



INFORMATION MEMORANDUM

**INFORMATION MEMORANDUM ISSUED BY SOUTH AFRICAN
NATIONAL PARKS IN RESPECT OF THE PROPOSED AGREEMENT
FOR THE MANAGEMENT OF THE SKUKUZA SAFARI LODGE IN
THE KRUGER NATIONAL PARK**



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May 2022

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TABLE OF ABBREVIATIONS

Abbreviation	Description
BAR	Basic Assessment Report
B-BBEE	Broad-Based Black Economic Empowerment
BGM	Background Music
BMS	Building Management System
CAPEX	Capital Expenditure
DEAT	Department of Environmental Affairs and Tourism
DFFE	Department of Forestry, Fisheries and the Environment
ECO	Environmental Control Officer
EIA	Environmental Impact Assessment
EMS	Environmental Management System
ETS	Environmental Tobacco Smoke
GBCSA	Green Building Council South Africa
IAP	Interested and Affected Party
IAQ	Indoor Air Quality
IDP	Integrated Development Plans
KNP	Kruger National Park
LRA	Labour Relations Act
NEMA	National Environmental Management Act
NEM:BA	National Environmental Management Biodiversity Act

Abbreviation	Description
NEM:PAA	National Environmental Management: Protected Areas Act
OPEX	Operational Expenditure
OSV	Open Safari Vehicle
PFMA	Public Finance Management Act
PMS	Property Management System
POS	Point of Sale
PPP	Public Private Partnership
PPPFA	Preferential Procurement Policy Framework Act
ROD	Record of Decision
SAMRO	Southern African Music Rights Organisation
SANParks	South African National Parks
SAQA	South African Qualifications Authority
SASSI	South African Sustainable Seafood Initiative
SPfC	Strategic Plan for Commercialisation
TGCSA	Tourism Grading Council of South Africa
VOIP	Voice over Internet Protocol

1. INTRODUCTION

- 1.1 This Information Memorandum is issued by South African National Parks (“SANParks”) in accordance with the guidelines for Public Private Partnerships (“PPPs”) contained in National Treasury's Tourism Management Toolkit, and in compliance with Treasury Regulation 16 issued in terms of the Public Finance Management Act 1999.
- 1.2 SANParks, as part of its Strategic Plan for Commercialisation, identified the tourism opportunity for the management of the Skukuza Safari Lodge in the Kruger National Park.
- 1.3 SANParks makes no guarantees about and takes no responsibility for the accuracy and completeness of this Information Memorandum and disclaims any liability for any interested party's use of the information.
- 1.4 This Information Memorandum is not intended to serve as the basis for an investment decision. Each recipient is expected to make an independent investigation and to obtain the necessary independent advice regarding the management opportunity.
- 1.5 SANParks may change or replace any information contained in this Information Memorandum at any time, without giving any prior notice or providing any reason.
- 1.6 The Operator shall be granted the rights to manage the Skukuza Safari Lodge and Conference Centre on behalf of SANParks and shall be paid a Management fee. The Operator will meet agreed environmental and operating obligations.
- 1.7 SANParks is following the feasibility and procurement processes set out in National Treasury's Toolkit for Tourism. The toolkit can be downloaded from www.gtac.gov.za.

2. SANPARKS' VISION, MISSION AND KEY STRATEGIC OBJECTIVES

2.1 SANParks' Vision and Mission

South African National Parks was established as a parastatal through an Act of Parliament in 1927. As per the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), SANParks is a Schedule 3(a) “public entity” that functions under the ambit of the National Environmental Management Act: Protected

Areas Act, 2003 (Act 57 of 2003) read concurrently with the National Environmental Management: Biodiversity Act, 2004 (Act 10 of 2004) and the National Environmental Management Act, 1997 (Act 107 of 1997). The core mandate of SANParks is the conservation and management of biodiversity and associated cultural heritage through a system of National Parks. SANParks is also involved in the promotion and management of nature-based tourism and delivers both conservation management and tourism services through an authentic people centred approach on all its programmes.

The organisation's operations are totally guided by its vision statement (the word picture of the future) and mission statement (depicting the purpose of its existence). As a public entity, the organisation is committed to act in pursuance of transformation of South Africa's society in support of entrenching South Africa's democracy.

VISION: A world class system of sustainable national parks reconnecting and inspiring society.

MANDATE: SANParks delivers a diverse and complex public good mandate that includes management of biodiversity and cultural heritage, the sustainable use of biological resources, socio-economic development, protection of ecological infrastructure, access to nature, science, educational and cultural experiences and reconnecting and inspiring people.

MISSION: Develop, protect, expand, manage and promote a system of sustainable national parks that represents natural and cultural heritage assets, through innovation, excellence, responsible tourism and just socio-economic benefit for current and future generations.

2.2 Organisational Environment

SANParks' business operations are founded on three important core pillars:

- 2.2.1 **Sustainable Conservation** – the primary mandate of the organisation is the conservation of South Africa's biodiversity, landscapes and associated heritage assets through a system of National Parks.
- 2.2.2 **Diverse and Responsible Tourism** – the organisation has a significant role in the promotion of South Africa's nature-based tourism or ecotourism business, targeted at both international and domestic tourism markets. The eco-tourism pillar of the business architecture provides for the organisation's self-generated

revenues from commercial operations that is necessary to supplement government seed funding of conservation management. A significant element of the ecotourism pillar is the Commercialisation Strategy which (through the implementation of Public Private Partnerships) SANParks has adopted to expand tourism products and the generation of additional revenue for funding of conservation and socio-economic development.

- 2.2.3 **Socio-Economic Transformation** – SANParks has taken a strategic decision to expand its role in the developmental support provided to neighbouring communities as an entity of the developmental state. In addition, SANParks is required to build constituencies at international, national and local levels, in support of conservation of the natural and cultural heritage of South Africa through its corporate social investment. It has to ensure that a broad base of South Africans participate and get involved in biodiversity initiatives, and further that all its operations have a synergistic existence with neighbouring or surrounding communities for their educational and socio-economic benefit, hence, enabling the broader society to be connected to national parks.

The mandate of the organisation is derived from its biodiversity conservation role, thus the conservation pillar is regarded as the basis upon which the other two core pillars' programmes and activities are directed.

In addition to the core functions (Conservation, Tourism and Socio-Economic Transformation) that provide SANParks with a level of uniqueness, the organisation has generic support functions of the Chief Operating Officer (which includes Risk Management; and Strategy and Performance Management) and the Chief Financial Officer (which includes Finance; and Supply Chain Management) and Corporate Services (which includes Human Capital Management; Information Technology; Enterprise Applications; Corporate Communications and Legal Services).

3. RESPONSIBLE TOURISM STANDARDS

3.1 Responsible Tourism

Responsible Tourism is a tourism Management strategy embracing planning, Management, product development and marketing to bring about positive economic, social, cultural and environmental impacts. Responsible Tourism provides for the following:

- generates economic benefits for local people and enhances the well-being of host communities;
- improves working conditions and access to the industry;
- involves local people in decisions that affect their lives and life chances;
- makes positive contributions to the conservation of natural and cultural heritage to the maintenance of the world's diversity;
- provides more enjoyable experiences for tourists through more meaningful connections with local people and a greater understanding of local cultural, social and environmental issues;
- minimises negative economic, environmental and social impacts; and
- is culturally sensitive, engenders respect between tourists and hosts, and builds local pride and confidence.

3.2 National Responsible Tourism Guidelines

In 2002, the Department of Environmental Affairs and Tourism (“DEAT”) published National Responsible Tourism Guidelines (attached as **Annexure B**), reflecting South Africa’s vision to manage tourism in a way that contributes to the quality of life of all South Africans. The Guidelines aim to set benchmark standards for accommodation and transport Operators, tourism associations and custodians of our cultural and natural heritage. The objective is to ensure that our tourism sector keeps pace with international trends towards responsible business practice – and gains market advantage in doing so. In 2003, DEAT published the Responsible Tourism Handbook, which took it one-step further by giving practical examples of how tourism Operators can improve their economic, social and environmental practices.

Various institutions/organisations offer environmental Management consulting and accreditation services to all business sectors interested in implementing environmentally friendly business practices and hence offer Environmental Rating Programmes. Such eco-labelling schemes include:

- ISO 14001
- Green Globe
- Blue Flag
- NEAP

- Heritage
- Eco quest
- Fair Trade in Tourism

3.3 National Responsible Tourism Standard & Accreditation System

DEA has recently commenced with the development of a National Standard for Responsible Tourism, a national accreditation scheme that tourism Operators will be accredited by. The Hotel Operator shall be obliged to comply with the accreditation in terms of the National Standard for Responsible Tourism, once completed. Such accreditation will be compulsory and should be obtained within 12 months from Operation Commencement Date and renewed thereafter on an annual basis.

3.4 SANParks Responsible Tourism Strategy

South African National Parks has a Responsible Tourism Strategy (2022). The purpose of this responsible tourism strategy and implementation plan is to consistently integrate the principles of the national responsible tourism guidelines into South African National Parks operations.

This strategy and plan will help to reduce fragmentation of responsible tourism activities by SANParks and its business partners, by providing a framework for a coordinated approach. It will also reduce the disparity between levels of responsible tourism practiced, monitored and reported between SANParks tourism operations and concessionaires (who are contractually required to practice responsible tourism). Implementation of strategy and plan will help address potential future problems, such as mitigation and adaptation to climate change. The strategy is also a response to the increased market demand for responsible holidays from tourists, and will enable SANParks to put into place the conditions that are required to position the national park systems as responsible destinations.

The responsible tourism strategy is divided into three sections:

- The alignment of the principles of Responsible Tourism with existing corporate values and actions, with amendments to policies and procedures to accommodate Responsible Tourism values and indicators
- Recommended additions to the SANParks scorecard to include Responsible Tourism indicators

- Processes required to embed awareness of and decision-making and actions aligned with Responsible Tourism throughout the organisation.

3.4.1 **Objectives of the Responsible Tourism Strategy**

The objectives of the responsible tourism strategy and implementation plan aim to provide a basis for decision making, and guidance for divisions to develop action plans that comply with this policy. The objectives are:

- Align SANParks operations with the national policy on responsible tourism;
- Enhance responsible tourism awareness and Management skills among protected area managers and tourism officers and business partners within SANParks;
- Enhance responsible tourism awareness and skills among SANParks' external stakeholders, including communities, and suppliers;
- Integrate responsible tourism principles and actions into Management plans for each national park in South Africa;
- Establish a practical framework for monitoring, evaluation and reporting in national park destinations; and
- Integrate responsible tourism into the performance Management frameworks of the organisation, individual parks and individual staff members.

3.4.2 **Guiding Principles of the Responsible Tourism Strategy**

The guiding principles of the responsible tourism strategy and implementation plan are that they are:

- based on the national responsible tourism guidelines (DEAT, 2002);
- aligned with the national Minimum Standards for Responsible Tourism;
- aligned with SANParks Corporate Strategic Business Plan, and

cognisant of the Conservation Development Framework and Park Management Plans;

- easy to understand and implement;
- adaptive and flexible;
- monitored at both a corporate and operational level;
- developed and implemented through a participatory process by a broad range of SANParks stakeholders, including business partners;
- initially focus on quick wins, that can be used to promote the responsible tourism agenda throughout the organisation; and
- address initiatives that facilitate the achievement of SANParks core objectives (e.g. better relations with local communities, reducing poaching, helping park expansion).

4. ARTICULATION OF SANPARKS' COMMERCIALISATION POLICY, OBJECTIVES AND STRATEGY

4.1 The Motivation for Commercialisation

“Global conventions and programmes alone are not enough to ensure the continued existence of, and sufficient funding for, protected areas. In times of fiscal austerity and tightening government budgets – especially in developing countries which are home to much of the world’s biodiversity – traditional funding sources are increasingly under threat. Innovative alternatives to these traditional sources are needed in order to secure the long term viability of protected areas.” (IUCN, 1998)

In order to encourage greater efficiency in the delivery of public services, the Cabinet in April 1997 approved the establishment of an interdepartmental task team chaired by the Department of Finance, to explore how public private partnerships could improve infrastructure and service delivery efficiency, and make more efficient use of under-utilised state assets. The key objectives of this programme were to develop a package of cross-sectoral and inter-Institutional policies and legislative and regulatory reform.

In September 1998, the Department of Environmental Affairs and Tourism (“**DEAT**”)

articulated the need for SANParks to prepare for a lesser dependence on state funding, which would increasingly be aimed at funding the essential conservation requirements. This formed the basis of the Commercialisation Strategy adopted by SANParks in 2000 with its foundation in the economic theory which defines the State's responsibility as one of performing a regulatory function and intervening in the market-place only where there is market failure. The objective was to reduce the dependence on state funding and improve existing operational efficiencies. This does not imply that SANParks has to be independent of the State but rather that the collective funding sources (i.e. state funding, private donations, NGO and international donations, SANParks' tourism activities and commercialisation) must be able to "sustain" the total business of SANParks. Sustainable tourism development depends on a partnership and balance between the social, technological, economical, the environment and political values and benefits. Hence, should one source of funding be threatened, SANParks must be able to absorb such withdrawal without compromising its sustainability.

The implementation of the Commercialisation Strategy 2000, resulted in the awarding of 11 (eleven) concession sites to private Operators, seven of which are in Kruger National Park, two in Addo Elephant National Park, and two in Table Mountain National Park.

In addition to the concessions, the Commercialisation Strategy 2000 also resulted in the awarding of 21 shops and 17 restaurants across all national parks to private Operators. Facilities were upgraded by the Operators and SANParks receives a PPP Fee from these Operators.

4.2 The Strategic Plan for Commercialisation 2006

Following the implementation of the Commercialisation Strategy 2000, there have been significant developments in SANParks' approach to commercialisation. SANParks accordingly developed the Strategic Plan for Commercialisation 2006 to accommodate and benefit from:

- (i) The experience and specialist skills acquired;
- (ii) The lessons learnt from implementation and management of PPPs;
- (iii) Legislative requirements; and
- (iv) The extended scope of projects identified to enable SANParks to improve its

infrastructure towards 2010 and beyond, generate revenues, promote BEE and create employment.

The objective of the strategy is to ensure that SANParks has the fundamentals including capacity in place for managing existing, and for entering into new PPP's successfully. In addition, SANParks has a responsibility towards creating tourism infrastructure on a longer term as compared to a tourism organisation run by a private company. Such infrastructure will enable South Africa to compete with global tourism destinations like Brazil, Thailand etc. Commercialisation through Public Private Partnerships provides SANParks the opportunity to achieve this goal.

4.3 **The Strategic Plan for Commercialisation 2019**

The Strategic Plan for Commercialisation ("SPfC") is updated every five years. The following outlines the major changes of the SPfC 2019 - 2024:

- ✓ The SPfC 2019 – 2024 reaffirmed that PPPs are envisioned to continue playing a key role in executing on SANParks' mandate and achieving its strategic objectives, particularly in terms of revenue generation and contributing towards socio-economic transformation.
- ✓ The SPfC highlighted the importance of tourism as an engine for job creation and a driver of sustainable socio-economic development. As such, particular focus will be placed on using PPPs as a mechanism to promote economic transformation in the industry.
- ✓ The SPfC was updated to reflect a revised checklist for all commercial opportunities identified.
- ✓ Finally, the SPfC 2019 - 2024 addressed the need for additional capacity in the Business Development Unit to accelerate the implementation of PPPs.

4.4 **Benefits of the SANParks Commercialisation Strategy**

The achieved high level commercialisation objectives for SANParks include the following; revenue generation; loss minimisation or savings on existing operations; optimal use of under-performing assets; job creation and poverty alleviation; BBBEE; infrastructure upgrades; upgrade/development of historical and/or cultural sites; tourism promotion and further biodiversity protection and conservation. PPPs in SANParks have proved to be an important service delivery mechanism. The

SANParks Commercialisation Strategy has yielded the following benefits to SANParks:

4.4.1 Strategic Value

Implementation of the Commercialisation Strategy has resulted in increased market segmentation and product and price differentiation with 508 additional guest beds in the five-star segment resulting in increased economic activity and foreign exchange generation. In addition, it has resulted in improved efficiencies of the restaurant and retail facilities, contributing to an enhanced visitor experience to the guests of SANParks. The strategy has also resulted in an increased contribution to the broader economy through the tourism multiplier effect and SANParks' image has improved considering that national parks are being put to responsible and sustainable use for the economic development of the country.

4.4.2 Monetary Value

The Commercialisation Strategy has resulted in a total contribution of R1.393 billion since inception as at March 2021.

4.4.3 Increased Infrastructure

The Commercialisation Strategy roll out has resulted in increased infrastructure in National Parks to the value of R958 million with the assets ultimately reverting to SANParks. In addition, it has resulted in the refurbishment of aging infrastructure of both the restaurant and retail facilities to the value of R20 million.

4.4.4 Risk Transfer

The strategy has resulted in significant commercial risk transfer to the private sector including EIA risk, construction risk, availability risk, insolvency risk, market demand or volume risk and operating risk. However, SANParks is still exposed to the risks experienced by the Operator and hence effective contract management is essential.

4.4.5 **Socio Economic Value**

The strategy resulted in broadening the participation of BEE partners in the tourism industry thereby contributing to the demographic restructuring of the industry and poverty alleviation. Private Party agreements included the following contractual commitments:

- increased employment in the tourism industry with 2100 new jobs excluding construction;
- 79% of employees recruited from local communities adjacent to the Parks;
- Reported spend of R75 million per annum with local community SMME's;
- Considerable continuous skills transfer and training; and
- The tourism multiplier effect to the broader economy.

4.4.6 **Environmental Value**

Regulations pertaining to environmental management that apply to the commercial operators are in many instances superior creating a benchmark in SANParks nature based tourism operations and over time, SANParks will be obliged to comply with these standards. This can only be to the long term benefit of our national parks

5. **SANPARKS' LEGAL MANDATE**

5.1 National Environmental Management: Protected Areas Act, 2003 (Act no. 57 of 2003) ("NEM:PAA") as amended by the National Environmental Management: Protected Areas Amendment Act (Act No 31 of 2004).

5.1.1 **Protected Area**

NEM:PAA provides for:

- the protection and conservation of ecologically viable areas representative of South Africa's biological diversity and its natural landscapes and seascapes;
- for the establishment of a national register of all national, provincial and local protected areas;

- for the Management of those areas in accordance with national norms and standards;
- for intergovernmental co-operation and public consultation in matters concerning protected areas;
- for the continued existence, governance and functions of South African National Parks; and
- for matters in connection therewith.

The Kruger National Park is an area declared, or regarded as having been declared, in terms of section 28 of NEM:PAA as a protected environment. Section 92(1)(a) of the NEM:PAA specifically states that SANParks is the management authority for any protected area it managed immediately before this section took effect, unless otherwise assigned by the Minister in terms of this Act and is obliged in terms of section 92(2) to manage all such protected areas according to the provisions of the NEM:PAA and the management plan to be prepared for the protected area concerned.

5.1.2

Section 50

(1) Section 50 (1) of NEM:PAA allows SANParks to:

(a) carry out or allow—

(i) a commercial activity in the park, reserve or site; or

(ii) an activity in the park, reserve or site aimed at raising revenue;

(b) enter into a written agreement with a local community inside or adjacent to the park, reserve or site to allow members of the community to use in a sustainable manner biological resources in the park, reserve or site; and

(c) set norms and standards for any activity allowed in terms of paragraph (a) or (b).

(2) An activity allowed in terms of subsection (1)(a) or (b) may not negatively affect the survival of any species in or significantly disrupt the integrity of the ecological systems of the national park, nature reserve or world heritage site.

(3) The Management authority of the national park, nature reserve or world heritage site must establish systems to monitor—

(a) the impact of activities allowed in terms of subsection (1)(a) or (b) on the

park, reserve or site and its biodiversity; and

(b) compliance with—

(i) any agreement entered into in terms of subsection (1)(b); and

(ii) any norms and standards set in terms of subsection (1)(c).

(4) Any activity carried out lawfully in terms of any agreement which exists when this section takes effect may continue until the date of termination of such agreement, provided that the agreement may not be extended or varied so as to expire after the original intended expiry date without the consent of the Minister.

(5) No development, construction or farming may be permitted in a national park, nature reserve or world heritage site without the prior written approval of the Management authority.

5.1.3 **Section 55 and 56**

Section 55 sets out the functions of SANParks which functions include inter alia responsibility to:

- protect, conserve and control all protected areas under its Management including all biodiversity found therein (section 55(1)(b));
- to carry out any development and construct or erect any works necessary for the Management of the area (section 55(2)(e));
- take reasonable steps to ensure the security and well – being of visitors and staff (section 55(2)(e));
- provide accommodation and facilities for visitors and staff (section 55(2)(h));
- to carry on any business or trade or provide other services for the convenience of visitors and staff (section 55(2)(i));
- determine and collect fees for entry or stay in the area or for any services provided by it (section 55(2)(i));
- authorise any person, subject to such conditions and the payment of such fees as it may determine, to carry on any business or trade or provide any service which SANParks may carry on or provide in the area in terms of the NEM:PAA ((section 55(2)(i)).

Section 55(2)(i) also authorises SANParks to authorise another person, subject

to such conditions and the payment of such fees as it may determine, to provide any service which SANParks may otherwise provide in the Kruger National Park.

Section 56 (c) also specifically allows SANParks to hire or let any property, for the purpose of performing any of its functions in any protected area placed under its Management and control.

Accordingly, SANParks has the legal mandate in terms of the NEM:PAA to enter into Management Agreements.

5.2 The Public Finance Management Act 1 of 1999 (“the PFMA”)

SANParks is a Schedule 3A public entity for the purpose of the PFMA. As such, SANParks is bound to the provisions of the PFMA which regulates the financial Management of all national and provincial governments and agencies; ensures that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; provides for the responsibilities for those entrusted with financial Management in those governments, and governs all matters connected therewith.

5.2.1 Sections 50 and 51

Section 50 of the PFMA deals with a number of fiduciary duties placed on the accounting authorities of public entities which are subjected to the provisions of the PFMA, and inter alia requires the accounting authority for a public entity to:

- exercise the duty of utmost care to ensure reasonable protection of assets and records of the public entity;
- act with fidelity, honesty, integrity, and in the best interests of the public entity in managing the financial affairs of the public entity;
- seek, within the sphere of influence of that accounting authority, to prevent any prejudice to the financial interests of the state.

Section 51 deals with a number of general responsibilities of accounting authorities and provides that the accounting authority for a public entity must ensure that a public entity has and maintains inter alia effective, efficient and transparent systems of financial and risk Management and internal control as well as an appropriate procurement and provisioning system which is fair,

equitable, transparent, competitive and cost – effective.

5.2.2 Regulation 16

This last aspect is taken further in Regulations 16A7.4 and 16A7.5 of the National Treasury Regulations promulgated in terms of section 76 of the PFMA in Government Gazette Notice No. R 225, Government Gazette No. 27388 dated 15 March 2005, and amended by Government Gazette Notice No. R 146, GG 29644 dated 20 February 2007, which Regulations state that:

- *Reg. 16A7.4 The letting of immovable state property must be at market – related tariffs, unless the relevant treasury approves otherwise. No state property may be let free of charge without the prior approval of the relevant treasury.*
- *Reg. 16A7.5 The accounting officer or accounting authority must review, at least annually when finalising the budget, all fees, charges, rates, tariffs or scales of fees or other charges relating to the letting of state property to ensure sound financial planning and Management.*

These National Treasury Regulations first came into operation on 25 May 2002 and have applied to the business of SANParks since that date.

Hence there is sufficient responsibility placed on SANParks under the PFMA to manage and to lease out all state assets placed under its Management and control in the Kruger National Park in a manner that is fair and equitable to all, is transparent and competitive, and occurs on a basis that is market – related and supports sound financial planning and management within SANParks.

6. PROJECT DESCRIPTION - SKUKUZA SAFARI LODGE

6.1 Introduction

SANParks has developed the Skukuza Safari Lodge adjacent to the Conference Facility in the Kruger National Park. The design is based on the following:

- 6.1.1 A 3-star facility offering 4-star service and price;
- 6.1.2 128 keys (256 bed) with a combination of 8 luxury suites, standard rooms and family rooms including universal access rooms;
- 6.1.3 Staff accommodation facilities in Skukuza for essential staff, majority of staff will

stay outside of the Park; and

- 6.1.4 Green building practices to ensure the greenest lodge possible within the framework of international best practice.

6.2 **Lodge Vision**

The Kruger National Park offers a wide range of accommodation choices; from camping to luxury concession lodges. Prior to the development of the Skukuza Safari Lodge, Skukuza Camp only offered camping, chalets and corporate style houses, with a limited number of 'rooms' available for the conference centre. This resulted in the conference centre being under-utilised as the accommodation available could not provide adequately for conference guests. Skukuza Safari Lodge has subsequently been built to develop additional accommodation choices with the intent of:

- Providing accommodation for conferences and attract the MICE market with its own requirements and needs; and through them attract guests who would for the first time be exposed to the Kruger National Park;
- Meet the needs of the local emerging tourist market that would be exposed to Kruger (perhaps for the first time) and may become loyal to the Kruger National Park;
- Drawing the International Group Tourist and FIT market for whom camping or self-catering would not be attractive; and
- Attracting the corporate and business market.

The vision of the Skukuza Safari Lodge is to widen the guest base for SANParks and the Kruger National Park; and to provide an acceptable hotel style accommodation option for tourists and delegates of the conference centre.

6.3 **Underlying Principles**

The following underlying principles need to be taken into consideration:

- Skukuza Safari Lodge and the adjacent Conference Centre are designed to operate as one business entity. It is managed independently from other services and products of the camp.
- Rooms are loosely based on a 4-star standard, but graded as 3-star.
- Safari activities (game drives, day walks, bush braais) are to be provided by the Skukuza Rest Camp.

- No room service is envisaged, but snack menu take-aways are permitted.
- The room stock is on the Lodge Property Management System (PMS) and is managed from the lodge. Room stock must be linked to SANParks room stock on the SANParks website.
- The lodge has its own stand-alone website (<https://skukuzalodge.com/>). Inventory should also be on the SANParks website.
- The lodge complies with all the relevant Universal Access legal requirements.
- Green principles have been applied in the construction process and the Operator is expected to apply green principles in the management of the property.
- Minimising noise is important in the Kruger National Park. The Operator is responsible for controlling noise levels on the property.
- The Operator shall ensure that condiments sachets, paper serviettes, butter tubs/pads, straws and any packaging that may pollute the environment are not used at Skukuza Safari Lodge or conference centre.

6.4 **Lodge Operator Qualification Criteria**

The following shall constitute the mandatory requirements of this bid, and Operators are required to comply with the following qualification criteria:

6.4.1 **Financial capacity**

Given the fact that the project is of a high value and may entail risk to both the preferred Operator and SANParks, it is important that interested parties demonstrate financial strength. In this regard:

- 6.4.1.1 the interested party must submit audited or independently reviewed financial statements corresponding to the last four (4) years;
- 6.4.1.2 the Net Asset Value of the interested party must be at least R15 million. If the interested party is a consortium or joint venture, it must demonstrate financial strength with reference to the asset value of its partners / shareholders in proportion to their shareholding;
- 6.4.1.3 the interested party must demonstrate to SANParks that they have sufficient cashflow to fund at least three months operational expenditure of the lodge and conference centre; and
- 6.4.1.4 the interested party must also demonstrate, to SANParks' satisfaction, that

it (or in the case of a consortium or joint venture, its partners / shareholders) is solvent. A letter from a qualified auditor confirming that the asset value exceeds the stipulated amount and that the interested party is solvent, must be provided in this regard.

6.4.2 Tourism experience

The project requires interested parties with substantial experience and expertise in the tourism market. Interested parties are therefore required to provide examples of similar projects conducted by the interested parties. If the interested party ("Bidding Company") consists of multiple partners or is a new company created for the purposes of the management opportunity, then it can meet this criterion with reference to the qualifications of any one of its parent shareholders or partners in the Bidding Company, provided that the relevant shareholder / partner holds at least 30% of the total equity in the company that will undertake this management opportunity. The interested party must be able to meet this tourism track-record requirement in the following ways:

- 6.4.2.1 A Hotel Operator or Hospitality Management company.
- 6.4.2.2 Experience: Proven ability to manage at least two properties of 100 beds each, currently in operation, or at least one property of 200 beds, currently in operation. Properties must be graded as at least 3 or 4 star, according to the Tourism Grading Council, with supporting evidence of such provided for bid purposes.
- 6.4.2.3 Operator must have been in existence for a minimum of 5 years.
- 6.4.2.4 Operator must have proven experience in conferencing and events.
- 6.4.2.5 To verify that a bidder meets the required tourism experience qualification requirements, SANParks may conduct due diligence site visits at a bidder's facilities to verify the bidder's tourism experience. This would only apply to shortlisted bidders who meet the qualifying score on the functionality phase evaluation criteria. The submission of a bid implies agreement with this requirement.

6.4.3 Green Operation Commitments

- 6.4.3.1 The Operator is to submit brief method statement confirming the process and methodology that will be applied to obtain the GSSA EBP 4-Star target or similar and maintain its membership annually on an ongoing basis.

6.4.3.2 The Operator needs to confirm that the Skukuza Safari Lodge will be operated in accordance with the green star rating or similar.

6.4.4 Failure to meet these qualification requirements will be seen as a material breach of the contract which will result in termination.

6.5 Operator Requirements

6.5.1 General

The Operator will be expected to:

- In co-operation with SANParks, manage, operate and maintain the Skukuza Safari Lodge and the Nombolo Mdhluli Conference Centre, in a manner that allows for the desired objectives to be achieved.
- Co-operate with SANParks in general and fit the property into both the SANParks and their own brand of properties.
- Accept the limitations of operating conditions and rules and regulations that prevail in Kruger National Park.
- Carry out advertising, marketing and sales that are both site specific and for their group in general. Preparedness to participate in trade shows under both the SANParks banner and their own brand.
- Co-operate with SANParks in the refurbishment of the Nombolo Mdhluli Conference Centre, which will be undertaken in a phased approach.
- Assist and co-operate with the interfacing of both the website and PMS of SANParks.
- Accept and co-operate with SANParks stock control systems with regards to the supplied equipment.
- Accept and co-operate with SANParks asset management systems, including updating of the SANParks Asset Register as and when required.
- Honour any contracts that SANParks has entered into with external service providers.
- Engage with the Operator of the Skukuza Spa to agree on packages that will attract visitors to the Lodge and Spa.
- Engage with the Operator of the Skukuza Golf Course to agree on packages

that will attract visitors to the Lodge and the Golf Course. Golf tourism is an important market and there is opportunity to increase this, particularly through joint efforts with the lodge operator. Various upgrades to the Skukuza Golf Course are currently underway, including:

- o Narrowing of fairways to include a semi rough layer;
 - o Re-design of greens;
 - o Re-design of holes adjacent to water to elevate the beauty of the water feature without compromising safety;
 - o Increase of T-sizes to allow for a quality experience;
 - o Re-design of hole 8 to improve slope and angle of the hole; and
 - o Overall improvement of the course to be pristine.
- Obtain accreditation from the Tourism Grading Council of South Africa within 12 months from the Operation Commencement Date and renew thereafter on an annual basis.

6.5.2 **Capital Expenditure (CAPEX) and Operational Expenditure (OPEX) Requirements**

6.5.2.1 OPEX:

6.5.2.1.1 The Operator will be responsible for the Operational Expenditure (including staff expenses) of the Lodge and Conference Centre and must make provision for OPEX as part of the Management Fee paid by SANParks. This includes the replacement and procurement of any OPEX items, e.g. utensils and linen.

6.5.2.1.2 Accordingly, the Operator must demonstrate to SANParks that they have sufficient cashflow to fund at least three months operational expenditure of the lodge and conference centre.

6.5.2.1.3 Insurance for the physical assets of the lodge (as per the asset register) and physical WIFI infrastructure will remain as SANParks' expenses.

6.5.2.2 CAPEX:

6.5.2.2.1 The Operator should acknowledge that selected CAPEX items as

required for the Skukuza Safari Lodge have not yet been provided for. Accordingly, the Operator should have sufficient cashflow to fund these items until reimbursement by SANParks.

6.5.2.2.2 The Operator will be responsible for the procurement of approved CAPEX items on behalf of SANParks, and will be reimbursed for outstanding CAPEX items, as well as the replacement of CAPEX items as and when required, as per Section 6.5.2.3 (note: where assets have been lost or damaged due to negligence on behalf of the Operator, such items may be the responsibility of the Operator to replace at no cost to SANParks).

6.5.2.2.3 The Operator is to agree on budget and timelines with SANParks for the procurement of any CAPEX items throughout the duration of the contract term.

6.5.2.2.4 The total CAPEX investment required by the Operator is estimated at R10 - R12 million. A list of outstanding items will be provided to bidders.

6.5.2.3 **Reimbursement Strategy for CAPEX:**

6.5.2.3.1 An operational plan must be developed by the Operator on an annual basis, describing all anticipated CAPEX requirements, for approval by SANParks. No CAPEX shall be incurred if not provided for in the approved operational plan.

6.5.2.3.2 The Operator will be reimbursed for the CAPEX requirements based on actual expenses, in accordance with the approved operational plan.

6.5.2.3.3 For reimbursement to take place, all supporting evidence will be required, including a summary of transactions and the type of transactions.

6.5.2.3.4 The Operator will have a period of 5 working days after month-end to submit a full set of accounts to SANParks for reimbursement.

6.5.3 **Revenue**

6.5.3.1 All revenue and deposits received for future bookings to be paid into the SANParks bank account.

6.5.3.2 The Operator will not have full access to the account; however, information related to the account will be made available to the Operator. In addition, the Operator will be provided with visibility to monitor deposits that are made into the account and to allocate these deposits against a guest's account.

6.5.3.3 Revenue will be accounted for using the Property Management System. Evidence from these systems must be used by the Operator to account for sales transactions.

6.5.4 **Maintenance**

The Operator must agree to having a maintenance policy, ensuring that the following refurbishment is done:

Short term (Annual)

- Break down maintenance of all building, equipment and service assets (all infrastructure that forms part of the Lodge and Conference Centre).
- Maintenance of the fire systems.
- Servicing of all mechanical and electrical equipment.
- Replacement of any assets that cannot be maintained.

Medium term (0-5 years)

- Planned maintenance of all the infrastructure classes.
- Planned services.
- Planned replacements.

Long term (5 - 10 years)

- Planned maintenance of all the infrastructure classes.
- Planned services.
- Planned replacements or upgradings.
- In addition to the planned maintenance specified above, the Operator must

have an ongoing preventative maintenance programme for all the guest rooms and public areas.

- General repairs and maintenance are considered to be OPEX, and will be the responsibility of the Operator as per Section 6.5.2.1.
- Maintenance and refurbishment requirements that form part of CAPEX, i.e. replacement of assets, must be included in the operational plan, as per Section 6.5.2.1.3.

6.5.5 **Electricity**

6.5.5.1 SANParks to supply electricity, with fees to be paid in line with KNP Tariff Document.

6.5.6 **Waste**

6.5.6.1 Waste management to adhere to SANParks' waste management guidelines;

6.5.6.2 Following appointment of the Operator, a waste stream analysis to be conducted to confirm whether the Skukuza waste facility has sufficient capacity or if waste needs to be disposed of outside of the park at an authorised disposal facility; and

6.5.6.3 Disposal of waste at Skukuza waste facility would be subject to fees being payable in line with KNP Tariff Document.

6.5.7 **Water**

6.5.7.1 SANParks to supply water, with fees to be paid in line with KNP Tariff Document.

6.5.7.2 Water allocation:

6.5.7.2.1 Guests: 250 litres per person per day

6.5.7.2.2 Overnight staff:

6.5.7.2.2.1 House / flats: 250 litres per person per day

6.5.7.2.2.2 Stay-over units: 100 litres per person per day

6.5.7.2.3 Day staff: 40 litres per person per day

6.5.7.3 The provisions of the KNP Water Use Protocol will apply and failure to remain within the water allocation following a water audit and management action will be deemed as breach of contract by the Operator.

6.5.8 **ECO Audits**

6.5.8.1 The Operator will be required to perform quarterly audits by an appointed independent Environmental Control Officer (ECO). The ECO must evaluate compliance against the environmental authorisation or any other relevant conservation aspects of managing the Skukuza Safari Lodge – a checklist of areas to be audited is to be compiled.

In addition, a staff member must be allocated to monitor environmental compliance / health & safety requirements on a day-to-day basis.

6.5.9 **Hygiene Audits**

6.5.9.1 The Operator must conduct hygiene audits at Skukuza Safari Lodge on a quarterly basis and furnish SANParks with the outcomes within five (5) business days of its completion. In the event the Operator fails to conduct hygiene audits, then SANParks shall have the right to conduct or commission such an audit and the costs thereof shall be borne by the Operator. The Operator must at all times score a minimum of at least seventy five percent (75%) on the Hygiene Audit total quality index.

6.5.10 **Staffing**

6.5.10.1 SANParks anticipates that employees at the Skukuza Safari Lodge and the Nombolo Mdluli Conference Centre will be transferred internally; however, employees will be given an opportunity to transfer to the Operator if they wish to retain their current position.

6.5.10.2 Following appointment, the Operator will be required to share their conditions of service with the employees, allowing them the opportunity to review these and elect whether to be transferred internally or to transfer to the Operator.

6.5.10.3 If any employees elect to be transferred to the Operator, the following will

apply:

- 6.5.10.3.1 The affected employees will be transferred in accordance with Section 197 of the Labour Relations Act (LRA) 66 of 1995. If it comes to SANParks' attention that the Operator does not comply with the LRA or has changed the conditions of employment of transferred employees in a manner that will have an adverse impact on the employees in any way following the transfer, it will be considered a contractual breach and dealt with accordingly.
- 6.5.10.3.2 Once an Operator is appointed, a tripartite agreement will be signed between SANParks, the Operator and the Unions, which will further define terms of the transfer.
- 6.5.10.3.3 Important to note is that any collective agreements entered into by SANParks will still apply to transferred employees.
- 6.5.10.4 The Operator must commit to carry all staff-related expenses, including any statutory requirements and any other expenses related to the conditions of service and benefits of each employee. Provision for staff expenses must be made in the monthly Management Fee that will be paid to the Operator by SANParks.
- 6.5.10.5 The Operator is obliged to:
 - 6.5.10.5.1 Employ staff for Skukuza Safari Lodge and Nombolo Mdhluli Conference Centre;
 - 6.5.10.5.2 Provide uniforms;
 - 6.5.10.5.3 Provide staff transport to and from living quarters. Staff who are not accommodated within the KNP must be transported to and from various collection point locations outside the park;
 - 6.5.10.5.4 Provide staff training. Training and development of general staff is a requirement;
 - 6.5.10.5.5 Ensure that Labour Relations or any other relevant statutory

requirements are adhered to;

6.5.10.5.6 Ensure that staff housing is maintained; and

6.5.10.5.7 Ensure that staff are trained on the KNP Code of Conduct.

6.5.11 **Staff housing**

6.5.11.1 The human footprint must be kept to a minimum to comply with Park regulations - staff are encouraged to live outside the park.

6.5.11.2 The following staff housing is provided for:

6.5.11.2.1 1 x 3-bedroom house.

6.5.11.2.2 1 x 2-bedroom house.

6.5.11.2.3 9 x 2-bedroom flats.

6.5.11.2.4 Stay over units: The Park closes approximately between 18h00 and 06h00 (with slight variations depending on the month). Therefore, 16x single bed stay-over units have been built to accommodate late and early shift staff.

6.5.11.3 The Operator must have a Service Level Agreement in place with staff for water and electricity charges and ensure these are collected on a monthly basis and paid to SANParks; and

6.5.11.4 The Operator must ensure that staff housing is maintained. As per above, maintenance of staff housing is included as a staff expense for which the Operator is responsible.

6.5.12 **Legal and Licenses**

The Operator to arrange for all the relevant compliance certification and licenses. These will include:

- Grading of the lodge;
- SAMRO Music License (wiring, speakers, amplifiers and a link to the evacuation system are provided. The Operator will need to commission the system and provide the source of the background music (BGM). One amplifier was temporarily connected to provide BGM to the bar and

veranda); and

- Any other relevant compliance requirements.

6.5.13 **Monthly Reporting**

At minimum, the following must be reported to SANParks on a monthly basis:

- Accommodation report showing RevPAR, Average rate, Room & Bed occupancy, etc.
- Report on advance bookings (number & volume).
- Report relating to asset register status and operating equipment register.
- Conferencing report relating to Nombolo Mdhluli Conference Centre.

6.6 **Property Analysis**

The primary purpose for the lodge is to provide hotel style accommodation, meals and related services to guests. It has been developed on hotel principles incorporating elements of expectations of a game reserve experience. The adjacent stand-alone conference centre already provides services for the Government and Corporate Conference markets but must be developed further.

The two properties are managed as a single business unit and include the following:

- Three star grading but four star guest experience;
- Value for money in all aspects of the hotel;
- 120 x single occupancy and 8 x 2-room suites;
- Family/inter-leading rooms;
- Universal rooms;
- Lap pool;
- Wi-Fi;
- Internet connectivity in rooms;
- International plug points;
- An area where guests can make photocopies – in conference centre;
- Parking for sedan vehicles and tourist buses;
- Bar facilities for after-hours socialising;

- Mainly buffet style meals;
- Snacks and light meals can be served on the veranda and public areas;
- Air-conditioning; and
- Security, CCTV is supplied.

The Lodge Facilities and Attributes are further explained in Schedule 1 of the Information Memorandum. Detailed drawings are attached as Schedule 2 of the Information Memorandum.

6.7 **Skukuza Safari Lodge Green Operation Strategy**

The Green Operation Strategy is owned by SANParks. The Operator will be required to ensure that the GSSA EBP 4-Star target is obtained. Additional details regarding policy requirements may be found in the Green Building Council of South Africa Technical Manual, Existing Building Performance Tool V1.

Further details with regard to the Operator Requirements are detailed in Schedule 4 of the Information Memorandum.

7. **MANAGEMENT AGREEMENT**

7.1 **Term of Agreement**

The term of the Management Agreement shall be for 10 (ten) years from Operation Commencement Date.

7.2 **Management Fee**

7.2.1 Under the Management Agreement, the Management Fee payable by SANParks, in arrears, a monthly fee equal to:

7.2.1.1 Management Fee (to include staff expenses and operational expenses) – *<bidded percentage>*% of Gross Revenue.

7.2.2 The Management Fee shall accrue and be payable by SANParks to the Operator within 7 (seven) business days following the end of each month, free of deduction or setoff.

7.2.3 For purposes of reconciling the Management Fees payable by SANParks in any

given Financial Year, the Operator shall, within 120 (one hundred and twenty) days after the end of each Financial Year, furnish its audited financial statements to SANParks, whereafter SANParks shall verify and reconcile the Management Fees due against the Management Fees actually paid in the relevant Financial Year.

- 7.2.4 Any overdue payment by either SANParks or the Operator shall be subject to an interest charge as per SANParks' Financial Rules and Regulations.

7.3 **Principal Obligations of the Operator**

SANParks requires the successful Operator comply with the following:

- 7.3.1 The Operator is obliged to acquire SANParks' consent prior to making use of any SANParks trade names and or logo's in any way. The Operator must use the SANParks Wild Brand and Impala Lily – site brand as per Schedule 10 of the Information Memorandum.
- 7.3.2 The Operator must adhere to SANParks conservation regulations.
- 7.3.3 The Operator must adhere to the SANParks normal operating hours for transportation of goods and service.
- 7.3.4 The Operator is obliged to disclose all aspects of the business relating to the Lodge) to SANParks and their representatives.
- 7.3.5 The Operator is responsible for the submission of any reports and information, as contractually required by SANParks.
- 7.3.6 The Operator is obliged not to pledge the credit of SANParks in any form.
- 7.3.7 The Operator is required to operate according to hours specified by SANParks for gate entry and exits. Internal operations will be according to Lodge requirements.
- 7.3.8 The Operator is responsible for the transport of their employees from the workplace to the Skukuza living quarters, particularly after-hours transport where living quarters are logistically distanced from the Hotel Development.
- 7.3.9 The Operator is responsible for the transport of their employees living off-site

from the workplace to predetermined collection and drop-off points. Staff transport to and from Skukuza must adhere to the gate operating hours.

7.3.10 The Operator is obliged to transport their staff to the required medical facilities.

7.3.11 The Operator is obliged to comply with and adhere to SANParks Policies and initiatives i.e. HIV Aids Policy, Health and Safety Forums etc.

7.4 **Principal Obligations of SANParks**

7.4.1 SANParks shall give reasonable assistance in the form of advice, introductions and documentary support to the Operator in its dealings with Relevant Authorities and otherwise in connection with obtaining the necessary licenses and permits.

7.4.2 SANParks will operate and manage the Park and will promote it in such manner as to ensure the continued viability and sustainability of KNP as a National Park and as a sustainable and attractive tourist and conservation undertaking.

7.5 **Access**

7.5.1 SANParks shall ensure that, for the duration of the Management Agreement, the Operator, its guests, employees, agents and invitees have access to the Skukuza Safari Lodge, subject to the provisions of the Management Agreement, the Park Rules and other regulations, or legislation, which may be in place from time to time. In addition the standards, quality and nature of the access routes and control points, in place at the time of the agreement being entered into, will remain the same during the Management Term.

7.5.2 The Operator will be required to manage a 24-hour reception typical to a hotel facility.

7.5.3 Normal gate hours will apply with special late access as per SANParks and KNP policy.

7.5.4 Overnight guests are required to check-out at the Skukuza Safari Lodge to settle any outstanding balances, including conservation fees or any other fees related to their stay at the Safari Lodge.

7.6 Branding and Marketing

- 7.6.1 The Operator must accept the branding limitation in that the SANParks Wild and Impala Lily brands take precedence. These form part of the mother brand of SANParks. Should the Operator wish to co-brand, it should acknowledge that the SANParks Wild and Impala Lily brand will be the primary brand and their brand secondary and limited to certain locations subject to SANParks approval;
- 7.6.2 The Operator shall not, in the operation, promotion or marketing of the Skukuza Safari Lodge, be entitled to use, directly or indirectly, any commercial branding similar to any branding used outside of the Protected Area by the Operator, or any of its associated companies or competitors, without the prior written consent of SANParks;
- 7.6.3 Any commercial branding developed by the Operator in respect of the Skukuza Safari Lodge may not be used outside the Protected Area without SANParks' prior written consent; and
- 7.6.4 The use of any branding, logo, trademark, trade name, and get up, signage, outdoor advertising, livery, promotion, promotional or marketing material or other proprietary intellectual property in connection with the Skukuza Safari Lodge shall require the prior written approval of SANParks.
- 7.6.5 The branding requirements are further described in Schedule 10 of the Information Memorandum.

7.7 Intellectual Property

- 7.7.1 The use of any branding, logo, trademark, trade name, and get up, signage, outdoor advertising, promotion, promotional or marketing material or other proprietary intellectual property in connection with the Project Site shall require the prior written approval of SANParks.
- 7.7.2 It is specifically recorded that all intellectual property rights whatsoever, whether capable of registration or not, regarding SANParks' trademarks, names, logo, image and all other intellectual property matters relating to SANParks, its name, logo and/or image shall remain the sole property of SANParks.
- 7.7.3 Subject to existing rights and obligations, SANParks shall, on application by the

Operator, grant a non-exclusive right and licence to the Operator to use SANParks' trademarks which relate to the Skukuza Safari Lodge. Should any of SANParks' trademarks, names, logos, images and all other intellectual property matters be required for use outside of the Management Agreement, they will be subject to terms and conditions negotiated with SANParks. This includes the granting of licences to trade merchandise with SANParks' trademarks, names, logos, images and all other intellectual property matters outside of SANParks' retail facilities.

- 7.7.4 In order to establish and maintain high standards of style, quality and proprietary associated with the Park, in the event the Operator desires to use SANParks' trademarks or logos which relate to the Park in any way, the Operator shall first submit the concept or a sample of the proposed use to SANParks for approval. Under no circumstances shall any use of SANParks' trademarks or logos, which relate to the Park, or the image or likeness of any trademark, logo or image, which SANParks in good faith believes reflects unfavourably upon or disparages the Park, be approved. If SANParks approves the concept or sample, the Operator shall not depart therefrom in any material respect without SANParks' further written approval.
- 7.7.5 If at any time SANParks withdraws its approval for the specified use of any trademark or logo, the Operator shall forthwith discontinue all use of SANParks' trademark or logo and shall remove from public sale or distribution, any previously approved product in respect of which SANParks has rescinded approval.
- 7.7.6 The Operator acknowledges that the name of the Park (the "**Protected Name**") is associated with and peculiar to the Park and is the intellectual property of SANParks. Consequently, the Operator agrees that the sole and exclusive ownership of the Protected Name shall vest in SANParks and should the Operator utilise the Protected Name, it does so only in terms of the Management Agreement and with the prior written approval of SANParks.
- 7.7.7 In circumstances where the Operator utilises any of the Protected Names, either singularly or in combination or association with any other name, it does so only in terms of the Management Agreement and on termination of the Management Agreement, the Operator shall not be entitled to operate or conduct any business using the Protected Name in combination or association with any other

name.

- 7.7.8 In circumstances where the name chosen by the Operator and approved by SANParks is not part of SANParks' intellectual property, then the rights of SANParks contemplated in this paragraph 7.7.8 will not be applicable and the intellectual property will be the sole property of the Operator.

7.8 Performance Standards

- 7.8.1 The Operator will be responsible for the Management and Operation of the Skukuza Safari Lodge and Conference Centre.
- 7.8.2 SANParks shall require the Operator to perform to certain standards including but not limited to:
- 7.8.2.1 Quality standards and best industry practice;
 - 7.8.2.2 Manage social media and reputation management in accordance with SANParks Communication Policy;
 - 7.8.2.3 The Skukuza Safari Lodge Green Operation Strategy as further described in Schedule 4 of the Information Memorandum;
 - 7.8.2.4 The Environmental Guidelines for Operator's operation within South African National Parks as further described in Schedule 5 of the Information Memorandum;
 - 7.8.2.5 The SANS 1162:2016 South African National Standard Responsible Tourism Requirements as further described in Schedule 6 of the Information Memorandum;
 - 7.8.2.6 The National Responsible Tourism Guidelines as further described in Schedule 7 of the Information Memorandum;
 - 7.8.2.7 The Responsible Toolkit Assessment System when completed;
 - 7.8.2.8 The applicable Regulatory Provisions, prevailing laws, policy directives and standards of the State and any Relevant Authority and where appropriate Park Regulations, Park Rules and Park Management Plan; and
 - 7.8.2.9 Accreditation from the Tourism Grading Council of South Africa ("TGCSA").
 - 7.8.2.9.1 Such accreditation will be compulsory and should be obtained within 12 months from Operation Commencement Date and renewed

thereafter on an annual basis.

7.8.2.9.2 Failure to obtain and maintain the applicable grading will be grounds for termination of the Management Agreement.

7.8.2.9.3 Information on the TGCSA accreditation, categories, process etc. can be obtained from the website: www.tourismgrading.co.za.

8. PERFORMANCE BOND

8.1 The Operator shall provide to SANParks an on demand guarantee (the “Performance Bond”), which shall be operative from the Effective Date, in favour of SANParks issued by a bank or financial institution acceptable to SANParks substantially in the format specified in Schedule 14 of the Information Memorandum.

8.2 The Operator shall maintain a valid Performance Bond (in accordance with the provisions hereof) from the Effective Date until 90 (ninety) Business Days after the expiry or earlier termination of this Management Agreement.

8.3 Within 90 (ninety) Business Days of the Expiry Date or earlier termination of this Management Agreement, SANParks shall release all or so much of the Performance Bond as shall remain undrawn after such expiry or termination.

8.4 The amount to be guaranteed by the Performance Bond for the first twelve month period as from the Effective Date shall be for the amount of R 250,000-00 (Two Hundred and Fifty Thousand Rand).

8.5 The Performance Bond shall be reinstated in full and its amount adjusted annually within 90 (ninety) Business Days of the end of each Project Year such that the amount to be guaranteed by the Performance Bond for the relevant Project Year is not less than the figure indicated in Clause 8.4 as adjusted to reflect changes in the Consumer Price Index since Bid Submission.

8.6 The Performance Bond shall secure the Operator’s performance under this Management Agreement and may be called on by SANParks to the extent of any costs, losses, damages or expenses suffered or incurred by SANParks as a result of breach by the Operator of this Management Agreement, including, but not limited to,

compensation to SANParks for any actions taken by SANParks as a result of breach by the Operator of any Regulatory Provision(s), Laws, Legislation or Environmental Specifications and payment obligations hereunder.

- 8.7 Prior to enforcing the Performance Bond, SANParks shall give notice to the Operator, informing the Operator of the breach giving rise to the right of enforcement of the Performance Bond. If such breach is not remedied within the remedy period, SANParks may enforce the Performance Bond.
- 8.8 The Performance Bond may only be enforced to the extent of any costs, losses, damages or expenses suffered or incurred and/or reasonably expected to be suffered or incurred as a result of the breach that gave rise to the right to enforce the Performance Bond.

9. RELATIVE WEIGHTING OF BID SUBMISSIONS

The evaluation of Bid Submissions will take several factors into account, in a scoring methodology that awards points against criteria and quantitative weights.

Weighting of the elements:

- The Functionality score is only used to pre-qualify the Bidders and only Bidders who achieved the 70% threshold for Functionality are considered in the final stage where B-BBEE and the Management Fee Offer will be the determining factor.
- The Management Fee Offer will be weighted at 90% of the overall bid score and B-BBEE will be weighted at 10% of the overall bid score (The provisions of the Preferential Procurement Policy Framework Act, 2000 ("PPPFA") apply).

Within the Functionality element, the relative weighting will be:

- Financing and Capital Plan – 20%
- Business and Operational Plan – 45%
- Environmental and Green Operating Plan – 30%
- Risk Matrix – 5%

9.1 **Financing and Capital Plan**

The purpose of the Financing and Capital Plan is to assess the ability of the Operator

to secure adequate finance to fund all expenses and to manage the finances of the proposed tourism project.

9.2 Business and Operational Plan

The purpose of the Business and Operational plans is to ensure that the Operator has fully developed all business aspects of the proposed tourism project, and is proposing credible schemes, which are based on generally accepted business principles applicable to tourism projects, and which are in line with SANParks' specifications given in this Information Memorandum.

9.3 Environmental and Green Operating Plan

The purpose of the evaluation of the environmental and green operating plan is to ensure that Operators understand and have fully planned guidelines for the handling prevailing environmental issues that may be arise during the duration of this Agreement.

In addition, it is to ensure that the Operator understands the green operating issues that apply to the Skukuza Safari Lodge, to ensure that the Operator subscribes to becoming a member of the GBCSA and maintains its membership annually.

9.4 Risk Matrix

A Bidder must indicate the extent to which the bid complies with the risk allocation of the risk matrix, provided in the RFP.

10. PROJECT TIMETABLE

EVENT	DATE
Public Advertisements	15 May 2022
Provide Information Memorandum, RFP and Management Agreement to Interested Parties	25 May 2022
Registration for Due Diligence Site Visit	10 June 2022
Due Diligence Site Visits	14 June 2022
Registration of Interested Bidders for Bidders Conference	24 June 2022
Bidders Conference (MS Teams)	28 June 2022
Submission of final written comments and questions by Bidders	8 July 2022
Distribute final list of responses on Bidders' comments and questions	18 July 2022
Tender Submissions	2 September 2022
Bid Evaluation	September 2022

11. SCHEDULE 1 – SKUKUZA SAFARI LODGE DESCRIPTION OF FACILITIES AND ATTRIBUTES

11.1 Description of Facilities

11.1.1 Green Principles

Green principles were carefully considered in the design and building of the lodge. It is a fundamental requirement for the Operator to develop and implement green standard operating procedures and standards in all activities included in the management of the property. The Operator needs to subscribe to becoming a member of the GBCSA and maintain its membership annually on an ongoing basis. The principles are further described in Schedule 4 of the Information Memorandum.

The following water allowance will apply:

- Guests: 250 litres per person per day
- Overnight staff:
 - House / flats: 250 litres per person per day
 - Stay-over units: 100 litres per person per day
- Day staff: 40 litres per person per day

The provisions of the KNP Water Use Protocol will apply and failure to remain within the water allocation following a water audit and management action will be deemed as breach of contract by the Operator.

11.1.2 Safety and Security

The Skukuza Safari Lodge falls within the KNP Safety and Security Plan:

- Operator to provide security staff to patrol 24 hours in liaison with Park Management;
- CCTV: high resolution, wide angle surveillance cameras have been provided for at staff entrances and other public areas;
- There is no separate search room at the security gate for staff at the back of house, but the gents and ladies ablution facilities are next door if required;
- All visitor access will be via the Skukuza Rest Camp security entrance gate;
- All staff access will be via the back of house entrance and security or the

Skukuza Airport;

- No staff will be allowed to walk through Skukuza Safari Lodge unless it is required as part of their duties; and
- All the delivery vehicles will only use back of house access and not via the Skukuza Rest Camp. Delivery times will be in accordance with the gate open/close times. All delivery vehicles will comply with the maximum load capacity and speed limits as per KNP rules and regulations.

11.1.3 **Parking and Porte Cochère**

- Bulk parking is catered for at the conference centre and lodge.
- SANParks envisions that guests to the Skukuza Safari Lodge will access the hotel via the Kruger Gate and thereafter leave their vehicles at the “Park & Ride” Facility for the duration of their stay. SANParks has not yet commenced with the development of the park and ride at Kruger Gate, but ultimately still intends on implementing it. The Operator must take cognisance of this and implement incentive models once this has been constructed.
- Porte Cochère: roofed at the entrance.
- There is ample turning and parking space for tour buses and other large vehicles.
- Sedan style parking bays: 70% of the number of rooms has been provided for. No parking is under cover.
- Disabled parking: as per government requirements has been provided for.
- Game Drive vehicles: an area has been provided for to accommodate drop off and pick up for game drives.

11.1.4 **Gardens and Pool**

- Natural garden with established trees and indigenous plants are part of the court yard area. Minimal garden maintenance is required.
- A lap pool is in the centre of the court yard area.

11.1.5 **Curios**

- No provision has been made at the lodge. There are curios shops in the

camp.

- The Operator may include their own curios subject to agreement by SANParks.

11.1.6 **Gymnasium**

A small gymnasium has been built for exclusive use by lodge guests. It is stocked with basic equipment.

11.2 **Front Office: Reception, Reservations, Concierge and Reception Public Areas**

11.2.1 **General**

- ATMs are already in the park.
- Operator to consider FOREX requirements for guests.
- All offices and desks have internet connectivity.
- All offices have telephones.

11.2.2 **Rooms Division Manager/Front Office Manager**

- Provided for close to reception with a view of the lobby and reception desk.

11.2.3 **Reservations**

- A Property Management System (PMS) and Point of Sale (POS) System has been procured and is in implementation. Please refer to Schedule 3 of the Information Memorandum for details of the systems.
- The room stock must be interfaced with the SANParks system so that reservations can be made from the SANParks website as well as the Operator's website.
- Reservations office is situated in the Front of House section.

11.2.4 **Reception**

- Multi-functional check-in desk that caters for both group and individual check-ins with space for three computer terminals, two printers and a photocopier.

- Filing space at desk for stationery and pit files.
- Telephone points and telephones.

11.2.5 **Porters/Concierge**

- Concierge desk.
- Counter and seated desk space are provided for.
- Lockable and extensive luggage room.

11.2.6 **Reception and Lounge Public Areas**

- General lounge and waiting area.

11.2.7 **Information/Research Area**

An area is provided for that SANParks envisions will, in conjunction with the Operator, be developed into an Information Nook/Space. Aspects of sightings, wildlife, research projects and the Skukuza Safari Lodge area will be featured.

The guest office is located adjacent to this area.

11.3 **Rooms**

11.3.1 **Bedrooms**

- Three star graded with 4-star comfort and space.
 - 128 units:
 - 120 x rooms (universal, double and twin configurations), including:
 - 87 standard rooms (king size bed or two single twin beds)
 - 20 family rooms (adjoining rooms with the standard room features)

- 13 universal rooms (with easy access for wheelchairs - both hearing and sight impaired guest needs were considered in the design and must form part of the telephony)

- 8 x luxury suites (two double beds)

11.3.2 General Room Features

- Door: self-closing, key card system, peep hole, wishbone lock
- Flooring: carpeting
- Air-conditioning
- Electrical supply: Normal points conveniently placed, international plug points, TV Point
- Telephone
- Built in lighting, bedside lamp, desk top lamp
- TV – flat screen fitted onto wall
- DSTV
- Full length mirror and dressing table mirror
- Luggage rack
- Wardrobe with long hanging space, shelving
- Electronic safe in wardrobe
- Built in dressing table / coffee station / desk space
- Built in headboard
- Balcony: 2 x chairs, 1 x table, sliding door to balcony, balcony floor tiled
- Stool, office style chair, arm chair or couch depending on room type
- Coffee table
- Bedside table
- 8 x luxury suites: two double beds
- 120 x standard/universal rooms: king size bed or two single twin beds, or

king size mattress converters

- Mosquito screens provided

11.3.3 Bathrooms

- Bathroom is separate from bedroom with a closing door leading to bedroom. No bath tub.
- Tiled flooring.
- Semi-solid door.
- Steam extraction.
- Lighting fluorescent/LED.
- Vanity, single basin with standard cobra fittings, low flow water pressure.
- Press-down plug.
- Mirror above basin.
- Large shower stall, standard rectangular shower head – low flow water pressure.
- Toilet.
- Single towel rail, 2 x single hooks.
- Soap caddy in shower (depending on design).

11.3.4 Suites

- Same as above but with a bath tub and shower.
- Separate toilet at entrance to suite.
- Kitchen area provided; equipped with a fridge and Nespresso machine.

11.4 Food & Beverage and Public Areas

11.4.1 Overview

- Dining facilities are mainly buffet to cater for conferences and accommodate large volumes of meal requirements. Although there is a semi equipped satellite conference kitchen in the conference centre, it is envisaged that, if

the lodge is booked for a conference, guests will make use of the meal facilities at the lodge.

- A la carte snack meals are catered for in the open air, roofed veranda area adjacent to the main bar.
- All day snack menu (inclusive of kiddies menu) to serve in the public lounge next to the reception area.
- Coffee/tea be served from reception or bar area.
- No room service is offered; however, snack menu take-aways are permitted as well as packaged ice to be collected by guests for use in the guest room.
- Wi-Fi available in all areas.
- All food and beverage facilities are open to rest camp residents and day-visitors.

11.4.2 **Buffet Restaurant**

- Centrally situated off reception. Design gives a cordoned off effect.
- Can be operational for breakfast, lunch and dinner.
- Welcome area: 2 x entry areas with desk and telephone.
- Space for Computer and POS terminal.
- Seating: 240 in configurations of 2, 4 and 6's.
- Buffet: 1 large equipped buffet.
- Central display area: multi-purpose use.

11.4.3 **Public Lounge – Reception Area**

- Public lounge with a configuration of lounge seating flows from the reception area.
- Snack menu can be served

11.4.4 **Main Bar and Veranda**

- Main bar and veranda area is one functional area.
- Wine and drinks for restaurant served from the service area in the main bar.

- Seating: restaurant tables & chairs (can be used as an overflow area when restaurant is full) and lounge style seating, 6 bar stools.
- Bar counter: u-shaped with 2 x POS facility for waiters and service bar area.
- Lockable liquor and glassware storage.
- Glass washing area with small glass dishwasher.
- Back of house storage space in bar.

11.4.5 **Veranda**

- Flows from the main bar area.
- Open air, roofed area with configuration of lounge and table seating.
- All day snack menu available.
- Waiter station with POS at the bar counter.
- 2 x waiter stations at the entrances.

11.4.6 **Small Bar/Cocktail Bar**

- An area has been allocated and equipped to serve as an ad-hoc bar area for cocktail parties and other smaller functions.
- It is used mainly as a multi-functional and semi children-friendly area. The Operator to develop according to the guests' needs.

11.4.7 **Boardroom**

- 1 x boardroom equipped with a conference table and an informal lounge seating area. The room has two doors, making provision for this room to be split into two separate meeting rooms. A central divider would need to be installed by the Operator.

11.4.8 **Front Office Back of House**

- Duty Manager's Office.
- General Food and Beverage Administration Office.
- Open plan office with 2 desks for reservations and 1 for cash-ups.

- Area for multi-function printer.
- Stationery store.
- IT distribution room.
- Walk-in safe.
- Front Office Manager office and assistants area.
- Purchasing Manager office.
- Debtors/Creditors Manager office.
- Toilets and kitchen.

11.4.9 **Food and Beverage Back of House**

- Goods receiving office.
- Liquor cellar.
- Beer cellar.
- Crockery, cutlery and glass stores in kitchen.
- Cleaning equipment store.

11.4.10 **Kitchen**

- The kitchen is designed for buffet and à la carte snack or light menu.
- As the lodge is situated far from large bakeries, a bakery section is included in kitchen.
- Goods delivery and receiving close to the back entrance of the kitchen.
- Chef's office.
- Dry store.
- 2 x walk in fridges and 1 x walk in freezer.

11.5 **Housekeeping Back of House**

- It is estimated that room attendants clean about 12 rooms per day.
- Each block has one small storage area for housekeeping trolleys and supplies.

- Dry cleaning service is not provided.
- Guest laundry can be offered.

11.6 Stores, Laundry and Linen Room

11.6.1 Laundry

- Housekeeping back of house is situated in a separate building behind the lodge, with laundry equipment is installed in a dedicated laundry room. All water and other connections are installed.

11.6.2 Linen Room

- Linen room shelving for a 3 par stock level.
- A sewing area where linen can be mended.

11.6.3 Housekeeping Administration

- 1 x Housekeeping Manager office.
- 2 x supply stores - room and bathroom amenities and chemical store.

11.6.4 Human Resources

- 3 x offices.
- 1 x training room.

11.6.5 Staff Areas

- Male and female staff toilets – back of house building.
- Disabled staff toilet adjacent to staff entrance.
- Male and female staff change rooms.
- Space for 50 lockable lockers in each to be supplied by the Operator.
- Full length mirror in each.
- 1 x Staff Canteen – not equipped. Operator to equip and furnish – please ensure this is in the CAPEX budget.

11.6.6 **Other**

- 1 x Technical Store/Office - located in back of house area.
- 1 x Technical Workshop.
- Goods receiving at back of house area and kitchen. Space large enough for trucks to offload and turn.
- 1 x Security office where CCTV and fire systems are controlled.
- Lockable refuse store.

12. SCHEDULE 2 – SKUKUZA SAFARI LODGE DRAWINGS

To be provided to Bidders separately.

13. SCHEDULE 3 – ICT INFRASTRUCTURE

13.1 IT Backbone and Cabling Infrastructure

An IP network has been installed throughout the lodge. From the server room, optical fibre cable runs to switches located in the electronics cupboards in each wing and the central area. From these switches Ethernet cables are used to connect to each guest room or to the work stations in the administration or back of house areas. Each switch has a UPS backed socket outlet.

13.2 Hardware and Software

The following is in place:

- Local server hardware and software.
- Desktop and laptop computers and associated software.
- Printers.
- Wi-Fi APs.
- Telephones (VOIP).
- PMS – Oracle Opera Property Management (Operator to take over contract from SANParks).
- POS – Oracle MICROS Symphony (Operator to take over contract from SANParks).
- SANParks will provide the credit card speed points for the Lodge and Conference Facility.

13.3 Main IT Server

A local server is in place at the Lodge that functions as a bridge to link all communications, business Management software and IT related functions to the hosted facilities on the SANParks main server systems based in Pretoria.

13.4 Active Networking Equipment

Active networking equipment is in place in the form of switches and Wi-Fi access points.

13.5 Wi-Fi

Wi-Fi access provided throughout all public areas and all guest rooms.

13.6 Telecommunications and Data

Incoming Telecommunications Services provided via the existing telecommunication and data links to the Internet. This link extends to the Conference Facility and the Lodge. All voice and data traffic to be via this link.

14. SCHEDULE 4 – SKUKUZA SAFARI LODGE GREEN OPERATION STRATEGY

14.1 Green Operation Experience

- 14.1.1 The Operator is to submit brief method statement confirming the process and methodology that will be applied to obtain the GSSA EBP 4-Star target or similar and maintain its membership annually on an ongoing basis.
- 14.1.2 The Operator needs to confirm that the Skukuza Safari Lodge will be operated in accordance with the green star rating or similar.
- 14.1.3 The Operator needs to adhere to the Green Operations Strategy submitted as part of its Bid Submission in terms of the Request for Proposal.

15. SCHEDULE 5 - ENVIRONMENTAL GUIDELINES FOR OPERATOR'S OPERATION WITHIN THE SOUTH AFRICAN NATIONAL PARKS

15.1 Introduction

15.1.1 This is an undertaking by the Private Party to conduct, manage and carry out the Project at all times in an environmentally responsible way by adopting appropriate operating methods and practices for conducting such a Project in a proclaimed National Park.

15.1.2 The Private Party must take all reasonable steps in conducting the Project to prevent and limit the occurrence of any Environmental and/or health hazards and to ensure the health and safety of the Private Parties, the general public, and the surrounding environment.

15.2 Legislative Basis for these Guidelines

SANParks is bound by a number of statutes with relevance to environmental management of Parks, including (without limitation) the National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003) (NEM:PAA); the National Water Act, 1998 (Act No. 36 of 1998); the Water Services Act, 1997 (Act No. 108 of 1997); the National Environmental Management Act, 1998 (Act No. 107 of 1998) (NEMA); the National Environmental Management: Air Quality Act, 2004 (Act No 39 of 2004); the Hazardous Substances Act, 1973 (Act No 15 of 1973); and the National Heritage Resources Act, 1999 (Act No 25 of 1999).

The authorisation of any development and activities in a Protected Area is governed by the NEMA and the NEM:PAA. Any changes to infrastructure or operations require written approval from SANParks and are subject to the prescribed policies and procedures.

The process for the development, refurbishment, maintenance, and operation of any commercial facilities must be undertaken as per SANParks internal policies and procedures, and authorisations obtained by the Department of Forestry, Fisheries and the Environment (DFFE) and other relevant permit issuing authorities.

Given that the development is taking place within a National Park, a scoping report must be submitted to DFFE, the "relevant environmental authority" as defined in the

EIA Guideline documents.¹

A Private Party proposing any significant expansions or structural modifications should anticipate that a Basic Assessment Report (BAR) or an EIA will be required, and should factor the cost of carrying this out into their financial projections.

SANParks will have a role in the BAR / EIA process, both as an Interested and Affected Party (IAP), and as the regulatory authority with jurisdiction over the Protected Area. It will be DFFE's responsibility to determine whether, on the basis of information provided in the scoping report, a detailed EIA needs to be carried out.

15.3 **Guidelines Based on SANParks Internal Requirements**

The NEMA EIA Regulations cover many of the issues that will arise during the assessment of developments within National Parks. In addition, SANParks undertook a review of its internal policies that may impact such developments.

As a result, some of the Guidelines contained herein flow from internal SANParks management documents, such as the Kruger National Park Management Plan. In some instances, however, these documents were neither sufficiently comprehensive nor sufficiently detailed as to the allowable parameters for development by commercial Private Parties. Where this occurred, SANParks undertook an internal effort to develop the necessary Guidelines.

A series of workshops were held with SANParks conservation staff, and specifically from KNP, who assisted in establishing standards to be applied to commercial tourism developments within the Parks. Draft standards were reviewed by a wide range of professionals within SANParks, including the Manager, Environmental Management, and Park rangers, and staff from Scientific Services, Conservation Services, Park Planning, and Technical Services. The Guidelines contained herein are the result of these efforts.

The Environmental Guidelines set out and referred to in this document must be regarded as the first step in SANParks' efforts to compile a comprehensive Environmental Management System (EMS) for the entire Parks. Once in place, the EMS will likely be modified and refined over time, as and when needed to take into account new information, standards and conditions. Private Parties must therefore be aware that the terms and conditions set forth in these Guidelines are subject to

¹In the case of the SANParks, the 'relevant environmental authority' for review of EIAs conducted in National Parks is the national Department of Forestry, Fisheries and the Environment (DFFE).

amendment. Private Parties will be expected to comply at all times with the provisions of the Environmental Guidelines as they may change from time to time.

The remainder of this document presents the specific standards or parameters that the Private Party will be expected to apply to activities in its Project Site.

15.4 Precautionary Principle

Ecological and natural resource processes are not always clearly understood, nor are the interactions among such processes. SANParks recognises that issues may arise suddenly, or circumstances change, due to limitations in current knowledge. SANParks has endeavoured to identify these limitations wherever possible and to design the concession process in a way that minimises the environmental risk to the national assets under its control. However, situations may arise where changes that have not been anticipated may cause SANParks to require adaptations to the management of the area.

15.5 Legislative Requirements

- 15.5.1 All legislative requirements must be understood and complied with.

15.6 Regulatory Provisions

- 15.6.1 The Private Party must adhere to the Regulatory Provisions and the Environmental Specifications, as amended from time to time.
- 15.6.2 The Private Party must comply with its statutory duties in terms of the Environmental Laws and to take reasonable measures to prevent pollution or degradation from occurring, continuing or recurring or, in so far as such harm to the Environment is authorised by SANParks, to minimise and rectify such pollution or degradation of the Environment.

15.7 SANParks Requirements

- 15.7.1 The Private Party must comply at all times with SANParks Environmental Guidelines as they may change from time to time.

- 15.7.2 The Private Party must comply with the accreditation in terms of the National Standard for Responsible Tourism, once complete as well as any other applicable Responsible Tourism Standards as required by SANParks.

15.8 Environmental Responsibility

- 15.8.1 SANParks has an active role to play in Responsible Tourism and expects the same from Private Parties that operate in National Parks. SANParks subscribes to the minimum standard of Responsible Tourism (SANS 1162) and expects the same from Private Parties that operate commercial outlets in National Parks.
- 15.8.2 The Private Party must conduct, manage and carry out the Project at all times in an environmentally responsible way by adopting appropriate operating methods and practices for conducting such a Project in a proclaimed National Park.
- 15.8.3 The Private Party must take all reasonable steps in conducting of the Project to prevent and limit the occurrence of any environmental or health hazards and to ensure the health and safety of the Private Parties and the public.

15.9 Environmental Impact

- 15.9.1 The Private Party must bring to the attention of SANParks any matter which may, in its view, have a detrimental impact on the Environment within the Facility and the Protected Area.
- 15.9.2 The Private Party must subscribe to the South African Sustainable Seafood Initiative (SASSI) and only sell/include fish on the menu with green status or SASSI certified.

15.10 Code of Conduct

- 15.10.1 The Private Party must induct all staff employed on the Kruger National Park's Code of Conduct.
- 15.10.2 The Code of Conduct must be understood by the Private Party and complied

with.

15.11 Water Management and Guidelines

15.11.1 Water conservation measures must be implemented by the Private Party in the design and implementation of their operations;

15.11.2 The Private Party must:

15.11.2.1 Monitor the use of water;

15.11.2.2 Educate staff via on-site notices on the use of water;

15.11.2.3 Set water usage targets (monitored weekly/monthly) and manage these targets; and

15.11.2.4 Aim to avoid accidental loss through effective maintenance, installing quality storage and reticulation systems, and implementing leak detection systems.

15.12 Energy use

15.12.1 The Private Party must:

15.12.1.1 To measure energy use and continuously aim to implement measures to reduce energy usage until optimal levels are reached;

15.12.1.2 Monitor the use of energy;

15.12.1.3 Educate staff via on-site notices on the use of energy;

15.12.1.4 Set energy usage targets (monitored weekly/monthly) and manage these targets.

15.13 Chemical Substances

- 15.13.1 The Private Party must not sell or use (including staff of the Private Party) any of the chemicals that are banned from use in National Parks (as determined by any Environmental Manager in National Parks);
- 15.13.2 All chemicals listed as “Prohibited” may not be brought into, sold, or used in any National Park by the Private Party. The products include items such as Rattex, Finale, Dyant, Doom, and Target (an extensive list is available);
- 15.13.3 The Private Party must ensure safe storage and disposal of chemicals and their containers;
- 15.13.4 The Private Party must have a specific disposal system for toxic or other waste regarded as being dangerous under supervision of the Technical Services Department;
- 15.13.5 The Private Party must use environmentally friendly and biodegradable detergents and cleaning agents;

15.14 Waste Management

15.14.1 Liquid Wastes

- 15.14.1.1 Liquid waste refers to the sewerage as well as grey water;
- 15.14.1.2 The Private Party must manage liquid waste in accordance with national and local legislation requirements;
- 15.14.1.3 The Private Party must design management techniques to be both economically viable and environmentally sustainable;
- 15.14.1.4 The Private Party must implement waste procedures that optimise the principles of waste reduction and waste recycling and ensure that the end product does not pollute the environment;

- 15.14.1.5 The Private Party must install a grease tap for:
 - 15.14.1.5.1 Pot and rinse sinks attached to dish washers;
 - 15.14.1.5.2 Fixtures or drains through which a significant amount of fats, oils, or grease may be introduced;
 - 15.14.1.5.3 Soup kettles or similar devices;
 - 15.14.1.5.4 All sinks that are used to clean any dishes, pots, pans, or cooking utensils.
- 15.14.1.6 The Private Party must implement processes and procedures which stipulate the following:
 - 15.14.1.6.1 Kitchen staff should inspect grease traps and interceptors at least monthly and maintain a log sheet of each trap inspection detailing the condition of the trap and any maintenance activity;
 - 15.14.1.6.2 That grease traps are cleaned daily; and
 - 15.14.1.6.3 That waste recovered from the grease traps be removed from the park and disposed of at an authorised facility.
- 15.14.2 **Solid Wastes**
 - 15.14.2.1 The Private Party must manage all waste that is generated in such a way that direct and indirect impacts are kept to a minimum.
 - 15.14.2.2 The Private Party must achieve Solid Waste Management Best Practices, which implies the following:
 - 15.14.2.2.1 Manage solid waste from source to disposal;
 - 15.14.2.2.2 Strive to eliminate non-recyclable or hazardous packaging or containers at the procurement phase;

- 15.14.3 The Private Party must include the following policies in waste management:
- 15.14.3.1 **Green Procurement Policy:** This policy defines the procedures that the Private Party will implement to ensure that all produce, containers, and packaging comes from suppliers that under-write environmental principles and that waste be recyclable as far as possible;
- 15.14.3.2 **Hazardous Waste Policy:** The Hazardous Waste Policy defines procedures that the Private Party will implement to manage any hazardous waste, to ensure that it is firstly minimised, but also that it is stored and discarded in a safe and legal way.
- 15.14.4 The Private Party will follow the following guidelines to minimise the effect of the solid waste on the ecosystem:
- 15.14.4.1 Minimise solid waste production at all sources, by striving for the minimisation of all waste.
- 15.14.4.2 Maximise the recycling of solid waste. Glass, tin, paper, and cardboard must be sorted on site for recycling, while actual recycling will take place off site at the authorised waste disposal site.
- 15.14.4.3 All waste must be removed to the respective approved camp waste disposal site and incinerator for disposal and recycling. The dumping and disposal of waste other than at the authorised waste site is strictly prohibited and failure to comply may result in a penalty.
- 15.14.4.4 Waste storage and sorting areas must be properly constructed and maintained. Back-of-house waste cages and waste storage areas must remain clean and secure from problem animals.
- 15.14.4.5 Waste storage areas must remain visually hidden from visitors to the park.
- 15.14.4.6 Packaging and containers given to visitors to the park must be environmentally friendly, bio-degradable, and recyclable.

- 15.14.4.7 The distribution of plastic bags to guests is strictly prohibited and only brown paper bags are allowed to be given for the purpose of carrying items purchased.
- 15.14.4.8 The Private Party must continuously strive towards eliminating plastic water bottles and single-use plastics in their operations.
- 15.14.4.9 In terms of packaging the Private Party must not use the following in outside seating and eating areas as this pollutes the park:
- 15.14.4.9.1 Sachets (for sugar, tomato sauce, salt, and pepper, etc.);
- 15.14.4.9.2 Paper serviettes;
- 15.14.4.9.3 Butter tubs/pads;
- 15.14.4.9.4 Plastic straws; and
- 15.14.4.9.5 Plastic cutlery.
- 15.14.4.10 The Private Party must ensure that all areas are kept free of litter by:
- 15.14.4.10.1 Promoting an ethic amongst guests and staff alike.
- 15.14.4.10.2 Soliciting the co-operation of all staff to pick up litter wherever they find it.

15.15 **Pest Control**

- 15.15.1 The Private Party must comply with the SANParks Integrated Pest Management Plan.
- 15.15.2 Where and if required the Private Party must control bats as outlined in SANParks Integrated Pest Management Plan.
- 15.15.3 The Private Party must make use of preferred pest control chemicals as

prescribed by SANParks.

15.16 Visual Impacts

- 15.16.1 The Private Party must obtain approval, where appropriate, for building materials to be used (where applicable) for all structures;
- 15.16.2 The Private Party must minimise the visual impacts of the development, including lighting;
- 15.16.3 The visual impacts of lightning arrestors and radio masts (where applicable) must be minimised;
- 15.16.4 Brand signage and colours must be adapted to complement the environment; and
- 15.16.5 The Private Party must implement mitigation measures in order to reduce the visual impact in the park.

15.17 Monitoring

- 15.17.1 The Private Party agrees to cooperate with SANParks in compiling a monitoring checklist that encompasses all environmental conditions. The checklist would be used for auditing purposes and would be conducted on a quarterly basis; and
- 15.17.2 The Private Party agrees that SANParks will monitor, evaluate and score the operations (based on the line items in the checklist) and that a score of less than 85% for three (3) consecutive audits would imply a material breach of the PPP Agreement.
- 15.17.3 SANParks has the right to undertake necessary conservation management activities in all of the Project Sites.
- 15.17.4 The Private Party must participate in any relevant SANParks-Private Parties forums and comply with any standards thereby agreed or established.

16. SCHEDULE 6 – SANS 1162:2016 – SOUTH AFRICAN NATIONAL STANDARD RESPONSIBLE TOURISM REQUIREMENTS

The National Minimum Standard for Responsible Tourism (SANS 1162) was developed with objective of establishing a common understanding of responsible tourism by developing a single set of standards to be applied throughout South Africa by harmonising the different sets of criteria that were used for certifying the sustainability of tourism businesses. The National Minimum Standard for Responsible Tourism consists of 41 criteria divided into four categories i.e. sustainable operations and management, economic criteria, Social and cultural criteria and environmental criteria.

17. SCHEDULE 7 – NATIONAL RESPONSIBLE TOURISM GUIDELINES FOR SOUTH AFRICA (MAY 2002)

17.1 Guiding Principles for Economic Responsibility

Tourism still plays a relatively small role in the South African economy and it has a long way to go if it is to fulfill its potential to significantly contribute to national income. Traditionally the main focus of governments has been on the growth in international arrivals and total foreign exchange earnings, and is now on fostering entrepreneurial opportunities for the historically disadvantaged, poverty relief, employment and local economic development. Both domestic and international tourism can create employment; it is a relatively labour intensive industry and it employs a multiplicity of skills from accountants and hairdressers to tour guides and trackers. Tourism can provide very good skills development opportunities for local communities.

The White Paper concluded in 1996 that tourism development in South Africa had largely been a missed opportunity; and that the focus on a narrow market has reduced the potential of the industry to spawn entrepreneurship and to create new services, like local entertainment and handicrafts, and to drive local economic development. In fact formal tourism sector provides major opportunities for the informal sector. Tourists travel to the 'factory' to consume the product; they travel to the destination to enjoy their holiday. Tourism is a "final good", all the final touches have to be provided in South Africa and so the value is captured here. The value of a taxi ride from the airport, wildlife viewing and restaurant meals all accrue to the local economy – the challenge is to maximise it by reducing leakages and developing the multiplier effect. Tourist enterprises attract domestic and international tourists and create opportunities for small entrepreneurs and economic linkages, for example agriculture, hunting, handicraft production, and a wide range of service industries which tourists are likely to consume in the destination.

South Africa is now beginning to work on maximising the local economic benefits which tourism can bring to an area; there is much to be gained from creating a more diversified tourism product and marketing a wider range of experiences, activities and services to tourists. Established enterprises can gain by encouraging and assisting the development of complementary product – the larger and more diversified the local tourism base, the more successful enterprises in the area will be. The White Paper identified a wide range of opportunities for historically disadvantaged groups ranging from small guesthouses, shebeens and restaurants

with local cuisine, through community tour guiding, music, dance and story-telling, arts and crafts, traditional hunting and medicine to laundry, gardening and specialty agriculture. Tourism provides particular opportunities for local economic development in rural areas where it can provide people with an alternative to moving to urban areas. Tourism must be market related. If community-based and other tourism development processes are not planned, implemented and managed according to market demands then far too many South Africans, especially the poor, are facing not merely “missed” opportunities, but the hard realities of failed or under-performing products to which tourists simply do not come. The African cultural tourism experience needs to be woven into the fabric of the mainstream South African tourism product.

Domestic tourism plays an important part in the South African tourism sector and it is expected to continue to grow, as historically disadvantaged people become tourists and travellers themselves. Whether the tourists are domestic or international, their expenditure in local communities contributes to the economic development of the area. The greater the proportion of total tourism spending that stays in the local area, the stronger and more diverse the local economic base. The multiplier effect is greatest where the local linkages are strongest – the imperative is clear, source the inputs for all tourism enterprises as locally as possible in order to maximize local economic benefit and to assist in diversifying the local economy. Reducing economic leakages from the local area and increasing linkages will bring significant local economic development and assist in local economic diversification. Similarly, the development of complementary product will strengthen the local economy and local enterprises, groups of established enterprises working together can make a significant difference. Strong economic linkages at the local level were identified in the White Paper as a critical success factor in the local economy.

There is an increasing aspiration for Fair Trade in Tourism in several of the international originating markets; part of a trend towards increasing demand for equitably traded products. Increasing numbers of consumers are purchasing products that demonstrably benefit local communities more fairly than competitor products. The IUCN South Africa Fair Trade in Tourism marketing initiative has identified a set of principles that embody a strong commitment to responsible tourism. It is a good example of a responsible tourism marketing association with a vision of just, participatory and ethical tourism that provides meaningful benefits to hosts and visitors alike. The principles of Fair Trade should be part of the culture of responsible tourism.

17.2 Economic Objectives and Indicators

17.2.1 Assess economic impacts as a pre-requisite to developing tourism

- (a) Extend the season of enterprises by developing new products to create better employment conditions and to provide a stronger base for local economic development. Monitor occupancies or seasonality of employment over the year to show progress in extending the season.
- (b) The historically disadvantaged are a significant emerging domestic tourism market. Identify and encourage commercial responses to this opportunity.
- (c) Recognize that our cultural heritage should not only be assessed in economic terms, and that tourism can create revenue from cultural heritage, traditional ways of life and wildlife and habitats.
- (d) Encourage business relationships between foreign entrepreneurs and local and emerging entrepreneurs.
- (e) Always consider the opportunity costs of tourism for local communities and their livelihoods, and be prepared to accept that there may be more appropriate economic opportunities for the area. Maintain and encourage economic diversity, avoid over dependency on tourism.
- (f) Plan initiatives and investment to contribute to the broader local economic development strategy (for example, Integrated Development Plans (IDPs) for the area).
- (g) Planning authorities need to consider how they can intervene to avoid tourism developments where they may cause adverse effects such as local land price inflation, loss of access to resources or undermining sustainable livelihoods.
- (h) Exercise a preference for business and land tenure arrangements that directly benefit local communities and/or conservation.
- (i) Conduct market and financial feasibility assessments before raising expectations and exposing the community or local entrepreneurs to risk.

17.2.2 Maximizing local economic benefits – increasing linkages and reducing leakages

- (a) Encourage all establishments to upgrade their standards of service, particularly small, medium and micro-enterprises and emerging entrepreneurs, and to maximize their revenue earning potential by adding value.
- (b) Encourage the informal sector to become part of the formal sector.
- (c) Buy locally made goods and use locally provided services from locally owned businesses wherever quality, quantity, and consistency permits. Monitor the proportion of goods and services the enterprise sourced from businesses within 50 km and set 20% target for improvement over three years.
- (d) Help local communities or emergent entrepreneurs to develop their product so that it can be more easily used by others and marketed to tourists.
- (e) Co-operate with other formal sector businesses to maximize benefits for local community enterprises – for example, a community laundry or tailoring business may only be viable if a group of enterprises commit to source supplies there. Showcase the initiative and be explicit about whether community projects are funded by tourism revenue to the enterprise, donations from tourists or tour Operators, or funds from donor aid agencies.
- (f) Give customers the opportunity to purchase locally produced crafts and curios, set targets to increase the proportion of sales of goods sourced within 20 km of the enterprise. Assist local craft workers to develop new products to meet market demand as evidenced in the enterprise.

17.2.3 **Ensure communities are involved in and benefit from tourism**

- (a) Government and established businesses need to redress previous imbalances, and to enable the historically disadvantaged to engage in the tourism sector. For example, they should source 15% of services and 15% of products, increasing by 5% per year, for 3 years, from historically disadvantaged groups, and/or individuals, and report on purchasing activities.
- (b) Work closely with local communities, small, medium and micro-enterprises and emerging entrepreneurs to develop new products that

provide complementary products for formal sector tourism enterprises.

- (c) Develop partnerships and joint ventures in which communities have a significant stake, and with appropriate capacity building, a substantial role in Management. Communal land ownership can provide equity in enterprises.
- (d) Identify projects that the enterprise can support that will benefit the poor. Identify at least one project.
- (e) Assist the development of local communities and emergent entrepreneurs with visitor feedback on their products.
- (f) Consider guaranteeing loans for promising projects in communities or with emerging entrepreneurs, and providing marketing, training and managerial support.
- (g) Foster the development of community-based tourism products by providing marketing and mentoring support.
- (h) Encourage visitors to spend more money in the local economy, and to visit local bars and restaurants and participate in tours to local areas, bringing business to local communities. Where appropriate treat this as part of the business of the enterprise and charge a booking fee or commission, or sell craft and local food products through the mainstream enterprise.
- (i) Encourage tour Operators be more innovative in their itineraries, by for example including shebeens, local museums, arts and craft shops and local ethnic restaurants in their tour itineraries, and by doing so encourage visitor spend.
- (j) Consider using local entrepreneurs (particularly emerging and historically disadvantaged entrepreneurs), experienced consultants and non-governmental organisations in developing community initiatives.
- (k) Be transparent when reporting community benefits distinguish between benefits to employees, benefits to emerging or community based entrepreneurs and community benefits, for example leasehold payments that go to community projects (grinding mills or school books) or are distributed as household income in the local area.
- (l) Consider establishing targets to monitor progress in achieving objectives.

17.2.4 **Marketing & Product Development**

- (a) Lack of market access is a major constraint on the growth of new enterprises. Enterprises should provide information about local services and attractions provided in local communities, and encourage their clients (individuals and Operators) to use them.
- (b) Consider co-operative advertising, marketing and the promotion of new and emerging products and attractions.
- (c) Ensure that the visual way in which the product is presented includes local cultural elements and emphasizes the richness of the local complementary product.
- (d) Consider developing and marketing fairly traded tourism products.
- (e) Foster the development of access opportunities for all visitors and potential visitors, regardless of physical or mental conditions of the visitor. Public authorities and enterprises need to understand and embrace financial incentives that enhanced accessibility will create, and the positive image such 'access to all' will provide.

17.2.5 **Equitable Business**

- (a) Enterprises should pay fair prices for local services purchased or packaged as part of mainstream itineraries. Beware of abusing market power and imposing unfair commissions or pushing down prices inequitably.
- (b) Develop transparent systems of sharing the benefits of tourism through equitable contracts. (E.g., this can be applied through tendering processes.)
- (c) When entering into agreements with local communities or emerging entrepreneurs ensure that the risk is equitably shared.
- (d) Recruit and employ staff in an equitable and transparent manner and maximize the proportion of staff employed from the local community. Set targets for increasing the proportion of staff and/or of the enterprise wage bill going to communities within 20 km of the enterprise.
- (e) Develop a community labour agreement with targets for employment and for progression. Recognize that the enterprise can play a significant role

in increasing the skills and capacity of the local community and that the enterprise benefits from that.

- (f) Go beyond the bare minimum wage rate and invest in local staff – quality is dependent upon well-motivated staff.

17.3 Guiding Principles for Social Responsibility

Batho Pele: Putting People First – One and all should get their fair share

Tourism and the travel industry “is essentially the renting out for short-term lets, of other people’s environments, whether that is a coastline, a city, a mountain range or a rainforest.” Tourism is dependent upon the social, cultural and natural environment within which it occurs, and its success is dependent upon the environment that it operates within. Good relationships with neighbours and with the historically disadvantaged make good business sense. These relationships need to be based on trust, empowerment, co-operation and partnerships. Too few of the benefits from tourism currently accrue to local communities whose environment is visited.

As was pointed out in the White Paper, the majority of South Africans have never been meaningfully exposed to the tourism sector. In the new South Africa, the government’s objective is to ensure that all citizens have equal access to tourism services as consumers and providers. Enterprises and communities need to identify ways in which they can provide a range of tourism experiences sufficiently wide to be accessible to the average South African. Programmes are being established to allow South Africans, and particularly front-line tourism employees, to become “tourists at home”. To this end, the notion of *Batho Pele* is a guiding principle.

The opportunity costs of the creation of national parks and subsequent reduced access to natural and cultural resources was often borne by local disadvantaged communities in the past. Such communities did not perceive or receive any significant direct benefits from the change in land use from conservation and tourism. Communities must be empowered to take part in the Management of areas so that they can have a say in the distribution of the benefits and the sustainable use of their environment. Efforts are not being made to enable local communities to experience wildlife in the parks.

One of the key challenges for business, local government and educators is to develop knowledge amongst the historically disadvantaged regarding what tourism is, and how it can benefit local communities. In the 1996 White Paper the involvement

of local communities and historically disadvantaged groups was identified as a critical success factor. Communities need to be involved in the planning, decision-making and the development of tourism; and in all operational aspects of the industry as tourists, employees and entrepreneurs. Social exclusion has contributed to the historically narrow, myopic focus of the industry in South Africa. Responsible tourism is about enabling and encouraging historically disadvantaged local communities to access lucrative tourism markets. This is to overcome the problem of visitors being kept within the hotels and resorts and only venturing out to 'sanitized' places of interest. For example, local shebeens and craft vendors rarely see a tourist.

One of the key challenges for the formal sector is to develop ways of engaging with community entrepreneurs and community groups to develop new products and diversify the industry. The success of township tours is one example of the product development opportunities that exist in the new South Africa. Much more effort needs to be made to improve the linkages between the formal and informal sectors of the tourism sector. The exclusion of the historically disadvantaged has contributed towards poverty and crime – the 'township tours' demonstrate that where local guides act as hosts, and where there are clear benefits both to communities and to historically disadvantaged entrepreneurs, tourists can have a good experience and be assured of their safety. In 1995, involving local communities in tourism, creating employment, training, and awareness programmes were identified as solutions to the problem of security for tourists. There is much still to be done and this is a core challenge for responsible tourism. National priorities for action are described within 3.1: Social objectives and indicators.

The meaningful involvement of historically disadvantaged communities as employees and as entrepreneurs in South Africa is a priority. This requires both market access and capacity building. Training at all levels is essential to the development of a more inclusive industry, able to demonstrate its social responsibility and to develop new products which meet the cultural and "meet the people" interests of tourists. The development and delivery of new quality products for the changing market place is of central importance to enable the historically disadvantaged to become part of mainstream tourism. It is also required for social justice and the avoidance of exploitation of local cultures and community groups. The value of the culture of historically disadvantaged people needs to be recognized and new tourism products developed. Their awareness of the opportunities in tourism needs to be a key element in training and education, and it is important that these opportunities be presented in a realistic commercial framework.

17.4 Social Objectives and Indicators

17.4.1 Involve the local community in planning and decision-making

- (a) Understand the historical, political and cultural context of local and host communities, and historical relationships with tourism development and protected areas.
- (b) Creating opportunities and eliminating barriers to access mainstream tourism markets for local communities, historically disadvantaged people and individuals.
- (c) Understand the local, safety and security, infrastructural, resource, educational, poverty, disability and health constraints (e.g. HIV/AIDS), when designing, operating and marketing tourism.
- (d) Encourage proactive participation and involvement by all stakeholders - including the private sector, government at all levels, labour, local communities (their leaders and structures) - at all stages of the tourism life cycle.
- (e) Encourage formal and informal sector enterprises to develop effective structures, or join existing bodies, for marketing and tourism development. Create the environment to do so by providing resources, technical and Management capacity.
- (f) Encourage successful entrepreneurs, particularly those from the emerging tourism fraternity, to mentor others.
- (g) Planning authorities should work to include stakeholders as part of a decision-making process at the destination level, to determine what constitutes sustainable levels of tourism in the social, natural, and economic context.
- (h) Programmes of education within school curriculums, and public awareness within communities, are needed regarding the potential positive and negative aspects of tourism.
- (i) Post-employment education and training programmes within the framework of the Skills Development Act and South African Qualifications Authority (SAQA) are required to educate employees regarding the potential pros and cons of tourism, and comparative costs and benefits of

alternative enterprises in order to aid decision-making.

- (j) Involve the local communities in growing the local tourism business by using existing facilities and by developing new activities and attractions. Individual enterprises and groups of enterprises need to develop complementary products. (Report number of new activities/ attractions; number of visitors).
- (k) Empower communities to market their cultural traditions and products as assets and enhance their economic opportunities.
- (l) Interpretation material and visitor information centers should be developed in consultation with local communities.
- (m) Integrate community development goals as identified in the Integrated Development Plan (and similar processes) into the enterprise's social and sustainability mission and objectives.

17.4.2 Assess social impacts as a prerequisite to developing tourism

- (a) Identify and monitor potential adverse social impacts of tourism and minimize them in the short and the long-term, and ensure that communities actively participate in the monitoring.
- (b) Larger enterprises should appoint a member of staff to take responsibility for developing better local relationships and partnerships. Implement social audits of tourism projects. These can be conducted in an inexpensive, rapid and participatory way.
- (c) Consider schemes to encourage local co-operation and civic pride like an "adopt a school" initiative or 'adopt a street', or other local area near the enterprise. Work with local government and the local community to identify priority sites, and make them safe and attractive for tourists.
- (d) Enterprises should develop strategies to promote equality in terms of gender, ethnicity, age, and disability, and report progress on implementation.

17.4.3 Maintain and encourage social and cultural diversity

- (a) Develop tourism with dignity, respect and nurture local cultures (including religion), so that they enrich the tourism experience and build pride and

confidence among local communities.

- (b) Use tourism as a catalyst for human development, focusing on gender equality, career development and the implementation of national labour standards. (Report on gender equality and career development)
- (c) Tourism development should not compromise respect for social, cultural, and religious rights, or the essential human rights of people to food, a safe and clean environment, work, health, and education.
- (d) Support the development of sustainable local handicraft enterprise by assisting with improvement of design, marketing, production and packaging skills for craft workers in relation to market demand. Consider specifically what can be done to enhance the skills and earnings of women, particularly in rural areas.
- (e) Support visits by local schoolchildren to tourism sites that promote and display their heritage.
- (f) Consider what contributions the enterprise can make to scholarships, local youth sports teams and other community causes. Monitor and report increasing contributions with respect to the number of projects and level of investment.
- (g) Display local cultural artifacts in your enterprise and encourage the development and sale of traditional cultural products, crafts and folklore. Aim for 25% items for sale at enterprise from within 50 km, with tours offered to local markets, and try to increase these by 25% over 3 years. Provide customer feedback in order to raise standards.
- (h) Be wary of the dangers of commoditization, and encourage craft and other cultural workers to maintain the authenticity and cultural values of their products. Encourage craft workers to explain the cultural values and history of their crafts.
- (i) Give enterprises a local flavour by serving local dishes and source soft furnishings, arts and crafts locally. Monitor the proportion of local dishes on menu and the proportion of furnishings & crafts locally made, and aim to increase these proportions by 25% over 3 years. Visitors expect to find at least one local dish their menus.
- (j) Identify cultural heritage resources in the local area and where there is sufficient demand from tourists and work with the local community to

develop them as sustainable tourism attractions. Consider mission settlements, sites of slave occupation, festivals, struggle related monuments and places, rock art sites, cultural monuments, food, drink, arts and crafts, music, dance and storytelling.

- (k) Encourage tourists to show respect by learning a few words of the local language, (and to use them when talking to local people!) and to learn about the host culture and traditions.
- (l) Share enterprise level knowledge regarding informal sector tourism skills and products. Draw the attention of ground handlers, the media and tour Operators to complementary product opportunities in the local community.

17.4.4 **Be sensitive to the host culture**

- (a) Respect, invest in and develop local cultures and protect them from over-commercialisation and over-exploitation. Encourage workers and staff to observe their religious and cultural practices.
- (b) Respect indigenous intellectual property, especially when setting up contractual arrangements for the use of indigenous knowledge.
- (c) Use local guides, and encourage them to continually improve their quality, to ensure that the community speaks for itself and to increase the revenues going into the local community (by higher fees for quality tours). Monitor and report this economic contribution to the community and set targets to increase it annually.
- (d) Develop a local social contract for interactions and behavior between the local community and tourists (including responsible bargaining), developed with the participation and contributions from the community, and display it prominently for visitors and publicly within the community.
- (e) Create opportunities for visitors to interact with locals in an unstructured, spontaneous manner (e.g. through sporting activities, visits to local schools, shebeens, taverns, restaurants in townships).
- (f) In accordance with the Batho Pele principle, provide visitors with inclusive, honest and reliable information about history and contemporary life in South Africa, local tourism attractions and facilities.
- (g) Promote a sound, proud, service ethic among all participants in the

tourism sector.

- (h) Promote and ensure the respect and dignity of people in the development, marketing and promotion of tourism.
- (i) Ensure that tourism does not undermine the resource rights, traditional knowledge and skills of local communities.
- (j) Negative social and cultural impacts associated with tourism, such as increased crime, drug and alcohol abuse, prostitution, and crime should be monitored and be proactively addressed in cooperation with the community.
- (k) Educate tourists regarding local culture and where necessary make them aware of how they should behave to respect it.
- (l) The exploitation of human beings in any form, particularly sexual and when applied to women and children, should be energetically combated with the co-operation of all concerned.

17.5 Guiding Principles for Environmental Responsibility

Responsible tourism implies a proactive approach by the tourism sector to the environment through the promotion of balanced and sustainable tourism. This is particularly important where the focus of the tourism sector and of the activities of tourists is the natural environment, as is the case with wildlife viewing, hunting and marine tourism. There are particular challenges in making nature-based tourism sustainable. Responsible tourism development has to be underpinned by sustainable environmental practices. In the environmental sphere, only conservative decisions based on the precautionary principle can be considered responsible. Cultural heritage is also part of the environment, and the responsibility of the tourism sector towards the cultural environment was considered in the social responsibility guidelines.

Central to environmental responsibility is thinking about the life cycle impact of an enterprise or product, and so these guidelines apply to the stages of design, planning, construction, operation and decommissioning. The process of managing the business should be fully integrated with environmental Management, throughout the project life cycle (from conceptualization to decommissioning). In constructing concessions and leasehold developments it is particularly important to ensure that during decommissioning it will be possible to remove all structures and restore the

area. Larger businesses should be using Environmental Management Systems to exercise environmental responsibility; for businesses above a defined size in each sector, it would be irresponsible to operate without one.

All tourism enterprises can contribute to environmental sustainability by exercising care in purchasing decisions – by seeking out and supporting responsible producers of the products that are required to run the enterprise, and by making clients aware of the responsible purchasing policy. The practical guidelines and indicators that follow are organized around the key environmental elements of responsible tourism identified in the 1996 White Paper.

17.6 Environmental Objectives and Indicators

17.6.1 Assess environmental impacts as a prerequisite to developing tourism

- (a) Plan new developments only in areas where the use of water and other natural resources for tourism will not conflict with local community needs, now or in the foreseeable future. Integrate environmental Management into the project planning cycle.
- (b) Follow best practice guidelines on the design, planning and construction of buildings and associated infrastructure to minimize environmental impacts and to reduce energy requirements for lighting, cooling and heating.
- (c) Use local materials (where sustainable) and local architectural styles on a scale that does not create a negative aesthetic impact.
- (d) Avoid damaging the environmental quality of the enterprise's neighbourhood by noise or light pollution.
- (e) Design buildings with natural ventilation and actively plan to reduce resource use during the construction and operational phases. Tell visitors what has been done to make the enterprise more environmentally friendly. Quantify the resources "saved".
- (f) Plan new developments to have the lowest possible ecological impact, particularly in environmentally sensitive areas such as the coastal zone, indigenous forests, wildlife habitats and wetlands. Minimize the transformation of the environment around the enterprise.
- (g) When developing plans for a new enterprise include elements, which

contribute to the maintenance of biodiversity by planting local indigenous and non-invasive species, which provide habitats for birds, bees, and butterflies.

17.6.2 Use local resources sustainably, avoid waste and over-consumption

- (a) Meter the quantity of water consumed and manage consumption and leakage to reduce water consumption by percentage to be agreed per annum for 3 years, and report water consumption and performance in monitoring.
- (b) Measure electricity consumption and introduce energy saving measures to achieve percentage to be agreed reduction in use per annum over three years. This can be done by for example dimming lights, using low energy appliances and light bulbs and enhancing the use of natural ventilation.
- (c) Monitor the use of diesel, paraffin and petrol and set targets to reduce consumption and switch to less polluting fuels.
- (d) Set targets to increase the proportion of energy used from renewable resources – for example solar, wind, hydroelectric (increase by 10% over 3 years). Sustainable use of wood, from indigenous and plantation forests is complex, and great care needs to be taken.
- (e) Install and display appropriate technology to reduce consumption of natural resources, production of waste and incidences of pollution.
- (f) Monitor the sewage system and demonstrate how pure the outflow back into the environment is. If the enterprise has one, make the reed bed a valuable habitat feature.
- (g) Set percentage targets and time scales for the reduction of waste produced, levels of recycling and reuse of waste from the enterprise. Set appropriate targets for reduction and/or recycling of waste produced per year for paper (5%), plastics (5%), metal (5%) and glass (5%). Report on progress towards percentage targets over 3 years.
- (h) Work with suppliers to minimize the amount of packaging purchased with supplies, and therefore reduce the amount of waste that needs to be disposed of. It may be appropriate for trade associations to conduct these discussions on behalf of members.

- (i) Reduce “food miles” by using locally produced food.
- (j) Enterprises should assist conservation by investing in sustainable trails, hides and interpretation. Tell visitors what the enterprise is doing, and claim credit for activities.
- (k) Encourage the use of environmentally friendly transport.

17.6.3 **Maintain and encourage natural diversity**

- (a) Encourage visitor behaviour that respects natural heritage and has a low impact upon it.
- (b) Discourage the purchase of products that exploit wildlife unsustainably or contribute to the destruction of species or habitats (e.g. some handicrafts; bush meat).
- (c) Look for ways in which the enterprise and its guests can assist with the conservation of natural heritage, for example through removing litter.
- (d) Invest a percentage of profits or turnover in species conservation or habitat restoration and Management. Report the investment, and try to increase this by 5% per year.
- (e) Avoid pollution by using environmentally friendly chemicals, and by using biodegradable soaps and detergents – tell visitors and staff why the enterprise is doing this and how it benefits the environment.
- (f) Work with conservation authorities to ensure that visitors to natural heritage areas are aware of the impacts that they may have on the ecology of the area and how they should behave in order to minimize those impacts.
- (g) Ensure that relevant members of staff are familiar with the issues and ways of avoiding environmental impacts – they should abide by the advice and communicate it to guests, and use the services of companies that abide by local environmental Best Practice.
- (h) Do not market tourism resources to encourage tourists into ecologically sensitive areas which are vulnerable to irresponsible tourism practices, particular sports or recreational uses discourage these activities (e.g. irresponsible 4x4 use, hunting, diving or sand boarding).

18. SCHEDULE 8 - RESPONSIBILITY IN TERMS OF MAINTENANCE OF THE FACILITY

18.1 Operator Responsibility

18.1.1 The Operator shall be solely responsible for the maintenance of the lodge and support infrastructure (internal and external).

18.1.2 The Operator shall be responsible for all the maintenance and renovation of all finishes and fittings of the interior and exterior of the Skukuza Safari Lodge and Conference Centre buildings including roofs, electrical light fittings, sanitary ware, ironmongery, tiling, plastering, and painting. It includes but not limited to the following:

- Internal electrical (DB plus contents and all internal electrical equipment and works);
- Internal wall and external finishes (plastering, painting, tiling, cladding);
- Internal and external floor finishes (screed, tiling, tinted granos and carpets);
- Sanitary fittings where these falls within the footprint area (basins, sinks, toilets, urinals);
- Internal and external plumbing (all internal piping, valves and taps);
- Internal waste drainage system (all internal piping up to and including the first fat trap or gulley situated on the outside of the building);
- Building Management System will be kept fully operational and utilised to compile maintenance and energy utilisation reports;
- Ceilings, air conditioning, and geysers;
- Roofs and all external infrastructure relating to the lodge;
- Lap pool and gym; and
- Grey water plant, storage tanks and fire fighting systems.

18.1.3 The Operator shall ensure that any electrical supply, installations and maintenance comply with the required statutory standards (registered electrician to issue a certificate of competence).

18.1.4 The Operator shall be responsible for all kitchen and laundry equipment, including the walk-in cool rooms and freezers with their refrigeration equipment.

- 18.1.5 The Operator shall maintain all walkways, parking areas, stairs, handrails, retaining structures, kentucky fencing, gardens, irrigation systems, swimming pool, health gym, grey water plant and drainage structures to ensure that it is in good working order and safe for public use.
- 18.1.6 The Operator needs to ensure that the firefighting equipment complies with applicable legislation and is serviced/tested or replaced accordingly.
- 18.1.7 The Operator shall be required to develop and adhere to a five year (5) year maintenance schedule, which must be aligned to SANParks' maintenance schedule.
- 18.1.8 The Operator will provide monthly water and electrical readings to SANParks and ensure that the annual water and energy saving targets are achieved.
- 18.1.9 The Operator will ensure that the staff housing allocated are well maintained and included in the 5-year maintenance plan.

18.2 **SANParks Responsibility**

- 18.2.1 SANParks will provide metered water and electrical connections.
- 18.2.2 SANParks will insure the Skukuza Safari Lodge building and all the internal and movable assets.

19. **SCHEDULE 9 – CAPEX AND OPEX REQUIREMENTS**

The Capex and Opex Requirements are estimated at R10 - 12 million. A detailed list will be provided to interested bidders on the outstanding CAPEX and OPEX requirements.

20. SCHEDULE 10 – BRANDING REQUIREMENTS FOR THE SKUKUZA SAFARI LODGE

20.1 Brand Overview

Skukuza Safari Lodge effectively falls under three brands:

20.1.1 SANParks generic brand.

20.1.2 Wild Brand – as applicable for possible hotel/lodge developments in other National Parks.

20.1.3 Site specific Impala Lily brand.

The application of elements of the three brands are used on the varying elements of the property, depending on the aspect it is applied on.

The Operator may apply its own branding on several aspects.

The following branding is envisioned:

20.2 Marketing Collateral

Sales packs listing conference packages, room rates, etc.	Wild and Operator
Templates for promotions	Wild and Impala Lily and Operator
A separate Skukuza Conference Lodge website	Wild and Impala Lily and SANParks and Operator
Pull Up Posters to use at exhibitions	Wild and SANParks and Operator
Email signatures for all staff with computer access	Wild and Impala Lily and SANParks and Operator
Business Cards	Wild Small, Lodge Name Large and Operator
A4 Folders, Brochures, Fact Sheets	Wild and Impala Lily
Pull Up Posters to use at exhibitions	Wild and Operator

Guest Comment Sheets	Impala Lily
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20.3 Staffing Branding Decisions

Logos for chef's jackets	Impala Lily
Signature items: scarves and ties	Wild and Impala Lily
Name badges	Impala Lily

20.4 Lodge Collateral

20.4.1 Front Office and General Administration:

Complimentary Slips	Wild and Impala Lily
Letterheads	Wild and Impala Lily and Operator
Registration Cards	Wild and Impala Lily
Luggage Tags	Impala Lily
VIP Welcome Card (Fits into a printer)	Impala Lily
A5 Welcome Template for VIP Arrivals	SANParks, Wild and Impala Lily

20.4.2 Lodge Bedrooms and Suites:

Service Directory (no content, only design)	Digital/paper? SANParks, Wild and Impala Lily and Operator
Escape Notice Boards	Impala Lily
A6 Note Pads	Wild
Maintenance Request Forms	Impala Lily

Safe Instructions	Impala Lily
TV Channel Guide	Wild
Laundry Lists	Impala Lily
Laundry Bag	Impala Lily
Do Not Disturb Signs	Full logo with Wild and Impala Lily
No Smoking Signs	Wild
Turndown sticker for sweet	Impala Lily and Operator
Packaging for rusks or biscuits in rooms	Impala Lily

20.4.3

Hotel Bathrooms:

Green in terms of packaging and content.

'Save Water' Notice and 'Towel/Laundrying' Notice	SANParks and Wild
Toilet Paper Sticker – 12mm x 12 mm	Impala Lily
Shoe Mitt	OD Item - Wild
Vanity Kit	OD Item
Shower Cap	Wild
Shower Gel/Body wash	Wild
Shampoo	Wild
Soap	Wild
Hand and Body Lotion	Wild

20.4.4 Conferencing:

Conference Pack - Folder	SANParks, Wild and Impala Lily and Operator
A4 Note Pad	SANParks, Wild and Impala Lily and Operator
Logotype Pens	Wild
Conference Menu templates	Wild and Impala Lily
Wine List templates	Wild and Impala Lily

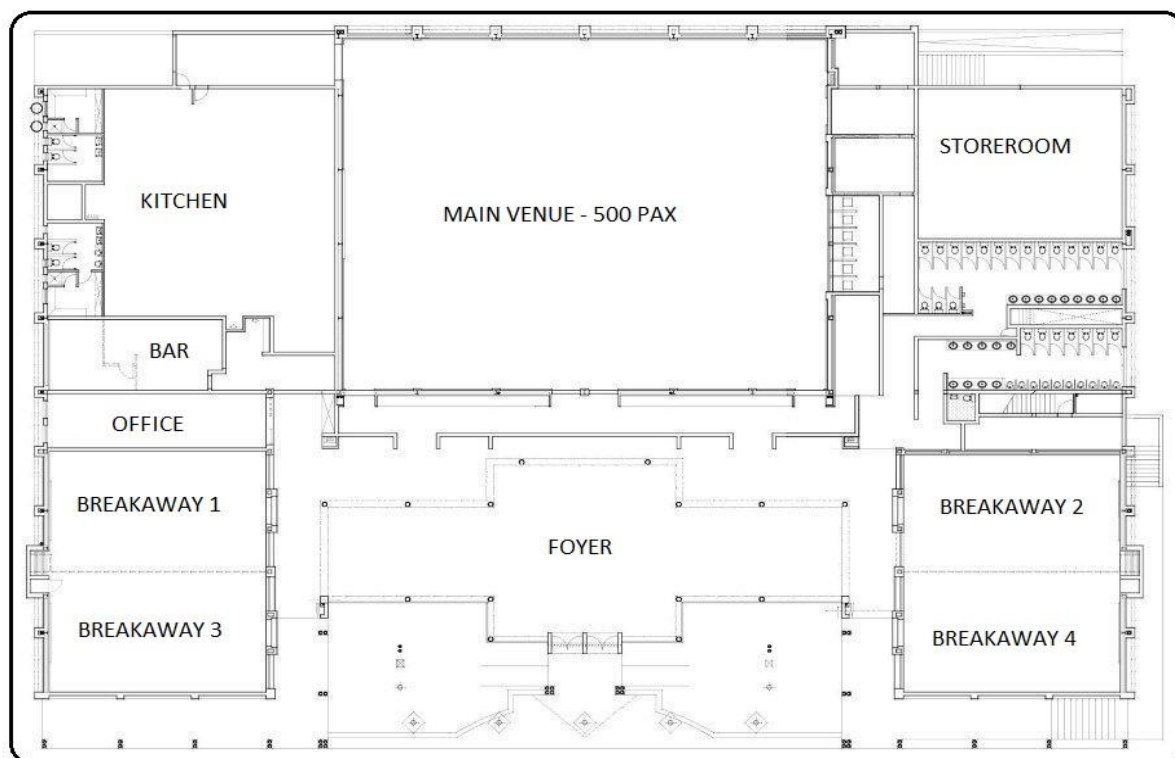
20.4.5 Food and Beverage Areas:

<p>Infinity Water</p> <p>Decide on operational implications</p> <p>Can be offered for purchase – consider co-branding</p>	<p>'Green' bottled water supply for Housekeeping Conferencing F&B.</p> <p>Bottled on site in logotype bottles.</p> <p>This system could perhaps be implemented in other SANParks properties.</p>
One-Page Menu Template	Wild and Impala Lily
A5R-Page Menu Template	Wild and Impala Lily
A4 Menu page Template	Wild and Impala Lily
A4 Wine List Page Template	Wild and Impala Lily
T-stand Template	Wild and Impala Lily
Table Numbers for the different areas – Buffet, terrace, banquets	N/A
Labels for Buffet Dishes	N/A

Coasters	Impala Lily
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21. SCHEDULE 11 – NOMBOLO MDHLULI CONFERENCE CENTRE CAPACITY FLOORPLAN

- 21.1 The Operator will be required to attract the MICE market with its own requirements and needs; and through them attract guests who would for the first time be exposed to the Kruger National Park. This will include weddings;
- 21.2 Bulk parking is catered for at the conference centre and lodge;
- 21.3 The Nombolo Mdluli Conference Centre floor plan and capacity is depicted below.



NOMBOLO MDHLULI CONFERENCE CENTRE - SKUKUZA

	Ndlopfu	Ingwe (b/a 1)	Mhelembe (b/a 3)	Ingwe & Mhelembe (b/a 1 & 3)	Ndau (b/a 2)	Nari (b/a 4)	Ndau & Nari (b/a 2&4)	Foyer	Auditorium
Width	23 m	8 m	8 m	16 m	8 m	8 m	16 m	11 m	
Length	32 m	14.5m	14.5m	14.5m	14.5m	14.5m	14.5m	43.5m	
Ceiling Height	5 m	3 m	3 m	3 m	3 m	3 m	3 m	5 m	
Total	736sqm	116sqm	116sqm	232sqm	116sqm	116sqm	232sqm	478.5sqm	

	Ndlopfu	Ingwe (b/a 1)	Mhelemba (b/a 3)	Ingwe & Mhelemba (b/a 1 & 3)	Ndau (b/a 2)	Nari (b/a 4)	Ndau & Nari (b/a 2&4)	Foyer	Auditorium
Area									
Data Projector	Y	Y	Y	Y	Y	Y	Y	-	Y
Screen	Y	Y	Y	Y	Y	Y	Y	-	Y
Aircon	Y	Y	Y	Y	Y	Y	Y	-	Y
Sound	Y	Y	Y	Y	Y	Y	Y		
School Room	500	32	32	64	32	32	64	-	-
Cinema	750	80	80	160	80	80	160	-	180
Banquet R - 10	560	60	60	120	60	60	120	120	
Banquet R - 8	448	48	48	96	48	48	96	96	
U-shape	-	30	30	57	30	30	57	-	
Cocktail	600	80	80	160	80	80	160	300	

22. SCHEDULE 12 – SKUKUZA SAFARI LODGE GREEN BUILDING INITIATIVES

22.1 Sustainable Sites

22.1.1 Construction Activities Pollution Prevention

Building construction best management practices were integrated into the EMP as Construction Activities Pollution Prevention and will be applied on site during construction.

SANParks waste management policy for the KNP was also included in the construction process in order to limit waste and pollution as a result of the construction works. This included the sorting of construction waste and diversion of waste to recycling.

Prior to the demolition and removal of some of the existing buildings, it became apparent that a fair amount of hazardous Asbestos materials had to be removed from the site. This was mainly comprised of roofing materials, fascias and bargeboards, etc. In terms of gazetted legislation, it was necessary to call in a specialist consultant to assess the extent of Asbestos, and then to prepare a detailed specification in terms of the process to be followed for the removal and proper disposal of the Asbestos material. All the hazardous materials were disposed of at a registered dumping site in Olifantsfontein, Gauteng.

As much as possible trees on the site are to be protected during construction. The site chosen for the Lodge was selected due to its already disturbed nature within Skukuza Camp and minimal damage will occur to existing plants.

22.1.2 Storm Water Quantity & Quality

Storm water management on site during construction is incorporated into the EMP for the site. The design for the Lodge also includes the harvesting of rainwater for re-use irrigation of the areas around the lodge.

22.1.3 Heat Island effect on roof and non-roof systems

Roof areas not covered by PV will be coated with SRI coatings or to use ex. factory coating that has an SRI > 78. Non-roof areas will be landscaped as far as possible and parking is to be achieved using grass block pavers or shaded

using artificial shading systems or trees.

22.1.4 **Light pollution reduction**

The lodge lighting is designed to limit light pollution in line with LEED and ASHREA requirements. A lighting impact assessment was commissioned as part of the lodge EIA and showed a negligible increase in light pollution above the ambient light within the Skukuza Camp.

22.2 **Water Efficiency**

Water use reduction target of 35% below the LEED baseline has been set for the Lodge. This will be assessed once the facility is built in order to confirm that the target has been achieved. Fixtures (flow and flush) that exceed LEED baseline of 20% water savings have been specified for all areas. All rooms to have showers, not baths. Industrial consumption (kitchen, laundry) is to be minimised to ensure LEED compliance and Laundry and Kitchen equipment water usage to be optimised during procurement.

Water sub metering within the building has been accommodated. Electronic metering feeding back to central control room have been specified. The areas currently metered include: Domestic hot water, Main meter, Kitchen, laundry, grey water, irrigation use

Water efficient landscaping will be specified that is locally endemic and indigenous. Existing baobab trees planted at the establishment of the park will not be removed. The irrigation system that is fed with non-potable water only.

22.2.1 **Innovative Wastewater Technologies**

Grey Water Plant will be installed to treat the total available grey water from all showers and used for toilet flushing and irrigation purposes

The design case total flow from showers is 7,594,920 l/y. The total flush requirement is 1,167,270 l/y while the irrigation requirement is min 609 531 l/y assuming sprinklers for 6000m² project lawn and the remainder for irrigation of the surrounding areas. The required system is to process approx. 10,000 litres of water per day.

22.3 **Energy and Atmosphere**

22.3.1 **Building Commissioning Process**

Commissioning will be carried out by the responsible Engineer / commissioning agent to ensure that all aspects of the services installation comply with the specification and that there are no abnormalities within the building that could affect building performance.

22.3.2 **Energy Performance**

An energy, thermal comfort and daylight model have been developed to assist engineers and architects in investigating different building solutions; use model for value engineering and have influenced the selection of glazing, roofing finishes, Air-conditioning Plant, Hot Water Plant & Kitchen Equipment.

The target for Energy efficiency interventions aim to achieve 30% reduction in energy usage over ASHRAE 90.1-2007

22.3.3 **Shading**

Design incorporates shading to all glazing and special attention has been paid to east / west solar shading.

22.3.4 **Energy Efficient systems**

22.3.4.1 Heating, Ventilation and Air Conditioning

The following HVAC principles are incorporated into the mechanical design; Efficient equipment, Night time pre-cooling / flushing & Free cooling, CO₂-monitoring, Variable air volumes, Dehumidification and Switch-off controllers to bedroom air-conditioning when these are unoccupied.

22.3.4.2 Electrical Sustainable Design and Operation

The green building initiative related to the electrical discipline have been incorporated using:

22.3.4.2.1 The client selected “Best Practice Targets – Level 2: Preferred best practice initiatives and a BMS but with no green certification”.

22.3.4.2.2 The requirements of ASHRAE 90.1.

22.3.4.2.3 The ASHRAE Advanced Energy Design Guide for Highway Lodging

(which aim to reduce energy consumption to 30% below that of ASHRAE 90.1).

- 22.3.4.2.4 Selecting the best possible electrical or alternative technology (e.g. gas) to achieve or better the power densities (power consumed per square meter) contained in the local and ASHRAE codes.
- 22.3.4.2.5 Installing control mechanism such as occupancy sensors, lighting control systems to reduce the lighting burn time to only when it is needed and building monitoring systems to monitor energy usage.

Water and energy meters will be installed at appropriate points and linked into the BMS system to log and analyse consumption. Consumption reports and measurement of consumption against the energy efficiency targets will be available via the BMS onto management PCs, the front information display kiosk and back to SANParks Pretoria via web interface. This information serves as a benchmark and early warning system when trends change unexpectedly.

On site commissioning of all electrical and electronic systems will be done in greater detail than the norm to follow LEED guidelines but with recognition of the budget constraints.

22.3.5 **Building Management System**

A Building Management System (BMS) will monitor all the areas identified in the Level 2 Best Practice Targets across all disciplines.

The BMS will have four main functions:

- 22.3.5.1 Log and analyse data;
- 22.3.5.2 Monitor the current status of the Lodge and its sub-systems;
- 22.3.5.3 Maintenance records and notifications;
- 22.3.5.4 Alarms.

The BMS will log the data received from a variety of devices (water meters, energy meters, flow meters, pressure meters etc.) and store the history of the recorded values from a week to years' worth of data. A sample of the data that can be analysed and used to display:

- Power & Water consumption:
 - Overall
 - A single area (e.g. ground floor, west wing guest room).
 - A single device or plant (e.g. HVAC).
- HVAC
 - HVAC performance (e.g. showing the average cooling coefficient - the time to cool a room or area to a specific set point, the coefficient of performance for the chiller in order to monitor maintenance needs or piping issues).
 - Refrigerant levels and pressures.
- Equipment failure trends

From the BMS graphical interface it is possible to view the status of a device. Typical control would consist of but not be limited to:

- Having a graphical view of where a fire alarm has occurred with links to emergency procedures and contacts immediately available to the service team.
- Scheduled maintenance reminders with links to standard operating procedures for maintenance.
- Changing the temperature settings of selected areas.
- Change the minimum and maximum HVAC levels in the rooms.

By extracting historical data and current performance data the system can provide the Lodge with maintenance and performance information such as:

- Expected lamp failures based on the lamp's historical performance vs the expected lamp life. This information can be used to do mass lamp replacements that can be properly arranged instead of doing a replacement every time a lamp fails.
- Should a chiller compressor operate outside of its parameters the Lodge can be alerted to investigating the possible causes even if the system is still operating normally. This kind of data helps with preventative maintenance, saves money and ensures guest comfort.
- Historical data can also be used to baseline equipment and identify trends where failures are occurring outside the trend resulting in corrective

measures.

Should any system operate outside its parameters an alarm will be raised in the form of a visual and audio alarm at a chosen location (reception, technical office etc.) These alarms can also be emailed and/or sent via SMS to off-site technical personnel or vendors responsible for maintenance.

All alarm history is stored and thus there is always an active history available with regards to the system alarms providing a detailed maintenance tool.

22.3.6 **Energy efficient equipment**

Where available appliances, electrical fittings and mechanical equipment with independently verified energy efficiency ratings will be selected but with recognition of the budget constraints.

Appliances and mech equipment. However, all fan coil units, extraction fans, pumps etc. will need to be rated, requiring an additional 30% to 40% increase in equipment costs.

22.3.7 **Refrigerant management**

The current design is based on inverter type Clivet chillers. The two models are freely available from multiple brand names. The first model > 100, while the second model complies.

We will meet the requirements with the current proposed system which fits the budget. Note the 3rd model, which is a multifunctional chiller / heat pump unit, i.e. at 100% cooling load can achieve 100% heating load with the same energy input required for to generate hot water (free hot water), thus no extra refrigerant mass installed to provide hot water. Furthermore, it is recommended to use R410a refrigerant for this project. Also note that if you use a LEED approved you do not need to develop a refrigeration management plan.

22.3.8 **Renewable Energy**

A photo voltaic farm is currently proposed for Skukuza Camp in order to reduce energy consumption. The size and nature of the farm is limited by environmental considerations. The project is under direct control of SANParks and does not form part of this project.

22.3.9 **Green Power purchases**

It is anticipated that the Lodge will sign a 2-year contract for renewable energy credits to provide 70% of buildings electrical use.

22.3.10 **Measurement & Verification**

Measurement and verification will be via the BMS system using the various energy, flow and pressure meters in the electrical and mechanical systems. The BMS will use this information to record detailed sub-metering and generate automatic reports, trends and warnings on energy usage.

22.4 **Material and Resources**

22.4.1 **Waste area fitting out**

Planned waste separation area size is in line with best practice and is to be fitted out and linked to SANParks Skukuza Recycling system.

22.4.2 **Construction waste management**

Incorporate best management practice into SANParks waste management policy and incorporate into Tender. The current target 75% diversion from landfill

22.4.3 **Recycling Material**

The target of 20% recycled content of construction material was set in the tender, the cost of which was included in the tender amount

22.4.4 **Cement bricks**

Cement bricks with recycled content

22.4.5 **Clay bricks**

Recycled content in clay bricks

22.4.6 **Carpets**

Recycled content in carpets

22.4.7 Interiors

Linen: 100 cotton linen and throws for the bedrooms.

Décor: A local beneficiation project initiated with students to provide photographs for bedrooms. Local artists are being sourced by the Public Areas Interior Designers for public areas décor.

22.4.8 Rapidly renewable content

As far as possible building elements are to be made from rapidly renewable materials. Renewable materials include; Roofing (thatch), Flooring (bamboo, wool – not if imported), Furniture (where possible), Shop fitting where possible.

22.4.9 Sustainable timber

FSC certified timber from regional sources (150km) was used during construction.

22.5 Indoor Environmental Quality

The indoor environmental quality will incorporate the following:

- Environmental Tobacco Smoke (ETS) Control
- Minimum air quality will comply with SANS 10400
- IAQ management will not be incorporated in the PBC contract
- No VOC products and urea formaldehyde are specified in the building
- Indoor lighting control incorporates best practice
- Thermal control is in accordance with best practice requirements and all services will follow enhanced commissioning process to ensure that equipment is incorporated into operation for verification.

22.6 Furniture and Interior Elements:

Further considerations when designing and selecting the furniture and interior elements are:

- Embodied Energy:
 - Consider energy usage during its life-span

- Consider energy usage during manufacturing
 - Consider energy usage for maintaining the element
- Life-Cycle:
 - Cradle to cradle approach instead of a cradle to grave approach. (Eliminate the amount of items that will become landfill at the end of its life-span.)
 - Consider the type of waste it will become:
 - Toxic waste
 - Landfill
 - Organic Waste / Biodegradable Waste
- Longevity:
 - The longer an item lasts, the less waste it generates and less embodied energy it consumes.
 - Adaptability and reusability takes preference.
- Carbon Footprint:
 - How much CO₂ is generated during its manufacturing process?
 - How much CO₂ is generated during its transportation process?
 - Even if the items cannot be sourced from the specified radius, using South-African (especially handcrafted) products takes preference over imported items.
- Preference to “RRRR” Materials:
 - Recycled Materials
 - Reclaimed Materials
 - Recyclable Materials
 - Reduced materials
- Preference to Grown Materials:
 - Certified Timber
 - Water Consumption
 - Non-Toxic
 - Carbon Sequestration

23. SCHEDULE 13 - INTEGRATED PEST MANAGEMENT PLAN

To be provided to Bidders separately.

24. SCHEDULE 14 – PERFORMANCE BOND

PART A – FORM OF PERFORMANCE BOND

To be provided to South African National Parks having its principal place of business at [] (hereinafter called “**SANParks**”)

Whereas:

1. SANParks has awarded a Management Agreement for the Management and Operation of the Skukuza Safari Lodge in the Kruger National Park under a Management Agreement (hereinafter called the “**Management Agreement**”) to [] (hereinafter called the “**Operator**”); and
2. The Operator is obliged by the terms of the Management Agreement to provide this Bond to the amount of R 250,000 (Two Hundred and Fifty Thousand Rand) to SANParks to secure the performance of its obligations under the Management Agreement.

We, the undersigned

_____ and _____
(Name) (Name)

acting herein as

_____ and _____
(Position) (Position)

of

_____ (hereinafter called the “**Bank**”)

being duly authorised to sign and incur obligations in the name of the Bank under and in terms of a Resolution of the Board of Directors of the Bank, a certified copy of which is annexed hereto, hereby irrevocably and unconditionally guarantee and undertake on behalf of the Bank that:

- 1 The Bank shall pay amounts not exceeding R _____ (_____ Rand) in aggregate (the “**Maximum Amount**”) without delay, on receipt by the Bank of the first written demand of SANParks that the amount is due and payable and without proof of any breach or other default. The Bank shall pay such amount(s) to **SANParks** upon receipt of a certificate in the form attached signed by an authorised representative of SANParks certifying that SANParks is entitled to draw on this Bond pursuant to the provisions of the

Management Agreement (the “**Certificate**”). SANParks may make partial and/or multiple demands under this Bond provided that the aggregate of amounts paid under this Bond shall not exceed the Maximum Amount.

- 2 The demand for payment together with this Bond (or a certified copy hereof) and the Certificate shall constitute prima facie proof of the Bank’s indebtedness hereunder for the purposes of any proceedings including but not limited to provisional sentence proceedings instituted against the Bank in any court of law having jurisdiction.
- 3 Neither the failure of SANParks nor of the Operator respectively to enforce strict or substantial compliance by the Operator or any contractor or sub-contractor with their respective obligations nor any act, conduct, or omission by SANParks or Operator prejudicial to the interests of the Bank including, without limitation, the granting of time or any other indulgence to the Operator, any contractor or sub-contractor or any other person or by amendment to or variation or waiver of terms of the Management Agreement, any sub-contract or any ancillary or related document (the “Underlying Documents”) will discharge the Bank from liability under this Bond. For the avoidance of doubt, the Bank's liability under this Bond will not be discharged notwithstanding the winding up, dissolution or judicial management of the Operator, any contractor or sub-contractor or any other Person and the Bond shall be honoured regardless of the invalidity, illegality or unenforceability of the Underlying Documents.
- 4 This Bond shall:
 - 4.1 remain in full force and effect from the date hereof, and shall expire on the earlier of:
 - 4.1.1 the issuance of a replacement Bond in accordance with the terms of the Management Agreement;
 - 4.1.2 90 (ninety) Business Days after the expiry or earlier termination of the Management Agreement; or
 - 4.1.3 the date when the Bank has paid to SANParks an amount which is equal to (or amounts which in aggregate total) the Maximum Amount;
 - 4.2 exist independently of the Management Agreement or any amendment, variation or novation thereof;
 - 4.3 not be ceded, assigned or otherwise transferred by SANParks, or otherwise dealt with in any manner whatsoever (save for the purposes and in the manner referred to above) which has or may have the effect of transferring or encumbering or alienating SANParks’ rights hereunder;

- 4.4 be returned to the Bank on its expiry, cancellation, withdrawal or this Bond being fully drawn; and
- 4.5 be governed by the laws of the Republic of South Africa.
- 5 The Bank shall deposit any payment made under this Bond into an account designated by SANParks.
- 6 The Bank shall make any payment demanded under this Bond free, clear of and without any deduction, withholding, counterclaim or set-off of any kind. If the Bank is required by law to make payments subject to the deduction or withholding of tax, it will make such further payments as are necessary to ensure that the amounts paid to SANParks equal the amounts that would have been paid to SANParks had no such deduction or withholding been made or been required to be made.
- 7 The obligations of the Bank under this Bond shall not in any way be affected by the invalidity, illegality or unenforceability for any reason of the obligations of the Operator.
- 8 The Bank shall have no right of recourse or claim of whatever nature against SANParks arising out of its obligation to pay or arising out of actual payment under this Bond to SANParks.
- 9 Addresses and Notices:
- 9.1 The parties hereto choose *domicilium citandi et executandi* for all purposes of and in connection with this Management Agreement as follows:
- SANParks:
- _____
- Telefax: _____
- The Bank: _____
- Telefax: _____
- 9.2 Any party hereto shall be entitled to change its *domicilium* from time to time, provided that any new *domicilium* selected by it shall be a physical address in the Republic of South Africa, and any such change shall only be effective upon receipt of notice in writing by the other party of such change.
- 9.3 All notices, demands, communications or payments intended for any party shall be made or given at such party's *domicilium* for the time being.
- 9.4 Any notice required or permitted to be given under this Bond shall be valid and effective only if in writing.

- 9.5 A notice sent by one party to another party shall be deemed to be received
- 9.5.1 on the same day, if delivered by hand;
- 9.5.2 on the same day of transmission, if sent by telefax with a receipt confirming completion of transmission.
- 9.6 Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered at its chosen *domicilium citandi et executandi*.

SIGNED ON _____ 2022

AT _____ (Place)

SIGNATURE _____ SIGNATURE _____

[NAME] [NAME]

[TITLE] [TITLE]

WITNESS 1 _____ WITNESS 2 _____