

The **!Xaus Lodge** submission that resulted in winning the **2010 Imvelo Award for Responsible Tourism: Best Practice Economic Impact category (independent operators)**.



Executive summary

!Xaus Lodge (pronounced with a palatal “click” or as ‘Kaus’) is a community-owned, commercially managed lodge in the Kgalagadi Transfrontier Park. Built as part of the !Ae!Hai land claim settlement and jointly owned by the †Khomani San and Mier, the Lodge was abandoned by the communities as a “white elephant” before management operators, Transfrontier Parks Destinations (TFPD) were appointed.

Since opening in 2007, and with only 24 beds, !Xaus Lodge has generated more than R5,1 million in income for the Gordonia area. The economic value of !Xaus Lodge lies in ethical business principles that generate a steady and growing income for the community owners and the area.

- *Direct community financial benefits:* The Lodge is a community asset, and a percentage of monthly turnover is paid to the community owners.
- *Direct individual employment benefits:* In excess of 85% of the staff at the Lodge are members of the local community, and their income is critical to people who live in an area that has up to 90% unemployment. The Head Chef, who is also back-up Lodge Manager is a community member who has been promoted from within as a result of her skills and service to the Lodge.
- *Direct new skills benefits:* !Xaus Lodge employs hospitality staff, trackers and guides. They provide internship opportunities, and support formal training at !Kwa ttu and SA College of Hospitality.
- *Micro-enterprise development:* The Craft Village at !Xaus Lodge accommodates crafters who make and sell their crafts to guests. Used by the †Khomani San community, they receive a stipend, food & accommodation while at the Lodge, and no commissions are charged on their sales. They also share in gratuities left by guests.
- *Local area benefit:* In the last financial year !Xaus Lodge spent over 92% of their operational expenditure in the Gordonia area.
- *Positive land-claim outcome benefits:* One the biggest benefits !Xaus Lodge provides the †Khomani San and Mier communities is an investment in a world-class tourism destination that brings a regular income to the communities as a direct result of the !Ae!Hai land claim settlement.
- *Long-term asset creation benefit:* The †Khomani San and Mier communities are the owners of the R11million !Xaus Lodge, all its furnishings and the land on which it is located.

The detailed submission

Background

!Xaus Lodge (pronounced with a palatal “click” or as “Kaus”) is a community-owned, commercially managed lodge in the Kgalagadi Transfrontier Park. Situated north-west of Twee Rivieren, it’s the only private concession in KTP. Built as part of the !Ae!Hai land claim settlement and jointly owned by the †Khomani San and Mier, the Lodge was abandoned by the communities as a “white elephant” before management operators, Transfrontier Parks Destinations (TFPD), a 30% Black-owned company, were appointed. They negotiated with the State for an additional R4.5million to complete the development, which allowed !Xaus Lodge to open 3 years ago.



Since then, and with only 24 beds, **!Xaus Lodge has generated more than R5,1 million in income for the Gordonia area.** Hailed by tourism authorities as a flagship destination, the economic value of !Xaus Lodge lies in the ethical business principles that generate a steady and growing income for the community owners and the area.

Sustainable employment opportunities

Community members comprise at least 85% of the Lodge employees. Hospitality positions are permanent, with no seasonal hires. The remuneration package includes wages, accommodation, food, uniform and transport, and a pension fund with retirement, death and disability benefits. Most employees come from the Mier community with some †Khomani San having recently joined the hospitality team.

“Promotion from within” is practiced and the current Head Chef, who joined as a cook, is now back-up Lodge Manager. Staff who have been with !Xaus Lodge since it opened received a salary increase of between 70% and 300% (depending on performance and promotion) over the three years.

For details of †Khomani San crafter employment, see section under crafters.

Contributing to community economic upliftment

Direct community financial benefits: The Lodge is a community asset, and a percentage of monthly turnover is paid to the communities.

Direct individual employment benefits: In excess of 85% of the staff at the Lodge are members of the local community, and their income is critical to people who live in an area that has up to 90% unemployment.

Direct new skills benefits: !Xaus Lodge employs hospitality staff, trackers and guides. They provide internship opportunities, and support formal training at !Khwatama and SA College of Hospitality. Staff who leave the Lodge to further their careers after receiving on-the-job training at !Xaus Lodge are applauded as examples of achievement for the community.



Positive land-claim outcome benefits: One the biggest benefits !Xaus Lodge provides the #Khomani San and Mier communities, is that it provides a world-class tourism destination that brings a regular income to the communities as a direct result of the !Ae!Hai land claim settlement.

Long-term asset creation benefit: The #Khomani San and Mier communities are the owners of the R11million !Xaus Lodge and all its furnishings. After the first ten years of operation, a #Khomani San and Mier Community Trust will be established to receive a 10% equity stake in the lodge management company. Any asset acquired through donor or grant funding is also owned by the Lodge and therefore its communities.

Support of local business:

!Xaus Lodge spends all possible operational money in the Gordonia area. In the last financial year over R1million's purchases have been made by the Lodge in Askham and Upington. This represents over 92% of the operational spend during that period.

Specific examples of local support includes:

- Themba Masala, a local artist, has sold more than R50 000's worth of goods through the !Xaus Lodge curio shop;
- Vezokuhle Sewing Co-operative in Upington created all the soft-furbishings for !Xaus Lodge, and continue to provide new bedcovers and other customised items. Since opening, over R75 000 has been spent with them;
- Transfers, when requested by guests, are done by a member of the Mier community, Ed Smith;
- Local guesthouses are promoted by !Xaus Lodge to their guests as other places to stay while in the area;
- Wines from the Orange River cellars are stocked at the Lodge's bar;
- Firewood is purchased from the local community;
- Kalahari Supermarket in Askham (population 150) sells goods to the Lodge on a weekly basis.



Involving the local community in tourism benefits

There is an open flow of information between TFPD and the community. The "Gordonia Statement" showing income, expenditure, community revenue and local expenditure is prepared monthly. In addition, the CEO of TFPD, Glynn O'Leary conducts presentations at Rietfontein (Mier) and Andriesvale (#Khomani San) to present the Gordonia Statement, discuss activities, progress and challenges with all members of the community. These meetings are arranged by the community leaders.



As an example of the esteem in which the community are held, on the 3rd anniversary of !Xaus Lodge's opening, VIP celebrations were held for the parents of !Xaus Lodge's hospitality staff. They stayed the night as VIPs with a game drive, dinner and opportunity to socialise.

Parents of Staff treated to a VIP night in celebration of !Xaus Lodge's 3rd birthday July 2010

Andries Thys (Grukie), guide trained at !Khwatla. With mother, Anna from !Makom



Anna Philander and her sister, Head Chef Ellen Bok. With parents Ragel and Hendrik Farrel who were born in the Park in 1920's

Magdalena Mienies (Ousus), head of housekeeping With parents Dina & Karools from Rietfontein



Marleen Camm & her mother Anna from Rietfontein



Rosaline Strauss (Rose) & parents Johanna & Erenst from Twee Rivieren



Magrieta Malgas (Grietjies) & her mother Mietha from Twee Rivieren



!Xaus Lodge sponsors a bursary and trophies for Rietfontein's Combined School's annual tourism awards for the Grade 10-12's Academic year's top performers. The awards and bursary plan was implemented to ensure that learners are encouraged to excel in the subject and to give them an opportunity to gain insights into the industry and the opportunities that a career in Tourism offers. An internship at !Xaus Lodge is also offered to a top student.



Opportunities for local craftsmen to sell their wares:

The ***Craft Village at !Xaus Lodge*** accommodates crafters who use the facility to make and sell their crafts to guests. Used by the #Khomani San community, this village provides an opportunity for micro enterprises. Crafters work at the village on a two-weekly rotational basis. This rotation was requested by the community because the #Khomani San do not like being confined to one place, but wish to move on regularly.

Over the three years 52 crafters have used the facilities at one time or another. In addition to providing access to the Lodge visitors (at no cost to the crafter), the Lodge also pay a daily stipend to the crafters, a food allowance and transport, for being at the village and available to meet and communicate with the guests, many of whom have come to the Lodge to meet Southern Africa's "First People". The community do not provide a choreographed, stereotypical "song and dance" for the visitors, but instead provide a 21st century view of their life and skills. Crafts made while at the Lodge, but not sold before departure by the crafter, are sold in the craft shop. No commission is charged on these sales.



Various additional markets have opened for these crafters. SANParks have recently requested name tags for their staff in the same style that are used at !Xaus Lodge; small items are commissioned for use as give-aways at international trade shows, and decor items are purchased for use at both !Xaus Lodge and other destinations managed by TFPD.

Getting suppliers to support local communities:

The major opportunities for leveraging supplier support comes from marketing operations who wish to use the Lodge and it's community for the marketing of their products, or the destination as a back-drop for the adverts and movies. As a result, companies pay a contribution to the Lodge-managed community fund that provides educational bursaries.

Examples include:

Oryx Salt in Scandinavia pay !Xaus Lodge a fixed amount for each bag of salt sold. This is advertised on the salt packet. A similar agreement is being reached by a linked company, Kalahari Salt, in Germany, in return for filming a commercial at the Lodge.

Sergio Herman, a Michelin-awarded Dutch chef, used !Xaus Lodge to do photo shoots for a new cookbook. He and the large crew paid to stay at the Lodge and the cookbook, which is being given to Landdrover customers in Europe, has extensive references and links to !Xaus Lodge.

Guests are offered the opportunity to make contributions to the bursary fund for the High School in Rietfontein.

Fair and equitable business practice with your local suppliers and communities:

Lodge policy is that every possible item must be purchased from local businesses in the community. It's accepted that because of the remote locations involved, there will be a significant premium on the prices. As a result, 92% of operational expenditure goes to the Gordonia area.

TFPD operates on the principle that all stakeholders must get a fair return for investment. As a result of this policy, and the positive results, TFPD have recently started re-development of two more community-owned lodges in Southern Africa viz: The Batlokoa's Witsieshoek Mountain Lodge and the Mozambiquan Canhane community's Covane Fishing & Safari Lodge.

In summary, as a fair and equitable business, all !Xaus Lodge stakeholders benefit from their involvement:

- The *Community* has a growing asset,
- *Staff* earn a steady income,
- *Crafters* have a market for their curios;
- *Guests* have a wonderful time,
- *Suppliers* make a fair profit,
- *The State* have a community generating their own income;
- and the *Environment* is managed sustainably.



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Annexure: Press and publication comments about !Xaus Lodge which reference the community economic value



From Conde Naste Traveller December 2009; article by Justin Cartwright:

This camp – rather too primitive a word for a very sophisticated and stylish place – is run by a group from Cape Town in co-operation with the park’s board, but is owned by the community. This community participation, ever popular, has always seemed to me something of a fiction, a way of getting concessions on remotes areas, but I spoke to one of the leaders of the Mier community at length and he saw it as one of the few ways of providing jobs for his people and he praised the operators. So my cynicism was perhaps misplaced.

From Tourism that Cares website

<http://www.tourismthatcares.org/south-africa/northern-cape/xaus-lodge/>

If ever there was a product who holds the *Tourism that Cares* banner high, it’s !Xaus Lodge. We truly salute them in becoming a model for true restoration and empowerment for a previously marginalised community, whilst maintaining a high level of eco-friendly activity in a truly sensitive ecological area.

From soon-to-be published “Cultural Tourism, Methods and Identity: Rethinking Indigeneity” Edited by Professor Keyan G Tomaselli, University of KwaZulu Natal

(It is) the story of achieving the impossible, the short-term resuscitation of a decaying multi-million rand public investment - !Xaus Lodge. The miracle is that the intervention was a business-led one. Every other lodge and hotel operator approached by SANParks to manage !Xaus Lodge simply walked away, incredulous at the audacity of the invitation. The Mier municipality, one of the Lodge’s erstwhile owners, had in 2006 given up on it as a white elephant. The ≠Khomani, the other collective owner, saw no value. (Fieldnotes, April 2006).

.... As a case study, !Xaus Lodge *could* have been consigned to the litany of expensive development projects that have failed globally: yet another interesting example to be studied by students across the world. This book, however, is about development. It is about intercultural confusion. It is about building successful business strategies, and lodge-community partnerships.