



Creating luxury ecotourism with the **local community**

Executive summary

Wilderness Safaris has a joint-venture partnership with the Torra Conservancy, a community in Namibia, to operate Damaraland Camp, a luxury ecotourism enterprise. Wilderness Safaris pays lease fees to the Torra Conservancy, provides jobs for community members, uses local skills and materials in construction, and purchases local products and services.

As implemented, the model demonstrates that a joint-venture partnership can be profitable for both the private-sector operator and the community. Moreover, it illustrates that encouraging communities in remote locations to diversify their income streams can be important in order to reduce dependence on a single tourism operator for employment and business opportunities.



COUNTRY
Namibia

NAME
Damaraland Camp

COMPANY
Wilderness Safaris

TYPE
Luxury Ecotourism

FIELDS OF INCLUSION
Construction, maintenance and services, activities, natural conservation



How the business model works

Wilderness Safaris was founded in Botswana in 1983. To date it has over 50 luxury camps and safaris across nine African countries. Damaraland Camp was Wilderness Safaris' first formal camp in Namibia, with its governing agreement signed in 1996 with the Torra Conservancy, a community-registered trust. The Conservancy, covering 3,522 km², is located in the Kunene region of Namibia, within a sparsely populated area with only 1,200 residents. The Damaraland Camp has ten luxury rooms, and offers nature drives using 4x4 vehicles, guided nature walks and mountain-bike excursions.

Trusted relationships with local communities

Wilderness Safaris actively pursues partnerships with their neighbours in remote and biodiverse regions. The company's strategic direction is guided by the so-called 4Cs: commerce, conservation, community and culture. The sustainability of this business model is dependent on Wilderness Safaris' development and maintenance of a strong relationship of trust with their community partners. The company utilises a variety of mechanisms to ensure that this relationship persists, including paying market-price rentals, offering profit-sharing arrangements, engaging in regular dialogue and pursuing responsible business practices.

Joint-venture partnership

With its construction of the Damaraland eco-lodge in 1996, Wilderness Safaris created the first formal joint-venture agreement between a community and a private tourism company in Namibia. The joint venture was formed as a contractual partnership between the Torra Conservancy and the private investor, with the aim of working together to establish and operate a single tourism enterprise. Wilderness Safaris funded the total cost of lodge construction, but ownership was afterwards transferred to the community at the rate of 20% a year,

beginning in the tenth year of the partnership. Once it owned 100% of the camp and its assets, the community sold 60% of the total back to Wilderness Safaris, as community leaders wanted to retain the company as a partner, and realised the marketing and management benefits of the partnership. The community retained the remaining 40% equity stake. The lodge was subsequently upgraded, with the process funded by both Wilderness Safaris and the Torra Conservancy. The Conservancy's funds were raised through the sale of the 60% equity share to Wilderness Safaris. This is one of the first instances in Namibia of a conservancy reinvesting in an ecotourism project without external support from development organisations. In addition, 10% of net accommodation fees from each guest's stay are allocated directly to the community. As a result, the Conservancy remains an equity partner, and the joint venture continues to lease the land from the Conservancy based on a percentage of revenue.

Creating jobs and training

In addition to being joint owners of the camp, Torra Conservancy community members are employees and suppliers of goods and services, handling laundry and rubbish-removal tasks, providing firewood and conservation services, and conducting cultural tours of local communities. Local community members are also employed on a temporary basis for the construction and maintenance of rooms. Through its in-house training facility, Wilderness Safaris offers various training schemes to develop community members' skills and provides technical training to suppliers when necessary.

SPOTLIGHT

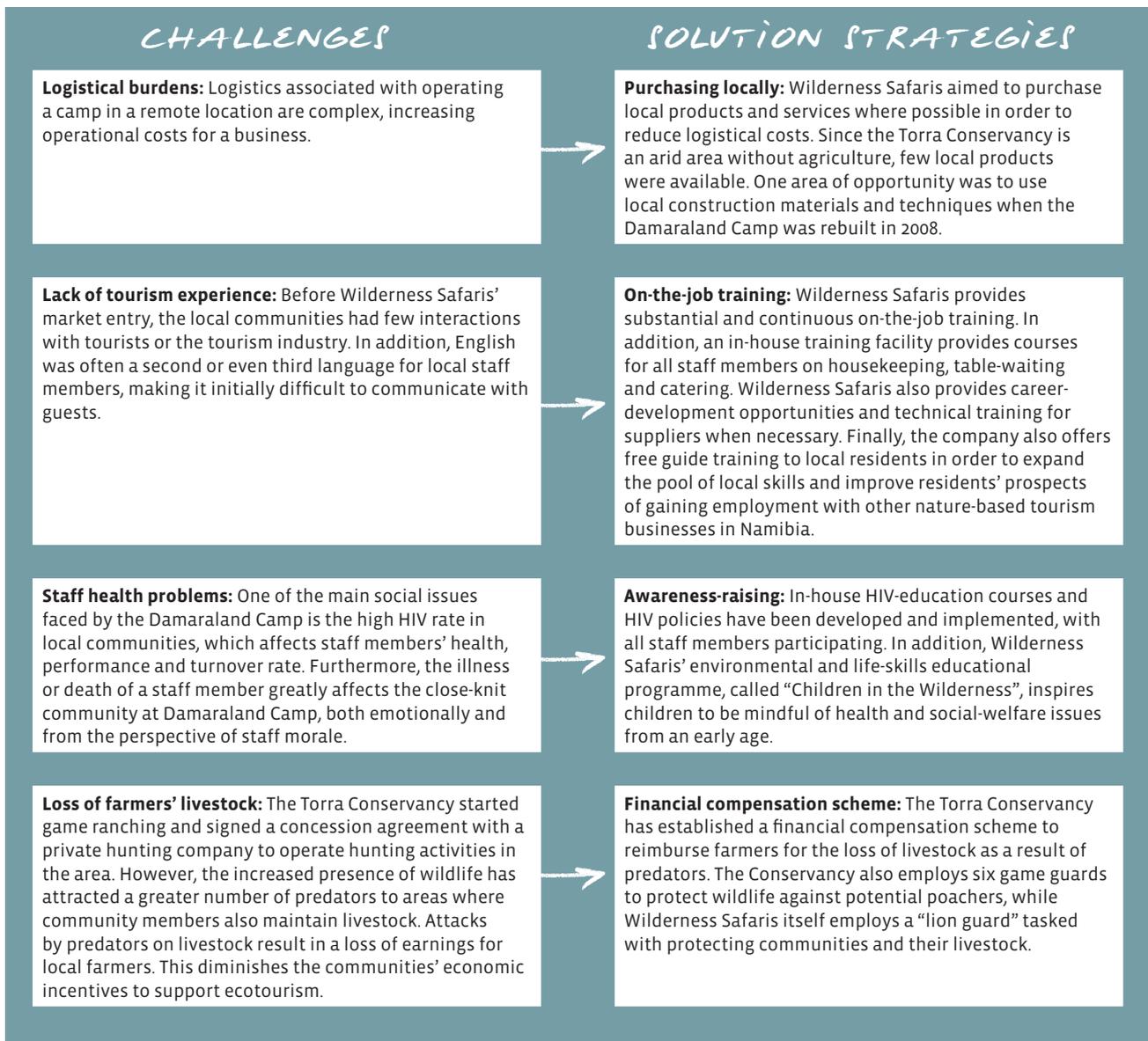
Pascolena Florry – from waitress to camp manager



Pascolena (Lena) Florry, Damaraland's area manager, provides a striking example of the impact of Wilderness Safaris' in-house training. Though born in South Africa, Pascolena Florry grew up in the Torra Conservancy. She joined Damaraland as a waitress in 1997 and became the first black woman in Namibia to be hired as a camp manager. As area manager, she now represents

four camps in the northwest of Namibia. Pascolena Florry believes that the communities are proud to own their lodges: "The conservancies have become role models for reducing poverty and protecting the wildlife and environment in Namibia. It has helped a lot of women who previously simply raised children in the villages."

Challenges and solution strategies



Mutual benefits

Business benefits

For Wilderness Safaris, the benefits of partnering with local communities are manifold. One central benefit of the partnership is the fact of having an award-winning camp (Eco Awards Namibia: Award of Excellence 2012) to add to its existing portfolio. Through the company's partnership with local communities, it can offer tourists rare experiences, such as the opportunity to view desert elephants. Staying in the 12-bed, self-catering Damaraland Adventure Camp accommodation, an en-

terprise owned 50% by the Conservancy and 50% by Wilderness Safaris, is another such experience. These innovative products make Damaraland a unique and memorable location, ensuring word-of-mouth advertisement and return visits.

Cost effectiveness is another important benefit. Beyond its reduction of transportation costs, the decision to build with local materials and techniques helped to improve thermal stability and sound insulation, re-

duced water penetration, provided employment for local residents, and proved to be 50% cheaper than if the camp buildings had used regular brick-based construction.

Development benefits

Damaraland Camp's financial impact on local communities is impressive given the small size of the business overall. The annual value of payments made to the community for lease fees, laundry services and road maintenance totalled more than USD 70,000 in 2013.

The camp currently employs 30 people, of whom 75% are women and 77% come from the local community. In sum, they earn just under USD 90,000 annually in local currency. The construction of the camp required the skills of 20 to 30 construction workers, some of whom

have subsequently been employed at other Wilderness Safaris camps in Namibia. In addition, Wilderness Safaris employees from local communities receive significant training and career-development opportunities. Lena Florry provides just one of many examples of this training's value (see spotlight).

Beyond these immediate impacts, the partnership supports the diversification of the Conservancy's economic activities, thus reducing the community's dependence on Wilderness Safaris alone. In 2010, for example, Wilderness Safaris assisted the Torra Conservancy in developing and presenting a business plan to raise a commercial-bank loan in order to build the Damaraland Adventure Camp. This was the first time a Namibian conservancy had raised its own funds for construction purposes rather than turning to donor funds.

Outlook

Future ambitions for the Damaraland Camp are simple: to generate as much income as possible for both partners. Although revenues for both partners are currently comparatively low, Damaraland was a highly successful camp before 2009 and the onset of the global financial crisis, and with an upturn in tourism could generate a significantly higher level of returns. In addition, its non-financial objective is to provide an example of a successful joint venture that other operators and conservancies can replicate. The model implemented by Wilderness Safaris demonstrates that business ventures can be profitable for both the private sector and the community; however, such success requires substantial input from the private operator, as well as a long-term approach to the business.



At Damaraland, local community members live close to the lodges.

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PHOTOS

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