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UGU SOUTH COAST TOURISM



SECTORAL INVESTMENT PROSPECTUS DECEMBER 2018 (Q2)

Ugu South Coast Tourism- Sector Investment Prospectus



1 INTRODUCTION TO OUR PROSPECTUS

This tourism investment prospectus has been crafted as an information mechanism for prospective investors from the public and private sector seeking projects and business opportunities in tourism and leisure within the Ugu District Municipality which is headquartered at Port Shepstone.

The district includes the Ray Nkonyeni, Umdoni, Ezinqoleni, Umzumbe and Umuziwabantu Local Municipalities.

Our destination area encompasses the entire 120 km from Scottburgh in the north to Port Edward in the south and includes the famous resort towns of Margate, Scottburgh, Port Edward and Shelly Beach. There is also a plethora of quaint seaside villages and hamlets all along the coast. The outstanding rural hinterland in the district stretches as far west towards Harding which is one hour from the coast.

More commonly known as The South Coast of KwaZulu-Natal, our area encompasses some of South Africa's favourite tourism destinations, attractions and visitor experiences. Our rightful marketing slogan is *South Coast- Paradise of the Zulu Kingdom*.

We invite you to join us in the growth of our tourism and leisure sector within one of South Africa's pinnacle destination areas.

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2 THE SOUTH COAST- PARADISE OF THE ZULU KINGDOM

For decades the Greater South Coast has been recognised as one of the most popular holiday and lifestyle destinations in South Africa.

Many consider our sub-tropical playground as “South Africa’s Own Caribbean”.

We have an abundance of tourism assets, attractions and experiences set within pristine coastal and hinterland environments that have consistently hosted domestic and foreign visitors and in many instances secured subsequent investment in property and tourism/leisure related projects and other business enterprises within the sector’s value chain.

The tourism product mix is excellently presented via 9 Southern Explorer Routes (view our website www.tourismsouthcoast.co.za) which encompasses our beach, eco-cultural and activity landscapes along the coast, its undulating hinterland and the inherent cultural tapestries and vibrant welcoming communities.

Tourism contributes approximately 67% towards the Gross Domestic Product within the district and as such it is considered a pivotal sector within the context of sustaining livelihoods and as an employment provider.

Our tourism product base is as diverse as it is captivating which affords the leisure and getaway lover ample choice to suit their interests and affordability- our destination has the ultimate bucket list of things to enjoy and savour and for this reason it remains ripe for further growth and development.

Take a look at our assets and experiences on offer.

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3 KEY TOURISM ATTRIBUTES OF THE SOUTH COAST

We are a proud destination that can boast:

- Warm to hot summers and very mild winters rendering the South Coast very much a 365 day destination.
- Numerous bathing beaches many protected by shark nets.
- 7 Blue Flag beaches- the highest number of permanently managed beaches in Africa.
- 2 Of the world's top 10 dive sites at Aliwal Shoal and Protea Banks and home of 2 proclaimed Marine Protected Areas.
- Some of the continents best fishing (rock and surf and deep sea) and surfing spots- and location of the world famous oceanic migration known as the Sardine Run.
- Two gazetted Marine Protected Areas (MPAs).
- 11 Golf courses- most are in the top echelons of South Africa's best- the South Coast is internationally recognised as a premier golf tourism destination.
- Casino at the Wild Coast Sun which borders our destination area with its famed Wild Waves Water Park.
- Home of one of Africa's significant geomorphologic features- the precipitous Oribi Gorge with its adrenaline activity choices and unique Cape Vulture viewing site.
- Multi trails networks for hiking, biking and riding at the coast an inland to the outstanding Ingeli/ Weza forest hub. Ingeli Forest being foremost as one of KwaZulu-Natal's indigenous forests and home of the very rare Cape Parrot.
- Multiple birding venues – the area has over 360 species and is an avitourism hot spot.
- Over 17 000 beds ranging from upper end to self-catering establishments and rented holiday homes.
- Major time share resort and holiday club brands have properties in the district.
- National and international award winning hospitality establishments.
- Over 40 qualified and informative tour guides.
- Numerous entertainment venues and eateries suited to the broad spectrum of consumers.
- Some 55 caravan and camping properties- many situated at idyllic beach and seafront locations.
- Numerous conference and meetings facilities to cater for business tourism, entertainment and events.
- 1 Game Reserve 9 nature reserves and literally dozens of conservation areas.
- Rich tapestry of eco-cultural landscapes in rural areas and peri-urban environs.

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- Multi-cultural heritage that encompasses the essence of our Rainbow Nation.
- Captivating maritime history and legacies.
- Over 350 event days considered of the highest within KwaZulu-Natal province and including Africa's largest motor cycle rally- South Coast Bike Fest and the popular Ugu Jazz Festival.
- Ideal location for locally and internationally recognised film, television and agency productions.
- Recognised by Sarafinow as "South Africa's Most Popular Value for Money Family Destination (2015)".
- Strong agri- tourism product base to include coffee, sugar, tea oil, macadamia nut, banana and timber plantations.
- Over 600 accredited tourism service providers within the Ugu South Coast Tourism organisation.
- New motor sport circuit at Oslo Beach- Dezzie's South Coast Raceway.
- World Cup Soccer 2010 legacy outcome- The Ugu Sports and Leisure Centre indoor/outdoor sports infrastructure and dedicated state of the art multi-purpose stadium.
- Tertiary education institutions specialising and in tourism and hospitality training.
- An extensive set of sought after retirement and lifestyle estates.
- Excellent shopping malls, retail outlets, medical facilities and education institutions.

4 ACCESSIBILITY ADVANTAGES

Convenience of access (physical and information services) is an attribute that affords the South Coast a competitive edge over other distal destinations. The primary reasons for this are due to:

- Multi lane road systems (N2 and R61) to and from Durban and N2 linkage to Eastern Cape to Cape Town.
- Direct scenic coastal rail links to and from Port Shepstone to Durban.
- Margate Airport for private aircraft usage and with daily scheduled CemAir flights to and from OR Tambo International Airport in Johannesburg and weekly flights to and from Cape Town.
- Air charter services (fixed wing and helicopter).
- Between 40 minutes and 1.5 hours from King Shaka International Airport in Durban.
- Light aircraft fields at Scottburgh, Munster and Oribi Gorge.



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- Multiple ski boat and charter launch sites.
- River excursions on the scenic UMzimkhulu and Umtamvuna Rivers.
- Regular scheduled coach and shuttle services to and from Durban and destinations farther afield and including King Shaka International Airport.
- Gateway destination for traffic originating from the Eastern and Western Cape and Lesotho. A new highway linking Mthatha and the South Coast (new N2 Highway) scheduled to commence in 2017.
- Location of over 10 tourism visitor information outlets throughout the area- the highest of any tourism area in KwaZulu-Natal.
- Credible letting agencies as members of Ugu South Coast Tourism.
- Demarcated riding, hiking and cycling trails.
- A number of highly respected private and public hospitals, schools and other essential services.
- Two NSRI stations for visitor and ocean users.
- Sustained visitor comfort through access to information and including our unique Sunny and Safe Campaign.
- Reputable car hire brands operate from our main airport at Margate and from satellite offices in the region.

This combination reinforces the ability of the South Coast to draw in various tourism market and niche responses- particularly from South Africa's key domestic markets in Gauteng and KwaZulu Natal provinces. These selling propositions have also drawn in hundreds of residential investors locally and from abroad who have chosen our region for their holiday home investment and each year spend many months savouring our value for money lifestyle options.

Investors are realising distinct merit in seeking suitable return on investment- especially in the property market.

Our area is also earmarked to be part of the national Indo- Atlantic Tourism Route which links the SA coastline into a packaged set of experiences to be marketed to the world via SA Tourism, Tourism KwaZulu-Natal and Ugu South Coast Tourism.

The greater South Coast offers exceptional prospects for investors and this is why for generations we have remained at the forefront of the South African holiday and leisure sector.

5 THE SOUTH COAST- TOURISM & LEISURE RELATED INITIATIVES

Within Integrated Development Plans (IDPs) and other tourism and leisure research conducted by Ugu District Municipality, its partner Local Municipalities and the Ugu South Coast Development Agency, Ugu South Coast Tourism has collated a sampling of investment opportunities for consideration by both the public and private sectors.

These include:

- South Africa's largest water park called Amazon Alley at Kelso in the Umdoni Local Municipality area.
- Beach precinct upgrades at Margate, Scottburgh and Port Shepstone.
- Special rural tourism projects at Kwa Nzimande and Nyandezulu Falls areas.
- Peri-urban tourism precinct at Gamalakhe in the context of the "Go Gamalakhe" initiative.
- Turton Beach precinct in the Umzumbe area.
- Development of the Umzumbe River Trail- an eco cultural community project linking the coast and its scenic uplands.
- Kwa Xolo Caves- heritage and eco activity hub.
- Beach amenity upgrades with possible commercial concessions through the Department of Public Works along the entire South Coast.
- World Class MTB, endurance run and hiking facility at Ingeli Forest and other linked areas.
- Margate Airport extension and upgrade.

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- Narrow gauge rail tourism trips from Paddock near the Oribi Gorge adventure and nature based corridor.
- Hlanganani Park- Cultural/Arts and Eco retail attraction in Uvongo.
- Cultural village at Kwa Nzimakwe.
- Concession at Ntelezi Msani in Umzumbé.
- Restaurant concession at Port Edward.
- Development of the adventure site at Oribi Gorge into a world class facility.
- Construction of a 500-600 seat conference centre in Margate.
- R1.2 bn Techno Park situated at Shelly Beach Industrial Park and a film studio prospect.
- Music studio in Anerly.
- Possible radio/studio partnership with the Esayidi TVET College at Gamalakhe.
- Management options for the Ugu Jazz Festival 2019.
- Eco activity hub at Ingeli Forest near Harding.
- Saints View timeshare resort in Uvongo.
- Community Museum at Kwa Nyuswa.
- Tertiary training campus and/or University Campus.

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- Ifafa industrial park in the Umdoni Municipal area.
- Park Rynie caravan park near Scottburgh.
- Umzimkhulu River Mouth precinct at Port Shepstone.
- Beach club at Margate.
- Wildlife camp concession in the Oribi Gorge area.
- Hotel/conference/ entertainment centre at Masons Park (beachfront) at Umtentweni.
- Cultural and activity hub at Mount Nebo near Harding.
- Merchandising rights for the South Coast tourism brand.
- Heritage centre at the Old Prison in Harding.
- Maritime Museum at Port Shepstone.
- Portuguese Mariners Monument site at Port Edward.
- Activity and wellness trail along the coast between Port Shepstone and Shelly Beach along the disused rail line.
- Hotel and conference centre at Umtentweni's John Mason Park which has a beach front location.
- Joint venture partners for hallmark events with distinct commercial potential.
- Concessions on public land under the auspices of the Department of Public Works.

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- Gateway and retail facility at Hibberdene/Umzumbe junction.
- Small craft harbour development via Operation Phakisa which is a Presidential Initiative and associated boat building facilities.
- Boat building initiatives in Ugu District.
- Rural tourism capacity development at Weza.
- Paragliding site in Umzumbe.
- Msenti Cultural Facility in Kwa Nzimakwe.
- Aquaculture projects in the Umtamvuna River area.
- Upgrade of a commercial hub at Ezingowleni on the N2 en route to Harding.

This collective of projects and initiatives strongly suggests that the South Coast and its rural areas are gearing up for new tourism growth and associated investment. The district has strived towards a positive developmental paradigm as a means of re-establishing the destination as one of South Africa's **must visit- must stay- must play- must live** places to be.

Our municipalities have recently attained a sound record of governance (with Clean Audits) and have established a competitive set of incentives and quick turnaround time for investors and the processing of enquiries.

This paradigm assists us in being aligned towards our stated tourism vision for the South Coast:

“To Become The Most Visited Non Metropolitan Tourist Destination In Kwa-Zulu Natal Province”

Our tourism and leisure marketing and promotional activity is forward thinking and geared towards a set of responsive market segments and niches which link to experiential tourism and includes:

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Oceanic Activity & Beach Lifestyle

Eco and Outdoor Adventure/Sports

Participatory Events

Business & Convention Tourism

Sport & Health Tourism

Cultural Heritage

Nature Based Tourism

Hinterland Cross Activity Offerings

Millennial Vibe (the market for growth)

Based on these experiences our organisation drives the promotional activations needed to ensure that participating enterprises have added opportunity towards business success.

6 WHAT NEXT?

If you have a business concept or willingness to investigate any investment opportunity in tourism and leisure, Ugu South Coast Tourism is at your disposal to facilitate the necessary steps to take your enquiry further.

Our belief that it is sunrise time for new investment in our sector and we trust you will share this sentiment with us and become a valued investor in the Paradise of the Zulu Kingdom. Contact details overleaf.

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