



NATIONAL
TREASURY

PPP

unit



PPP TOOLKIT FOR TOURISM

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PREFACE

South Africa's tourism business opportunities in our world-renowned, nationally-loved protected areas are many and diverse. Opportunities abound to expand tourism, to grow revenues for conservation and heritage, to boost entrepreneurship, to attract international investment, to extend black economic empowerment, and to create jobs in remote and poor communities. These opportunities can become realities through public private partnership agreements.

PPPs are essentially about risk and reward, about how the interests of public and private parties are balanced to achieve good outcomes for the public. National Treasury regulates PPPs and provides proactive, best practice PPP advice to institutions in a range of sectors. Pioneering tourism PPPs, concluded by a number of South Africa's conservation and heritage institutions in recent years, have enabled National Treasury to establish, through wide consultation and keen collaboration, a set of standardised procedures and contract terms that bring certainty and consistency for future projects, based on lessons learned.

The *PPP Toolkit for Tourism* is a very practical, step-by-step guide, with numerous templates to aid its efficient application. Its aim is to empower relevant institutions to get on with the job, and to encourage private tourism investors and operators to do business with them. We trust that it will be put to full use.



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- BAFO** – best and final offer
- BBBEE Act** – Broad-based Black Economic Empowerment Act, 2003
- BEE** – black economic empowerment
- CMA** – co-management agreement
- CPP** – community-private party agreement
- CPPP** – community-public private partnership
- DFI** – development finance institution
- DEAT** – Department of Environmental Affairs and Tourism
- DLA** – Department of Land Affairs
- DPW** – Department of Public Works
- DWAF** – Department of Water Affairs and Forestry
- ECA** – Environment Conservation Act, 1989
- EIA** – environmental impact assessment
- EoI** – expression of interest
- EMP** – environmental management plan
- GDP** – gross domestic product
- HIA** – heritage impact assessment
- IDP** – integrated development plan
- IA:I, IA:IIA, IA:IIB, IA:III** – Institution Approval: I, IIA, IIB, III
- IRR** – internal rate of return
- MFMA** – Municipal Finance Management Act, 2003
- MoU** – memorandum of understanding
- MTEF** – medium-term expenditure framework
- NAV** – net asset value
- NGO** – non-governmental organisation
- NPV** – net present value
- PDF** – Project Development Facility (of National Treasury)
- PEC** – project evaluation committee
- PFMA** – Public Finance Management Act, 1999
- PPP** – public private partnership
- PPPFA** – Preferential Procurement Policy Framework Act, 2000
- RFP** – request for proposals
- RFQ** – request for qualifications
- RMP** – reserve management plan
- RoD** – record of decision

SAHRA – South African Heritage Resources Agency

SMME – small, medium and micro enterprise

SPV – special purpose vehicle

TA:I, TA:IIA, TA:IIB, TA:III – Treasury Approval: I, IIA, IIB, III

TET – technical evaluation team

TOMSA – Tourism Marketing South Africa

THETA – Tourism, Hospitality and Sport Education and Training Authority

VAT – value-added tax