



# **THE AFRICAN SAFARI**

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## F O U N D A T I O N

**Report by the African Safari Foundation on the CEPF support given to the Ahi Zameni Chemucane community association's ecotourism concession in the Maputo Special Reserve, Mozambique.**

**September 2014**



**CRITICAL** | **ECOSYSTEM**  
**PARTNERSHIP FUND**

## **1. Introduction**

The African Safari Foundation (ASF- formerly the (ASLF) African Safari Lodge Foundation) received a grant of \$175,232 to support the community empowering implementation of the Chemucane Lodge in the Maputo Special Reserve, Mozambique. Specifically the grant from the CEPF allowed the ASF to assist a community association, the Ahi Zameni Chemucane Association (AZC), who have a 50-year concession from the Government of Mozambique to build and operate a tourist lodge at Chemucane. Through facilitation by the IFC and the ASF, the AZC reached an agreement with a South African based private sector foundation (the Bell Foundation) to develop the Anvil Bay Lodge and operate it through a joint venture between the AZC and the Bell Foundation. See [www.Anvilbay.com](http://www.Anvilbay.com). The joint venture is called the Compañia Do Toruismo Chemucane (CTC).

The grant from the CEPF enabled the ASF to cover some of its expenses in ensuring that the project went ahead as well as try to build a forum of local stakeholders for the MSR comprising private sector, government, NGOs and communities. This report is a final self-assessment of the work done with an emphasis on the specific objectives of the ASF-CEPF agreement and on lessons learnt from the project.

The ASF implemented the CEPF grant in collaboration with Technoserve the ASF's partner in Mozambique.

This report is an attempt to summarise the work done. More detailed reporting was done via the CEPF's web based reporting system on a 6 monthly basis as the work progressed.

### **Contact details**

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## **2. Progress over the term of the grant (June 2012 – July 2014)**

### General

There was substantial progress in the construction of the lodge which should be completed by November 2014 with the official opening due to take place in March 2015. On the skills and capacity building side over 20 construction staff are now highly skilled plumbers, carpenters and electricians. 18 local community members have received hospitality training at the Southern African Hospitality College in Graaf Reinet South Africa.

The opening date is much later than expected which meant that permanent hospitality linked employment has been delayed but construction staff who also come from the local community have been employed for much longer than anticipated. The delays added significant expense to the capital outlay due to increasing prices of material and labour. We are happy with the progress and the decision

to reduce the initial number of beds to 24 rather than build all 36 in stage one. The delays also prompted the ASF to request the CEPF to give us a 6-month no cost extension which was granted.

The Joint Venture company building and operating the lodge have been doing market research and based on this have decided to market the Anvil Bay Lodge at \$500 per person per night, inclusive of all meals and activities. The company have been looking for a suitable management couple with experience but have not concluded a contract with anyone yet. They were close to doing so when the political situation on the centre of Mozambique made world headlines and the couple withdrew their application. It is hoped that someone will be appointed by the end of October 2014.

#### Community equity

The AZC is a 40% shareholder in the CTC and this is based on a real contribution to the capital costs of \$1 million out of a total of \$2.5 million. The AZC are funding their contribution through a grant from the World Bank/Community Equity Fund and a 0% interest loan from the ASF.

At some point in 2013 due to financial pressure, the World Bank/ Community Equity Fund (CEF) decided to reduce their grant to the community from \$500 000 to \$300 000. Following our unsuccessful application to other funding sources to make up this shortfall, we were able to convince the CEF to honour their original commitment once some of their other projects were stalled. This means that the community association is able to fund their 40% equity stake in the Joint Venture. The time and energy spent on this was funded by the CEPF.

#### Further Fundraising

We are happy to report that we were also successful in raising US\$100 000 to fund the training of 18 local young people at the Southern African Tourism College in South Africa. 10 students selected from the three AZC communities successfully completed their training in December 2013 and a further 8 are presently enrolled.

#### **Additional funds raised**

Besides the funds from the CEPF, the ASF facilitated additional funding and resources over the period of the grant. These are summarised below.

<b>Funder</b>	<b>Amount</b>
French IUCN	\$9 500.00
Community Development Fund / Common Foundation	\$100 000
World Bank via MiTUR	\$500 000
Total	\$609 500

### **3. Alignment with CEPF strategic direction**

The Project was meant to address the following;

- 2.2 Integrate conservation practice into land-reform agreements to expand conservation management and sustain livelihood opportunities

Comment: Livelihood opportunities were created through the purchase of local material, and the upskilling and employment of local staff. In the long term once the lodge gives funding for social development this will also contribute to better lives. The community has begun the process of agreeing what kind of social development projects to support and see the importance of conservation as an asset that can create jobs and support livelihoods.

- 4.2 Establish and strengthen institutional arrangements that will increase and coordinate civil society participation and facilitate lessons sharing to promote linkages that ensure effective conservation action at a broad scale

Comment: We promoted coordination and communication between all stakeholders. Lessons learnt from the project have been shared with other NGOs, communities and government officials throughout SADC and will be taken to the WPC for further sharing. A 15-minute video was produced with lessons learnt.

- 5.1 Build a broad constituency of civil society groups working across institutional and political boundaries towards achieving the shared conservation goals described in the ecosystem profile

Comment: The MSR forum we established is a start of creating a civil society forum and place to engage. We worked closely with all NGO and community stakeholders in the region.

### **4. Objectives of the CEPF/ASF support**

The objectives listed in the ASF project proposal to the CEPF are as follows;

- Facilitate an implementable agreement between the preferred bidder and AZC which represents the three communities that will be affected by the Ponta Chemucane 30 bed lodge development.
- Capacitate the AZC to maximize the poverty alleviation impact of the proposed development this include acquire on equity stake in the business, identifying local people to take up the construction and permanent jobs.
- Facilitate additional community based tourism products in the region that link to the Chemucane Project Development.
- Establish an Integrated Conservation, Tourism and Community Development Forum for the Maputo Special Reserve and Machangulo Peninsular.

- Monitor, evaluate and document the process so that lessons can be learned for similar community-based tourism initiatives in Mozambique.

**5. Key Outcomes**

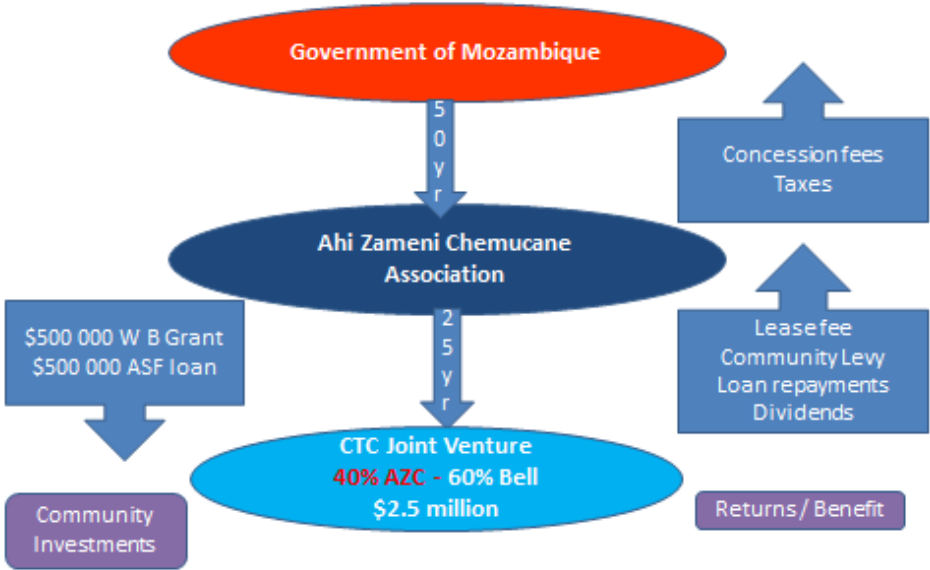
**5.1 Objective 1**

*Facilitate an implementable agreement between the preferred bidder and AZC which represents the three communities that will be affected by the Ponta Chemucane 30 bed lodge development.*

A 25-year partnership agreement [see annex] was signed between a community legal entity (Associação Ahi Zamani Chemucane AZC) and preferred partner (Bell Foundation trading as Anvil Bay). The parties agreed and set out a Joint Venture Company called “Companhia de Turismo de Chemucane (CTC)” aimed at implementing an eco-tourism project at Ponta Chemucane ([www.anvilbay.com](http://www.anvilbay.com)). A board of directors was created with one community member and two private sector representatives. The directors hold meetings twice a year and the community have right to bring on board its community broker to provide technical advice in matters arising

CTC is currently building a 24-bed eco-lodge for phase 1. The construction works are ongoing and expected to be complete in November and the official opening for the first quarter of 2015. Some chalets have been available from September for tour operators’ use and allow the hospitality trained local community members to undergo on-the-job training to improve their performance.

**Agreements can put community at the centre**



**5.2 Objective 2**

*Capacitate the AZC to maximize the poverty alleviation impact of the proposed development this include acquire on equity stake in the business, identifying local people to take up the construction and permanent jobs*

The African Safari Foundation, working with Technoserve facilitated the successful application for USD\$1,000,000 (one million US dollars) to secure community equity in the business. Half of the investment is a grant from the World Bank financed via Ministry of Tourism, the remaining half million is a recoverable grant/ no interest loan from the ASF/Ford Foundation that will be paid back over 10 years. The investment represents 40% shareholding in the business by the three communities which formed a community legal entity to act on their behalf.

In order to secure community members direct participation during construction and operation of the lodge, the ASF facilitated the identification, selection, recruitment and orientation of 32 local employees to work on construction of the lodge and 18 people to attend 12 months intensive “off-the-job” hospitality training in South Africa. Ten people have completed the hospitality training. The remaining eight will start the training as soon as the lodge starts to operate and clear jobs skills are identified.

## AZC community association receive \$500 000 from WB/Government



### **5.3 Objective 3**

*Facilitate additional community based tourism products in the region that link to the Chemucane Project Development*

Unfortunately, little has been achieved in this regard due to the Anvil Bay Lodge not being open yet. A list of potential products to be linked to the eco-lodge has been identified such as sustainable craft production, honey harvesting, conservation agriculture (vegetable gardens), cultural village tours, fish

and seafood supply. Appropriate background research will be required in order to set up a viable business idea. As part of tourism awareness given to the communities, these ideas were raised with the community members as possible business opportunities that will come along with eco-tourism development. However the CTC have already identified possible local community suppliers of some of the locally harvested fish and sea food. Also there is an agreement with local dhow operators to transport goods such as gas supplies from Maputo.

One of the methods the ASF and Technoserve used to communicate the opportunities created by the new lodge was a comic book about the Chemucane lodge. The comic told the story of the partnership, the importance of biodiversity for tourism, the jobs and other opportunities that would be created by the lodge.

#### **5.4 Objective 4**

*Establish an Integrated Conservation, Tourism and Community Development Forum for the MSR and Machangulo Peninsular*

Two (2) preparatory meetings were held with the Ministry of Tourism (MITUR) in 2012 who agreed that such a forum would be useful. Clear roles and responsibilities were agreed where TechnoServe/ASF assumed the secretariat role and MITUR a coordination role. Once this was established 3 Forum meetings were held at Maputo Special Reserve with the aim of getting the different stakeholders in one room to share lessons learned and challenges faced working in the region. A total of 32 people from different organisations/businesses have attended the meetings representing civil society, community representatives, private sector, donors, and government (see attached one of the attendance registers). At the last meeting, the members expressed interest to continue to carry on with the Forum and it was stressed that there is a need for more government involvement in the coordination role in order to motivate attendance by the different stakeholders.

#### **5.5 Objective 5**

*Monitor, evaluate and document the process so that lessons can be learned for similar community-based tourism initiatives in Mozambique*

A thirteen minute video documentary was produced covering the project showing benefits to local communities, challenges faced by the project, lessons learned, community expectations and the way forward. The documentary was reviewed and shared with the Forum members. Both English and Portuguese versions were made and are available for copies and distribution.

The documentary will be released by November 2014 and highlighted at the World Parks Congress. The aim is to place the video on to various communication platforms, handing out the DVD and exhibitions in national and international conferences.

The ASF has been asked to produce an E-poster for the World Parks Congress in Sydney in November 2014. The lessons and support received from the CEPF will be highlighted in the e-poster.

## 6. Some key indicators and numbers

- **Number of assisted enterprises:** One eco-lodge under construction – worth \$2,5 million dollars, due to open in March 2015.
- **Revenues of assisted enterprise:** The Lodge is under construction and expects to start operations in the first quarter of 2015 by which time it will have contracts with local food providers.
- **Wages/salaries paid:** Approximately \$40,000 injected into local economy in form of wages and or salaries and expects to reach \$80,000 by the end of the construction period.
- **Number of local employees:** 32 locals employed on construction with approximately \$100 per month as a minimum salary.
- **Volume of Local Purchases:** Approximately \$30,000 for purchase of grass and reeds.

## 7. Key Lessons Learned

- Rural communities lack the knowledge and experience to manage tourism business – long term coaching strategy needs to be in place to secure their smooth integration into the business;
- Donors or financial institution support with low or zero interest rate loans are fundamental to secure integrated community participation in tourism investment – this needs to go along with funds that facilitators (eg.: civil society) can access in order to provide technical assistance and guidance on the project implementation;
- Need for commitment from different stakeholders who share the same goal and objectives makes the implementation of the agreement possible;
- A clear communication framework and plan is required to avoid mis-understandings or possible conflicts;
- Rural communities need time to understand the partnership and to be able to participate actively;
- Short term or small social investment should be delivered in short to midterm to manager expectations of local communities;
- These projects take longer than expected with the project taking nearly 6 years to get from the stage of the concession being awarded to the community to opening.

## 8. Some challenges to successful community involvement

- **Level of support required for communities** – Enabling communities to work directly with private investors is a lengthy process requiring a lot of time and resources. Therefore a resourced field support NGO will be required, to replicate the model and ensure flexibility in implementing the program.
- **Level of community participation** – Local communities lack tourism experience which limits them participating actively in the negotiation processes. Long term technical assistance and capacity building will be required in order to enable them to participate actively and maximize the opportunities that come along.



- **Finding the right outside partners/investors is critical and not easy** – Entrepreneurs must combine availability of financial capital, experience, passion, drive and determination to do “whatever it takes” to accomplish the partnership structure with local communities.
- **Language barriers** – While tourist might be interested to learn languages from destinations they visit, it is important that the host staff speaks at least basic English for hospitality industry in order to be able to communicate effectively and efficiently with the guest. A comprehensive long term English training program with focus on tourism and hospitality will be required for the local staff.

## The partnership



## Informing the community



## Workshop on site and making tools



## New carpentry skills making fine furniture



## Local materials being used



## Chalets built with nature



## Staff accommodation



## Staff Kitchen



