

NOTES TAKEN AT THE BUSINESS MEETING FOR THE DRAKENSBERG CABLE CAR HELD ON 5 DECEMBER 2013 AT CHAMPAGNE SPORTS RESORT.

The meeting was organised to give businessmen in the area the opportunity to comment on the proposal.

1.0 Address by Graham Muller of Graham Muller & Associates

- 1.1 Only sites in the Busingathi valley outside of the World Heritage Site were considered. Although it is possible to build within the World Heritage Site (cableways are common), permission is simpler outside a World Heritage Site (WHS).
- 1.2 Access to the N3, community agreement, environmental impacts and costs of construction and management of the cableway were the most important aspects considered in the Feasibility Study.
- 1.3 Mount Avery was selected as the preferred site of four sites selected.
- 1.4 Linkages into Lesotho and the Free State will be investigated.
- 1.5 The cableway will be 7km long (cableway up Table Mountain is 1 km long) to avoid building a new access road.
- 1.6 The cable way will have an impact on avifauna and aircraft and may impact vulture breeding sites. The presence of humans will attract crows and ravens. However the structure itself will have a small development impact.
- 1.7 The impact of the cableway on a wild space was examined.
- 1.8 Mount Avery is close to a heavily visited area at the Amphitheatre. It is accessible from Lesotho and to Afriski resort.
- 1.9 There are issues with waste disposal at the top station.
- 1.10 Noise and air pollution will be limited.
- 1.11 The base station will be at a disused quarry.
- 1.12 Tribal authorities and conservation groups have expressed concerns which will be addressed during the environmental assessment process.

- 1.13 There are no formal tourism activities in this valley. A contour path does not exist. Therefore the development of a tourism node in the valley will not conflict with existing tourism activities.
- 1.14 The number of tourists can easily be achieved. Four million vehicles pass through the Tugela Plaza annually. If there are four people per vehicle, there are 12 million potential visitors.
- 1.15 There is a marketing challenge. The current market is strongly orientated to people seeking peace and tranquillity.
- 1.16 The cableway will attract adventure tourists, those seeking night life, action, music, discos; the younger more buzz orientated tourist. This type of tourist must be managed carefully. This can be achieved by developing a tourism node at the base station.
- 1.17 Therefore this tourism market will be separated from those seeking tranquillity in the mountains.
- 1.18 With regard to the business plan, the project is viable, it has a high capital investment but once the capital has been amortised, the business will be highly profitable.
- 1.19 The IDC is willing to contribute 60% of capital investment as a loan over 10 years. This is an attractive proposition for an investor who is willing to take a long term view.
- 1.20 KZN Tourism hopes to tap into the Chinese tourism market with this venture. The Chinese only travel when they turn 60 and get a ten day holiday.

2.0 Address by the MEC Michael Mabuyakhulu

- 2.1 The business plan will be completed by the end of February 2014. The draft Feasibility Study was completed in July 2013. The government has a responsibility to consult as broadly as possible. Interested and affected parties have had an opportunity to participate in the process and engage with Government on the outcome of the report.

- 2.2. By 5 December 2013, Government has held a mass meeting, engaged with traditional leaders and their council. (There were three communities he spoke of, AmaZizi was one of them). The outcomes of these engagements have been overwhelmingly positive.
- 2.3 The meeting in Busingathi valley recently was attended by about 15 000 people. The community support the outcome of the feasibility study and are behind the project.
- 2.4 KZN has a Tourism Master Plan to improve the number of tourists visiting KZN over the next 20-30 years. The plan includes game changers that will take the province to a higher level and ensure tourism and economic development takes place in all district municipalities to give each a competitive advantage.
- 2.5 The cable car in uThukela District Municipality is one of the projects.
- 2.6 Market testing will commence in January 2014. There are indicators that confirm an interest in this project.
- 2.7 Once the business plan is concluded, investors with national and international experience in this business will be sought.
- 2.8 The opportunities for investment will include the development of a tourism node at the base station of the cableway .
- 2.9 The role of government must be to facilitate development and intervene where necessary. Government must not run the business. This must be achieved through private investment.
- 2.10 This project will enhance this tourist destination.
- 2.11 The rehabilitation of R74 is critical to enable tourists to reach the destination from the Free State. At a meeting with Minmat(?) the upgrade of R74 was proposed as a possible Strategic Infrastructure Project.
- 2.12 Although the cableway will impact on the grazing land of the community in the area, grazing camps will be constructed and properly fenced to reduce stock theft.

- 2.13 A full EIA process will commence once the business plan and marketing projections were completed.
- 2.14 The government is determined to make bold decisions.
- 2.15 He does not understand why people are negative about the project. The resources must be exploited in a responsible manner. Cable ways have been constructed in sensitive ecosystems in other countries. It is the safest way to allow access to the resources of the Drakensberg in a responsible manner.

3.0 Questions from the floor and responses. (Please note that only a selection of the questions is included in this section)

- 3.1 **Question 1.** Graham McIntosh an MP noted that the Town and Regional Planning Commission headed by Thorington-Smith produced a Tugela Development Plan. He queried whether the Honourable MEC had seen this plan and if a cable way was included as part of the plan. He added that a cableway could make a big difference to tourism in this province.
 - 3.1.1 The MEC commented that the Commission had been substituted by the Planning and Development Commission which is led by Mr Xaba. Peter Miller who is part of the team should be aware of the Tugela Basin Study. He agreed that the Planning and Development Commission should take all previous planning into account. He invited Mr McIntosh to inform them if a part of the Tugela Basin Study has been excluded in current plans.
 - 3.1.2 Graham Muller added that the study completed in 2000 and the study by van der Riet in 1994 had been examined. The study completed in 2000 was peer reviewed. The review was highly critical of the conclusions of the study. All previous studies were examined and taken on board.

3.2 **Question 2.** Bhegi Mbasini(?) queried whether the business plan created an environment to engage with local businesses.

3.2.1 Graham Muller informed that there will be an equity/loan split. The model used will be the IDC norm which is 40% shareholder and 60% loan funding. Therefore there will be a 60% contribution by a lending institution to be repaid over time. The details of shareholding and access to opportunities were not addressed in the Business Plan. The structure to accommodate local interests must still be negotiated.

3.3 **Question 3.** Ernie Matthis, a local resident and an advocate who has served on the ratepayers association for the Central Drakensberg noted that all sites selected were outside of the World Heritage Site. He added that this criterion appeared to be a fundamental prerequisite for the selection of the site and queried whether constructing the cableway in the World Heritage Site had been investigated. He mentioned that many years ago, Karl Liebenberg did a feasibility study for a cableway in the Cathkin valley and asked if the MEC would be willing to discuss the matter with him.

3.3.1 Graham Muller informed that the issue of the World Heritage Site has created confusion. The Project Steering Committee considered this issue at the beginning of the project and decided collectively to look at sites outside of the World Heritage Site because the construction of a cableway in the World Heritage Site attracts additional hurdles. The gap between Cathedral Peak and Royal National Park had been selected as it was close to the boundary of the WHS. All those who have been consulted have confirmed that the base station and the station at the top of Mount Avery are outside of the WHS.

3.3.2 The MEC added that positive contributions were welcome and offered Karl Liebenberg an opportunity to make a contribution. He further informed that the period for submitting comments had been extended and will close on 31 December 2013.

- 3.4 **Question 4** Presentation by Peter Stockhill about the Drakensberg Development Forum (I did not take note of this).
- 3.5 **Question 5** Lesley Goldsworthy a resident from Cathkin valley asked if a road linkage (about 10km) between the valley and the site for the cableway could be constructed. The trip from the valley to the proposed site for the cableway along existing roads would take about one and a half hours. She also noted that the majority of vehicles on the N3 are heavy duty vehicles and unlikely to be potential visitors to the berg. For this reason, she lacked confidence in the predicted number of tourists in the business plan.
- 3.5.1 The MEC commented that the idea of a linkage road from Cathkin to the new area was a positive contribution. A meeting will be convened with the department in the Free State and with the Presidential Infrastructure Commission to look at the upgrade of the R74. This road will open up opportunities in KZN and the Free State. He would also raise the possibility of a linkage road between the two valleys.
- 3.6 **Question 6** Emma During, a resident in the valley asked if the construction of a cableway in close proximity to the World Heritage Site would overstep not only the letter of the law but the spirit of the law that govern the mountains as a World Heritage Site. She raised concern that development in or near the World Heritage Site could threaten its value as a wild place and its international status and that extreme caution should be used in making a decision. She asked if the cableway will be visible from other vantage points and whether a thoroughfare through the mountains to Lesotho with a border post on the summit will be created.

3.6.1 The MEC informed that wise counsel will be sought. The decision makers will be cautious and will not compromise ecosystems. There are cableways in other World Heritage Sites within sensitive ecosystems. He noted that some people do not welcome this project and that they are creating a problem. He encouraged people to be open about the project and added that being cautious does not mean not going ahead, it means being careful when going ahead. With regard to the cableway devaluing the World Heritage Site, he informed that the cableway will be a game changer. Hiking paths cause erosion but people are not prevented from hiking for that reason. The approach should be to support the cable car and all other tourism activities. He concluded that a cautious approach must be adopted in constructing the cable car and in hiking.

3.7 **Question 7** Karl Liebenberg informed that he has lived in the valley for many years and has climbed all the peaks in the Drakensberg. He represented the largest manufacturer of cableways in the world which constructed the cableway on Table Mountain and the cableway in the Zoological Gardens in Johannesburg amongst others. He added that the cableway in the Drakensberg must be designed properly, it must not spoil the area and that building a cableway in an isolated area was very risky. In his opinion, the best chance of success for a cableway will be in the Cathkin valley which has good existing infrastructure. It would be possible to meet the needs of day trippers from Durban to the area. He added that he supported the idea of the cableway but not the site selected. He offered to give the names of reliable international companies for materials and expertise in construction and management of the cableway.

3.7.1 Graham Muller informed that the tourist market for Cathkin Park was established and satisfies the needs of tourists looking for peace and

tranquillity. The cableway to Mount Avery will create an opportunity for a different set of tourists who are looking for “adventure with a buzz”.

3.7.2 The MEC added that Karl Liebenberg's contribution was welcomed. He noted Mr Liebenberg's approval of the project and that he would be keen to work with the team. He suggested that the steering committee and the consultants led by Mr Muller discuss matters with Mr Liebenberg. He welcomed the offer of the names of reliable suppliers and international expertise. However the MEC negated his proposal of an alternative site in the World Heritage Site offering support only for the site selected in the Busingatha valley.

3.8 **Question 8** Nora Choveaux asked about the timeframe for the environmental assessment process and whether the World Heritage Committee had submitted comments on this proposal.

3.8.1 Graham Muller informed that comments from the World Heritage Committee will be invited in the environmental assessment phase.

3.8.2 The MEC added that the feasibility process concludes on 31 December 2013, the business plan by February 2014 and market testing will commence in January 2014 and should be completed by end of February 2014. After the completion of the business plan, a decision on the way forward will be made. The team will decide whether the formal government process will be by open tender, limited tender or some other form to find a strategic partner. Thereafter the environmental impact assessment will commence. He added that the team is committed to taking this course but that the timeframes are unknown. He informed that a steering committee will be formed which will follow all legal processes but “did not want unnecessary red tape” to delay the process. He added they were in discussions with UNESCO and were looking at the situation in conjunction with the experience of others.

4.0 Concluding comments

- 4.1 The MEC concluded the meeting by informing that the leadership of the municipalities in the district is fully supportive of the proposal. He added that the Drakensberg is natural capital which is a global asset and that we have the advantage of its location. He mentioned that the top of the Drakensberg was identified as the only safe spot in KwaZulu Natal in a film recently produced on the province and a bold decision must be made.
- 4.2 The MEC informed that many opposed the idea of Dube Tradeport on the north coast when the idea was first mooted. He added that life is about making choices. In this instance it is about taking a balanced approach that will protect the environment and make the best use of the location.
- 4.3 The MEC invited all present to think about the opportunities that this project will create, who they could partner with and encouraged them to own the project.

Prepared by Nora Choveaux

Email: nac@pmmbtrust.org

Cellular: 082 771 6324

Landline: 033 396 3344