment	Resettlement	Yes	Depending on the location of site
	Economic activities	Yes	Depending on number of accumulation of people/ goods
	Traffic/ public facilities	Yes	Depending on increasing of traffic volume
	Split of communities	Yes	Depending on increasing of traffic volume
	Cultural property	Yes	Depending on the location of site
	Water rights/ rights of common	Yes	Depending on the location of site
	Public health condition	Yes	Depending on volume of waste
	Waste	Yes	Depending on number of accumulation of people/ goods
	Hazard (risk)	Yes	Depending on increasing of traffic volume
Natural environment	Topography/ geology	Yes	Depending on the location of site
	Soil erosion	Yes	Depending on the location of site
	Groundwater	Yes	Depending on the method of water supply
	Hydrological	Yes	Depending on the location of site
	Coastal zone	No	
	Fauna/ flora	Yes	Depending on the location of site
	Meteorology	Yes	Depending on the scale of the reclamation
	Landscape	Yes	Depending on the location of site and the design
Pollution	Air pollution	Yes	Depending on increasing of traffic volume
	Water pollution	Yes	Wastewater at construction and operation of facilities
	Soil contamination	No	
	Noise/ vibration	Yes	Depending on increasing of traffic volume
	Land subsidence	No	
	Offensive odor	Yes	Depending on increasing of traffic volume

Table 21.3.2.7 List of Type C projects/ programs

Type C Projects and Programs	
Barberton Subject Area	
5 Development of Roads:	5.1 R40 (between Nelspruit and Barberton) improvement project 5.2 Road from Elukwatini to Bulembu upgrading project 5.3 Road from Ekulindeni Village to Songimvelo gate (road condition) 5.4 R538 (between Karino and Plaston) improvement project

Table 21.3.2.8 Result of IEEs of Type C

Environmental Item		Evaluation	Remarks
Social environment	Resettlement	Yes	Depending on the location of site
	Economic activities	Yes	Accumulation of people/ goods

Environmental Item		Evaluation	Remarks
	Traffic/ public facilities	Yes	Increasing of traffic volume
	Split of communities	Yes	Increasing of traffic volume
	Cultural property	Yes	Depending on the location of site
	Water rights/ rights of common	Yes	Depending on the location of site
	Public health condition	No	
	Waste	Yes	Accumulation of people/ goods
	Hazard (risk)	Yes	Increasing of traffic volume
Natural environment	Topography/ geology	Yes	Depending on the location of site
	Soil erosion	Yes	Depending on the location of site
	Groundwater	Yes	Depending on the construction method
	Hydrological	Yes	Depending on the location of site
	Coastal zone	No	
	Fauna/ flora	Yes	Depending on the location of site
	Meteorology	No	
	Landscape	Yes	Depending on the location of site and the design
Pollution	Air pollution	Yes	Increasing of traffic volume
	Water pollution	Yes	Wastewater at construction and operation of vehicles
	Soil contamination	No	
	Noise/ vibration	Yes	Increasing of traffic volume
	Land subsidence	No	
	Offensive odor	No	

Table 21.3.2.9 List of Type D projects/ programs

Type D Projects and Programs	
Barberton Subject Area	
6 Water Supply Development: 6.2 Construction of Water Supply Facilities	

Table 21.3.2.10 Result of IEEs of Type D

Environmental Item		Evaluation	Remarks
Social environment	Resettlement	Yes	Depending on the location of site
	Economic activities	No	
	Traffic/ public facilities	No	

Environmental Item		Evaluation	Remarks
	Split of communities	No	
	Cultural property	No	
	Water rights/ rights of common	Yes	Depending on the location of site
	Public health condition	No	
	Waste	No	
	Hazard (risk)	No	
Natural environment	Topography/ geology	No	
	Soil erosion	No	
	Groundwater	No	
	Hydrological	Yes	Depending on the location of site
	Coastal zone	No	
	Fauna/ flora	Yes	Depending on the location of site
	Meteorology	No	
	Landscape	Yes	Depending on the location of site and the design
Pollution	Air pollution	No	
	Water pollution	Yes	Wastewater at construction and operation of vehicles
	Soil contamination	No	
	Noise/ vibration	Yes	Depending on the distance from residential area
	Land subsidence	No	
	Offensive odor	No	

21.5 Selection of Priority Projects & Programs

Priority projects and programs are candidate projects and programs that need to be implemented in the short to medium term (by 2006) and are the subjects for further study.

21.5.1 Selection Methodology

The selection of the priority projects and programs are made in the following manner:

(1) Criteria

Three criteria or factors are considered in the selection. Each project or program is

assessed in terms of the degree in these factors that are particularly important to achieving development objectives.

- Urgency: timing for implementation in the overall development plan for the area
- Importance: extent of contribution to attracting more tourists into the area, leading to creation of more jobs and to socio-economic development in the area
- Implementability: identifiability (or ease of planning) of a project implementing body, existence of current initiatives, and degree of difficulty that would potentially hamper and/or delay project implementation

(2) Scoring

A score of 'A' or 'B' is given for rating the project or program, and the priority is determined in accordance with the cumulative score. 'A' or 'B' evaluation is based on the following criteria:

- **Urgency:**
 - A: Immediately needed to achieve the objectives, and/or prerequisite for other projects and programs
 - B: Less urgent, and/or pre-conditions need to be established (e.g., implementation of certain projects or programs should come first before implementing this project or program)
- **Importance:**
 - A: No substitution, significantly enhancing the attractiveness of the area
 - B: Relatively less important, and/or substitute measures or their equivalents are available for achieving the objectives.
- **Implementability:**
 - A: No major difficulty to identify or plan the project-implementing agency, no other major difficulty with implementation
 - B: Possibility of potentially major difficulty/obstacles against implementation

(3) Priority

Projects and programs that score AAA or AAB, i.e., ranked first (1) or second (2) priority are selected as the priority projects and programs. Those that score ABB or BBB are evaluated as being of secondary importance.

21.5.2 Selection results

The evaluation results for the candidate projects and programs are detailed in Tables 21.4.2.1 – 21.4.2.2.

Table 21.4.2.1 Prioritisation of Projects & Programs – Pilanesberg-Madikwe Corridor Subject Area

Table 21.4.2.2 Prioritisation of Projects & Programs - Khayelitsha Subject Area

Table 21.4.2.3 Prioritisation of Projects & Programs - Valley of the Olifants Subject Area

Table 21.4.2.4 Prioritisation of Projects & Programs - Barberton Subject Area

Projects and Programs	Group	Urgency	Importance	Implement-ability	Rating score	Priority
Product, Facilities & Infrastructure						
Overall Programming for Development and Conservation for Greater Trans Frontier Conservation Area	PD	A	A	A	AAA	1
Mountainlands Game Reserve Development:	PD/IF					1
Planning and designing for Mountainlands Development	PD/IF	A	A	A	AAA	1
Investment promotion and investor evaluation	PD	A	A	A	AAA	1
Construction of infrastructure	IF	A (short to mid-term measure)	A	A	AAA	1 (short to mid-term measure)
Construction of facilities	PD	A (short to mid-term measure)	A	A	AAA	1 (short to mid-term measure)
Development of tourist activities	PD	A	A	A	AAA	1
Further Development of Songimvelo Game Reserve:	PD/IF					1
Planning and designing for Songimvelo Development	PD/IF	A	A	A	AAA	1
Investment promotion and investor evaluation	PD	A	A	A	AAA	1
Construction of additional required infrastructure & upgrading of existing infrastructure where relevant	IF	A	A	A	AAA	1
Upgrading of existing lodge facilities	PD	A	A	A	AAA	1
Construction of additional facilities	PD	A	A	A	AAA	1
Expansion of tourist activities (particularly wildlife and adventure activities)	PD	A	A	A	AAA	1
Further Development of Barberton Game Reserve	PD/IF	A	A	A	AAA	1
Roads and Transport Upgrading:	IF					

Projects and Programs	Group	Urgency	Importance	Implement-ability	Rating score	Priority
R40 (between Nelspruit and Barberton) improvement project	IF	A	A	A	AAA	1
Road from Elukwatini to Bulembu upgrading project	IF	A	A	A	AAA	1
Road from Ekulindeni Village to Songimvelo gate (road condition)	IF	A	A	A	AAA	1
R538 (between Karino and Plaston) improvement project	IF	A	A	A	AAA	1
Water Supply Development						
Study and Investigation of Water Resource for three reserve areas	IF	A	A	A	AAA	1
Construction of Water Supply Facilities	IF	A	A	A	AAA	1
Construction of electric service connection lines and or installation of generators	IF	A	A	A	AAA	1
Telecommunication Development						
Increase capacity of telecommunication networks	IF	B	B	A	ABB	3
Construction of new telephone service lines	IF	B	B	A	ABB	3
Other Tourist Facilities:	PD/IF					
Develop a variety of Barberton special interest & general interest tours & improve interpretation of Barberton sights	PD	A	A	A	AAA	1
Upgrading of Bulembu border post	IF	A	A	A	AAA	1
Develop tourist stops on Barberton Bulembu Pass Road	PD	B	B	A	ABB	3
Development of Tourist Signage	IF	A	B	A	AAB	2
Marketing & Promotion						
Marketing & Promotion of Existing Product:	MP					1
Increase/improve marketing & promotion activities for Songimvelo Game Reserve	MP	A	A	A	AAA	1
Increase/improve marketing/promotion activities of greater Barberton area	MP	A	A	A	AAA	1
Marketing & Promotion of Potential Product:	MP					1
Develop marketing & promotion campaign for total subject area	MP	A	A	A	AAA	1
Develop branding/clear-cut image for total subject area	MP	A	A	A	AAA	1
Identify, develop and host subject area signature adventure events	MP	A	A	A	AAA	1
Human Resource Development						
Craft development, design & manufacture skills training	HR	B	A	A	AAB	2
Tourism business skills training of local communities to take up tourist business opportunities	HR	A	A	A	AAA	1
Institutional Development						
Establish Project Implementation Unit (PIU) for product development in Mpumalanga	IN	A	A	A	AAA	1

Projects and Programs	Group	Urgency	Importance	Implement-ability	Rating score	Priority
Biodiversity Corridor (MBC)						
Determine management, operation and maintenance scheme for the products and attractions proposed above	IN	A	A	A	AAA	1
Strengthen/expand/develop the Barberton LTO	IN	A	A	A	AAA	1
Establish strong linkages between LTO and new RTO (Wild Frontier)	IN	A	A	A	AAA	1
Establish strong linkages between LTO and MTA	IN	A	A	A	AAA	1

Note: For the abbreviations in 'Group', see text in the previous section.

Source: JICA Study Team

21.5.3 Selection Results

The proposed priority projects and programs selected through the process above are summarized in Tables 21.5.3.1 – 21.5.3.4. A new numbering system is used, and some of the priority projects and programs are grouped together.

These proposed projects and programs are the subject of further study, including proposals in respect of their scope, examination of demand, costing, pre-feasibility studies (for major projects) and implementation schedule.

Table 21.5.3.1 List of Priority Projects & Programs – Pilanesberg-Madikwe Corridor Subject Area

Table 21.5.3.2 List of Priority Projects & Programs - Khayelitsha Subject Area

Table 21.5.3.3 List of Priority Projects & Programs - Valley of the Olifants Subject Area

Table 21.5.3.4 List of Priority Projects & Programs - Barberton Subject Area

Priority Projects and Programs	
A Product, Facilities and Infrastructure	
A-1	Overall Programming for Development and Conservation for Greater Trans Frontier Conservation Area
A-2	Mountainlands Game Reserve Development
A-3	Further Development of Songimvelo Game Reserve
A-4	Development of range/variety of Barberton special interest and general interest tours & Improvement of interpretation of Barberton sights
A-5	Road and Transport Upgrading

A-5-1	R40 (between Nelspruit and Barberton) improvement project
A-5-2	Road from Elukwatini to Bulembu upgrading project
A-5-3	Road from Ekulindeni to Songimvelo gate (improvement of road condition)
A-5-4	R538 (between Karino and Plaston) improvement project
A-6	Other Tourist Facilities
A-6-1	Upgrading of Bulembu border post
A-6-2	Development of tourist signage
B Marketing and Promotion	
B-1	Marketing & promotion of existing product – ie marketing of subject area
C Human Resource Development	
C-1	Craft development, design & manufacture skills training
C-2	Tourism business skills training for local communities
D Institutional Development	
D-1	Establishing Project Implementation Unit for product development in Mpumalanga Biodiversity Corridor
D-2	Strengthen/expand/develop the Barberton LTO
D-3	Establish strong linkages between LTO and new RTO (Wild Frontier)/MTA

Chapter 22

Pilanesburg – Madikwe Corridor

Subject Area

Chapter 23

Khayelitsha Corridor Subject Area

Chapter 24

Valley of the Olifants Subject Area

Chapter 25

Barberton Subject Area

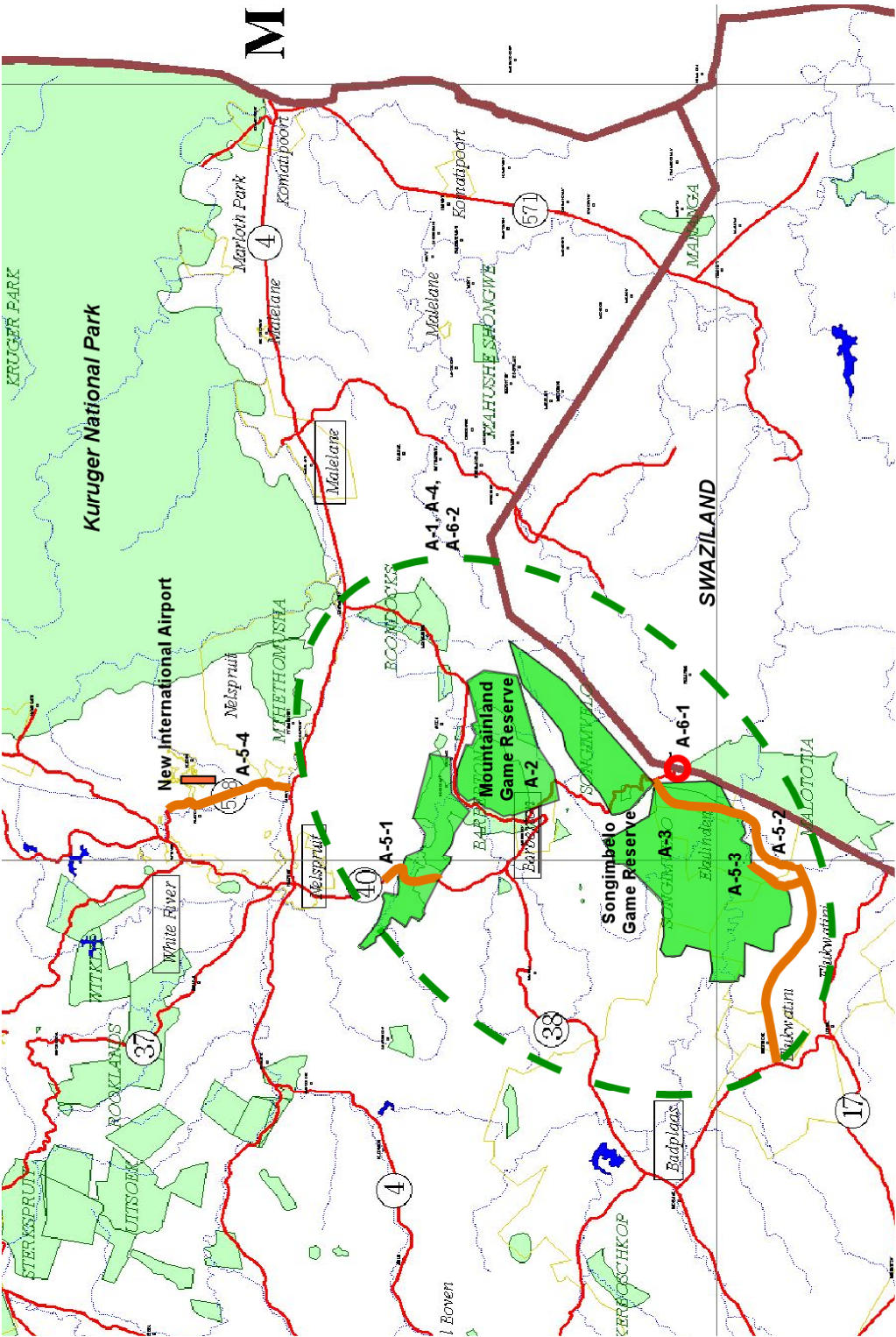
25.1 Barberton Project/Program Package

Table 22.4.1.1 List of Priority Projects & Programs

A	Product, Facilities and Infrastructure
A-1	Overall Programming for Development and Conservation for Greater Trans Frontier Conservation Area
A-2	Development of Mountainlands Game Reserve
A-3	Further Development of Songimvelo Game Reserve
A-4	Development of range/variety of Barberton special interest and general interest tours & Improvement of interpretation of Barberton sights
A-5	Road and Transport Upgrading A-5-1 R40 (between Nelspruit and Barberton) improvement project A-5-2 Road from Elukwatini to Bulembu upgrading project A-5-3 Road from Ekulindeni to Songimvelo gate (improvement of road condition) A-5-4 R538 (between Karino and Plaston) improvement project
A-6	Other Tourist Facilities A-6-1 Upgrading of Bulembu border post A-6-2 Development of tourist signage
B	Marketing and Promotion
B-1	Marketing & promotion of existing product
B-2	Marketing & promotion of potential product
B-3	Developing and hosting subject area signature adventure events
C	Human Resource Development
C-1	Craft development, design & manufacture skills training
C-2	Tourism business skills training for local communities
D	Institutional Development
D-1	Establishing Project Implementation Unit for product development in Mpumalanga Biodiversity Corridor
D-2	Determining management, operation and maintenance scheme for the products and attractions proposed above
D-3	Strengthen/expand/develop the Barberton LTO
D-4	Establish strong linkages between LTO and new RTO (Wild Frontier)/MTA

Source: JICA Study Team

Figure 22.4.1.1 Location of Priority Projects (Barberton)



Project Sheet –Barberton Subject Area

Project Title: A-1 Overall Programming for Development and Conservation for Greater Trans Frontier Conservation Area	
Justification: <p>The subject area lies within the Maputo Corridor, borders Swaziland to the south and the KNP to the north-east and has many tourism resources such as unique mountainous and scenic terrain, unique geology, game and nature reserves and Barberton's mining history. This area is a part of "The Tourism and Biodiversity Corridor (TBC)", which runs from Barberton and the surrounding areas through Swaziland and Mozambique. The proposal is to develop this area into one of the most attractive tourism destinations in the country making the best use of resources in the area.</p> <p>Though some of the projects included in this proposal have been partly implemented, there are still many projects that have not been implemented. To achieve tourism development successfully and to protect the natural and social environment of this vast area, formulating an overall program for development and conservation for this area is very important and required as soon as possible. This will avoid confusion and conflicts of interest.</p>	
Project Objectives: <ul style="list-style-type: none"> • To protect the natural and social environment in and around this area • To achieve smooth and successful development of tourism • To attract investors and tourists to this area 	
General Description: <p>To understand the existing natural and social condition in and around the subject area, a survey will be required. Information collected from the survey is essential to make a Land Use Plan of the entire subject area. An assessment of future tourism and other development demand will also contribute to the Land Use Plan. Land use consists of area for development by type, development reserve area, and a conservation area. The policy for development and conservation will also be established in this stage.</p>	
Project Components: <ul style="list-style-type: none"> • Study and survey of present and existing condition of entire subject area • Planning of land use of entire subject area for development and conservation • Policy making for development and conservation 	
Project Implementing Agency: <p>MBC-PIU will be the agency for implementation of this project.</p>	
Project Cost Estimate: <p>R2,000,000</p>	Implementation Schedule: <p>One year from 2002</p>

Project Sheet –Barberton Subject Area

<p>Project Title: A-2 Development of Mountainlands Game Reserve</p>
<p>Justification:</p> <p>This area possesses good potential for developing mountain-based soft adventure tourism and some hard adventure combined with a game viewing experience, offering a variety of activities, nature walks and trails using the mountainous terrain, diverse flora and fauna, and geology. The area, endowed with unique mountainous terrain and diverse nature should be developed with the aim of establishing it as: “South Africa’s mountain land, adventure and wildlife experience”.</p> <p>Further potential exists from establishing a game reserve. However, such a new reserve would need to differentiate its wildlife experience from the standard experience offered elsewhere in South Africa, by providing adventure activities within the game reserve (without carnivores) and by taking advantage of the area’s mountainous/scenic terrain.</p>
<p>Project Objectives:</p> <ul style="list-style-type: none"> • To strengthen and establish the suggested clear-cut image, “South Africa’s mountain land, adventure and wildlife experience”. • To incorporate a mountain and adventure theme into the Game Reserve. • To differentiate the wildlife experience of this area from other wildlife experiences in SA. • To develop mountain and adventure orientated facilities/activities within the reserve. • To generate tourist flows that will result in tourism jobs and entrepreneurial opportunities in an area in need of economic stimulation.
<p>General Description:</p> <p>The development of the Mountainlands Game Reserve should support, strengthen and assist in establishing the clear-cut image of the area. As access to this reserve is far better than that of Songimvelo (on the main tourist route), it is recommended that the average size of facilities be much larger than that of Songimvelo.</p> <p>The mountain and adventure theme should be incorporated into the Game Reserve by developing adventure orientated activities within the reserve linked where possible to wildlife activities. Both hard and soft adventure activities should be included.</p> <p>Facilities, such as accommodation, should be developed around the adventure and mountain theme. Although small upmarket facilities could also be included, the main facilities should be targeted at the mid-market family market, i.e. resort style. The developments could incorporate both self-catering and serviced facilities.</p> <p>Development of day visitor recreation facilities is also recommended. This could be linked to the mid-market resort, but should provide general picnic and/or restaurant facilities and access to adventure activities elsewhere in the Reserve.</p> <p><u>Site:</u></p> <p>Mountainlands Reserve. At this stage no specific sites within the Reserve for various facilities are specified. However, it is recommended that, as far as possible, day visitor facilities and adventure/mountain activities be accessible from the Bulembo-Barberton Road in order to create a tourism route/hub along this road.</p>

Project Components:

A mid-market mid-sized resort facility:

- Family orientated, either or both self-catering and full service facilities
- Self catering chalets ± 50+ (could consider timeshare)
- Full service lodge ± 80 rooms

This facility should incorporate or offer nearby a range of adventure and mountain facilities and activities, i.e.: Mountain bike trails, hiking trails, rock climbing, abseiling, swimming pool (look at heating for winter).

Support facilities such as restaurant & fast food kiosk, shop for essentials to self-catering chalet.

Small mid-market and up-market lodge facilities scattered throughout the Reserve. Consideration could also be given to individual mountain chalets.

Day visitor adventure and recreation facilities, i.e. linking with adventure sites in reserve established for resort and lodges, provision of recreation facilities, such as picnic sites, etc.

Project Implementing Agency:**Project Cost Estimate:**

Planning and Designing:

R 6,620,000

Construction and Game Stocking:

R 87,630,000

Total Project Costs (Operation and maintenance Costs excluded)

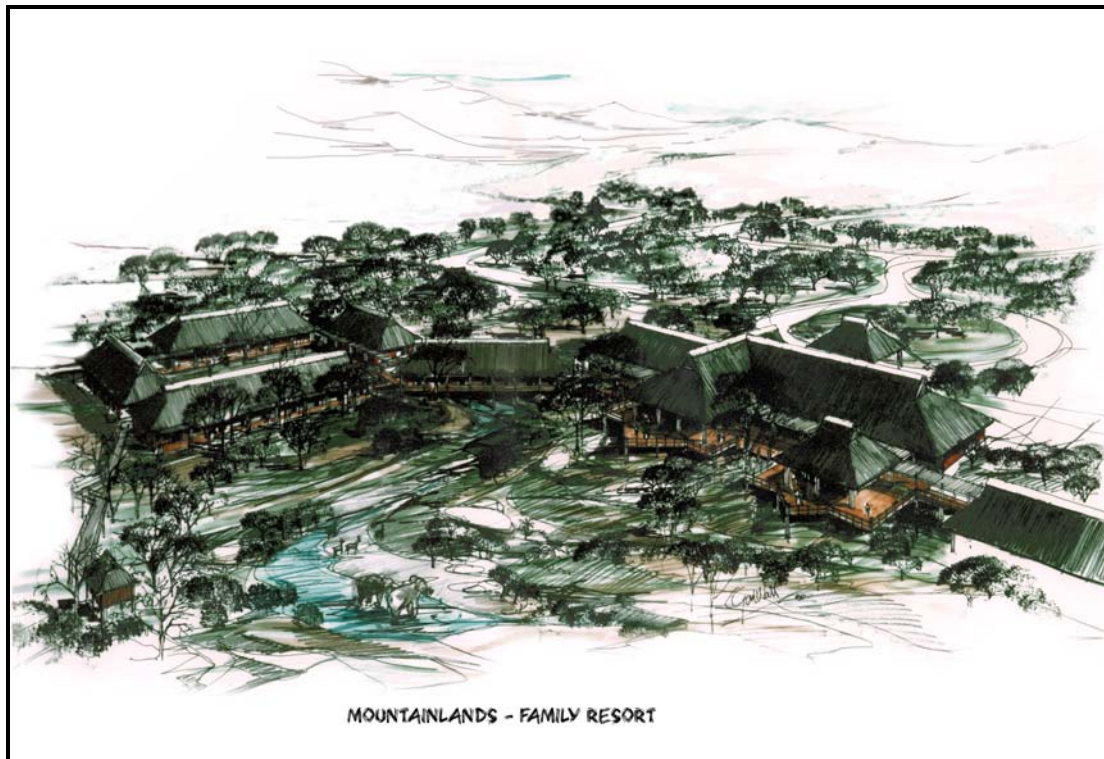
R 94,250,000

Implementation Schedule:

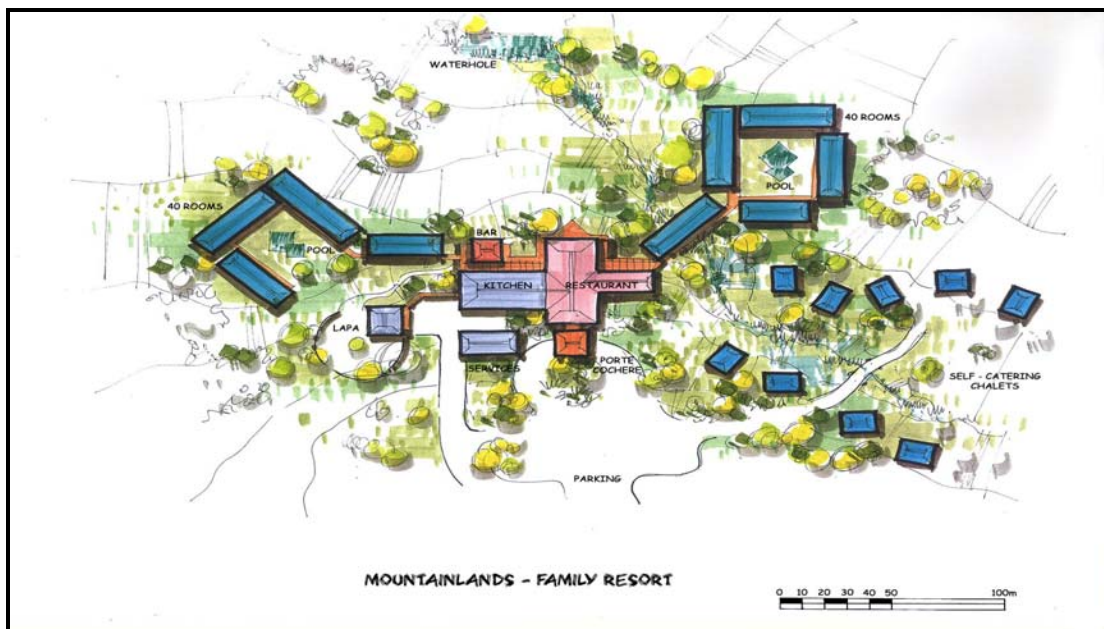
One year for planning and designing from mid 2002 to mid 2003

1.5 years construction from mid 2003 to 2005

Operation and maintenance to commence from mid 2006



**MOUNTAINLANDS FAMILY RESORT –
PERSPECTIVE**



MOUNTAINLANDS FAMILY RESORT – PLAN

Project Sheet –Barberton Subject Area**Project Title:** A-3 Further Development of Songimvelo Game Reserve**Justification:**

This area possesses good potential for developing mountain-based soft adventure tourism and some hard adventure combined with a game viewing experience, offering a variety of activities, nature walks and trails using mountainous terrain, diverse flora and fauna, and geology. The area, endowed with unique mountainous terrain and diverse nature should be developed with the aim of establishing it as: “South Africa’s mountain land, adventure and wildlife experience”.

Although Songimvelo is already developed, the current development primarily relates to conservation and as there is only one small existing lodge, significant opportunities lie in expanding the tourist facilities and activities within the reserve.

Project Objectives:

- To strengthen and establish the suggested clear-cut image, “South Africa’s mountain land, adventure and wildlife experience”.
- To incorporate a mountain and adventure theme into the Game Reserve.
- To differentiate the wildlife experience of this area from other wildlife experiences in SA.
- To develop mountain and adventure orientated facilities/activities within the reserve.
- To generate tourist flows that will result in tourism jobs and entrepreneurial opportunities in an area in significant need of economic stimulation.

General Description:

Further development of Songimvelo should support, strengthen and assist in establishing the clear-cut image of the area and also the game reserve product in the area. Given the access constraints (i.e. off the major access/tourist route in the area), it is suggested that the facilities at this Reserve remain relatively small in size. This would provide for a more personalized experience, which will also differentiate Songimvelo from the new Mountainlands product.

It is recommended that the mountain and adventure theme be strongly incorporated into the Game Reserve by developing adventure-orientated activities within the reserve linked where possible to the wildlife activities. In addition, other tourist facilities, such as accommodation, should be developed around the adventure and mountain theme.

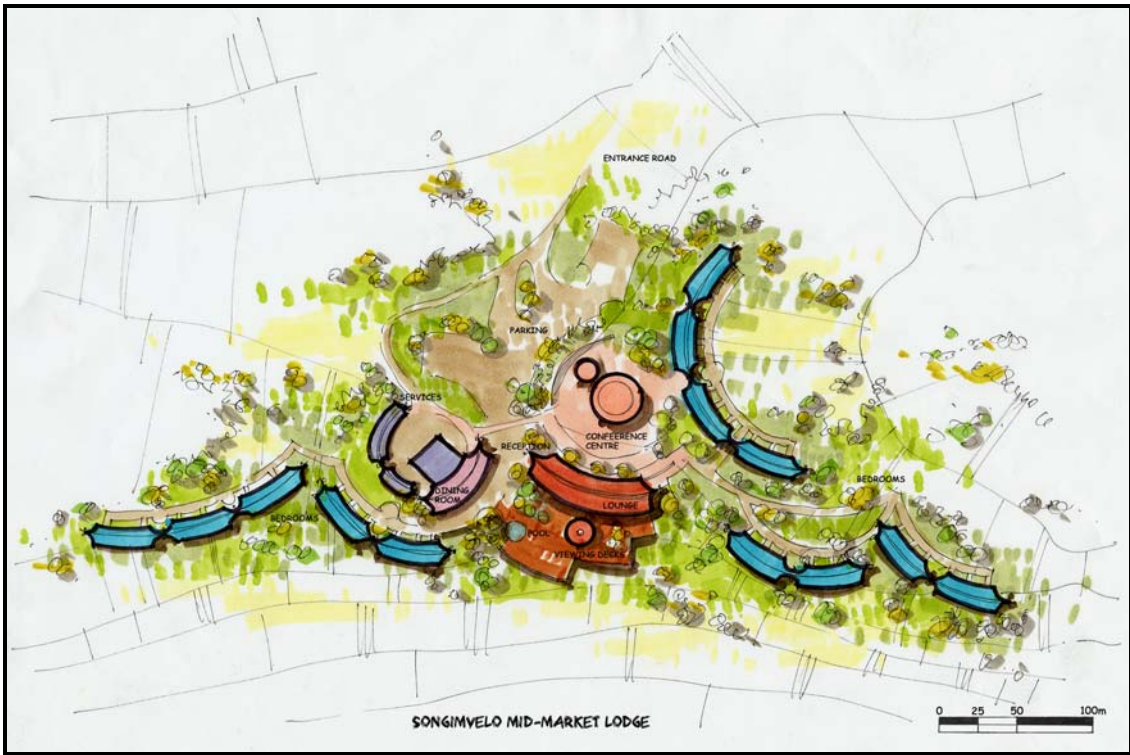
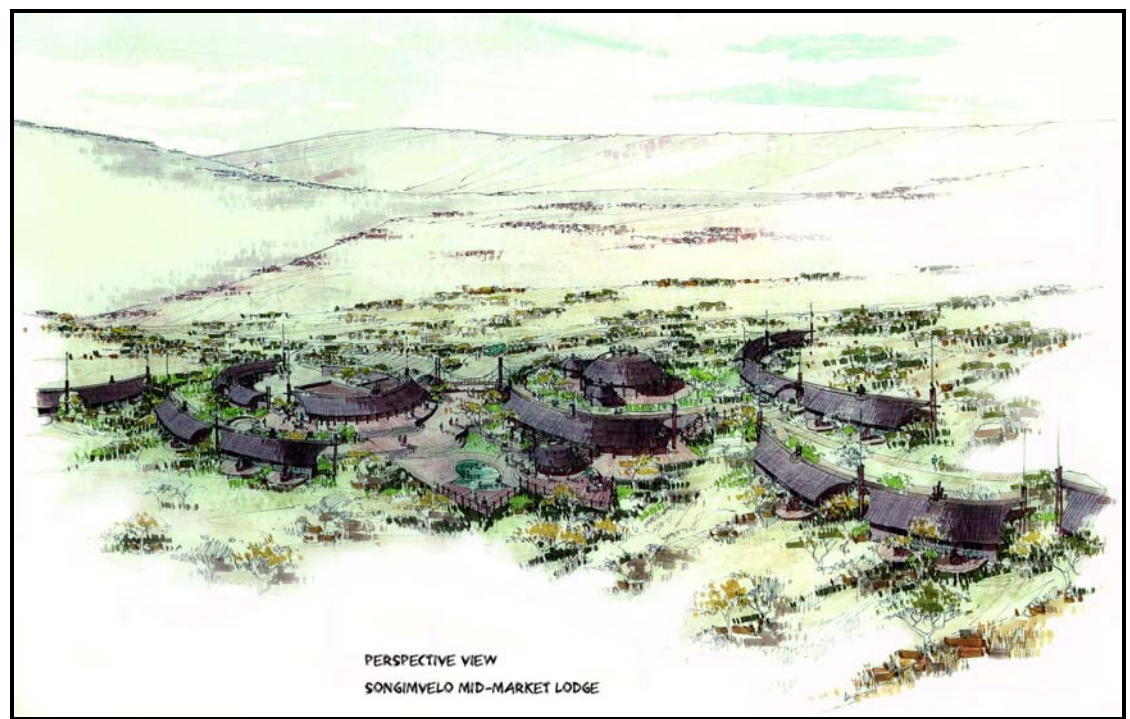
It is recommended that the reserve incorporate both small up-market accommodation establishments (lodges) and small mid-market accommodation establishments, which should be more family orientated.

As this Reserve provides excellent rhino viewing opportunities, it is suggested that a specific product around Rhino spotting be developed, packaged and marketed.

Site:

The Songimvelo Reserve. At this stage no specific sites within the Reserve for various facilities are specified. However, it is recommended that selected sites support the adventure and mountain theme.

Project Components: <ul style="list-style-type: none"> • Refurbishment of existing camp • Development of a mid-market Lodge: • Either self-catering or serviced units (\pm 50 rooms) • Family orientated but also for small mid-market team building groups • Up-market Lodge (serviced, \pm 20 rooms) • Targeted at small groups, couples, etc. • At each of above lodge facilities include lounge, restaurant/eating & bar facility, small meeting/conference rooms, Lapa/Boma, swimming pool, adventure activities on offer 	
Project Implementing Agency:	
Project Cost Estimate: Planning and Designing R 4,671,000 Construction R 53,717,000 Total Project Costs (Operation and maintenance Costs excluded) R 58,388,000	Implementation Schedule: One year for planning and designing from mid 2002 to mid 2003 1.5 years for construction from mid 2003 to 2004 Operation and maintenance will commence from mid 2005



SONGIMVELO LODGE



SONGIMVELO LODGE

Project Sheet –Barberton Subject Area

Project Title		A-4 Development of range/variety of Barberton special interest and general interest tours & improvement in interpretation of Barberton sites
Justification		<p>Although the tourism resource list of the Barberton area is extensive, with the exception of the historic attractions, most of the tourism resources in the area are offered as separate fragmented facilities and attractions have no routes or linked experiences. In addition, very poor or no interpretation is provided for most of the attractions. The content, interpretation and packaging of the existing historic route could therefore be improved.</p> <p>It is recommended that product offering be significantly different from the current product offering so that it incorporates several new products incorporating the mountain and adventure themes into several of the product offerings, i.e. game reserve, scenic drives, etc. This change in product offering calls for the development of tours and routes.</p>
Project Objectives		<ul style="list-style-type: none"> • To strengthen and establish the suggested clear-cut image, "South Africa's mountain land, adventure and wildlife experience". • To establish linkage between the various attractions, facilities and products in order to ensure a strong and cohesive product offering. • To develop unique tours and routes, which allow tourists to experience the area's product offering, i.e. ensure it is unique and differentiated from other similar experiences. • To provide adequate signage and interpretation for tours.
General Description		This program generally relates to the developing/compilation of tourist routes (existing and new routes), the combination of various tourist routes (i.e. adventure route combined with scenic route) as well as the development of route and area specific tourism maps and signage.
Project Components		<p>Improving or actually developing the content and interpretation of the existing attractions and experiences, particularly the Barberton History experience.</p> <p>Researching, packaging and designing new routes and sub-routes required (content and interpretation at route sites), i.e. scenic route, adventure route, geology route, etc.</p> <p>Developing tourist signage (and maps) for the subject area that would assist in establishing tourist routes and guiding tourists to resources while reinforcing the clear-cut image of the area.</p>
Project Implementing Agency		
Project Cost Estimate	Implementation Schedule	
R	3.5 years from mid 2002 to 2005	

Project Sheet–Barberton Subject Area

Project Title: A-5 Road and Transport Upgrading	
Justification: <p>The Barberton subject area is situated about 400km and 350km east from Johannesburg and Pretoria, which are the main tourism markets to this area and have many tourism attractions within and near the subject area. Therefore, most foreign and domestic tourists access this area by road and the majority are self-drive tourists. The national road N4 is the main access road to this area from the main market and most regional main roads to/from and within the subject area are well developed. However, some sections of roads still require improvement and upgrading in order to facilitate easier accessibility to the area and contribute to tourist demand.</p>	
Project Objectives: <p>The objectives of this project are</p> <ul style="list-style-type: none"> • To attract more tourists to this area • To improve accessibility to this area • To make this integrated area more attractive, and • To improve the living conditions of inhabitants along these roads 	
General Description: <p>A section of the R40 that passes through mountainous areas between Nelspruit and Barberton has very steep slopes and sharp bends. In addition, the dangerous sections of this road are too narrow. Heavily loaded trucks and busses often cause major traffic congestion and serious accidents. To solve this situation, a 4m widening of the road will be needed. The length of the widened section will be about 5km.</p> <p>The road from Elukwatini to Bulembu, which is an access road to Swaziland via Bulembu and is also one of the access roads to the Songimvelo Nature Reserve, (from Barberton as well as Badplaas) is still a dirt road. This road passes through very mountainous terrain and is very inconvenient and uncomfortable for tourists, particularly in the rainfall season. The access road from the R541 (via Ekulindeni Village) to the Songimvelo access gate is also a dirt road and is in poor condition. This inconveniences and restricts the movement of tourists, particularly as driving on this road at night is not recommended. The length of upgrading these roads by tar pavement will be 50km and 5km respectively. The required pavement width of both roads is 7m.</p> <p>The R538, which links Karino on the N4 and White River, is the access to the new international airport (Kruger Mpumalanga International Airport) currently under construction near Plaston. This road is very narrow and has several sharp curves and although tarred, is in a poor condition with a number of potholes. Therefore, upgrading will be needed. The length and width of upgrading will be about 20km and 7m respectively.</p>	
Project Components: <ul style="list-style-type: none"> • R40 (between Nelspruit and Barberton) improvement project • Road from Elukwatini to Bulembu upgrading project • Road from Elukwatini to Songimvelo upgrading project, and • R538 (between Karino and Plaston) improvement project 	
Project Implementing Agency: <p>It is anticipated that the following agencies will implement each project.</p> <p>Provincial Government for “R40 and R538 improvement” projects</p> <p>MBC-PIU for “Road from Elukwatini to Bulembu upgrading and Road from Elukwatini to Songimvelo upgrading” projects</p>	
Project Cost Estimate:	Implementation Schedule:

R40 (between Nelspruit and Barberton) improvement project R 4,880,000 Road from Elukwatini to Bulembu upgrading project R 48,800,000 Road from Elukwatini to Songimvelo upgrading project R 4,880,000 R538 (between Karino and Plaston) improvement project R 29,280,000 Total project cost is as follow. R 87,840,000	R40 (between Nelspruit and Barberton) improvement project: 2 years (1 year study and 1 year construction) from 2002 to 2004 Road from Elukwatini to Bulembu upgrading project: 4.5 years (1 year study and 3.5 years construction) from middle of 2002 to 2006 Road from Elukwatini to Songimvelo upgrading project: 1 year (0.5 year study and 0.5 year construction) from 2003 R538 (between Karino and Plaston) improvement project: 3 years (1 year study and 2 years construction) from 2002 to 2004
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Project Sheet –Barberton Subject Area

Project Title: A-6 Other Tourism Facilities	
Justification: <p>A border post exists on the R40 at the border of S.A. and Swaziland. At present, few people pass this border because of the bad condition of the R40 and there is less tourism development in this area. It is proposed to develop this area as one of the most attractive tourism destinations in the country based on "The Tourism and Biodiversity Corridor (TBC)" concept. Some of the projects included in this proposal idea have already been partly implemented. Improvement of the R40 from Barberton to Bulembo, which is a border town in Swaziland, is one of these projects and construction is expected to commence in early 2002. Steady implementation of tourism development and completion of the R40 improvement will increase the number of tourists and visitors passing through this border. Upgrading of the border post will contribute to increase handling capacity of passport control and provide a good impression to people passing through this border.</p> <p>Few road signs indicating road numbers and directions are provided along roads in this area. This makes it difficult for drivers/tourists to recognize which road they are driving on as well as the direction that they should go. Fortunately, Mupumalanga Tourism Authority has developed an original design of road sign with their own symbol marked by region. That road sign should be installed at suitable locations and at regular intervals along the roads.</p>	
Project Objectives: <ul style="list-style-type: none"> • To increase handling capacity of passport control at the border • To give a good impression to people passing through the border • To make drivers/tourists comfortable and driving easier, and • To attract more tourists/visitors to this area 	
General Description: <p>A passport control building will be upgraded to cope with an increase in the number of people passing through this border. Both the exterior and interior of the building will be renovated to increase handling capacity and provide a good impression to people passing through the border. Landscape with parking spaces around the building will also be renewed.</p> <p>A study and survey of the road will be conducted before setting up the road signage to identify the type and number of required road signs. Approximately 300km length of road for study and survey will be necessary and about 300 road signs will be set up along roads in this area.</p>	
Project Components: <ul style="list-style-type: none"> • Upgrading of Bulembo border post • Development of tourism signage 	
Project Implementing Agency: <p>It is anticipated that the following agencies will implement each project: National government for "Upgrading of Bulembo border post" project Barberton LTO and local government for "Development of tourism signage" project</p>	
Project Cost Estimate: Upgrading of Bulembo border post: R 810,000 Development of tourism signage: R 230,000 Total project cost: R1,040,000	Implementation Schedule: Upgrading of Bulembo border post: 2 years (0.5 year study and 1.5 years construction) from mid 2003 to mid 2005 Development of tourism signage: 3 years from mid 2002 to mid 2005

25.2 Cost Estimate, Implementation Schedule and Financing Alternatives

25.2.1 Cost Estimate

Table 25.2.1.1 shows the priority project costs for the tourism development at Barberton Subject Area.

Major points include:

- The projects for product, facilities and infrastructure development amount to **R229 million** of their initial (investment) costs including those for study and design, physical works, and contingencies.
- Average annual operation/maintenance cost is estimated for each project, and is shown in the table.
- Average annual cost is estimated separately for the implementation of programmes including marketing and promotion, human resource development, and institutional development. These programme costs are not included in the total amount of the initial cost above.

The assumptions used for estimating the initial cost are provided in Appendix K.

25.2.2 Implementation Schedule

Table 25.2.2.1 shows the implementation schedule for all of the priority projects and programmes.

For product, facilities and infrastructure development, there are three kinds of periods: study/design, construction/development, and operation/maintenance, while there is no such distinction for marketing & promotion, human resource development and institutional development.

Annual cost requirements including the initial cost and the operation/maintenance costs are estimated for each year.

Table 25.2.1 Project Costs - Barberton Subject Area																(R'000)
Projects and Programs		Study/Design	Construction/Procurement			Total of Project (Initial cost)	Annual Operation / Maintenance*	Remark								
			Cost	Contingency	Sub-Total											
Product, Facilities & Infrastructure																
A-1	Overall Programming for Development/Conservation for Greater Trans Frontier Conservation Area	2,000	0	0	0	2,000	0									
A-2	Mountainlands Game Reserve Development	5,855	68,550	10,283	78,833	84,688	17,092	Refer Construction Cost - 4								
A-3	Songimvelo Game Reserve Development	4,241	42,410	6,362	48,772	53,013	9,359	Refer Construction Cost - 4								
A-4	Develop Barberton special/general interest tours & Improve interpretation of Barberton sights	1,000				1,000	50									
A-5	Road and Transport Upgrading	5,040	72,000	10,800	82,800	87,840		Refer Construction Cost - 4								
A-5-1	R40 (between Nelspruit and Barberton) improvement	280	4,000	600	4,600	4,880	230									
A-5-2	Road (from Elukwatini to Bulembu) upgrading	2,800	40,000	6,000	46,000	48,800	1,380									
A-5-3	Road improvement (Elukwatini to Songimvelo gate)	280	4,000	600	4,600	4,880	230									
A-5-4	R538 (between Karino and Plaston) improvement	1,680	24,000	3,600	27,600	29,280	828									
A-6	Other Tourist Facilities	120	800	120	920	1,040		Refer Construction Cost - 4								
A-6-1	Upgrading of Bulembo border post	120	600	90	690	810	69									
A-6-2	Development of tourist signage	0	200	30	230	230	23									
	Total	18,256	183,760	27,565	211,325	229,581	29,261									
*Annual Cost is average to year 2011																
	Projects and Programs	Annual Operation / Maintenance*	Remarks													
Marketing & Promotion																
B-1	Marketing & promotion of the area	899														
	Total	899														
Human Resource Development																
C-1	Craft development, design/manufacture skills training	89														
C-2	Tourism business skills training for local communities	40														
C-3	Tour guiding and interpretation training	69														
C-4	Training of Adventure leaders and guides	128														
	Total	326														
Institutional Development																
D-1	Establishing PIU for product development in B.D.C	1,000														
D-2	Strengthen/expand/develop the Barberton LTO		No additional cost - cost included in Project B-1													
D-3	Establish strong linkages between LTO and new RTO (Wild Frontier)/MTA		No additional cost - cost included in Project B-1													
	Sub Total	1,000														
	Total	2,225														
	Grand Total (operation/maintenance)	31,486														
*Annual Cost is average to year 2011																

Table 25.2.1.1

Table 25.2.2 Project Implementation and Operation/Maintenance Cost - Barberton Subject Area

			Unit: R1000									
Projects and Programs		Initial Cost	Project Implementation & Operation/Maintenance Cost									
			2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Product, Facilities & Infrastructure												
A-1	Overall Programming for Development and Conservation for Greater Trans Frontier Conservation Area	2,000	2,000									
A-2	Mountainlands G.R. Development	84,688	5,855	23,650	55,183	13,847	15,803	17,207	17,911	18,292	18,292	18,292
A-3	Further Development of Songimvelo Game Reserve	53,013	4,241	14,632	34,140	7,653	8,563	9,243	9,868	10,060	10,060	10,060
A-4	Development of range/variety of Barberton special interest and general interest tours & Improvement of interpretation of Barberton sights	1,000	100	300	50	50	50	50	50	50	50	50
A-5-1	R40 (between Nelspruit and Barberton) improvement project	4,880	280	4,600	230	230	230	230	230	230	230	230
A-5-2	Road from Elukwatini to Bulembu upgrading project	48,800	2,800	6,571	13,143	13,143	13,143	1,380	1,380	1,380	1,380	1,380
A-5-3	Road from Elukwatini to Songimvelo gate (improvement of road condition)	4,880		4,880	230	230	230	230	230	230	230	230
A-5-4	R538 (between Karino and Plaston) improvement project	29,280	1,680	13,800	13,800	828	828	828	828	828	828	828
A-6-1	Upgrading of Barberton Border Post	810		120	460	266	63	63	63	63	63	63
A-6-2	Development of Tourist Signage	230	38	77	77	61	23	23	23	23	23	23
sub-total		223,581	16,394	69,230	117,314	36,309	38,344	29,260	30,583	31,162	31,162	31,162
Marketing & Promotion												
B-1	Marketing & promotion of existing & potential product - ie marketing of subject area			651	930	930	930	930	930	930	930	930
sub-total		0	0	651	930	930	930	930	930	930	930	930
Human Resource Development												
C-1	Craft development, design & manufacture skills training			150	125	125	75	65	65	65	65	65
C-2	Tourism business skills training for local communities			70	45	35	35	35	35	35	35	35
C-3	Tour guiding and interpretation training				95	75	75	75	75	75	75	75
C-4	Training of Adventure leaders and guides				175	175	175	125	125	125	125	125
sub-total		0	0	220	440	410	360	300	300	300	300	300
Institutional Development												
D-1	Establishing Project Implementation Unit for product development in Mpumalanga Biodiversity Corridor			1,000	1,000	1,000	1,000	750	750	750	750	750
D-2	Strengthen/expand/develop the Barberton LTO		No additional cost - cost included in Project B-1									
D-3	Establish strong linkages between LTO and new RTO (Wild Frontier)/MTA		No additional cost - cost included in Project B-1									
sub-total		0	0	1,000	1,000	1,000	1,000	750	750	750	750	750
Grand-Total		223,581	16,394	71,101	119,684	38,649	41,234	31,240	32,563	33,142	33,142	33,142
Source: JICA Study Team												
Note:	Product, Facilities & Infrastructures											
	<div><div></div> Study/Plan/Design</div> <div><div></div> Construction/Development</div> <div><div></div> Operation/Maintenance</div>											
	Marketing & Promotion, Human Resource Development, and Institutional Development											
	<div><div></div> Plan & Operation</div>											

Table 25.2.2.1

25.2.3 Financing Alternatives

The proposed development needs to be funded jointly by the public and private sectors, considering that government resources are scarce and that private sector participation is essential for rendering services responsive to the customer needs.

In principle, the public sector should play a role to provide infrastructure (both physical and institutional) needed for the development and to promote and facilitate private investment in the area. On the other hand, commercially oriented activities can be undertaken by the private sector as long as they can generate a reasonable level of financial return. See section of financial evaluation for this point.

Table 25.2.3.1 shows potential funding sources for the implementation of the proposed priority projects and programs.

Table 25.2.3.1 Potential Funding Sources for Implementing Priority Projects and Programs

Item	Potential funding sources for implementation	Remarks
Product, Facilities & Infrastructure		
Overall programming	Governments' own budget DBSA International Donor Funding	Responsibility of the public sector
Mountainlands Game Reserve		
Game reserve development except accommodation	Governments' own budget DBSA Grant & loan funds from donor agencies Technical assistance from donor agencies International NGOs/Foundations	Responsibility of the public sector as an infrastructure provider and a facilitator to attract private investors/operators.
Chalet and lodges (and possibly part of adventure/ sports facilities)	Private investment (possibly with IDC funding)	
Songimvelo Game Reserve		
Game reserve development except accommodation	Governments' own budget DBSA Grant & loan funds from donor agencies Technical assistance from donor agencies International NGOs/Foundations	Responsibility of the public sector as an infrastructure provider and a facilitator to attract private investors/operators.
Lodges	Private investment (possibly with IDC funding)	
Road and transport upgrading	Governments' own budget DBSA (External loan funds where available)	Responsibility of the public sector
Other tourist facilities including the border post and tourist signage	Governments' own budget DBSA External loan funds where available Private investment	Responsibility of the public sector as an infrastructure provider and private sector as a product provider
Marketing & Promotion	Governments' own budget (including	

Item	Potential funding sources for implementation	Remarks
Human Resource Development	Government Skills Development Grant Schemes) Technical assistance capacity & funding from DBSA (Local Government Technical Assistance Scheme) Grant funding from donor agencies Technical assistance from donor agencies	
Institutional Development		

Source: JICA Study Team

25.3 Economic Evaluation

The proposed priority projects and programs are expected to attract a greater number of tourists to the area. Economic evaluation of these projects and programs was undertaken according to the methodology described in Section 21.2.1. **Note that at this planning stage both project benefits and costs used in the analysis are preliminary in nature, and thus the result should be taken as indicative.**

25.3.1 Economic Benefits

(1) Summary of Demand Projection

Table 25.3.1.1 shows the results of demand projection undertaken in the focus area development plan for both “with” and “without” project cases. The projection is made up to 2021, the ending year of the evaluation period (20 years).

Table 25.3.1.1 Projection of Visitors to Barberton

Year	“With” projects & programs				“Without” projects & programs			
	Domestic tourists		Foreign tourists		Domestic tourists		Foreign tourists	
	Overnight visitors	Day visitors	Overnight visitors	Day visitors	Overnight visitors	Day visitors	Overnight visitors	Day visitors
2001	79,924	24,445	16,419	6,451	79,924	24,445	16,419	6,451
2002	81,522	24,934	16,829	6,613	80,324	24,567	16,583	6,516
2003	84,580	25,806	17,670	6,943	80,725	24,690	16,749	6,581
2004	103,610	29,935	19,879	7,985	81,129	24,813	16,916	6,647
2005	134,693	35,922	22,861	9,182	81,534	24,937	17,085	6,713
2006	161,632	39,515	25,147	10,101	81,942	25,062	17,256	6,780
2007	185,876	42,478	27,033	10,606	82,352	25,187	17,429	6,848
2008	199,817	44,602	28,385	11,136	82,764	25,313	17,603	6,917
2009	209,808	46,163	29,804	11,693	83,177	25,440	17,779	6,986
2010	216,102	47,317	31,294	12,277	83,593	25,567	17,957	7,056
2011	222,585	48,500	32,859	12,891	84,011	25,695	18,136	7,126
2012	224,811	48,985	33,681	13,213	84,431	25,823	18,318	7,197
2013	227,059	49,475	34,523	13,544	84,854	25,952	18,501	7,269

Year	“With” projects & programs				“Without” projects & programs			
	Domestic tourists		Foreign tourists		Domestic tourists		Foreign tourists	
	Overnight visitors	Day visitors	Overnight visitors	Day visitors	Overnight visitors	Day visitors	Overnight visitors	Day visitors
2014	229,330	49,970	35,386	13,882	85,278	26,082	18,686	7,342
2015	231,623	50,469	36,270	14,229	85,704	26,213	18,873	7,416
2016	233,939	50,974	37,177	14,585	86,133	26,344	19,061	7,490
2017	236,279	51,484	38,107	14,950	86,563	26,475	19,252	7,565
2018	238,641	51,999	39,059	15,324	86,996	26,608	19,445	7,640
2019	241,028	52,519	40,036	15,707	87,431	26,741	19,639	7,717
2020	243,438	53,044	41,037	16,099	87,868	26,874	19,835	7,794
2021	245,872	53,574	42,062	16,502	88,308	27,009	20,034	7,872

Source: JICA Study Team

(2) Tourist Expenditure

Total tourist expenditure is estimated by multiplying the number of tourists to the area by the amount spent per tourist. Tourist expenditure per tourist for the area is estimated as shown in Table 25.3.1.2.

The estimates for the “without” project case are made based on the socio-economic impact assessment survey conducted as part of this study. No inflation is assumed, thereby maintaining consistency with project costs where inflation is also not taken into account.

For “with” project case, tourist expenditure per tourist is assumed to increase by 25% starting in 2005 from that for the “without” project case, considering that Barberton will offer much greater variety of activities once the proposed projects are implemented.

Table 25.3.1.2 Estimate of Tourist Expenditure per Tourist for Barberton (in Rand)

Domestic/foreign	“With” projects & programs		“Without” projects & programs	
	Overnight visitors	Day visitors	Overnight visitors	Day visitors
Domestic tourists	781	200	625	160
Foreign tourists	1,063	313	850	250

Note: Expenditure of overnight visitors is a total spent for the entire stay in the area, not per day. The difference in day visitors' expenditure between domestic and foreign tourists comes mainly from the fact that many foreign tourists visit the area on a tour operated by tour operators, while domestic tourists mostly visit on their own.

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

(3) Contribution to GDP

Contribution of the priority projects and programs to GDP or value added is estimated as shown in Table 25.3.1.3.

Assumptions:

- The difference in total expenditure between “with” and “without” cases, as shown in the table, is obtained from demand projection coming from the focus area development plan. Considering that most of the identified projects and programs were selected as priority, a factor of 0.9 is assumed to be applied to convert this difference to that resulting from the priority projects and programs. The result is shown in the second column from the right.

- A factor of 0.55 is then assumed to convert the incremental tourist expenditure attributed to the priority projects and programs to the net increment in value added. This assumption is based on the result of the socio-economic impact assessment survey, in which one unit of the incremental final demand related to tourism is estimated to increase value added of somewhat less than 0.6.¹³
- All the benefit figures are in constant values, and price escalation is not considered.

The last column of the table provides the estimated contribution of the priority projects and programs to GDP, namely, the project benefits.

¹³ Since tourism is not a separate sector in the South Africa's national account system, this estimate was made for sectors that include tourism-related services. For example, this factor was estimated at 0.56 for wholesale and retail trade that includes accommodation and restaurants, and 0.58 for transport and communication including travel agencies, air and related transport activities.

Table 25.3.1.3 Economic Benefits of Priority Projects and Programs (Thousand Rand)

Year	Total tourist expenditure								Incremental tourist expenditure						Increment attributed to priority projects	Contribution to GDP
	“With” projects & programs				“With” projects & programs				Domestic tourists		Foreign tourists		Total			
	Domestic tourists		Foreign tourists		Domestic tourists		Foreign tourists									
	Overnight visitors	Day visitors	Overnight visitors	Day visitors	Overnight visitors	Day visitors	Overnight visitors	Day visitors	Overnight visitors	Day visitors	Overnight visitors	Day visitors				
2001	49,953	3,911	13,956	1,613	49,953	3,911	13,956	1,613	0	0	0	0	0	0	0	
2002	50,952	3,989	14,305	1,653	50,202	3,931	14,095	1,629	749	59	209	24	1,041	937	516	
2003	52,862	4,129	15,020	1,736	50,453	3,950	14,236	1,645	2,409	179	784	91	3,462	3,116	1,714	
2004	64,756	4,790	16,897	1,996	50,706	3,970	14,379	1,662	14,051	820	2,519	334	17,723	15,951	8,773	
2005	105,229	7,184	24,290	2,869	50,959	3,990	14,522	1,678	54,270	3,194	9,768	1,191	68,423	61,581	33,869	
2006	126,275	7,903	26,719	3,156	51,214	4,010	14,668	1,695	75,061	3,893	12,051	1,461	92,466	83,220	45,771	
2007	145,216	8,496	28,723	3,314	51,470	4,030	14,814	1,712	93,746	4,466	13,909	1,602	113,722	102,350	56,293	
2008	156,107	8,920	30,159	3,480	51,727	4,050	14,962	1,729	104,380	4,870	15,197	1,751	126,197	113,578	62,468	
2009	163,912	9,233	31,667	3,654	51,986	4,070	15,112	1,746	111,926	5,162	16,555	1,908	135,551	121,996	67,098	
2010	168,830	9,463	33,250	3,837	52,246	4,091	15,263	1,764	116,584	5,373	17,987	2,073	142,016	127,815	70,298	
2011	173,895	9,700	34,913	4,028	52,507	4,111	15,416	1,782	121,388	5,589	19,497	2,247	148,720	133,848	73,617	
2012	175,634	9,797	35,786	4,129	52,770	4,132	15,570	1,799	122,864	5,665	20,216	2,330	151,075	135,967	74,782	
2013	177,390	9,895	36,680	4,232	53,033	4,152	15,726	1,817	124,356	5,743	20,955	2,415	153,469	138,122	75,967	
2014	179,164	9,994	37,597	4,338	53,299	4,173	15,883	1,836	125,865	5,821	21,714	2,503	155,903	140,313	77,172	
2015	180,955	10,094	38,537	4,447	53,565	4,194	16,042	1,854	127,390	5,900	22,495	2,593	158,378	142,541	78,397	
2016	182,765	10,195	39,501	4,558	53,833	4,215	16,202	1,872	128,932	5,980	23,298	2,685	160,896	144,806	79,643	
2017	184,593	10,297	40,488	4,672	54,102	4,236	16,364	1,891	130,491	6,061	24,124	2,781	163,456	147,110	80,911	
2018	186,439	10,400	41,500	4,789	54,373	4,257	16,528	1,910	132,066	6,142	24,973	2,879	166,060	149,454	82,199	
2019	188,303	10,504	42,538	4,908	54,644	4,279	16,693	1,929	133,658	6,225	25,845	2,979	168,708	151,837	83,510	
2020	190,186	10,609	43,601	5,031	54,918	4,300	16,860	1,948	135,268	6,309	26,741	3,083	171,401	154,261	84,843	
2021	192,088	10,715	44,691	5,157	55,192	4,321	17,029	1,968	136,896	6,393	27,663	3,189	174,141	156,727	86,200	

Source: JICA Study Team

25.3.2 Economic Costs

The initial cost and the operation and maintenance cost for the priority projects and programs that were estimated earlier are used for the economic evaluation.

Assumptions:

- All the costs are in constant values, and price escalation is not considered.
- All the costs are to be incurred according to the schedule projected earlier.
- In order to convert the financial cost to the economic cost, a factor of 0.9 was adopted primarily considering taxes that are an internal transfer.

25.3.3 Economic Return

With the economic benefits and costs estimated above, the entire priority projects and programs were evaluated using the economic internal rate of return (EIRR), a standard measure for project's economic impact. Table 25.3.3.1 presents the results of the estimation.

EIRR was estimated to be 14.1% for these projects and programs. Although the result is indicative in nature, this value exceeds the economic opportunity cost of capital that is often assumed at 12%, and is high enough for justifying the investment in them from the national economic point of view.

Table 25.3.3.1 Economic Internal Rate of Return for Priority Projects and Programs

Year	Economic Benefit (1)	Economic Cost		Net benefit (1)-(2)-(3)
		Product, facilities, infrastructure (2)	Programs (3)	
2001	0	0	0	0
2002	516	15,295	0	-14,779
2003	1,714	62,307	1,684	-62,277
2004	8,773	105,583	2,133	-98,943
2005	33,869	32,678	2,106	-915
2006	45,771	35,050	2,061	8,660
2007	56,293	26,334	1,782	28,177
2008	62,468	27,530	1,782	33,156
2009	67,098	28,046	1,782	37,270
2010	70,298	28,046	1,782	40,470
2011	73,617	28,046	1,782	43,789
2012	74,782	28,046	1,782	44,954
2013	75,967	28,046	1,782	46,139
2014	77,172	28,046	1,782	47,344
2015	78,397	28,046	1,782	48,570
2016	79,643	28,046	1,782	49,816
2017	80,911	28,046	1,782	51,083
2018	82,199	28,046	1,782	52,372
2019	83,510	28,046	1,782	53,682
2020	84,843	28,046	1,782	55,016
2021	86,200	28,046	1,782	56,372

EIRR = 14.9%

Note: Cost for product, facilities and infrastructure ((2) above) includes investment cost and operation and maintenance cost. Cost for programs ((3) above) includes that for promotion and marketing, human resource

development, and institution development.

Source: JICA Study Team

25.3.4 Sensitivity Analysis

In view of the inevitable uncertainty concerning the precise values of key variables in the economic evaluation, sensitivity analysis was undertaken.

Table 25.4.4.1 shows sensitivity of EIRR with respect to the change in the initial cost (investment cost) and in the benefit, and the combination of them.

Table 25.3.4.1 Sensitivity of Economic Internal Rate of Return (EIRR)

Case	EIRR
Base Case	14.9%
(1) Initial Cost: 10% up	13.4%
(2) Benefits: 10% down	12.1%
(3) Combination of (1) & (2)	10.7%

Source: JICA Study Team

25.4 Preliminary Financial Assessment

Two major projects proposed as priority are the development of the Mountainlands Game Reserve and further development of the Songimvelo Game Reserve, both involving development of revenue generating facilities: chalets, lodges, adventure and recreational facilities, shops, etc.

Substantial development work other than these facilities would be needed for both projects including site preparation and infrastructure development covering large areas. For this reason, it is highly recommended that the projects be undertaken jointly by the public and private sectors for their successful implementation. In order to attract private investors, it is necessary that the private operators be provided a reasonable level of financial return.

Tables 25.4.1 and 25.4.2 summarize a preliminary assessment of the operating performance of these projects. While the result is preliminary and indicative in nature, estimation was made as to whether these projects could be a commercial activity attractive enough to a private entity. Note that inflation is not considered in the analysis, and thus the ROI estimated is in real terms. Cash flows for this preliminary assessment are provided in Appendix K.

As shown, despite the reasonably high economic return estimated previously for the entire priority projects and programmes, it is estimated that the return on investment in these two projects may not be high enough for private investors even excluding developmental work needed for the entire game reserves (see case (1) in the tables). Note, however, that the initial cost in this case still includes the estimated costs for planning and designing and for infrastructure development that is more project specific.

As shown in cases (2) and (3) in the tables, ROI improves as the amount of the initial cost is reduced, namely, if the public sector increasingly bears the cost for the initial investment in these projects.

Table 25.4.1 Indicative Result: Return on Investment (ROI) for Mountainlands Game Reserve Development

Case	ROI
Initial cost excluding area-wide developmental work such as roads and fencing for the entire game reserve	9%
75% of the initial cost used for (1)	12%
60% of the initial cost used for (1)	16%

Note: ROI is in real terms, assuming no inflation.

Source: JICA Study Team

Table 25.4.2 Indicative Result: Return on Investment (ROI) for Further Development of Songimvelo Game Reserve

Case	ROI
Initial cost excluding area-wide developmental work such as roads and fencing for the entire game reserve	8%
75% of the initial cost used for (1)	11%
60% of the initial cost used for (1)	15%

Note: ROI is in real terms, assuming no inflation.

Source: JICA Study Team

Although the result is indicative, it strongly suggests that public investment in these developments is highly necessary for commercially viable operation of the proposed facilities.

25.5 Environmental Considerations

Table 25.5.1 shows the list of priority projects/ programs in Barberton by type. The basic data for the size/ description of each project/ program is shown in Table 25.5.2. The results of preliminary EIA are discussed in the following section.

Table 25.5.1 List of Priority Projects & Programs in Barberton Subject Area requiring EIA

Priority Projects and Programs		Type
A Product, Facilities and Infrastructure		
A-1	Overall Programming for Development and Conservation for Greater Trans Frontier Conservation Area	*2
A-2	Development of Mountainlands Game Reserve	Type B
A-3	Further Development of Songimvelo Game Reserve	Type B
A-4	Further Development of Barberton Game Reserve	Type B
A-5	Development of range/variety of Barberton special interest and general interest tours & Improvement of interpretation of Barberton sights	*2
A-6	Road and Transport Upgrading	*1
A-6-1	R40 (between Nelspruit and Barberton) improvement project	Type C
A-6-2	Road from Elukwatini to Bulembu upgrading project	Type C
A-6-3	Road from Ekulindeni to Songimvelo gate (improvement of road condition)	Type C
A-6-4	R538 (between Karino and Plaston) improvement project	Type C
A-7	Other Tourist Facilities	*1
A-7-1	Upgrading of Bulembu border post	Type A
A-7-2	Development of tourist signage	Type A

Source: JICA Study Team

Note: Type A: Projects/ programs of small-scale development
 Type B: Projects/ programs of integrated infrastructure and/or large-scale development
 Type C: Projects/ programs of road development
 *1: Project/ program title
 *2: No need to prepare IEE because of soft type project/ program

Table 23.4.6.2 Size/ Description of Each Project/ Program in Barberton Subject Area

No.	Item	Size/ Description
Type A		
A-7-1 Upgrading of Bulembo border post		
1	Planning and Designing	
2	Construction of Border Post	
A-7-2 Development of tourist signage		
Type B		
A-2 Development of Mountainlands Game Reserve		
1	Planning and Designing	
2	Promotion and Evaluation	
3	Tourism facilities, infrastructures and tourist activities	
3-1	Construct Chalet	self catering for mid-market, 70m2/each, 50 chalets, site area 50,000m2
3-2	Construct Lodge	full service for up-market, 90m2/each, 80 lodges, site area 80,000m2
3-3	Construct Restaurant/Fast Food Kiosk	for lodges, 40 tables, floor area 500m2
3-4	Construct Shop	for chalets, floor area 200m2
3-5	Construct Swimming Pool	20m x 15m x 1m and 25m x 20m x 1m
3-6	Construct Picnic Site	adjacent to chalets area, site area 20,000m2 with 20 braai sets
3-7	Construct Inner Road	L= km, W= m, paving
3-8	Construct Fencing	H=2m, L= km, electrified
3-9	Construct Water Supply	
3-10	Construct Sewage Treatment Facility	
3-11	Development of Electricity Supply	
3-12	Construct Mountain Bike Route	L= km, W= m, no paving
4	Game Stocking	
A-3 Further Development of Songimvelo Game Reserve		
1	Planning and Designing	
2	Promotion and Evaluation	
3	Tourism facilities, infrastructures and tourist activities	
3-1	Rehabilitation of existing mining house to tourism use (Msauli Village)	110 houses with 600 beds
3-2	Refurbishment of existing Camp/Lodges	for mid-market 50 lodges with 220 beds (site area 3,000m2 and 50,000m2)
3-3	Construct New Lodges for Mid-market	25 lodges (70m2/lodge) site area 30,000m2
3-4	Construct New Lodges for Up-market	10 lodges (90m2/lodge) site area 20,000m2
3-5	Construct Meeting Room	2 meeting rooms with an office, 150m2/each
3-6	Construct Swimming Pool	2 pools, 20m x 15m x 1m/each
3-7	Construct Inner Road	L= km, W= m, paving
3-8	Construct Fencing	H=2m, L= km, electrified
3-9	Construct Water Supply	
3-10	Construct Sewage Treatment Facility	

No.	Item	Size/ Description
3-11	Development of Electricity Supply	
3-12	Construct Mountain Bike Route	L= km, W= m, no paving
A-4 Further Development of Barberton Game Reserve		
1	Designing	
2	Promotion and Evaluation	
3	Tourism facilities, infrastructures and tourist activities	
3-1	Construct Accommodation	
3-2	Construct Housing	for security personnel and manager,
3-3	Construct Entrance Gate	
3-4	Upgrading Inner Road	including new bridges, L= km, W= m, paving
3-5	Construct Water Supply	
3-6	Development of Electricity Supply	
4	Game Stocking	
Type C		
A-6-1 R40 (between Nelspruit and Barberton) improvement project		
1	Planning and Designing	
2	Improvement of R40	Widening of road (L=5km, W=+4m)
A-6-2 Road from Elukwatini to Bulembu upgrading project		
1	Planning and Designing	
2	Paving	Tar (L=50km, W=7m)
A-6-3 Road from Ekulindeni to Songimvelo gate (improvement of road condition)		
1	Planning and Designing	
2	Paving	Tar (L=5km, W=7m)
A-6-4 R538 (between Karino and Plaston) improvement project		
1	Planning and Designing	
2	Improvement of R538	Widening and Paving of road (L=20km, W=7m)

(1) Type A Projects/ Programs (Upgrading of Bulembo border post/ Development of tourist signage)

Table 23.4.6.3 shows results of a preliminary EIA of Type A in this Area. The Type A projects/ programs are mainly small-scale building construction. The main impact is caused by reclamation/ special occupancy at construction stage and by accumulation of people/ goods at operation stage. Careful attention at the construction stage including adequate construction equipment and vehicles, and a detailed demand study are required.

This type of project/ program is not included as an activity that requires EIA. Therefore, discussion with the EIA section in Mpumalanga Province is required.

Table 23.4.6.3 Results of Preliminary EIA for Type A

Environmental items		Before operation		After operation			
		Reclamation/ spatial occupancy	Operation of construction equipment/ vehicles	Spatial occupancy	Operation of vehicles/ ships/ airplanes	Operation/ maintenance of associated facilities	Accumulation of people/ goods
Social environment	Resettlement	X					
	Economic activities						X
	Traffic/ public facilities				X		X
	Split of communities						
	Cultural property	X					X
	Water rights/ rights of common	X		X			
	Public health condition						
	Waste						X
	Hazard (risk)						
Natural environment	Topography/ geology						
	Soil erosion						
	Groundwater						
	Hydrological						
	Coastal zone						
	Fauna/ flora						
	Meteorology						
	Landscape	X		X			
Pollution	Air pollution				X		
	Water pollution	X				X	X
	Soil contamination						
	Noise/ vibration				X		
	Land subsidence						
	Offensive odor						

Note: XX: The environmental items to which special attention has be paid. They might cause serious impacts that may affect the project formation depending on the magnitude of the impacts and the possibility of the measures.
X: The environmental items which may have a significant impact depending on the scale of project and site conditions.
No mark: The environmental items requiring no impact assessment since the anticipated impacts are, in general, not significant.

In case of the comprehensive development projects, all the items are classified in X, because their studies are usually at the master planning stage and the extent of impacts are not clear.

Source: JICA Study Team

(2) Type B Projects/ Programs (Development of Mountainlands Game Reserve/ Further Development of Songimvelo Game Reserve/ Further Development of Barberton Game Reserve)

Table 23.4.6.4 shows results of a preliminary EIA of Type B in this Area. The projects/ programs in Type B are mainly integrated infrastructure and/or large-scale development for tourism development. Therefore, there are many items that will cause environment impacts. Some of these impacts might be serious depending on their magnitude and the location of the sites. In the case that projects/ programs include resettlement, the impact will be serious. When the site is located in a sensitive area, the impact to the natural environment by reclamation works at construction stage will be serious. Careful attention to the selection of the site and development planning with environmental considerations are required.

The type of projects/ programs that may have activities requiring an EIA are categorized as "Construction or upgrading: (m) public and private resorts and associated infrastructure". Some of them might require a full-scale EIA in accordance with the EIA guideline in South Africa. Discussion with the EIA section in Mpumalanga Province is required from an early stage in the development planning.

Table 23.4.6.4 Results of Preliminary EIA for Type B

Environmental items		Before operation		After operation			
		Reclamation/ spatial occupancy	Operation of construction equipment/ vehicles	Spatial occupancy	Operation of vehicles/ ships/ airplanes	Operation/ maintenance of associated facilities	Accumulation of people/ goods
Social environment	Resettlement	X					
	Economic activities	X				X	X
	Traffic/ public facilities		X		X		
	Split of communities			X			
	Cultural property	X					X
	Water rights/ rights of common	X		X			
	Public health condition					X	X
	Waste					X	X
	Hazard (risk)	X					
Natural environment	Topography/ geology	X					
	Soil erosion	X					
	Groundwater						
	Hydrological	X				X	
	Coastal zone						
	Fauna/ flora	X	X	X	X	X	X
	Meteorology						
	Landscape	X		X			
Pollution	Air pollution						
	Water pollution	X				X	
	Soil contamination						
	Noise/ vibration		X		X	X	
	Land subsidence						
	Offensive odor						

Note: XX: The environmental items to which special attention has been paid. They might cause serious impacts that may affect the project formation depending on the magnitude of the impacts and the possibility of the measures.
 X: The environmental items which may have a significant impact depending on the scale of project and site conditions.
 No mark: The environmental items requiring no impact assessment since the anticipated impacts are, in general, not

significant.

In case of the comprehensive development projects, all the items are classified in X, because their studies are usually at the master planning stage and the extent of impacts are not clear.

Source: JICA Study Team

(3) Type C Projects/ Programs (R40 (between Nelspruit and Barberton) improvement project/ Road from Elukwatini to Bulembu upgrading project/ Road from Ekulindeni to Songimvelo gate (improvement of road condition)/ R538 (between Karino and Plaston) improvement project)

Table 23.4.6.3 shows results of a preliminary EIA of Type C in this area. The projects/ programs in Type C are mainly road rehabilitation. Environmental impacts by this type are mainly caused by reclamation/ special occupancy at alignment points and by air pollution/ noise & vibration from vehicles. Some of these impacts might be serious depending on the construction methods, the location of the points, and the volume of vehicles. Careful attention to the selection of construction methods and the site are required. The objective of road rehabilitation is mainly to accommodate vehicles for tourism. However, this road will be used for the regional economy or as a short cut to the Botswana border. In this case traffic volume will increase and a detailed traffic demand forecast will be required.

This type of project/program may include activities that require EIA as “The construction or upgrading: (d) roads, railways, airfields and associated structures and activities outside the boundaries of town planning schemes”. In this description, it is not clear whether these activities mean new construction or rehabilitation. Therefore, discussion with the EIA section in Mpumalanga province is required from an early stage of the development planning.

Table 23.4.6.5 Results of Preliminary EIA for Type C

Environmental items		Before operation		After operation		
		Reclamation/ spatial occupancy	Operation of construction equipment/ vehicles	Spatial occupancy	Operation of vehicles	Accumulation of people/ goods
Social environment	Resettlement	X				
	Economic activities					X
	Traffic/ public facilities				X	
	Split of communities			X		
	Cultural property	X				
	Water rights/ rights of common	X				
	Public health condition					
	Waste					X
	Hazard (risk)					
Natural environment	Topography/ geology	X				
	Soil erosion	X				
	Groundwater					
	Hydrological	X		X		
	Coastal zone					
	Fauna/ flora	X			X	
	Meteorology					
	Landscape					
Pollution	Air pollution				X	
	Water pollution	X				
	Soil contamination					
	Noise/ vibration				X	
	Land subsidence					
	Offensive odour					

Note: XX: The environmental items to which special attention has be paid. They might cause serious impacts that may affect the project formation depending on the magnitude of the impacts and the possibility of the measures.
X: The environmental items which may have a significant impact depending on the scale of project and site conditions.
No mark: The environmental items requiring no impact assessment since the anticipated impacts are, in general, not significant.

In case of the comprehensive development projects, all the items are classified in X, because their studies are usually at the master planning stage and the extent of impacts are not clear.

Source: JICA Study Team