

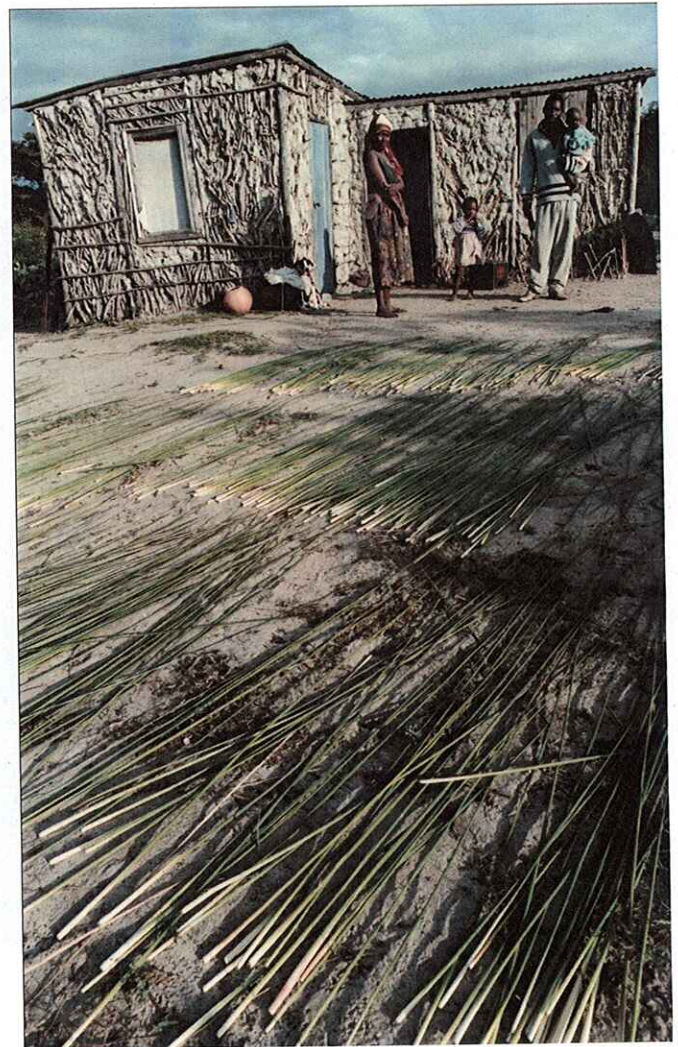
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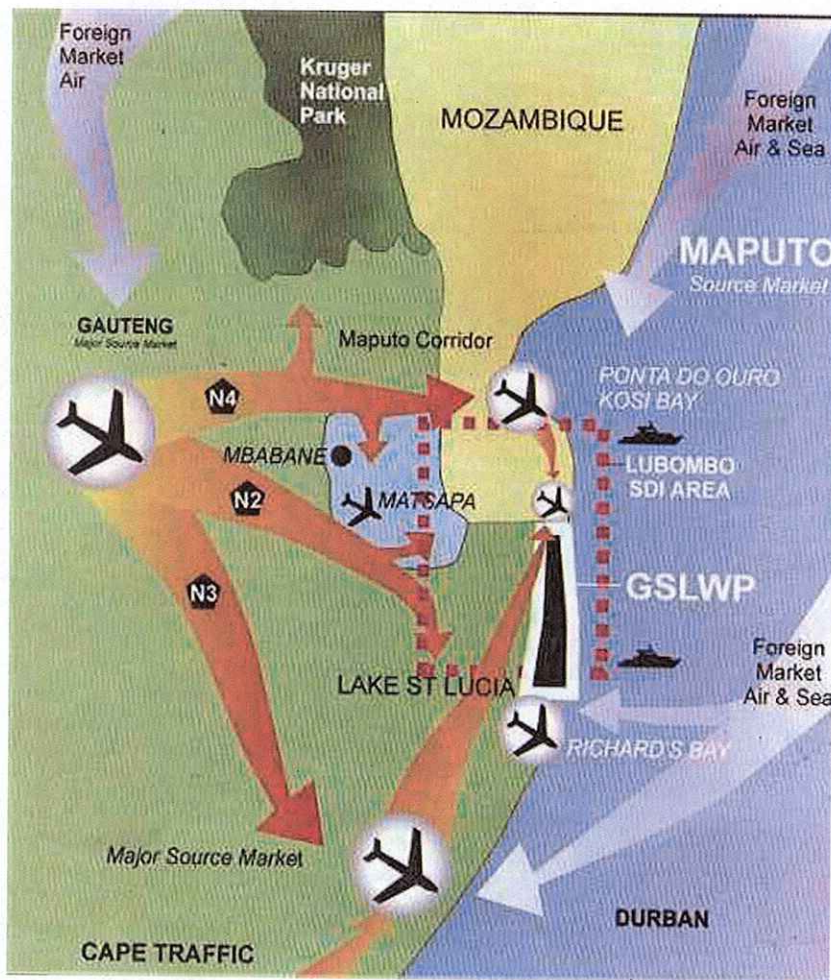
Developmental Conservation iSimangaliso Wetland Park



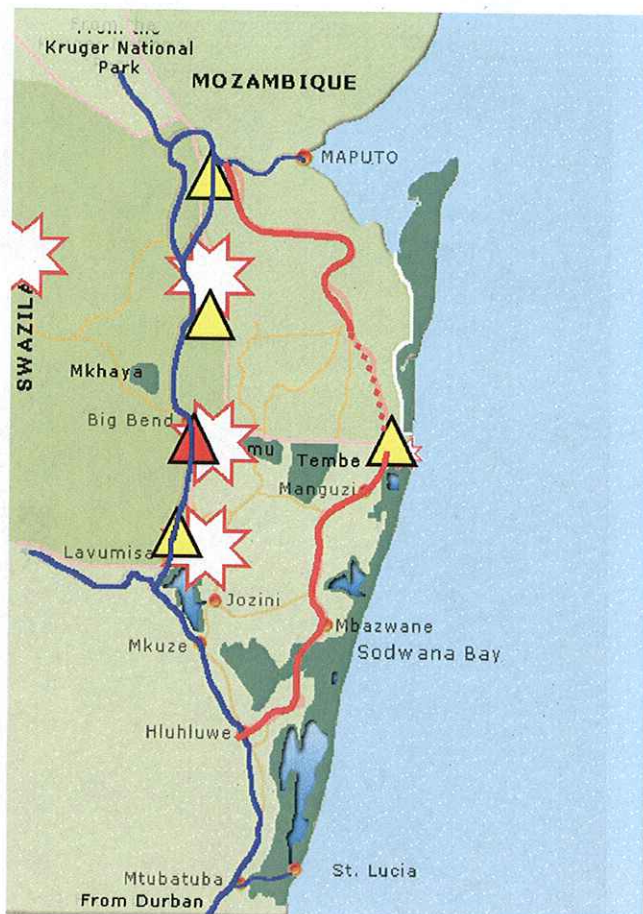
"Poverty amidst Plenty"

- Socio-economic neglect
- Low-road growth path
 - Stagnation/decline
 - Embedded in regional fundamentals
 - Human & ecological disaster
- Key challenge:
Shifting the development trajectory



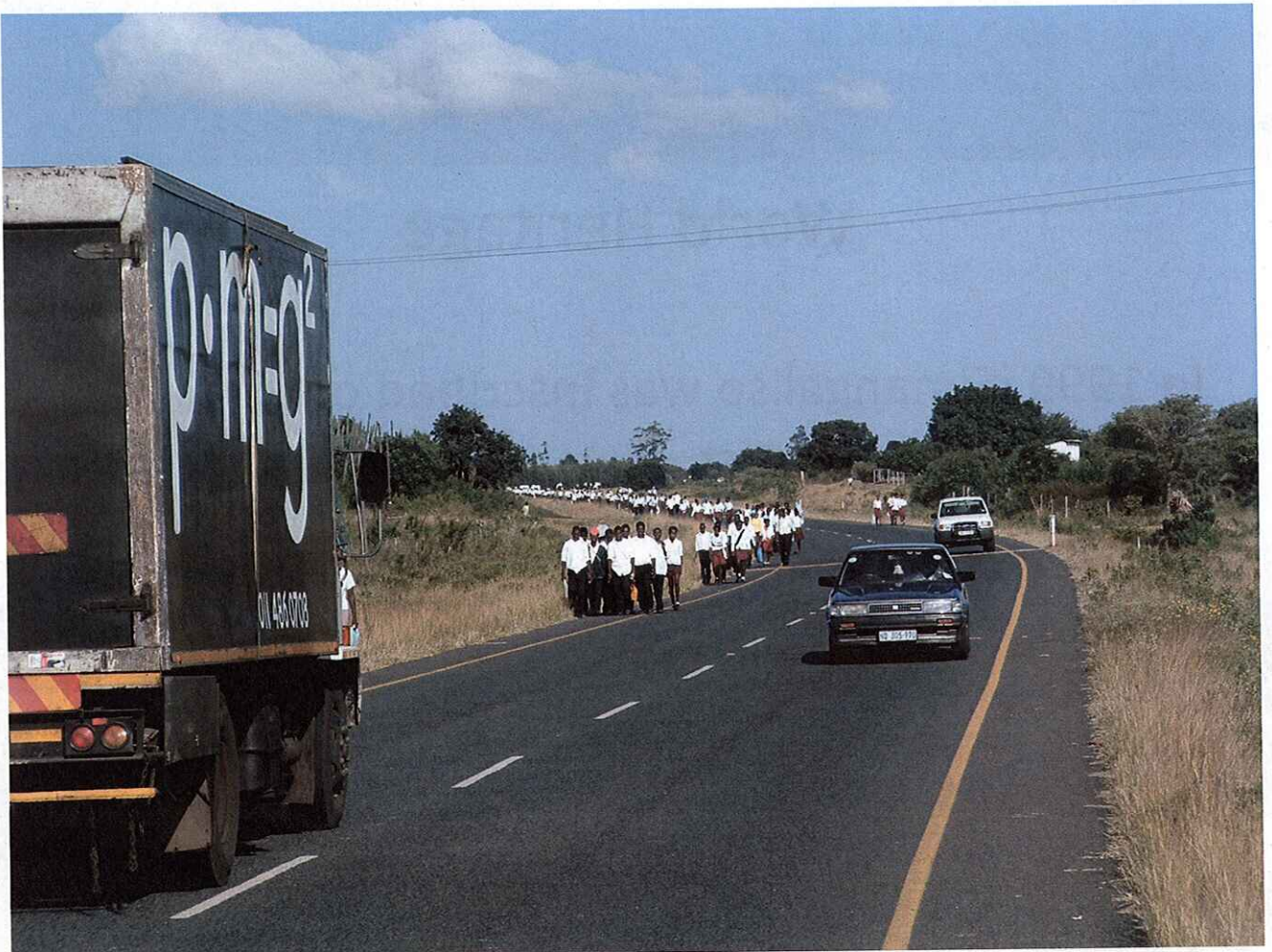


- The *iSimangaliso Wetland Park* forms the anchor project of the **Lubombo Spatial Development Initiative**
- 3 countries in one day



LSDI Progress

- Upgrade of the Spine Road
- Upgrade of the N2
- Upgrade of Border Posts
- The Lubombo TFCA
- Roll back malaria control





Developmental Conservation: integrated conservation and development strategy to produce economic benefits in an area of market failure and no alternative.

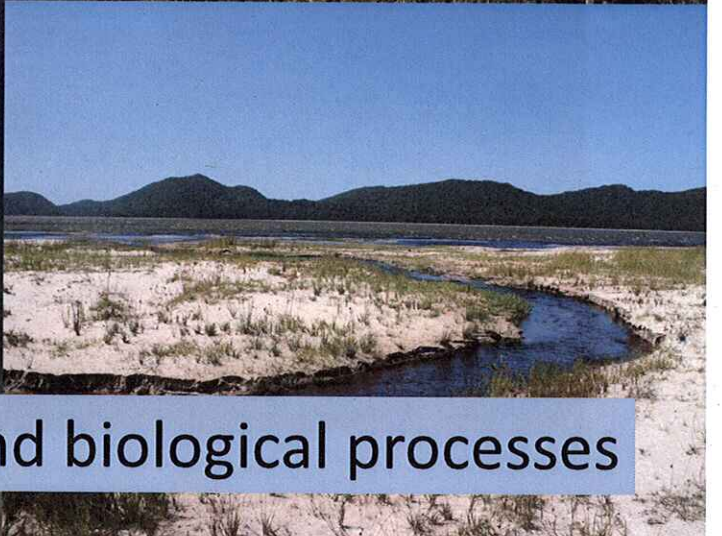
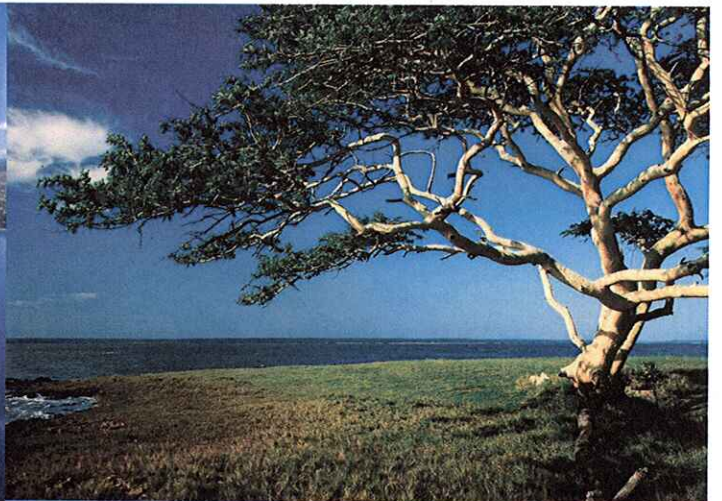


World Heritage

In 1999 iSimangaliso was inscribed onto the World Heritage List.

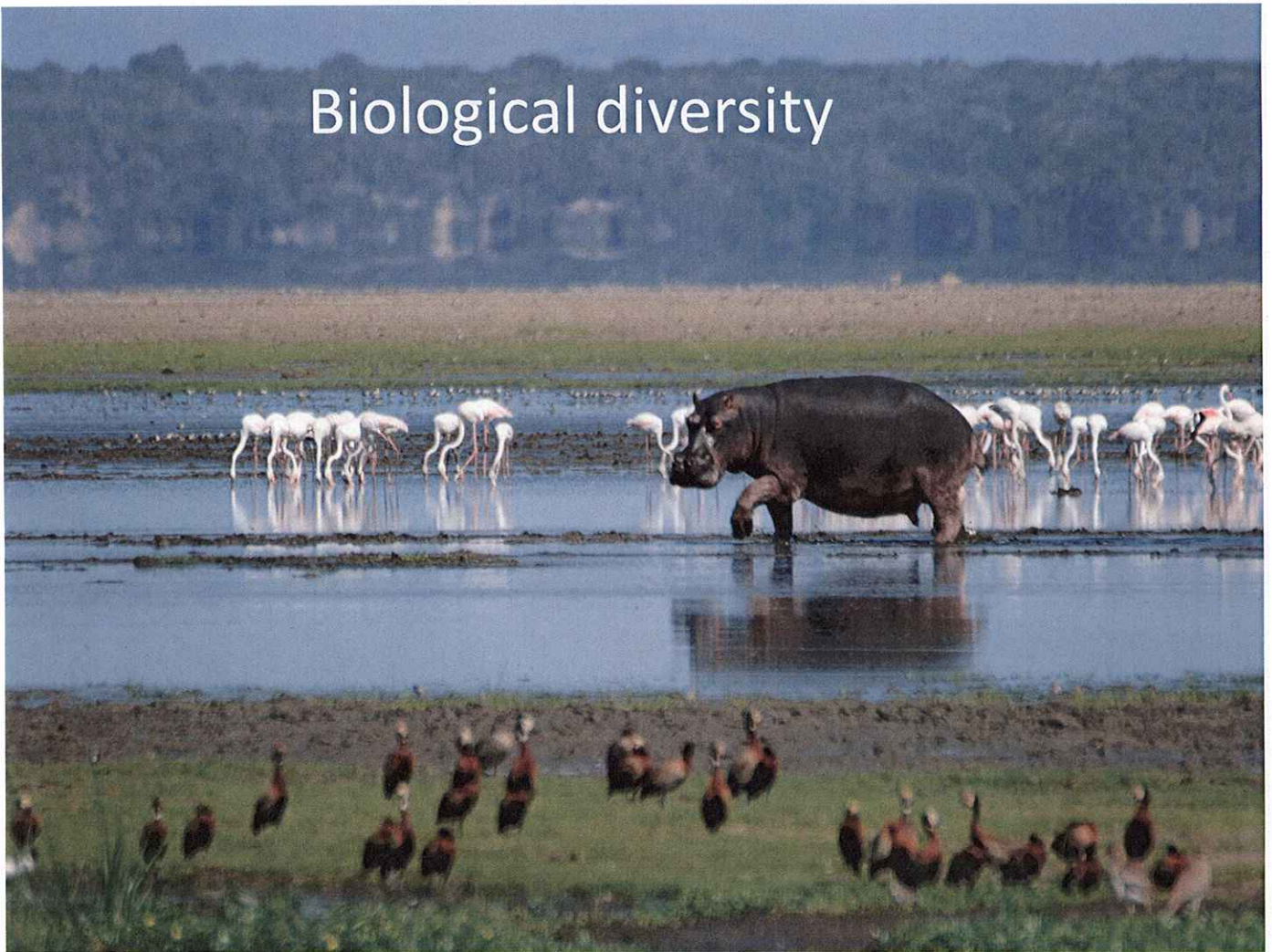


Superlative natural phenomena

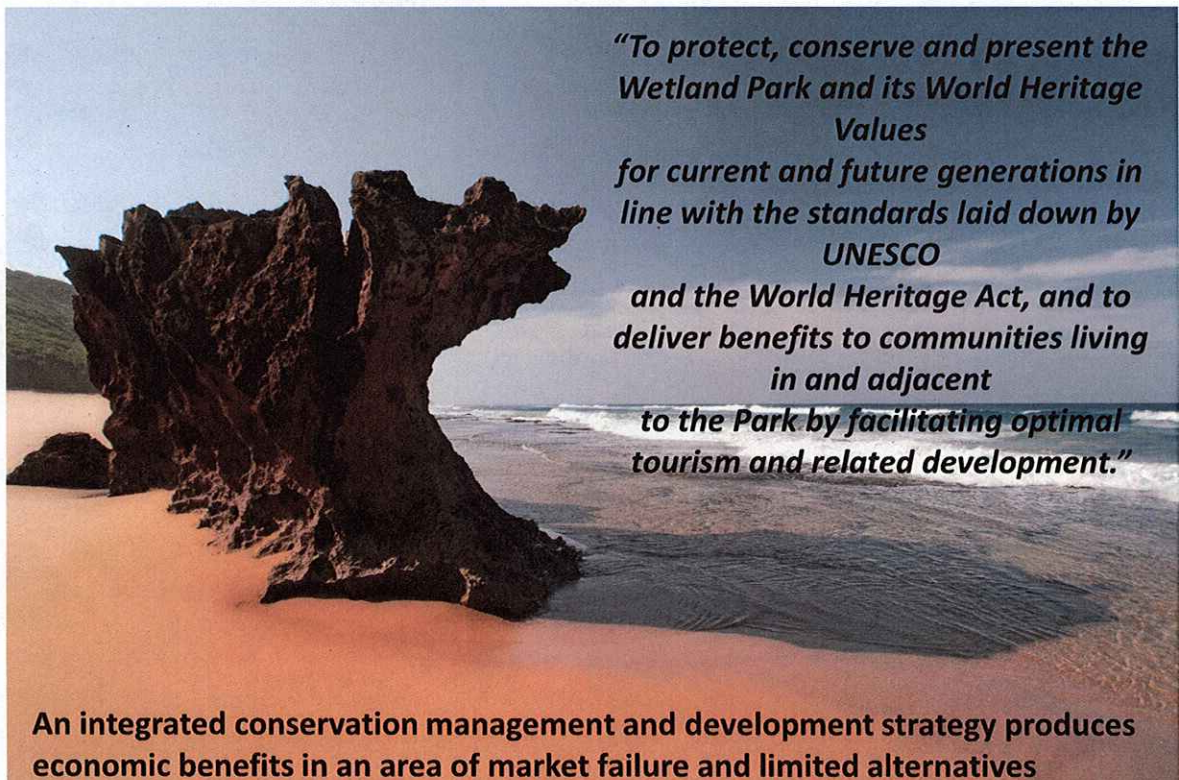


Unique ecological and biological processes

Biological diversity

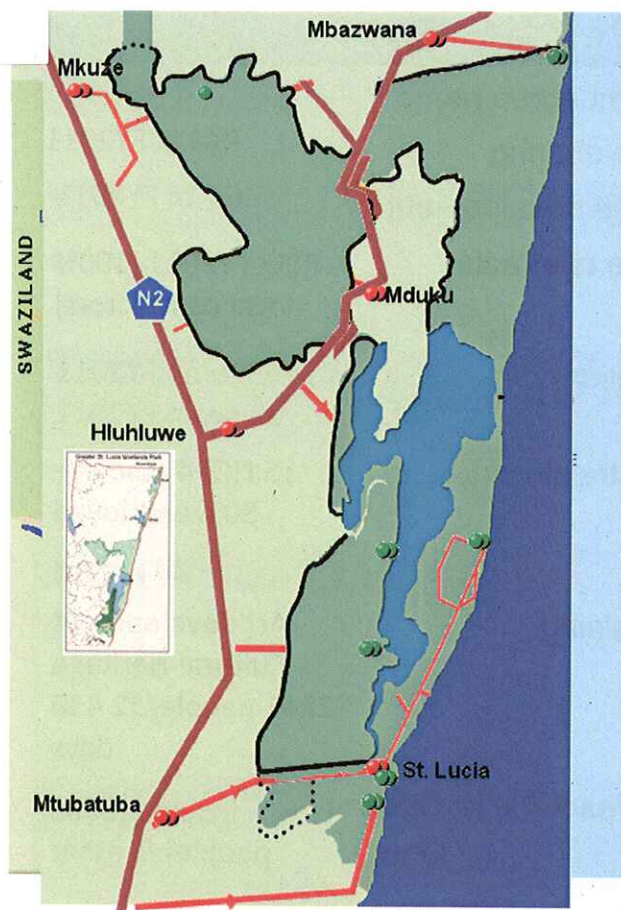


Vision and Mission of the Authority



"To protect, conserve and present the Wetland Park and its World Heritage Values for current and future generations in line with the standards laid down by UNESCO and the World Heritage Act, and to deliver benefits to communities living in and adjacent to the Park by facilitating optimal tourism and related development."

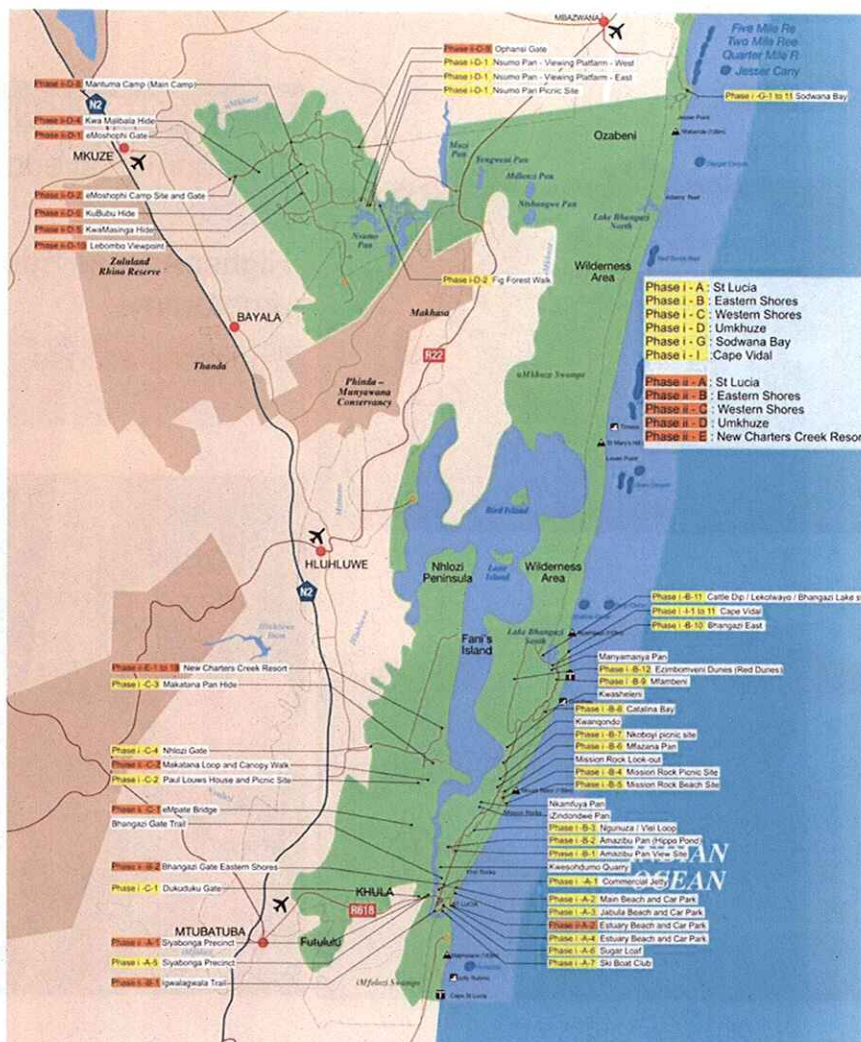
An integrated conservation management and development strategy produces economic benefits in an area of market failure and limited alternatives



iSIMANGALISO Progress

Major tourism routes	N2 and R22
Community feeder roads	Sibaya, uMkhuze
Internal park roads	ES, uMkhuze, Western Shores
Land consolidation and rehabilitation	16 parcels, WS,
• Land consolidation	uMkhuze
• commercial forestry areas;	15000ha
• alien plant removal;	R5mpa
• Game reintroductions	3000 head
• Illegal developments	6 prosecutions/6 demolished/4 voluntary restoration
Fencing of entire park	300 km
Regional trends	2000 – 2010 89% incr in number of tourism businesses
Infrastructure development	R18.6 m to local SMMEs
BEE spend	76%

- 3-year programme;
- Planning completed;
- Phase 1 implementation complete





iSIMANGALISO People & Parks

Co-mngmt agreements	8 signed
Revenue sharing	R493k FY2011
Enterprise development	63 in FY2011
Landcare contracts	R9,7 FY2011 (100% local contractors)
Job creation	3268 temp FY2011 24 perm FY2011
Tourism training	15 NQF4 guides – 80% employed
Craft	20 groups
Other training	Art development Cultural Heritage 2241 people/32 436 days
Natural resource harvesting	Incema (3500 people) & other
Food security	Agricultural gdns



iSIMANGALISO People & Parks cont.

Environmental education	66 schools/200 enviro entry
Higher Access Education programme	45 bursaries for university students
Equitable access	40 000 NY/22 000 free other



Indicators of Economic growth



- Businesses: 2000 to 2010: <97% rooms & < 42% beds
- Occupancy: from below national ave. to above
- Gate numbers: 08/09 6.1% 09/10 – 7.2% 10/12 – stabilised
- 3500 visitor market survey: 1st time & repeat tourist concentrating on tourism facilities like Catalina Jetty and St Lucia Estuary Board Walk

The challenge of using biodiversity to generate economic opportunity

- Rural area - poverty
- High expectations of delivery in a recessionary economy (investment generation)
- Resources to gearing up to implement government's macro projects
- Optimising revenue vs maximising revenue
- Maintaining estate integrity
- Compliance requirements
- Intergovernmental delivery to create regional economic opportunity adjacent to the Park



DEA support

- Regulatory & legislative framework
- Expanded Public works to provide funding for tangible benefits
- People and Parks programme

FINANCIAL ANALYSIS iSIMANGALISO WETLAND PARK AUTHORITY

Summary of Performance

- 2 independent national assessments including WWF and DEA – ranked highest
- Unqualified external audits since inception 9 years
- 2 Performance audits

Summary of Financial Performance

	FY2003– 2010	FY2010	FY2011	FY2012 unaudited
Revenue	R 432.0 m	R 61.7 m	R 80.9 m	R 140.1 m
of which MTEF	R 84.7 m	R 15.7 m	R 16.5 m	R 20.8 m
Expenditure	R 229.0 m	R 67.4 m	R 71.5 m	R 86.7 m
Surplus before depreciation	R 139.8 m	R 9.9 m	R 25.4 m	R 71.1 m
Depreciation	R 63.8 m	R 15.7 m	R 16.0 m	R 17.7 m
Surplus/(deficit) after depreciation	R 76.0 m	R (5.7) m	R 9.4 m	R 53.4 m

Summary of Financial Performance

million	FY2003– 2010	FY2010	FY2011	FY2012 (unaudited)	% expenditure
Cash recv'd	R 459.9	R 82	R 79.0	R 116.2	
Cash paid to employees	R 63.8	R 12.0	R 12.5	R 12.7	8.6%
Cash paid to suppliers	R 213.9	R 37.6	R 39.0	R 54.9	
Cash from operating activities	R 182.2	R 32.4	R 28.6	R 48.9	
Cash expended on capital	R 123.0	R 21.0	R 50.2	R 60.7	38%
Cash at end Mar	R 72.8	R 72.8	R 51.2	R 39.4	

Projected Revenue & Expenditure

	FY 2013	FY 2014	FY 2015
Revenue	R 151.2 m	R 146.4 m	R 132.4 m
Expenditure: non-capital	R 111.6 m	R 115.2 m	R 100.5 m
Capital	R 68.3 m	R 68.0 m	R 70.9 m

STRATEGY 2012/13 iSIMANGALISO WETLAND PARK AUTHORITY

Strategy FY2012/13

- To optimise the Park's revenue generation in a commercially- and environmentally-sustainable manner, that fosters job-creation and empowerment of historically-disadvantaged communities
- To optimise empowerment in all activities of the Park in a way that will improve the livelihoods of historically-disadvantaged individuals and communities living adjacent to the Park through job creation and procurement
- To ensure that the World Heritage values are conserved
- To ensure that iSimangaliso's operations are properly funded and cost-effectively managed while maintaining an appropriate system of internal control and reporting of accounting, management, and statutory information

Objective	Outcome	Indicator	Baseline	Target				
			FY10/11	FY12/13	FY13/14	FY14/15	FY15/16	FY16/17
To optimise the Park's revenue generation in a commercially- and environmentally-sustainable manner, that fosters job-creation and empowerment of historically-disadvantaged communities	Improved financial sustainability	Increase revenue	R8.4m	R8.6m	R8.7m	R9.2m	R9.6m	R10.1m
		Increase in visitor numbers	482610	492260	502100	527200	553560	581238
To optimise empowerment in all activities of the Park in a way that will improve the livelihoods of historically-disadvantaged individuals and communities living adjacent to the Park through job creation and procurement	Improved access to work and income generating opportunities	Creation of temporary jobs (direct and indirect)	3680	4000	4000	3000	3000	3000
		New permanent jobs (direct and indirect) from park related activities	4	10	30	10	30	10
		Increase number of BEE smme's (ownership in business 40% or more) through iSimangaliso programmes	63	30	30	5	5	5
		BEE procurement as percentage of qualifying expenditure	76	76	76	76	76	76
To ensure that the World Heritage values are conserved	Improved conservation of World Heritage Values based on the ecosystems approach	Target for detection of poaching incidents	2 wks	2 wks	2 wks	2 wks	2 wks	2 wks
		Target for detection of illegal developments	48 hrs	48 hrs	48 hrs	48 hrs	48 hrs	48 hrs
		Target for response to EIA's & reported developments	100%	100%	100%	100%	100%	100%
To ensure that iSimangaliso's operations are properly funded and cost-effectively managed while maintaining an appropriate system of internal control and reporting of accounting, management, and statutory information	Effective financial management	Unqualified audit opinion	✓	✓	✓	✓	✓	✓

Focus Areas for FY2012/13

- Brand development
- Continue roll-out of commercial programme
- People and Parks programme
- Land claims trust capacity building and implementation of co-management agreements
- Equitable access programme – schools (discounted access & support materials); neighbourhood programmes
- Tourism 101 roll out across Park
- Training including land care, cbnrm, infrastructure, tourism (NQF4)
- Infrastructure roll out (R68 million budget)
- Gear up
- Maintain track record of unqualified audits

Scaling up developmental conservation

To meet strategic deliverables and government's priorities iro development and conservation:

- Human resources and skills to unlock large development projects
- Maintenance and expansion of tourism and conservation product base
- Compliance – increased mandate



iSimangaliso
Wetland Park

Thank you

