

2013

Bloodhound Super Sonic Car (SSC)



INTEGRATED DEVELOPMENT STRATEGY



Economic Development & Tourism

Department:
Economic Development & Tourism
NORTHERN CAPE PROVINCE
REPUBLIC OF SOUTH AFRICA

TABLE OF CONTENTS

SECTION 1: INTRODUCTION	1
1.1. The Bloodhound SCC Initiative	1
1.2. Purpose of the Study	2
1.2.1. Study Objectives	2
1.2.2. Local Economic Development	2
1.3. Delineation of the Study Area	3
1.4. Report Contents	4
SECTION 2: POLICY REVIEW	5
2.1. National Development Strategies.....	5
2.1.1. National Development Plan (2011).....	5
2.1.2. New Growth Path (2010).....	6
2.1.3. Industrial Policy Action Plan (IPAP 5) 2012/2013.....	6
2.1.4. Comprehensive Rural Development Framework (2010)	7
2.1.5. National Tourism Sector Strategy (2011)	7
2.2. Provincial Development Strategies	8
2.2.1. Northern Cape Growth and Development Strategy (2004-2014)	8
2.2.2. Northern Cape Spatial Development Framework (2011).....	9
2.2.3. Northern Cape Spatial Planning & Land Use Management Act (2012)	9
2.2.4. Northern Cape Local Economic Development (LED) Strategy (2009)	10
2.2.5. Northern Cape Municipal LED Framework (2010)	10
2.2.6. Northern Cape SMME Development Strategy.....	11
2.2.7. Northern Cape Tourism Master Plan	11
2.2.8. Northern Cape Manufacturing Strategy	12
2.2.9. Northern Cape Agriculture and Agro-Processing Sector Strategy	12
2.3. Municipal Development Strategies.....	13
2.3.1. ZF Mgqawu DM Integrated Development Plan (IDP) (2012/13 - 2017).....	13
2.3.2. ZF Mgqawu DM Local Economic Development (LED) Strategy (2012)	14
2.3.3. Mier LM Integrated Development Plan (IDP) (2011/2012)	14
2.3.4. Mier LM Local Economic Development (LED) Strategy (2010).....	15
2.3.5. Khara Hais LM Integrated Development Plan (IDP) (2013/2014).....	15
2.3.6. Khara Hais LM Local Economic Development (LED) Strategy (2010)	16
2.3.7. Relevant Projects and Interventions.....	16
2.4. Salient Features	20



SECTION 3: BASELINE ASSESSMENT	21
3.1. Demographic Characteristics	21
3.1.1. Regional Overview	21
3.1.2. Race and Language	21
3.1.3. Gender and Age Distribution	22
3.1.4. Population Growth.....	23
3.2. Socio-Economic Characteristics.....	24
3.2.1. Educational Achievement	24
3.2.2. Employment Profile	25
3.2.3. Household Income	27
3.2.4. Housing Backlog	28
3.2.5. Service Delivery	29
3.3. Economic Characteristics.....	30
3.3.1. Production Profile	30
3.3.2. Labour Profile	32
3.3.3. Small Business Profile	34
SECTION 4: CATALYTIC PROJECTS	36
4.1. The Bloodhound SSC Initiative	36
4.2. Kalahari Speed Week	38
4.3. The Maloof Money Cup	39
4.4. The Green Kalahari Canoe Marathon.....	39
4.5. The Northern Cape University	40
4.6. Northern Cape Development Corridors.....	41
4.7. Upington Airport Upgrades	42
4.8. Upington Special Economic Zone (SEZ)	42
4.9. Northern Cape Solar Corridor.....	43
4.10. The Northern Cape Astronomy Initiative	44
4.11. Key Implications	45
SECTION 5: CASE STUDIES	46
5.1. Negev Desert (ISRAEL)	46
5.2. Great Salt Lake Desert (USA)	47
5.3. Atacama Desert (CHILE)	49
5.4. Kalahari Desert (NAMIBIA/BOTSWANA).....	50
5.5. Conclusions and Recommendations	52
SECTION 6: OPPORTUNITY ANALYSIS	53
6.1. Identification of Key Industries	53



6.1.1. Local Economic Drivers	53
6.1.2. Comparative Advantages.....	54
6.1.3. Linkages to the Bloodhound SSC Initiative	54
6.2. The Tourism Industry	56
6.2.1. Tourism in South Africa	56
6.2.2. Tourism in the Study Area	56
6.2.3. Tourism Routes.....	58
6.2.4. Special Interest Tourism	59
6.2.5. Synthesis - Opportunities in Tourism.....	63
6.3. The SMME Sector.....	64
6.3.1. The SMME Sector in the Mier Local Municipality	64
6.3.2. Souvenir Industry.....	65
6.2.3. Synthesis - Opportunities in the SMME Sector	66
6.4. The Community and Personal Services Industry.....	67
6.4.1. Tourism Related Services.....	67
6.4.2. Education Services	68
6.4.3. Health Services	68
6.4.4. Synthesis - Opportunities in Community and Personal Services	69
6.5. Opportunities in Infrastructure Development.....	70
6.5.1. Transport Infrastructure.....	70
6.5.2. Communications Infrastructure	71
6.5.3. Utilities Infrastructure	72
6.5.4. Synthesis - Opportunities in Infrastructure Development	73
SECTION 7: INTEGRATED STRATEGIC PLAN	74
7.1. Strategic Visioning.....	74
7.3. Development Pillars.....	74
7.3.1. Event Related Opportunities	75
7.3.2. Leverage Additional Activities.....	75
7.3.3. Event Legacy.....	76
7.4. Projects and Interventions	77
7.4.1. Project Portfolio.....	77
7.4.2. Prioritisation Model	81
7.4.3. Priority Projects	82



FIGURES AND TABLES

FIGURE 1: MIER LM IN THE NORTHERN CAPE	3
FIGURE 2: GENDER DISTRIBUTION	22
FIGURE 3: AGE DISTRIBUTION.....	22
FIGURE 4: POPULATION GROWTH RATES	23
FIGURE 5: EDUCATIONAL ACHIEVEMENT	24
FIGURE 6: EMPLOYMENT PROFILE	25
FIGURE 7: UNEMPLOYMENT RATES	26
FIGURE 8: AVERAGE HOUSEHOLD INCOME	27
FIGURE 9: INCOME DISTRIBUTION.....	27
FIGURE 10: HOUSING BACKLOG	28
FIGURE 11: ACCESS TO BASIC SERVICES.....	29
FIGURE 12: PRODUCTION PROFILE	30
FIGURE 13: SECTORAL OUTPUT	31
FIGURE 14: LABOUR PROFILE.....	32
FIGURE 15: LABOUR INTENSITY	32
FIGURE 16: SECTORAL EMPLOYMENT.....	33
FIGURE 17: SMALL BUSINESS TURNOVER	34
FIGURE 18: SMALL BUSINESS EMPLOYMENT	34
FIGURE 19: EXPERIENCED BUSINESS GROWTH	35
FIGURE 20: EXPERIENCED BUSINESS GROWTH	35
FIGURE 21: BLOODHOUND PROJECT TIMELINE.....	37
FIGURE 22: LINKAGES TO THE BLOODHOUND EVENT	55
FIGURE 23: MAP OF PROVINCIAL TOURISM REGIONS	57
FIGURE 24: DEVELOPMENT PILLARS	74
TABLE 1: EXISTING MUNICIPAL PROJECTS	16
TABLE 2: PROJECT PORTFOLIO	77
TABLE 3: PRIORITISATION MODEL	81
TABLE 4: PROJECT SCORES AND RANKING.....	82
TABLE 5: INFORMATION ON PRIORITY PROJECTS	83



SECTION 1: INTRODUCTION

The Bloodhound SSC Integrated Development Strategy (BHIDS) provides a framework for developing the local economy based on the opportunities generated by the Bloodhound super-sonic car (SSC) initiative. The Strategy is directed primarily at the Mier LM, where the Bloodhound event will take place, but also identifies opportunities in the Khara Hais LM and the wider green Kalahari region.

The Bloodhound Integrated Development Strategy focuses on leveraging opportunities created by the Bloodhound initiative with the objective of catalysing business development, accelerating job creation, and ensuring sustained improvement in local quality of life. This will be achieved through the identification of key programmes and interventions, and the creation of a detailed strategy for implementation.

The Strategy was compiled by Urban-Econ: Development Economists at the request of the Northern Cape Department of Economic Development and Tourism (DEDaT). In this process Urban-Econ engaged with provincial and local authorities, business people, and local communities. It is anticipated therefore that implementation of the strategy will be undertaken jointly by these various stakeholders.

1.1. The Bloodhound SCC Initiative

The Bloodhound SSC initiative was launched in 2008 by the UK Department of Science and Technology and a team of British engineers, designers and technologists. Their mission is to design and build a super-sonic car capable of setting a new land speed record of 1 000 miles per hour (1 610 km per hour). In pursuing this mission the initiative aims to catalyse research and technology innovation and inspire a new generation of engineering and race enthusiasts.

The Bloodhound SSC team in their search for the optimal racing terrain identified Hakskeen Pan in the Northern Cape due to its large, flat surface and seasonally dry conditions. This location was deemed all the more optimal due to the cooperation of the Northern Cape Provincial Government which has facilitated land preparation and seeks to leverage the project into lasting socio-economic development for the region.

The land speed record attempt is tentatively scheduled for early to mid-2014 although exact dates will depend on completion of car components, vehicle testing, logistical arrangements, and weather conditions in the Hakskeen Pan region. In collaboration with Bloodhound representatives and local authorities a project management team has been appointed to ensure the effective planning and execution of the record attempt including addressing the needs of participants and spectators.

The Bloodhound project is expected to generate immediate opportunities in infrastructure development and the tourism, retail and service industries. These opportunities may be translated into lasting socio-economic benefits through implementation of the Bloodhound SSC Integrated Development Strategy.

For more information on the Bloodhound SSC initiative and other catalytic projects in the Northern Cape see Section 5 of this report.



1.2. Purpose of the Study

The purpose of the Bloodhound SSC Integrated Development Strategy is to ensure that the Bloodhound initiative stimulates lasting economic development in the Mier LM and wider region. The Strategy places particular emphasis on identifying and exploiting opportunities created in the tourism, retail and service industries, as well as the leveraging of infrastructure investment. The objectives of the strategy and the potential for lasting Local Economic Development (LED) are summarised below.

1.2.1. Study Objectives

The Bloodhound SSC Integrated Development Strategy seeks to address the following key objectives, determined in collaboration with the DEDaT:

1. Assess the impact of the Bloodhound event on the Mier LM economy and tourism industry.
2. Compile a baseline for the study area including demographic, socio-economic, economic and small business characteristics.
3. Assess the relevance of catalytic projects and international case studies.
4. Undertake an opportunity analysis of the region to identify key industries and interventions.
5. Develop programmes and projects with the capacity to facilitate development.
6. Create an integrated and strategic approach towards project planning and implementation.
7. Establish a monitoring and evaluation framework designed to monitor the impact on poverty and unemployment.

1.2.2. Local Economic Development

The Bloodhound SSC Integrated Development Strategy aims to advance Local Economic Development (LED) in the Mier LM and wider region. The Strategy is therefore part of a holistic attempt by the Northern Cape Provincial Government to address structural challenges in the rural economy, to capacitate communities in locally driven development, and to facilitate business establishment and job creation.

The Organisation for Economic Co-operation and Development (OECD) has worked extensively with host cities and communities to ensure that international events, such as the Bloodhound SSC record attempt, translate into sustained economic development. The following is an excerpt from their 2012 assessment entitled 'Local Development Benefits from Staging Global Events':

The hosting of international events can play a significant role in local development acting as catalysts for job creation, business growth, infrastructure improvement and community development. However, capturing local benefits from such events does not happen automatically or by accident. The most successful hosts have a long term development plan that helps them to implement the event, and a dedicated management effort aimed at securing the benefits and the legacy for some time before the event is staged, and for several years afterwards. Put simply, when international events are hosted well, they become a catalyst for local development.

1.3. Delineation of the Study Area

The Bloodhound SSC initiative is scheduled to take place at Hakskeen Pan, a dry lakebed in the Northern Cape (Map 1). This lakebed is situated in the centre of the Mier Local Municipality (LM) which forms the narrow study area for the BHIDS. The strategy will also consider the potential impact on a wider region and surrounding communities.

FIGURE 1: MIER LM IN THE NORTHERN CAPE



The primary study area is located 250km north-east of Upington and is accessed via the paved R380. Visitors to the region can travel to the Upington Airport via Johannesburg, Cape Town and several international destinations. It is also possible to drive to the region from Gauteng (N14), Kimberley (N10) and Bloemfontein (N8).

The Mier LM includes eight small towns as well as the !Khomani San community, the last surviving indigenous San community in South Africa. The main town is Rietfontein which is located approximately 12 km west of the Hakskeen Pan, where the Bloodhound SSC event is planned to occur. Additional towns in the Mier LM are Loubus, Andriesvale, Klein Mier, Groot Mier, Welkom, Askham, and Noenieput.



1.4. Report Contents

The Bloodhound SSC Integrated Development Strategy is a comprehensive report providing the background, guidelines and recommendations necessary to leverage long-term development from the Bloodhound initiative. The report is comprised of eight distinct Sections, the contents of which are summarised below.

1) INTRODUCTION: The current Section provides an introduction to the Integrated Development Strategy including a summary of the Bloodhound SSC initiative; delineation of the study area and an overview of the report contents.

2) POLICY REVIEW: The Bloodhound SSC Integrated Development Strategy forms part of a larger developmental framework guided by policy documents at the national, provincial and local levels. The policy review provides a summary of all relevant policies, strategies and legislation and identifies any implications for the Bloodhound SSC Integrated Development Strategy.

3) BASELINE ASSESSMENT: The baseline assessment provides a status quo of the study area and includes information and analysis of demographic, social, economic and business characteristics. This assessment allows for the identification of key challenges; the creation of development targets; and the evaluation of future achievements.

4) CATALYTIC PROJECTS: The Northern Cape is host to a range of catalytic projects which encourage investment, growth and employment creation in the provincial economy. This section provides an overview of these projects and identifies their relationship to the Bloodhound SSC initiative and their capacity to encourage development in the study area.

5) CASE STUDIES: The Bloodhound SSC initiative will be hosted in a remote region of the Northern Cape which embodies unique challenges and opportunities for development. The case study analysis provides a summary of four similar locations. This analysis enables the identification of opportunities, pitfalls and recommendations regarding development in the region.

6) OPPORTUNITY ANALYSIS: The Opportunity Analysis identifies key industries in the Mier and Khara Hais LMs based on their current output, comparative advantages and their linkages to the Bloodhound SSC initiative. These industries are then analysed in greater detail to allow for the identification of key opportunities related to each.

7) INTEGRATED STRATEGIC PLAN: The Integrated Strategic Plan presents a development vision for the study area as well as strategic pillars and programmes that will guide the achievement of this vision. The strategic plan also offers an overview of priority projects identified as having the potential to catalyse development in the region.

8) IMPLEMENTATION PLAN: The Implementation Plan provides guidelines and strategies for ensuring effective implementation of the Strategy. It addresses key issues such as project management, governance and accountability, strategic planning, marketing, and resource and risk management. The Implementation Plan also includes an impact assessment framework and a monitoring and evaluation guide.



SECTION 2: POLICY REVIEW

The policy review provides a summary of the policies and strategies relevant to development of the Hakskeen Pan region. This includes the national, provincial, district and local strategies that guide socio-economic, industrial, small business and tourism development. The purpose of this review is to ensure that the BHIDS is aligned to the existing policy framework and to identify any development implications.

2.1. National Development Strategies

The socio-economic development of South Africa and its people is guided by various strategic documents. The following is a summary of the most relevant documents and their implications for the Bloodhound Integrated Development Strategy.

2.1.1. National Development Plan (2011)

The National Development Plan (NDP) was presented by the National Planning Commission in 2011 and is viewed as the overarching policy framework for South Africa. The NDP provides a strategic framework aimed at eliminating poverty and reducing inequality by 2030. To achieve this goal the NDP argues it is necessary to create 11 million new jobs by providing an enabling environment and promoting a more labour-absorptive economy.

The NDP argues that development should be based on the following priorities:

1. Promote an inclusive and labour absorbing economy.
2. Increase capital spending, specifically on infrastructure.
3. Transition to a low-carbon economy.
4. Create an inclusive and integrated rural economy.
5. Reverse apartheid constraints through spatial planning.
6. Improve the quality of education, training, and innovation.
7. Invest in quality healthcare for all South Africans.
8. Develop a robust social security system.
9. Build safer communities and reduce crime.
10. Reform the public sector.
11. Fight corruption in government.
12. Transform society and unite the country.

IMPLICATIONS: The NDP emphasises the need for an *integrated and inclusive rural economy* based on agriculture, tourism and mining. To promote non-agricultural activities it recommends that rural producers are provided greater market power, access to information, and productivity support. The BHIDS seeks to advance these recommendations in the Mier LM and the wider economy while also cooperating with local producers to ensure that opportunities generated by the Bloodhound SSC project are maximised.



2.1.2. New Growth Path (2010)

The New Growth Path (NGP) provides a framework for reducing unemployment, poverty and inequality through the creation of decent work opportunities. It identifies areas where large scale employment creation is possible and analyses the policies and institutional developments necessary to take advantage of these opportunities. These areas include:

The NGP sets the target of 5 million new jobs by 2020.

1. Infrastructure.
2. The agricultural value chain.
3. The mining value chain.
4. The green economy.
5. Manufacturing sectors outlined in the IPAP2.
6. Tourism and certain high-level services.

IMPLICATIONS: The Mier LM is faced with acute unemployment resulting from economic isolation and other socio-economic factors common to rural areas in South Africa. The BHIDS will look to address unemployment by creating jobs through infrastructure development, green economy advances, and tourism growth (NGP).

2.1.3. Industrial Policy Action Plan (IPAP 5) 2012/2013

The IPAP documents include an annual series of industrial strategies aimed at promoting diversified industrialisation beyond the current reliance on commodities and services. The IPAP seeks value-addition, labour absorption, increased participation by historically disadvantaged individuals, and expansion into regional markets.

The fifth iteration of IPAP was issued in April 2013 and addresses the recent challenges, opportunities and policy changes. It also focuses on promoting the following manufacturing industries identified as having the potential for long-term development and employment creation:

1. Metal fabrication and beneficiation.
2. Green and energy saving industries.
3. Agro-processing and biofuels.
4. Plastics and pharmaceuticals.
5. Automotive components and vehicles.
6. Clothing, textiles, leather, footwear, and crafts.
7. Forestry, paper, pulp and furniture.
8. Advanced and technology based manufacturing.

IMPLICATIONS: The Bloodhound SCC project is expected to generate demand for manufactured goods, some of which may be produced locally. More specifically, the initiative will generate local opportunities in clothing and crafts production. These industries and the mechanisms for promoting them are highlighted in IPAP5.



2.1.4. Comprehensive Rural Development Framework (2010)

The Comprehensive Rural Development Framework (CRDF) represents a vision for rural development, food security and poverty alleviation that is based on the optimal management of natural resources. The CRDF supports establishment of the Comprehensive Rural Development Programme (CRDP) which is implemented in rural areas across the country.

The strategic objective of the CRDP is to facilitate “integrated development and social cohesion through participatory approaches in partnership with all sectors of society”. More specifically, the CRDP aims to facilitate:

1. Improved food security for the rural poor.
2. Redistribution of 30% of the countries agricultural land.
3. Creation of business opportunities.
4. De-congestion and rehabilitation of the former homeland areas.
5. Expansion of opportunities for marginalised rural people.

IMPLICATIONS: The BHIDS is aligned to the CRDF in its promotion of the Mier LM and surrounding rural area. More specifically, the strategy seeks to create business opportunities and promote the economic inclusion of marginalised people.

2.1.5. National Tourism Sector Strategy (2011)

The National Tourism Sector Strategy was developed with the mission “to grow a sustainable tourism economy in South Africa, with domestic, regional and international components, based on innovation, service excellence, meaningful participation and partnerships”. To achieve this mission the strategy sets out the following key objectives:

It is envisioned that South Africa will become a Top 20 tourism destination by 2020.

1. To grow the tourism sector’s absolute contribution to the economy.
2. To provide human resource development and decent work opportunities in tourism.
3. To increase domestic tourism’s contribution to the tourism economy.
4. To contribute to the regional tourism economy.
5. To deliver a world-class visitor experience.
6. To entrench a tourism culture among South Africans.
7. To position South Africa as a globally recognised tourism destination brand.
8. To achieve transformation within the tourism sector.
9. To address the issue of geographic, seasonal and rural spread.
10. To promote responsible tourism practices within the sector.
11. To unlock tourism edevelopment at a provincial and local government level.

IMPLICATIONS: The BHIDS will advance the objectives of the National Tourism Sector Strategy by leveraging an international event to promote sustainable tourism and development in a rural region.



2.2. Provincial Development Strategies

The Bloodhound SSC initiative will stimulate development in the Northern Cape and as such it is important to understand the Province's current strategic framework. This includes documents pertaining to socio-economic, spatial, and sectoral development. The following is a summary of these documents and the identification of key implications for the Bloodhound Integrated Development Strategy.

2.2.1. Northern Cape Growth and Development Strategy (2004-2014)

The Northern Cape Growth and Development Strategy (NCGDS) provides a framework for sustainable development in the province from 2004 to 2014. The NCGDS vision is to "Build a prosperous, sustainable, growing provincial economy to reduce poverty and improve social development".

The NCGDS seeks ultimately to achieve the following objectives:

1. Promote the growth, diversification and transformation of the provincial economy.
2. Reduce poverty through social development.
3. Develop requisite levels of human and social capital.
4. Improve the efficiency and effectiveness of governance.
5. Enhancing infrastructure for economic growth and social development.

The NCGDS also identifies tourism as a potential vehicle for boosting growth and development, especially in remote rural areas where "natural resources can be employed to leverage capital investments in productive tourism capacity". Similarly, the province has a rich cultural heritage that may be exploited for tourism development.

To promote tourism in the Northern Cape the NCGDS provides the following guidelines:

1. Accelerate marketing and coordinate branding.
2. Develop tourism products including niche market attractions.
3. Invest in developing existing tourism clusters.
4. Transform the industry to incorporate previously disadvantaged individuals.

IMPLICATIONS: The Integrated Development Strategy promotes the Bloodhound SSC event and tourism development in the Mier LM according to the NCGDS guidelines. Firstly, the BHIDS focuses on branding and marketing Hakskeen Pan as the 'World's Landspeed Capital' and the Northern Cape as 'Africa's Extreme Sport Capital'. Secondly, the Strategy identifies niche products to be developed in the region. Thirdly, development of Hakskeen Pan and the Mier LM occurs within the existing Kalagadi tourism cluster. Fourthly, local tourism development will expand ownership and employment for the Khomani San and Coloured populations.



2.2.2. Northern Cape Spatial Development Framework (2011)

The Northern Cape Spatial Development Framework (NCSDF) aims to ensure the effective utilisation of land and resources. The NCSDF also serves to enhance the future of the Northern Cape and its people by ensuring that:

1. All land-uses allow people to live with dignity and improve the integrity of the environment.
2. Innovative management and technology is used to balance resource use with the carrying capacity of the environment.
3. The comparative and competitive advantages in the province are developed and utilised sustainably.

The NCSDF therefore emphasises development that is ecologically sustainable in the long-term.

IMPLICATIONS: The Bloodhound SSC initiative will advance the objectives of the NCSDF, specifically the utilisation of comparative advantages and improved quality of life (through job creation). The role of the BHIDS therefore is to ensure that this development is undertaken in the most effective and sustainable manner possible.

The NCSDF also identifies the Kgalagadi Transfrontier Park as a common resource of huge importance. The southern portion of this Park resides in the Mier LM and therefore may receive additional visitors and publicity as a result of the Bloodhound SSC project.

2.2.3. Northern Cape Spatial Planning & Land Use Management Act (2012)

The Northern Cape Spatial Planning and Land Use Management Act provides for sustainable, consistent, transparent and inclusive land development in the province. The purpose of the Act is:

1. To ensure that spatial planning and development are in accordance with national legislation, guidelines and policies.
2. To address the historical imbalances of the past and promote development in a sustainable and cost effective manner.
3. To address the challenges of the Province, its geographical vastness, low density of inhabitants and unique challenges in its spatial planning and land use.
4. To align the functions and powers of the Provincial Government and the municipalities to ensure that co-operative governance can facilitate sustainable development.
5. To provide for spatial development and land use management principles, norms and standards to be implemented in a standardised and consistent manner.
6. To provide for transitional arrangements resulting from the repeal of laws by the Act.

IMPLICATIONS: The NC Spatial Planning and Land Use Management Act lays out the responsibilities of each level of government in spatial planning and land development. This legislation will therefore govern the coordinated efforts of the Northern Cape Province, ZF Mgawu DM, Khara Hais LM and the Mier LM in planning and executing the BHIDS.



2.2.4. Northern Cape Local Economic Development (LED) Strategy (2009)

The Northern Cape LED Strategy was compiled to create a shared understanding of LED in the Province and place local economies in the context of wider economic development. The objective of the Strategy is to mobilise local people and resources in an effort to enhance business activity, create meaningful employment and reduce poverty.

The NC LED Strategy includes a comprehensive opportunity analysis identifying the industries and interventions with capacity to broaden the Provincial economic base. Identified interventions with potential in the Mier LM include:

1. Livestock products.
2. Game farming.
3. Agro-related industries.
4. Tourism.
5. Renewable energy.

IMPLICATIONS: The Northern Cape LED Strategy provides analysis of all five district municipalities including the ZF Mgcawu DM, Khara Hais LM and the Mier LM revealing numerous economic opportunities in the region. The BHIDS will assess these opportunities in order to identify their true potential and the capacity for linkages to the Bloodhound SSC initiative.

2.2.5. Northern Cape Municipal LED Framework (2010)

The Northern Cape Municipal LED Framework was developed following adoption of the Provinces LED Strategy to provide municipalities with support and guidance in the review of their own LED strategies. It also seeks to promote engagement among all levels of government and the private sector in the development and implementation of viable LED interventions.

To ensure that municipal LED Strategies are properly integrated and coordinated with regional and provincial planning the Municipal LED Framework provides broad guidelines for strategic development. These guidelines are presented as the following five distinct phases:

1. LED visioning for the municipality.
2. Situational analysis of demographic, social, economic and institutional characteristics.
3. Strategy formulation including policy alignment, project identification and prioritisation.
4. Implementation plan including mandates, funding, and timelines.
5. Monitoring and review framework addressing performance indicators and adjustments.

IMPLICATIONS: The Northern Cape Municipal LED Framework provides clear guidelines for developing Municipal LED Strategies. Because the BHIDS seeks many of the same objectives as a municipal LED it is also informed by these guidelines. This will ensure that the Bloodhound Strategy is sufficiently coordinated and integrated with the wider LED framework.



2.2.6. Northern Cape SMME Development Strategy

The Northern Cape SMME Development Strategy presents a new approach to small business development and job creation which seeks to harness the skills and experience of formal small businesses. The Strategy also calls for engagement with informal survivalists in opportunities that will allow them to participate in the formal economy. This approach is known as the **Mutual Enterprise Model** or the **Hub-and-Spoke Model** for SMME development.

The SMME development model for the Northern Cape is characterised by the following:

1. The operational process consists of a central hub, which provides business and management services for a fee or commission to its participating spokes, comprised of independent small businesses.
2. The independent businesses are grouped together to achieve cost efficiency through economies of scale, involving shared capital and operating expenditure to support collective inputs, outputs and processing.

IMPLICATIONS: The development model recommended in the Northern Cape SMME Development Strategy has not been implemented to date. However, through careful implementation of the BHIDS it is possible to promote small enterprise and cooperative business development thus facilitating future business establishment and growth.

2.2.7. Northern Cape Tourism Master Plan

The Northern Cape Tourism Master Plan (NCTMP) was created in 2005 to guide tourism development in the province. The vision of the Northern Cape with regards to tourism is to be the preferred adventure and ecotourism destination in South Africa bolstered by cultural and special interest tourism offerings. To achieve this vision the Master Plan advances the following objectives:

1. To expand the tourism product portfolio focusing on clusters.
2. To improve transportation infrastructure and services.
3. To customise the experience through the packaging of tourism offerings.
4. To tailor the marketing message.
5. To partner for success.

In 2012 the Northern Cape MEC for Economic Development and Tourism announced that the Tourism Master Plan is under review, in order to account for new industry and strategic developments. However, as of mid-2013 no new developments have been released.

IMPLICATIONS: The NCTMP calls for targeted investment in the Province's tourism industry including development of the Hakskeen Pan region. The Bloodhound SSC record attempt will advance this objective by increasing the demand for local tourism offerings and providing international marketing for the region. These opportunities are explored in detail in the BHIDS.



2.2.8. Northern Cape Manufacturing Strategy

The Northern Cape Manufacturing Strategy seeks to reverse the trend of declining output and employment in the industry. The Strategy recognises the challenges inherent to the province, notably its size and dispersion and notes that these challenges may be overcome through strategic development.

The Manufacturing Strategy places emphasis on cluster development with the intention of enhancing productivity, economies of scale and exports while also promoting local value-chains. The Strategy identifies the following three clusters as having potential in the Northern Cape economy:

1. Agro-processing (leather tannery, abattoir, vegetable processing plants, etc.).
2. Mineral beneficiation (gypsum, granite, iron, steel beneficiation, etc.).
3. Energy and technology (renewable electricity, energy crops, technology hub, etc.).

The Manufacturing Strategy advocates the development of these clusters through the formation of Special Economic Zones (SEZs) and Development Corridors. This includes the development of a multi-sector SEZ around the Upington Airport; Creation of an Upington-Prieska Solar Corridor; and advancement of the Upington Manufacturing Corridor.

IMPLICATIONS: The BHIDS will seek to advance the objective of cluster development in the Upington region. More specifically, the Strategy will identify opportunities for manufacturing inputs and tourism goods near the Upington Airport.

2.2.9. Northern Cape Agriculture and Agro-Processing Sector Strategy

The Northern Cape economy is traditionally based on agricultural production although output and employment has declined in recent decades. The Northern Cape Agriculture and Agro-Processing Sector Strategy (NC AAPSS) seeks to build on this strength by promoting value-addition in the form of agro-processing. It is envisioned that agro-processing will increase the viability, profitability and sustainability of production systems through its impact on primary producer incomes, employment and foreign exchange earnings.

To achieve this development the NC AAPSS identifies the following three interventions:

1. Enhancing equitable access and participation.
2. Improving global competitiveness and profitability.
3. Ensuring sustainable resource management.

IMPLICATIONS: The BHIDS is aligned to the NC AAPSS in its promotion of agriculture activities, namely game farming and hunting. Additionally, through infrastructure improvements and skills development the Bloodhound SSC initiative has the capacity to catalyse value-addition, competitiveness and export earnings in other agriculture and agro-processing industries.



2.3. Municipal Development Strategies

The Bloodhound SSC initiative is expected to have a direct impact on three municipal areas, namely the ZF Mgcawu DM, Mier LM and Khara Hais LM. Development in these municipalities is guided by the following strategic documents:

1. **Integrated Development Plan (IDP):** The IDP is a comprehensive framework that guides and coordinates development in a specific municipality over a five year period. Decisions regarding infrastructure investment, Local Economic Development (LED) and service delivery are all informed by the IDP.
2. **Local Economic Development (LED) Strategy:** The LED Strategy is developed as part of the IDP process in an effort to stimulate economic growth and job creation through the development of an enabling environment. Programmes and projects presented in the Strategy are identified following a comprehensive situational and opportunity analysis.

These strategic documents are summarised below including the identification of key implications for the BHIDS. This is followed by a project portfolio including all IDP and LED initiatives with relevance to the current study.

2.3.1. ZF Mgcawu DM Integrated Development Plan (IDP) (2012/13 - 2017)

The mission of the ZF Mgcawu DM according to their five year IDP is *"to enhance economic development for the benefit of communities in the ZF Mgcawu District area by creating and maintaining an effective administration and a safe environment to attract tourists and investors"*. Guided by this mission the ZF Mgcawu DM sets out the following goals and objectives:

1. Build an efficient administration that serves the people of ZF Mgcawu with excellence.
2. Ensure economic growth and job creation.
3. Maintain an attractive natural and building environment
4. Ensure that ZF Mgcawu is a safe and secure place to live, visit and do business in.
5. Contribute towards decreasing HIV/AIDS mortality and economic impact.
6. Promote and strengthen the tourism industry.
7. Improve the municipality's capacity to play a coordinating role in land reform.
8. Create an effective Disaster Management Centre.
9. Ensure that the finances of the Municipality are managed well.

The ZF Mgcawu DM IDP also emphasises specific interventions for the Mier LM including:

1. Improved water, sanitation and road infrastructure and services.
2. Increased access to low cost housing.
3. Enhanced LED through tourism, mining and agriculture investment.

IMPLICATIONS: The ZF Mgcawu DM IDP places emphasis on infrastructure improvements, economic growth, and tourism development in the District, and in particular the Mier LM. The BHIDS will seek to advance these objectives through the identification of viable investment opportunities and tourism projects.



2.3.2. ZF Mgcawu DM Local Economic Development (LED) Strategy (2012)

The ZF Mgcawu DM LED Strategy seeks to assist municipal stakeholders in “*creating a growing sustainable economy that encourages business development and investments resulting in community upliftment and an improved quality of life for all*”. To achieve this vision the LED Strategy identifies the following key development objectives:

1. Support a diversified economy that results in job creation and poverty alleviation.
2. Improve the labour skills base through strategic skills development.
3. Promote green economic initiatives (renewable energy).
4. Improve levels of business expansion and retention.
5. Increase investment attraction in order to result in community upliftment.

The ZF Mgcawu DM LED Strategy is based on a comprehensive situational and opportunity analysis of the municipal area. This analysis culminates in the identification of development potential, opportunities and projects for each economic sector:

IMPLICATIONS: The BHIDS will advance the objectives of the ZF Mgcawu DM LED Strategy by providing a framework for accelerated tourism development, increased job creation, and enhanced local investment.

2.3.3. Mier LM Integrated Development Plan (IDP) (2011/2012)

The most recent IDP issued by the Mier LM was in 2011/2012 and provides guidelines for development and spending over the following five years. The IDP seeks to advance the municipality’s vision of “*delivering sustainable and affordable services to improve the living standards of residents*”.

The Mier LM IDP sets out the following Key Performance Area’s (KPA’s) which form the basis for all Municipal development decisions:

1. Basic service delivery and infrastructure investment.
2. Local economic development focusing on land and agriculture.
3. Municipal financial viability and sustainable management.
4. Municipal transformation and institutional development.
5. Good governance and community participation.

The Mier LM IDP also identifies numerous projects and programmes for implementation, however these are drawn directly from the ZF Mgcawu DM IDP.

IMPLICATIONS: The Mier LM IDP acknowledges the limited capacity within the Municipality and the need for a ‘turn-around strategy’. The BHIDS recognises this lack of capacity and addresses it by recommending collaboration with the District and Province in the hopes of efficient project implementation and skills transfer.



2.3.4. Mier LM Local Economic Development (LED) Strategy (2010)

The Mier LM LED Strategy was developed in collaboration with the DBSA for the expressed purpose of unlocking the region's potential and enabling economic development. It is envisioned that through careful planning and intervention the Mier LM can alleviate the challenges of isolation, unemployment, capacity constraints and weak infrastructure.

The vision of the Mier LM LED Strategy is to "establish an effective administration for the delivery of sustainable and affordable services in order to improve the living standards of the residents of Mier Municipality". To achieve this vision the LED Strategy outlines the following five strategic programmes:

1. Institutional development to ensure implementation of the LED Strategy.
2. Focused (project based) economic development and efficient finance management.
3. Social and human capital development through education and training.
4. Infrastructure development including water, roads, residential and commercial spaces.
5. Optimal use and development of Municipal assets.

IMPLICATIONS: The Mier LM LED Strategy indicates that there are numerous Municipal assets including game farms and tourism infrastructure which remain underutilised due to a lack of management, marketing, infrastructure and capacity. The BHIDS will therefore identify and address these assets in order to leverage opportunities generated by the Bloodhound SSC project and promote tourism development.

2.3.5. Khara Hais LM Integrated Development Plan (IDP) (2013/2014)

The Khara Hais IDP (2013/2014) indicates that the Municipality is expanding its efforts beyond maintaining the status quo to achieving improved development outcomes. The Municipality is therefore updating its vision and mission to reflect this proactive approach.

The Khara Hais IDP identifies the following eight KPAs and associated development objectives:

1. Economic growth and poverty reduction based on tourism development, investment attraction and the creation of an enabling business environment.
2. Community development through empowerment and sustainable land use management.
3. Physical infrastructure investment and energy efficiency.
4. Improved health, safety and environmental management.
5. Good governance practices and increased stakeholder participation.
6. Improved public relations, access to basic services and social programme implementation.
7. Institutional transformation to provide efficient and effective services.
8. Financial sustainability through well-structured budget processes and financial systems.

IMPLICATIONS: The BHIDS incorporates relevant interventions relating to the Upington airport and other tourism infrastructure. The Strategy also seeks to achieve the objectives of improved service delivery, economic growth and job creation.



2.3.6. Khara Hais LM Local Economic Development (LED) Strategy (2010)

The Khara Hais LED Strategy and Investment Plan provides a comprehensive overview of the Municipality and identifies the options and opportunities available to broaden the economic base and facilitate job creation. These opportunities are grouped into the following four strategic thrusts:

1. Agriculture beneficiation, value-chain and niche product development.
2. Small and community business support, skills enhancement and entrepreneurial development.
3. Tourism related development based on outdoor and nature-based activities, special interests, culture and heritage.
4. Maximise and enhance locational benefits including large anchor initiatives and mining.

IMPLICATIONS: The BHIDS has the potential to promote small business and tourism development in the Khara Hais LM, specifically the Upington area. It is therefore important that strategies and projects identified in the Khara Hais LED are incorporated into the BHIDS.

2.3.7. Relevant Projects and Interventions

The Municipal strategies summarised above present numerous projects and interventions for the study area. Table 1 identifies the interventions with potential linkages to the Bloodhound SSC project, namely those focusing on strategy, safety, infrastructure, SMME and tourism development. Table 1 also indicates where these projects will be located and whether or not funding has been secured.

Hosting the Bloodhound SSC initiative may enable these municipalities to leverage funding for identified projects and interventions.

TABLE 1: EXISTING MUNICIPAL PROJECTS

	PROJECT/INTERVENTION	STRATEGY	LOCATION	FUNDING
STRATEGY	1) Develop a Tourism Marketing Plan or Strategy for the Mier LM	ZF Mgcawu DM IDP ZF Mgcawu DM LED	Mier LM	Draft report submitted for DBSA funding
	2) Develop a Game Farm Management Strategy	ZF Mgcawu DM LED	ZF Mgcawu DM	Not Funded
	3) Develop an SMME Marketing strategy	ZF Mgcawu DM LED	ZF Mgcawu DM	Not Funded
SAFETY	4) Establish satellite fire stations in qualifying remote areas	ZF Mgcawu DM IDP Khara Hais LM IDP	Khara Hais LM (small towns)	Funding secured through the MIG
	5) Train fire fighters and first aid under the Disaster Management Unit	ZF Mgcawu DM IDP Khara Hais LM IDP	Upington	Not Funded
TRANSPORT	6) Build access roads to villages	ZF Mgcawu DM IDP Mier LM	Loubos, Welkom, Askham, Philandersbron	Not Funded
	7) Upgrade and re-gravel access and internal roads	ZF Mgcawu DM IDP ZF Mgcawu DM LED Mier LM IDP	Noenieput-Askham Rietfontein-Noenieput Rietfontein-Inkbospan Rietfontein-Geisemab	Not Funded



	PROJECT/INTERVENTION	STRATEGY	LOCATION	FUNDING
TRANSPORT (cont.)	8) Develop the Upington R26 route	ZF Mgcawu DM IDP Khara Hais LM IDP	Upington region	Not Funded
	9) Build access road to !Xaus Lodge	ZF Mgcawu DM IDP	!Xaus Lodge region	Not Funded
	10) Improve landing strip at !Xaus Lodge	ZF Mgcawu DM IDP	!Xaus Lodge	Not Funded
	11) Develop shuttles between Upington Airport and local facilities	Khara Hais LM LED	Upington Airport and region	Not Funded
	12) Facilitate utilisation of the airport for economic growth	ZF Mgcawu DM IDP Khara Hais LM IDP	Upington Airport	Not Funded
	13) Establish an industrial development zone at Upington Airport	ZF Mgcawu DM LED Khara Hais LM IDP	Upington	Not Funded
SMME DEVELOPMENT	14) Initiate SMME and entrepreneurial development and support	ZF Mgcawu DM IDP ZF Mgcawu DM LED Khara Hais LM IDP	ZF Mgcawu DM Khara Hais LM	Not Funded
	15) Organise informal tourism operators into formal structures	ZF Mgcawu DM IDP	ZF Mgcawu DM	Funded by ZF Mgcawu DM
	16) Create economic opportunities for women, youth and the disabled	ZF Mgcawu DM IDP Khara Hais LM IDP	Khara Hais LM (all towns)	Not Funded
	17) Better utilise SEDA activities	ZF Mgcawu DM LED	ZF Mgcawu DM	Not Funded
	18) Create a business support centre	ZF Mgcawu DM IDP Khara Hais LM LED	Khara Hais LM (all towns)	Not Funded
	19) Develop an SMME Village	Khara Hais LM IDP	Upington	Not Funded
	20) Develop Business Hives	ZF Mgcawu DM IDP Khara Hais LM IDP	Upington	Not Funded
	22) Establish a business incubator	Khara Hais LED	Upington	Not Funded
	22) Develop an informal arts and crafts production village	ZF Mgcawu DM IDP Khara Hais LM IDP	Upington (Freedom Square)	Not Funded
	23) Audit all local business opportunities	ZF Mgcawu DM IDP Khara Hais LM IDP	Khara Hais LM (all towns)	Not Funded
	24) Establish a business chamber to provide market information	Mier LM LED	Rietfontein (and other villages)	Not Funded
	25) Provide BEE opportunities through supplier accreditation & procurement	ZF Mgcawu DM IDP	Khara Hais LM (all towns)	Not Funded
	26) Coordinate a youth business week and expo	ZF Mgcawu DM IDP Khara Hais LM IDP	Upington	Not Funded
	27) Establish a youth drop in centre	Khara Hais LM LED	Upington	Not Funded
	28) Develop a multi-purpose skills and development centre	Khara Hais LM IDP	Upington	Not Funded
	29) Develop a multi-purpose culture, arts and training centre	Khara Hais LM IDP	Upington	Not Funded
	30) Explore youth tourism projects in collaboration with the tourism office	ZF Mgcawu DM IDP Khara Hais LM IDP	Khara Hais LM (all towns)	Not Funded
	31) Promote arts and crafts SMMEs	Mier LM IDP Mier LM LED	Mier LM	Not Funded
	32) Workshops for tourism SMMEs	ZF Mgcawu DM IDP	Mier LM	Not Funded
	33) Upgrade the local bakery	ZF Mgcawu DM IDP	Rietfontein	Not Funded
	34) Establish a baking, confectionary and sweets production cooperative	Khara Hais LM IDP	Khara Hais LM	Not Funded
	35) Establish local restaurants	Mier LM LED	Mier LM	Not Funded
36) Assist prospective local tour guides with training	ZF Mgcawu DM IDP Khara Hais LM IDP	Khara Hais LM (all towns)	Not Funded	
37) Establish a range of guest houses	Mier LM LED	Mier LM	Not Funded	
38) Encourage accommodation at vineyards	ZF Mgcawu DM IDP Khara Hais LM IDP Khara Hais LM LED	Upington region	Not Funded	



	PROJECT/INTERVENTION	STRATEGY	LOCATION	FUNDING
TOURISM INFRASTRUCTURE AND SERVICES	39) Upgrade two information centres	ZF Mgcawu DM IDP	Andriesvale and Rietfontein	Funding from the DTEC & DM
	40) Develop a Tourism Centre	ZF Mgcawu DM IDP Khara Hais LM IDP	Upington	Not Funded
	41) Develop a Cultural Centre focusing on communities in/around Askham	ZF Mgcawu DM IDP	Askham	Not Funded
	42) Assess the current state of the museum and surrounding area	Khara Hais LM LED	Upington	Not Funded
	43) Establish a Cultural Centre and upgrade the Upington Museum	ZF Mgcawu DM IDP Khara Hais LM IDP	Upington	Not Funded
	44) Establish conference and accommodation facilities	Khara Hais LM IDP	Upington	Not Funded
	45) Improve management and operation of the Arts & Culture Centre	ZF Mgcawu DM IDP	Municipal Arts & Culture Centre	Not Funded
	46) Establish a PPP to manage municipal game farms	Mier LM LED	Mier LM game farms	Not Funded
	47) Develop/Upgrade game farm facilities	ZF Mgcawu DM IDP Mier LM IDP	Pulai Game Farms Mier LM game farms	Not Funded
	48) Revamp Café into Conference Facility	ZF Mgcawu DM IDP Khara Hais LM IDP	Upington (Island Resort)	Not Funded
	49) Invest in improving the Gardonia Resort	Khara Hais LM IDP	Upington area	Not Funded
	50) Establish a multi-purpose in-door sporting facility	Khara Hais LM IDP	Upington	Not Funded
	51) Promote establishment of the Orange River Adventure Arch	ZF Mgcawu DM IDP Khara Hais LM IDP	Upington	Not Funded
	52) Establish waterfront developments and integrated tourism destinations	Khara Hais LM LED	Upington	Not Funded
	53) Revitalise the Eiland Resort through a public-private partnership	Khara Hais LM LED	Eiland Resort	Not Funded
	54) Develop a skate park	Khara Hais LM IDP	Upington	Not Funded
	55) Create a large eco-destination	Khara Hais LM IDP	Spitskop	Not Funded
	56) Upgrade the fountain and heritage sites	ZF Mgcawu DM IDP	Rietfontein	Not Funded
	57) Construct a telescope at !Xaus Lodge	ZF Mgcawu DM IDP	!Xaus Lodge	Not Funded
	58) Develop a radio network at Pulai and !Xaus Lodge	ZF Mgcawu DM IDP	Pulai and !Xaus Lodge	Not Funded
	59) Create and develop arts and culture tourism products	ZF Mgcawu DM IDP	Khara Hais LM (all towns)	Not Funded
	60) Establish a high-speed vehicle testing facility	ZF Mgcawu DM LED Mier LM IDP Khara Hais LM IDP	Kai !Garib LM Mier LM Upington	Not Funded
	61) Develop a filling station on the main road	Mier LM LED	Rietfontein	Not Funded
	62) Establish tour guides and transport services	Mier LM LED	Mier LM	Not Funded
	63) Develop an outdoor recreation tourism rental hub	Khara Hais LM LED	Upington	Not Funded
	64) Develop a community owned catering equipment rental hub	Khara Hais LM LED	Upington	Not Funded
	65) Identify and develop day visitor picnic spots and fishing facilities	Khara Hais LM LED	Upington and area	Not Funded
	66) Identify and develop a guided cultural route and township tourism	Khara Hais LM LED	Paballelo	Not Funded



	PROJECT/INTERVENTION	STRATEGY	LOCATION	FUNDING
TOURISM PROMOTION	67) Tourism awareness campaign	ZF Mgcawu DM IDP	Rietfontein, Loubos, Andriesvale, Welkom Philandersbron, Askham	Funded by the DEAT, DTEC and SANPARKS
	68) Tourism Indaba/cultural festival	ZF Mgcawu DM IDP	Rietfontein/Philandersbron	Some funding from the DTEC
	69) Marketing of accommodation	ZF Mgcawu DM LED	ZF Mgcawu DM	Not Funded
	70) Update the tourism website	ZF Mgcawu DM LED	ZF Mgcawu DM	Not Funded
	71) Develop a culture/heritage tourism route	ZF Mgcawu DM IDP	Mier LM	Not Funded
	72) Promote historical, cultural, agri, special interest and township tourism	Khara Hais LM LED	Khara Hais LM	Not Funded
	73) Utilise the Orange River to develop water and nature based activities	Khara Hais LM LED	Khara Hais LM	Not Funded
	74) North Bank tourism development corridor	ZF Mgcawu DM IDP Khara Hais LM IDP	Upington	Not Funded
	75) Orange River walking/cycling trail	Khara Hais LM LED	Khara Hais LM	Not Funded
	76) Investigate hiking circuits/trails	Khara Hais LM LED	Khara Hais LM	Not Funded
	77) Develop a half/full day guided special interest historical walk/tour	Khara Hais LM LED	Khara Hais LM	Not Funded
	78) Upgrade Rosepark, Reitzpark, Raaswater Park and the riverbank	ZF Mgcawu DM IDP Khara Hais LM LED	Upington	Not Funded
	79) Develop Spitskop Nature Reserve as a viable tourism destination	Khara Hais LM LED	Khara Hais LM	Not Funded
	80) Development of the Land Contract Park (25 000 ha in the Kgalagadi Park)	ZF Mgcawu DM IDP	Kgalagadi National Park	Not Funded
	81) Co-ordinate the establishment of a game hunting safari club	ZF Mgcawu DM IDP Khara Hais LM IDP Khara Hais LM LED	Khara Hais LM	Not Funded
	82) Complete phase 2 of the Kgalagadi Public Relations Project	Mier LM IDP	Kgalagadi region	Not Funded
83) Promote the Bloodhound SSC initiative	ZF Mgcawu DM LED	Mier LM	Not Funded	
84) Provide tourism signage	ZF Mgcawu DM LED Khara Hais IDP Mier IDP	ZF Mgcawu DM	Not Funded	
RETAIL	85) Develop community shopping centres	ZF Mgcawu DM IDP ZF Mgcawu DM LED Mier LM LED	Upington Rietfontein	Private funding Not Funded
	86) Establish service stations and other retail businesses	Khara Hais LM IDP	Rosedale	Not Funded
EDUCATION AND SKILLS	87) Facilitate access to ABET in liaison with SETAs	Khara Hais LM IDP	Khara Hais LM	Not Funded
	88) Develop a tertiary education facility	ZF Mgcawu DM LED	Upington	Not Funded
	89) Develop a technical institute of higher learning	Khara Hais LM IDP	Upington	Not Funded
	90) Develop mobile technology centres	Khara Hais LM IDP	Khara Hais LM	Not Funded
	91) Conduct an audit of natural and art craft manufacturing skills	Khara Hais LM IDP Khara Hais LM LED	Khara Hais LM	Not Funded
	82) Establish and revive eco-clubs at schools	ZF Mgcawu DM IDP	All schools in the Mier LM	Funded by the DTEC & DEAT
	93) Assist with training prospective tour guides	Khara Hais LM IDP	Khara Hais LM	Not Funded

Source: ZF Mgcawu DM, Khara Hais LM and Mier LM IPDs ad LEDs



2.4. Salient Features

The following is a summary of the salient features and key implications drawn from the policy review. These features will be carefully considered when drafting the Bloodhound SSC Integrated Development Strategy to ensure that the strategy aligns to national, provincial and local guidelines and imperatives.

RURAL DEVELOPMENT

It is envisioned that rural development will be fuelled by the agriculture, tourism and service sectors. The Bloodhound SSC initiative will promote these sectors by increasing tourism activity in game and hunting farms, lodges, villages and the Kgalagadi Transfrontier Park. It will also facilitate improved service delivery through increased demand and investment.

CORRIDORS AND NODES

The policy review places emphasis on a corridor and nodal approach to rural development with investment linked to specific service nodes and transport routes. Investment relating to the Bloodhound SSC initiative will therefore advance this approach through targeted infrastructure and transportation development and the promotion of tourism corridors.

SUSTAINABILITY

The Provincial Government places particular emphasis on environmental preservation, identified as crucial for achieving sustained economic growth. Although the Bloodhound SSC project team is committed to preserving Hakskeen Pan it is imperative that this and other projects are managed in a way that minimises their environmental, ecological and cultural infringements.

EMPLOYMENT

A common feature among development strategies is the emphasis on job creation to reduce poverty and promote economic growth. The Bloodhound SSC initiative has addressed this through the creation of over 300 temporary jobs. It is imperative however that permanent employment and business opportunities are developed, especially in the local tourism industry.

CAPACITY CONSTRAINTS

The evaluation of municipal Strategies and Policies indicates a severe lack of capacity within local government, especially in the Mier LM. It is therefore imperative that the Mier LM is supported by the Provincial Government and tourism agencies to ensure that the Bloodhound SSC event and possible spin-off projects are undertaken effectively and efficiently.

PROJECT IMPLEMENTATION

The municipal strategy review identified over 90 projects with potential linkages to the Bloodhound SSC initiative. The Bloodhound initiative provides an important opportunity to leverage public and private funding for some of these projects. It is therefore important that the viability and potential development impact of these projects are considered and priority interventions are identified.



SECTION 3: BASELINE ASSESSMENT

The baseline assessment provides an overview of the study area compared to the wider region with regards to demographic, social, and economic characteristics. The assessment allows for the identification of development challenges, opportunities and investment needs and the formulation of specific development targets as a result of the Bloodhound SSC initiative.

3.1. Demographic Characteristics

The following is a summary of the demographic characteristics of those in the immediate study area, namely the Mier LM, compared to the Khara Hais LM, ZF Mgcawu DM and Northern Cape Province. This summary is based on data from the 2001 and 2011 South African Population Census.

3.1.1. Regional Overview

The Mier LM is both remote and rural and is characterised by small population levels, slow growth and low density. According to the 2011 South African Census only about 7 000 people reside in the municipal area. This accounts for only 3.0% of the ZF Mgcawu DM and 0.7% of the Northern Cape Province, despite comprising 21.9% and 6.0% of the respective land areas. Accordingly, population density in the Mier LM is very low with only 0.3 people per km² compared to average of 42.5 people per km² in South Africa.

The Bloodhound SSC project will also have influence over a wider study area including the Khara Hais LM. This Municipality is situated to the south of the Bloodhound race site and includes Upington, the Province's second largest city and home to the nearest commercial airport. According to the 2011 South African Census the Khara Hais LM is home to approximately 93 000 people, constituting 8.2% of the Northern Cape. Population density in the Khara Hais LM (0.9 people per km²) is also much greater than the Mier LM although well below the national average.

3.1.2. Race and Language

The Mier LM is largely homogenous relative to the rest of South Africa. The vast majority of residents in the Municipality identify themselves as coloured (90.3%), while nearly all residents (97.0%) speak Afrikaans as their home language. This gives Mier LM the distinction of having the largest proportion of Afrikaans speakers of any South African municipality.

The Municipality is also home to the Khomani San, the last surviving indigenous community in South Africa. The community retains many of their historic cultural practices although their language has largely been replaced with Afrikaans. It is estimated that 1 500 Khomani San people live in the Northern Cape with the majority residing in the Mier LM (Chennels, 2010).



3.1.3. Gender and Age Distribution

The gender and age distribution of residents in the Mier LM is determined by analysing and comparing data from the 2001 and 2011 Population Census'. This information provides a clearer picture of the local community and the demand for job creation, education and social services.

Figure 2 illustrates the gender distribution in the Mier LM in 2011. It shows that men comprise 51.4% of the population and women the remaining 48.6%. The higher proportion of men than women is unusual given the areas limited economic opportunity, which typically motivates men to relocate in search of work. It may however be attributed to the accelerated out-migration of women from the region, while male migration remains constant (Moses & Yu, 2009).

Figure 3 illustrates the age distribution of residents in the Mier LM compared to the Khara Hais LM, ZF Mgcawu DM and the Northern Cape Province. It shows that the Mier LM has a higher proportion of children (aged 0 to 14) and elderly persons (aged 65 and over) than the three other regions.

Accordingly, the Mier LM also has a proportionally smaller workforce with only 61.2% of the population in the working age group (aged 15 to 64). This is compared to 64.6% in the Khara Hais LM, just south of the narrow study area, 66.4% in the wider ZF Mgcawu DM, and 64.2% in the Northern Cape Province.

The relatively small workforce in the Mier LM is attributed to the lack of local economic opportunities and thus the tendency for youth and adults to relocate in search of employment. Similar trends are common among rural and remote communities across South Africa and the world.

FIGURE 2: GENDER DISTRIBUTION

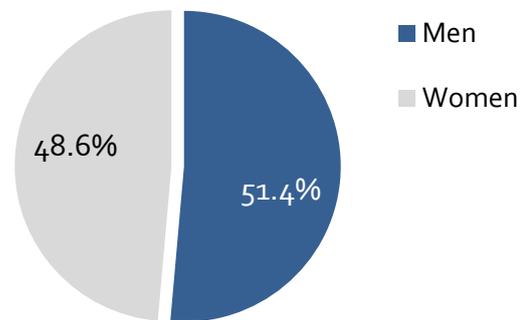
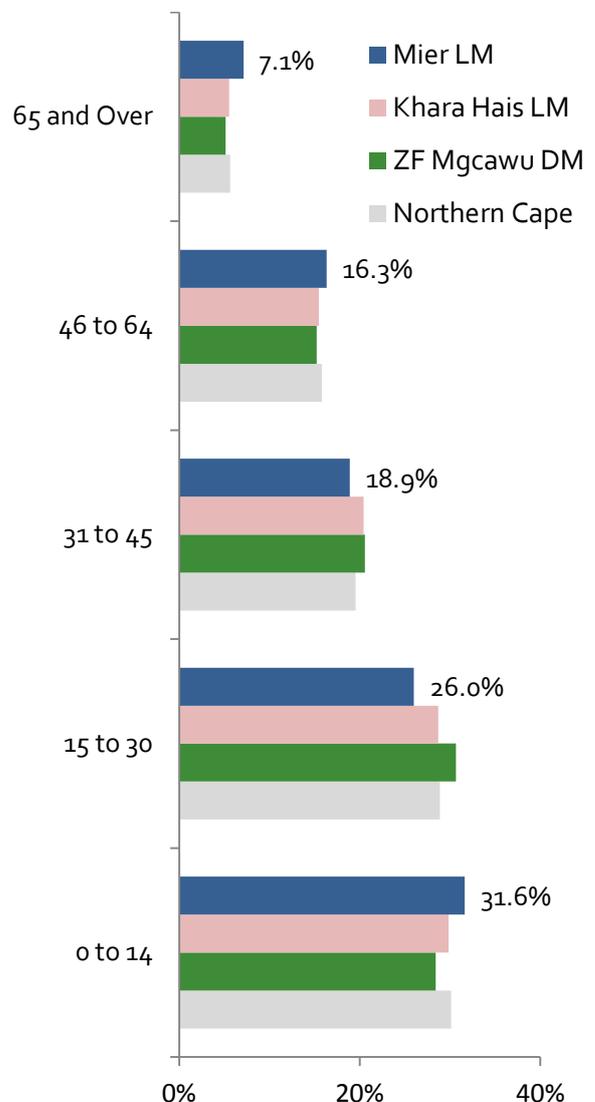


FIGURE 3: AGE DISTRIBUTION



The age distribution of residents also allows for calculation of the **dependency ratio**, presented as the proportion of dependants per 100 working age people. The dependency ratio in the Mier LM is relatively high at 63.3. This is compared to 54.7 in the Khara Hais LM, 50.5 in the ZF Mgcawu DM and 55.7 in the Northern Cape Province.

*The **Dependency Ratio** is defined by the World Bank as the ratio of dependents (people younger than 15 and older than 64) to the working age population (those aged 15 to 64).*

The relatively high dependency ratio implies that there is significant pressure on employed individuals to support children and the elderly. This pressure is magnified by high rates of unemployment among the working age population. It can result in poor socio-economic outcomes as limited income is stretched among many family members.

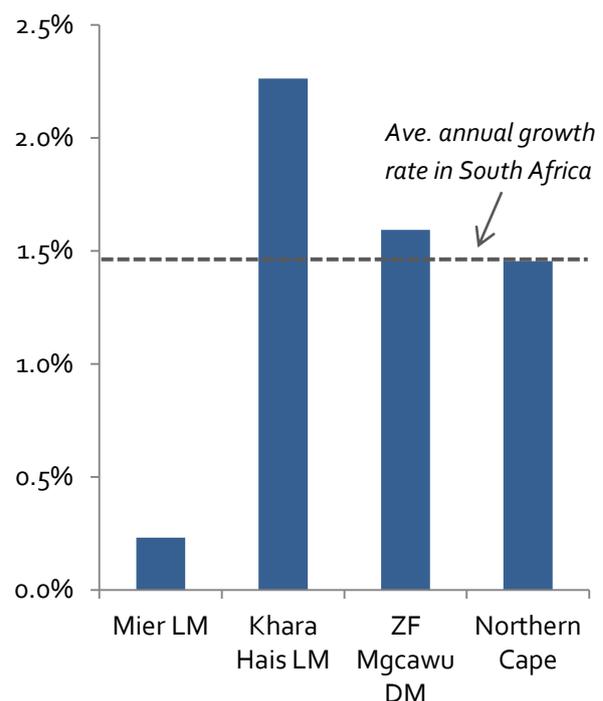
3.1.4. Population Growth

The rate of population growth in a study area is indicative of the current and future demand for employment, infrastructure, education and services. Population growth rates are determined by comparing 2001 and 2011 South African Census Data. Figure 4 illustrates the annual growth rate in all four study areas compared to the national average.

In the Mier LM the population growth rate is relatively low averaging only 0.2% per annum. This translates to an increase of only 2.3%, or approximately 159 people, in the decade from 2001 to 2011. At this growth rate the expected population in 2025 is only 7 230. This low level of growth is attributed to the remoteness of the community and lack of economic opportunities which discourage migration to the area and encourage youth to leave in search of employment.

The population growth rate is considerably higher in the Khara Hais LM. In the decade from 2001 to 2011 the population grew at an average annual rate of 2.3%, implying an increase in population of approximately 18 739 people. This is notably higher than annual growth rates in the ZF Mgcawu DM (1.6%), the Northern Cape Province (1.5%) and South Africa (1.5%).

FIGURE 4: POPULATION GROWTH RATES



The relatively high rate of population growth in the Khara Hais LM is attributed largely to residential and commercial development in Upington, the province's second largest urban centre. This development has fostered job creation which attracts individuals and families primarily from smaller Northern Cape towns (Quantec, 2013). It is however imperative that economic, infrastructure and service delivery development keep pace with population growth to ensure a high quality of life for all residents.

3.2. Socio-Economic Characteristics

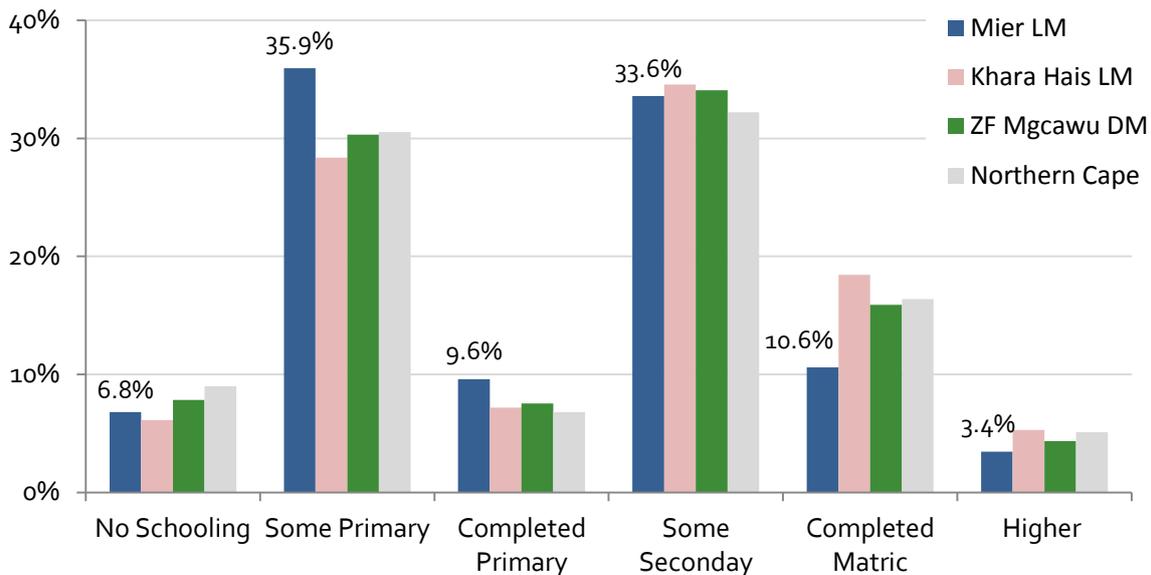
The socio-economic characteristics of a study area illustrate the quality of life among residents. The following is a summary of socio-economic characteristic in the Mier LM compared to the Khara Hais LM, ZF Mgcawu DM and the Northern Cape Province. These characteristics include educational achievement, employment and income, housing availability and service delivery.

3.2.1. Educational Achievement

The level of educational achievement in a study area is determined using 2011 South African Census data and illustrates the income potential, availability of skills and the need for educational interventions. With regards to Bloodhound SSC related interventions the level of education also indicates the local capacity for project implementation and skills transfer.

Figure 5 compares the highest level of educational achievement among residents in the Mier LM, Khara Hais LM, ZF Mgcawu DM and the Northern Cape Province. It shows that educational achievement is lower in the Mier LM than in the other three study areas. However, overall levels of matric and higher education are low in all four study areas indicating a relatively unskilled labour force in the region.

FIGURE 5: EDUCATIONAL ACHIEVEMENT



In the Mier LM 42.7% of the local population did not complete primary school (6.8% of which have absolutely no schooling). It is unlikely that these residents will be capable of fulfilling semi or skilled job positions and/or implementing socio-economic projects, although there may be individual exceptions.

Additionally, only 14.0% of adults in the Mier LM have completed secondary school and only 3.4% have a higher degree. This implies that there is a lack of skilled workers in the region, which is common among remote communities. It is therefore unlikely that there will be significant skills transfer from the Bloodhound team to the local population, although primary and secondary school projects remain viable.

3.2.2. Employment Profile

The employment profile is indicative of local wellbeing and the demand for job creation. The profile illustrates the level of employment, unemployment, and discouraged work seekers and the official and actual unemployment rates. These terms are defined and discussed below with reference to the Mier LM, the Khara Hais LM and the wider study area.

*The **unemployed** are those who do not have any paid employment but are searching for work.*

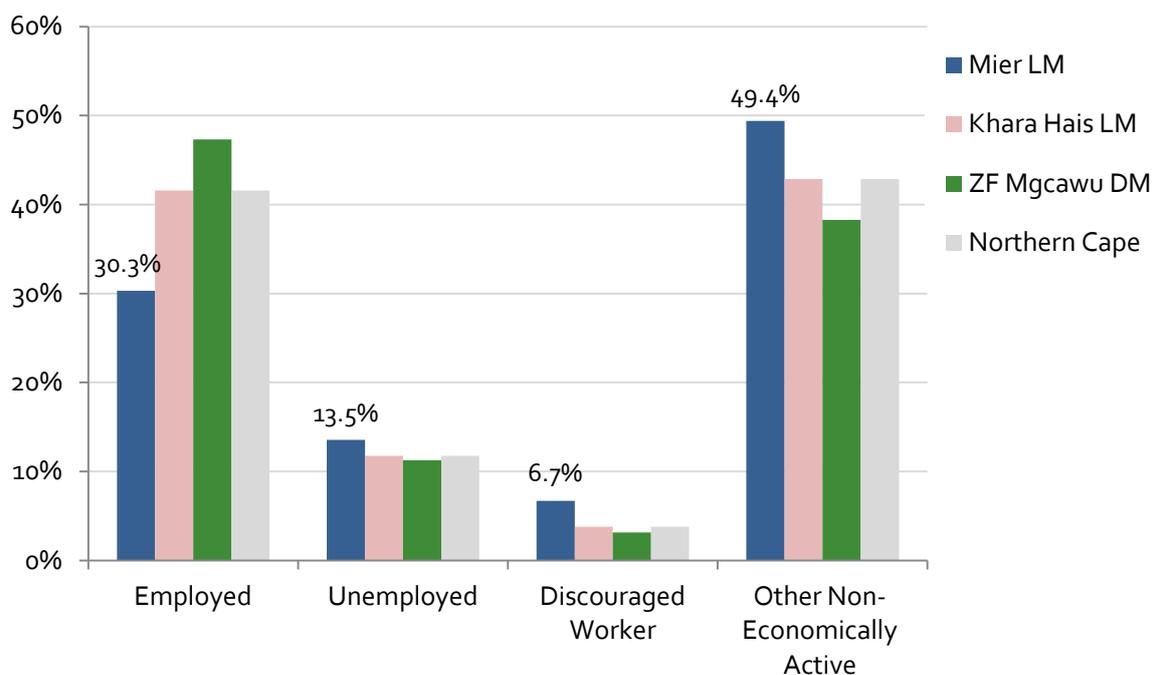
***Discouraged workers** are those who have given up searching for employment because they feel no jobs are available to them.*

Figure 6 compares the employment status of the working age population (those aged 15 to 64) in the Mier LM to that of the wider study area. It shows that the employment rate in the Mier LM (30.3%) is notably lower than in the Khara Hais LM (41.6%), ZF Mgawu DM (47.3%) and the Northern Cape Province (41.6%).

The low employment rate is due in part to a lack of employment opportunities in the Mier LM as illustrated by the slightly higher rates of unemployment and discouraged workers. Poor employment outcomes are attributed to rural isolation; skills shortages; limited economic and business opportunities; and an overall lack of investment.

Relatively low employment in the Mier LM is also due to the large proportion of non-economically active individuals who are of working age but not interested in employment. The non-economically active comprise nearly half of the Mier LM workforce (49.4%) compared to 42.9% in the Khara Hais LM, 38.3% in the ZF Mgawu DM and 42.9% in the Northern Cape. This is attributed to several socio-economic issues including lack of education and skills, childcare responsibilities, and social/cultural characteristics (especially among the Khomani San community).

FIGURE 6: EMPLOYMENT PROFILE



The employment profile also allows for calculation of the official and actual unemployment rates. These rates indicate the demand for jobs in a given study area and are considered a good indicator of economic welfare.

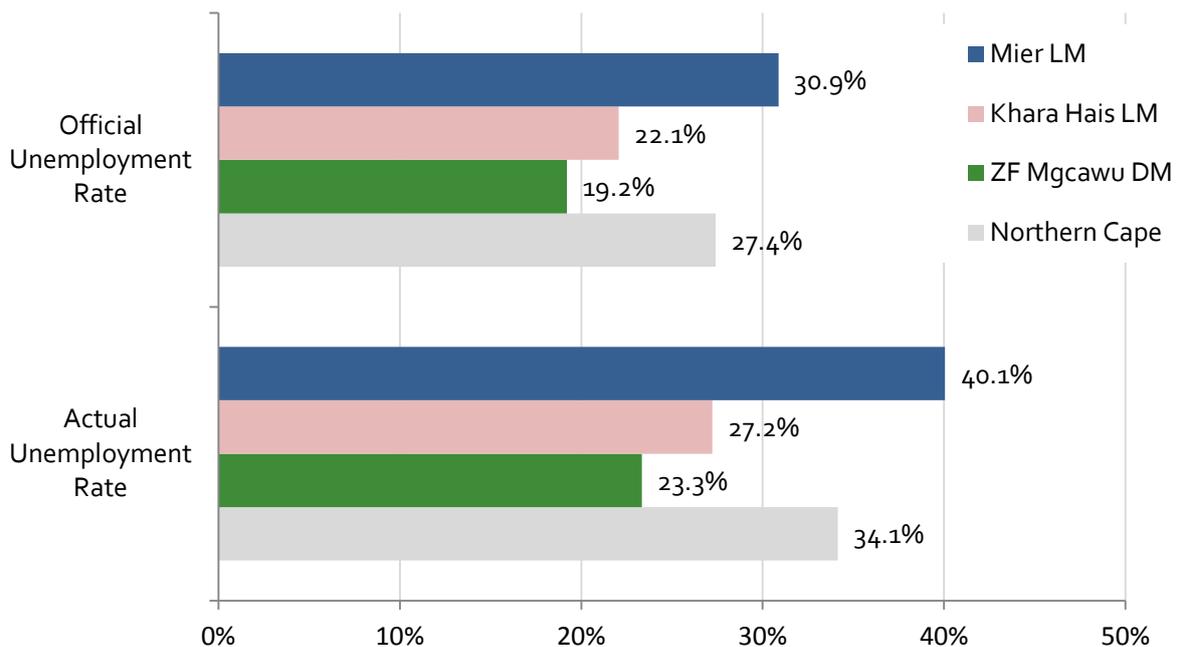
*The **official unemployment rate** is defined as the proportion of the labour force that is unemployed but looking for work.*

In the Mier LM the official unemployment rate in 2011 was 30.9% while the rate of actual unemployment was 40.1%. This implies that nearly half of those in the area who desire work are unable to find suitable employment and a significant proportion of the community have given up searching for employment.

*The **actual unemployment rate** is defined as the proportion of the labour force that is unemployed or discouraged work seekers.*

Figure 7 provides a comparison of the official and actual unemployment rates in the Mier LM to the Khara Hais LM and the wider study area. It shows that the official and actual unemployment rates are significantly higher in the Mier LM than in the Khara Hais LM, owing to the higher levels of education, economic activity, and urban concentration in the Khara Hais LM. Notably however the official and actual unemployment rates in both Local Municipalities are higher than in the ZF Mgcawu DM, implying that there is an acute need for job creation in both these areas.

FIGURE 7: UNEMPLOYMENT RATES



The Bloodhound SSC initiative created 317 jobs during the preparation of Hakskeen Pan in 2013. This translates into a temporary drop in official unemployment of 16.9% (assuming these workers were previously unemployed residents of the Mier LM).

Figure 7 also shows that the difference between official and actual unemployment is greater in the Mier LM than in other areas. This means that the Mier LM is home to proportionally more discouraged workers (those who wish to work but have ceased searching for employment). This implies a high rate of economic disillusionment and is attributed to the remoteness of the Municipality and the lack of economic activity.



3.2.3. Household Income

The average level of household income in a study area is one of the key indicators of socio-economic development providing insight into local welfare and consumption relative to other areas. The following is a discussion of household disposable income in 2013, calculated by inflating 2011 South African Census figures.

Household disposable income is defined as all income (from wages, grants and other sources) less wealth and income taxes.

FIGURE 8: AVERAGE HOUSEHOLD INCOME

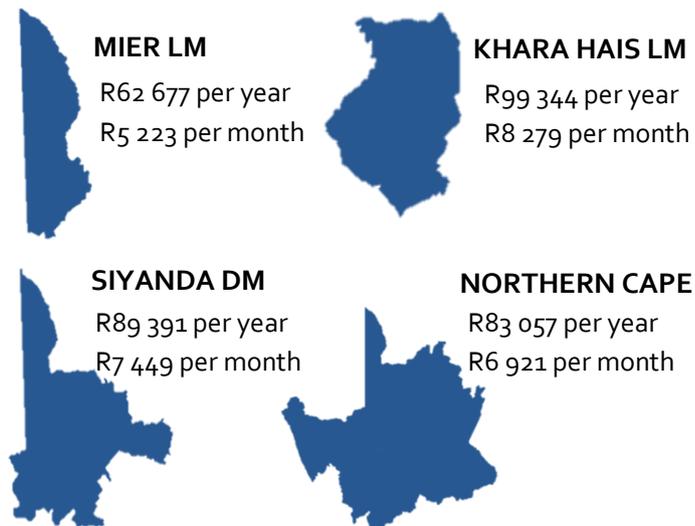
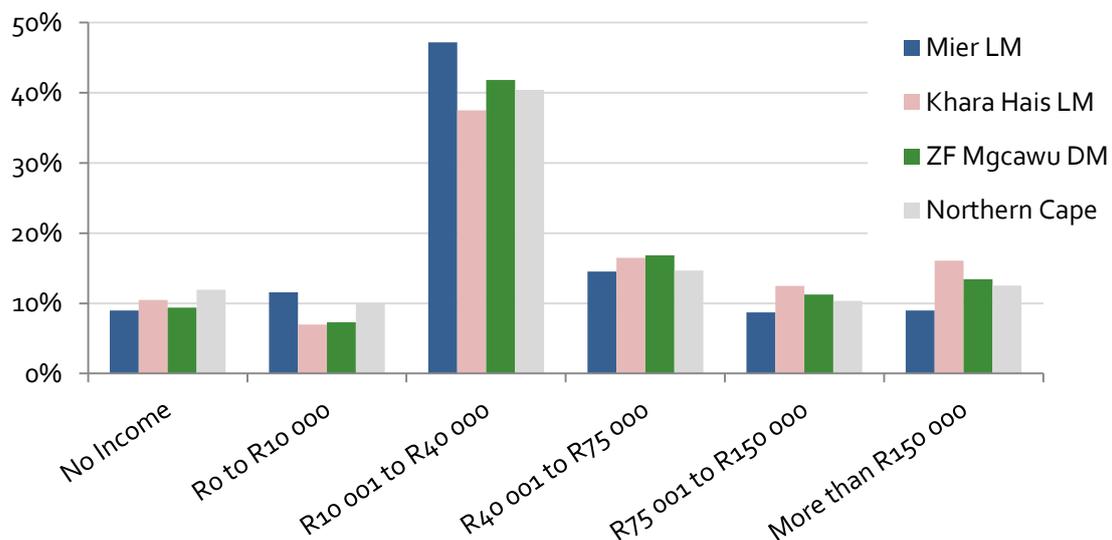


Figure 8 illustrates average household income levels in the Mier LM, Khara Hais LM, ZF Mgcawu DM and the Northern Cape Province. It shows that average household income is significantly lower in the Mier LM than in the wider study area. More specifically, average household income in the Mier LM is 29.9% less than in the ZF Mgcawu DM and 24.5% less than in the Northern Cape. This is attributed to lower levels of employment, education and economic opportunity.

The income distribution in a study area is an important measure of poverty and inequality. Figure 9 compares household income distribution in the Mier LM to the wider study area. This Figure indicates that, although poverty is more prevalent in the Mier LM than the District and provincial averages, inequality is more pronounced in the Khara Hais LM. These income patterns are expected given the highly rural nature of the Mier LM compared to the largely urban Khara Hais LM.

FIGURE 9: INCOME DISTRIBUTION



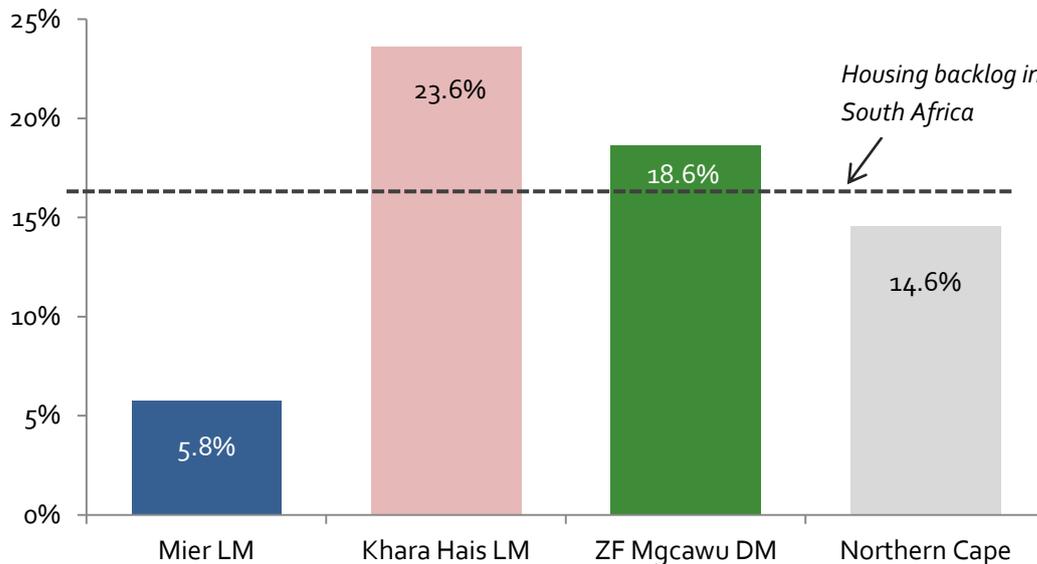
3.2.4. Housing Backlog

The South African Constitution states that all residents have the right to access adequate housing and that the state must take reasonable measures to move towards the realisation of this right. The number/proportion of households without access to adequate housing is therefore known as the housing backlog. This backlog is measured using 2011 South African Census data.

The National Department of Human Settlements (DHS) states the housing backlog includes all shacks (informal dwellings) and 30% of traditional dwellings.

Figure 10 illustrates the housing backlog in the Mier LM, Khara Hais LM, ZF Mgcawu DM and the Northern Cape Province compared to the South African average. It shows that the housing backlog in the Mier LM is much lower than in other regions. In the Mier LM only around 5.8% of households live in informal dwellings (shacks) or poorly structured traditional dwellings. This is compared to 23.6% in the Khara Hais LM, 18.6% in the ZF Mgcawu DM, 14.6% in the Northern Cape Province and 16.4% in South Africa.

FIGURE 10: HOUSING BACKLOG



The relatively small housing backlog in the Mier LM is attributed to the rural and remote nature of the region resulting in very little population influx. More specifically, the vast majority of residents in the Mier LM were born in the area and therefore have access to family homes and support networks that ensure low levels of homelessness and the establishment of very few informal dwellings. This also implies that although employment and income are lower than in other areas family wellbeing may not be as poor as otherwise assumed.

The relatively large housing backlog in the Khara Hais LM is attributed to high population growth, weaker family ties, and the attraction of migrant workers in search of job opportunities in Upington. In other areas of the province, including parts of the ZF Mgcawu DM, the housing backlog is also attributed to the large mining sector which attracts migrant workers either unable or unwilling to invest in formal housing.

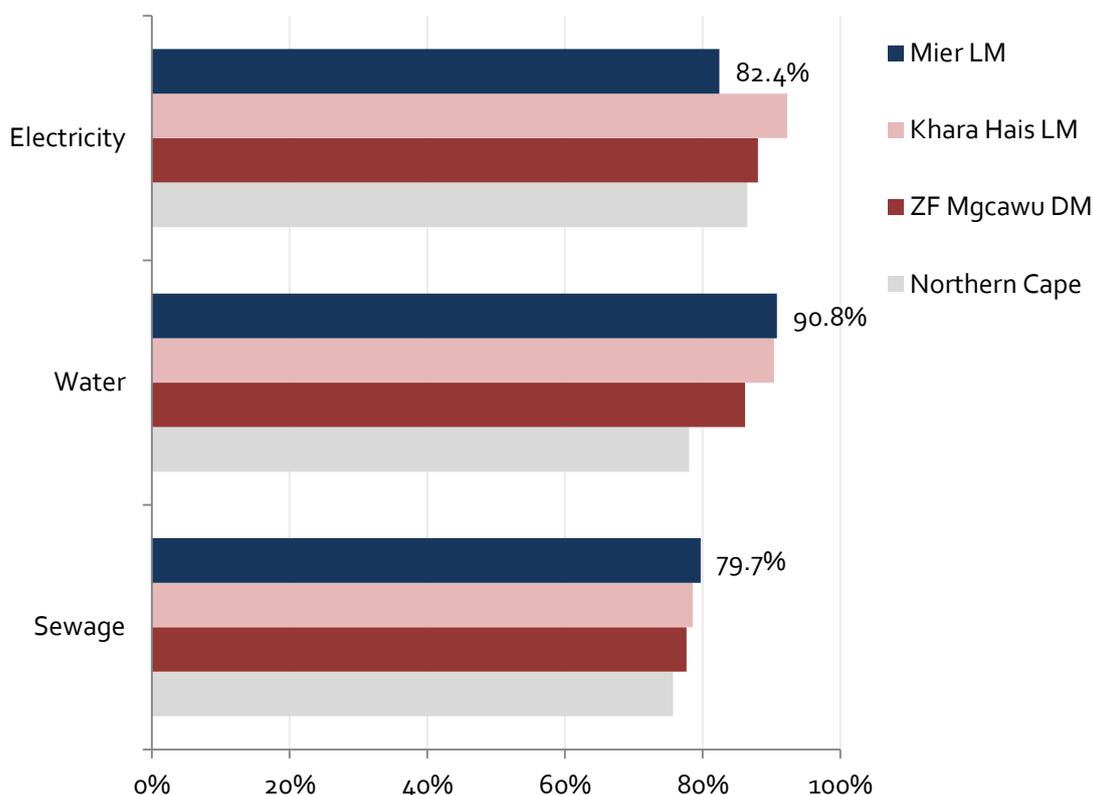
3.2.5. Service Delivery

The delivery of basic services namely water, electricity and adequate sewage facilities is a core function of local government. Therefore, access to these services illustrates the capacity of a municipality to fulfil its mandate; quality of life in the study area; and the demand for infrastructure investment and upgrades.

Figure 11 compares access to basic services in the Mier LM, Khara Hais LM and wider study area using data from the 2011 South African Census. It shows that households in the Mier LM have less access to electricity, but greater access to running water and adequate toilet facilities than those in the Khara Hais LM, ZF Mgcawu DM and Northern Cape Province. This implies that infrastructure investment should prioritise development of the electricity supply and distribution network.

Households are considered to have adequate electricity access if they use electricity as their main source of lighting; water access if they have a functioning tap in their home or yard; and sewage access if they have a flush, chemical or ventilated pit toilet.

FIGURE 11: ACCESS TO BASIC SERVICES



Interestingly, despite the remoteness of the Mier LM and the water scarcity of the region over 90% of households reported having water taps in their home or yard. It is however likely that water services are at capacity, implying that further residential development will require infrastructure investment. Additionally, although access to adequate toilets is relatively good, over 20% of households use unsanitary facilities.

3.3. Economic Characteristics

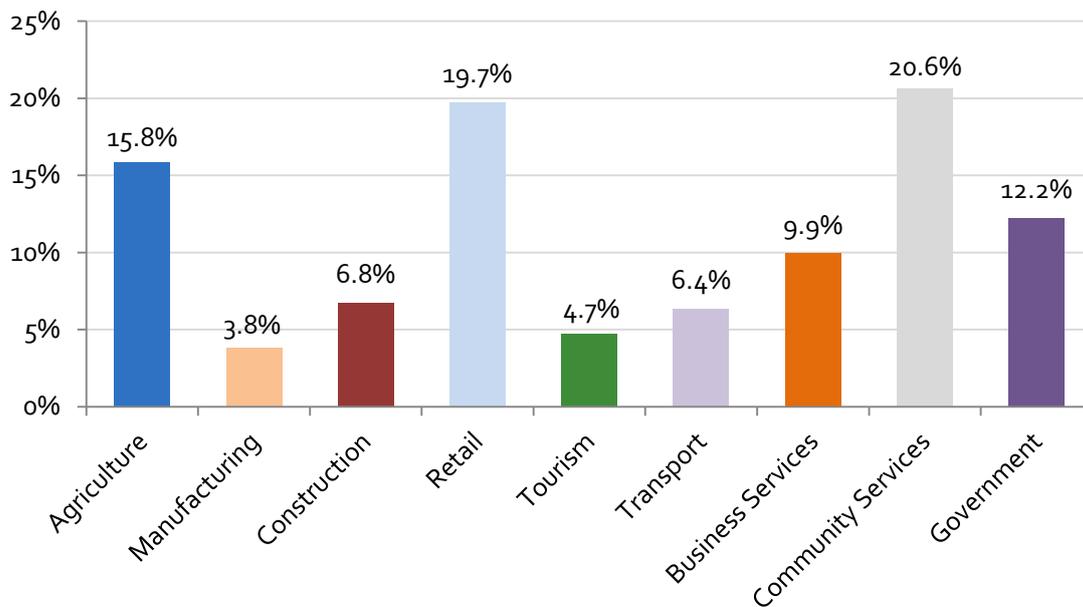
The economic profile of a study area allows for the identification of key industries both in terms of production and employment. The data used to compile this profile is drawn from the Quantec Standardised Regional 2011 database which is the most recent and comprehensive database available. This information will inform the regions opportunity analysis and the development of specific projects and programmes.

3.3.1. Production Profile

The economy of the Mier LM is relatively small producing only R169.7 million in total output (GVA) in 2011. Figure 12 illustrates the distribution of this output across economic sectors. Note that the mining and utilities sectors are not accounted for as output in 2011 was effectively zero.

Gross Value Added (GVA) is the difference between output and consumption for a given sector or industry and therefore measures that sectors economic contribution.

FIGURE 12: PRODUCTION PROFILE



The four main sectors in the Mier LM are Community and Personal Services (20.6%), Retail (19.7%), Agriculture (15.8%) and Government (12.2%). Agriculture is the largest 'productive' sector in the economy (although total output was only 26.9 million) and is an important driver of the retail, services, and transport industries. This production profile is consistent with most rural and remote communities in South Africa, especially where mining is not present.

The production profile indicates that tourism (consisting of accommodation and catering services) is a relatively small industry in the Mier LM economy accounting for only 4.7% (R7.9 million) in direct output in 2011. It is envisioned that the Bloodhound SSC initiative will have a positive impact on tourism output both during and after the event. It is also anticipated that the Bloodhound SSC initiative will indirectly boost other industries including retail, construction, transport and community and personal services.



The identification of key industries and opportunities is also assisted through comparative analysis of several study areas. Figure 13 compares sectoral output in the Mier LM, Khara Hais LM, ZF Mgcawu DM and Northern Cape Province. It shows that the Mier LM produces proportionally more output in the agriculture, retail, construction and the community and personal services sectors owing largely to the Municipalities absence of large urban centres.

Comparative analysis of the tourism industry (accommodation and catering) reveals that although output is not particularly high in the Mier LM (4.7%) it is proportionally greater than in the Khara Hais LM (2.0%), ZF Mgcawu DM (1.3%) and the Northern Cape Province (1.2%). Potential for Tourism development is therefore identified not only within the Mier LM but also the Khara Hais LM (Upington) and the wider region.

FIGURE 13: SECTORAL OUTPUT

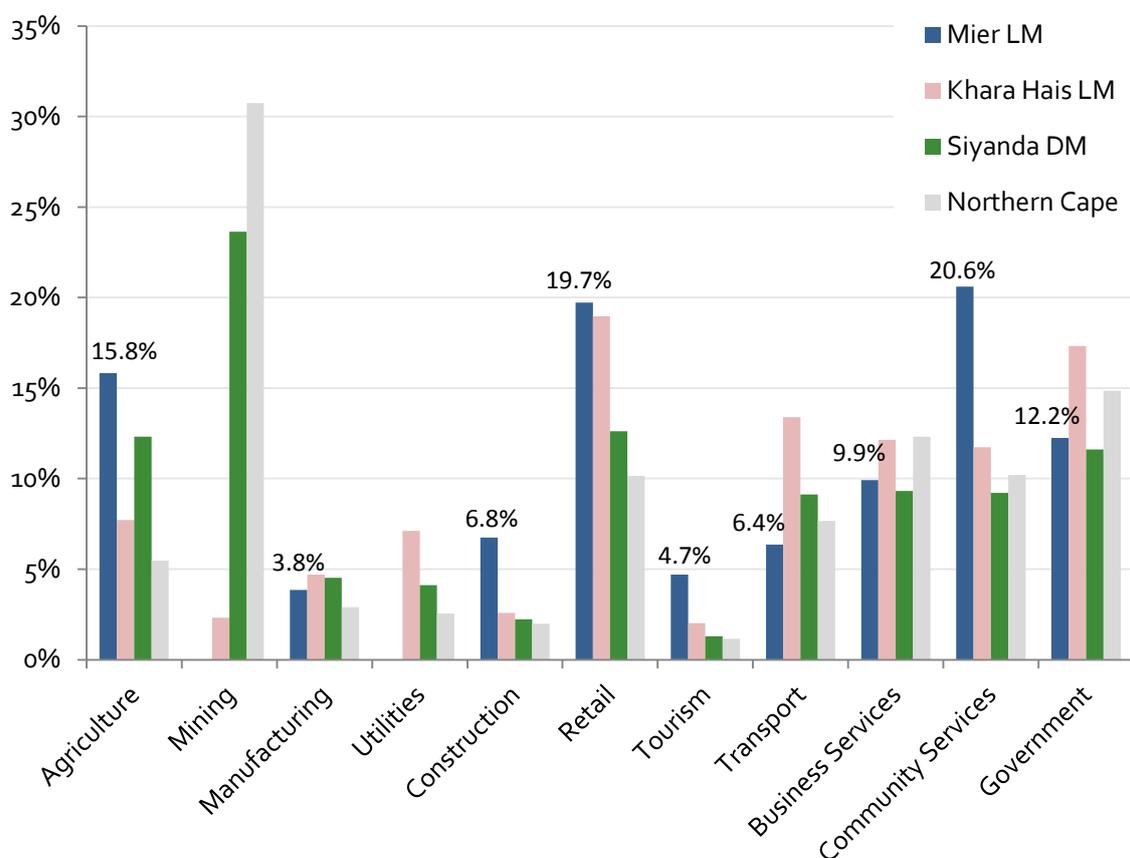


Figure 13 also indicates that the largest contributor to output in the Northern Cape and ZF Mgcawu DM is the mining sector accounting for 30.8% and 23.6% of total output respectively. This is in stark contrast to the immediate study area where mining generated zero output in the Mier LM and only 2.3% in the Khara Hais LM.

The utilities, transport, business services and government sectors also produce proportionally less in the Mier LM than in surrounding areas. This is attributed to several factors including insufficient infrastructure, remoteness and a lack of urban centres. It is however envisioned that the Bloodhound SSC initiative may have a positive impact, albeit indirectly, on the tourism and business service sectors through the attraction of people and investment to the region.

3.3.2. Labour Profile

The labour profile indicates the distribution of employment among economic sectors allowing for the identification of key employment and labour intensive industries. Figure 14 illustrates the employment contribution of each sector in the Mier LM. The largest employers are community and personal services (23.0%), agriculture (22.1%), retail (17.4%), and government (14.8%). Predictably, these four sectors also generate the largest amount of output in the Local Municipality.

FIGURE 14: LABOUR PROFILE

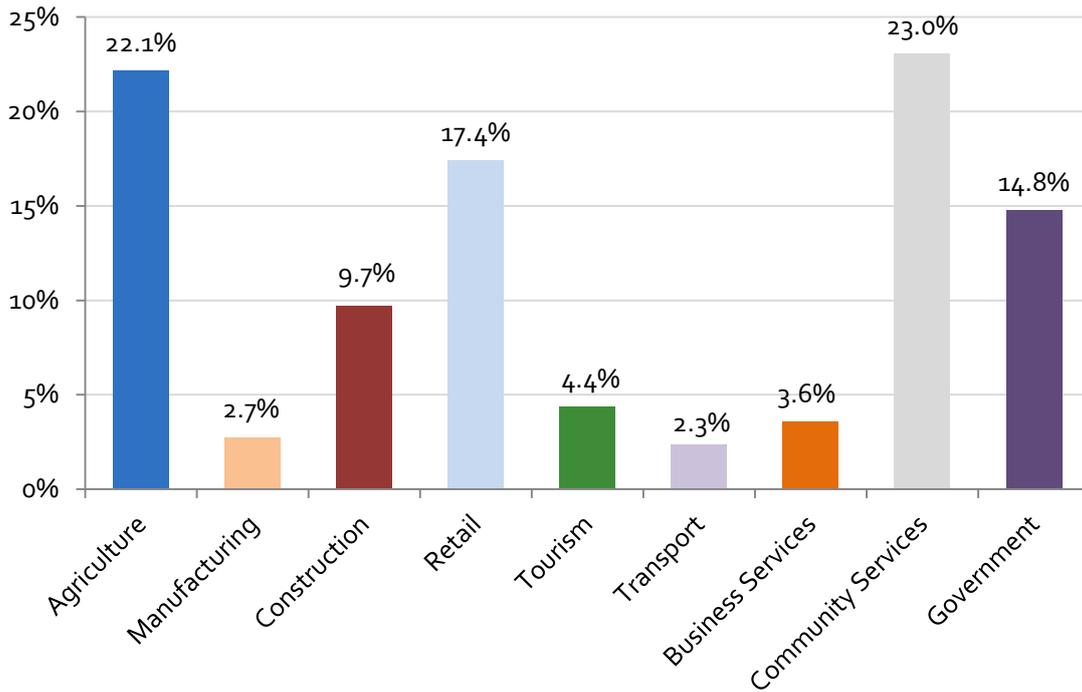
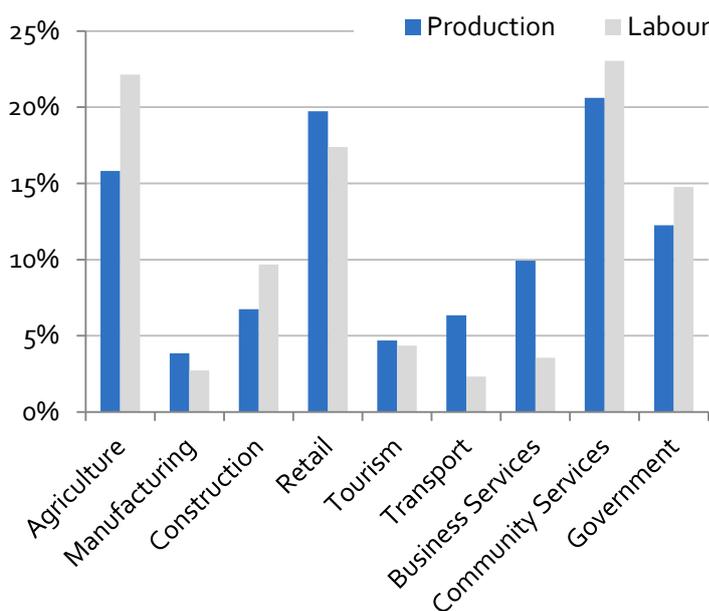


FIGURE 15: LABOUR INTENSITY



The labour intensity of a particular sector is an important indicator of job creation potential and is illustrated by comparing production and employment. Figure 15 illustrates this comparison for the Mier LM.

Figure 15 indicates that there are four labour intensive industries in the local economy. These are agriculture, community services, construction and government. Additionally, the tourism industry provides nearly as many jobs as output while the Retail sector is an important source of employment.

The identification of employment generating industries is aided through comparative analysis of several study areas. Figure 16 illustrates the proportional employment of each sector in the Mier LM, Khara Hais LM, ZF Mgqawu DM and Northern Cape Province.

FIGURE 16: SECTORAL EMPLOYMENT

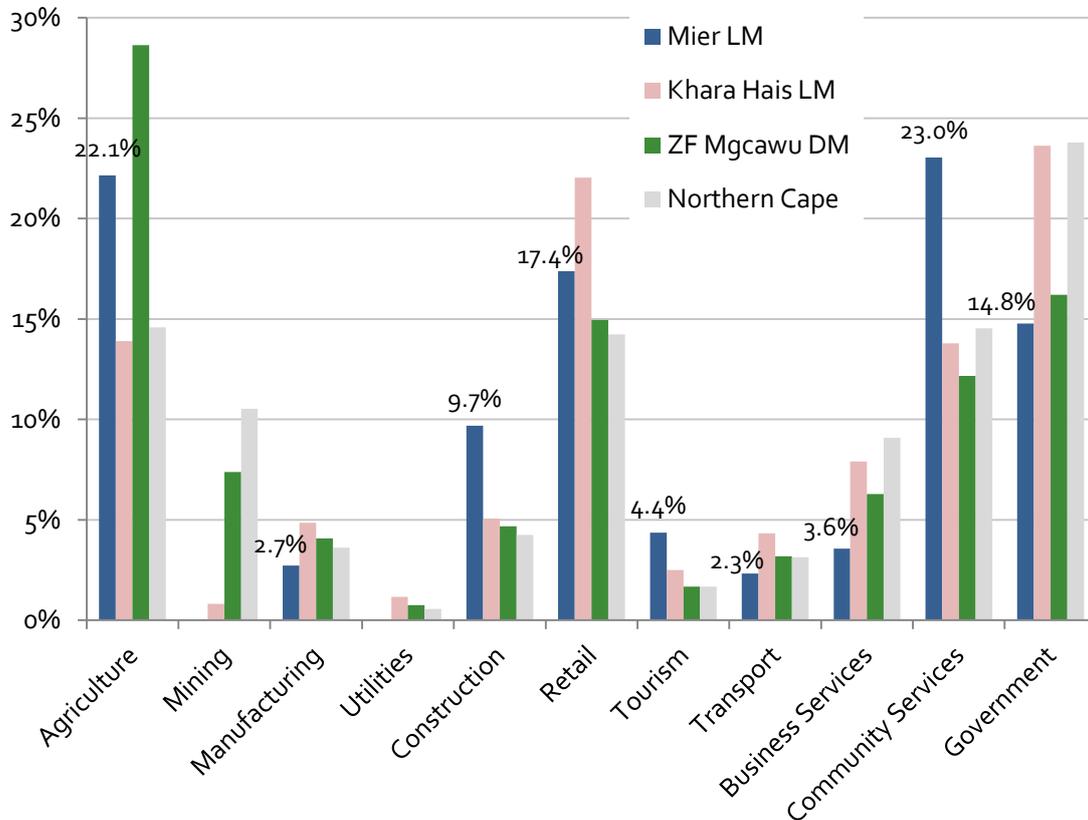


Figure 16 indicates that the agriculture, construction, tourism, and community service sectors generate proportionally greater employment in the Mier LM than elsewhere, which is expected given their contribution to output. It also illustrates the relative importance of the retail, manufacturing, transport, business services and government sectors to employment in the Khara Hais LM.

The Bloodhound SSC initiative and related projects are expected to generate employment in the Mier LM and the Khara Hais LM which will have an impact on the labour profile. In the Mier LM it is anticipated that direct employment will be concentrated in the tourism, retail and community service sectors, while indirect job creation will occur in transport, business services, agriculture and government throughout the region.

The Bloodhound SSC initiative is also expected to generate employment in the Khara Hais LM through utilisation of the Upington Airport, accommodation, shops and services. These activities will therefore have a positive impact on employment in the transport, government, tourism, retail and service sectors.

The opportunities for generating temporary and permanent employment in the Mier and Khara Hais LMs are discussed in the following sections of this report.

3.3.3. Small Business Profile

The Mier LM is situated in an economically and spatially isolated region of South Africa and therefore production and employment are concentrated in the agriculture and small business sectors. The small business profile offers an overview of the Small, Medium and Micro Enterprise (SMME) operating in the Mier LM. The purpose of this profile is to determine a status quo of business activity in the region and identify the prospect for growth.

The small business profile was compiled following a survey of small and micro businesses operating in the Mier LM, including those in the formal and informal sectors. The survey was conducted by Urban-Econ in April and May 2013. It addressed a total of 52 small businesses operating in three different towns, namely Rietfontein, Ashkam and Philandersbron.

Of the 52 small businesses interviewed in the Mier LM over half (52.8%) operate in the retail sector, primarily grocers and clothing shops; 22.6% offer accommodation through guesthouses and lodges; and 11.4% provide tourism related services. The remaining 13.2% of small businesses surveyed offer transport, motor repair and community services. These industries are common to the small business sector owing to their relatively low barriers to entry and limited economies of scale.

The distribution of surveyed businesses according to revenue is illustrated in Figure 17. It shows that 76.3% of interviewed businesses reported an annual turnover of less than R100 000. Additionally, only four businesses surveyed (7.6%) turn over more than R1 million per year three of which operate in the tourism industry. This relatively low level of turnover is consistent with rural small businesses across South Africa.

Figure 18 illustrates the distribution of small businesses according to the number of employees. It shows that 84.6% of the businesses surveyed have only one full time employee (often the owner). Additionally, the only small business with more than five full time staff is the Kgalagadi National Park, which is managed by SANPARKS. The Kgalagadi National Park is also the only 'small business' to generate more than R5 million in turnover per year.

FIGURE 17: SMALL BUSINESS TURNOVER

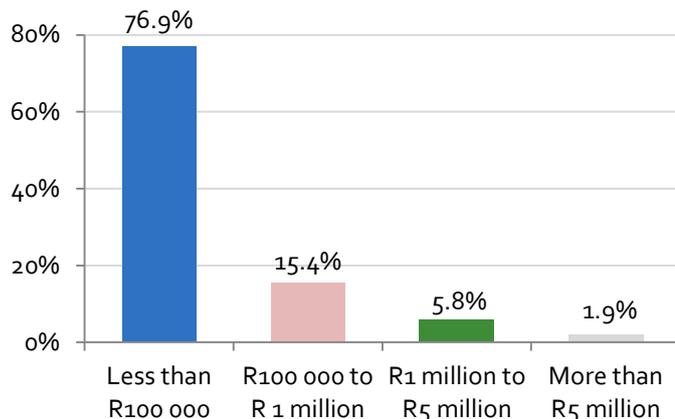
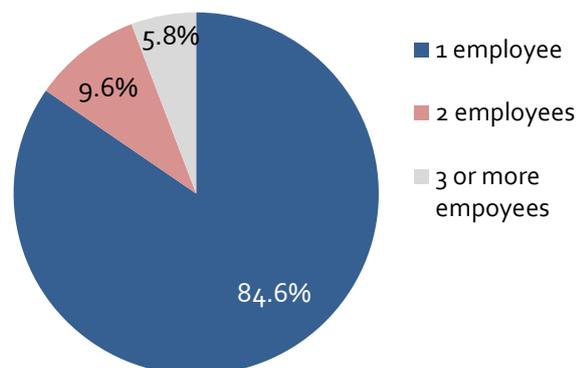


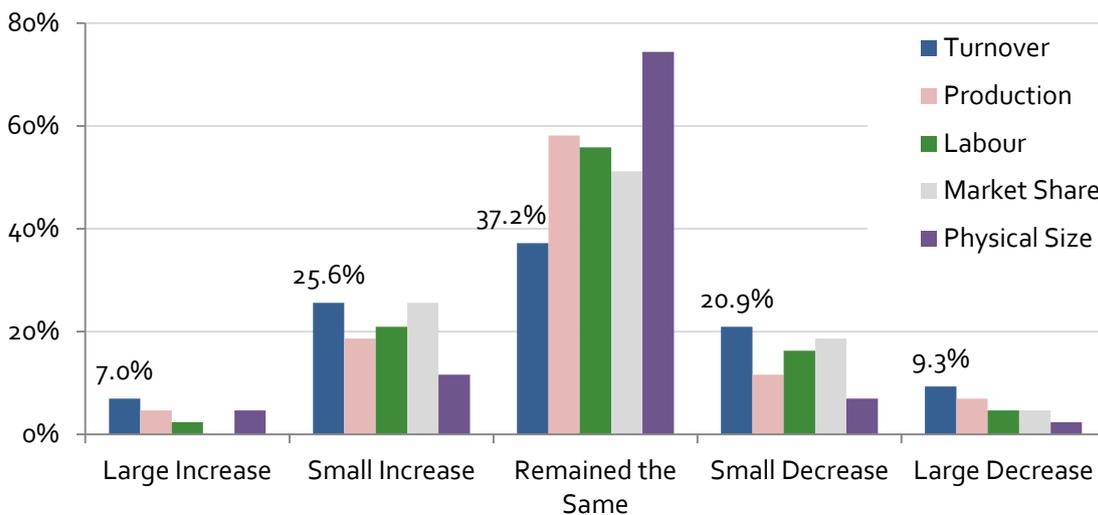
FIGURE 18: SMALL BUSINESS EMPLOYMENT



The small business survey also asked all formal sector respondents to discuss the development of their business in terms of experienced and anticipated growth. The growth experienced by survey respondents over the previous three years is illustrated in Figure 19 according to several key indicators, namely turnover, production, labour, market share and physical size.

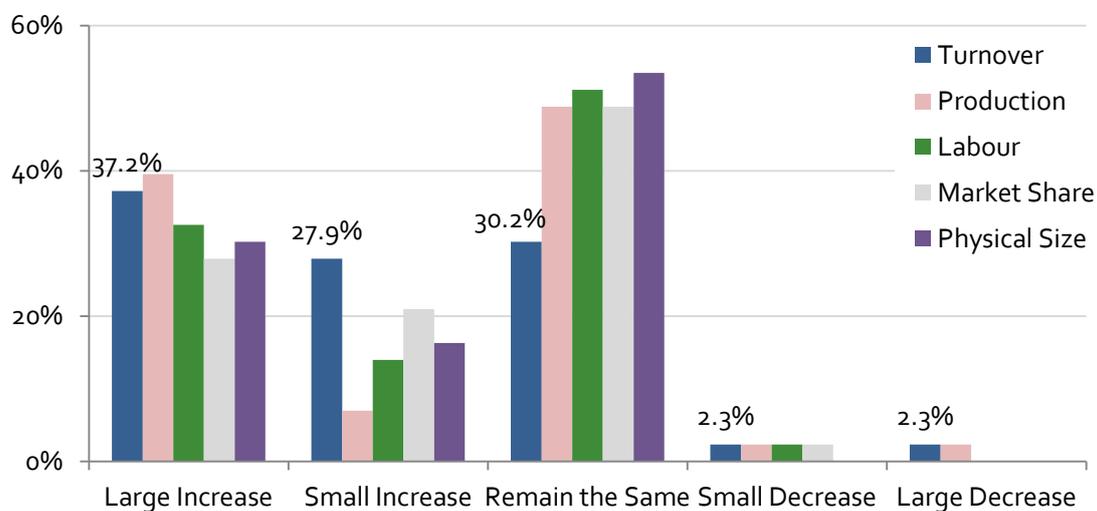
The majority of businesses surveyed experienced no growth in all indicators with the exception of turnover. Additionally, business fluctuation was generally 'small' with less than 10% experiencing a large increase or decrease in any of the development indicators. These results indicate that small business growth in the Mier LM is largely consistent despite the recent economic slowdown.

FIGURE 19: EXPERIENCED BUSINESS GROWTH



The anticipated growth of formal small businesses in the Mier LM over the next three years is illustrated in Figure 20. It shows that local small business owners are largely optimistic with very few expecting to experience a decline in turnover, production, labour, market share or physical size. Additionally nearly half of all business owners anticipate positive enterprise growth, with the greatest optimism for increased turnover.

FIGURE 20: EXPERIENCED BUSINESS GROWTH



SECTION 4: CATALYTIC PROJECTS

The Northern Cape Province is host to a range of large-scale projects and interventions with the capacity to catalyse economic growth and development including the Bloodhound SSC initiative. These projects occur in a range of industries, namely tourism, science and technology, sports and recreation, education and renewable energy. This section provides a summary of the following projects/interventions and identifies the direct and indirect implications for the Bloodhound SSC Integrated Development Strategy.

1. The Bloodhound SSC Initiative
2. Kalahari Speed Week
3. The Maloof Money Cup
4. Green Kalagari Canoe Marathon
5. Northern Cape University
6. Northern Cape Development Corridors
7. Upington Airport Upgrades
8. Upington Special Economic Zone (SEZ)
9. The Northern Cape Solar Corridor
10. The Northern Cape Astronomy Initiative

4.1. The Bloodhound SSC Initiative

The Bloodhound SSC initiative was launched at the London Museum of Science in 2008. The initiative aims to design and manufacture a super-sonic car capable of setting a new land speed record while also inspiring the next generation of scientists and engineers. The car is designed to reach a top speed of 1 000 miles per hour (1 610 km per hour), well above the speed of sound. To achieve this speed the design team has utilised the most advanced vehicle and aircraft technology partnering with scientists and engineers from around the globe.

The Bloodhound project is managed by a British team of designers, technologists, engineers and race enthusiasts. The project team is led by Richard Noble, a renowned entrepreneur and former land speed record holder. The team has also recruited Andy Green a British Air Force Pilot and the current land speed record holder to drive the car during all test runs and record attempts.

"The Bloodhound team brings together previous partnerships and fosters new talent in one of the most exciting engineering adventures that the world has seen for many years."

www.bloodhoundssc.com

In 2009 the Bloodhound team launched a global search to identify the ideal location for its land speed record attempt. This search led the team to the Northern Cape where several dry lakebeds, or pans, were identified. After serious consideration Hakskeen Pan in the Mier LM was chosen for its size, surface composition, community cooperation, and the enthusiasm of the provincial government. The team has since made several trips to the region to facilitate preparation of the land including the removal of over 6 000 tons of stone and to finalise planning for the record attempt. The land speed record attempt is tentatively scheduled for early-mid 2014.



The Bloodhound initiative is the product of over six years of planning and development. Figure 21 presents a timeline of the project highlighting some of the key milestones achieved thus far.

FIGURE 21: BLOODHOUND PROJECT TIMELINE



The Bloodhound SSC initiative offers numerous opportunities for education and economic development. Through the Bloodhound Education Programme the team engages and informs students in primary, secondary and tertiary schools. This Programme ensures that all information about the research, design, creation and testing of the car is made available to educators and pupils. Although the programme is concentrated in the UK there have been several interventions in South Africa including workshops and lectures hosted by Scifest Africa in several urban centres.

The Bloodhound project also provides various economic opportunities for local communities, particularly those in the Mier and Khara Hais LMs. These opportunities are facilitated through a strong partnership between the project team and the Northern Cape Provincial Government. To date this partnership has resulted in the creation of over 300 temporary jobs during the clearing of Hakskeen Pan and provided significant marketing for the region. It will also enable the implementation of economic and education projects before, during and after the event.



IMPLICATIONS: The Bloodhound SSC record attempt is the cornerstone of the current strategy. It is therefore important that this event and the various opportunities related to it are understood and appropriately leveraged in order to achieve sustained economic growth and development.



4.2. Kalahari Speed Week

The Kalahari Speed Week offers motor and speed enthusiasts an opportunity to test their vehicles top-speed under ideal racing conditions. The annual Desert Speed Week was launched in 2012 at Hakskeen Pan in the Northern Cape, the same venue as the upcoming Bloodhound SSC record attempt. In 2013 Speed Week organisers added two new events, the Eco-Speed Week and the Upington All-Tar Speed Week.

DESERT SPEED WEEK

The Kalahari Desert Speed Week is the first speed week hosted in Africa. The event is modelled after the highly successful Bonneville Flats Speed Week held every year in Utah (USA). Event organisers offer a 7km specially prepared clay track on Hakskeen Pan, camping and caravan space, tent rentals, ablution facilities, communication services, and a well-equipped main tent offering meals and drinks.

Kalahari Desert Speed Week offers participants an opportunity to test their vehicles top-speed, compete in a range of vehicle classes, and enjoy camaraderie with fellow speed enthusiasts. In 2012 over 150 participants raced their vehicles during the event. It is anticipated that the 2013 Desert Speed Week, scheduled for the 14th to the 23rd of September, will attract an even greater number of participants, supporters and spectators bolstered in part by media coverage of the Bloodhound SSC event.



ECO SPEED WEEK

In September 2013 Kalahari Speed Week organisers will host the first annual Eco Speed Week at Hakskeen Pan. The inaugural event is open to all zero-emission vehicles including those powered by hydrogen, bio-fuel, gas and electricity. Eco Speed Week is expected to attract teams from all over the world showcasing some of the latest green technology.

ALL TAR SPEED WEEK

The third event hosted by Kalahari Speed Week organisers is the Upington All Tar Speed Week. This event offers road racing enthusiasts an opportunity to participate in the Speed Week festivities. It is hosted at the Upington International Airport which has one of the world's longest runways (5.5.km) making an ideal location for top-speed attempts. The first annual All-Tar event took place in April 2013 attracting approximately 50 participants.

IMPLICATIONS: The Kalahari Speed Week events are essential in establishing Hakskeen Pan as a world renowned speed venue. It is therefore imperative that the Provincial Government work closely with Kalahari Speed Week organisers. The objectives of this partnership should be the establishment and implementation of a unified marketing strategy; increased numbers of participants, supporters and media; and the identification of related business and job opportunities.



4.3. The Maloof Money Cup

The Maloof Money Cup is an international skateboarding competition launched in California in 2008 and attracting over 200 000 attendees. The event showcases professional and amateur skateboarders and offers the sport's top prize money in a range of categories. In 2011, through partnership with the Northern Cape Provincial Government and Kumba Iron Ore, Kimberley (Northern Cape) became the first non-American city to host the Maloof Money Cup.

The three-day televised competition is held annually at the Kimberley Maloof Skate Plaza, one of the best facilities of its kind and a lasting legacy for the city. The competition attracts tens of thousands of spectators and is by far the Province's largest sporting event. The current contract between Maloof Skateboarding and the Northern Cape Provincial Government extends to 2015, ensuring at least a few more years of world class skateboarding in Kimberley.

The partnership with Maloof Skateboarding has also benefited communities across the Northern Cape through the 'Skateboarding for Hope' tour. This ten month outreach programme was launched in December 2010 as a lead up to the first Maloof Money Cup. The programme provided professional demonstrations, skate clinics and local competitions in 17 towns. Throughout the programme Maloof Skateboarding and the Northern Cape Provincial Government donated thousands of shoes, skateboards, and gear to disadvantaged youth.

IMPLICATIONS: The Maloof Money Cup is the largest sporting event in the Northern Cape attracting participants from all over the world. The event is therefore important for the Province's repositioning as Africa's 'Extreme Sport Capital'.

4.4. The Green Kalahari Canoe Marathon

The Green Kalahari Canoe Marathon is a three day, 99 km canoe race along the Orange River between Upington and the Khamkirri Game Reserve near the Augrabies National Falls. Launched in 2012 the annual event attracted over 50 participants in its first year and more than 80 in 2013 including many of South Africa's top rowers. The marathon also includes a category for 'development paddlers' (youth from previously disadvantaged backgrounds), attracting new participants from as far as the Western Cape and KwaZulu-Natal.

The Green Kalahari Canoe Marathon is sponsored by the Northern Cape Department of Economic Development and Tourism (NC DEDT), the Northern Cape Tourism Authority, and local businesses including Orange River Wine Cellars and Safari Dried Fruit. These sponsors view the marathon as an important opportunity to showcase the Northern Cape as a diverse tourism destination; highlight the Upington Wine Route; and encourage the Province's repositioning as the continent's adventure sport capital.

IMPLICATIONS: The Green Kalahari Canoe Marathon showcases the Upington region and in particular the Upington Wine Route. It is therefore an important anchor in the rebranding of this region as an adventure sport capital and as an alternative to the Western Cape wine country.



4.5. The Northern Cape University

In 2012 the Department of Higher Education and Training (DHET) announced that two new Universities would be established in South Africa. These Universities are earmarked for Kimberley, in the Northern Cape, and Nelspruit (Mbombela), in Mpumalanga. It is envisaged that both universities will offer new and innovative programmes, attracting South Africa's top learners.

Following the completion of feasibility studies in 2012 the National Treasury endorsed the new Universities allocating R2 billion for their establishment. This process was then further advanced in 2013 with the signing of a record of intention by education and government officials in Kimberley.

The Northern Cape University will be situated in inner-city Kimberley on land owned by the Province and Municipality. Construction of the Northern Cape University is scheduled to commence in September 2013 with initial programme offerings planned for the 2014 academic year.

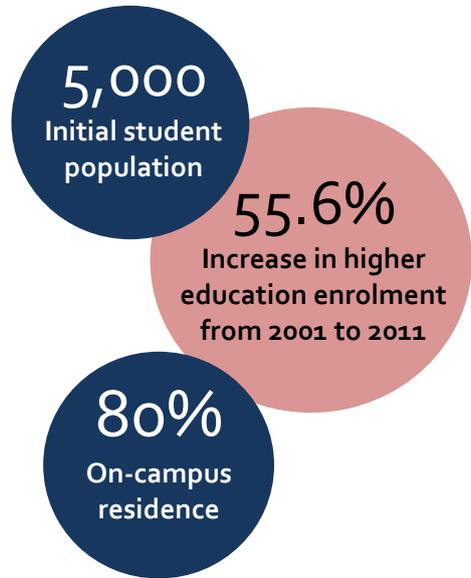
The following areas of study and specialisation have been preliminarily identified for the Northern Cape University based on Provincial priorities, stakeholder consultation, and discussion with education and industry experts:

1. Information technology and computer science.
2. Engineering and applied sciences focusing on manufacturing, renewable energy and diamond technology.
3. Agriculture with a focus on agro-processing, business technology, mechanisation and food science and technology.
4. Management studies with a possible specialisation in business management, hospitality management and/or tourism management.
5. Health sciences with an initial focus on nursing.
6. Humanities, specialising in education, heritage studies, indigenous languages and art.

The Northern Cape University also plans to offer postgraduate studies in astronomy, renewable energy, low carbon energy, hydrology, water resource management and climate variability.

IMPLICATIONS: Establishment of the Northern Cape University in 2014 coincides with the Bloodhound SSC record attempt. This provides an opportunity for the University to utilise practical knowledge and expertise associated with the Bloodhound initiative in order to boost the quality and appeal of its engineering and applied science programmes.

The Northern Cape University also plans to offer hospitality, business and tourism management degrees. These programmes can also benefit from the Bloodhound SSC project which provides an important case study in desert, cultural and adventure tourism development while also diversifying and enhancing tourism offerings in the Province.



4.6. Northern Cape Development Corridors

The Northern Cape is host to South Africa's largest manganese, diamond and lime reserves and is heavily involved in the mining and transport of iron ore. The Provincial Government, in collaboration with National Departments, development institutions and regional mining companies, seeks to transform these corridors from transport routes into value-addition centres through strategic investment in infrastructure, capacity and services. These interventions are aimed at unlocking potential in the region and facilitating economic growth.

SALDANHA CORRIDOR

The Saldanha Northern Cape Development Corridor is one of 17 Strategic Infrastructure Projects (SIPs) identified as part of Government's National Infrastructure Plan (NIP). The Corridor runs along an 861 km heavy haul railway line from Sishen in the Northern Cape to the port city of Saldanha Bay in the Western Cape. This railway line is one of the world's longest heavy haul routes transporting around 46 million tons of iron ore each year.

The Saldanha Northern Cape Development Corridor, as with all SIPs, is comprised of many infrastructure components and programmes. In the Northern Cape this includes expansion of the industrial-ore rail line between Sishen and Saldanha Bay to accommodate 100 million tons per year. It also involves the promotion of industrialisation and value-addition through strategic investment in mining, agro-processing, and the manufacturing of green energy components. To facilitate these projects municipal bulk infrastructure and electricity transmission will also be expanded.

The Saldanha Corridor expansion plan was launched in May 2012 by Minister of Economic Development Ebrahim Patel and is coordinated by the Industrial Development Corporation (IDC). It is anticipated that all projects relating to this initiative will be completed in 2018 resulting in thousands of sustainable mining, energy, and manufacturing jobs.

GAMAGARA CORRIDOR

The Gamagara Mining Corridor forms a strategic component of the Saldanha Corridor focusing on local services and industrialisation. It is situated approximately 200 km north-east of Upington and stretches across five Local Municipalities including Gamagara, Joe Morolong, Ga-Segonyana, Tsantsabane and Kgatelopele. Investment in the Gamagara Mining Corridor provides opportunities for rural and mining village development, value-addition, mining related services and industrialisation.

The Northern Cape Provincial Government in partnership with Sishen Iron Ore and the development Bank of South Africa (DBSA) have recently compiled a Master Plan to guide expansion of the Gamagara Mining Corridor. This Master Plan addresses infrastructure, social and economic elements. Projects emanating from the Master Plan include development of a Service Office, Industrial Park and Incubation Centre near Kathu in the Gamagara LM.

IMPLICATIONS: The Saldanha Northern Cape Development Corridor and the Gamagara Mining Corridor will encourage massive investment, industrialisation and overall growth in the Province. There are however no direct linkages between these projects and the Bloodhound SSC initiative.



4.7. Upington Airport Upgrades

The Upington Airport received international status in 1993 and currently offers direct daily flights from Cape Town and Johannesburg; chartered flights from Europe and Africa; and world-class cargo services. Over the last decade the airport has undergone several major upgrades including R35 million to resurface the runways; R35 to 40 million for the construction of a new terminal building; and unknown investment in cargo facilities.

CARGO HUB

The Upington Airport has been identified by Airports Company South Africa (ACSA) as a feasible location for the development of a cargo hub. This is attributed to the airport's 4 900 meter runway, one of the longest in the world, which allows for the landing of jumbo jets capable of accommodating massive cargo loads. The airport is also strategically located near South Africa's northern borders making it easily accessible from other Southern African countries. However, despite years of planning development the cargo hub has yet to reach fruition owing to insufficient funding and capacity.

MOTHBALLING

The Upington Airport is also noted as an ideal location for the 'mothballing' of private and government owned aircraft due to its high altitude, dry conditions and land availability. These aircraft will either be maintained for future use or dismantled for parts according to client demands. Construction is largely completed on a 50ha mothballing platform with space for approximately 350 aircraft. At present however storage levels are below capacity with additional investment required in facilities, services and skills development.

IMPLICATIONS: The development of Upington Airport into a world-class cargo hub and storage facility will create direct economic benefits and spin-offs for the Upington community. It also ensures that Upington Airport becomes a preferred destination for project teams transporting large equipment such as those involved in the Bloodhound SSC and other technology ventures.

4.8. Upington Special Economic Zone (SEZ)

The Department of Trade and Industry (DTI) recently (re)launched the Special Economic Zone (SEZ) initiative aimed at catalysing growth in the manufacturing sector. The SEZs are demarcated areas that provide an enabling environment and regulations conducive to investment and job creation. It is envisioned that at least one SEZ will be established in each of South Africa's nine provinces.

The Northern Cape Provincial Government recently launched an application to the DTI for the establishment of an SEZ focused on solar energy research and development in Upington. The SEZ will host a Solar Park and research hub and act as an anchor in the Northern Cape Solar Corridor. Plans for the Upington SEZ also include an electronics hub, skills development centre, and the assembly of solar related components.

IMPLICATIONS: Although the Upington SEZ will not be established until after completion of the Bloodhound SSC record attempt it will further the Provinces' universal objectives of economic growth and job creation. The SEZ may also foster linkages to other motor racing events, in particular the Kalahari Eco-Speed Week, and therefore should be considered as part of the wider development strategy.



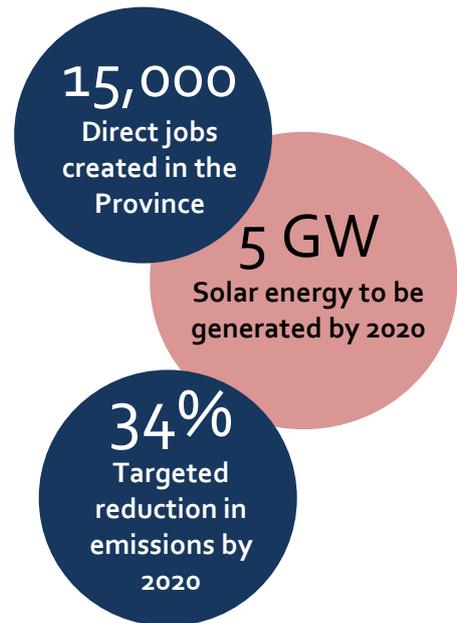
4.9. Northern Cape Solar Corridor

The Department of Energy (DOE) has embarked on an ambitious solar energy programme in order to address South Africa's electrical capacity constraints and over-reliance on coal generated power. The emphasis on solar power is based in part on the positive findings of a 2010 feasibility study conducted by the Clinton Initiative. The study concluded that solar power can effectively be deployed in large quantities over the next decade in a manner cost-competitive with coal. This study identified the Northern Cape as the ideal region for implementation owing to its consistent solar radiation, flat and sparsely populated land, quality transport network and electricity grid infrastructure, and access to water from the Orange River.

The Northern Cape Provincial Government has since launched plans for a solar corridor including up to 20 different solar parks. These solar parks will operate as concentrated zones of clustered solar electricity that deliver power to the grid through a common connection. They have the capacity to significantly decrease the cost of solar power by exploiting economies of scale, sharing common services and utilities and using locally manufactured components.

Projects currently under development along the corridor include the !Khi and !KaXu Solar One Concentrated Solar Power (CSP) stations located near Upington and Pofadder. These stations have a combined capacity of 150MW and are expected to leverage over R10 billion in investment. Other solar parks include the 96MW Jasper Photo Voltaic (PV) project and the adjacent 75MW Lesedi project. In June 2013 Google committed \$12 million (R118 million) to the Jasper project thus boosting the Solar Corridor both financially and through international media exposure.

The Northern Cape Solar Corridor is also bolstered by the 50MW Bokpoort CSP station and the 75MW De Aar Solar Park. Construction on these power stations began in 2012 with the Bokpoort CSP station and the first phase of the De Aar Solar Park scheduled for commissioning in 2014. Another major project under development in the Northern Cape is a 1GW solar park to be situated near Prieska. This solar park has been relocated from Upington while land challenges in that region are addressed. It is forecasted that construction of the Prieska Solar Park will be completed in 2018 at which stage it will become a cornerstone of the Northern Cape Solar Corridor. All electricity generated by these and other solar projects will be sold directly to Eskom, South Africa's national electricity provider.



IMPLICATIONS: The Northern Cape Solar Corridor is stimulating massive investment, promoting job creation, enhancing energy security and providing international exposure for the Northern Cape. Although these achievements are not directly linked to the Bloodhound SSC initiative they do form part of the Provinces overall push towards employment, green energy and improved standards of living. The solar corridor, in addition to the Bloodhound SSC initiative, will also advance the Provinces emerging role as a science and technology hub in the region.



4.10. The Northern Cape Astronomy Initiative

The Northern Cape has received significant investment in astronomy initiatives over the previous decade with new projects currently under development. The Province's appeal stems from its vast open land with little artificial light, pollution, or radio wave interference; the low topography and dry climate; and the cooperation of the Provincial Government. The impact of these astronomy projects on the Northern Cape is profound including capital investment, job creation, tourism development and the attraction of highly-skilled astronomers and engineers.

SKA

The Square Kilometre Array (SKA) is a global mega-science project aimed at developing an advanced radio-telescope facility approximately 80km from Carnarvon in the Northern Cape. The SKA will address fundamental questions about the universe regarding the formation of stars and galaxies, their evolution over time, the role of magnetism, nature of gravity and the search for life beyond our planet.

Designs for the SKA project are currently being finalised with construction scheduled to begin in 2016 for initial observations by 2019 and full operation as of 2024. The South African phase of the project is expected to cost approximately R1.5 billion and will be financed by at least 13 partner countries and close to 100 support organisations. The SKA initiative is coordinated through the Jodrell Bank Observatory in Manchester (UK).

MEERKAT

The SKA initiative will be situated on the same site as the MeerKAT telescope, currently the largest and most sensitive radio telescope in the Southern Hemisphere. The MeerKAT will be incorporated into phase one of the SKA project as a pathfinder for future telescopes. Although phase one of SKA will be situated entirely within the Northern Cape phase two will incorporate eight African partner countries. The SKA project will therefore advance science, technology and education partnership throughout southern Africa.

SALT

The Southern African Large Telescope (SALT) is the most powerful single optical telescope in the Southern Hemisphere and among the largest in the world. The telescope enables astronomers to detect light and radiation from very distant objects in the Universe out of reach of Northern Hemisphere telescopes.

The telescope is situated near Sutherland in the Northern Cape and was established in 2005 following five years of construction and nearly a decade of planning. The cost of construction and operations for the telescope over the first ten years is an estimated R350 million. The project is funded by global partners including South Africa, the USA, Germany, Poland, India, the United Kingdom and New Zealand.

The telescope has also resulted in spin-off effects for the local and regional economy. Construction of the telescope and facility was conducted entirely by South African companies using 60% local materials. Tourism in Sutherland is boosted by the South African Astronomical Observatory and Visitor Centre. Finally, the programme has funded youth learnerships and bursaries for South African students.

IMPLICATIONS: As with the Bloodhound SSC project the development of astronomy initiatives advances the Northern Cape's establishment as a regional hub for science and technology investment. These interventions also promote special interest tourism in rural communities.



4.11. Key Implications

The Northern Cape Province is host to various initiatives identified as catalysts for economic growth and development. The following is a summary of the key implications for development as a result of these initiatives and their potential linkages to the Bloodhound SSC project.

INVESTMENT ATTRACTION

The Northern Cape has attracted billions of rand in tourism, infrastructure, technology, and education investment through the implementation of catalytic projects. The rate of investment is also expected to grow as new projects and innovative industries are developed.

The Bloodhound SSC project, through tourism promotion and the attraction of science, engineering and technology skills, has the potential to further promote investment in the province, especially the Mier LM. It is however imperative that a diverse portfolio of investors are identified in order to maximise and sustain economic growth. It is also important that this investment is aligned to the priorities of Provincial and Municipal governments.

BUSINESS AND EMPLOYMENT

The development of catalytic projects in the Northern Cape has created thousands of employment and business opportunities through construction, operations and local procurement. However many of these opportunities are temporary and/or outsourced to firms outside of the Province due to a lack of local skills and capacity.

The Bloodhound SSC initiative also has the potential to stimulate job creation and SMME development in the Mier and Khara Hais LMs. It is however imperative that employment training, skills transfer and business support are provided to ensure that these opportunities remain as local as possible.

SCIENCE AND TECHNOLOGY

The Northern Cape Province is currently host to numerous science and technology initiatives including the solar power corridor, and the SKA and SALT astronomy installations. If properly leveraged these initiatives, as well as the future Upington SEZ and the Northern Cape University, will position the Province as Africa's premier science and technology hub.

The Bloodhound SSC initiative will attract numerous scientists and engineers to the region. It is therefore important when planning the Bloodhound event and legacy that the ensuing opportunities for science and technology development are maximised through marketing, project integration, skills transfer and the exploitation of spin-off projects.

ADVENTURE TOURISM

The Northern Cape Province has branded itself as Africa's Extreme Sport Capital. This label is supported by several key events including the Maloof Money Cup, Kalahari Canoe Marathon, Kalahari Speed Week events and most recently the Bloodhound SSC initiative.

To further promote extreme/adventure tourism in the Northern Cape, and especially in the Mier and Khara Hais LMs, it is important that Hakskeen Pan is established as the "World Land Speed Capital". This will be achieved through careful marketing, investment and event planning. It is also important that the legacy of the Bloodhound event is preserved.



SECTION 5: CASE STUDIES

The purpose of case study analysis is to examine locations that exhibit similar characteristics to the study area in order to identify development opportunities, challenges and recommendations. This section provides a summary of four case studies, each situated in a desert location. These studies inform the opportunity analysis and project/programme recommendations for the Bloodhound SSC Integrated Development Strategy.

CASE STUDY - SELECTION CRITERIA

1. The area must be located in a desert region with small, remote communities.
2. Tourism must be a key source of economic activity and employment.
3. Tourism must be based, at least in part, on the desert environment.
4. The area must satisfy at least one of the following criteria:
 - Venue for auto racing/speed events
 - Home to indigenous communities/populations
 - Innovative tourism and economic activities

5.1. Negev Desert (ISRAEL)

The Negev Desert is a vast, sparsely populated region covering southern Israel. The landscape is comprised of rocky plains intersected by outcrops, mountains, dry lakebeds and deep canyons. The Negev is increasingly one of Israel's top tourism destinations owing to its vast beauty, rich history and the opportunity for visitors to interact with nomadic Bedouin tribes.

Tourism activities in the Negev Desert include 4x4 tours, camel treks, hiking trails and camping. The Negev also offers an array of unique attractions including religious and historic sites such as the Tel Arad National Park and city ruins, Abrahams Well, and the ancient incense route, as well as museums showcasing Jewish history, agriculture and art. Although some of these attractions are located in remote areas of the Desert most are situated in settlement scattered throughout the region.

Development of the Negev Desert is a key priority for the Israeli Government which views the region as integral to the stability of the Jewish state. To this effect the Israeli government has invested in the controversial expansion of Negev settlements and the establishment of a military base. Importantly however the Negev has also become a region of innovative agricultural practices.

Agriculture development in the Negev Desert is enabled through water purification, irrigation and hydroponic techniques which enable farmers to overcome the regions harsh, arid conditions. These farmers produce olive trees, strawberries, cheese, vegetables and boutique wines, establishing the unique "Negev Wine Route" with accommodation, restaurants and wine/olive oil making classes.

The development of agriculture is supported by the Ramat Negev Desert Agro Research Centre (RNDARC) and Business Centre. These facilities provide innovative agricultural management practices, techniques for water conservation and erosion control, seed development, tourism support and business incubation with the objective of achieving sustainable farming.



The Negev Desert is also home to approximately 200 000 Bedouin people, descendants of nomadic Arabs tribes. Although their ancient lifestyle has largely been replaced by Western modernity and influenced through urbanisation many Bedouin people have retained cultural and historic practices (NCFCE, 2009).

The Negev Bedouin have also become integrated into Israel's large tourism industry with various operators offering home stays, market tours and camel treks. Additionally, Bedouin women are involved in the manufacture of crafts, carpets and other goods for the tourism market. Despite these opportunities however there are concerns that Bedouin communities and culture are marginalised by the Israeli government and exploited by the tourism industry.



CONCLUSIONS: The Negev Desert offers a variety of tourist attractions and activities while also ensuring economic diversity and sustainability through the development of innovative agriculture practices. The Israeli Government must however balance this development with the land, religious and cultural rights of the Bedouin people.

The Negev Desert case study provides the following conclusions regarding desert development:

- Desert tourism can go beyond scenic tours (i.e.: festivals, cultural activities, agri-tourism)
- Research, innovation and business support can enable new arid agriculture practices
- Involvement of indigenous communities in tourism and development must be carefully managed to maximise community benefits and avoid exploitation

5.2. Great Salt Lake Desert (USA)

The Great Salt Lake Desert occupies 6 475 square kilometres in north-western Utah (USA) and is surrounded by vast salt pans including the Bonneville Salt Flats. The Bonneville Salt Flats gained notoriety in the 1930's when it hosted several land speed records. In the following decades the salt flats became the standard course for record attempts.

The Bonneville Salt Flats host various land speed events including Speed Week, BUB Motorcycle Speed Trials, World of Speed and the World Finals. The largest event, Bonneville Speed Week, is held each year in August and attracts over 3 500 competitors, crew and spectators. The majority of these attendees are accommodated at hotels in nearby while over 200 campers, trailers and tents are set up in a designated area next to the Salt Flats.

BLACK ROCK DESERT – NEVADA

The current land speed record was set by members of the Bloodhound team in 1997 at the Black Rock Desert in Nevada. The Desert is also host to the annual Burning Man Festival which attracts over 50 000 attendees. The Desert is no longer a suitable race track due to the impact of Burning Man on the desert surface and a decade of limited rainfall.

The previous land speed record attempt, Burning Man Festival, and other activities in the Black Rock Desert provide almost no economic benefits to the region. This is due to the near total absence of towns and communities and the non-commercial nature of these events.



The Bonneville speed events have a significant impact on the small towns of Wendover and Tooele. During these events local accommodation is fully booked with many hotels substantially increasing their rates while local shops experience a boost in sales on food, drinks, souvenirs and car parts. The events also generate increased traffic at the Wendover Airport which welcomes domestic and international visitors.

Although the economic impact associated with the Bonneville Salt Flats is largely confined to speed events local communities also receive many year round tourists interested in visiting the salt pans, although activities are limited. In addition, the Bonneville Salt Flats is renowned as a unique backdrop for filming motion pictures, fashion layouts and automobile commercials. Finally, the brine extracted from underneath the salt flats is utilised in the production of potash by the Intrepid Potash mine in Wendover.

Preservation of the Bonneville Salt Flats is an important priority for speed enthusiasts, conservationists and local government. These groups estimate that the salt flats have reduced in size from 96 000 acres in the early 1900s to approximately 30 000 acres in 2012. This is attributed in part to the removal of brine by the Intrepid Potash Mine, which sprays some but not all of the residual salt onto the surface of the pan.

The Bureau of Land Management which holds jurisdiction over the Bonneville Salt Flats recently conducted an Environmental Assessment (EA) to determine the impact of potash mining on the Flats. The EA offers several solutions, one of which is a replacement programme which will require Intrepid Potash to return all residual salt to the pan. Although the actual impact of this replacement programme is unknown many concerned parties are heralding it as the only solution to preserving the Bonneville Salt Flats.

The Environmental Assessment and other conservation efforts are funded in part by revenue from Bonneville Speed Week and other events. Event organisers pay 3% of gross revenue to the Bureau of Land Management for a special recreation permit. They also pay \$1 600 (approximately R15 600) to the Tooele County (local government) for a mass gathering permit. This revenue is designed to ensure the integrity of the Bonneville Salt Flats for use by future generations.

CONCLUSIONS: The Bonneville Salt Flats are world renowned as the optimal site for land speed record attempts. This notoriety is bolstered by the hosting of large annual events, film crews and photo shoots. The local economic impact of these activities is however limited to their specific duration with few other desert related attractions in the region. Their sustainability is also under threat as the salt flats continue to shrink in size.

The Great Salt Lake Desert case study therefore offers the following conclusions:

- Speed events attract a wide spectrum of tourists and boost local businesses
- Sustained tourism appeal requires the development of year-round activities
- Successful branding and marketing is important for visitor/business attraction
- Desert locations and pans are increasingly desired by film, photo and media crews
- Preservation of the landscape requires careful planning and stakeholder collaboration
- Reasonable user fees provide an important source of conservation funding



5.3. Atacama Desert (CHILE)

The Atacama Desert stretches 1 000 kilometres from the southern border of Peru across northern Chile. Despite its distinction as the 'driest place on earth', receiving only 4 inches (10.1 cm) of rain every thousand years, the Atacama Desert is home to 1 million people who subsist on mining and agriculture activities. The Desert is also home to a burgeoning tourism industry, with the distinction as Chile's third most popular destination.

The Atacama Desert is one of the world's best sites for astronomy research owing to its high altitude and extremely dry conditions. The Desert attracts thousands of expert and amateur astronomers and billions of rand in technology investment. It is home to several cutting-edge observatories some of which offer guided tours including the National Radio Astronomy Observatory which hosts the Atacama Large Millimetre Array (ALMA), currently the world's most powerful radio telescope (until completion of the SKA project).

The primary tourism activities in the Atacama Desert include day hikes and 4x4 treks, Moon Valley, Tatio geysers, Atacama salt flats, the Puritama hot springs and star gazing. Atacama is also host to a variety of adventure sports with local tour operators offering paragliding, mountain climbing, sand boarding and mountain biking excursions. In recent years endurance events have become increasingly popular including the world renowned Atacama Crossing an annual seven day, 250 km footrace across the desert.

The Atacama Desert is also host to several motor races including the Lower Atacama Rally, Lower Chile Rally and the tri-nation Dakar Rally. Although these races attract visitors and provide media coverage for the region they are also controversial in terms of their impact on the environment and local communities. Interestingly, one recent motor race that has escaped this controversy is the Atacama Solar Challenge an annual 4-day event attracting dozens of solar powered cars from around the world.

At the heart of the Atacama tourism industry is San Pedro de Atacama, an oasis village with approximately 5 000 permanent residents. The village provides access to the Desert and its key attractions and is host to an archaeological museum, colonial church and the annual San Pedro Festival offering dancing, parades and street masses. In recent decades San Pedro has experienced a tourism boom including the development of new hotels, guesthouses and restaurants as well as the establishment of various tour guides and operators.



The tourism boom in Chile's Atacama Desert has created numerous business and employment opportunities in the San Pedro community. It has also generated revenue for local indigenous groups through facility ownership and employment. There are however serious concerns regarding the pressure tourism places on municipal services and scarce water resources; damage caused to the regions fragile environment; and the negative impact on traditional and indigenous livelihoods (RIDES, 2005).

The San Pedro village was founded by the indigenous Atacmeños community, of which approximately 24 000 remain in the region today. Although there are concerns about the effect of tourism on the community thus far the impact appears largely positive. Through cooperation with local government the community is involved in co-managing tourism attractions including protected areas and archaeological sites. The Atacmeños have also developed a tourism network known as Likanhuasi through which they maintain some ownership in hotels and other facilities (RIDES, 2005).

CONCLUSIONS: The Atacama Desert hosts a vibrant tourism industry based on culture, natural beauty, adventure sports and astronomy. This industry must however compete with local communities, mining and agriculture for scarce resources, especially water, while also ensuring environmental preservation.

The Atacama Desert case study provides the following conclusions and recommendations:

- Desert locations are increasingly popular among adventure sport enthusiasts
- The value of motor sport and other events must be weighed against their impact on the environment and local people
- Town/village development must be carefully managed to ensure the availability of sufficient infrastructure and services
- Tourism development can assist in preserving and promoting indigenous cultures, however it must be managed in collaboration with these communities

5.4. Kalahari Desert (NAMIBIA/BOTSWANA)

The Kalahari Desert, or Kgalagadi Desert as it is known in Botswana, is a semi-arid savannah extending over 900 000 square kilometres. The Desert covers most of Botswana and parts of Namibia and South Africa, while the Kalahari Basin extends into Angola, Zambia and Zimbabwe. The only permanent river in the Kalahari is the Okavango which feeds into the renowned Okavango Delta in Botswana, one of Africa's greatest concentrations of wildlife.

The Kalahari Desert is sparsely populated by small towns and San communities. The surrounding Kalahari basin, where rainfall supports farming and urban development, is also home to urban centres, namely Windhoek, Gaborone and Upington. Traditionally, the Kalahari economy was driven by diamond mining and cattle farming. In recent decades tourism has also played an important role in the economies of Botswana and Namibia.

KALAHARI - NORTHERN CAPE

The Kalahari Desert extends into the Northern Cape, covering much of the Mier LM. This case study is concerned however with development of the Kalahari Desert in Namibia and Botswana. Conclusions from the case study will help form recommendations in the Bloodhound SSC Integrated Development Strategy.

The Kalahari tourism industry is based on game watching, photography and hunting. In Botswana tourism occurs largely in protected areas including the Mashatu Game Reserve, Chobe National Park, Central Kalahari Game Reserve (the world's second largest protected area) and the Kgalagadi Transfrontier Park which extends into South Africa. In Namibia most of the Kalahari is unprotected and tourism is concentrated in private lodges and guest farms.



Safari tourism in the Kalahari Desert is well established, hosting a wide range of local and foreign owned tour companies. These companies offer a variety of guided safaris incorporating quad bikes, 4x4 vehicles, camels and horses, while visitors can also self-drive using their own 4x4s or renting one from a local tour company. Additionally, because much of the Kalahari is inaccessible by vehicle many tour companies offer fly-in tours. Kalahari safaris are based on the 'low volume, high cost' principle, maximising tourism revenues while limiting the environmental and cultural impact.

Hunting safaris are also very common in Botswana and Namibia generating the greatest return on investment for tour companies and the government. According to the World Wildlife Fund (WWF) hunting in the Kalahari is well-managed and therefore does not pose an immediate threat to wildlife populations. There is however mounting concern over increased levels of poaching especially of rhino, elephant and lion.

Indigenous San communities in Botswana and Namibia are also increasingly incorporated into the Kalahari tourism industry. This includes guided walks, village visits and the sale of traditional San crafts. Additionally, in a few cases these communities are provided with revenue from local lodges. Despite these benefits however the tourism industry and its relation to the San people remains problematic. Key challenges include a perceived lack of control over the actions and intrusions of tourists; negative impact on culture and traditional way of life; social stratification within communities; and a growing dependency on tourist hand-outs (Hitchcock & Brandenburgh, 1990).

In recent years support for San communities in Namibia, Botswana and South Africa has increased in an effort to combat poverty, disease and desperation. In 2010 the advocacy group Survival International launched a boycott on tourism in Botswana in opposition of the failed repatriation of land and water to local San communities. Although the boycott was lifted in 2012 following a court interdict in favour of the San, Survival International and other groups remain adamant that without careful intervention and collaboration the San community and their ancient traditions will soon be extinct.



CONCLUSIONS: Kalahari tourism in Botswana and Namibia is characterised by 'low volume, high cost' safaris and hunting trips. These tours increasingly incorporate the San people, although for most San communities the benefits of tourism are far outweighed by the costs.

Through analysis of Namibia and Botswana the Kalahari case study offers the following conclusions for development in the Northern Cape:

- Kalahari development must carefully balance the needs of mining, agriculture and tourism
- High-end/luxury safaris and hunting trips offer the greatest return on tourism investment
- Tourism has the potential to uplift San communities but must be properly managed to:
 - Ensure shared ownership over land, resources and tourism revenue
 - Provide meaningful employment and skills development opportunities
 - Educate tourists to dissuade inappropriate demands and activities
 - Preserve San culture and tradition

5.5. Conclusions and Recommendations

The preceding case studies examined development in four desert locations. The following is a summary of the conclusions and recommendations from this analysis.

TOURISM DEVELOPMENT

Desert locations are increasingly popular with domestic and international tourists. Popular activities include wildlife safaris, hunting, adventure sports, historical and cultural tours, festivals, speed and motor racing events. These activities, if properly managed, can have a significant impact on local standard of living and government revenue.

The development of desert tourism requires strategic investment in roads, infrastructure and services to enhance the appeal of typically remote locations. Desert locations should also be carefully branded and marketed to attract special interest and high-end visitors.

ECONOMIC DIVERSIFICATION

Economic development in many desert locations is constrained by a lack of resources including water, labour and efficient transport routes. Traditionally, these areas have sustained only small farming communities and, where minerals are available, mining activities.

The sustainable development of desert economies requires innovation and investment in new industries and production methods. This may be achieved through agricultural research, mining exploration and the development of tourism facilities. To achieve economic diversification it is however imperative that the land and water demands of industry and local communities are carefully managed.

INDIGENOUS COMMUNITIES

Desert regions across the world are home to indigenous communities threatened by cultural persecution and displacement. It is imperative that the development of these regions involves collaboration with these communities. The objective is not only community survival but also cultural preservation and improved livelihoods.

Collaboration with indigenous communities can lead to shared ownership in tourism facilities, mines and farms. It can also result in the creation of meaningful employment opportunities. Finally, involving indigenous communities in the tourism industry will ensure that government and local enterprise are invested in their survival.

CONSERVATION

Desert ecosystems are extremely fragile and therefore the sustainable development of desert economies and communities requires conservation and environmental management. Economic activities with the potential for serious harm include off road driving, mining and over grazing.

The development of nature based tourism industries provides an economic incentive for local authorities and the private sector to protect the environment. Successful conservation efforts include the establishment of protected areas, water management schemes, innovative farming practices and strict land use regulations. Funding for these efforts may be derived from public coffers, international support organisations and user fees.



SECTION 6: OPPORTUNITY ANALYSIS

The purpose of this section is to identify key industries and related opportunities for development in the Mier and Khara Hais Local Municipalities (LMs). These opportunities are linked to the Bloodhound SSC initiative and other catalytic projects in the Northern Cape. They are also informed by the case study analysis conducted in the previous section.

6.1. Identification of Key Industries

Development in the Mier and Khara Hais LMs will be driven by investment in four key industries with the potential for accelerated growth and job creation. These industries were identified according to the following indicators, discussed in further detail below:

1. Local economic drivers
2. Comparative advantages
3. Linkages to the Bloodhound SSC initiative

KEY INDUSTRIES

1. Tourism (including agriculture)
2. SMME Sector
3. Community Services
4. Infrastructure (including construction)

6.1.1. Local Economic Drivers

Local economic drivers are the key industries that stimulate demand and employment in an economy. The economic drivers in the Mier and Khara Hais LMs are determined through analysis of the production, employment and business profiles presented in Section 3.

In the Mier LM economic output and employment are driven by three key sectors, namely **agriculture, retail and community services**. Collectively, these sectors account for 56.1% of total output and 62.5% of employment in the municipality. These economic drivers are common among rural, non-mining, communities across South Africa.

In the Khara Hais LM economic output and employment is much more diversified owing to the urban nature of the municipality. Economic drivers include **agriculture, retail and community services**, as well as **business services and transport**. The role of business services in the municipal economy is attributed to Upington's status as a regional service centre while transport and storage activity is related to the Upington Airport and cargo hub.

In both the Mier LM and the Khara Hais LM the **government** sector plays an important role in economic demand through the procurement of goods and services and employment in municipal offices and public work schemes. The government sector is not however considered 'productive' and therefore should not be relied upon to drive the local economy.

Finally, although **tourism** is not a primary source of output and employment in the study area it does drive consumption in other industries, namely retail and the service sectors. The tourism industry is also expected to expand over the coming years therefore enhancing its contribution to economic growth diversification.



6.1.2. Comparative Advantages

The identification of key industries is based in part on the comparative advantages in the local economy. These advantages increase the viability and competitiveness of a given industry relative to other economic regions.

The comparative advantages in the Mier LM relate primarily to its location and land availability. Although remote the Mier LM is situated adjacent to the Kgalagadi Transfrontier Park and Hakskeen Pan which offer an advantage in the **tourism** industry. The Mier LM also has a very low population density implying that affordable land is abundantly available for **agriculture** and other development.

Comparative Advantages enable an economy to produce goods or services at a lower opportunity cost than other areas thus enhancing their competitiveness. These advantages include land, labour and access to markets and material inputs.

In the Khara Hais LM comparative advantages are also related to land availability which enables growth and development around Upington. This development is also enhanced by the Orange River which traverses the municipality. The river is utilised in various **tourism** activities and provides necessary water for **agriculture** and **renewable energy** development.

Comparative advantages in the Khara Hais LM also occur as a result of large scale infrastructure and energy investment. The Upington Airport and cargo hub increase the regions **tourism** appeal; attracts spending in **transportation** and **storage**; and enables the export of **agriculture** products. Additionally, investment in the **renewable energy** sector, particularly the solar corridor, gives the Khara Hais LM a comparative advantage in green industry.

6.1.3. Linkages to the Bloodhound SSC Initiative

The Bloodhound SSC initiative has direct linkages to several local industries, namely **tourism**, **SMMEs**, **community services** and **infrastructure**. Although much of this demand will occur in the lead up to, during, and after the land speed record attempt, there is significant potential to leverage this into sustained economic growth.

The most significant impact of the Bloodhound SSC event on the local economy will occur in the **tourism** industry. Direct impacts include an increase in demand for accommodation, meals, drinks and guided tours of the region. The event will also encourage lasting **infrastructure** and **service delivery** including the development of new tourism facilities, improved transportation networks and communication infrastructure.

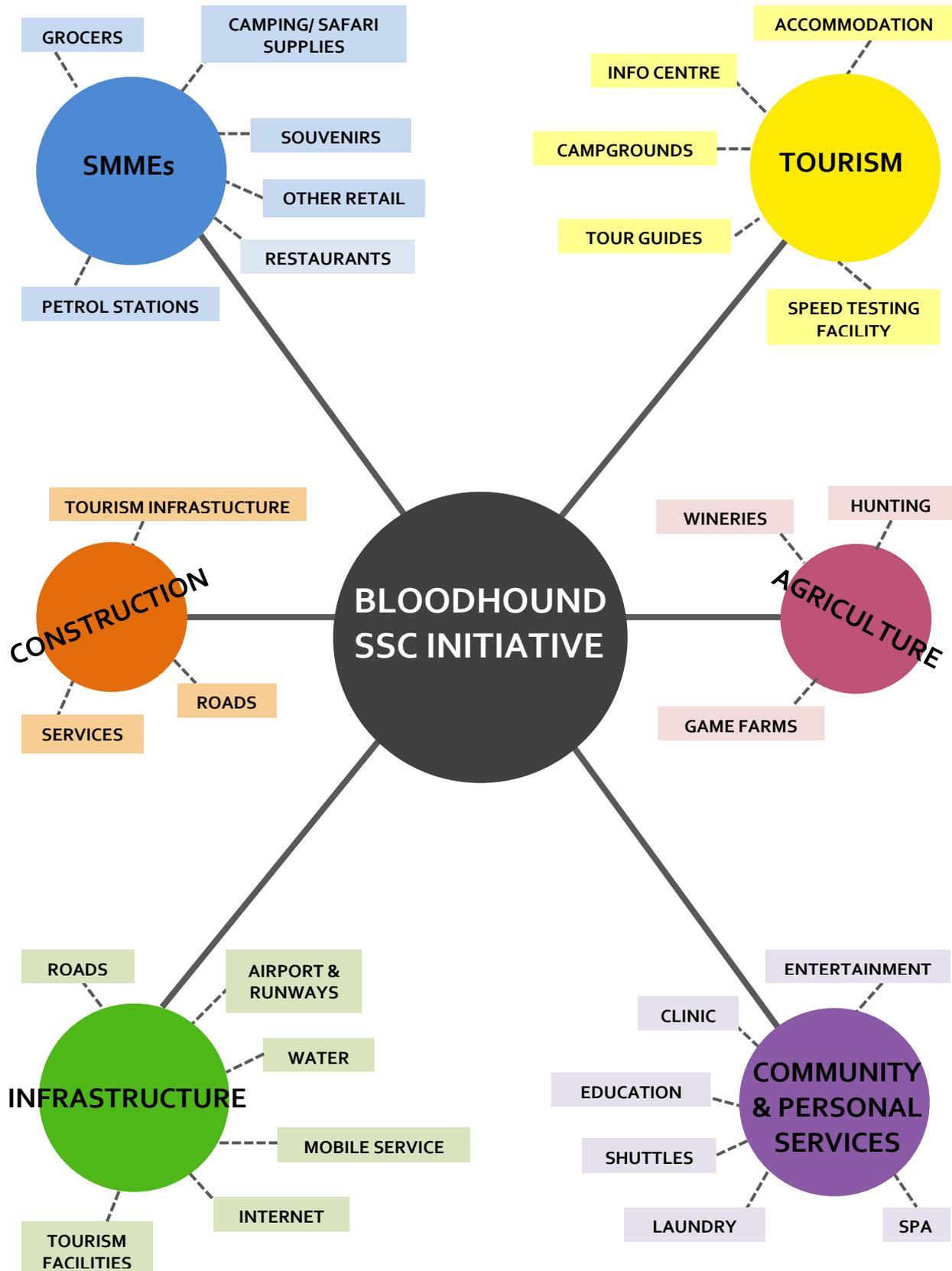
The Bloodhound SSC event also has direct linkages to the **SMME retail** sector through the purchase of consumables, crafts and other goods by the Bloodhound team and event spectators. These visitors are also likely to demand a range of local **community and personal services** including healthcare, entertainment and laundry services. These industries will also receive an indirect boost through the anticipated expansion of tourism following the event.

The **community and personal services** sector also encompasses all activities relating to education and skills development which is a top priority for the Bloodhound team. In collaboration with local authorities the Bloodhound team can implement school education programmes while also encouraging youth to develop a passion for science and engineering.



Figure 22 illustrates the linkages between the Bloodhound event and key industries as well as the linkages between these industries and other economic activities in the Mier and Khara Hais LMs.

FIGURE 22: LINKAGES TO THE BLOODHOUND EVENT



6.2. The Tourism Industry

The Bloodhound SSC event is expected to have a significant direct impact on the tourism industry through the demand for accommodation, meals, tourism services and souvenirs. There is also the potential however to stimulate sustained tourism development through strategic marketing, event planning and investment in tourism infrastructure.

The following is an overview of the tourism industry in South Africa and the Northern Cape including the market for special interest tourism. This overview, as well as the case studies and other research, allows for the identification of specific opportunities relating to the Bloodhound SSC event and the tourism industry in general.

6.2.1. Tourism in South Africa

The tourism industry is identified as a primary source of future economic growth and job creation in South Africa. The strength of the tourism industry is based on South Africa's rich natural and cultural resources, relatively well developed transport and tourism infrastructure, high labour intensity, and limited volatility compared to the commodities sector.

The foreign tourism market has surged since the end of apartheid in 1994 and is one of South Africa's fastest growing industries. In 2012 the country received almost 9.2 million international tourists, a 10.2% increase on the previous year. These tourists spent over R76.4 billion, up 7.6% from the previous year despite continued economic woes in traditional tourist markets.

The largest source of foreign tourism remains traditional markets including the United States and Europe, led by the United Kingdom, while BRICS countries are generating the most rapid growth. In 2012 the number of tourists from China tripled while tourist arrivals from India and Brazil doubled. This growth is driven by a surge in business related travel between the BRICS countries and increased disposable income among Chinese, Indian and Brazilian households (STATS SA, 2013a).

The domestic tourism market, defined as travel by South African's within the country's borders, is also a major source of tourism growth. In 2012, domestic tourists spent over R20 billion in South Africa with domestic tourism levels and revenue increasing despite downward global trends. The Ministry of Tourism has also identified significant potential for growth from the African tourist market (STATS SA, 2013b).

6.2.2. Tourism in the Study Area

The Northern Cape tourism industry is relatively small compared to other provinces in South Africa receiving only 1.2% of international and 2.0% of domestic visitors in 2012 (STATS SA, 2013a, 2013b). This is attributed to the sheer vastness of the province resulting in long travel times between destinations. It is also however the Northern Cape's large open spaces and unique natural beauty that attracts visitors and spawns annual events.

The Northern Cape is host to six national parks including the Kgalagadi Transfrontier Park and the Richtersveld Cultural and Botanical Landscape a UNESCO World Heritage Site. The Province is also host to several popular festivals including the Vleisfees and Gariiep Arts Festival. Finally, the Northern Cape has established various tourism routes offering an array of attractions and accommodation.



The most sought after tourism experiences in the Northern Cape are related to nature, culture and adventure. Activities include camping and luxury safaris in one of several national parks; hunting in private and municipal farms; excursions with the San and other cultural groups; and a range of adventure sports including hiking, canoeing, paragliding, mountain biking, 4x4 drives and high speed motor events.

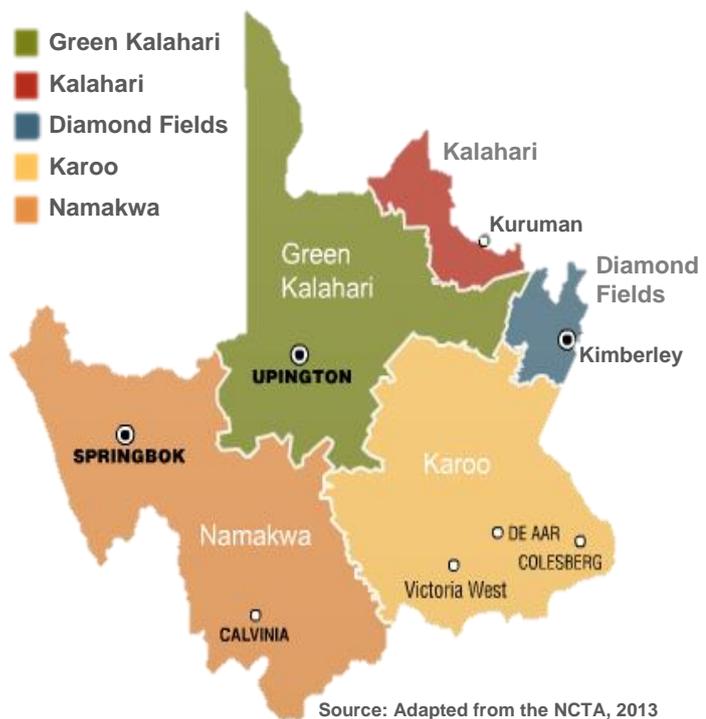
The Northern Cape Tourism Authority divides the province into five regions coinciding with district municipal boundaries. These regions are illustrated in Figure 23 and are known as the Kalahari, Diamond Fields, Karoo, Namakwa and Green Kalahari regions. The Green Kalahari is comprised of the ZF Mgcawu District Municipality and will therefore host the Bloodhound SSC record attempt and related interventions.

The Green Kalahari region is situated in the far north of the Province along the Orange (Gariiep) River. The region is home to numerous wine, olive and grape farms, historic San settlements and world famous national parks. The small city of Upington in the Khara Hais LM is the gateway to the Green Kalahari hosting an international airport, variety of accommodation, and an ever increasing number of outdoor activities and events.

The Northern Cape Tourism Authority (NCTA) markets the Green Kalahari region as a 'land of contrasts' owing to the juxtaposition between lush agricultural tracts, red sand dunes and black granite rock. In its promotion of the region the NCTA identifies the following five tourist sites and attractions:

1. Augrabies Falls National Park - home to the world's sixth largest waterfall.
2. Riemvasmaak - a community managed mountain wilderness and hot springs.
3. The Red Dune Route - showcasing unique Northern Cape hospitality.
4. Kgalagadi Transfrontier Park - a 3.7 million hectare game reserve.
5. Orange River Wine Cellars – the largest cooperative wine cellars in South Africa.

FIGURE 23: MAP OF PROVINCIAL TOURISM REGIONS



It is envisioned that the Bloodhound SSC event and ensuing legacy will ensure Hakskeen Pan and neighbouring communities a spot in the region's top tourist sites and attractions. It is however important that the site is promoted by tour companies and travel websites. This can be achieved through the regions incorporation into **tourism packages** and **routes**.

6.2.3. Tourism Routes

The establishment of tourism routes is an effective approach to enhancing tourism and its impact on the local economy. Tourism routes bring together various attractions and activities under a unified theme, thus stimulating business through the development of ancillary products and services (Lourens, 2007).

TOURISM ROUTES – OBJECTIVES

- 1) Diffuse visitors and disperse tourism revenue
- 2) Introduce lesser-known attractions and features
- 3) Increase the regions/destinations overall appeal
- 4) Increase tourists' length of stay and spending
- 5) Attract new tourists and repeat visitors

The Green Kalahari tourism region is home to several tourism routes at various stages of development. These routes offer a range of attractions and activities including wildlife viewing, off-roading, wine tasting and cultural experiences. Three existing routes have been identified as relevant to tourism development in the Mier and Khara Hais LMs and are identified and summarised below:

1. Quiver Tree Tourism Route
2. Kalahari Red Dune Route
3. Kalahari Oasis and Orange River Wine Route

1) QUIVER TREE TOURISM ROUTE: The Quiver Tree Route traverses much of the Green Kalahari through a variety of villages and settlements including Keimoes, Kanoneiland, Kenhardt, Augrabies and Upington. The route offers visitors an opportunity to experience the regions contrast between arid desert landscapes and lush green vineyards. Popular attractions along the route include Augrabies Falls, hot springs, rafting on the Orange River, 4x4 excursions, wine farms and an opportunity to see the unique Kokerboom (Quiver Tree).

2) KALAHARI RED DUNE ROUTE: The Red Dune Route winds north through the Kalahari Desert from Upington to the Kgalagadi Transfrontier Park. The route showcases the numerous guest houses, luxury lodges and game farms in the region and offers a variety of activities including sand-boarding, camel riding, 4x4 trails, game drives, guided walks and other eco-activities. The route also offers a rich cultural experience including traditional cuisine, famous Kalahari hospitality, and an opportunity to interact with San communities.

3) KALAHARI OASIS AND ORANGE RIVER WINE ROUTE: The Kalahari Oasis Route relays the image of Upington as an oasis in the desert offering lush agriculture, variety of accommodation and numerous local activities. The route runs from the Augrabies Falls National Park along the N14 through Upington and northeast towards the Kgalagadi Transfrontier Park.

Incorporated along the Kalahari Oasis Route is the Orange River Wine Route which includes six wineries spread over 300 kilometres and extends from Hartswater to the lower Orange River region. It is recommended that visitors travel the route over two days visiting Keimoes, Kakamas and Upington on day one and Groblershoop, Grootdrink and Hartswater on day two. Accommodation, restaurants, shops and Kalahari excursions are offered along the route.

The duration, spending and overall impact of visitors interested in the Bloodhound SSC event can be meaningfully extended by encouraging them to embark on local tourism routes.



6.2.4. Special Interest Tourism

The South African Tourism Authority (SATA) has identified special interest or 'niche' tourism as the preferred method of attracting high-value tourists to the country and maximising tourism revenue while minimising environmental and other negative impacts associated with the industry. This sentiment is echoed by the Northern Cape Provincial Government which lauds the potential of 'niche tourism' to 'grow, transform and diversify the provincial economy'.

Special interest tourism is defined as travelling with the primary motivation of practicing or appreciating a special interest, activity or unique destination. Traditionally, the term special interest tourism is reserved for activities which attract a small number of highly dedicated visitors. It is however common for special interest tourists to number in the tens of thousands depending on the event/activity. (Smith et al, 2010).

The Northern Cape and specifically the Green Kalahari region cater to a variety of special interest or niche tourism markets. These markets are in various stages of development and include the well-established hunting and wine industries, expanding adventure sport market and the somewhat controversial practice of 'cultural' tourism. The following is an overview of these niche tourism industries the promotion of which is expected to foster accelerated tourism development and employment in the Mier and Khara Hais LMs.

ADVENTURE

The Northern Cape is ideally suited to adventure and extreme sports, owing to its vastness, stark and contrasting beauty and climatic and topographic extremes. To promote this burgeoning industry the Northern Cape Tourism Authority (NCTA), with the backing of the Provincial government, is encouraging the brand 'Northern Cape Extreme'. The objective is to establish the Northern Cape as the preferred destination for adventure and extreme sports in South Africa and the continent.

The Northern Cape is currently host to a wide array of adventure sports many of which are organised by local travel companies while others can be planned and undertaken by the tourists themselves. The Province offers a variety of demarcated routes for 4x4 adventures, speed week and record attempts, hiking, trail running, mountain biking and quad biking while the vast open roads play host to various motorcycle rallies. The variety of scenery and natural formations in the Province also provide for a range of off-road adventures including river rafting, canoeing, rock climbing, abseiling, sand boarding, paragliding and bridge swinging.

The development of adventure and extreme tourism in the Northern Cape is also promoted through the organising and hosting of major events. The largest event in the Province is the Maloof Money Cup an international skateboarding competition in Kimberley. The Green Kalahari Region also hosts the annual Kalahari Speed Week, comprising of three separate events, and the Green Kalahari canoe Marathon held on the Orange River. Additional smaller events including adventure races and mountain bike races are also increasingly common.

The Bloodhound SSC land speed record attempt, which will be hosted in the Mier LM in early to mid-2014, is also expected to advance the Northern Cape's position as Africa's adventure/extreme sport capital. The event will draw massive international media attention to the province and in particular Hakskeen Pan as an ideal location for motor speed events. It is anticipated that this exposure will boost the popularity of the Kalahari Speed Week and encourage the organisation of additional events and record attempts.



HUNTING

The hunting industry includes domestic hunters who partake largely for recreation and meat and big game hunters in search of 'trophy' animals. Although hunting is somewhat controversial, especially in its relation to conservation and endangered species, there is a general consensus that hunting if managed correctly has the potential to generate extraordinarily high revenue in remote and rural areas with minimal impact on individual game species (CIC, 2008).

South Africa is by far the most popular hunting destination in Africa with over 9 000 hunting farms offering established and relatively affordable hunting services. It is estimated that the South African hunting industry contributed over R7.7 billion to the national economy including the value of firearms, permits, accommodation, guides, vehicles and other inputs as well as R1.6 billion in industry wages (Saayman et al, 2011). This contribution was made by an estimated 200 000 domestic biltong hunters and over 6 000 international trophy hunters (Saayman et al, 2011).

The hunting industry is especially valuable to the Northern Cape where the proportion of visitors and tourism revenue is much greater than its share in the national economy. According to a 2009 survey by the North West University hunting in the Northern Cape contributed approximately R775 million to the provincial economy in accommodation and species fees alone. The industry also employed 5 180 people in Northern Cape hunting establishments.

The hunting industry is particularly important to the Mier LM which is home to over 30 000 hectares of municipal game farms and several private hunting lodges. The industry generates direct revenue from accommodation, guiding and outfitting, consumables, transport, meat preparation and taxidermy. It also fuels the demand for private game farms and breeding programmes. Finally, a well-managed hunting industry can provide significant support for local conservation efforts.

Although the Bloodhound SSC event is not directly related to hunting or game farm development, it does have the capacity to indirectly support these industries by providing international exposure to the Mier LM region. The Bloodhound event may also assist in catalysing important infrastructure and service delivery developments which will make the region more accessible and amenable to domestic and international hunters.

WINERIES

Wine tourism was defined at the South African Wine Tourism Conference (2009) as "tourism whose purpose includes the tasting, consumption or purchase of wine often at or near the source. Wine tourism can encompass visits to wineries, vineyards, and restaurants known to offer unique vintages as well as organised wine tours, wine festivals or other special events" (Kirkman, 2010).

South Africa has a well-established wine industry producing 3.5% of the world's wines. It is estimated that the wine tourism industry generates more than R5 billion in annual income and provides tens of thousands of jobs. The vast majority of wine is produced in the Western Cape although the Northern Cape is responsible for approximately 10% of production (Kirkman, 2010).

The wine tourism industry attracts 'high-value visitors' implying that their average trip expenditure and economic impact is greater than in other niche markets. According to the Cellar Door Research Report the average wine tourist in South Africa is a well-educated, high income earner. The majority of foreign wine tourists come from traditional markets, namely Europe and the United States, while domestic wine tourists reside primarily in the Western Cape and Gauteng (Kirkman, 2010).



In the Northern Cape the wine industry and related tourism activity is concentrated in the Upington region where the Orange River creates a cool microclimate suitable to wine cultivation. There are six established wineries along the Orange River stretching nearly 300 kilometres from Glogershoop to Blouputs. These wineries support over 900 local producers and generate additional employment in the tourism, transport and marketing industries.

There are several successful methods utilised by Orange River wine producers and tour groups to market the region as a tourism destination. The first method was the establishment of the Orange River Wine Cellars the largest wine cooperative in South African and second largest in the world. The company represent all local wineries offering sales, tastings and tours at five different locations. Orange River Wine Cellars also supports other local tourism initiatives such as the Green Kalahari Canoe Marathon for which it is a top sponsor.

The second method of promoting wine tourism in the Upington region was the establishment of a wine route between the initial five wineries, namely Upington, Keimoes, Kakamas, Groblershoop and Grootdrink with the recent addition of the more remote Hartswater winery. The wine route is well demarcated and offers a variety of tastings, restaurants, accommodation and other activities such as national park visits and Orange River paddling.

The Bloodhound SSC event is expected to boost domestic and international tourism in the Green Kalahari region with many visitors arriving in Upington either by air or road. Wine tourism in the Upington region and especially the Orange River Wine Route has the potential to retain these tourists for several days thus increasing their local economic impact.

CULTURE

The term 'cultural tourism' refers to the relatively large group of tourists, typically international, who visit a country or region to experience the lifestyle of local people including their history, art, architecture, religion and other elements. Cultural tourism includes visits to urban areas, particularly historic or large cities and their museums, theatres and other cultural attractions. This type of tourism also involves rural and indigenous communities showcasing their language, livelihoods and traditions.

In South Africa cultural tourism is a broad industry owing to the country's variety of ethnic and linguistic groups. The industry includes visits to cultural icons such as Robben Island, Soweto and other locations. It also involves interaction with various communities facilitated by cultural villages, township tours and rural homestays. Although cultural tourism is an important source of revenue generation and employment it is also very controversial due to the often limited benefits for local communities and the potential for exploitation (Chennels, 2010).

In the Green Kalahari region of the Northern Cape cultural tourism often involves experiences with San (Bushmen) communities. The most common and least intrusive experience involves tours of ancient and compelling rock art. Revenue is often provided to these communities through ownership arrangements including land leases with SAN PARKS for the operation of !Xaus Lodge in the Mier LM.

The San people are also directly involved in the tourism industry with many local guides offering their clients an opportunity to witness traditional San practices, participate in storytelling and knowledge sharing, and receive education about medicinal plants. Other activities include guided walks and animal tracking and visits to local craft villages.



The incorporation of San people into the Northern Cape tourism industry raises some controversy over the impact that these activities have on local culture, traditions and livelihoods. Several awareness groups, indigenous experts and San community members have cautioned that tourism may lead to exploitation including low wages, undignified demands, and a culture of dependency.

The argument is also made however that tourism helps preserve what is otherwise a dying San culture while also providing important employment and income opportunities. In the end, it appears that the ongoing involvement of San communities in local tourism is inevitable. These tourism activities should therefore be carefully managed and regulated to ensure that community benefits are maximised while also limiting the potential challenges to local culture and traditions.

It is anticipated that the Bloodhound SSC event will attract tens of thousands of visitors to the Mier LM in the lead up, during and after the record attempt. According to current tourism trends there is a significant likelihood that these visitors will be interested in interacting with and purchasing goods and services from the local San community. It is important that these activities are carefully managed to avoid exploitation and that the San communities are involved in facility and infrastructure ownership and the provision of crafts and local tours are meaningfully undertaken.

NICHE MARKETS

The purpose of this Section was to provide an overview of the key special interest tourism industries in the Northern Cape and in particular the Mier and Khara Hais LMs. These industries included adventure tourism, hunting, wine tourism and cultural tourism. This profile is however far from exhaustive with numerous other industries and niche markets developing in the region.

The Northern Cape has some of the world's best astronomy conditions owing to its remoteness, altitude and dry climate. It is also the location of some of the most powerful telescopes and antennae, including the SALT and SKA installations. This has led to the establishment of a relatively vibrant albeit emerging star gazing industry which attracts domestic and international tourists as well as experts in the field of astronomy. These visitors increase the demand for accommodation, meals, astronomy equipment rental, transport and other services.

An additional niche industry that is well established in the Northern Cape is historical tourism based primarily on heritage relating to the Anglo-Boer War and the Kimberley Diamond Rush. Historic tourism attractions include the Kimberley Ghost Trail, The Big Hole site and tourism centre, and monuments to the Battle of Modder River and Magersfontein. These attractions not only draw tourists to the region but also provide additional activities for mainstream visitors.

Finally, the niche tourism market with most relevance to the current strategy involves motor racing and land speed record attempts. This industry is currently quite small driven exclusively by Kalahari Speed Week events but is expected to grow exponentially in response to the Bloodhound SSC record attempt. For more information on motor racing tourism see sections 4 and 5 of this report.

The development of various niche markets will enhance the overall tourism appeal of the Northern Cape. This development will be boosted by the establishment of Hakskeen Pan as the 'world land speed capital' and promotion of Kalahari Speed Week and other motor events.



6.2.5. Synthesis - Opportunities in Tourism

The tourism industry is relatively well established in the Green Kalahari region however few benefits trickle down to local communities. The following is a summary of tourism development opportunities generated by the Bloodhound SSC event all of which can be driven by the Northern Cape Provincial Government in collaboration with local community stakeholders.

SPECIAL INTEREST TOURISM

The South African Tourism Authority has identified the development of special interest tourism markets as the preferred method for enhancing the industry. In the Green Kalahari the variety of landscapes and cultures provides various opportunities for special interest tourism.

Niche industries identified for development in the Mier and Khara Hais LMs include adventure tourism, hunting, wineries, motor racing and cultural experiences. Potential benefits associated with these industries include the attraction of high-income tourists, conservation and cultural preservation.

HIGH END/LUXURY TOURISM

The high-end, or luxury, tourism market has the greatest potential for local economic development relative to its environmental and cultural impact. The development of nature based tourism including wildlife safaris, adventure races and hunting should therefore align to the 'low volume, high cost' mantra.

There are numerous opportunities for the development of high-end tourism in the Mier LM owing to available facilities, runways and proximity to the Kgalagadi Transfrontier Park. Luxury tourism can be facilitated in various ways including the upgrading of existing lodges, investment in local runways, increased and targeted marketing and the development of services such as restaurants, shuttles, tour guides and spas.

ROUTE DEVELOPMENT

The development of tourism routes can significantly increase the level of tourism in a region and the benefit accrued from each visitor. In the Green Kalahari region several tourism routes have been demarcated and are effectively promoted through local tour companies and industry advocates.

The Bloodhound SSC event will enhance interest in the region. Therefore, the opportunity exists to further incorporate the Mier LM into existing tourism routes such as the Red Dune Route and to develop new routes connecting Upington, Hakskeen Pan, local villages and the Kgalagadi Transfrontier Park.

TOURISM PACKAGES

The development and sale of tourism packages provides an opportunity to broaden the scope of activities and attractions visited by tourists, increase the length of stay, and attract international and domestic visitors unfamiliar with the area. In the Green Kalahari tourism packages could include attractions in Upington, such as wineries, Augrabies Falls, as well as Hakskeen Pan, San communities and the Kgalagadi Transfrontier Park.

The availability of tourism packages will also provide tourists visiting specifically for the Bloodhound event with an opportunity to travel throughout the region before or after their visit to Hakskeen Pan. This will increase their total spending and economic impact, encourage repeat visits and broaden regional exposure from the event.



6.3. The SMME Sector

The SMME sector in rural communities typically refers to merchants that sell goods to consumers. The industry encompasses formal enterprise including grocers, department stores and petrol stations as well as informal outlets and hawkers. In rural areas such as the Mier LM the retail SMME industry drives the economy by fuelling income circulation and providing low-skilled employment opportunities.

The following opportunity analysis provides an overview of the SMME sector in the Mier LM and identifies the capacity of local businesses to meet the boost in demand expected from the Bloodhound SSC event. This analysis also looks specifically at the production and sale of souvenirs the market for which is expected to expand exponentially in the lead up to, during and after the Bloodhound event.

6.3.1. The SMME Sector in the Mier Local Municipality

The SMME sector in the Mier LM is relatively small compared to other regions catering to the demands of less than 2 000 low to medium income households. In 2012 the industry had a total turnover of R33.5 million and employed 234 local people. With the exception of a single large grocery store in Rietfontein the industry is comprised of primarily small food and clothing outlets and spaza shops.

In April-May 2013 a survey of SMMEs in the Mier LM was conducted by Urban-Econ in order to determine local business capacity, characteristics and challenges. Researchers in the area spoke to 52 local formal and informal sector businesses in three towns, namely Rietfontein, Askham and Philandersbron. Of the 52 businesses surveyed 35 operate exclusively in the retail sector while the remaining businesses offer accommodation (13), transport (2) and other services (2).

The Mier LM business profile indicates that there are several grocers and small spaza/tuck shops providing a range of food, beverages and household supplies in each local town. It also indicates that the towns of Rietfontein and Askham host the greatest retail activity in terms of availability and variety including grocers, butcheries, take-away outlets and spaza/tuck shops.

The availability of small retail outlets in local villages indicates that the demand for food, beverages and other items during the Bloodhound event can likely be satisfied by existing local retailers. It is however important to communicate the anticipated number of visitors to these business owners prior to the event.

The Bloodhound event also provides an opportunity for SMME establishment at the race site including ready-made food and beverages. These opportunities may be exploited by existing local retailers, hawkers and entrepreneurs however they should be managed in order to ensure proper hygiene, safety, refuse removal and limited impact on the race surface.

The Bloodhound event may also have a long-term impact on the local retail sector through the promotion of tourism and speed events. It is therefore anticipated that local retail sales and employment will increase as a result of properly managing the event and its legacy.



6.3.2. Souvenir Industry

The Mier LM has a small but relatively successful souvenir industry which thrives on tourism in the region and the demand for crafts and jewellery produced by the Khomani San community. There is however the potential for formalisation and development in this industry. This potential is enhanced by the anticipated demand for souvenirs generated during the Bloodhound SSC event and from subsequent growth in tourism levels.

CRAFTS The craft industry in the Mier LM is largely informal and depends on trade between Khomani San communities, individual producers and retail 'outlets'. Craft retail is concentrated in local lodges, guest houses and information centres which sell the goods to visitors on a small scale. Local products include beadwork, beaded jewellery, artwork, bowls and a variety of goods made out of ostrich shells.

Development of the local craft industry has been recognised as having the potential to uplift some of the poorest and most marginalised communities. To this effect, District and Local Government have highlighted the potential for a craft production village and/or SMME support in their IDP and LED Strategies although no funding has been secured. There is therefore the potential to develop these and other support initiatives such as the establishment of craft cooperatives.

BLOODHOUND SOUVENIRS The Bloodhound SSC record attempt has drawn attention from tens of thousands of people worldwide many of which would like to commemorate the event. At present the Bloodhound team is selling souvenirs and memorabilia on their website including clothing, mugs, books and backpacks. The revenue from these sales is used to fund the multi-billion rand project.

The sale of souvenirs and memorabilia during and after the Bloodhound record attempt is expected to be significant with most spectators purchasing at least one item. Although the Bloodhound team currently holds all rights to replication and distribution of the Bloodhound logo the project website indicates that they are willing to transfer these rights to local communities as part of a development initiative. It is however imperative that negotiations for these rights are undertaken well before the event to allow sufficient time for manufacturing and distribution.



The Mier LM business community currently does not have the resources or capacity to manufacture souvenirs and memorabilia beyond the craft industry. The localisation of this revenue therefore requires that local SMMEs and entrepreneurs partner with the Bloodhound marketing team and a manufacturing/printing company to produce these goods. Ideally, this partnership should involve SMMEs from the Northern Cape.

The Bloodhound event and ensuing tourism development provides local opportunities for the production and sale of crafts and souvenirs. However, exploitation of these opportunities requires the transfer of some production rights, partnership with skilled SMMEs and improved market linkages with local craft producers. Strategies for addressing these issues are presented later in this report as part of the Implementation Plan.



6.2.3. Synthesis - Opportunities in the SMME Sector

The Bloodhound SSC event will provide a significant boost to the local SMME sector especially in the Mier LM and near the race site at Hakskeen Pan. Local business owners and entrepreneurs are well positioned to take advantage of the following opportunities given their establishment in the area and the low barriers to entry in the industry.

CRAFT SALES

The Mier LM has an established craft industry. This industry is driven by the tourism market and is a key source of income for the Khomani San people. The Bloodhound SSC initiative provides an important opportunity to enhance this industry both during and after the event.

The development of local craft producers requires strategic intervention in advance of the Bloodhound event. These interventions are discussed in the Implementation Plan and involve SMME support, strengthening of market access and linkages and the formation of craft cooperatives.

BLOODHOUND SOUVENIRS

The Bloodhound SSC event will generate significant demand for souvenirs and memorabilia in the Mier LM. There is however the need for advanced planning to ensure that some of this revenue is localised.

The Bloodhound team has expressed a willingness to allow local community members/SMMEs to produce souvenirs with the Bloodhound logo. There is also the possibility that these souvenirs will be in demand long after completion of the Bloodhound record attempt, especially if adjusted to commemorate the date and top speed. These souvenirs may be sold locally at lodges, info centres and the proposed Bloodhound museum.

SMME SUPPORT

The Bloodhound SSC record attempt will provide a significant boost to the local retail industry which will in turn have an impact on the manufacturing sector. To maximise on these benefits it is however important to engage with local SMMEs prior to the event regarding information delivery, local procurement and SMME support.

The Northern Cape Provincial Government, local government and the Bloodhound team can facilitate the maximisation of SMME impact by providing information on the projected number of visitors, duration of stay and their anticipated demands. This will allow SMMEs to prepare by ordering an adequate amount of stock, expanding operation hours and hiring more staff.

The Northern Cape Provincial Government and the Bloodhound team can also facilitate SMME development through local procurement of goods and services. Thus, inputs to the event should be purchased from businesses in the Mier LM or Upington, if not locally available.

Finally, SMME development can only be maximised if these businesses are provided the support needed to expand their operations. This support could be non-financial and may be provided by the Small Enterprise Development Agency (SEDA) and/or private sector entities. Support may also be provided financially through the provision of short-term loans, enabling the purchase of stock and other goods.



6.4. The Community and Personal Services Industry

The community and personal services industry includes social services such as education, recreation and healthcare. It also encompasses all activities relating to personal welfare including beauty treatments, spas and fitness. In areas where tourism is a driving force of economic activity such as the Mier LM the community and personal services sector is a key source of income and employment.

The community and personal services sector has been identified as having important linkages to the Bloodhound SSC project with development opportunities extending well beyond the duration of the event. The following information gives an overview of the industry, particularly in the Mier LM, and identifies opportunities for development.

6.4.1. Tourism Related Services

The community and personal services industry includes a variety of services and activities relating directly to the tourism industry. These services provide an important opportunity for small business as they have relatively low barriers to entry. This implies that cost, skills and infrastructure needed to establish and grow a tourism services business is lower than in most other industries.

ENTERTAINMENT

The Mier LM is extremely rural with low population density and household income thus the demand for entertainment is small. The tourism market does however provide an opportunity for income generation by local community members such as the performance of traditional dances and ceremonies by members of the Khomai San community, although these must be carefully managed to avoid exploitation.

SHUTTLES

Although technically shuttle services are a component of the transport industry for the purpose of this opportunity analysis they are considered a personal service. The Mier LM is currently host to several shuttle operators employed exclusively by local lodges and tourism companies. These services offer shuttles from the Upington Airport as well as within the Mier LM where road conditions are poor. There is however an opportunity to develop independent shuttle services which will enable more tourists, especially from overseas, to visit the Mier LM.

CULTURE

The tourism industry is also closely linked to the market for cultural activities such as singing, dancing, traditional village tours and museums. These industries can be promoted through support for local communities particularly the Khomani San people as well as investment in cultural infrastructure including a Khomani San Museum or Culture Centre and/or cultural village (accommodation).

Development of the local tourism industry may also provide opportunities for other SMMEs including laundry services, 4x4 rentals, spa and beauty treatments and sporting activities. It is however important that these businesses are linked to local lodges and tourism companies.

The Bloodhound event will enhance the demand for various tourism related services as many visitors are expected to spend at least one week in the area. These services include entertainment at local lodges, planned campground and race site. It also includes shuttles from the Upington Airport and vehicle rentals. Finally, the Bloodhound event may promote investment in long-term cultural infrastructure such a museum, cultural centres and/or cultural village.



6.4.2. Education Services

The Mier LM is home to eight small villages hosting primary and secondary schools. These schools exhibit similar characteristics to schools throughout rural South Africa. Thus, although they provide 'adequate' education services to local youth, drop-out rates are relatively high while few advance to tertiary studies. The development of primary education services in the Mier LM is therefore important for achieving economic growth and improved livelihoods.

The Mier LM does not currently have tertiary facilities owing to its remoteness and small population. There are however several Further Education Training (FET) Colleges in the Khara Hais LM (Upington) including the Northern Cape Rural FET College and the Universal College Outcomes Private FET. These institutions offer a range of courses including computer technology, business studies, information technology, tourism and hospitality, early childhood development and engineering.

The Northern Cape Province will also host one of two new universities, the first constructed in post-apartheid South Africa. This University will be situated in Kimberley with a satellite campus planned for Upington and will provide a range of courses targeting the specific employment demands of the Province. The University is scheduled for completion in 2014 however it is likely that this date will be postponed.

The Bloodhound project has the capacity to enflame local and region passions for science and engineering through implementation of the Bloodhound Education Programme. It may also offer important real world experiences to students at the Upington FET Colleges and future Northern Cape University.

6.4.3. Health Services

The availability of quality healthcare is an important service in the Mier LM for local residents as well as tourists. This is especially true given the development of adventure sport activities in the region, particularly the Kalahari Speed Week, which have a higher potential for injury. These adventure sports are also typically hosted in remote areas and therefore it may be necessary to establish some form of ambulance or medical transfer service.

The Mier LM is currently host to two medical clinics located in Rietfontein and Askham which provide basic healthcare services and can address minor emergencies. The services provided by these facilities are typically deemed adequate however there have been recent incidents of closure at the clinics resulting from a labour dispute.

The Bloodhound event will attract thousands of spectators some of whom are likely to require medical treatment during their stay. It is therefore important to ensure that local clinics are appropriately staffed and supplied during the event in anticipation of increased patient levels. Improved health services will also have a long-term impact on the community by improving access to quality health care. Finally, these services will also aid in reassuring other event organisers about the regions adequacy as an event site.



6.4.4. Synthesis - Opportunities in Community and Personal Services

The Bloodhound SSC event will increase demand for tourism related services both in the short-term, through the attraction of participants and spectators, as well as in the long-term, as a result of tourism development. The following is a summary of the most important opportunities provided in the region.

SMME DEVELOPMENT

The Bloodhound event and subsequent rise in tourism activity provides an opportunity to develop local service businesses. These businesses may involve entertainment, tourism shuttles, laundry services and culture related activities.

The development of these small businesses requires similar support as that provided to retail SMMEs, namely information delivery on tourism growth and demands and access to SMME support. It is also important that these services are linked to local tourism operators, lodges and information centres.

CULTURAL PRESERVATION

The Mier LM is home to South Africa's last remaining indigenous community, the Khomani San. This community has come under massive pressure in recent decades resulting in the loss of much of their culture and traditions. The Bloodhound event and subsequent increase in tourism provides an opportunity to preserve this culture.

Cultural opportunities relating to the event include the establishment of a Khomani San Cultural Centre which will showcase the community, provide meaningful employment, and offer an incentive to pass down traditions. Community members may also receive employment as entertainers and educators offering traditional dances, stories and animal tracking. It is however important that these opportunities are developed in collaboration with the community to avoid exploitation.

EDUCATION PROGRAMMES

The Bloodhound project aims to encourage an interest in science and engineering among students in the UK. The project, in collaboration with the Northern Cape Provincial Government, can also promote education development in the Mier LM and Province by providing this programme locally. This will require collaboration with local schools and the Department of Education.

The Bloodhound project can also stimulate a passion for engineering by offering youth an opportunity to visit the race site, meet with the team, and perhaps witness the record attempt. This opportunity may be linked to an engineering or science contest to be organised among schools throughout the Northern Cape. A similar contest recently held in Kimberley highlighted the impressive engineering and automotive skills of local students, the winners of which should also receive recognition from the Province and Bloodhound team.

The promotion of education through the Bloodhound initiative can also be linked to tertiary facilities in the region. For instance, automotive engineering students at the Northern Cape Rural FET College in Upington could be introduced to the project and the mechanics behind it. The Bloodhound project could also be linked to the upcoming Northern Cape University in Kimberley as part of an engineering and/or technology programme. For instance, the opportunity to examine the Bloodhound car and learn from its technology may attract students from around the country.



6.5. Opportunities in Infrastructure Development

Infrastructure development is essential in the promotion of economic growth and improved quality of life. Investment in business related infrastructure such as efficient transportation networks and communication services helps to facilitate business establishment and growth. The development of utilities infrastructure including water, electricity and sewage systems also promotes business investment while significantly improving the lives of local residents. Finally, infrastructure investment in airports and communication networks also encourages tourism development.

The Bloodhound SSC event in conjunction with other catalytic projects in the Northern Cape provides a demand and incentive for infrastructure investment. The following is an overview of key infrastructure components in the Mier LM and, where relevant, the wider region. This includes an examination of transportation, utilities and communications infrastructure. Note that the development of tourism infrastructure such as lodges, hotels and information centres is addressed in this document under 'opportunities in the tourism industry'.

6.5.1. Transport Infrastructure

The Mier LM is located in a remote area of South Africa approximately 250 kilometres north of Upington. Transportation infrastructure in the Municipality is adequate compared to other rural areas however development of the region requires cost-effective transportation solutions to enable the movement of people and goods.

ROADS

The Mier LM has a relatively good quality road infrastructure linking the region to Upington, Namibia and Botswana. It is therefore possible to access all towns in the municipality using standard vehicles (4x4 is not necessary). There is however a need to improve road conditions to local accommodation facilities lodges particularly !Xaus Lodge. This will enhance the attractiveness of these facilities to the domestic tourism market which typically travels in their own vehicles.

The Northern Cape Provincial Government and Department of Roads and Public Works have also embarked on upgrades to the local road network replacing the previous dirt road which ran through Hakskeen Pan with a paved road. This investment will have an impact on the local economy by improving transportation efficiency between towns, businesses and the Kgalagadi Transfrontier Park. It also enables the region to host the Bloodhound record attempt which requires Hakskeen Pan to be entirely clear of obstructions.

AIRPORT

The nearest airport to the Mier LM is situated in Upington and offers daily services from Cape Town and Johannesburg and the option to charter flights from as far as Europe. It also has one of the world's longest runways enabling flight training and adventure sports such as the Kalahari All-Tar Speed Week.

The Upington Airport therefore promotes tourism by allowing visitors from South Africa and abroad to travel directly to the region. It is important however that car and 4x4 rental facilities are available and that tourism routes are promoted especially those linking to the Kgalagadi Transfrontier Park and the Mier LM.



The Upington Airport is earmarked for significant investment with plans to upgrade and expand the cargo hub as well as the development of a large storage area. This storage area will be used for 'mothballing' aircraft from South Africa and abroad and thus generate significant revenue and traffic to the region. There is however concern that this investment will not go ahead as plans have been stalled for several years.

RUNWAYS

The Mier LM is also host to a municipal operated runway located near Rietfontein and the privately operated runway at !Xaus Lodge. It is also possible to land small aircraft directly on Hakskeen Pan however there is concern about the impact on the Pan's surface. These runways enable visitors to fly directly to the region thus enhancing its appeal to international and luxury visitors. The Northern Cape Provincial Government and Mier LM have however identified the need to upgrade the Rietfontein and !Xaus Lodge runways in order to facilitate increased and safer utilisation by the tourism industry.

The Bloodhound event has the potential to leverage investment in local and regional infrastructure. Although it is likely too late to undertake any major improvements before the record attempt (scheduled for early to mid-2014) the subsequent increase in tourism may achieve this objective. This is specifically true regarding upgrades to local runways and maintenance of local and regional roads.

6.5.2. Communications Infrastructure

The development of communications infrastructure in South Africa and across the continent has had a massive impact on education and economic development especially among small businesses. This is particularly true with regards to access to mobile services which have enabled long distance communications for tens of millions of Africans.

In South Africa a key strategy for rural development is the provision of communications infrastructure especially in schools. This commitment is however hindered by the enormous cost associated with developing infrastructure in remote areas. Therefore, although rural communities such as those in the Mier LM have access to mobile phone coverage there is limited internet connectivity.

The Bloodhound project requires high quality communications in order to reach millions of supporters worldwide. This is achieved through partnership with MTN which will provide high speed connectivity through their data network allowing for real time streaming of the land speed record attempt. In addition, MTN will provide internet and in-car voice connectivity for the Bloodhound team and high-definition video streaming.

The provision of internet services by MTN is planned to be temporary and will cease following completion of the event. However, because internet access will be provided via a fibre point in Upington there is the possibility that these services can be more permanent. This could be part of a pilot project to enhance rural connectivity, although finance will likely be required from the Departments of Communications, Rural Development and/or the Northern Cape Province.



6.5.3. Utilities Infrastructure

The Mier LM has access to basic utilities infrastructure primarily electricity and water with household services greater than the District average. According to 2011 South African Census Data, 82.4% of municipal households use electricity for lighting, while 90.8% of homes have a water tap in their house or yard. There is however concern that these services may be unreliable given the region's remoteness.

Utilities infrastructure in the Mier LM is sufficient for existing businesses and residences. It is however at a capacity and will require upgrades and extensions in order to accommodate further demand. Project and event planners should therefore address their own water and electricity needs.

Access to adequate toilet facilities, defined as a flush, chemical or VIP toilet, is however problematic in the Mier LM. Most households use either a pit toilet or the bucket system while most homes with flush toilets typically rely on their own septic tank. Although this is not overly problematic in terms of business and tourism development it raises important socio-economic and health issues.

Utilities infrastructure is also very important for business, agricultural and tourism development. Industry and small businesses require utilities in order to operate with very few capable of implementing this infrastructure themselves. It is therefore important that infrastructure is reliable and affordable especially within villages.

Agricultural activities including cattle, crop and game farming require a constant supply of clean water, a challenging throughout the Northern Cape and particularly in remote regions. In addition, the development of innovative farming methods such as hydroponics and other water conservation techniques require a reliable supply of electricity and cannot depend on costly generators.

The provision of reliable utilities infrastructure also has an important impact on tourism development. At present, new lodges and game farms are required to provide their own infrastructure at personal cost. Development could therefore be accelerated if these businesses were provided some form of subsidy from government. This subsidy could also require that infrastructure development utilise local labourers and be extended to rural communities such as the Khomani San.

The Bloodhound project will attract thousands of spectators to the Mier LM thus placing increased pressure on local utilities infrastructure. This is especially problematic around Hakskeen Pan where camping facilities will be provided. It is therefore important that the Northern Cape Provincial Government and event organisers plan for this increased demand through the provision of drinking water (water tanks), portable toilets and generators. The cost of such amenities should however be passed on to the consumers through camping and/or spectator fees.

The Bloodhound SSC initiative is also expected to stimulate development in the tourism industry, compelling the expansion of existing lodges and the development of new facilities. This development will only be possible however if utilities infrastructure is provided particularly a more reliable source of water. In addition, it is important that the tourism industry promote water conservation through education and investment.



6.5.4. Synthesis - Opportunities in Infrastructure Development

The Bloodhound SSC event will increase the demand for infrastructure including transportation, communications and utilities. Although this may appear to be a burden on the Provincial and Local government it does present an opportunity to invest in infrastructure development thus facilitating long-term economic growth. The following is a summary of some of these opportunities.

AIRPORT INVESTMENT

The Bloodhound event will attract a significant number of visitors to the region many of whom will travel via the Upington Airport. This increased traffic may also be sustained through the development of tourism in the Green Kalahari.

Utilisation of the Upington Airport for the Bloodhound event and local tourism may address the financial issues plaguing the facility which has ran at a loss over recent years. Additionally, the return to financial stability may catalyse investment in planned upgrades such as cargo and storage facilities.

RUNWAY DEVELOPMENT

The Mier LM is host to two runways, one in Rietfontein and the other at !Xaus Lodge. These runways are operational but do require upgrades in order to accommodate tourism levels as indicated in the District and Local Municipal IDPs.

The development of these runways particularly the one in Rietfontein has the potential to enhance the regions appeal as a tourism destination. This is especially true for the high-end or luxury tourism market which caters to international visitors looking to minimise their travel time. Finally, this project is one for which implementation can likely be achieved prior to hosting the Bloodhound event and ideally utilising local labour.

INTERNET ACCESS

The Bloodhound SSC team will be provided with high-speed internet access during the land speed record attempt through partnership with MTN. There is a possible opportunity to extend this internet access to local schools and communities through a pilot project linking the Mier LM to fibre cables in Upington.

If internet access is provided to the Mier LM on a permanent basis it will have an important impact on schooling with teachers and pupils better able to access resources. Internet access will also promote SMME development by enhancing their marketing abilities, access to support and general business knowledge. Finally, internet access is often demanded by domestic and international tourists especially in the high-end market.

TOILET FACILITIES

The 2011 South African Census indicated that residents of the Mier LM lack adequate toilet facilities with many using the bucket system and unventilated pit latrines.

The Bloodhound event will require the provision of portable toilets for use by spectators and participants. There is therefore the possible opportunity to retain these toilets and provide them to local households in need. This may be a community impact project that can be undertaken by the Bloodhound team.



SECTION 7: INTEGRATED STRATEGIC PLAN

The Integrated Strategic Plan offers a strategy for leveraging the Bloodhound SSC initiative into sustained socio-economic development for the Mier LM and wider region. The plan is informed by the research presented throughout this document and is designed as a comprehensive development tool. The Integrated Strategic Plan includes a strategic vision; development pillars and a portfolio of key projects and interventions.

7.1. Strategic Visioning

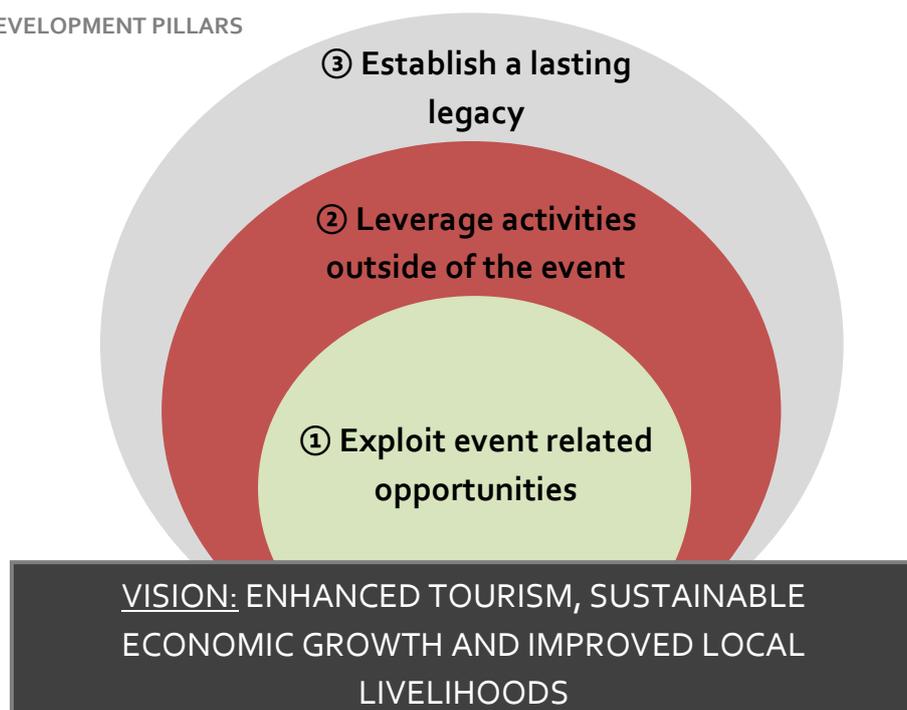
The Strategic Vision offers an ideal conception for the study area, namely the Mier LM and wider region that can be achieved through effective implementation of the Bloodhound SSC Integrated Development Strategy.

Strategic Vision: To enhance local livelihoods and facilitate economic growth in the Mier Local Municipality and wider Green Kalahari region by establishing the area as a top tourism destination.

7.3. Development Pillars

Development Pillars represent the main strategic directions that must be effectively pursued in order to achieve the strategic vision. The three development pillars of the Bloodhound SSC Integrated Development Strategy are illustrated in Figure 24 followed by a detailed description of each.

FIGURE 24: DEVELOPMENT PILLARS



7.3.1. Event Related Opportunities

The first development pillar in the Bloodhound Integrated Development Strategy is the **effective exploitation of opportunities during the Bloodhound event**. These opportunities are the prospects created directly by the Bloodhound record attempt as a result of the increased number of visitors, local spending and media exposure.

The specific projects and interventions relating to all three development pillars are presented in Section 7.4 followed by a comprehensive implementation plan in Section 8.

The Bloodhound SSC record attempt presents numerous direct opportunities with the potential to boost the economy and local livelihoods in the short-term. These opportunities are created by the:

- Increase in local retail sales and procurement.
- Demand for accommodation and services.
- Temporary employment creation.
- Investment in event related infrastructure and services.

It is envisioned that these event related opportunities will be present during and shortly after the Bloodhound SSC land speed record attempt. The record attempt will likely occur over a one to two month period and is tentatively scheduled for early to mid-2014. To effectively exploit these opportunities it is therefore important that the Northern Cape Provincial Government prioritise immediate and on-going engagement with the Bloodhound project team, Local Government, local business people and the local workforce.

7.3.2. Leverage Additional Activities

The second development pillar addresses the opportunities to **leverage additional activities as a result of the Bloodhound event**. This includes activities outside the Bloodhound record attempt that either increase the impact of the event or provide additional lasting benefits. It is envisioned that these opportunities will arise during and after the Bloodhound record attempt in both the Mier and Khara Hais LMs.

There are numerous opportunities to leverage the Bloodhound event into long-term development including the:

- Development of new tourism products, packages, entertainment and services.
- Maximisation of domestic and international media exposure.
- Manufacture and sale of Bloodhound souvenirs.
- Establishment of education programmes and improved health services.

The exploitation of long-term development opportunities requires careful planning by the Northern Cape Provincial Government and strategic partnerships between the Province, District and Local Government, local businesses and tourism industry affiliates. It is imperative that this planning and engagement is conducted prior to the Bloodhound record attempt.

7.3.3. Event Legacy

The third and final development pillar concerns the **establishment of an event legacy**. This legacy is defined as the lasting, long-term benefits that will occur at a local, regional and provincial level as a result of the Bloodhound record attempt and the leveraging of related opportunities.

*According to the OECD, careful establishment of an event **legacy** can catalyse local development in the long-term.*

Legacy development will have various benefits for the Mier LM, Khara Hais LM and the Northern Cape Province including:

- Investment in tourism products and facilities.
- Advancing the region and Province's tourism brands and marketing.
- Promotion of related events and other adventure sports.
- Small business and entrepreneur development.
- Permanent employment creation and skills development.
- Lasting improvements to infrastructure and service delivery.
- Fostering key international relationships.
- Increasing the capacity of the Province and Local Authorities to facilitate development.

The development of a lasting Bloodhound legacy in the Mier LM will ensure that the benefits of this one-time event are extended well into the future. To achieve this, it is recommended that the Northern Cape Province and local stakeholders adhere to the following guidelines and recommendations regarding legacy development. These guidelines are adapted from a strategy document by the Organisation for Economic Cooperation and Development (OECD) titled '*Local development benefits from staging global events*'.

LEGACY DEVELOPMENT - OECD GUIDELINES AND RECOMMENDATIONS

1. Legacy planning must be vision led and should span a series of events, activities and opportunities rather than just the event itself.
2. A working group should be established to ensure that all activities relating to the event and legacy are coordinated under a single strategy.
3. The working group should work to identify and maximise both the direct and indirect benefits of the event.
4. A key focus of the legacy programme should be the local population, local businesses base and other local stakeholders.
5. The community and local business owners must be engaged with the legacy programme.
6. The legacy programme should include both short-term and long-term initiatives.
7. Legacy projects and programmes need to be well defined, carefully planned and effectively managed.
8. Opportunities for greater institutional development, especially at the local level, and coordination between different levels of government should be exploited.
9. Improvements to the local and regional environment and infrastructure should be implemented in ways which support local quality of life as well as long term goals.



7.4. Projects and Interventions

Development of the Mier LM and wider Green Kalahari region requires the implementation of various projects and interventions. These projects and interventions are designed to address the three development pillars presented above with the intention of achieving the strategic vision to 'enhance local livelihoods and facilitate economic growth in the Mier Local Municipality and wider Green Kalahari region by establishing the area as a top tourism destination'.

The projects and interventions identified for the Mier LM and wider region are presented in a project portfolio. These projects are then graded according to a specifically designed prioritisation model and ranked according to their perceived impact. This information should be utilised by the Northern Cape Provincial Government, ZF Mgcawu DM, Mier and Khara Hais LMs, the Bloodhound team, private investors and other local and regional stakeholders.

7.4.1. Project Portfolio

The project portfolio (Table 2) provides a list of 30 projects and interventions identified as part of the Bloodhound Integrated Development Strategy. These projects are drawn from various sources including provincial and municipal strategies, consultation with provincial stakeholders, international case studies and professional experience.

TABLE 2: PROJECT PORTFOLIO

PROJECT NAME	PROJECT SUMMARY
1) On-Site Camping Facilities	The Bloodhound event is expected to attract over 1 000 visitors to the Mier LM over a 1-2 month period. It is important to develop accommodation to house these visitors, namely camping facilities at Hakskeen Pan next to the race site. These facilities should include camping sites, cooking facilities, portable toilets, shower facilities, drinking/cooking water and an internet hub. The facilities may also be reopened during Kalahari Speed Week and other events.
2) Entertainment During the Event	It is recommended that daily/nightly entertainment be provided to participants and spectators during the Bloodhound event (1-2 months). Entertainment could include local singers and dancers, African drummers and musicians/bands from the Northern Cape. During this entertainment revenue may be generated through the sale of food, beverages and alcohol.
3) Develop and Support Local Eateries	The demand for food and beverages during the event can be addressed through the development of local eateries including 'take aways' at the race site, improvements to the Rietfontein bakery and the establishment of cafes/restaurants in several local villages. These facilities may also become permanently viable as a result of increased visitor numbers and the development of Kalahari Speed Week and other events.
4) Provide Shuttle Services	Many spectators of the Bloodhound event will arrive at the Upington Airport. It is recommended that shuttle services be established between the Upington Airport and the Mier LM (Rietfontein, Askham and Hakskeen Pan) during the event (1-2 months). Shuttle services may also be in demand following the event as a result of increased tourism in the region. These services should be owned and operated by entrepreneurs/SMMES from the Mier and/or Khara Hais LMs.
5) Donate Toilets to the Community	Hosting the Bloodhound event will require the establishment of temporary toilet facilities at Hakskeen Pan and the race-site campground. As part of a community development initiative it is recommended that event organisers donate these toilets to local households (among whom toilet facilities are often inadequate) and the Local Municipality (for use during Kalahari Speed Week and other events) following the Bloodhound event.



PROJECT NAME	PROJECT SUMMARY
6) Opportunity Awareness Campaign	The Bloodhound event will generate numerous opportunities for local SMMEs through the demand for goods and services. It is recommended that local entrepreneurs and business owners be made aware of these opportunities through an opportunity awareness campaign. This campaign should provide information regarding the number of event participants, their likely demands and event dates/duration. It could also offer support to local SMMEs in the form of business advice and low interest loans.
7) Tourism Awareness Campaign	The District IDP identifies the need for a Tourism Awareness Campaign in Rietfontein, Loubos, Andriesvale, Welkom, Philandersbron and Askham, with some funding already secured. This campaign will highlight tourism opportunities in the region and encourage local entrepreneurs and SMMEs to establish tourism related enterprise. This campaign could also offer information regarding the Bloodhound event. It is therefore recommended that the campaign be launched immediately and be linked to the Opportunity Awareness Campaign.
8) Bloodhound School Education Programme	The Bloodhound Education Programme provides teaching guides and learning materials to participating schools in an effort to instil a passion for science and engineering. This programme should be extended to all schools in the ZF Mgcawu DM. Additionally, it is recommended that local schools (Mier LM) plan a 'field trip' to see the race site and Bloodhound car. It is envisioned that this project will be sponsored/supported by the Bloodhound team.
9) Provincial Engineering Contest	The Northern Cape Province can encourage youth education by developing a Provincial Engineering contest, challenging high school students to design and manufacture their own small vehicles using recycled materials. Winners might be rewarded with a trip to Hakskeen Pan during the record attempt and a chance to meet the race team. This project should be sponsored/supported by the Bloodhound team and linked to a previous contest held in Kimberley.
10) Bloodhound Souvenirs	The Bloodhound website indicates that the project team is willing to allow the local production and sale of Bloodhound branded goods as a community development project. Therefore, the rights to reproduce the Bloodhound logo should be immediately secured from the Bloodhound project team. The production and sale of Bloodhound branded souvenirs during and after the record attempt will generate important revenue for the community (sales) and the region (production).
11) Update Websites to Highlight the Event	National and provincial websites including those for South Africa Tourism and Northern Cape Tourism should be immediately updated to highlight the Bloodhound event and encourage spectators. These websites should also provide information/linkages to information on the event, available accommodation, transportation routes and modes, and other sites/activities in the region.
12) Upgrade Local Websites	It is recommended that local tourism websites including Green Kalahari Tourism and Mier Tourism should be upgraded. These upgrades should improve the quality of the sites; highlight the Bloodhound record attempt and related events; promote the Kalahari Speed Week; provide information and contact details for local accommodation; and offer information on tourism routes and packages.
13) Upgrade Tourism Information Centres	The District IDP identifies the need to upgrade two tourism information centres located in Rietfontein and Andriesvale. The upgrades should focus on improving the quality of information provided at the centres including information on local accommodation, activities, events and sights, as well as the sale of locally produced crafts and other goods. In the short term it is important that these centres are prepared for the influx of visitors during the Bloodhound event.
14) Branding Hakskeen Pan	The Northern Cape Provincial Government has envisioned that Hakskeen Pan will be known as the 'World Land Speed Capital'. This designation will enhance the areas notoriety among the world motor racing community and may result in an increase in the number of events and visitors in the area. It is therefore important that the Hakskeen Pan 'brand' be displayed at the Bloodhound record attempt and during Kalahari Speed Week; promoted on local, regional and provincial websites and advertised on international motor racing sites.

PROJECT NAME	PROJECT SUMMARY
15) Promote the 'Northern Cape Extreme' Brand	The Northern Cape Provincial Government has adopted the brand 'Northern Cape Extreme' to promote the Province as Africa's adventure/extreme sport capital. The Bloodhound event provides an opportunity to promote this brand. It is therefore recommended that the 'Northern Cape Extreme' brand be displayed during the Bloodhound and Kalahari Speed Week events, on local and regional websites, on the Bloodhound website and at tourism information centres.
16) Tourism Marketing Strategy	The District IDP and LED Strategies have identified the need for a Tourism Marketing Strategy for the Mier LM and submitted a funding proposal to the DBSA. It is recommended that this strategy be prioritised in order to account for opportunities relating to the Bloodhound event and the strategic directives outlined in this report.
17) Develop Luxury Eco-Tourism	The advantages of luxury and eco-tourism include high revenue with minimal impact on the environment. The Mier LM region has been identified as a prime location for this type of tourism owing to its remoteness, natural beauty and existence of several eco-lodges. It is therefore recommended that local accommodation owners and potential investors are encouraged to develop existing/new luxury eco-lodges and have their facilities graded by the Tourism Grading Council of South Africa. The Mier LM should also be marketed as a luxury eco-tourism destination on local, regional and international tourism websites.
17) Tourism Signage	Tourism in the Mier and Khara Hais LMs can effectively be promoted through the upgrading and extension of tourism signage. This includes signs relating to local attractions, accommodation, restaurants, services and tourism routes. It is recommended that the Provincial Government, in collaboration with local authorities, invest in this tourism signage prior to hosting the Bloodhound event.
18) Training Local Tour Guides	The development of tourism in the Mier LM is expected to generate demand for local tour guides with experience for visiting the Kalahari Game Reserve, local 4x4 routes and San communities. The Northern Cape Provincial Government, tourism authorities and local tour companies can ensure that this employment opportunity is localised by training community members as tour guides.
19) Speed Testing Facility	The establishment of a high-speed vehicle testing facility has been identified as a priority project by the District and the Mier and Khara Hais LMs. This facility will enable private car owners and motor clubs to visit Hakskeen Pan and have their vehicles timed both accurately and officially, thus boosting tourism and promoting the brand of 'Hakskeen Pan – World Land Speed Capital'. It is recommended that District and Local Government use the Bloodhound event to leverage private and public sector funding for this facility to be established at Hakskeen Pan.
20) Upgrade Local Air Strips	The Mier LM currently has two local airstrips, one at Rietfontein and another at !Xaus Lodge. Although operational, these airstrips require upgrades in order to enhance their capacity, safety and appeal. These upgrades will allow for the landing of private and chartered planes and thus increase the region's viability as a luxury tourism destination. It is recommended that a feasibility study is undertaken to determine the cost of such upgrades and identify potential sources of funding with priority placed on the Rietfontein airstrip.
21) Craft Production Village	The District and Khara Hais LM IDPs identify the need for an informal craft production village in Upington. This village will provide support, training, and access to markets and materials for local craft producers. It is recommended that the ZF Mgcawu DM conduct a feasibility study for the Craft Production village. It is also recommended that local authorities examine the feasibility of a similar, but perhaps smaller, centre in the Mier LM.
22) Bloodhound Museum	The development of a Bloodhound Museum in the Mier LM has the potential to advance the legacy of the event and increase the number of tourists to the region. The museum should highlight the history of land speed record attempts; history of the Mier LM region and people; and the Bloodhound story and include a replica of the Bloodhound car and other commemorative photos/memorabilia. It is recommended that a feasibility study be conducted for this project.



PROJECT NAME	PROJECT SUMMARY
23) Khomani San Cultural Museum	The local Khomani San community represent some of the last remaining indigenous people in South Africa. It is therefore important that their history and culture be preserved in a local museum to be partially owned, operated and staffed by the community. This museum will encourage cultural preservation and provide local revenue; as well as boost tourism in the Mier LM. It is recommended that a feasibility study for the Khomani San Museum be conducted to examine these potential benefits and identify possible funding sources.
24) Travel Packages	Travel packages offer tourists the opportunity to purchase their accommodation, transportation, and activities/events in one transaction. These packages make it easier for tourists to visit an area while also encouraging them to partake in new activities or stay in new accommodation. It is recommended that travel packages be developed for the Mier LM in conjunction with local accommodation owners and travel agents. If developed quickly and marketed effectively these packages may also encourage a greater number of visitors and increased visitor spending during the Bloodhound event by offering spectators a well-rounded holiday. Links to these packages should also be provided on the Bloodhound website.
25) Tourism Routes	There are several tourism routes in the Green Kalahari region designed to enhance tourists' experience, increase tourism spending and expand the sights visited. It is recommended that the Mier LM, especially Hakskeen Pan, be incorporated into one or more of these routes (e.g.: Red Dune Route). Additionally, a new tourism route linking the Upington wine region, Hakskeen Pan and the Kalahari National Park should be developed.
26) Local 4x4 Rental Company	The Mier LM offers a gateway to the Kalahari National Park as well as numerous 4x4 routes. These opportunities can be made available to a wider range of visitors through the establishment of a local 4x4 rental company. This company should be owned and operated by community members with the support of local accommodation owners and authorities. It is also recommended that this project be linked to the training and employment of local tour guides.
27) Music Festival	The desert landscape is an increasingly desired location for hosting large scale music festivals, such as Burning Man and AfrikaBurn. It is therefore proposed that the Mier LM begins discussions with music event organisers to identify the feasibility of hosting a similar event at Hakskeen Pan. Such an event could have an enormous impact on the local economy and increase the tourism visibility of the region. It is however important that this event is driven by the private sector but managed in a way that limits the ecological impact on Hakskeen Pan, preserving a large portion of the Pan for future motor racing events.
28) Establish a PPP to Manage Municipal Game Farms	The Mier LM LED Strategy identifies the need for better management of Municipal Game Farms and recommends that a Public-Private Partnership (PPP) be established for this purpose. This intervention has the potential to improve the quality, marketing and sustainability of local game farms thus enhancing their appeal to domestic and international visitors. It is therefore recommended that the necessary steps be undertaken to determine the feasibility of this PPP.
29) Partner with the Northern Cape University	The Department of Higher Education and Training (DHET) recently announced that the Province's first university, the Northern Cape University, will be established in Kimberley. The school will offer a variety of programmes including engineering. The opportunity has been identified to link the Bloodhound project to the Northern Cape University's engineering programme once it is established. It is envisioned that this partnership will offer students an opportunity to examine the cars, components and test results with the intention of improving their experience, broadening their education and attracting more students.
30) Internet Access	The Bloodhound event will be broadcast using wireless broadband internet provided by MTN by linking to wireless cables in Upington. It is recommended that the Provincial Government work with MTN to determine if it is feasible to provide these services permanently through a pilot project. These services have the potential to improve education by providing access to information and learning materials, promoting business development and attracting investment.

7.4.2. Prioritisation Model

Projects presented in the project portfolio are evaluated using a prioritisation model. The model evaluates the projects' potential according to the following three primary indicators:

1. Promotion of economic growth and development.
2. Impact on local livelihoods.
3. Feasibility of the project.

The prioritisation model was developed specifically for the Bloodhound Integrated Development Strategy. Therefore, each indicator in the model and its weighted importance reflects the objectives of the strategy and the specific needs and priorities of the region.

TABLE 3: PRIORITISATION MODEL

Assessment Criteria	Overall Rating	Indicator	Rating
1. Promotion of Economic Growth and Development	30%	1.1. To what extent will the project attract tourists and encourage repeat visits to the Mier LM	35%
		1.2. Will the project either directly or indirectly promote the development of local small businesses	35%
		1.3. To what extent will the project catalyse investment in infrastructure and the local economy	30%
2. Impact on Local Livelihoods	30%	2.1. What is the potential for meaningful job creation as a result of the project's implementation and/or operations	50%
		2.2. Does the project in any way uplift or support previously disadvantaged individuals	20%
		2.3. Will the project provide or encourage education and/or skills development	30%
3. Feasibility of the Project	40%	3.1. What is the overall cost-effectiveness of the project	35%
		3.2. To what extent is it possible to attract funding for the project either from public or private sources	30%
		3.3. Can the project be managed locally , either by the local government, business owners or the community	35%

The 30 projects presented in the project portfolio were tested using the prioritisation model. Each project was given a score from 1 to 5 for every indicator, with 1 implying that the project will in no way achieve or address the stated objective/indicator and 5 indicating that the project has the potential to fully satisfy the objective/indicator. The outcome of this exercise is a total score out of 100, allowing for the ranking of projects.

7.4.3. Priority Projects

Table 4 presents the findings from the project evaluation, ranking each project according to its total score. This evaluation system allows for the identification of 10 priority projects believed to have the greatest potential impact.

The top ten scoring projects should be prioritised for implementation. It is also important however that lower scoring projects are also considered.

TABLE 4: PROJECT SCORES AND RANKING

Rank	Project Number	Project Name	Weighted Score
1	17	Develop Luxury Eco-Tourism	67.9
2	1	On-Site Camping Facilities	65.2
3	23	Khomani San Cultural Museum	65.1
4	21	Craft Production Village	64.4
5	24	Travel Packages	64.2
6	3	Develop and Support Local Eateries	62.9
7	2	Entertainment During the Event	61.8
8	7	Tourism Awareness Campaign	59.6
9	10	Bloodhound Souvenirs	58.4
10	6	Opportunity Awareness Campaign	57.9
11	25	Tourism Routes	53.0
12	4	Provide Shuttle Services	52.5
13	8	Bloodhound School Education Programme	52.0
14	26	Local 4x4 Rental Company	51.9
15	19	Speed Testing Facility	51.7
16	13	Upgrade Tourism Information Centres	51.1
17	18	Training Local Tour Guides	51.1
18	22	Bloodhound Museum	49.9
19	5	Donate Toilets to the Community	47.2
20	20	Upgrade Local Air Strips	46.7
21	17	Tourism Signage	44.1
22	30	Internet Access	44.0
23	12	Upgrade Local Websites	43.4
24	14	Branding Hakskeen Pan	42.7
25	16	Tourism Marketing Strategy	42.1
26	15	Promote the 'Northern Cape Extreme' Brand	41.9
27	28	Establish a PPP to Manage Municipal Game Farms	39.8
28	11	Update Websites to Highlight the Event	37.8
29	9	Provincial Engineering Contest	36.0
30	27	Music Festival	36.0

The 10 priority projects highlighted above have been demarcated for implementation in the Mier LM. To facilitate implementation, Table 5 provides the following information:

1. Potential implementation partners.
2. Possible sources of implementation funding.
3. Alignment to existing national, provincial and municipal strategies.
4. Urgency of implementation:
 - Very Urgent: The project is directly linked to the Bloodhound event and therefore must be implemented prior to the record attempt.
 - Somewhat Urgent: The project is indirectly linked to the Bloodhound event and may be completed in time for the record attempt.
 - Not Urgent: The project is a long-term venture not directly linked to the Bloodhound event.

URGENT PROJECTS -

Five priority projects are identified as 'very urgent' and must be implemented prior to or during the record attempt in order to be effective. It is therefore recommended that these projects are immediately investigated.

TABLE 5: INFORMATION ON PRIORITY PROJECTS

Project Name	Potential Partners	Possible Funding Sources	Strategic Alignment	Urgency
1) Develop Luxury Eco-Tourism	<ul style="list-style-type: none"> • National Department of Environmental Affairs • Northern Cape Department of Economic Development and Tourism • Northern Cape Department of Tourism, Environment and Conservation • ZF Mgcawu DM • Khara Hais LM • Mier LM • SAN Parks • Local accommodation owners • Transfrontier Parks Destinations (operators of !Xaus Lodge) 	<ul style="list-style-type: none"> • Private sector investors • DTI SME Development Programme • DBSA Private Sector Investment Unit • IDC Tourism Business Unit • National Empowerment Fund (NEF) • African Safari Lodge Foundation 	<ul style="list-style-type: none"> • SA Rural Tourism Strategy • ZF Mgcawu DM IDP • Mier LM IDP • Khara Hais LM IDP 	<ul style="list-style-type: none"> • Not Urgent
2) On-Site Camping Facilities	<ul style="list-style-type: none"> • Bloodhound project team • ZF Mgcawu DM • Mier LM • Local business community 	<ul style="list-style-type: none"> • Bloodhound project team • Northern Cape Department of Economic Development and Tourism • ZF Mgcawu DM • Mier LM 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Very Urgent



Project Name	Potential Partners	Possible Funding Sources	Strategic Alignment	Urgency
3) Khomani San Cultural Museum	<ul style="list-style-type: none"> Northern Cape Department of Sports, Arts and Culture ZF Mgcawu DM Mier LM Khomani San Community SA Museums Association Survival International (preeminent indigenous rights organisation) Totem Media (museum developers) 	<ul style="list-style-type: none"> National Department of Arts and Culture Northern Cape Department of Sports, Arts and Culture National Heritage Council National Lottery Fund The Heritage Foundation The Arts and Culture Trust Private donors 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Not Urgent
4) Craft Production Village	<ul style="list-style-type: none"> Northern Cape Department of Sports, Arts and Culture ZF Mgcawu DM Mier and Khara Hais LMs Khomani San Community Tourism Information Centres Local business community The Africa Craft Trust 	<ul style="list-style-type: none"> Northern Cape Department of Sports, Arts and Culture ZF Mgcawu DM Mier LM Khara Hais LM National Arts Council The Arts and Culture Trust SA Institute for Entrepreneurship Domestic and international donors 	<ul style="list-style-type: none"> ZF Mgcawu IDP Khara Hais LM IDP Mier LM IDP Mier LM LED 	<ul style="list-style-type: none"> Somewhat Urgent
5) Travel Packages	<ul style="list-style-type: none"> Northern Cape Department of Economic Development and Tourism Northern Cape Tourism SAN Parks Local/regional tour operators Local/regional accommodation owners Travel agents 	<ul style="list-style-type: none"> National Department of Tourism National Department of Environmental Affairs Northern Cape Department of Economic Development and Tourism Tourism Business Council of SA Tourism Enterprise Partnership Private sector partners 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Somewhat Urgent
6) Develop and Support Local Eateries	<ul style="list-style-type: none"> ZF Mgcawu DM Mier LM Local business community Bloodhound project team 	<ul style="list-style-type: none"> Northern Cape Department of Economic Development and Tourism Tourism Business Council of SA Tourism Enterprise Partnership Small Enterprise Development Agency 	<ul style="list-style-type: none"> Mier LM LED ZF Mgcawu IDP 	<ul style="list-style-type: none"> Very Urgent



Project Name	Potential Partners	Possible Funding Sources	Strategic Alignment	Urgency
7) Entertainment During the Event	<ul style="list-style-type: none"> • Mier LM • Local business community • Members of the local San Community 	<ul style="list-style-type: none"> • Bloodhound project team • Mier LM (revenue from campground) 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Very Urgent
8) Tourism Awareness Campaign	<ul style="list-style-type: none"> • National Department of Tourism • Northern Cape Department of Economic Development and Tourism • ZF Mgcawu DM • Mier LM • Khara Hais LM • Northern Cape Tourism • SAN Parks • Local/regional tourism businesses 	<ul style="list-style-type: none"> • National Department of Tourism • National Department of Environmental Affairs • Northern Cape Department of Economic Development and Tourism • ZF Mgcawu DM • Tourism Business Council of SA • Tourism Enterprise Partnership 	<ul style="list-style-type: none"> • ZF Mgcawu DM IDP 	<ul style="list-style-type: none"> • Somewhat Urgent
9) Bloodhound Souvenirs	<ul style="list-style-type: none"> • Bloodhound project team • Northern Cape Department of Economic Development and Tourism • ZF Mgcawu DM • Mier LM • Local entrepreneurs and business owners • Established clothing manufacturers 	<ul style="list-style-type: none"> • Northern Cape Department of Economic Development and Tourism • Small Enterprise Development Agency • Microfinance agencies • Private sector investors/business owners 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Very Urgent
10) Opportunity Awareness Campaign	<ul style="list-style-type: none"> • Bloodhound project team • Northern Cape Department of Economic Development and Tourism • ZF Mgcawu DM • Mier LM • Khara Hais LM • Small Enterprise Development Agency 	<ul style="list-style-type: none"> • Northern Cape Department of Economic Development and Tourism • ZF Mgcawu DM • Small Enterprise Development Agency 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Very Urgent



SECTION 8: REFERENCES

- Constitution of the Republic of South Africa No. 108 of 1996. *Chapter 2 – The Bill of Rights*.
- Chennels, R. (2010). *The Khomani San Land Claim*. www.culturalsurvival.org.
- CIC (2008). *Best Practices in Sustainable Hunting: A Guide to Best Practices from Around the World*. CIC Technical Series Publication No 1.
- Department of higher Education and Training (DHET) (2012). *Development Framework for New Universities in the Northern Cape and Mpumalanga Provinces*.
- Department of Human Settlements (2012). *For Outcome 8 Delivery Agreements: Sustainable Human Settlements and Improved Quality of Household Life. Annexure A. The Outcomes Approach*. Pretoria: The South African Presidency.
- Hitchcock, R. and Brandenburgh, R. (1990). *Tourism, Conservation and Culture in the Kalahari Desert, Botswana*. Cultural Survival Quarterly 14(2).
- Ingamells, Anne (2009). *Local Economic Development and Remote Desert Settlements*. Community Development Journal 48(2).
- Kirkman, A. (2010). *The Role of Wine Tourism in the Marketing of Wineries in the Stellenbosch Wine Route of South Africa*. University of South Africa: School of Business Management.
- Lourens, M. (2007). *The Underpinnings of Successful Route Tourism Development in South Africa*. University of the Witwatersrand: School of Geography, Archaeology and Environmental Studies.
- Moses, E. and Yu, D. (2009). *Migration from the Northern Cape*. A Southern Africa Labour and Development Research Unit Working Paper Number 32. Cape Town: SALDRU, University of Cape Town.
- Negev Coexistence Forum for Civil Equality (2009). *The Bedouin-Arabs in the Negev-Naqab Desert in Israel*. Jerusalem, Israel: NCFCE.
- OECD (2010). *Local Development Benefits from Stagig Global Events: Achieving the Local Development Legacy from 2012*. OECD LEED Programme.
- RIDES (2005). *Millennium Ecosystem Assessment: Human Well-Being and Sustainable Management in San Pedro de Atacama – Chile*. Santiago, Chile: RIDS.
- Saayman, M., van der Merwe, P., Rossouw, R. (2011). *The Economic Impact of Hunting in the Northern Cape Province*. South African Journal of Wildlife Research 41(1). P. 120-133.
- Smith, M., Macleod, N., Robertson, M. (2010). *Key Concepts in Tourism Studies*. London: Sage Publications.
- STATS SA (2013a). *Tourism, 2012*. Pretoria: STATS SA
- STATS SA (2013b). *Domestic Tourism Survey, 2012*. Pretoria: STATS SA
- World Tourism Organization (2007). *Sustainable Development of Tourism in Deserts – Guidelines for Decision Makers*. Madrid, Spain: The World Tourism Organization.

