



WOWZA RESPONSIBLE TOURISM ENSURES THAT RURAL COMMUNITIES BENEFIT FROM INCLUSION IN THE TOURISM SECTOR

PROPOSAL TO NATIONAL DEPARTMENT OF TOURISM,

February 2017

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EXECUTIVE SUMMARY

Africa!Ignite invites The National Department of Tourism (NDT) to partner with us, as well as with other key funding partners such as the South African Jobs Fund, the IDC and the United Nations Environmental Programme (UNEP), to finance WOWZA Responsible Tourism, a three-year community-based tourism intervention across 14 rural and peri-urban destinations in 6 provinces.

The purpose is to expand and replicate the nationally and internationally recognised WOWZULU Responsible Tourism community-based tourism model, which has been tried and tested in KwaZulu-Natal over 5 years. WOWZULU has been successful in creating 7 'inclusive' tourist destinations, which enable previously excluded emerging rural and peri-urban tourism entrepreneurs on the doorstep of popular established tourist destinations to participate equally in the tourism sector, and for rural communities to benefit both financially and socially.

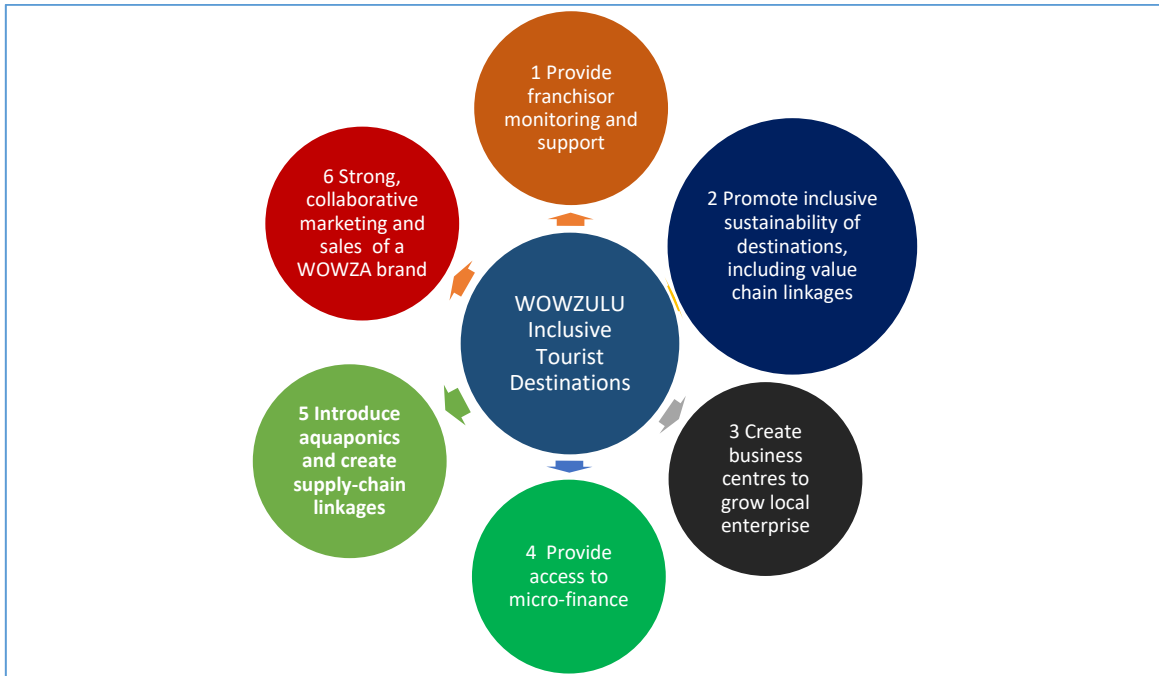
Africa!Ignite and key partner the South African Jobs Fund are now eager to benefit from lessons learnt and to expand and replicate the existing model, as a best-case inclusive, community-based responsible tourism model for South Africa and beyond. The six main objectives will be:

- 1 To **strengthen, expand and replicate** the model across South Africa, in order to multiply the benefits for emerging rural entrepreneurs in the tourism and other related sectors, and to ensure that more currently disadvantaged areas with high levels of poverty and unemployment benefit economically, socially and in terms of greater environmental sustainability.
- 2 To further **test, adapt and refine a WOWZULU/WOWZA 'inclusive, community-based tourism' model**, which has already been recognised across South Africa and internationally as a unique, best-case strategy for inclusion of previously excluded rural and peri-urban communities in the tourism sector and value chain, so that they benefit both financially and socially.
- 3 To **create strategic partnerships** with like-minded partners who have synergistic experience and expertise, geographic footprints and tourism development approaches, and where this makes sense, to incorporate new approaches into an expanded WOWZA model in order to further strengthen it.
- 4 To ultimately **present this expanded model internationally as a unique tried, tested and documented best-case model** for South Africa, Africa and beyond, so that it can be replicated further.
- 5 To **strengthen supply-chain linkages** between commercial and community tourism sectors within inclusive tourist destinations, in order to create new enterprises and generate employment and income for communities.

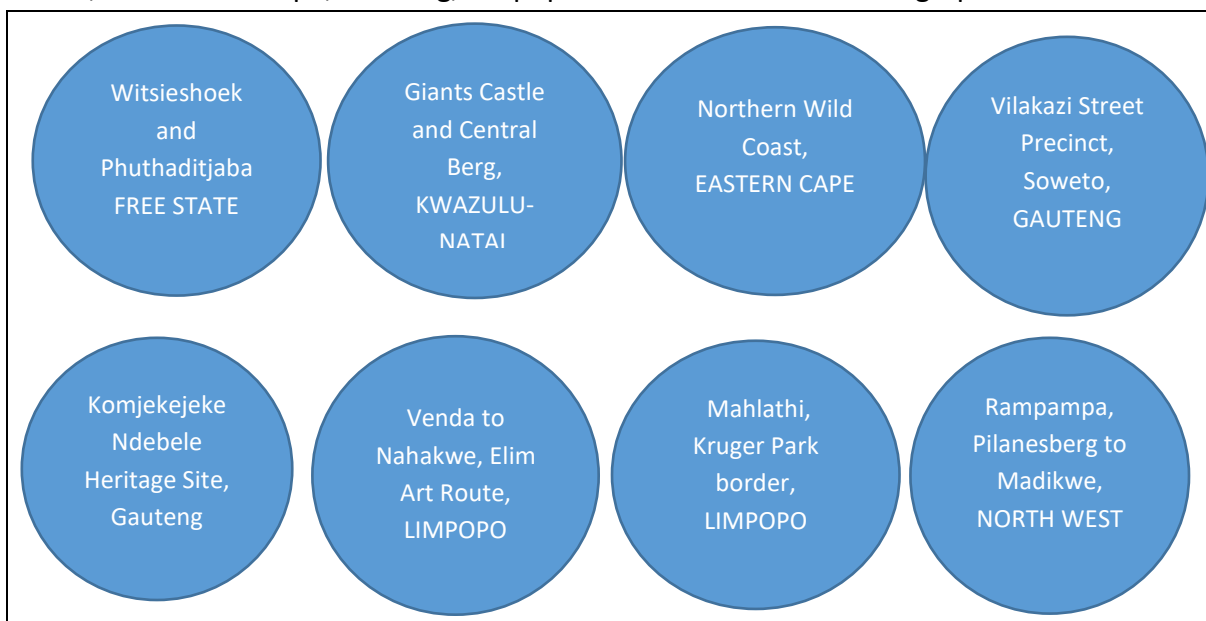
6 In particular, to **ensure economic inclusion of rural women, youth and the ‘long-term’ unemployed** in rural areas.

As part of the scale-up and replication, we will add the following new components to the existing WOWZULU Responsible Tourism ‘inclusive destination’ model to sustain, strengthen and expand the model. See graphic below:

Sustain, strengthen and expand the existing model in 7 existing destinations:



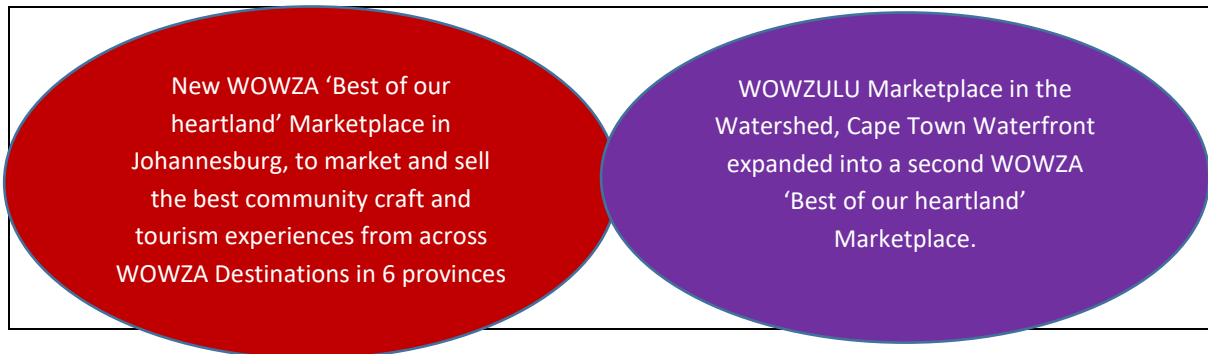
With partners, we will also create 8 new WOWZA destinations in 6 provinces: KZN, the Free State, the Eastern Cape, Gauteng, Limpopo and the North West. See graphic below:



Please note that finalisation of the exact locations will happen on the basis of needs analyses and in consultation with key partners such as the NDT, before the onset of implementation.

To maximise the enterprise development and job creation potential of the initiative, and as part of the marketing and sales strategy, we will establish two high-profiled, central WOWZA Marketplaces in popular tourist areas with heavy foot traffic, in both Johannesburg and Cape Town: See graphic below:

Create one WOWZA ‘Best of our Heartland’ Marketplace in the heart of Johannesburg, and expand the current WOWZULU Marketplace in the Watershed, Cape Town.



KEY FACTS AT A GLANCE:

NEW ENTERPRISES:	About 400 after 3 years
NEW JOBS:	About 1 000 after 3 years
THE BENEFITS:	Inclusion and economic as well as social benefits for previously excluded rural and peri-urban communities and in particular women and youth. New international best-case model for inclusive tourism development; impact on sector/industry nationally and internationally
COST:	R92 million total
TIME FRAME:	Mid 2017 to end 2020.
FINANCIAL CONTRIBUTIONS:	
SA Jobs Fund	R44 Million (paid in quarterly tranches over 3 years)
NDT	R38 Million (R13M Year 1, R13M Year 2, R12M Year 3)
IDC	R5 Million
UNEP	R1,6 Million
TFPD	R1,8
Africa!Ignite contribution	R1,6 Million

See Appendix 1: Gallery of Pictures

1 PROJECT OBJECTIVE AND PURPOSE OF THE PROPOSAL

1.1 PROJECT OBJECTIVE

To expand and replicate the WOWZULU Responsible Tourism initiative, which has been tried and tested in KwaZulu-Natal over 5 years. WOWZULU has been successful in creating 7 'inclusive' tourist destinations, which enable previously excluded emerging rural tourism entrepreneurs on the doorstep of popular established tourist destinations to participate equally in the tourism sector and for rural communities to benefit financially and socially.

The aim is to leverage powerful partnerships in order to create far more community tourism jobs and to become a catalyst for turning the tourism industry, which is an economic sector with high growth and employment potential, into a key driver of rural enterprise development, economic development and job creation.

Over the last five years, WOWZULU Responsible Tourism has created more than 400 rural entrepreneurial/job opportunities across KwaZulu-Natal.

These have included the following job categories: At WOWZULU Marketplaces: Shop assistants, baristas, coffee shop staff, tourist hosts and story-tellers. In the 'inclusive tourist destinations': Tour guides, homestay owners, craft producers, seamstresses and embroiderers, organisers of cycling and hiking trails, 'shisa nyama' and restaurant owners and staff, transport providers, 'trepreneurs', chefs, organic gardeners, community historians and story-tellers, artists, traditional dancers, musicians, boat and canoe owners etc.

Through expansion into a South Africa-wide WOWZA brand across 15 destinations in 6 provinces, Africa!Ignite and partners aim to increase the value and sustainability of the 400 existing jobs and create about 1 000 new jobs in existing and new destinations.

In addition to the categories of jobs mentioned above, the expansion of the model and in particular the creation of business centres and strengthening of value/supply-chain linkages will create a range of new jobs/enterprises. These are likely to include: Business centre managers, business and financial advisers, small loan facilitators, aquaponics facility operators, logistics providers, bakeries, agro-processing operations, beekeepers/honey producers, laundries, artisanal bakeries, egg and chicken farmers, coordinators of weekly craft/fresh produce markets etc. The types of enterprises/jobs in each destination will depend on an analysis of the needs of the local tourism, hospitality and retail market.

1.2 PURPOSE OF THIS PROPOSAL

The purpose of this proposal is to present the business and development case for WOWZA Responsible, Community-Based Tourism, in order to convince the NDT to partner with Africa!Ignite and other key funding and implementation partners to access funding from the South African Jobs Fund. The SA Jobs Fund has encouraged Africa!Ignite strongly to apply for an 'upscale and replication' of WOWZULU Responsible Tourism, which is currently one of the Jobs Fund's flagship tourism projects. In order to fund the initiative, the Jobs Fund requires 'rand for rand' matched funding from Africa!Ignite and partners.

Africa!Ignite and partners now seek to access about R44 million from the Jobs Fund to promote transformation of the tourism sector, through the inclusion of rural communities as equal participants, so that they benefit economically and socially. A R38 million investment from the NDT will enable us to do that.

2 OVERVIEW OF AFRICA!IGNITE

Africa!Ignite is a leading South African non-profit rural development agency based in Durban, South Africa. We work across all rural districts of KwaZulu-Natal, one of South Africa's most rural provinces with a population of more than 10 million, of whom about half live in rural areas. One in four South

African children live in KwaZulu-Natal. Endemic poverty, high unemployment and the highest incidence of HIV/AIDS infections anywhere in South Africa plague rural communities.

We are widely recognised as KwaZulu-Natal leading non-agricultural rural development agency. The graphic below gives a snap overview of what Africa!gnite is and does:



Creating opportunities for rural women and youth

Africa!gnite is a non-profit rural development agency based in Durban, which works across rural KwaZulu-Natal. Its goal is to bridge the gap between rural and urban by creating opportunities for rural women and youth to earn a decent living, improve their knowledge and skills, tell their stories, make their voices heard and assert their rights as equal citizens of a democratic society.

PROGRAMMES

Enterprise Development

CRAFT

Capacity-building, technical support and market access for hundreds of woman producers, so that they earn sustainable income from craft

TOURISM

Helping community entrepreneurs on the doorstep of popular tourist destinations to benefit from tourism income.

Social Development

YOUTH ACTION DESKS

Youth 'change agents' helping rural women and communities to protect their health and assert their rights as citizens and consumers

STORY-TELLING

Using powerful story-telling to promote reading, strengthen literacy skills and increase library membership

YOUTH DEVELOPMENT

Personal and skills development and social networking of rural youths

NUMBERS

TOURISM

About 130 new entrepreneurship opportunities

CRAFT ENTREPRENEURS

About 400 craft beneficiaries

STORY-TELLING

Almost 50 000 children and adults participated in educational story-telling sessions and close to 3 000 joined libraries.

ACTION DESKS PROTECTING WOMEN'S HEALTH AND RIGHTS

10 000 women visited action desks, 7 000 attended education sessions, 2 800 lodged specific queries, and more than 2 200 were resolved.



RECOGNITION

ONE AFRICA AWARD

One of 4 finalists across Africa, 2015

GLOBAL BEST AWARD for Youth Employability Skills in Africa, 2016

KZN EXPORTER OF THE YEAR AWARDS 2011, 2013 and 2014

COMMITMENT TO DEVELOPMENT AWARD

Ugu South Coast Tourism, 2016

Partner with Africa!gnite to enhance your B-BBEE Scorecard

Africa!gnite is registered as a S18(A) tax-exempted Non-Profit Company (RF) NPC. We are a non-profit organisation (NPO), and a Level 1 BBBEE (Broad-based Black Economic Empowerment) contributor. All programmes are evaluated and we provide clear 'line of sight' to 100% black beneficiaries through a comprehensive database.

To find out more please contact Joslyn Walker joslyn@africaignite.co.za or Margaret Gribble margaret@africaignite.co.za, Africa!gnite 031 303 5482.

Visit our website at www.africaignite.co.za and watch the 3-minute video at this link <https://www.youtube.com/watch?v=L-PI89YIbKQ>.

OUR PURPOSE

We bridge the gap between rural and urban by creating opportunities for rural women and youth to earn a decent living, improve their knowledge and skills and make their voices heard.

BENEFICIARY GROUPS

Rural and peri-urban communities: women (mostly mothers and grandmothers who provide for their families), youths, emerging entrepreneurs and other community members.

HOLISTIC SUPPORT FOR RURAL AND MARGINALISED COMMUNITIES:

We create partnerships with communities who invite us to get involved in their areas. Through these partnerships, we help women, youth and communities to earn a decent living, develop useful skills, make their voices heard, improve their health & quality of life, and market their products and services. In the process we help unlock rural communities' power to change their lives and give them opportunities to expand their horizons.

Africa!Ignite works across an extensive footprint of rural development nodes. Across these nodes, we focus on two main areas of rural development work:

- Enterprise development; and
- Social development, with a focus on rural youth and women.

Our enterprise development work is focused around WOWZULU Responsible Tourism, with two key areas of intervention: Tourism and craft enterprise development. Joslyn Walker heads this programme area, and Bongive Mlangeni is the stakeholder relations manager.

Our craft trading unit, which is headed by Margaret Gribble, operations manager, does extensive export sales as well as sales into the corporate, retail and tourism sectors, has been well established over 10 years. This unit provides sales support to WOWZULU Responsible Tourism and specifically to about 240 craft producers in the WOWZULU inclusive tourist destinations.

Over the last 5 years, Africa!Ignite has generated about R5 million in income for craft producers, of whom more than 95% are women, across KwaZulu-Natal.

As a Non-profit Company, Africa!Ignite is governed by a Board of Directors, who meet four times per year and who provide fiduciary oversight and strategic guidance.

The organogram on the next page illustrates Africa!Ignite's current organisational structure.

Africa!ignite Organogram:BOARD OF DIRECTORS

Fathima Dada (Chair), Thandi Chaane, John Volmink, Jabu Bhengu, Lynette Ntuli, Rung Button, (Wilna Botha)

CEO Wilna Botha AND MANAGEMENT TEAM Joslyn Walker, Fanie Nothnagel, Margaret Gribble, Antoinette van Niekerk

Marketing and PR	Performance management	Fundraising and partnership building	Strategic direction	Innovation	Learning M&E, Quality Assurance
CEO, INTERN AND TEAM MEMBERS	CEO AND TEAM	CEO AND TEAM	Board of Directors, CEO & TEAM	CEO AND TEAM	CONSULTANT

CRAFT SALES DIRECTION

SPECIALIST TOURISM SALES
(Contracted consultants)

Finance	Office operations, craft trading and knowledge systems management.	WOWZULU Enterprise Development	Social /youth development
Leader: Fanie Nothnagel (CA)	Leaders: Margaret Gribble; Nozipho Myende	Leader: Joslyn Walker	Leader: Antoinette van Niekerk
Accountant: Roshen Mungal Financial Assistant: Nomvula Msimango	WHOLESALE CRAFT TRADING Management and sales direction: Margaret Gribble Sales rep: Vacant Product design and development: Nothando Mkhize (50%) Production logistics: Phatho Mkhize	TOURISM (WZ) AND CRAFT (WZ, OTHER) Sales (craft, tourism) WOWZULU franchise management, beneficiary and stakeholder relations: Bongiwe Mlangeni Tourism booking support: Pinky Ndlovu Craft producer development (Nothando Mkhize (50%)) South Coast coordinator: Ayanda Mkhize Manager Watershed CT: Gavin Smith Manager and assistant Isandlwana: Sithe Hadebe, Mcebisi Mthembu	Coordination, helpdesk, mentorship of field staff: Lindiwe Tshangashe Beneficiaries' development and support (field work): Max Malunga Field staff: 16 story-telling coordinators 12 youth change agents manning youth action desks
	OPERATIONS AND HR Manager: Nozipho Myende Office Operations: Administration and reception: Nomvula Mzimango (50%)		
	Database and systems management (across programmes) Khulekani Danisa		

3 WOWZULU RESPONSIBLE TOURISM: EXPERIENCE, MODEL AND ACHIEVEMENTS

3.1 AFRICA!IGNITE'S EXPERIENCE TO DATE

WOWZULU RESPONSIBLE TOURISM (see www.wowzulu.co.za) is a sustainable community-based tourism model implemented across 7 rural areas of KwaZulu-Natal.

WOWZULU's GOAL is to create sustainable jobs and business opportunities for hundreds of rural craft producers and tourism entrepreneurs. The 'big idea' is to ignite the potential of small community tourism enterprises by linking them into commercial tourists routes and markets, and by giving them strong international and national marketing and sales support.

In 2013 and 2014, Africa!Ignite received about R2,4 million funding from the National Development Agency to pilot the WOWZULU Responsible Tourism model at Isandlwana in the KwaZulu-Natal Battlefields, in Inanda inland of Durban and on the KwaZulu-Natal South Coast. Initially, the focus was on the establishment of craft marketplaces in popular tourist destinations, where the products of local crafters could be sold.

From 2015 onwards, with about R12 million funding from the SA Jobs Fund and other 'counterpart' funders, we built on the experience gained through the pilot and established six more 'inclusive' tourist destinations across KwaZulu-Natal.

Africa!Ignite only gets involved at the request of local stakeholders, and representative Steering Committees guide developments in each area.

Each tourist destination is unique, but typically they operate as follows:

WOWZULU craft tourism Marketplaces serves as 'gateways' into the community tourism areas. The Marketplaces operate as locally-owned, 'flexible social franchises'. They are typically situated in attractive, brightly painted 'transformed shipping containers', and they become catalysts for community tourism development in 'inclusive tourist destinations'. See pictures below:



The WOWZULU Marketplace normally includes a coffee shop, gift/souvenir/craft shop, story-telling and a tourist information centre.

The Marketplace provides tourists' 'warm welcome' into the community, which offers a number of active experiences and packaged tours. These include story-telling; home stays; driving, walking or cycling tours; visits to local restaurants, traditional healers, churches and schools etc; participating in cooking, crafting or making music; agricultural activities such as planting, harvesting or branding cattle etc.

WOWZULU partners with the local commercial tourism sector to create 'inclusive tourist destinations' within which the commercial sector encourages tourists to visit the Marketplace and book experiences, so that communities start to benefit from tourism. WOWZULU also encourages value-chain linkages between the commercial and community sectors, as well as sustainable eco-friendly tourism practices.

Africa!ignite markets the destinations through a WOWZULU marketing portal and booking agent; social media; brochures and partnerships with tour operators, local hotels and lodges.

Africa!ignite's on-going support includes the following: Support for the development of marketable craft and tourism products; start-up subsidies for the Marketplaces; and on-going capacity-building, mentoring and support for community tourism and craft.

WOWZULU is currently operated across KwaZulu-Natal and across 7 destinations under the guidance of district steering committees, who meet twice a year and through operational and capacity-building support from key district, provincial, national and international partners:

Key existing partners include The South African Jobs Fund; the National Department of Tourism, UNEP and UNDP, the KZN Department of Economic Development and Tourism; the KZN Premier's Office, KZN Department of Arts and Culture, Better Tourism Africa, various local district municipalities; Enterprise iLembe, Ugu South Coast Tourism, Beholding International; PUM Dutch Senior Specialists' Programme; TIKZN; The Durban Green Corridor; Wildlands Conservation Trust, Wild Foundation etc.

We track deliverables monthly and conduct internal and external evaluation. A mid-term evaluation report was published in January 2016 and a draft self-evaluation report in January 2017. The NDT has identified WOWZULU as a potential replicable model for responsible community-based tourism, and is testing its Community-based Tourism Guidelines in 3 WZ destinations.

As mentioned before, we currently operate this model in 7 'inclusive' tourist destinations across KwaZulu-Natal, from the Mozambique border in the north to the Drakensberg in the West and into the Eastern Cape in the South. The map below gives an indication of where these are:



EXISTING WOWZULU 'INCLUSIVE DESTINATIONS'

Isandlwana, KZN Battlefields, Umzinyathi District

Isandlwana is at the heart of the once blood-drenched KZN Battlefields. On 22 January 1879, a Zulu army of 22 000 men defeated a British regiment camped at the foot of the mountain. This was one of the British Army's greatest defeats of the time, and British tourists still flock here to relive the battle.

At the heart of the 'inclusive tourist destination' at Isandlwana is the friendly community in the Isandlwana Village at the bottom of the mountain. A friendly WOWZULU team of four local residents welcome visitors to a WOWZULU Marketplace in the Isandlwana Museum, where tourists make their battlefield bookings. The Marketplace sells locally made gifts, art and craft as well as books and souvenirs; and a coffee shop on the veranda outside sells coffee, tea, cold drinks and muffins. From the Marketplace, tourists can go on a number of different experiences: A village walk, cycling to a neighbouring village where they visit the home of a crafter, or a hike along the Fugitive's Trail down to the Umzinyathi River. Local tour guide Dalton Ngobese can also take tourists to visit Mma Berthina Khumalo's successful craft cooperative at nearby Nondweni. Their trademark embroidery on recycled mealie bags has been packaged as cushion covers, bags and other products that are sold across the world.

The commercial partners in this 'inclusive tourist destination' include the local Isandlwana Lodge, Fugitive's Drift, the Rorke's Drift Hotel and dozens of tour operators who bring tourists to the Marketplace regularly.



Khula Village, St Lucia, iSimangaliso Wetland Park, Umkhanyakude

The popular tourist resort St Lucia is at the Southern tip of the 220 km long iSimangaliso Wetland Park, a UNESCO World Heritage Site. And on the road into St Lucia lies the tribal Khula Village, which was created when the World Heritage Site was proclaimed in the 1900s and communities were moved out of the surrounding Dukuduku Forest.

The WOWZULU Tourism Marketplace, which is attached to the tourism information centre along the road into St Lucia, is tourists' safe and friendly home in this community. From the Marketplace, local tour guides take tourists out into the village on bicycle, on foot or in their cars, to meet people and get a taste of local culture. Experiences include a visit to the neighbouring Veyane Cultural village, or an opportunity to buy and indigenous tree from a 'trepreneur' and plant it in a reclamation area of the Dukuduku forest.

Local hotels, lodges and other tourism and hospitality establishments form part of the wider 'inclusive destination' that benefits from the community-based experiences, which complement tourists' enjoyment of the area's spectacular lakes, beaches and game reserves.



The Inanda Valley and INK area, outside Durban

The Inanda Valley inland of Durban is known as ‘the cradle of South Africa’s democracy’, once the homes of John Langalibalele Dube, the first President of the ANC and of Mahatma Gandhi. The Inanda Heritage Route takes tourists to where the two men lived, as well as to famous historical schools and the home of the 6-million member-strong Shembe Church, started here by the Prophet Isaiah Shembe. Beyond the Heritage Route, Inanda is also home to a vibrant peri-urban community as well as rural communities on picturesque hills and mountains around the Inanda Dam.

The WOWZULU Marketplace that forms part of the JL Dube Heritage Site is tourists’ gateway into the fascinating community tourism area, where they can canoe on or hike around the Inanda Dam, visit a Rasta community under a waterfall, enjoy township fare at a shisa nyama or local restaurant, stay in one of a number of attractive homestays, or learn to do beadwork in a picturesque cluster of rondawels against a hillside.

The ‘Inanda – Discover our valley’ experience forms part of the wider tourist offering of Durban and Umhlanga, as part of a wider ‘inclusive’ tourist destination.



eMazizini, Amphitheatre, northern Drakensberg

The rural village of eMazizini is at the heart of an ‘inclusive tourist’ destination in the Amphitheatre with its 1 km high wall, the most iconic part of the Ukhahlamba Drakensberg range. The ‘inclusive destination’ includes about 12 hotels, lodges and resorts in the surrounding area, who support the community-based tourism.

A WOWZULU Marketplace in eMazizini, along the road into the popular Royal Natal National Park, sells local craft products and shares information about the area with tourists. From here, tourists can go on a range of experiences in the village. These include a tractor-trailer ride up to the slopes of the mountain behind the village, a village walk, learning to weave a small basket from grasses gathered high up on the slopes of the Drakensberg, or spending a day with one of the families involved in farming practice: herding or branding cattle, planting or harvesting depending on the season.

These activities are a welcome addition to the mountain climbing and hiking experiences for which most tourists come here.



The iLembe district on the North Coast

The WOWZULU Marketplace in iLembe is based at the Sangweni Tourism Information Centre in Ballito, where tourists can buy local craft products or enjoy a great coffee or 'taste of local' food. The 'inclusive tourist destination' encompasses a string of popular coastal resorts, as well as fascinating community experiences in the inland areas.

iLembe is home to the iconic cultural heritage of both the Zulu King Shaka and Nobel Peace Prize Laureate Chief Albert Luthuli. Tourist experiences include a walk in the area where John Dube once lived, or a 'birds and bees' tour that includes birding in coastal forests as well as a visit to an enthusiastic bee-keeper who will tell tourists all about the life of his beloved bees.



The Hibiscus Coast on the South Coast (KwaNzimakwe and Nyandezulu areas), Ugu District

The Hibiscus Coast is South Africa's favourite domestic 'beach holiday' destination. Traditionally, tourism has been strung out along the coast line, with the N2 and R61 roads separating the coastal tourism zone from impoverished rural communities on tribal lands who have only benefited from family members doing mostly menial work in towns such as Port Shepstone, Margate and Port Edward.

WOWZULU has changed that.

Over the last two years, we have helped to establish vibrant tourism experiences in two friendly communities on 'holy mountains' above the sea: Nyandezulu and KwaNzimakwe. With partners, we have also created a five-day 'Wild2South Coast Walk', which starts at Mtentu Lodge on the unspoilt Wild Coast of the Eastern Cape and ends at the popular Waffle House in Ramsgate.

An exciting development is that Ugu South Coast Tourism, which markets tourism for the wider South Coast area, has now included the development of both KwaNzimakwe and Nyandezulu into their wider tourism plan.



The Far North around Tembe Elephant Park and Ndumo Game Reserve, Umkhanyakude District

This wild northern part of KwaZulu-Natal, south of the Mozambique border, stretches from the Ingwavuma Mountain and Border Cave on the Swaziland border in the West to Kosi Bay and the Isimangaliso Wetland Park in the East.

Africa!Ignite was invited in by the KZN Premier's Office and department of economic development and tourism to promote community tourism in the Ndumo area, a provincial poverty node. We are marketing the Ndumo tribal area as part of the wider 'Elephant Coast' tourism area's natural and cultural attractions. It is next to the small Ndumo Game Reserve, a birders' paradise, and close to Tembe Elephant Park which is home to the world's largest tuskers.

We have established a WOWZULU Marketplace opposite Tembe Elephant Park, on the road that links the eastern and western parts of this exciting wilderness and wildlife destination. From this 'gateway', tourists can explore fascinating historical attractions such as the Border Cave that reputedly houses the oldest evidence of human settlement anywhere on the planet; Dingaan's Grave; and the ancient fish kraals in the lake at Kosi Bay. The dynamic fusion of Zulu, Thonga and Swazi culture in this corner of KZN has also provided exciting opportunities for cultural tourism and story-telling. In partnership with the Department of Economic Development and Tourism and the local Jozini Municipality, Africa!Ignite is continuing to explore the potential of this area further and to package more community-based tourism experiences.



See **Appendix 1: Gallery of pictures** for a visual overview of more highlights in each of the destinations

3.2 WOWZULU: THE CURRENT MODEL

The current model, which has been funded by the South African Jobs Fund, creates income for small community tourism enterprises who are on the doorstep of popular tourist destinations, by linking them into the wider tourism offer of the destination, and by giving them business development as well as international and national marketing and sales support.

It positions a WOWZULU Marketplace at the interface between the 'commercial' and 'community' components of the destination, as a gateway into the community tourism area. In the process, we aim to create inclusive tourist destinations that fuse the commercial and community tourism components into a larger, more diverse and more interesting tourism offer, which responds to the needs of a new generation of international tourists.

Because of KwaZulu-Natal's wealth of natural beauty and wildlife, almost all of these destinations also include a nature/conservation area as the main tourist attraction: game reserves and other conservation areas; beaches or the majestic Drakensberg Mountains.

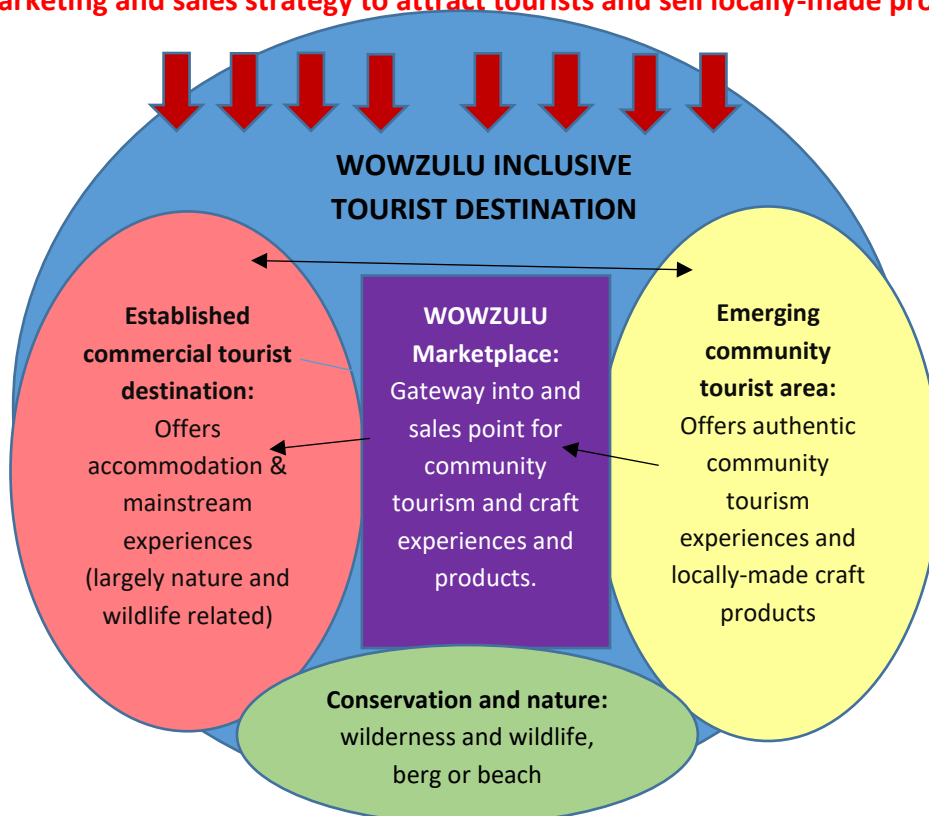
The following principles underpin our involvement in any destinations:

- It must be on an existing tourist route or linked to a tourist destination.
- We must be invited in by a supportive host community who can see themselves benefiting.
- We do not create competition.
- We rely on proactive local entrepreneurs.
- Communities must be interested in creating attractive and interactive community-based tourism products/experiences.
- We need partners.
- Once we have committed to involvement in a community, we are there for the long haul.

The diagram below illustrates the existing model:

WOWZULU RESPONSIBLE TOURISM: THE EXISTING MODEL

Marketing and sales strategy to attract tourists and sell locally-made products



As mentioned, this model has been introduced in 7 'sustainable destinations' to date.

3.3 ACHIEVEMENTS AND CHALLENGES TO DATE

3.3.1 ACHIEVEMENTS

- **CREATING JOBS AND ENTERPRISES:** In each of these destinations, we have created sustainable jobs and income for about 66 rural entrepreneurs: 40 local art and craft producers and 26 employed in tourism activities.
- **DIFFERENT CATEGORIES OF JOBS/ENTERPRISES:** The tourism enterprises and jobs have included the following categories: Shop assistants, baristas, coffee shop staff, tourist hosts and story-tellers. Also tour guides, homestay owners, craft producers, potters, seamstresses and embroiderers, organisers of cycling and hiking trails, Shisa Nyama and restaurant owners and staff, transport providers, 'trepreneurs', chefs, organic gardeners, community historians and story-tellers, artists, traditional dancers, musicians, boat and canoe owners etc.
- **INTERNATIONAL 'SUSTAINABLE TOURISM CERTIFICATION:** With funding from UNEP's 10YFP programme and in partnership with the National Department of Tourism, Better Tourism and other key partners, we have embarked on a process of enhancing the sustainability of the inclusive tourist destinations and helping them to move towards international certification as 'sustainable destinations'. This opens up opportunities to attract more tourists from European and other countries who insist on 'fair trade' or responsible/sustainable travel that benefit the local society, economy and environment.
- **IMPACT ON THE TOURISM SYSTEM:**
 - The aim of the 10YFP initiative is to create a South African **best-practice model for Sustainable, Inclusive Community-based Tourism**, which will be showcased in South Africa, across the SADC region and internationally as a possible role model for wider replication.
 - The National Department of Tourism has also selected 3 WOWZULU destinations as sites for testing its **Guidelines for Community-based Tourism** in a practical application. The outcomes of this exercise will inform any revision of the guidelines.
- **SA JOBS FUND RECOGNITION:** The South African Jobs Fund has showcased WOWZULU in its annual 'Learning Forum' and social media as a **flagship tourism project**. Of a total of 700 jobs created in tourism by Jobs Fund funding throughout the life of the programme, 400 were created by Africa!Ignite.
- **IMPACT ON KZN PROVINCIAL GROWTH AND DEVELOPMENT PLAN:**
 - At least partly thanks to Africa!Ignite's continuous interaction with the chairperson of the provincial Planning Commission, KwaZulu-Natal has introduced tourism far more prominently as a component of the plan, in the 5 year review that was done in 2016.
 - Mr Frikkie Brooks, chair of the Provincial Planning Commission, has also recommended to Africa!Ignite that we put WOWZULU Responsible Tourism forward as a provincial 'catalytic project', which will form part of the Provincial Growth and Development Plan. We will do this in March 2017.
- **PARTNERSHIPS IN DISTRICTS:** Several KwaZulu-Natal districts and municipalities have incorporated WOWZULU destinations into their IDPs, and several districts have started to display and sell 'Products of the area' on branded WOWZULU stands at tourism information centres.
- **CHANGING THE LIVES OF RURAL CRAFTERS**
Over the last 10 years, Africa!Ignite has changed the lives of hundreds of rural mothers and grandmothers who do handcraft to support their families, by ensuring that they can earn a decent income from craft. We do this through capacity-building and production support, but

primarily through our extensive marketing and sales efforts into the export, retail and corporate markets, as well as through WOWZULU Marketplaces. As mentioned, we have received five KwaZulu-Natal Exporter of the Year awards in different categories over the last four years. We subscribe to 'sustainable' and 'fair trade' principles and Africa!Ignite is a registered member of the World Fair Trade Organisation. In 2016, Africa!Ignite was one of three finalists across Africa for the ONE AFRICA AWARD, awarded to organisations who make a significant difference to the lives of communities. This was primarily because of our support for rural women crafters.

See some pictures of women crafters below.



- **POSITIVE MARKET RESPONSE:** The tourism market has responded very positively to WOWZULU's introduction of authentic, community-based experiences. Feedback from tourists has been overwhelmingly positive, and more than 20 tour operators are now marketing and selling WOWZULU products and experiences, resulting in increasing numbers of 'feet through door' at Marketplaces and in destinations. Margie Whitehouse, South African Tourism Marketing Manager, spoke at a SATSA KZN Chapter meeting in February and stressed that WOWZULU represented everything that South African Tourism want to promote.
- **SATSA SUPPORT:** In February SATSA (The South African Tourism Services Agency) has also selected Africa!Ignite's head office support team and the managers of two Marketplaces for participation in an intensive capacity-building and market access programme.

3.3.2 CHALLENGES

The statement that rural development 'is not for sissies' is true. It is extremely difficult to create sustainable tourism products and destinations in rural and deep-rural areas.

SHORT FUNDING WINDOWS:

A major challenge has been the short time-frames during which funders such as the South African Jobs Fund are prepared to support the establishment, support for and growing the sustainability of rural tourism enterprises. The reality is that it takes up to five years (our partners Transfrontier Park Destinations argue that it takes seven years) for rural tourism enterprises to become fully sustainable. There are two major reasons for this:

- The lag between when a new tourism product or package is developed, packaged and presented into the market, and when the first tourists realistically arrive and numbers start to grow. Rural KwaZulu-Natal is also not a mainstream destination for the category of 'experiential, adventure' tourists that WOWZULU aims to attract. Growing tourist numbers therefore takes time.
- Developing and sustaining ANY rural enterprise also takes a lot longer than in an urban area. Africa!Ignite is a member of a number of national and international rural development networks, and there is consensus that to establish and sustain viable rural enterprises takes at least five year. Some reasons for this are discussed below.

CHALLENGES OF RURAL DEVELOPMENT:

Africa!Ignite has learnt to constantly work through a range of different challenges across destinations. These include (but are not exclusive to) the following:

- The very low education levels in rural areas, with resultant low skills and knowledge levels.
- Communities are poor, with very little disposable income, and across KZN high levels of HIV/AIDS and other diseases of lifestyle exacerbate health problems.
- The lack of any disposable income is a major barrier to entry for young (or older) people who want to study or start a small business.
- Statistics SA has found that only about 28% of unemployed rural youths have had any work experience. Often, WOWZULU offers youths their very first opportunity to be in a workplace, and the challenges they face are huge.
- There is a poorly developed entrepreneurial culture in most rural areas, with a lack of role models.
- Long distances, poor infrastructure, communication difficulties etc all make the work challenging.
- In virtually every rural area where we work, there are forms of community 'politics' that change from time to time. These include conflict and competition over scarce resources, which are often exacerbated when there is talk of money being earned. And in traditional tribal areas, there are often tensions between the aspirations of vocal young people and traditional leaders who want to assert control.
- The lack of water is a major problem in several of the areas where we work, especially during periods of drought.
- Over the years, Africa!Ignite's experienced rural outreach team has learnt to allow for and work through these challenges. Even though we are seldom able to change the situation completely, we have learnt how to move forward in spite of the challenges.

ISANDLWANA SUCCESS

In spite of all these challenges, the WOWZULU Marketplace at Isandlwana, Africa!Ignite's longest established and 'flagship' destination, started to break even and cover all its own costs after three years.

3.4 OUR MOTIVATION FOR EXPANSION

As Africa!Ignite, we are proud of what we have achieved across KwaZulu-Natal in a short period of less than three years, and with limited funding of about R14 million in total.

We are delighted to know that we have been able to make a difference to the lives of rural communities, and that our efforts to make tourist destinations more 'inclusive' and ensure benefits for communities are bearing fruit.

Over the last five years, during the initial NDA pilot and the Jobs Fund project (last three years), we have continued to experiment, make mistakes, learn and document our learning. We have been able to identify both weaknesses in how we currently operate, and opportunities to improve the impact on communities.

We have also created powerful partnerships, and are grateful for the strong support of diverse partners who are strengthening our hands.

The South African Jobs fund has now issued an invitation for applications from organisations who are capable of bringing a wide range of partners together to drive system-wide change that can ensure inclusion of rural communities, and in particular women and youth, in the economy. They want ‘upscale and replication’ of a proven enterprise/job creation model. They are encouraging Africa!Ignite, as a successful current grantee, to apply for an upscale and replication of WOWZULU into a project that will have an impact across South Africa.

Africa!Ignite believes that this creates an excellent opportunity for us to join hands with other like-minded funding and implementing partners, to roll a transformed WOWZA model out across South Africa, in order to achieve widespread benefits for rural communities and create more sustainable inclusion of the tourism industry.

We therefore invite the NDT and other partners to join hands with us in accessing this funding, by partnering with us in the planned expansion and replication of WOWZULU as described below.

4 PLANS FOR AN EXPANSION AND REPLICATION OF THE WOWZULU MODEL

4.1 THE OPPORTUNITY

There is an opportunity to respond to a South African Jobs Fund request for applications that are capable of achieving ‘industry change for scaling inclusive job creation models’.

Africa!Ignite proposes that the NDT and other selected key partners join hands with us grasping the opportunity to upscale and replicate the current WOWZULU model, in five key ways:

- Expanding and strengthening the WOWZULU Responsible Tourism Model in 7 existing tourist destinations,
- Replication into 8 new destinations inside KwaZulu-Natal and in other provinces;
- Through strategic partnerships with other leading stakeholders in the tourism industry, to combine our various expertise, networks, capacity and implementation footprints into an intervention that is capable of achieving sector-wide change;
- Where feasible, combine the WOWZULU community tourism development model with those of other partners in innovative ways to strengthen the model.
- With partners, create a new, shared South Africa-wide WOWZA brand that will ‘sell’ the best of rural South Africa, and strengthening the marketing platform for this.

The Jobs Fund seeks to fund projects that can be catalysts for sector-wide change in industries with high job-creation potential, particularly for previously unemployed women and youth. Tourism is one of five industries that are mentioned specifically.

They aim to ‘achieve industry wide impact at scale by working with intermediary organisations that have the capacity to draw together and support other organisations’.

They ask for projects that are:

- Multi-province or national;
- Sector-wide;
- Build on existing programmes and take proven pilot programmes to scale, or combine interesting sectoral initiatives in a new way;
- Are holistic and provide comprehensive solutions to sector-specific job creation constraints;

- Leverage a range of skills and resources to increase the JF reach within a sector.

Our proposal ticks all these boxes.

They also want to fund ‘intermediary organisations’ that are capable of drawing in a wide range of stakeholders across the sector, both horizontally. Africa!Ignite qualifies as one.

Africa!Ignite has an excellent reputation as a Jobs Fund grantee. See letter of recommendation included as Appendix 2. We are confident that, with strong synergistic partnerships, we will ‘tick all the boxes’.

4.2 KEY PRINCIPLES THAT UNDERPIN HOW WE WANT TO DO THIS

- Be clear about our core competencies and bring in partners who complement these.
- Ensure we have strong, rooted local partners on the ground in new destinations.
- Bring in a range of strategic partners across sectors, learn from them, pool strengths and avoid duplication.
- Create new shared models and platforms.
- Operate partnerships with transparency and integrity.

4.3 EXPANDING THE WOWZULU MODEL, AND REPLICATING A WOWZA BRAND

NATIONALLY TO ENHANCE IMPACT.

Africa!Ignite proposes that the NDT and other key financial and implementing partners join us in expanding and replicating the existing WOWZULU Responsible Tourism model, in order to significantly increase its impact and position it as a powerful catalyst for systemic change in the South African tourism industry, to make the sector more inclusive and ensure that previously excluded rural communities and entrepreneurs are able to participate equally and benefit from tourism income.

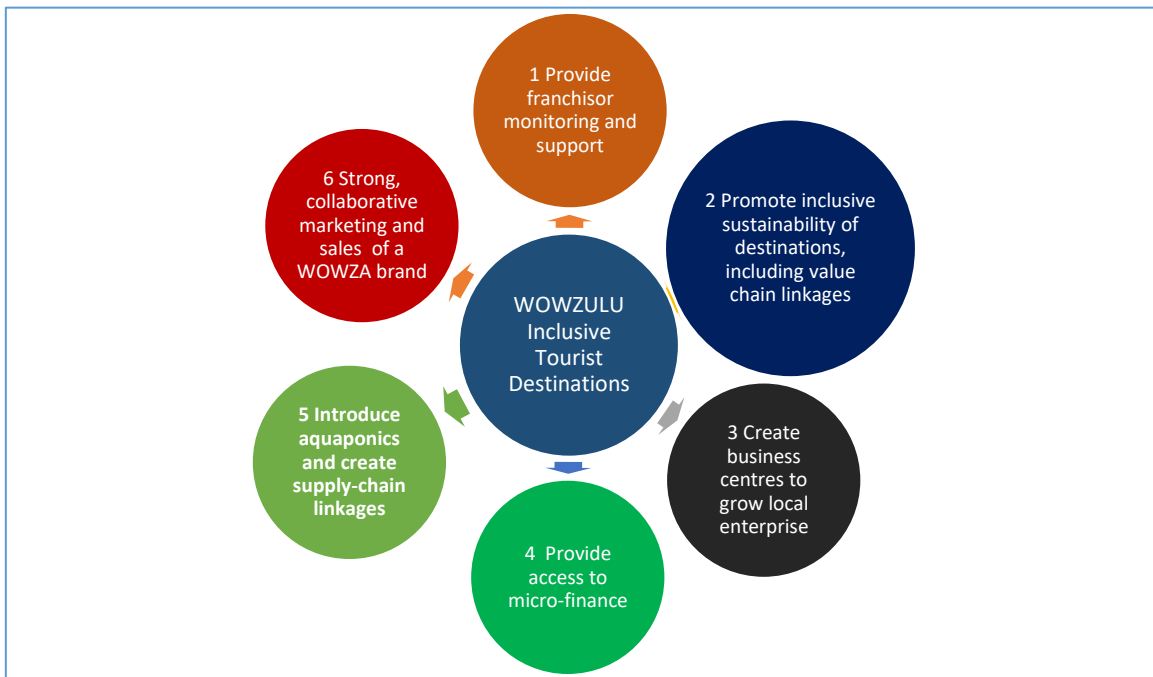
In the process, we intend to collectively enhance South Africa’ reputation as a ‘sustainable tourist destination’ that meets the criteria of sustainable tour operators across the world and attracts a rapidly growing new generation of tourists who want ‘authentic’ experiences, meet people and know that their travels will enhance rather than negatively affect the local society, economy and environment.

We wish to do this in three ways:

- By **sustaining, strengthening and expanding the existing WOWZULU model** to increase its impact and sustainability in existing and some new destinations.
- By **replicating the model in 8 new destinations in 6 provinces**, in collaboration with key partners who add complementary experience, expertise, networks and implementation footprints.
- By establishing **two central WOWZA ‘Best of the Heartland’ Marketplaces** where iconic WOWZA products, experiences, cultures and destinations from across South Africa will be showcased, marketed and sales made.

4.3.1 SUSTAINING, STRENGTHENING AND EXPANDING THE EXISTING MODEL:

We wish to sustain, strengthen and expand the current model in 7 existing destinations, as follows:



This involves the following elements:

- 1 Provide franchisor monitoring and support to Marketplaces and destinations**
Consolidate the franchise model and draw on partners' support to help sustain and grow 7 current WOWZULU marketplaces and destinations through ongoing 'franchisor' monitoring, mentoring and support. Refine the franchise model into a documented, tried-and-tested blueprint for wider replication by other partners.
- 2 Promote inclusive sustainability of destinations (economic, social and environmental), and strengthen supply/value chain linkages**
 - Facilitate recognition/certification of tourism destinations as responsible/sustainable
 - Promote value chain/supply chain linkages between established commercial and emerging community businesses, and create new community-owned enterprises that respond to commercial tourism and hospitality sector needs.
- 3 Create business centres to grow emerging tourism enterprise**
 - Training (venue and scheduled programmes of business development training)
 - Business support centre for craft and tourism entrepreneurs (IT access, production facilities (techno-lab), raw materials provision, craft design and product development service, packaging etc (services based on needs assessment).
 - Networking opportunities in shared space
 - Scheduled enterprise-development and tourism-sector training programmes
 - Mentoring and support (involve local partners)
 - Business advice services
 - Micro-loan facilitation
 - Destination and product marketing service
- 4 Provide access to micro-finance for emerging entrepreneurs**

- Financing of new tourism products, expansions, supply chain linkages, infrastructural development etc.
- Explore innovative options as proposed by Jobs Fund: Revolving credit, soft loans, grants etc.
- The Jobs Fund is prepared to invest in this and share the risk. They are happy for their investment to stay in the fund as a revolving credit.

5 **Introduce aquaponics and create supply-chain links**

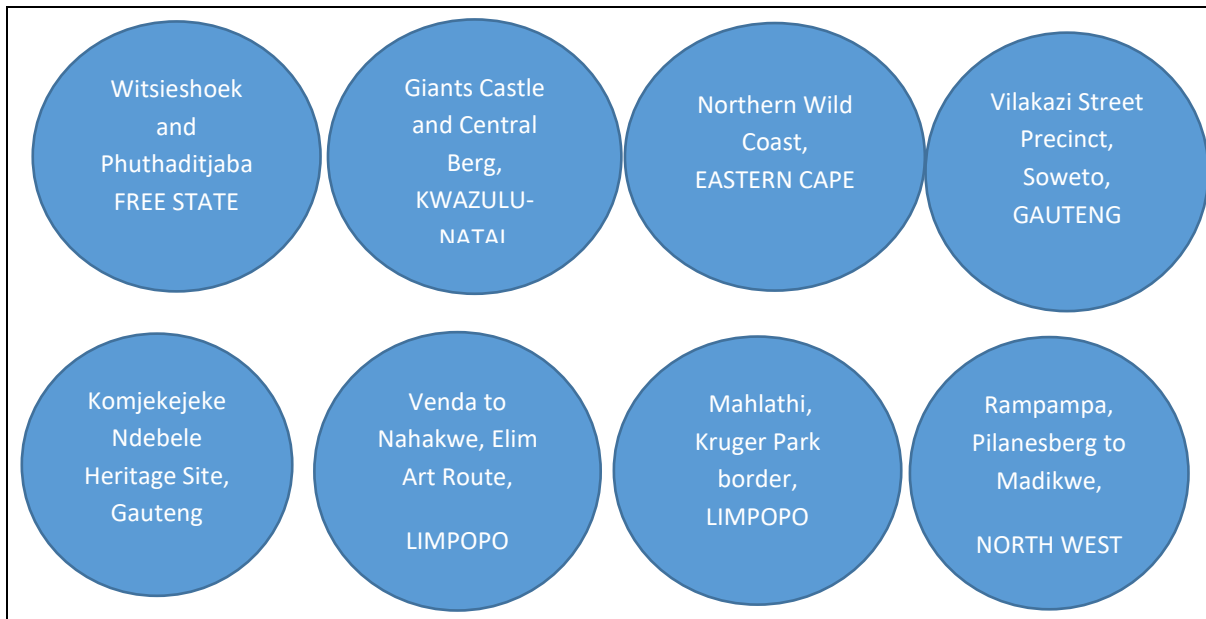
- Assist communities in 6 carefully selected destinations (some existing and some new) to establish aquaponics facilities/farms through which they can supply fresh, organic vegetables, fruit, flowers and fish to local hotels, lodges, shops and other tourist establishments.
- This elements will need more local mentoring and support than any of the others, because it introduces a technology that local communities are unlikely to be familiar with.
- The added value of this element is two-fold: It introduces a 'green' component that has 10% of the water needs of conventional farming. It could also generate income within a few months after establishment, to counteract the fact that other elements of this model will take much longer to yield tangible benefits for communities.

6 **Strong, collaborative marketing and sales**

- Create strong marketing and sales capacity to sell all products under a wider WOWZA umbrella through collaboration of partners, using a range of marketing and sales tools.
- In doing this, collaborate with other partners who have strong marketing and sales expertise, such as Transfrontier Park Destinations and Open Africa, and investigate forming a shared marketing platform.
- Tourism product development
- Expand and enhance community tourism products in existing destinations

4.3.2 REPLICATING THE MODEL IN EIGHT NEW DESTINATIONS

With partners, we want to create 8 new WOWZA destinations in 6 provinces: KZN, the Free State, the Eastern Cape, Gauteng, Limpopo and the North West. See the diagram below:



Please note that finalisation of the exact locations will happen on the basis of needs analyses and in consultation with key partners such as the NDT, before the onset of implementation.

Some information about proposed new destinations and rationale for selection:

Witsieshoek and Phuthaditjaba, Free State:

- The anchor here is the community-owned Witsieshoek Mountain Lodge, which perches on the edge of the Drakensberg escarpment under the towering peaks of the Amphitheatre, and in which NDT has invested about R20 million. The Lodge is currently managed by Transfrontier Park Destinations, which has made a previously defunct public asset economically viable.
- The Lodge overlooks the eMazizini community in KZN, site of a WOWZULU inclusive destination. Activities will be focused on the lands of the Batlokoa tribe and on known tourist attractions in the area, such as the historic King Wetse's Cave. A range of existing industries and potential tourism activities include furniture making, pottery, food gardens, seamstresses, pony treks etc. NDT has also invested in the Metsi Matso Dam Lodge and Qwa Qwa Lodge in the area.
- The established tourist destinations Clarence and Golden Gate, as well as access into Lesotho via Monatsha Pass could be part of a potential 'inclusive and sustainable' tourist destination, within which value chain linkages can be explored. It is part of the Drakensberg-Maluti Corridor, and of the N3 Gateway Tourism Association's catchment area.

Giant's Castle and Central Berg, KwaZulu-Natal:

- This area ties in to the existing WOWZULU Inclusive Tourist Destination focused on eMazizini in the Amphitheatre, Northern Drakensberg. The two areas resort under one very active Community Tourism Organisation, which is keen to market the two areas jointly. It is also part of the N3 Gateway Tourism Association's catchment area, and Open Africa has developed a tourism route in the area.
- The area around Giant's Castle is home to a number of existing tourist hotels, lodges and resorts. Tourists mostly visit this area for its scenic beauty as well as for hiking, climbing, trout fishing, picnicking, camping and swimming. It is home to both the eland and the magnificent bearded vulture. The renowned Vulture Hide is open throughout the year for visitors to watch bearded vultures and other endangered species feeding.
- Superb San rock art is part of the legacy of this area, which has a fascinating history of human settlement that can be explored to create community-based tourism activities. This includes the fascinating history of the Hlubi people.

Northern Wild Coast, Eastern Cape:

- This area forms a logical extension of Africa!Ignite's existing destination development on the Ugu South Coast of KwaZulu-Natal. The existing five-day Wild2South Coast Walk starts at the Mthentu Lodge at Mkhambathi Nature Reserve on the Wild Coast and continues through the Xolobeni community area for two days, with a homestay at Nyameni Village, before getting to the Umtamvuna River, border with KZN.
- Mthentu Lodge already works with operators who do hikes between Mthentu and Port St Johns to the south, and there is an opportunity to develop this into a wider community tourism area between Port St Johns and the Umtamvuna River. This area/route could also potentially link in to Open Africa's route development between Coffee Bay and Port St Johns, to the south.
- An additional positive of this area is that Ugu South Coast Tourism, an invaluable existing partner, has signed a joint marketing agreement with Eastern Cape Tourism. The Wild Coast Sun, which is currently at the centre of the five-day Wild2South Coast Hike, will also be used as a hub for shared KZN/EC tourism development. A tourism information centre here could be an

ideal site for a shared WOWZA Marketplace that showcases the tourism, craft and agro-processing products of communities on both sides of the border.

Mahlathi Safari Lodge and Giyani area, Kruger Park border, Limpopo

- Africa!Ignite is not familiar with this area and will do a site inspection late in February 2017. Our main motivation for selection of this area are strong recommendations by partners NDT, the IDC and Transfrontier Parks Destinations, who identified this as a vast marginalised area with a large, poverty-stricken community that desperately needs opportunities for economic inclusion.
- The planned opening of the Shangani Gate into Kruger Park, with associated accommodation and restaurant facilities, creates an opportunity to create a tourism anchor at Mahlathi Safari Lodge, which is not far from the proposed site of this gate. Mahlathi Safari Lodge is owned by a Mahlathi community co-operative and NDT has invested about R20M to date. I
- It is still to be opened and the appointed management partner is key partner Transfrontier Parks Destinations, who share Africa!Ignite's vision for the development of community tourism experiences and products that could be supplied into Kruger and other surrounding tourist destinations.

NOTE: A caveat here is that Transfrontier Parks is relying on a further investment from NDT to make Mahlathi Safari Lodge operational. Should this investment not materialise, it will not be possible to use the Lodge as an 'anchor' for the creating of an inclusive destination here. Africa!Ignite and partners will then have to consider another location to establish a WOWZA destination.

Nahakwe Lodge and Elim craft route, Limpopo

- This is another potentially exciting area into which Africa!Ignite has been invited by partners who see the need and opportunity for WOWZA inclusive tourism development to ignite enterprise development. The NDT has invested about R30 million in the Nahakwe Lodge, owned by the Mamaila Community and commercially operated by Transfrontier Parks Destinations.
- Open Africa has been involved in the development of the Elim/Ribola craft route in the area, and there is an opportunity for linkages to the fascinating cultural heritage of the Venda nation around Thoyandou to the north. Africa!Ignite will also do a site visit to this area late February, to further explore the potential.

Vilakazi Street Precinct, Soweto, Gauteng

- Africa!Ignite is delighted to have been invited by Gauteng Tourism and encouraged by the NDT to consider involvement in further inclusive tourism development around the popular Vilakazi Street tourism precinct in Soweto, once home to Nobel Peace Prize Laureates Nelson Mandela and Archbishop Desmond Tutu, and now site of the Hector Peterson Museum as well as popular local restaurants, galleries etc.
- We believe that this is a destination with great potential, and it will be exciting to explore how the expanded WOWZA model, including its value chain linkage components, could be introduced here to further develop economic and enterprise development opportunities for the local community. As is the situation elsewhere, we will be heavily reliant on the guidance of local partners.

Komjekejeke Ndebele Heritage Site, Wallmansthal, Gauteng

- Komjekejeke has been recommended to us by NDT.
- The National Minister of Tourism, Mr Derek Hanekom, formally launched Komjekejeke as a significant Ndebele Heritage Site at Wallmansthal, Gauteng in November 2016.
- Africa!Ignite believes that involvement in this site makes sense, since the rich Ndebele cultural and craft heritage, and the rich stories attached to it, fit perfectly into the types of rich

community-based that we believe can be packaged to create enterprises and employment in the community. It is also close to Roodeplaat Dam, a recognised tourist destination, and to the N2 to the north.

- We will aim to do site inspections as soon as possible and will be guided by NDT and other partners in how we get involved here.

Rampampa, Pilanesberg to Madikwe Corridor, North West Province

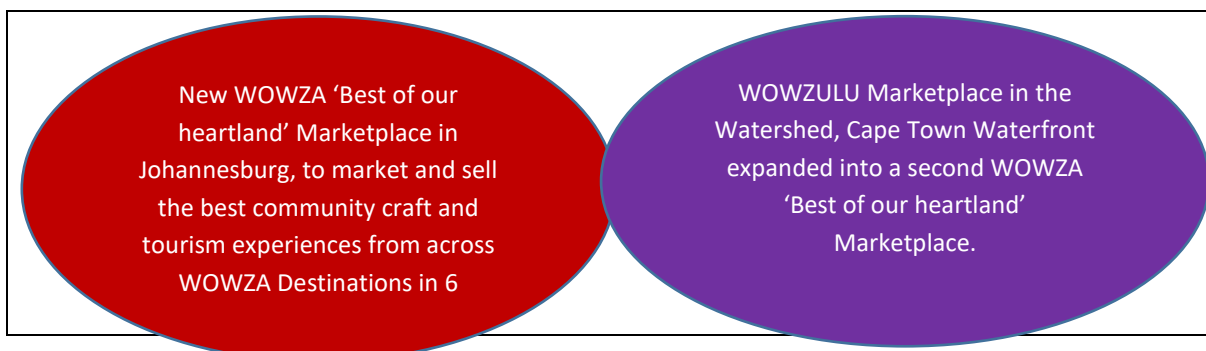
- Rampampa is the destination that is least known to Africa!Ignite. Of all proposed destination, it is the one where we are currently least equipped to assess the potential.
- We know that it is on the Pilanesberg to Madikwe tourism corridor that is being developed by the NDT and other partners, and that the local community has asked for assistance in developing tourism experiences, products and services in response to supply-chain opportunities created by Madikwe and Pilanesberg.
- Any development here will have to be based on a thorough situational analysis, and guidance from the NDT and other partners.

4.3.3 Creating two WOWZA ‘Best of our heartland’ central Marketplaces

In addition to the WOWZA ‘inclusive destinations’ that will be created in rural and peri-urban communities across 6 provinces, we also plan to maximise WOWZA’s power to ignite enterprise and generate employment across the various areas by making sure that we capture the attention of tourists and other potential clients in high-traffic urban locations. We want to reach tourists and urbanites who normally would not visit rural tourist destinations.

We plan to establish two central WOWZA Marketplaces in popular tourist hubs in Johannesburg and Cape Town and create vibrant, attractive spaces that will captivate tourists and make them want to venture out into South Africa’s rural and peri-urban ‘heartland’. We will also sell the most iconic, beautifully curated art, craft and other products from across destinations in these Marketplaces.

Create one WOWZA ‘Best of our Heartland’ Marketplace in the heart of Johannesburg, and expand the current WOWZULU Marketplace in the Watershed, Cape Town.



The purpose of both will be to showcase, market and sell the most iconic craft products and tourism experiences from inclusive WOWZA destinations (and potentially other community areas across South Africa).

The WOWZA Marketplaces will be set up to display and sell distinctive art and craft items from each tourist destination, with stories about who, where and how they are made. They are also likely to sell great coffee and ‘taste of local’ snacks/dishes that celebrate the diversity of our cuisine, and to

host story tellers, audio visual displays, photographs and maps that bring out the unique culture, character and experiences offered by each destination.

Gauteng Tourism will be a partner in the development of a WOWZA Marketplace in Gauteng, and they have recommended either Constitution Hill or the vibrant Maboneng Precinct in Johannesburg as the site of a WOWZA Marketplace. We will visit these potential sites before the end of February.

To create a WOWZA Marketplace in Cape Town's Waterfront, South Africa's most popular international tourist destination, Africa!ignite will expand our currently very small but highly successful WOWZULU craft shop in the Watershed into a larger WOWZA Marketplace.

5 KEY AND SUPPLEMENTARY PARTNERS

To enable Africa!ignite to expand the current WOWZULU model successfully in existing destinations and replicate it as a WOWZULU brand in new destinations, we will sign Memorandums of Agreement with project partners in terms of which they will be drawn into the project's organisational structure, either as implementing or support partners.

Key formal international, national and provincial government partnerships:

- United Nations Environmental Programme
- United Nations Development Programme
- UNEP 10YFP Sustainable Tourism Programme Partner
- World Fair Trade Organisation Membership
- South African National Department of Tourism
- South African Jobs Fund
- Industrial Development Council
- KwaZulu-Natal Premier's Office
- KwaZulu-Natal Planning Commission
- KZN Department of Economic Development, Tourism and the Environment
- KZN Department of Arts and Culture
- NAKOPA (German GIZ-funded tourism promotion project)
- Weltwaerts German Internship Programme
- Netherlands PUM Senior Specialists' Programme
- Tourism KZN
- Gauteng Tourism

Key national and provincial private sector and non-government partners:

- Transfrontier Parks Destinations
- Better Tourism Africa
- Open Africa
- Old Mutual Masisizane Fund (to be confirmed)
- N3 Gateway Tourism Association
- South African Tourism Services Association
- Wild Foundation
- Wildlands Conservation Trust

Local destination partners

- Durban Tourism
- Gauteng Tourism
- Ugu South Coast Tourism
- Durban Green Corridor
- District and local municipalities, tribal councils, CTOs and others in destinations across KwaZulu-Natal

See 7: Summary of components, benefits, partners and costs for a more specific indication of the areas in which specific partners are expected to play a role.

Please note that Africa!Ignite is aware that our partnerships are currently heavily KZN-based. This will change as we replicate a WOWZA model across South Africa.

6 EXPANSION AND REPLICATION OF WOWZA MODEL: COMPONENTS, BENEFITS, PARTNERS, COSTS

COMPONENTS	BENEFITS			PARTNERS	COSTS	
	ENTERPRISES (New and expanded)	NEW JOBS	OTHER BENEFITS			
Sustain, strengthen and expand the existing model in 7 destinations						
1	Provide franchisor monitoring and support	No new enterprises, 7 existing strengthened.	35 new jobs after 3 years	Refine a replicable business model that minimises risk for ‘franchisee’ enterprises and creates catalysts for wider enterprise development in destinations.	SA Jobs Fund, UNDP core funding. AfricaIgnite key implementer. Local support partners.	R3,56 Million
2	Promote inclusive sustainability of destinations (economic, social and environmental), and strengthen supply/value chain linkages	100	200 after 3 years	Destinations more attractive to international tour operators and tourists - increases marketability; more sustainable business practices; greater efficiency; opportunities for multiple new businesses; more money circulating in community	SA Jobs Fund, UNEP, UNDP, NDT funding. <u>Inclusive sustainability:</u> UNEP 10YFP Sustainable Tourism Programme NDT Better Tourism Local CTOs, municipalities, Steering Committees, Green energy partners. <u>Value-chain Linkages:</u> NDT Local Destination Partners Specialist partners to be identified	R3,422 million promoting inclusive and sustainable destinations; R14 million value-chain linkages

COMPONENTS	BENEFITS			PARTNERS	COSTS	
	ENTERPRISES (New and expanded)	NEW JOBS	OTHER BENEFITS			
Sustain, strengthen and expand the existing model in 7 destinations (continued)						
3	Create business centres to grow emerging tourism enterprise	60	120 after 3 years	Catalyst for new business creation AND for growth and increased effectiveness, sustainability of existing enterprises	SA Jobs Fund, IDC funding. Local commercial and destination partners Tourism training partners (SATSA, SEED etc) Old Mutual Masisizane Fund NDT KZN EDTEA	R9,58 M
4	Provide access to micro-finance for emerging entrepreneurs	60	120 after 3 years	Eliminates a serious barrier to inclusion of communities/small entrepreneurs in economy	SA Jobs Fund, Old Mutual Masisizane Fund Local partners	R1 million (stays in project)
5	Introduce aquaponics and create supply-chain links	6	120	Will start an important, eco-friendly new industry in rural areas; great potential for supply-chain links and resultant creation of additional enterprises	NDT, SA Jobs Fund funding. African Sovereign Developments, 10YFP Sustainable Tourism Partnership (specialist advice), other technical experts.	R22 million (unit cost could reduce over time in new destinations, once piloted)

COMPONENTS	BENEFITS			PARTNERS	COSTS	
	ENTERPRISES (New and expanded)	NEW JOBS	OTHER BENEFITS			
Sustain, strengthen and expand the existing model in 7 destinations (continued)						
6	Strong, collaborative marketing and sales	Counted elsewhere; essential element for all enterprise development	Also counted elsewhere	Creates medium to long-term multiplier effect	Collaboration among key tourism marketing partners; TFPD, Open Africa, Africa!Ignite, N3 Gateway etc. Also SATSA and range of South African and European inbound tour operators.	R4,5 million
Replicate a WOWZA sustainable tourism model in 8 new destinations						
1	Witsieshoek and Phuthaditjaba, Free State	20	40 after 3 years	Equal participation of community entrepreneurs in tourism economy, social and economic benefits for entire community; wider tourist destination benefits from enhanced, more diverse product offer and increased opportunities for local sourcing.	Jobs Fund, NDT, IDC funding. Transfrontier Park Destinations, Batkotloa Tribe, Free State Tourism, Municipality.	R3 million

COMPONENTS	BENEFITS			PARTNERS	COSTS	
	ENTERPRISES (New and expanded)	NEW JOBS	OTHER BENEFITS			
Replicate a WOWZA sustainable tourism model in 7 new destinations						
2	Giant's Castle and Central Berg, KZN	20	40 after 3 years	Equal participation of community entrepreneurs in tourism economy, social and economic benefits for entire community; wider tourist destination benefits from enhanced, more diverse product offer and increased opportunities for local sourcing	Jobs Fund, IDC funding. N3 Gateway Consortium, Open Africa, Hlubi Heritage Trust, local CTO and Municipality, KZNDEDTEA.	R3 million
3	Wild Coast, Eastern Cape	20	40 after 3 years		Jobs Fund funding. Mthentu Lodge, Xolobeni and Nyameni Communities, Open Africa, Wild Coast Sun, Ugu South Coast Tourism, Eastern Cape Tourism, Ithuba Community College.	R3 million
4	Mahlathi Safari Lodge and Giyani area, Kruger Park border, Limpopo	20	40 after 3 years		Jobs Fund, NDT, IDC. Transfrontier Park Destinations, local community, Open Africa. Limpopo Tourism.	R3 million

COMPONENTS	BENEFITS			PARTNERS	COSTS	
	ENTERPRISES (New and expanded)	NEW JOBS	OTHER BENEFITS			
Replicate a WOWZA sustainable tourism model in 7 new destinations						
5	Nahakwe Lodge and Elim craft route, Limpopo	20	50 after 3 years	Equal participation of community entrepreneurs in tourism economy, social and economic benefits for entire community; wider tourist destination benefits from enhanced, more diverse product offer and increased opportunities for local sourcing	Jobs Fund, NDT, IDC. Transfrontier Park Destinations, Open Africa. Limpopo Tourism, local community.	R3 million
6	Vilakazi Street Precinct, Soweto, Gauteng	20	50 after 3 years		Jobs Fund, NDT, Gauteng Tourism.	R3 million
7	Komjekejeke Ndebele Heritage Site, Wallmansthal, Gauteng	20	50 after 3 years		Jobs Fund, NDT. Other partnerships to be established after selection of specific destination.	R3 million
8	Rampampa, Pilanesberg to Madikwe Corridor, North West Province	20	40 after 3 years		NDT, Madikwe Game Rserve, Open Africa, other North West partners to be identified	R3 million

COMPONENTS	BENEFITS			PARTNERS	COSTS
	ENTERPRISES (New and expanded)	NEW JOBS	OTHER BENEFITS		
Establish two WOWZA 'Best of our heartland' central Marketplaces in Johannesburg and Cape Town					
Establish new WOWZA central Marketplace in Johannesburg and expand existing Marketplace in Cape Town Waterfront	2	10	Huge opportunity to sell 'best of rural' craft and experiences in high tourist traffic destination: increases tourism and craft sales across destinations	Jobs Fund, NDT Gauteng Tourism Cape Town Waterfront Retail specialist partners	R1,74 million
Monitoring and evaluation			Ensures that partners keep analysing and assessing progress, and are able to make adjustments where needed. Yields valuable data to plot a way forward.	Project partners and external evaluator to be identified	R1 million
Administration fee 7,5% (NDT 5%)					R7,2 million
TOTALS	About 400	About 1 000			R92 million

NOTES:

1. The estimates of enterprises and jobs are average assumption based on what was achieved in previous destinations. These estimates will vary according to the nature and potential of each destination.
2. Please note that these estimates are conservative. We have achieved more than 400 jobs in six Jobs Fund-funded destinations (excluding Isandlwana) to date, which is an average of about 67 per destination.

7 MARKET RESEARCH THAT BACKS UP THE EXPANSION PLAN

The formal and informal market research that Africa!ignite and key partners have done over more than a decade, as well as our practical experience, are conclusive in proving that there is a growing international market for the type of 'experiential', 'adventure', 'cultural', 'sustainable', 'eco' tourism experiences that WOWZA Sustainable Tourism will offer.

Three clear tourism trends speak directly to the tourism business case:

- 1 The increase in tourists looking for 'responsible, sustainable' tourism experiences that will make them feel good about positively impacting the local economy, society and natural environment.
- 2 The global awareness that the world is in serious trouble as a result of the damage that the human race has done, resulting in the Sustainable Development Goals and the world movement towards 'sustainability' across sectors.
- 3 The resultant 'sustainable' and 'responsible' tourism movements, which have now become major tourism trends, occupying central space in the world's largest tourism markets (World Travel Market in London and ITB in Germany) and leading to a rise in tour operators who only buy tourism products from 'responsible' or 'sustainable' product owners.

In 2013 and 2015 and again early in 2016, Africa!ignite brought out three European tourism experts to look at the tourism products that we were developing through WOWZULU. All three concluded that they were highly suited to the emerging sustainable tourism market.

Dutch senior specialist Ewald Mitterdorfer, who visited KZN through the Dutch PUM technical assistance project in 2013, concluded: 'The products are there, the market is there, they only have to be connected.'

The trend towards 'sustainable travel' has increased exponentially since then.

Conclusive proof of this is that Tui Travel, the world's largest travel agency and buyer of tourism products, has now transformed itself into a 'sustainable' travel operator, with its new slogan 'Better holidays, better world'. It actively seeks to buy 'sustainable' tourism products.

In the words of Gary Wilson, Product Purchasing Director of the TUI Group: 'Customers are clear: They want authenticity and local flavour – authentic engagements with local communities. People love good news stories and tourists love to see that their travels benefit local communities.'

Dozens of tour operators, especially across Europe, the UK, United States, Canada, Australia and New Zealand, also seek to buy 'sustainable' products. Both the Netherlands and Germany are now specifying that tour operators must buy about a third of all tourism products from 'responsible' or 'sustainable' product owners.

Norway, which has experienced a 30% growth in tourism in recent years, is in the process of certifying all its major tourist destinations as 'sustainable'. Other European countries are doing the same.

The global multi-billion 'start-up' Airbnb, which now sells more accommodation worldwide than any hotel group in response to the global need for travellers to meet people when they travel, has recently launched 'experiences' similar to what WOWZULU offers.

The success of WOWZULU/WOWZA will rely on what the tourism industry wants to buy, and the responses of about 30 international tour operators with whom we have engaged over the last

year have proved that WOWZULU Responsible Tourism offers exactly what the market wants. They have all wanted to 'buy' WOWZULU tourist experiences.

As a result of the new move towards 'sustainable' and 'responsible' travel, there are now about 140 different certification standards that aim to certify tourism products in line with the GSTC (Global Sustainable Tourism Council) Guidelines for Sustainable Travel. The good news is that they all focus on the same three elements:

- Economic sustainability,
- Social sustainability,
- Environmental sustainability.

South Africa's Responsible Tourism Guidelines as well as its Guidelines for Community-based Tourism both centre on the same three elements.

The Responsible Tourism Directorate of the National Department of Tourism has identified WOWZULU as a best-case example of responsible community based tourism. This is why the Directorate has partnered formally with Africa!Ignite to promote the sustainability of WOWZULU and to test its Guidelines for Community-Based Tourism in practical settings in 3 WOWZULU Destinations.

The Department also partnered with Africa!Ignite and Better Tourism Africa to access funding from UNEP that is enabling us to get one existing WOWZULU destination formally certified as 'sustainable' and the others formally recognised as meeting sustainability criteria.

8 SUSTAINABILITY MODEL

Africa!Ignite has developed different strategies to ensure sustainability, both of the local WOWZA Marketplaces and destinations, and of Africa!Ignite itself, as the key marketing, sales and quality assurance/technical support partner.

Africa!Ignite is a member of several rural development networks and it is widely recognised that rural enterprises need at least five years of mentoring and support before they achieve sustainability. Even then, many enterprises fail without some form of sustained mentoring and marketing/sales support. Research has shown that enterprises that are part of a franchise have a greater chance of success and sustainability, because of the continued franchisor support and access to peer support that a franchise network provides.

In the tourism industry, also, it is widely recognised that it takes a minimum of 18 months and realistically up to 3 years before international tourists start to arrive in significant numbers at a new destination, because of the necessary process involved in marketing and selling new tourism products (creating marketing collateral and online media; visiting trade fairs; signing agreements with tour operators; getting onto the portfolios they sell; and then allowing for the lee time between when tourists book and arrive).

Africa!Ignite and partners such as Transfrontier Parks Destinations and Open Africa are already well on our way to achieving sustainability of our tourism brands and destinations, and another three years of project support will enable us to jointly consolidate this. We also believe that a combination of the reputations, networks and expertise of three highly reputable, established tourism

organisations with strong support from the National Department of Tourism's Directorate for Responsible Tourism will greatly increase our chances of success in ensuring sustainability of the community tourism offers.

Africa!Ignite's WOWZULU (to be changed to WOWZA) franchise model was developed specifically to promote sustainability of the Marketplaces as catalysts for sustainability of the community tourism destinations.

Other factors that will ensure sustainability:

- Over a period of three more years, Africa!Ignite will continue to assist local entrepreneurs to build the WOWZULU/WOWZA Marketplaces and destinations into profitable businesses.
- The Marketplaces function as incubation hubs to assist emerging small craft producers and tourism entrepreneurs in surrounding areas to grow the sustainability of the linked craft and tourism enterprises.
- The establishment of business centres that provide on-going training, support and networking opportunities for emerging entrepreneurs in the WOWZULU/WOWZA destinations will be a major factor promoting sustainability.
- Africa!Ignite will also provide proactive marketing and sales support to craft producers through its well established craft sales channels.
- Africa!Ignite's experience of operating the WOWZULU Marketplace at Isandlwana over a period of 4 years indicates that the WOWZULU Marketplaces can be financially sustainable within a period of three years.

9 BUDGET

A detailed budget has been prepared in an Excel format prescribed by the South African Jobs Fund. See a summary budget on the next page.

WOWZA UPSCALE AND REPLICATION: SUMMARY BUDGET

ACTIVITY AREA		TOTALS	NDT CONTRI- BUTION	CASHFLOW Y1	CASHFLOW Y2	CASHFLOW Y3
1	Provide franchisor monitoring and support	R 3 560 800				
2	Promote inclusive sustainability of destinations (economic, social and environmental), and strengthen supply/value chain linkages	R 17 422 000	R 12 050 000	R 2 050 000	R 4 000 000	R 6 000 000
3	Create business centres to grow emerging tourism enterprise	R 9 577 200				
4	Provide access to micro-finance for emerging entrepreneurs	R 1 000 000				
5	Introduce aquaponics and create supply-chain links	R 22 000 000	R 18 000 000	R 9 000 000	R 5 500 000	R 3 500 000
6	Strong, collaborative marketing and sales	R 4 500 000				
Replicate a WOWZA sustainable tourism model in 8 new destinations						
7.1	Witsieshoek and Phuthaditjaba, Free State	R 3 000 000				
7.2	Giant's Castle and Central Berg, KZN	R 3 000 000				
7.3	Wild Coast, Eastern Cape	R 3 000 000				
7.4	Mahlathi Safari Lodge and Giyani area, Kruger Park border, Limpopo	R 3 000 000				
7.5	Nahakwe Lodge and Elim craft route, Limpopo	R 3 000 000				
7.6	Vilakazi Street Precinct, Soweto, Gauteng	R 3 000 000				
7.7	Rampampa, Pilanesberg to Madikwe Corridor, North West Province	R 3 000 000	R 3 000 000		R 2 000 000	R 1 000 000
7.8	Komjekejeke Ndebele Heritage Site, Wallmansthal, Gauteng	R 3 000 000	R 3 000 000	R 1 300 000	R 850 000	R 850 000
Establish two WOWZA 'Best of our heartland' central Marketplaces in Johannesburg and Cape Town						
8	Establish new WOWZA central Marketplace in Johannesburg and expand existing Marketplace in Cape Town Waterfront	R 1 740 000				
9	Monitoring and Evaluation	R 1 000 000				
10	Project administration cost @ 7.2% (NDT 5%)	R 7 200 000	R 1 950 000	R 650 000	R 650 000	R 650 000
TOTALS		R 92 000 000	R 38 000 000	R 13 000 000	R 13 000 000	R 12 000 000
PROPOSED Funding Contributions						
	SA Jobs Fund (3 years)	R 44 000 000				
	NDT Year 1	R 13 000 000				
	NDT Year 2	R 13 000 000				
	NDT Year 3	R 12 000 000				
	IDC	R 5 000 000				
	UNEP 10YFP	R 1 600 000				
	Old Mutual	R 0				
	TFPD	R 1 800 000				
	Africa!ignite own contribution	R 1 600 000				
TOTAL FUNDING CONTRIBUTION		R 92 000 000				

10 CONCLUSION

Africa!Ignite is confident that we have been able to motivate why investment in this project will significantly promote the National Department of Tourism's mandate to stimulate transformation of the tourism sector. The initiative will contribute significantly to inclusive economic growth and job creation, particularly in currently excluded rural areas with high levels of poverty and unemployment. It will focus specifically on creating value-chain linkages between the commercial sector and community enterprises in 'inclusive' tourist destinations, in order to create new enterprises and jobs. It will specifically benefit women and youth.

An investment of R38 million over three years will help to 'crowd in' an investment of R44 million from the South African Jobs Fund and R10 million from other partners, to finance a project of R92 million that is expected to create about 400 new enterprises and 1 000 new jobs in 15 'inclusive destinations' across 6 provinces.

We propose that NDT phases an investment of R38 million as follows over three years:

- R13 million in the 2017/2018 financial year
- R13 million in 2018/2019
- R12 million in 2019/2020.

In a first year, the project will focus specifically on achieving the following with an NDT investment:

Start to establish 6 of an ultimate 8 new 'inclusive destinations' where communities are included in the tourism value- and supply-chain.

Create 5 new value-chain enterprises in four destinations:

- Khula Village, outside St Lucia, Isimangaliso Wetland Park, KwaZulu-Natal
- Witsieshoek and Phuthaditjabe area, Free State
- eMasizini, Northern Drakensberg, KwaZulu-Natal
- Vilakazi Street Precinct, Soweto, Gauteng

As Africa!Ignite, we assure the National Department of Tourism that this investment will be managed well and implemented effectively, and that it will

- lead to greater inclusion of previously excluded communities in the tourism value chain,
- create new enterprises and jobs, and
- contribute to sustainable transformation of the tourism sector.

We thank you for considering this proposal.

APPENDIX 1: GALLERY OF PICTURES

Attached as a separate file to reduce overall size of document.

APPENDIX 2: LETTER OF RECOMMENDATION FROM SA JOBS FUND (ALSO ATTACHED AS A SEPARATE PDF)

National Treasury Jobs Fund Project Office
2nd Floor, 240 Madiba Street
Pretoria
Gauteng 0001



South Africa Siyasebenza

One
Silver Stream Office Park
10 Muswell Road
Johannesburg
2194

22 November 2016

To whom it may concern,

Re: Jobs Fund reference for Africalgnite.

Africalgnite's focus is on rural enterprise development with an intention to create partnerships with rural communities to enable participation in the economy and society. The support is aimed at women and youth and involves craft enterprise development, marketing and sales, and the creation of craft tourist marketplaces that showcases the stories of Kwa-Zulu Natal and its surrounding rural communities, together with local tourism.

In partnership with the Jobs Fund, Africalgnite assists in the creation of sustainable and commercially viable enterprise development and job creation in the rural areas. They employ the "Wowzulu" model by forming strong partnerships and networks across the province. Wowzulu is a strategy of Africalgnite and its partners/stakeholders to build rural craft and tourism Marketplaces that have a multiplier effect in terms of job creation and the promotion of economic development amongst rural crafters. The Wowzulu marketplaces are located in tourist destinations and offer visitors an insight into Zulu culture whilst incorporating local SMME entrepreneurs into owning their business within the area.

The Jobs Fund supports the excellent and tireless effort and work that Africalgnite has done in the Kwa-Zulu region, and in its support of marginalized areas. The project is on track to deliver its targets and deliverables as outlined within the project, and the Jobs Fund has no hesitation in recommending the organisation.

Any support given to the project and organisation will further their efforts in uplifting the lives of the communities and in bolstering the economy.

Yours sincerely


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