

SECTION 1. INTRODUCTION

1.1 BACKGROUND

The United States Agency for International Development Mission to South Africa (“USAID/ SA”) through its agent Creative Associates International (“CREA SA”) sought the services of a consortium or company to conduct a Situational Analysis and Develop a Tourism Master Plan for the Buffalo City Municipality (“BCM”). This project falls under the auspices of USAID/ SA’s Local Government Support Programme that is a bilateral agreement with the national Department of Provincial and Local Government in South Africa. The programme has the following objectives:

- Support for developing policies and for supporting national programmes that enable effective democratic governance.
- Direct assistance to municipalities to implement democratic and effective local governance
- Horizontal sharing of lessons learned through the programme and from other interventions across a wider group of municipalities, and feedback to policy makers

After a first phase of the programme, further areas for support were refined through a consultative process and the following areas were defined:

- Strengthening participatory democracy through systems to improve community access and council outreach.
- Building civic responsibility and empowering citizens and community groups to engage with local development initiatives.
- Developing integrated approaches to complex social and economic problems.
- Improving the capability (skills, systems and structures) of municipalities to establish systems of participatory governance and meet social and economic challenges.

BCM successfully submitted a proposal under the second phase of the programme for the development of a Tourism Master Plan, and the CREA Rfp No. GMTA - 047 and requested proposals to address the development of the Tourism Master Plan on behalf of BCM under the programme.

Grant Thornton Kessel Feinstein along with its consortium partners were commissioned to develop the Tourism Master Plan on behalf of the BCM. The consortium partners are:

Grant Thornton Kessel Feinstein	Tourism specialists
East London Museum	Historical, Heritage, Culture
Ithemba Environmental	Environmental & Community Facilitation
Setplan	GIS & Town Planning
Online Innovations	Database and IT
Stewart Scott	Transport & Infrastructure Engineers
Terry Cook Advertising	Market Strategy and Planning
Empower ED	Training and Skills Development
Prodigy Business Services	Market Research

1.2 METHODOLOGY

Our methodology for the Buffalo City Tourism Master Plan consists of 15 phases spread over 18 months. This report relates to **Phase 6: Carrying Capacity** only and our methodology for this phase is detailed below. We also attach the project plan in **Annexure A** to further place this phase in context.

In short the phases of the Buffalo City Tourism Master Plan are:

- Phase 1: Project Set-Up
- Phase 2: Analysis of Existing Characteristics
The output of the phase is a report on the review and analysis of the environmental, historical, socio-cultural, economic, resource, land use, and other relevant characteristics of the study area.
- Phase 3: Tourist Attractions, Activities, Facilities and Services
The output of these two phases is:
- *An inventory and evaluation of the existing and potential tourist attractions and activities*
 - *An inventory and evaluation of the existing and planned accommodation and other tourist facilities and services.*
- Phase 4: Transportation Access & Infrastructure
The output of this phase is a study of the characteristics and an evaluation of transportation access to and within the region, and of other infrastructure for present and future tourism development.

- Phase 5: Tourism Markets
The output of this phase is an analysis existing and potential markets that Buffalo City can penetrate.
- Phase 6: Carrying Capacity
The output of this phase will be a identify constraints on general tourist carrying capacity of the area and its major tourism destinations.
- Phase 7: Tourism Development plan
The output of this phase will be a Tourism Development Plan, including recommendations on major tourist attractions and activity areas, tourism development regions, tourist facilities and services, and related infrastructure to serve the tourist markets.
- Phase 8: Environment Management Proposals
The output of this phase will be an environmental impact evaluation and environmental management proposals.
- Phase 9: Socio Cultural Management Proposals
The output of this phase will be a socio-cultural impact evaluation and socio-cultural management proposals.
- Phase 10: Skills Development Programme
The output of this phase will be a comprehensive labour study and skills development programme for tourism and to support the Tourism Development Plan.
- Phase 11: Tourism Institutional Arrangements
The output of this phase will be the recommended public and private organisational structures for tourism.
- Phase 12: Enterprise Development and Support Programme
The output of this phase will be a programme and booklets/ material to assist the development of SMME 's and other Tourism Enterprises.
- Phase 13: Tourism Database
The output of this phase will be a tourism database for continuous operation.
- Phase 14: Tourism Marketing Plan
The output of this phase will be A Tourism Marketing Plan (including a Communications Plan and Stakeholder Management Plan) and an interactive website.
- Phase 15: Tourism Development Action Plan
The output of this phase will be a ten year tourism development action plan

Phase 6: Carrying Capacity

This phase incorporated the expertise of Setplan, Ithemba Environmental, the East London Museum and Grant Thornton Kessel Feinstein.

During the course of this phase Setplan have compiled datasets reflecting the different sectors of information collated by the Project Team and linked these to the GIS which includes all relevant elements, such as transportation, information on existing and planned tourist facilities, services, attractions and activities, etc.

The project team categorised the study area into tourism areas, and analysed the overall environment in each study area to determine the current limits of tourism carrying capacity. Taking into account levels of tourism plant and services, square kilometres of parks, beaches etc, transportation (road, air etc) limits, the sensitivity of specific natural or human environment, and the requirements of different tourist markets in terms of acceptable “crowding”, we identified the limits on carrying capacity in each tourism area.

Constraints limiting carrying capacity due to infrastructure, transportation, tourism plant and services have been highlighted and analysed. Where feasible and reasonable improvements, upgrades and/ or extensions to the above will alleviate the short, medium, or long term growth of tourism, these have been identified and prioritised based on numbers and value of the projected tourists and distributive (to poorer and needy communities) benefits that will accrue if the tourism growth can be attained.

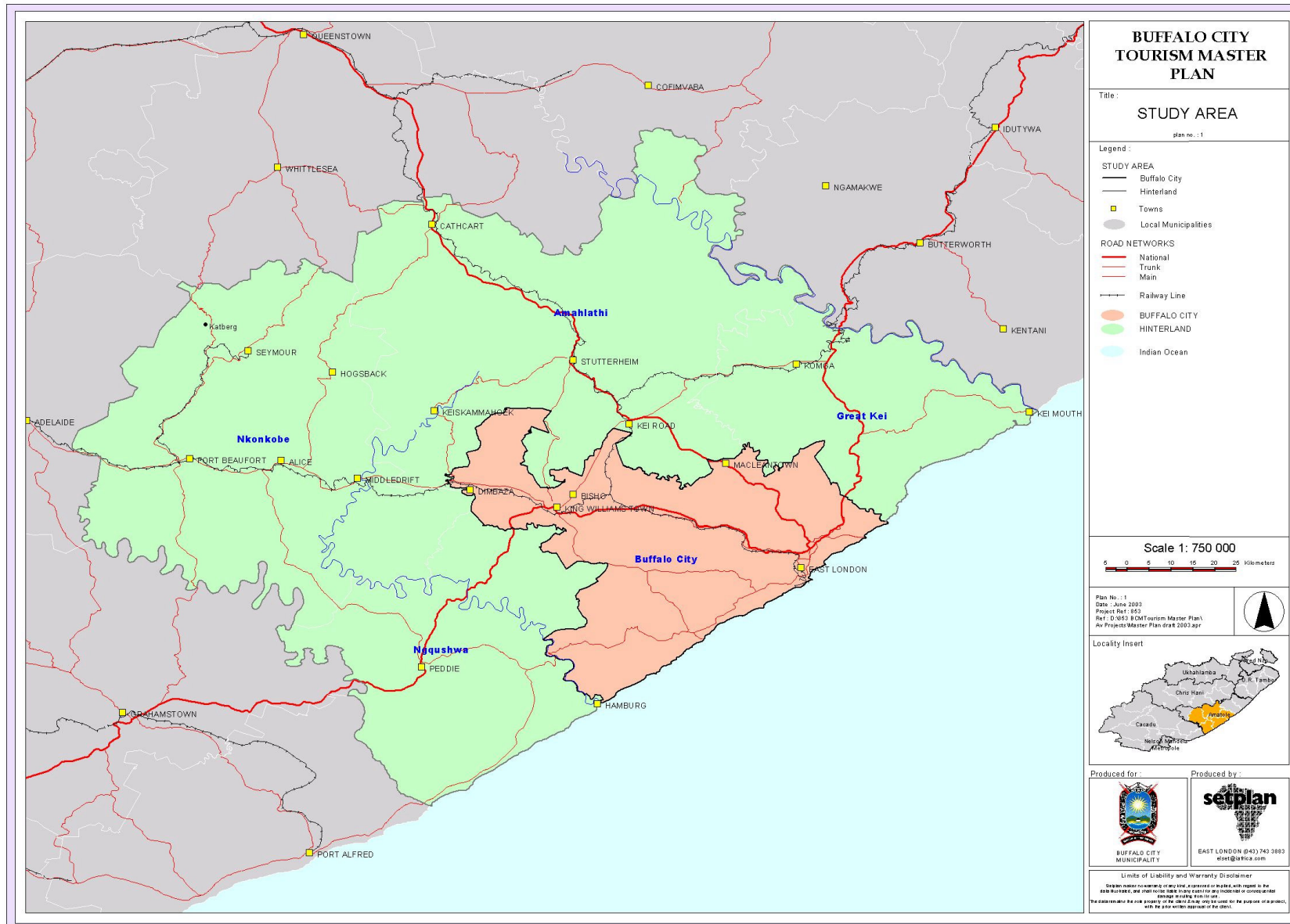
As a result the major opportunities and constraints for tourism development during the short, medium, and long-term periods have been identified.

1.3 THE STUDY AREA

For the purpose of this study the study area is defined as the Buffalo City Municipal area. Cognisance will be taken of the hinterland extending inland to include the Hogsback/ Katberg area, west to the Keiskamma River and east to the Great Kei River.

This extended planning area necessitated a collaborative planning partnership with the Amatole District Municipality, Great Kei, Amahlati, Nkonkobe and Ngqushwa

Local Municipalities and the Tourism Stakeholders of this region (including the national Department of Environmental Affairs and Tourism, the Eastern Cape Tourism Board, Local Tourism organisations, product owners, community representatives and entrepreneurs). The study area is shown in the map below.



1.4 TERMINOLOGY

LSM	-	Living Standard Measure
NGO	-	Non-Governmental Organisation
PCO	-	Professional Conference Organiser
SA Tourism	-	South African Tourism
Stats SA	-	Statistics South Africa
VFR	-	Visiting Friends and Relatives
USAID	-	United States Agency for International Development Mission to South Africa
CREA SA	-	Creative Associates International
BCM	-	Buffalo City Municipality