



# ECC

**ENVIRONMENTAL  
COMPLIANCE CONSULTANCY**



ECC-104-208-REP-05-D

## **ENVIRONMENTAL SCOPING REPORT PLUS IMPACT ASSESSMENT**

**OLUPALE LODGE, OSHANA REGION**

PREPARED FOR



JUNE 2020

## TITLE AND APPROVAL PAGE

<b>Project Name:</b>	Development of the Olupale Lodge, Oshana Region
<b>Project Number</b>	ECC-104-208-REP-05-D
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## EXECUTIVE SUMMARY

Olupale Lodge (Pty) Ltd proposes to undertake construction activities for the development of Olupale Lodge in the Iipumbu Ya Tshilongo Conservancy, Oshana Region. The proposed development comprises a 40-room luxury lodge, staff housing and associated infrastructure. The tourism potential of the area is wildlife-based and exposure to the culture of northern Namibia. The proposed development will also generate income for the local community and open-up economic opportunities within the region. Agreements have been signed and finances are in place. The newly formed venture is designed to further spread financial, social and environmental benefits that ecotourism can bring to previously marginalized communities.

The proposed project triggers listed activities in terms of the Environmental Management Act, No. 7 of 2007, therefore an environmental clearance certificate is required. As part of the environmental clearance certificate application, an Environmental Impact Assessment (EIA) has been undertaken to satisfy the requirements of the Environmental Management Act, No. 7 of 2007. This environmental scoping report and Environmental Management Plan (EMP) shall be submitted to the competent authority as part of the application for the environmental clearance certificate.

The assessment has been carried out for the construction and operations of the Olupale Lodge. In addition to the 40-room luxury lodge, the proposed development includes entertainment areas (restaurant, swimming pool, spa and massage facilities), staff housing as well as supporting infrastructure such as water and power supply. The site and extent of the lodge infrastructure were selected to minimise the environmental footprint, minimise the distance to sources of water and electricity, and use existing infrastructure as far as possible.

The proposed development falls within the Savanna biome which is dominated by mopane shrubland vegetation cover. Mopane (*Colophospermum mopane*) and trumpet-thorn (*Cataphractes alexandri*) are the most abundant species in the area, although other species can be found such as purple-pod terminalia (*Terminalia prunoides*), African myrrh (*Commiphora africana*), Acacia and Combretum species. The stunted growth of the mopane is probably due to the low-nutrient soil in combination with the saline groundwater.

This EIA has been undertaken in terms of the requirements of the Environmental Management Act, No. 7 of 2007 and the Environmental Impact Assessment Regulation, 2007 (No. 30 of 2012) gazetted under the Environmental Management Act, 2007 (referred to herein as the EIA Regulations). The EIA was undertaken using a methodology developed by Environmental Compliance Consultancy, which is based on the International Finance Corporation (IFC) standard for impact assessments. Through the scoping process, a review of the site and surrounding environment was completed by undertaking desktop reviews and verification of site data.

Due to the nature and scale of the project no significant impacts were identified in this scoping study. It was found that impacts will change, as the construction phase transitions to the operation phase. Measures to mitigate and manage potential impacts on the environment, both during the construction and operational phases, are outlined in the EMP.

This study has assessed potential, likely and identified impacts. It was determined that the likely effects were not deemed significant, based on the magnitude of change from the baseline environment, the duration of potential impacts and the reversibility of effects.

**On this premise, it is the opinion of ECC that an environmental clearance certificate could be issued, on conditions that the management and mitigation measures specified in the EMP are implemented and adhered to.**

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## DEFINITIONS AND ABBREVIATIONS

ALARP	As Low As Reasonably Practicable
DEA	Directorate of Environmental Affairs
ECC	Environmental Compliance Consultancy
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
GDP	Gross Domestic Product
HIV/AIDS	Human Immunodeficiency Virus / Acquired Immunodeficiency Syndrome
I&APs	Interested and affected parties
IFC	International Finance Cooperation
MAWLR	Ministry of Agriculture, Water and Land Reform
MEFT	Ministry of Environment, Forestry and Tourism
MET	Ministry of Environment and Tourism
MHSS	Ministry of Health and Social Services
NSA	Namibian Statistics Agency
NDP5	Fifth National Development Plan
MME	Ministry of Mines and Energy
NTS	Non-Technical Summary
TB	Tuberculosis
WHO	World Health Organization



# 1 INTRODUCTION

## 1.1 PURPOSE OF THIS REPORT

The purpose of this report is to present the findings of the scoping study for the proposed project. The proposed project entails development activities for the Olupale Lodge, which are described in detail throughout the report. This scoping report has been outlined in terms of the requirements of the Environmental Management Act, No. 7 of 2007 and its regulations, promulgated in 2012 (referred to herein as the EIA Regulations).

This scoping report plus impact assessment and appendices will be submitted to the Directorate of Environmental Affairs (DEA) at the Ministry of Environment, Forestry and Tourism (MEFT) for review as part of the applications for environmental clearance certificate.

ECC has prepared this report. ECC's terms of reference for the assessment is strictly to address potential effects, whether positive or negative and their relative significance, explore alternatives for technical recommendations and identify appropriate mitigation measures.

This report provides information to the public and stakeholders to aid in the decision-making process for the proposed project. The objectives are to:

- Provide a description of the proposed activity and the site on which the activity is to be undertaken, and the location of the activity on the site.
- Provide a description of the environment that may be affected by the activity;
- Identify the laws and guidelines that have been considered in the assessment and preparation of this report;
- Provide details of the public consultation process;
- Describe the need and desirability of the activity;
- Provide a high level of environmental and social impact assessment on feasible alternatives that were considered; and
- Report the assessment findings, identifying the significance of effects, including cumulative effects.

In addition to the environmental assessment, an EMP (Appendix A) is also required in terms of the Environmental Management Act, No. 7 of 2007. An EMP has been developed to provide a management framework for the planning and implementation of construction activities. The EMP provides development standards and arrangements to ensure that the potential environmental and social impacts are mitigated, prevented and/or minimised as far as reasonably practicable, and that statutory requirements and other legal obligations are fulfilled.

## 1.2 BACKGROUND OF THE PROPOSED PROJECT

Olupale Lodge (Pty) Ltd proposes to undertake construction activities for the development of Olupale Lodge in Oshana Region (refer to Figure 1). A concession operator contract between the owners of Olupale and the Iipumbu Ya Tshilongo Conservancy exists whereby the conservancy grants the owners concession rights, which include the operating of tourism activities inside Etosha National Park and exclusive access into the park.

The proposed development comprises a 40-room luxury lodge in an area just outside the Etosha National Park in the Lipumbu Ya Tshilongo Conservancy. In addition to tourism accommodation, the project makes provision for the construction staff housing, supporting infrastructure such as off grid solar system, water purification plant, water reservoir installation and a water pipeline from Plot No. 9. Access to Olupale is planned from the existing road network of Etosha. As the project area is close to Etosha, there exists a significant potential to explore the tourism options of the conservancy as well as the ability to generate income for the local community. Planned activities of the lodge include game drives in Etosha, hiking and nature walks, lodging and cultural interactions with communities.

Agreements have been signed and finances are in place. The newly formed venture is designed to further spread financial, social and environmental benefits that ecotourism can bring to the local communities.

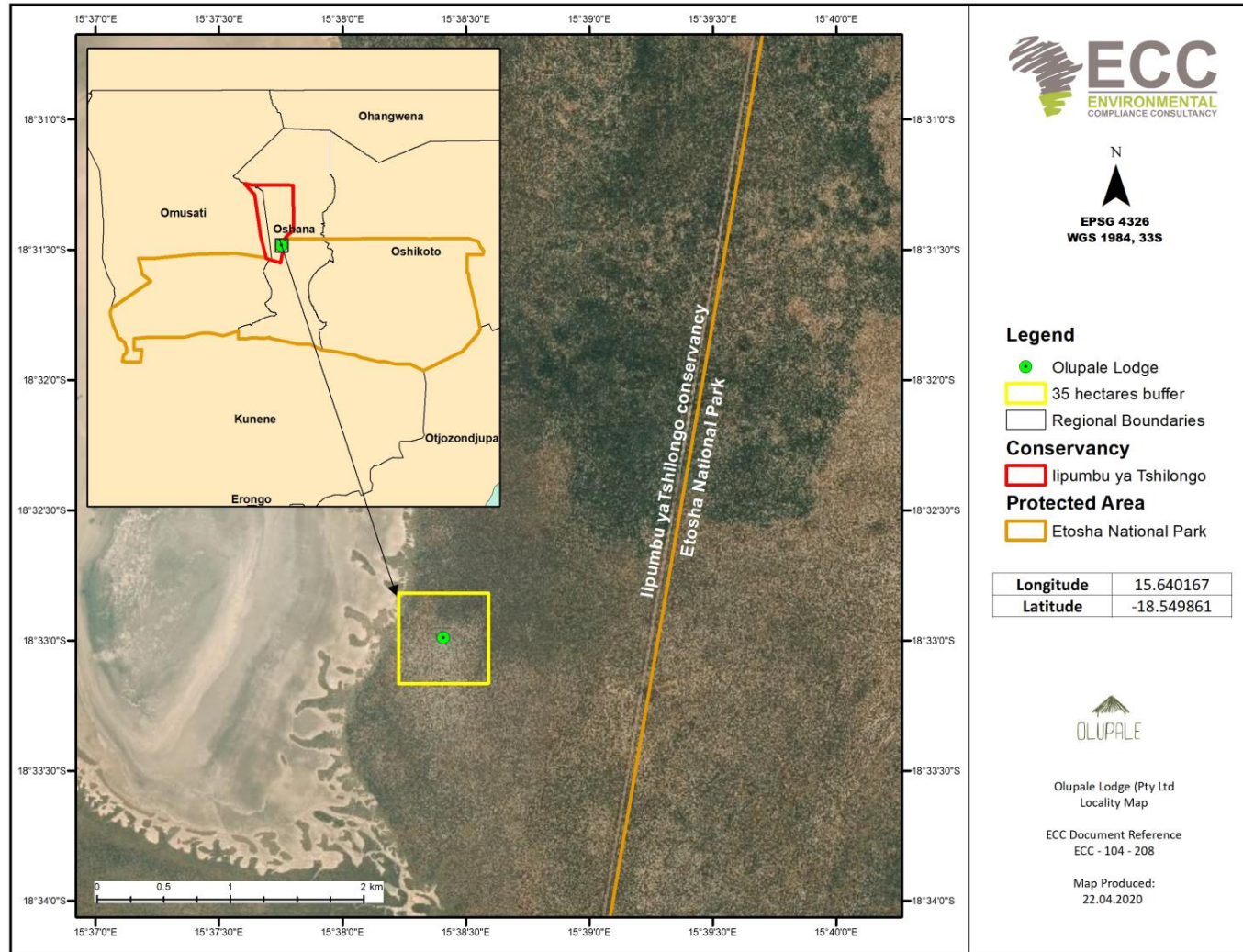


FIGURE 1 - LOCALITY MAP OF OLUPALE LODGE

### 1.3 THE PROPONENT OF THE PROPOSED PROJECT

Olupale Lodge (Pty) Ltd is an entity that has been established by the Nuvela Managerial and Marketing Services, which is the driving force behind the proposed project development. Christopher Van de Vijver is the Managing Director of the proposed development and contact person.

The proponents contact details are provided in Table 1.

**TABLE 1 - PROPONENT DETAILS**

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### 1.4 ENVIRONMENTAL CONSULTANCY

ECC, a Namibian consultancy (registration number Close Corporation 2013/11401), has prepared this scoping report and impact assessment on behalf of the proponent. ECC operates exclusively in the environmental, social, health and safety fields for clients across Southern Africa, in both the public and private sectors. ECC is independent of the proponent and has no vested or financial interest in the proposed project, except for fair remuneration for professional services rendered. The CVs of the authors of this report are contained in Appendix E.

All compliance and regulatory requirements regarding this EIA report should be forwarded by email or posted to the following address:

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## 1.5 ENVIRONMENTAL LEGAL REQUIREMENTS

The Environmental Management Act, No. 7 of 2007 stipulates that an environmental clearance certificate is required to undertake listed activities in terms of the Act and its regulations. Listed activities triggered by the proposed project in terms of the Environmental Management Act, No. 7 of 2007 and its regulations are as follows:

**TABLE 2 - LISTED ACTIVITIES AND RELEVANCE TO THE PROPOSED DEVELOPMENT**

LISTED ACTIVITY	EIA SCREENING FINDING
<b>ENERGY GENERATION, TRANSMISSION AND STORAGE ACTIVITIES</b> 1 (b) The transmission and supply of electricity	For the proposed project, energy will be supplied by means of an off grid solar system installation.
<b>WASTE MANAGEMENT, TREATMENT, HANDLING AND DISPOSAL ACTIVITIES</b> (2.1) The construction of facilities for waste sites, treatment of waste and disposal of waste. (2.3) The import, processing, use and recycling, temporary storage, transit, or export of waste	Household waste shall be generated during construction and operations, which shall be collected and removed from the site for re-use, recycling, or final disposal at an appropriate facility.
<b>TOURISM DEVELOPMENT ACTIVITIES</b> (6) The construction of resorts, lodges, hotels or other tourism and hospitality facilities	The proposed project development is for the construction of a lodge, staff housing and all associated infrastructure.
<b>WATER RESOURCE DEVELOPMENTS</b> (8.5) Construction of dams, reservoirs, levees and weirs (8.6) Construction of industrial and domestic wastewater treatment plants and related pipeline systems	Installation of a water reservoir and a 20km water pipeline for water supply from Plot No. 9 in the lipumbu Ya Tshilongo Conservancy is planned. Whilst the proposed project is not a dedicated facility for wastewater management, treatment or disposal, sewerage waste shall be produced on site and will require treatment prior to discharge. A sewerage treatment facility shall be installed.
<b>MINING AND QUARRYING ACTIVITIES</b> (3.2) Other forms of mining or extraction of any natural resources whether regulated by law or not.	Minimal earth works is required for construction activities. Building sand is planned to be sourced from a borrow pit, permits and approval from the competent authority must be obtained prior to construction activities.
<b>FORESTRY ACTIVITIES</b> (4) The clearance of forest areas, deforestation, forestation, timber harvesting or any other related activity that requires authorisation in term of the Forest Act, 2001 (Act No. 12 of 2001) or any other law.	Minimal vegetation clearance is required in order to allow the construction of the proposed project. Specially protected plant species will not be cleared without approval from the competent authority.

The potential environmental and social effects are anticipated to be of minor significance, and those that may occur shall be contained on the proposed lodge site and they will be managed as per the environmental management plan of this project.

## 1.6 REPORT STRUCTURE

The scoping report plus impact assessment is structured as per the contents set out in Table 3.

**TABLE 3 - STRUCTURE OF THE REPORT**

SECTION	TITLE	CONTENT
-	Executive Summary	Executive summary of the EIA
-	Acronyms	A list of acronyms used throughout the report
1	Introduction	This chapter introduces the EIA and provides background information on the proponent
2	Approach to the Impact Assessment	Provides the assessment methodology applied to the EIA
3	Regulatory Framework	This chapter describes the Namibian, international and relevant environmental regulatory framework applicable to the project
4	Project Description	Technical description of the project
5	Description of the environmental and social baseline	This chapter describes the existing environment through the analysis of the baseline data regarding the existing natural and socio-economic environment
6	Environmental Assessment findings	This chapter predicts the potential environmental and social impacts arising from the project, assessment of the impacts, including the residual impact This chapter also outlines the proposed management strategies for monitoring commitments to ensure the actual and potential impacts on the environment are minimised to “As Low As Reasonably Practicable” (ALARP), which informs the EMP
7	Environmental Management Plan	This chapter provides a short description of the EMP. By addressing potential problems before they occur, pro-active actions are described and mitigation measures for each impact are outlined.
8	Conclusions	Details the next steps for the EIA
	References	A list of reference used for this report
	Appendices	<ul style="list-style-type: none"> <li>- Appendix A: Environmental Management Plan</li> <li>- Appendix B: Non-Technical Summary</li> <li>- Appendix C: Evidence of Public Consultation, Site notice, Newspaper adverts, Lease Land and Authority Agreements</li> <li>- Appendix D: Proposed project designs</li> <li>- Appendix E: ECC CVs</li> <li>- Appendix F: Assessment form</li> </ul>

## 2 APPROACH TO THE IMPACT ASSESSMENT

### 2.1 PURPOSE OF THE ENVIRONMENTAL IMPACT ASSESSMENT

The aim of this assessment is to determine which impacts are likely to be significant (the main focus of the assessment); scope the available data and any gaps, which need to be filled; determine the spatial and temporal scope; and identify the assessment methodology.

Subsequently, scoping of the EIA was undertaken by the EIA team. The scope of the assessment was determined through undertaking a preliminary assessment of the proposed project against the receiving environment obtained through a desktop review, available site-specific literature, monitoring data and site reports.

### 2.2 THE ASSESSMENT PROCESS

The EIA methodology applied to this assessment has been developed using the IFC standards and models, in particular, Performance Standard 1: 'Assessment and management of environmental and social risks and impacts' which establishes the importance of (IFC, 2012; 2017):

- Integrated assessment to identify the environmental and social impacts, risks, and opportunities of projects
- Effective community engagement through disclosure of project-related information and consultation with local communities on matters that directly affect them, and
- The client's management of environmental and social performance throughout the life of the project.

Furthermore, the Namibian Draft Procedures and Guidance for EIA and EMP (GRN, 2008) as well as the international and national best practice documents to our disposal and over 25 years of combined EIA experience, were also drawn upon in the assessment process.

An impact assessment is a formal process in which the effects of certain types of development on the biophysical, social and economic environments are identified, assessed and reported so that the effects can be taken into account when considering whether to grant development consent or to provide financial support.

Final mitigation measures and recommendations are based on the cumulative experience of the consulting team and the client, taking into consideration the potential environmental and social impacts. The process followed through the basic assessment is illustrated in Figure 2 and detailed further in the following sections.

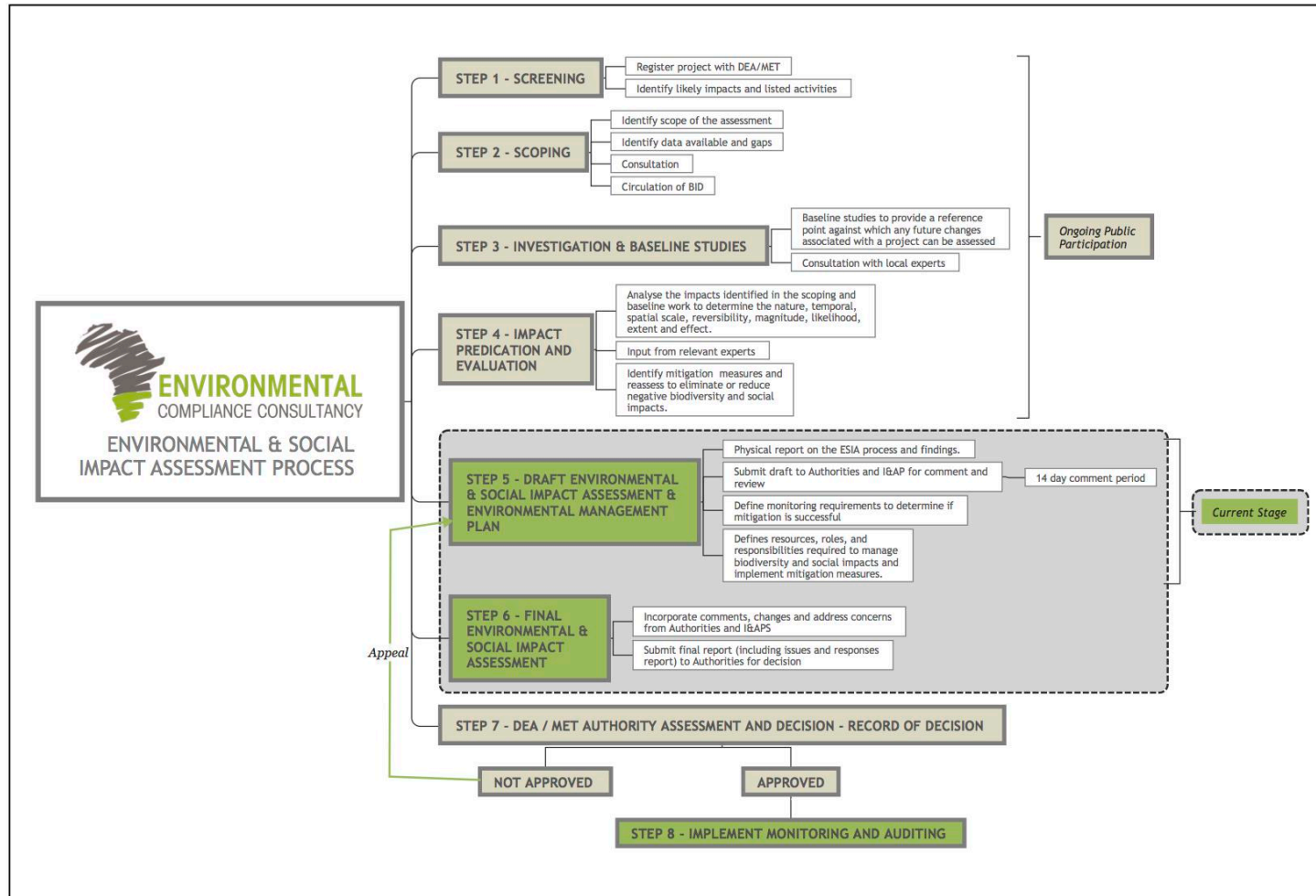


FIGURE 2 - ECC SCOPING PROCESS



## 2.3 METHODOLOGY FOR THE IMPACT ASSESSMENT

Desktop studies on the national database are undertaken as part of the scoping stage to get information of the current status of the receiving environment. This provides a baseline where changes that occur as a result of the proposed project can be measured. This is verified through site data collection.

The environmental and social topics that may be affected by the proposed project are described in this section. The baseline focuses on receptors, which could be affected by the proposed project.

## 2.4 SCREENING OF THE PROPOSED PROJECT

The first stages of the EIA process are to register the project with the competent authority and undertake a screening exercise. The screening exercise determines whether the proposed project is considered as a Listed Activity in terms of the Environmental Management Act, No. 7 of 2007 and associated regulations, and if significant impacts may arise. The location, scale and duration of project activities will be considered against the receiving environment.

It was concluded that an EIA (e.g. scoping report and EMP) is required, as the proposed project is considered as a listed activity and there may be potential for significant impacts to occur.

## 2.5 SCOPING OF THE ENVIRONMENTAL ASSESSMENT

The purpose of the scoping stage in the EIA process is to identify the scope of assessment, undertake a high-level assessment to identify potential impacts, and confirm if further investigation is required to assign the severity of potential significant effects and allocate appropriate mitigation.

This report presents the findings of the scoping phase and high-level assessment and confirms that no further investigation is required. This conclusion is presented in Section 6.

## 2.6 BASELINE STUDIES

A robust baseline is required in order to provide a reference point against which any future changes associated with a project can be assessed, and it allows for suitable mitigation and monitoring actions to be identified.

The existing environment and social baseline for the proposed project were collected through various methods:

- Desktop studies
- Consultation with stakeholders, and
- Engagement with Interested and Affected Parties (I&APs). See Appendix C.

## 2.7 IMPACT PREDICATION AND EVALUATION

Impact prediction and evaluation involves predicting the possible changes to the environment as a result of the development/project. The recognized methodology was applied to determine the magnitude of impact and whether or not the impact was considered significant and thus warrant further investigation. The findings of the assessment are presented in Section 6.

## 2.8 EIA DETERMINATION OF SIGNIFICANCE

The evaluation and prediction of the environmental and social impacts require the assessment of the project characteristics against the baseline characteristics, ensuring all potentially significant impacts are identified and assessed.

The significance of an impact is determined by taking into consideration the combination of the sensitivity and importance/value of environmental and social receptors that may be affected by the proposed project, the nature and characteristics of the impact, and the magnitude of potential change. The magnitude of change (the impact) is the identifiable changes to the existing environment which may be direct or indirect; temporary/short term, long-term or permanent; and either beneficial or adverse. These are described as follows and thresholds are provided in Table 4, 5 and 6.

- The sensitivity and value of a receptor is determined by identifying how sensitive and vulnerable a receptor is to change, and the importance of the receptor (internationally, nationally, regionally and locally).
- The nature and characteristics of the impact is determined through consideration of the frequency, duration, reversibility and probability of the impact occurring.
- The magnitude of change measures the scale or extent of the change from the baseline condition, irrespective of the value. The magnitude of change may alter over time, therefore temporal variation is considered (short-term, medium-term; long-term, reversible, irreversible or permanent).

**TABLE 4 - SENSITIVITY AND VALUE OF RECEPTOR**

SENSITIVITY AND VALUE	DESCRIPTION
High	Of value, importance or rarity on an international and national scale, and with very limited potential for substitution; and/or very sensitive to change or has little capacity to accommodate a change.
Medium	Of value, importance or rarity on a regional scale, and with limited potential for substitution; and/or moderate sensitivity to change, or moderate capacity to accommodate a change.
Low	Of value, importance or rarity on a local scale; and/or not particularly sensitive to change or has considerable capacity to accommodate a change.

**TABLE 5 - NATURE OF IMPACT**

NATURE	DESCRIPTION
Positive	An impact that is considered to represent an improvement on the baseline or introduces a positive change.
Negative	An impact that is considered to represent an adverse change from the baseline or introduces a new undesirable factor.
Direct	Impacts causing an impact through direct interaction between a planned project activity and the receiving environment/receptors.
Indirect	Impacts that result from other activities that are encouraged to happen as a result / consequence of the Project. Associated with the project and may occur at a later time or wider area
<b>Extent / Geographic Scale</b>	

NATURE	DESCRIPTION
On-site	Impacts that are limited to the boundaries of the proposed project site
Local	Impacts that occur in the local area of influence, including around the proposed site and within the wider community
Regional	Impacts that affect a receptor that is regionally important by virtue of scale, designation, quality or rarity.
National	Impacts that affect a receptor that is nationally important by virtue of scale, designation, quality or rarity.
International	Impacts that affect a receptor that is internationally important by virtue of scale, designation, quality or rarity.
<b>Duration</b>	
Short-term	Impacts that are likely to last for the duration of the activity causing the impact and are recoverable
Medium-term	Impacts that are likely to continue after the activity causing the impact and are recoverable
Long-term	Impacts that are likely to last far beyond the end of the activity causing the damage but are recoverable over time
<b>Reversibility</b>	
Permanent / Irreversible	Impacts which are not reversible and are permanent
Temporary / Reversible	Impacts are reversible and recoverable in the future
<b>Likelihood</b>	
Certain	The impact is likely to occur
Likely	The impact is likely to occur under most circumstances
Unlikely	The impact is unlikely to occur

TABLE 6 - MAGNITUDE OF CHANGE

MAGNITUDE OF CHANGE	DESCRIPTION
<b>Major</b>	Loss of resource, and quality and integrity of resource; severe damage to key characteristics, features or elements; or Large-scale or major improvement of resources quality; extensive restoration or enhancement; major improvement of attribute quality.
<b>Moderate</b>	Loss of resource, but not adversely affecting its integrity; partial loss of/damage to key characteristics, features or elements; or Benefit to, or addition of, key characteristics, features or elements; improvements of attribute quality.
<b>Minor</b>	Some measurable change in attributes, quality or vulnerability; minor loss of, or alteration to, one (or maybe more) key characteristic, feature or element; or Minor benefit to, or addition of, one (or maybe more) key characteristic, feature or element; some beneficial effect on attribute quality or a reduced risk of a negative effect occurring.
<b>Negligible</b>	Very minor loss or detrimental alteration to one (or maybe more) characteristic, feature or element; or Very minor benefit to, or positive addition of, one (or maybe more) characteristic, feature or element.

The level of certainty has also been applied to the assessment to demonstrate how certain the assessment conclusions are and where there is potential for misinterpretation or a requirement to

identify further mitigation measures, thereby adopting a precautionary approach. Where there is a low degree of certainty, monitoring and management measures can be implemented to determine if the impacts are worse than predicted and support the identification of additional mitigation measures through the lifetime of the proposed project. Table 7 provides the levels of certainty applied to the assessment, as well as a description.

**TABLE 7 - LEVEL OF CERTAINTY**

LEVEL OF CERTAINTY	DESCRIPTION
High	<ul style="list-style-type: none"> <li>- Likely changes are well understood</li> <li>- Design/information/data used to determine impacts is very comprehensive</li> <li>- Interactions are well understood and documented</li> <li>- Predictions are modelled, and maps based on interpretations are supported by a large volume of data, and</li> <li>- Design/information/data has very comprehensive spatial coverage or resolution.</li> </ul>
Medium	<ul style="list-style-type: none"> <li>- Likely changes are understood</li> <li>- Design/information/data used to determine impacts include a moderate level of detail</li> <li>- Interactions are understood with some documented evidence</li> <li>- Predictions are modelled but not yet validated and/or calibrated, and</li> <li>- Mapped outputs are supported by a moderate spatial coverage or resolution.</li> </ul>
Low	<ul style="list-style-type: none"> <li>- Interactions are currently poorly understood and not documented.</li> <li>- Predictions are not modelled, and the assessment is based on expert interpretation using little or no quantitative data.</li> <li>- Design is not fully developed, or information has poor spatial coverage or resolution.</li> </ul>

The significance of impacts has been derived using professional judgment and applying the identified thresholds for receptor sensitivity and magnitude of change (as discussed above) and guided by the matrix presented in Table 8. The matrix is applicable for impacts that are either positive or negative. The distinction and description of significance and whether the impact is positive, or negative is provided in Table 5.

TABLE 8 - GUIDE TO SIGNIFICANCE RATINGS

		Significance of Impact					
		Significance of Impact	Impacts are considered to be local factors that are unlikely to be critical to decision-making.	Impacts are considered to be important factors but are unlikely to be key decision-making factors. The impact will be experienced, but the impact magnitude is sufficiently small (with and without mitigation) and well within accepted standards, and/or the receptor is of low sensitivity/value. Impacts are considered to be short-term, reversible and/or localized in extent.	Impacts are considered within acceptable limits and standards. Impacts are long-term, but reversible and/or have regional significance. These are generally (but not exclusively) associated with sites and features of national importance and resources/features that are unique and which, if lost, cannot be replaced or relocated.	Impacts are considered to be key factors in the decision-making process that may have an impact of major significance, or large magnitude impacts occur to highly valued/sensitive resource/receptors. Impacts are expected to be permanent and non-reversible on a national scale and/or have international significance or result in a legislative non-compliance.	
			Low	Minor (2)	Moderate (3)	Major (4)	
Sensitivity	Biophysical	Social					
	A biophysical receptor that is protected under legislation or international conventions (CITES) listed as rare, threatened or endangered IUCN species. Highly valued/sensitive resource/receptors	Those affected people/communities will not be able to adapt to changes or continue to maintain-pre impact livelihoods.	High (3)	Minor (3)	Moderate (6)	Major (9)	Major (12)
	Of value, importance or rarity on a regional scale, and with limited potential for substitution; and/or Not protected or listed (globally) but may be a rare or threatened species in country; with little resilience to ecosystem changes, important to ecosystem functions, or one under threat or population declining.	Able to adapt with some difficulty and maintain preimpact status but only with a degree of support	Medium (2)	Low (2)	Minor (4)	Moderate (6)	Major (8)
Not protected or listed as common / abundant; or not critical to other ecosystems functions	Those affected are able to adapt with relative ease and maintain preimpact status. There is no perceptible change to people's livelihood.	Low (1)	Low (1)	Low (2)	Minor (3)	Moderate (4)	

Significance is not defined in the Namibian EIA Regulations; however, the Draft Procedure and Guidance for EIA and EMP states that the significance of a predicted impact depends upon its context and intensity (GRN, 2008). Accordingly, definitions for each level of significance have been provided in Table 9. These definitions were used to check if the conclusions of the assessment of receptor sensitivity, nature of impact and magnitude of impact were appropriate.

TABLE 9 - SIGNIFICANCE DESCRIPTION

SIGNIFICANCE OF IMPACT	DESCRIPTION
Major (negative)	Impacts are considered to be key factors in the decision-making process that may have an impact of major significance, or large magnitude impacts occur to highly valued/sensitive resource/receptors. Impacts are expected to be permanent and non-reversible on a national scale and/or have international significance or result in a legislative non-compliance.
Moderate (negative)	Impacts are considered within acceptable limits and standards. Impacts are long-term, but reversible and/or have regional significance. These are generally (but not exclusively) associated with sites and features of national importance and resources/features that are unique and which, if lost, cannot be replaced or relocated.
Minor (negative)	Impacts are considered to be important factors but are unlikely to be key decision-making factors. The impact will be experienced, but the impact magnitude is sufficiently small (with and without mitigation) and well within accepted standards, and/or the receptor is of low sensitivity/value. Impacts are considered to be short-term, reversible and/or localized

SIGNIFICANCE OF IMPACT	DESCRIPTION
	in extent.
<b>Low (negative)</b>	Impacts are considered to be local factors that are unlikely to be critical to decision-making.
<b>Low – Major (Beneficial)</b>	Impacts are considered to be beneficial to the environment and society:

To ensure the beneficial impacts are brought out in the assessment, green has been applied to ensure the different type of impact is clear. The description for each level of significance presented in Table 9 was also followed when determining the level of significance for a beneficial impact.

The significance of impacts has been derived using professional judgment and applying the identified thresholds for receptor sensitivity and magnitude of change, as well as the definition for significance. In most instances, moderate and major adverse impacts are considered as significant, and however, there may be some instances where impacts are lower than this but are considered to be significant. The following thresholds were therefore used to double check the assessment of significance had been applied appropriately; a significant impact would meet at least one of the following criteria:

- It exceeds widely recognized levels of acceptable change
- It threatens or enhances the viability or integrity of a receptor or receptor group of concern, and
- It is likely to be material to the ultimate decision about whether or not the environmental clearance certificate is granted.

## 2.9 EIA CONSULTATION

Public participation and consultation are a requirement in terms of Section 21 of the Environmental Management Act, No. 7 of 2007 and its regulations for a project that requires an environmental clearance certificate. Consultation is a compulsory and critical component in the EIA process, aimed at achieving transparent decision-making, and can provide many benefits.

A key aim of the consultation process is to inform stakeholders and I&APs about the proposed project. The methods undertaken for the proposed project are detailed as follows, which are in line with the requirements of the EIA regulations.

A lease agreement for 25 years with the Iipumbu Ya Tshilongo Conservancy community was signed for provision of Olupale Lodge (refer to Appendix C). The agreement includes a concession operator contract between the proponent and Iipumbu Ya Tshilongo Conservancy. Hereby the conservancy granted the proponent the concession rights, which include the operating of tourism activities inside Etosha National Park, exclusive access into the park and access to the road network in the park – subject to park rules and other regulations in place. A joint management committee between the proponent and the conservancy on the implementation and adherence to the contract is stipulated in the agreement.

### 2.9.1 NEWSPAPER ADVERTISEMENTS

Notices regarding the proposed project and associated activities were circulated in two newspapers namely the ‘Namibian’ on the 18<sup>th</sup> of May and 26<sup>th</sup> of May 2020 and in the ‘Informante’ on the 18<sup>th</sup> of May and 26<sup>th</sup> of May 2020. The purpose of this was to commence the consultation process and enable I&APs to register an interest with the project. The adverts can be found in Appendix C.

### 2.9.2 NON-TECHNICAL SUMMARY

The Non-Technical Summary (NTS) presents a high-level description of the proposed project; sets out the EIA process and when and how consultation is undertaken. The contact details for further enquiries are made available to all registered I&APs and the NTS can be found in Appendix B.

### 2.9.3 SITE NOTICES

A site notice ensures neighbouring properties and stakeholders are made aware of the proposed project. The notice was set up on the Oshana Regional Council (Uuvudhiya Constituency office) fencing boundary as illustrated in Appendix C.

### 2.9.4 CONSULTATION FEEDBACK

A public consultation meeting was held on the 21<sup>st</sup> of May 2020 at the Engombe growth point in Uuvudhiya constituency. At the meeting an overview of the proposed project was provided to the audience, the EIA process explained and the input from the audience noted. The audience, in turn, highlighted the importance of the project in terms of development of the conservancy, employment, income and possible business opportunities for the community. The meeting provided also a platform to detail aspects such as the exact location of the lodge and the planned infrastructure – in particular the proposed pipeline from the existing connection point at Plot No. 9. Minutes and the attendance register of the meeting can be found in Appendix C.

## 2.10 LIMITATIONS, UNCERTAINTIES AND ASSUMPTIONS

A number of limitations and uncertainties were acknowledged during the EIA process. In line with EIA best practice, assumptions have been made based on realistic worst-case scenarios, thereby ensuring that the worst-case potential environmental impacts are identified and assessed. The following assumptions and uncertainties were identified during the assessment process.

**TABLE 10 – SUMMARY OF LIMITATION, UNCERTAINTIES AND ASSUMPTION OF THE EIA PROCESS**

LIMITATION / UNCERTAINTY	ASSUMPTION
The program of construction works is not confirmed	It is assumed that construction work shall take 6 – 9 months and involve the construction of lodging facilities, an off grid solar system and a water reservoir and pipeline.
Number of employees and area they will come from	It is assumed that most of the workers will come from all over Namibia and the number of employees will be changing depending on the program. The project supports local development of the community and jobs will be offered to the local people of the nearby villages and towns such as Omuthiya and Oshakati.

Wildlife-proof fence with Etosha National Park	At the time of finalising this report, the wildlife-proof fence of the Etosha National Park needs to be replaced over some distance in the section that borders the conservancy. As a result of the poor state of the fence, wildlife migrates into the conservancy and into the area around the proposed project. There exists a real risk of human-wildlife conflict and it is not clear how this aspect will be managed – and when the fence will be repaired.
Access route and creation of new tracks	Potential new tracks or access roads from the north may be created during construction, but a private road will be used to access the site from the side of the Etosha National Park.
Associated Infrastructure	Capacity and design of supporting infrastructure such as the reservoir, the routing and capacity of the water pipeline, the wastewater treatment facility, communication cables and power supply will be finalized once the proposed development has commenced.
Waste management	The waste disposal sites have not yet been predetermined and a suitable and accessible site will be chosen or established later during the proposed development
Building sand	For construction building sand will be required, although quantities cannot be provided. Considering the transport costs, it is assumed that a borrow-pit will be located as close as possible to the proposed project site and the necessary approvals for sand mining will be obtained prior to commencement.



### 3 REGULATORY FRAMEWORK

This chapter outlines the regulatory framework applicable to the proposed project. Table 11 provides a list of applicable legislation and the relevance to the project.

#### 3.1 NATIONAL LEGISLATION

TABLE 11 - LEGAL COMPLIANCE

NATIONAL REGULATORY REGIME	SUMMARY	APPLICABILITY TO THE PROJECT
<p><b>Constitution of the Republic of Namibia of 1990</b></p>	<p>The constitution clearly defines the country’s overarching position in relation to the well-being of Namibians, sustainable development and environmental management. The constitution refers that the state shall actively promote and maintain the welfare of the people by adopting policies aimed at the following:</p> <p><i>“Maintenance of ecosystems, essential ecological processes and biological diversity of Namibia and utilization of living natural resources on a sustainable basis for the benefit of all Namibians, both present, and future; in particular, the Government shall provide measures against the dumping or recycling of foreign nuclear and toxic waste on Namibian territory.”</i></p>	<p>The proponent is committed to engage with the local community for the proposed project by providing local jobs as well as, exploring ways of finding beneficial recourses that could contribute to the tourism sector in Namibia.</p>
<p><b>Environmental Management Act, No. 7 of 2007 and its regulations, including the Environmental Impact Assessment Regulations, No. 30 of 2012</b></p>	<p>The Act aims to promote sustainable management of the environment and the use of natural resources by establishing principles for decision-making on matters affecting the environment.</p> <p>It sets the principles of environmental management as well as the functions and powers of the Minister. The Act requires certain activities to obtain an environmental clearance certificate prior to project development. The Act states an EIA may be undertaken and submitted as part of the environmental clearance certificate application.</p> <p>The MEFT is responsible for the protection and management of Namibia’s natural environment. The Department of Environmental Affairs under the MEFT is responsible for the administration of the EIA process.</p>	<p>This environmental scoping report (and EMP) documents the findings of the environmental assessment undertaken for the proposed project, which will form part of the environmental clearance application. The assessment and report have been undertaken in line with the requirements under the Act and associated regulations.</p>
<p><b>Forest Act, No.</b></p>	<p>This act presents laws relating to the</p>	<p>Ecological impacts may occur as a result of site clearing and preparation prior to the</p>

NATIONAL REGULATORY REGIME	SUMMARY	APPLICABILITY TO THE PROJECT
<p><b>12 of 2001 as amended by the Forest Amendment Act, No. 13 of 2005 and its regulations of 2015</b></p>	<p>management and use of forests and forest produce. It also presents provisions for the protection of the environment and the control and management of forest fires.</p>	<p>construction.</p> <p>Permission is required if predominantly woody vegetation needs to be cleared on more than 15 hectares.</p> <p>Tree species and any vegetation within 100m from a watercourse may not be removed without a permit.</p> <p>Protected species will be identified prior to construction works and measures to protect them, as set out in the EMP.</p> <p>Permits for protected species under the act must be obtained prior to any disturbance.</p>
<p><b>Water Act, No. 54 of 1956</b></p>	<p>Although the Water Resources Management Act, No 11 of 2013 has been billed, but not promulgated, it cannot be enacted as the regulations have not been passed – so the Water Act 54 of 1956 is still in effect. <i>This act provides for “the control, conservation and use of water for domestic, agricultural, urban and industrial purposes; to make provision for the control, in certain respect and for the control of certain activities on or in water in certain areas”.</i></p> <p>The Department of Water Affairs within the Ministry of Agriculture Water and Land Reform (MAWLR) is responsible for the administration of the act.</p> <p>The minister may issue a permit in terms of the regulations 5 and 9 of the government notice R1278 of 23 July 1971 as promulgated under section 30 (2) of the Water Act no. 54 of 1956, as amended.</p>	<p>The act stipulates obligations to prevent pollution of water. Should wastewater be discharged, a permit is required. The EMP sets out measures to avoid polluting the water environment.</p> <p>Measures to minimise potential groundwater and surface water pollution are contained in the EMP.</p> <p>Abstraction of water from boreholes requires an abstraction permit, which stipulate abstraction rates measurement and reporting requirements. This project proposes water supply from the existing NamWater pipeline at Plot No. 9.</p>
<p><b>Soil Conservation Act, No. 76 of 1969 and the Soil Conservation Amendment Act, No. 38 of 1971</b></p>	<p>Makes provision for the prevention and control of soil erosion and the protection, improvement and the conservation, improvement and manner of use of the soil and vegetation.</p>	<p>Whilst minimum vegetation disturbance will occur on site during construction, there is potential to remove and disturb soil. The construction methods and final design have been considered in the design of the proposed project to be undertaken within site boundaries. Measures in the EMP set out methods to avoid soil erosion.</p>
<p><b>National Heritage Act,</b></p>	<p>The Act provides provision of the protection and conservation of places and objects with</p>	<p>There is potential for heritage objects to be found on site, therefore the stipulations in</p>

NATIONAL REGULATORY REGIME	SUMMARY	APPLICABILITY TO THE PROJECT
<b>No. 27 of 2004</b>	heritage significance. Section 55 compels companies to report any archaeological findings to the National Heritage Council after which a heritage permit needs to be issued	the Act have been taken into consideration and are incorporated into the EMP. Section 55 compels companies to report any archaeological findings to the National Heritage Council after which a permit needs to be issued before the find can be disturbed. In cases where heritage sites are discovered the 'chance find procedure' will be used
<b>Labour Act, No. 11 of 2007</b>	The Labour Act, No. 11 of 2007 (Regulations relating to the Occupational Health & Safety provisions of Employees at Work promulgated in terms of Section 101 of the Labour Act, No. 6 of 1992 - GN156, GG 1617 of 1 August 1997)	The proposed project will comply with stringent health and safety policies, including the compulsory use of specific PPE in designated areas to ensure adequate protection against health and safety risks. Proper storage and labelling of hazardous substances are required. The project will ensure employees in charge of and working with hazardous substances need to be aware of the specific hazardous substances in order not to compromise worker and environmental safety.

### 3.2 OTHER REGULATORY FRAMEWORKS

TABLE 12 - OTHER REGULATORY FRAMEWORKS AND APPLICABILITY TO THE PROJECT

NATIONAL REGULATORY REGIME	SUMMARY	APPLICABILITY TO THE PROJECT
<b>Vision 2030</b>	Vision 2030 sets out the nation's development programmes and strategies to achieve its national objectives. It sets out eight themes to realise the country's long-term vision.  Vision 2030 states that the overall goal of the vision is to improve the quality of life of the Namibian people to a level in line with the developed world.	The planned project shall meet the objectives of Vision 2030 and shall contribute to the overall development of the country while building capacity in the local communities.
<b>Fifth National Development Plan (NDP5)</b>	The NDP5 is the fifth in the series of seven five-year national development plans that outline the objectives and aspiration of Namibia's long-term vision as expressed in Vision 2030. The NDP5 is structure on five pillars: economic progression, social transformation, environmental sustainability	The planned project supports meeting the objectives of the NDP5 through creating opportunities for ecotourism.

NATIONAL REGULATORY REGIME	SUMMARY	APPLICABILITY TO THE PROJECT
	<p>and good governance. Under the social transformation pillar is the goal of improved education.</p> <p>A desired outcome of NDP5 is to have a diversified and competitive tourism sector with increased number of tourists from 1.4 million in 2015 to 1.8 million in 2021/22.</p>	

### 3.3 ENVIRONMENTAL MANAGEMENT

Olupale Lodge (Pty) Ltd personnel are committed to environmental management principles and to conduct all construction activities in such a way as to minimize the adversely impact upon the natural environment, to ensure compliance with all applicable laws and to aim for continuous improvements. This will be achieved through the understanding of the EMP by all personnel and their role in it, coupled with effective control and mitigation measures.

The proposed project development is in line with the objectives of NDP5, which have been considered through the EIA process, and includes national priorities such as the reduction of poverty, employment creation, and economic empowerment in Namibia.

### 3.4 PERMITS AND ECO AWARDS

Environmental permits, in addition to an environmental clearance certificate, may be needed in order to carry out operations of the lodge to ensure full compliance with the Namibian law. Potential permits that may be required for the operations of the facilities at Olupale is tabled below.

Above and beyond compliance is the well renowned ‘Eco Awards Namibia’. This is an alliance of private sector and government organisation that runs a sustainable tourism certification programme. It is a mark of distinction for accommodation establishments that are planned and managed according to eco-friendly principles. ECC encourages our tourism clients to participate in the Eco Awards programme. The self-assessment is included in Appendix F.

Details of the permits and awards are included in Table 13.

**TABLE 13 - PERMITS AND LICENSES**

PERMIT	RELEVANT AUTHORITY	VALIDITY/DURATION
Wastewater Treatment Plant	Ministry of Agriculture, Water and Land Reform	Permit dependent
Wastewater and Effluent Disposal Exemption Permit	Ministry of Agriculture, Water and Land Reform	Five years
Eco Awards	Namibia Tourism Board	<a href="https://ecoawards-namibia.org">https://ecoawards-namibia.org</a>

## 4 PROJECT DESCRIPTION

### 4.1 NEED FOR THE PROPOSED PROJECT

Namibia is among the prime tourist destinations in Africa and home to a number of wildlife species. The conservancies play an important role in protecting the environment and wildlife, since the communities receive direct benefits from their conservation efforts. The Namibian travel and tourism industry (direct impacts) generated 44,729 jobs or 6.5% of total employment in 2015 and contributed N\$5.2 billion to the Namibian Gross Domestic Production (GDP) (this represented 3.5% of overall GDP), (Namibian Tourism Board, 2016). More than one million tourists flock to the country's national parks and other tourist destinations each year. Lodges and hotels have increased to cater to the new emerging interests as well as accommodate tourists from all over the world.

As a renowned ecotourism destination, Namibia's economy is heavily reliant on its extensive tourism industry. Especially with the recent environmental issues within the country such as the impact of drought together with an economic crisis, the proposed development has the potential to improve the living conditions of communities at a local and regional level. The need to expand the tourism sector and ensure sustainability in the sector is highlighted in Namibia's 5th National Development Plan.

The development of the Olupale Lodge will provide unique tourism opportunities in the area. The proposed project will attract tourists to the region, thereby presenting opportunities for development and attracting other potential investors, whilst exposing tourists to wildlife-based tourism plus a full cultural experience of the Owambo people.

### 4.2 ALTERNATIVES

The proposed project has been subject to a process of design evolution, informed by both consultation and an iterative environmental assessment. In terms of the Environmental Management Act, No. 7 of 2007 and its regulations, alternatives considered should be analysed and presented in the scoping assessment and EIA report. This requirement ensures that during the design evolution and decision-making process, potential environmental impacts, costs, and technical feasibility have been considered, which leads to the best option(s) being identified.

#### 4.2.1 ALTERNATIVES CONSIDERED

The environmental assessment has taken a worst-case scenario into consideration, which includes a review of all likely construction activities and once the construction programme is further defined, the best available option for methods shall be identified to ensure the impacts on the environment and society are minimised. Other alternatives may be putting into consideration supplemental construction activities if any impacts are to be of serious concern.

### 4.3 PROPOSED DEVELOPMENT ACTIVITIES

The planned development entails the construction of tourist accommodation consisting of the following:

- Construction of a 40-room luxury lodge with a high standard restaurant, serving a la carte lunches, buffet dinners and breakfasts, a rim flow pool with sunbathing deck, open air seating and pool bar and staff housing

- Potential creation of access tracks during construction
- Sewerage treatment facility, water purification plant installation and associated connections
- An off grid solar system installation for power supply
- Water supply infrastructure and pipeline from Plot No. 9 in the Iipumbu Ya Tshilongo Conservancy and a water reservoir installation of approximately 150,000 litres onsite.
- Removal of natural resources (sand) for construction purposes.

#### 4.3.1 DESIGN AND BUILDING MATERIAL

It is currently foreseen that many building materials will be supplied by the local community as it was envisioned on using natural elements including sticks, thatch, stone, and palm leaves. Concrete, brick, and mortar will be used internally where needed and canvas will be used to seal off the natural elements in the rooms. Building materials such as thatch and sticks are eco-friendly and of low cost. Refer to Appendix D for design and plan of the proposed development.

Removal of sand from a borrow-pit for building is envisioned for the proposed project. In the case of sourcing from a non-existing borrow pit, the required permits shall be obtained from the authorities.

#### 4.3.2 PROPOSED PROJECT SCHEDULE

The proposed activities as discussed above are anticipated to be carried out once an environmental clearance certificate is granted by the MEFT. The environmental clearance certificate along with all required permits should be in place during the construction and operational phases of the project.

#### 4.3.3 WORKERS AND ACCOMMODATION

The project expects to avail approximately 50 – 100 employment opportunities during the construction phase. Although workers will come from all over Namibia, the majority will come from the nearby villages and towns such as Omuthiya and Oshakati. Container rooms and ablution facilities will be provided as accommodation for the constructors at the site. Once the lodge moves into operation, up to 50 people will be permanently employed.

### 4.4 RESOURCE AND WASTE MANAGEMENT

Water will be required for various uses including human consumption and for construction and operation activities. The water will be sourced from the existing NamWater connection supply at Plot No. 9 in the Iipumbu Ya Tshilongo Conservancy. Onsite a water reservoir with an approximate capacity of 150,000 litres is planned to ensure constant water supply.

A discharge permit will be applied for at the Ministry of Agriculture Water and Land Reform for the operations of the wastewater treatment system and the discharge of treated. Regular water samples will be taken to ensure that the treated effluent complies with the prescribed general water standards. Where water quality does not meet prescribed standards, effluent will be contained and pumped into the existing wastewater treatment plant for further management.

Waste will be produced on site, which will include sewage and solid waste. All solid waste shall be collected and delivered to a suitable waste management site for disposal. There is potential to create a sewerage treatment facility and associated connections, which generally consists of a biofilter system where the effluent will be discharged and treated before it is released into nature.

The proponent will ensure waste transport certificates are provided by the contractor during construction phase. No wastewater shall be discharged into the environment.

#### 4.4.1 BUILDING SAND

For construction building sand will be required. It is assumed that sand will be obtained from a borrow-pit in close vicinity of the project site to reduce transport costs. Permission for a sand mine will be obtained prior to the commencement of construction. Conditions for the aftercare needs of the borrow-pit will be highlighted in the permission.

#### 4.4.2 SOLID WASTE MANAGEMENT

During operations, the solid waste for the proposed development of the Olupale Lodge will be managed and improved in line with the principles of the waste hierarchy of waste prevention, re-use, recycle or compost, energy recovery and disposal, where waste minimisation and recycling is preferred to waste treatment and disposal (MET, 2019).

The solid waste produced shall be collected into separate categorized bins, no chemical or hazardous waste will be produced. A collection area will be organised on site, non-organic waste will be collected by the refuse truck and the waste will be disposed of at a suitable waste management site every two weeks. All organic waste will be collected from the vicinity for compost to be used for gardening. The proponent will ensure waste transport certificates are provided by the contractor. Refer to the EMP in Appendix A, for the waste mitigation measures and maintenances.

#### 4.4.3 SEWAGE WASTE MANAGEMENT

The provision of a suitable biofilter “trickling plant” for the new lodge is proposed. During operations, the effluent from the plant will be used for the irrigation of lawns, shrubs, and trees around the buildings, to combat erosion or for any vegetation barrier (landscaping). The effluent discharge will cause no threat into the environment and it will be good for consumption of animals in the area.

A modern trickling filter wastewater treatment plant (Figure 3) has a small footprint and produces an effluent quality equal to or exceeding conventional activated sludge technology (DBN, 2019). The trickling filter is a simple, reliable technology, has minimal automation and control, has low sludge production and no skilled operators are required. The system does not require mechanical oxygen input and therefore no specific skill or supervision is required from the operators. Wastewater generated at the wash bay, kitchen and workshop will be pre-treated prior to entering the septic tank of the trickling plant in order to remove any oil products. An oil and grease separator will be built, of which treatment will traditionally involve the addition of biological additives to break down and consume grease build-up.



**FIGURE 3 - TYPICAL CONTAINERISED SEWERAGE (TRICKLING) TREATMENT PLANT.**



## 5 ENVIRONMENTAL AND SOCIAL BASELINE

### 5.1 INTRODUCTION

This section provides an overview of the existing biophysical environment through the analysis of the baseline data regarding the existing natural and socio-economic environment. Desktop studies on the national database are undertaken as part of the scoping stage to get information of the current status of the receiving environment. This provides a baseline where changes that occur as a result of the proposed project can be measured. This section also incorporates consultation and public participation of the proposed project.

### 5.2 BASELINE OF THE BUILT ENVIRONMENT AND LAND USE

The proposed project is located in the Oshana Region, east of the Omusati and west of the Oshikoto Regions (Figure 4). In 2011, the total population of the region was 176 674. Oshana Region covers an area of 8 656.3 km<sup>2</sup> and approximately 93.7% of the households speak the Oshiwambo language (NSA, 2011).

The proposed development in northern Namibia is located on an area which forms part of a huge stretch of landscape which is relatively flat. The local people are known to be pastoralists and agriculturalists and the land is used for small-scale and subsistence farming. These livelihoods are not reliable due to the fluctuations and unpredictable annual rainfall the area receives.

The area has high tourism potential, because it borders the Etosha National Park which is known for its abundant wildlife such as elephants, rhinos, lions, cheetahs, kudu and others (NACSO, 2009).

### 5.3 THE PROJECT SITE AND LOCATION

The Iipumbu Ya Tshilongo Conservancy is located southwest corner of the Oshana Region and is part of the Uuvudhiya Constituency. The proposed development is located approximately 123 km north of Okaukuejo, 103 km south of Oshakati and approximately 151 km west of Omuthiya town. After it is established, Olupale will be accessed from the existing road network of the Etosha National Park (Figure 5).

It must be noted that the wildlife-proof fence of the Etosha National Park, by the time of finalising this report, needs to be replaced over some distance in the section that borders the conservancy. As a result of the poor state of the fence, wildlife migrates into the conservancy. Although this part of the conservancy is sparsely populated, the poor state of the fence creates a real risk of human-wildlife conflict.

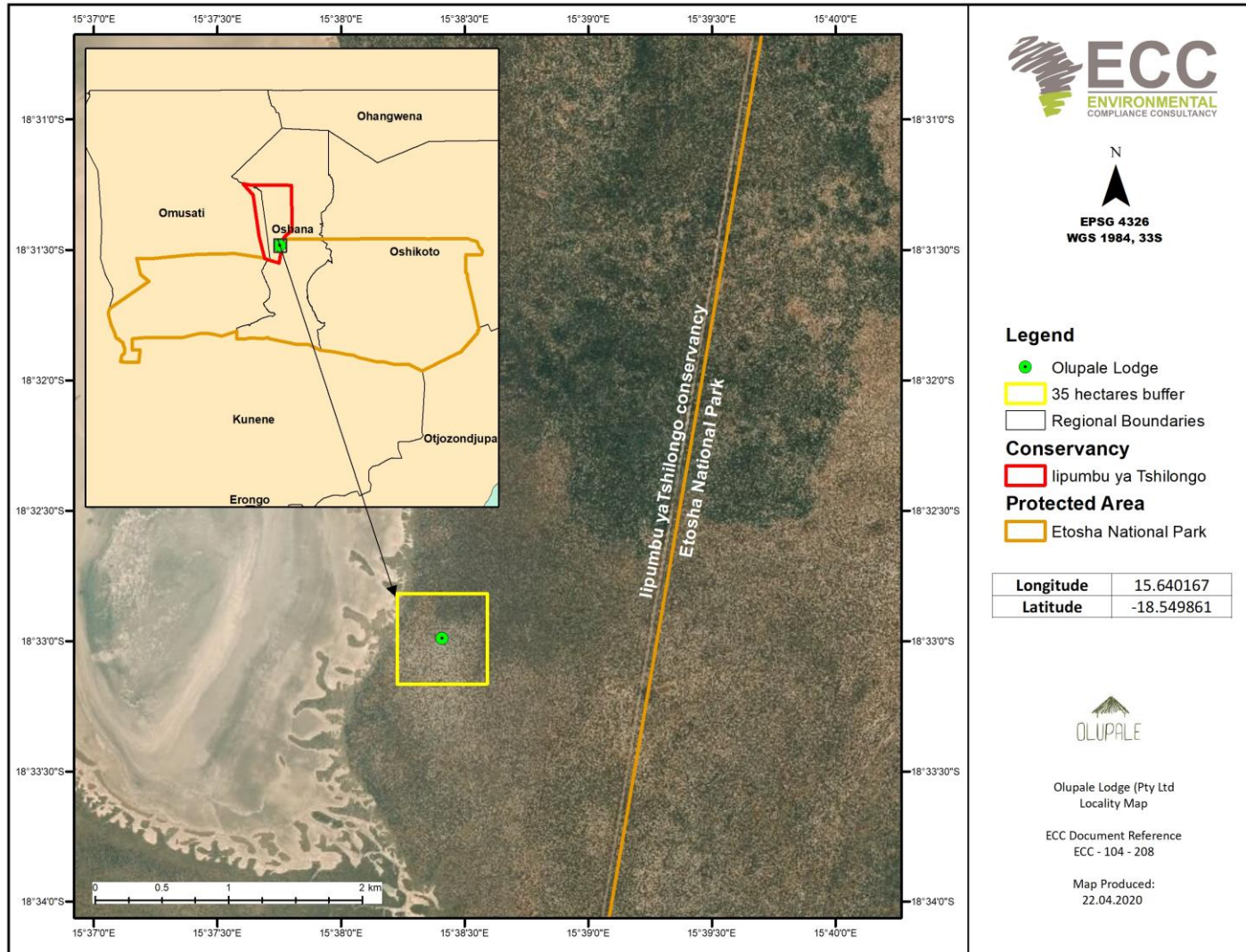


FIGURE 4 - PROJECT LOCATION

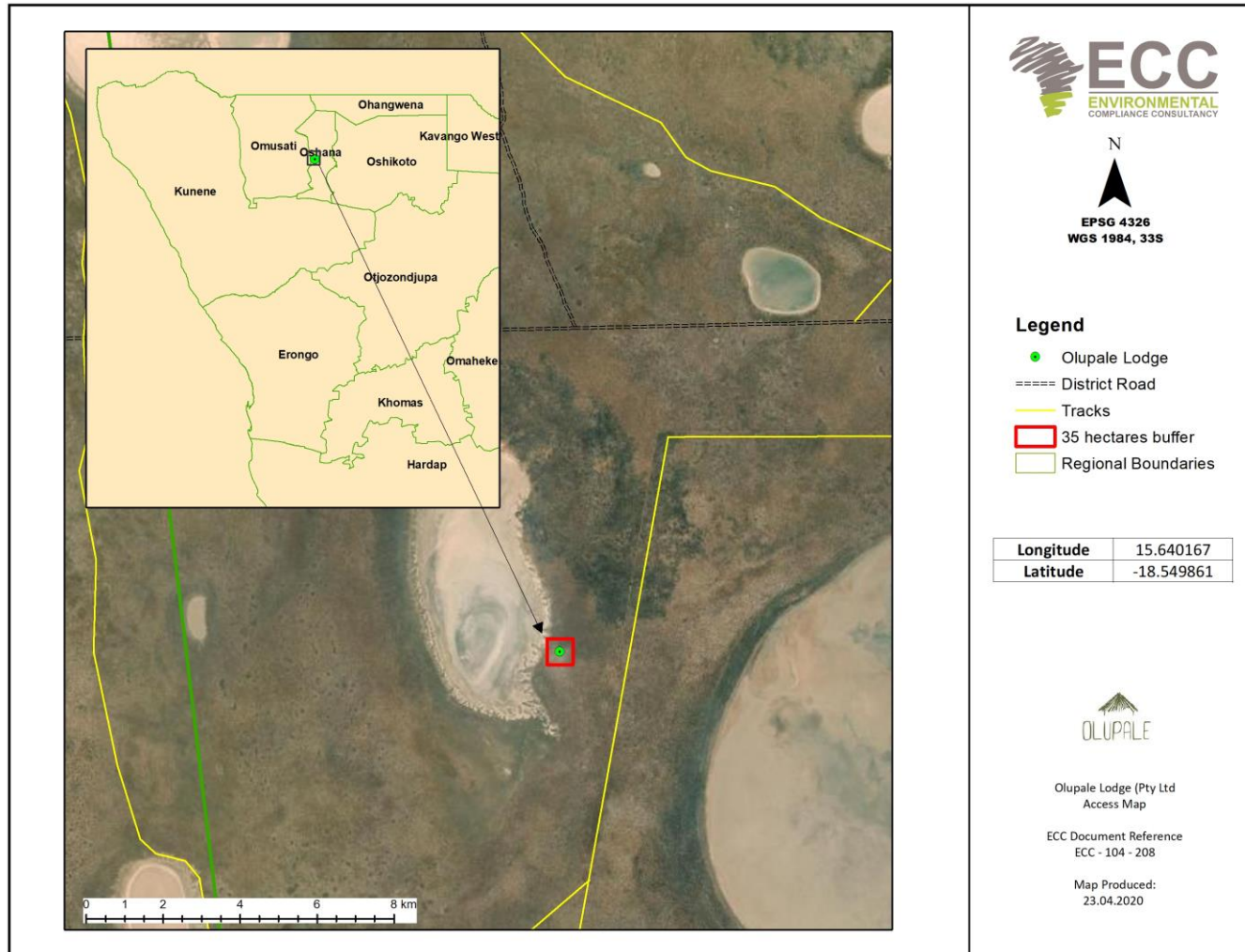


FIGURE 5 - ROADS AND ACCESS ROUTES TO THE PROPOSED LODGE SITE

### 5.4 SITE AND SURROUNDING ENVIRONMENT

The proposed project is in the lipumbu Ya Tshilongo conservancy and lies within a tourism zoned land (Figure 6). The conservancy borders the Etosha National Park. The lipumbu Ya Tshilongo conservancy landscape is relatively flat and lies within a trans-boundary wetland called the Cuvelai-Etosha Basin. Other attractions in this region include the Aawambo homesteads of the single largest ethnic group in Namibia. The entire region and surrounding is vastly scenic, a huge, untamed, and beautiful area that offers a more adventurous challenge to tourists (Namibian Tourism Board, 2019).

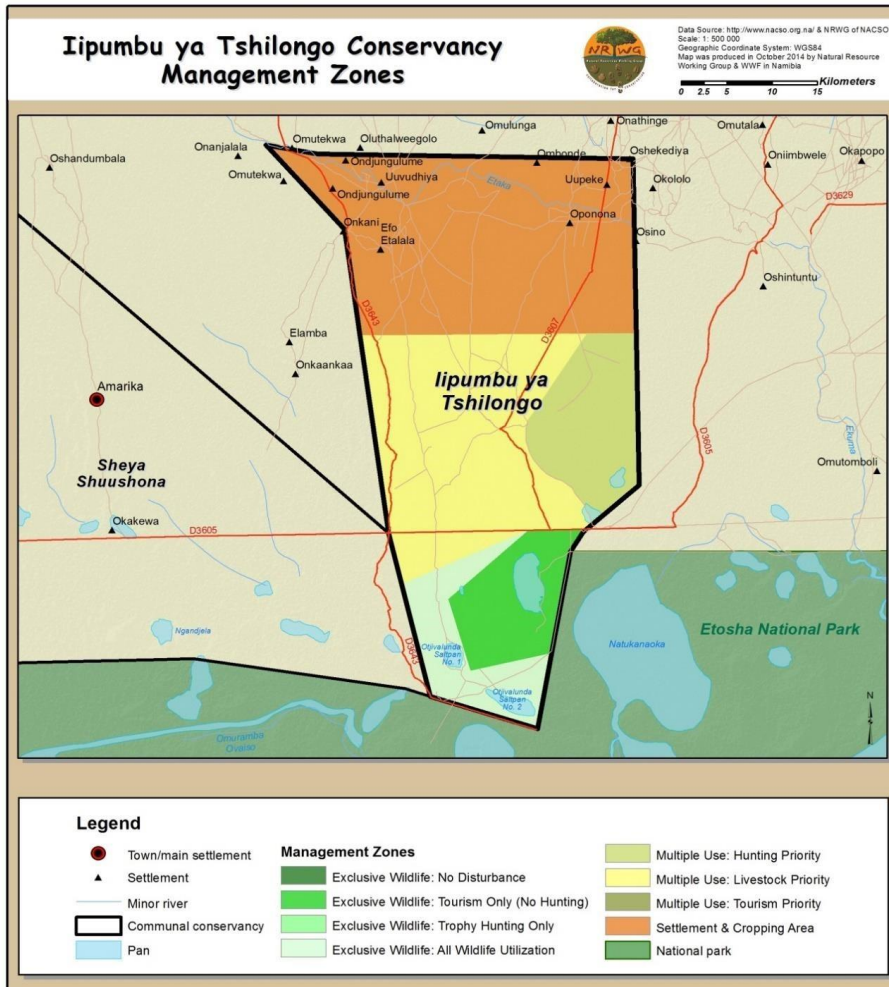


FIGURE 6 - IIPUMPU YA TSHILONGO CONSERVANCY MANAGEMENT ZONES MAP. SOURCE: NACSO (2020)

### 5.5 CLIMATE

The rainfall season is generally from November to April with an average ranging from 400 to 450 mm. The project area falls in a climatic zone that is characterised by warm summers and cool winters. The average annual temperatures in the area are at 22 °C, with a maximum average temperature of 36 °C and minimum average temperatures of 6 °C (Mendelsohn et al., 2002). The average annual evaporation rates in the area are relatively high, ranging from 1,960 to 2,100mm/year. The high evaporation rate means that most rainwater is rapidly lost from the system and water is therefore not usually present on the surface all year long.

On the globe, Namibia is located in the belt that is dominated by prevailing high-pressure cells. Off the coast the South Atlantic High is the reason for constant southwest winds, the Benguela Current, the upwelling cells of the ocean, and the subsiding air over the Namib Desert. Over the interior the Kalahari High dominates during winter and the subsiding air causes cloudless days with stable sinking air. During summer, the positions of the high-pressure cell fluctuate more, allowing low pressure cells to develop over the heated interior, which in turn pull-in moist air from the inter-tropical convergence zone (Mendelsohn et al., 2002).

The prevailing wind direction in Okaukuejo, is the nearest weather station, is dominantly from the south and southwest with an average speed of 3.8 MPH (i.e. 6.1 km/h) and 28.9% calm days since 02<sup>nd</sup> of July 2011 until 06<sup>th</sup> of April 2020 (Figure 7).

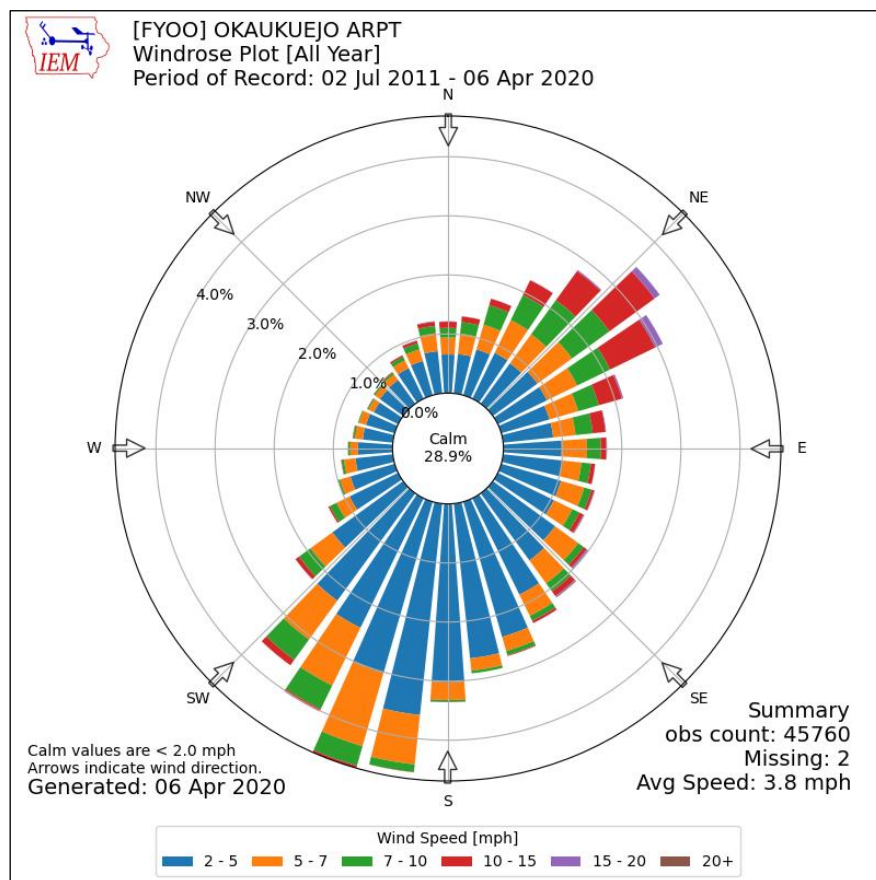


FIGURE 7 - WIND DIRECTION AND SPEED FROM OKAUKUEJO AIRPORT, OSHANA REGION

## 5.6 GEOLOGY

The geological description and stratigraphy of the proposed development area encompasses the unconsolidated deposits of aeolian sands of the Kalahari Group (Figure 8). Large parts of the north-central, northeast and east of Namibia are covered with sediments deposited in a tectonically active basin that was formed by flexural uplift of the African continental margin and independent structures related to rifting. The thickness of the sequence varies from a few meters to around 400 m. The salt pans on the surface are the most noticeable geological features in the surrounding area.

The Kalahari sedimentary unit lies on an old continental base of granites, gneiss and volcanic rocks formed between 2,600 and 1,730 Million years ago. Sediments of this period, spanning the Cretaceous to recent age, are found in the entire Kalahari basin. Within the Kalahari Group, the upper formations are the most pervasive, covering all the antecedent layers. In north-central Namibia it consists of interbedded, white, medium-grained sand, light greenish clayey sand, and green clay. In the zone between 10 and 200 m thick is an unconsolidated sand layer predominates. The upper part of this section contains several small, irregularly shaped dolcrete and calcrete nodules, up to 30 cm across. Nearly 90% of the sand is quartz. These grains are polished and frosted, angular to sub-angular, and sorting improves upwards (Alison, 1899).

## 5.7 TOPOGRAPHY

In terms of elevation the entire lipumbu Ya Tshilongo Conservancy is characteristically flat, ranging between 1000 and 1150 meters above sea level, when moving from north to south. Moving in the east-west direction, the landscape is even flatter, with the only vertical variation marked by the presence of pans or similar local drainage depressions. Figure 9 shows this variation, with the lowest and the highest points seldom differing more than 15 meters.

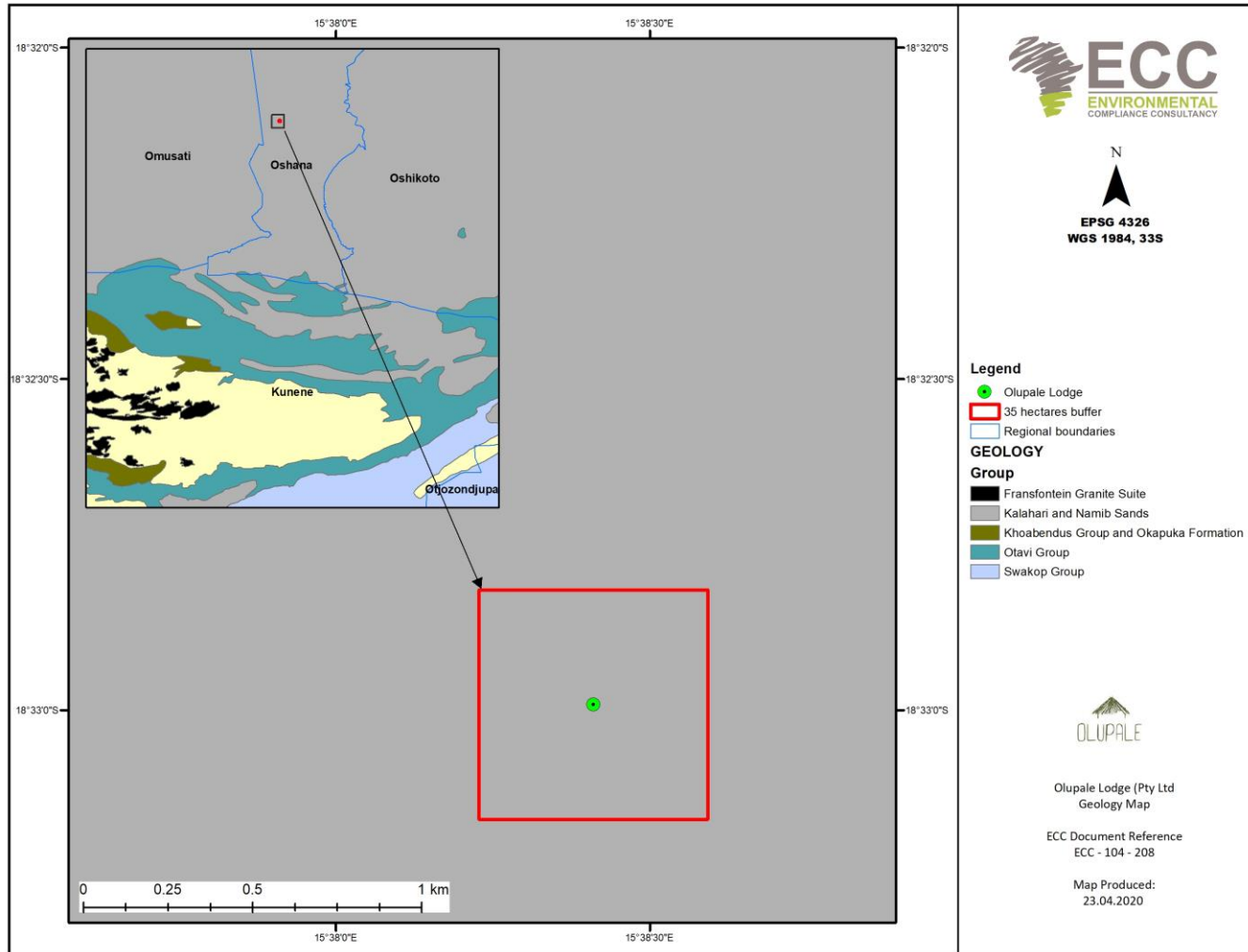


FIGURE 8 - GEOLOGICAL MAP OF THE AREA

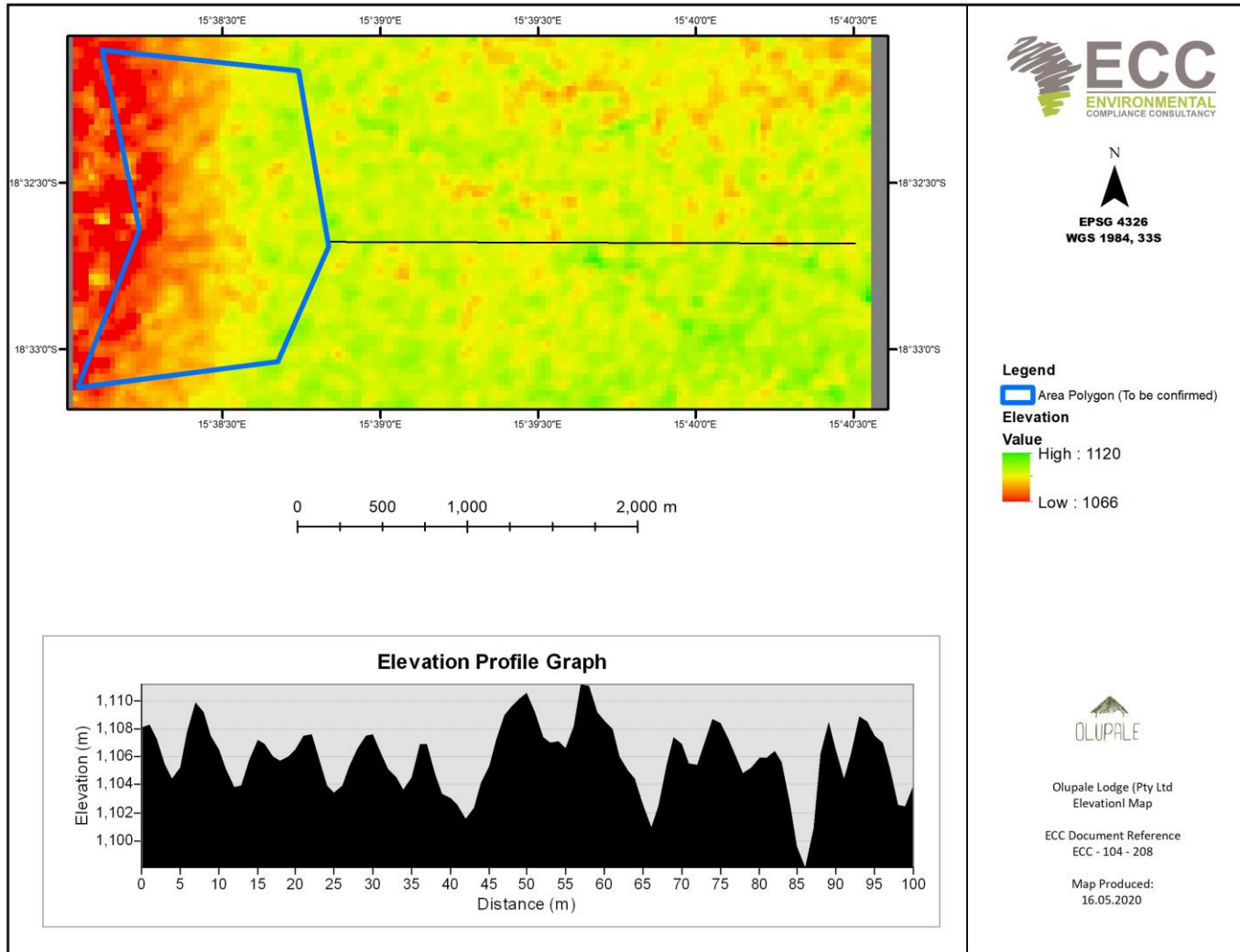


FIGURE 9 - ELEVATION MAP



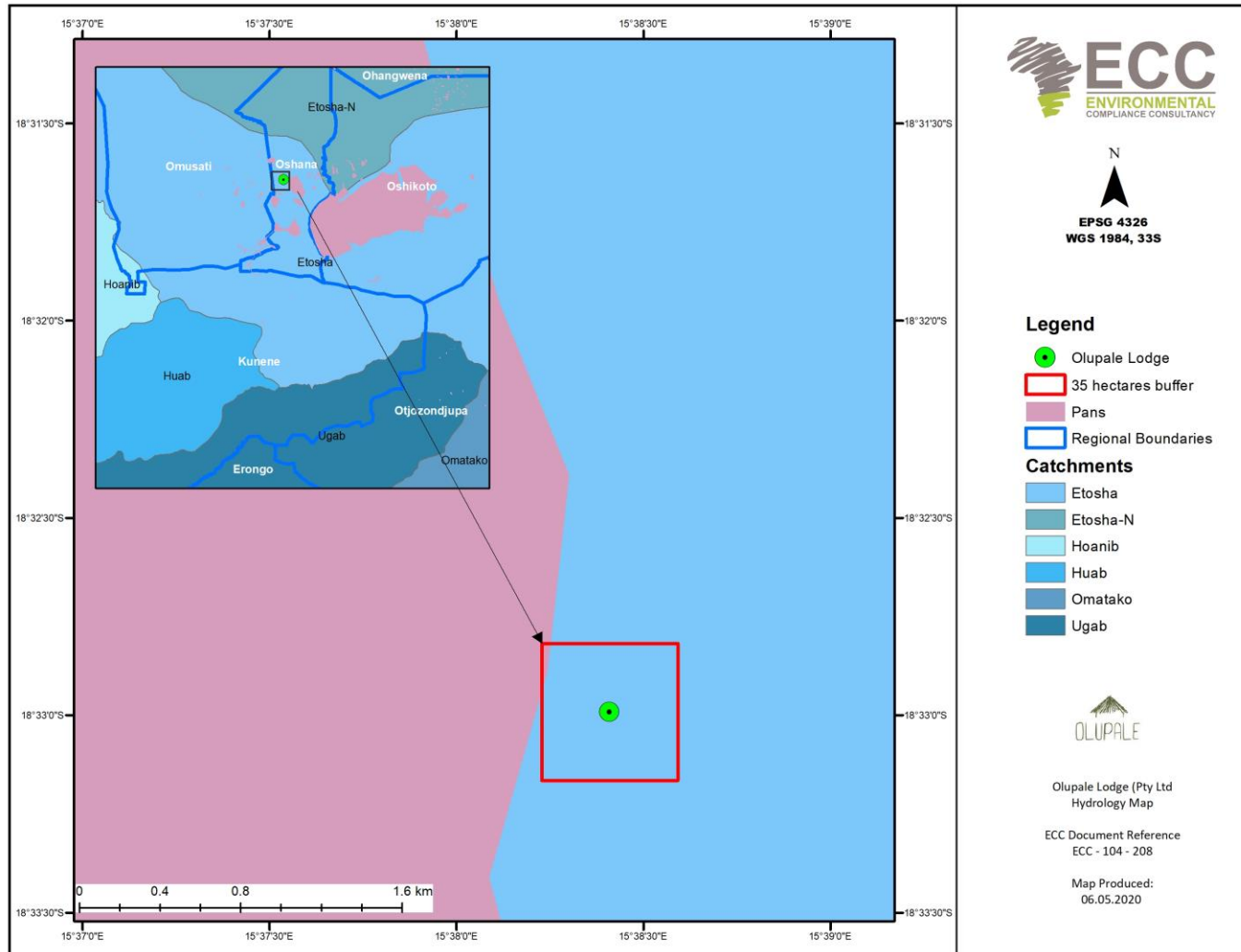


FIGURE 10 - HYDROLOGY (CATCHMENTS OF SURFACE WATER)

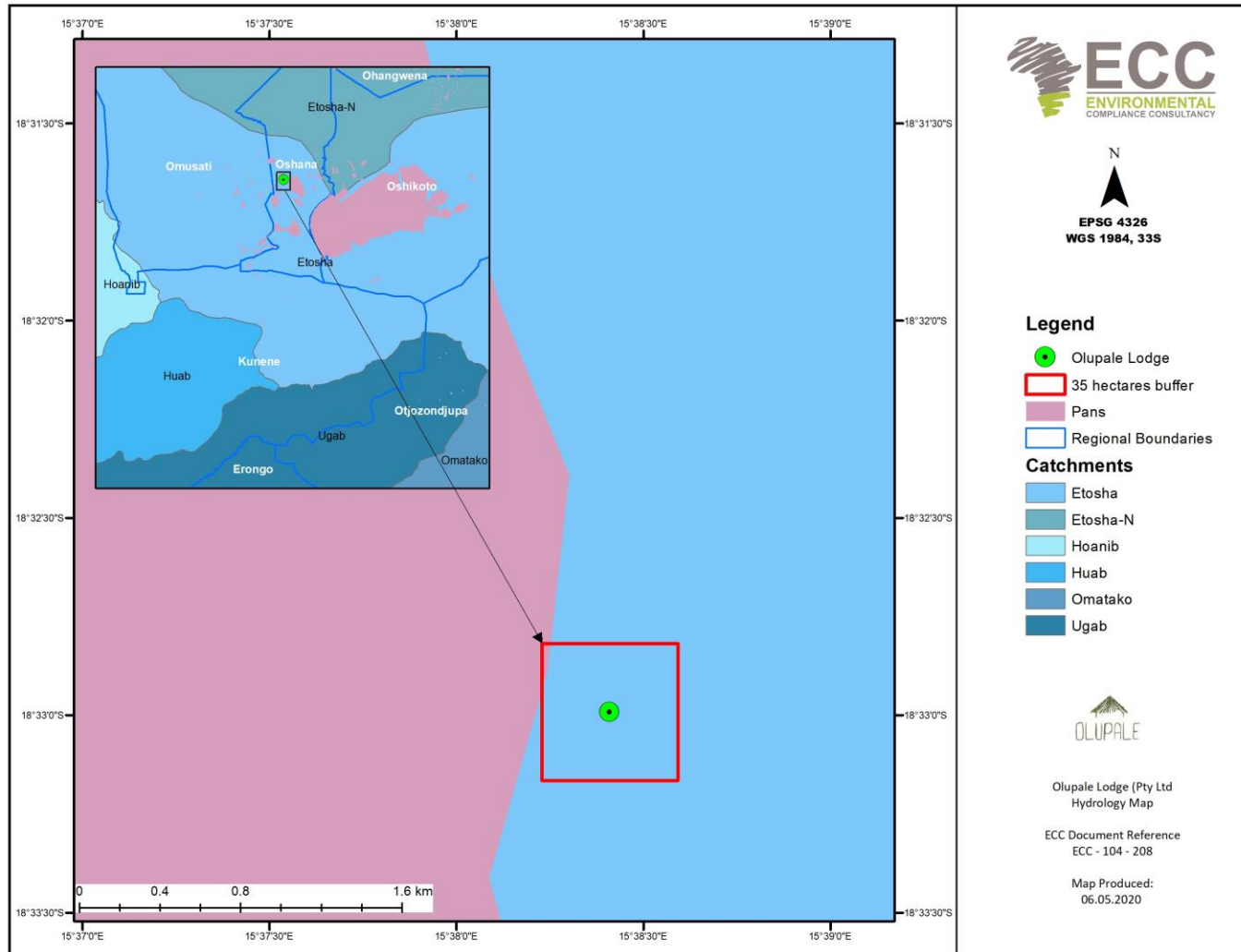


FIGURE 11 - HYDROLOGY (GROUNDWATER BASINS)

## 5.8 HYDROLOGY

The project area is in the Owambo basin, which is characterized by an extremely flat plain that constitutes the Etosha Depression. Iipumbu-ya-Tshilongo conservancy lies within a transboundary wetland shared almost equally by Angola and Namibia called the Cuvelai-Etosha Basin and consists of hundreds of drainage channels (iishana in Oshiwambo) that emerge and diverge hundreds of times. Most of these channels are dry for much of the year, and when water flow does occur, it ranges from tiny trickles to broad fronts of flood waters, inundating most parts of the basin. Many of the iishana collect at Lake Oponono and drains further towards the Etosha Pan via a channel called Ekuma (see Figure 10). The largest part of the conservancy falls in the Etosha catchment area. Groundwater basins in this part of Namibia are closely associated with the catchment areas (Figure 11). Due to salt pans channels in the surrounding areas of the site, both surface and groundwater contains high content of salinity.

The surface water catchment area has no sea outlet, however, when the northern parts of it receive a lot of rainfall, water will usually flow into the Etosha Pan via the iishana creating a spectacular ecosystem that supports a diverse array of bird and other animals. The flow direction in the groundwater basin is southwest, generally saline and not suitable for human consumption.

## 5.9 SOIL

The soils in the project area are classified as arenosols with the dominant soil being ferralic arenosol which falls in the mopane shrubland landscape with salt pans (Figure 12). The soil in this area are relatively high in salinity (i.e. sodic soils). Ferralic refers to soil that has high content of combined oxides of iron and aluminium, whilst the second name is the soil group that reflects the processes that led to the soil formation. Arenosols are formed from wind-blown sand and usually extend to a depth of at least one metre with sand generally making up more than 70% of the soil. Texture of the soil allows water to drain through the soil rapidly, leaving little moisture at depths to which most plant can reach. Few nutrients are retained in the porous loose structured sand, meaning that there is little run-off and water erosion making the soil susceptible to wind erosion. Only plants that can tolerate sodic soils with a low water retention capacity grow in the area. Generally, the soil lacks nutrients and its suitability for crop cultivation is considered low (Mendelsohn et al., 2002).

## 5.10 VEGETATION

Plant diversity is estimated between 50 and 99 species (Mendelsohn et al., 2002), although local differentiation may occur because of topography and the availability of water. The project falls within the Savanna biome which is dominated by mopane shrubland vegetation cover (Figure 13). Mopane (*Colophospermum mopane*) and trumpet-thorn (*Cataphractes alexandri*) are the most abundant species in the area, although other species can be found such as purple-pod terminalia (*Terminalia prunoides*), African myrrh (*Commiphora Africana*), Acacia and Combretum species. Although the northern parts of the Oshana Region is characterized by abundant stands of Makalani palms (*Hyphaene petersiana*), these iconic plants become scarcer towards the south, as the mopane trees gradually dominate. The stunted growth of the mopane is probably due to the low-nutrient soil in combination with the saline groundwater. Grass species that grows in the area include the silky bushman grass (*Stipagrostis uniplumis*) and *Schmidtia kalahariensis*.

The vegetation type in the surrounding area plays a role in the ecosystem by providing food and habitats for the wildlife. Additionally, the vegetation also provides resources for the community members who depends on subsistence lifestyle. This may include grazing for their animals, firewood as a source of energy, building materials as well as other plant materials for making baskets. Nevertheless, every effort will be made to protect the existing trees and shrubs, because it is equally important to ambience and aesthetic appeal of the lodge surroundings.

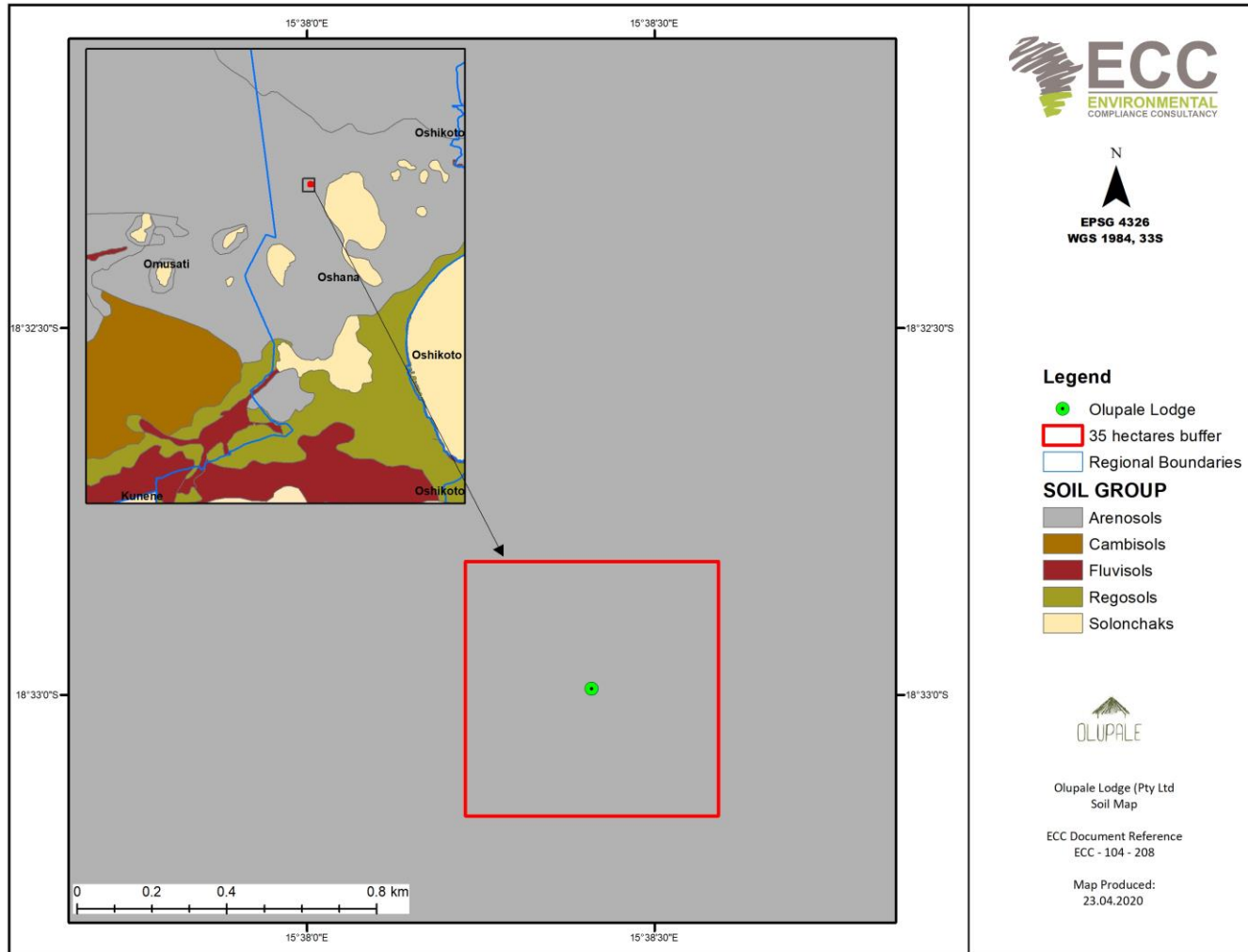


FIGURE 12 - SOIL IN THE AREA

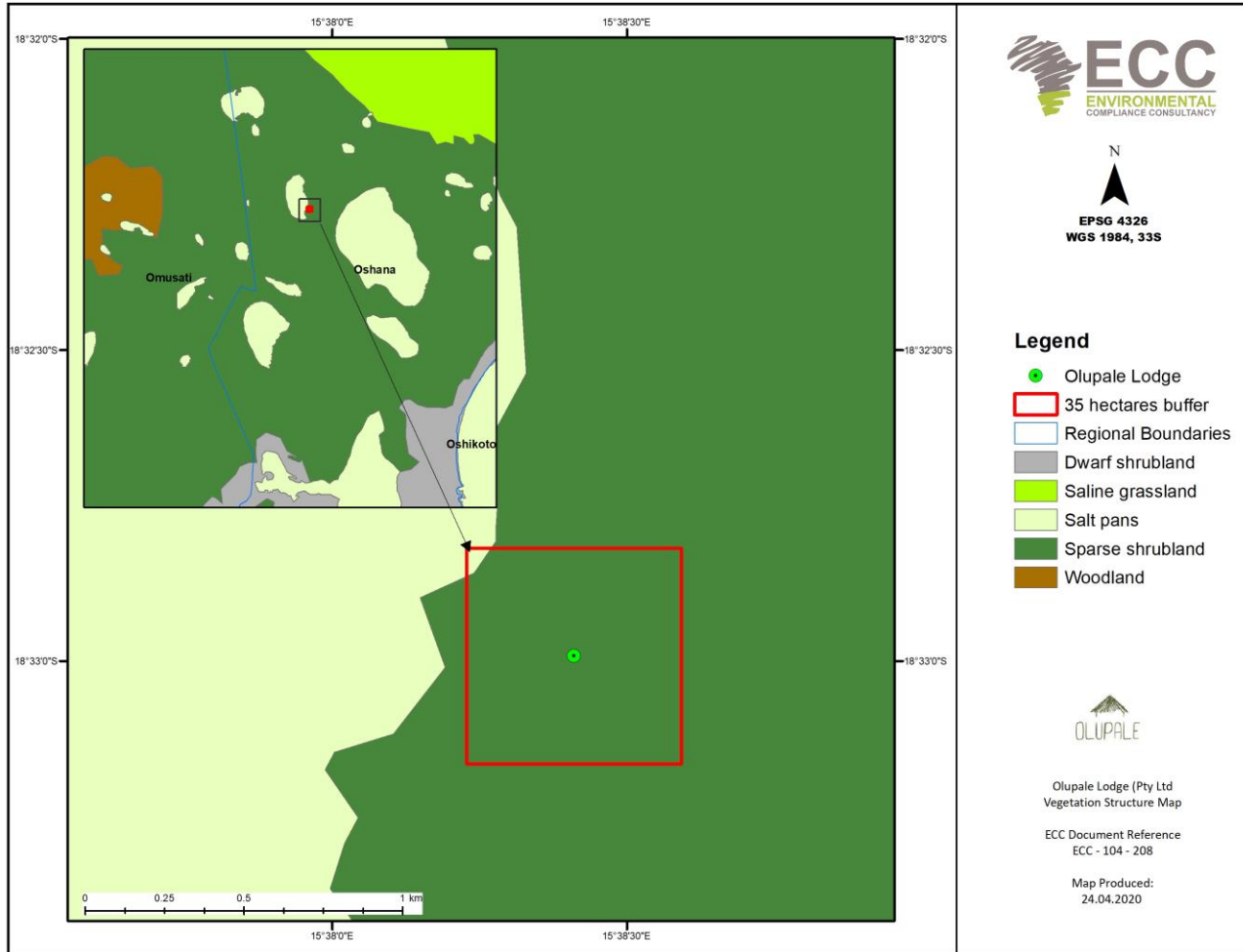


FIGURE 13 - VEGETATION IN THE AREA

## 5.11 FAUNA SPECIES

The Lipumbu Ya Tshilongo conservancy borders the Etosha National Park. Etosha is home to a variety of wildlife ranging from elephants, black rhino, lion, leopard, cheetah, hyaena, giraffe, zebra, springbok, oryx and kudu (NACSO, 2009). In the past, prior to the existence of Etosha, wildlife used to roam freely in the project area. After the erection of the wildlife-proof fences of Etosha, many of these species became scarcer in the project area. By the time of finalising this report, the fence of Etosha was in a bad state and many species migrate freely into the project area.

Although the presence of these species provides a complementary economic opportunity through tourism, there is a real risk of human-wildlife conflict. Rare and endangered species that can be found in the proposed development area, albeit seasonally, include lions, leopards, elephant and black rhino. To increase the numbers of residing species, there is potential to re-introduce ostrich, springbok, kudu, hartebeest, zebra, eland, warthog, impala, oryx and giraffe in the conservancy.

The Chestnut-banded Plover (*Charadrius pallidus*), is a wetland bird species that is categorised as near threatened in Namibia. It feeds and breeds in saltpan habitats in which are near the proposed area. The potential sensitivity of this species is because it is specialised and adapted to these saline habitats. Other bird species that may occur at the area include the Lesser Flamingo (*Phoenicopterus minor*) and Greater Flamingo (*Phoenicopterus ruber*).

## 5.12 SOCIO-ECONOMIC BASELINE

In the Oshana Region, 'agriculture, forestry and fishing' dominate as the main industry of the workforce (25.9%). Construction, wholesale and retail trade, administrative and support service activities each employed more than 5% of the workforce. The Oshakati-Ongwediva-Ondangwa complex is the biggest urbanised area in all of the four north-central regions, including both the Omusati and Oshana Regions. This area is also regarded as one of the main commercial, industrial and administrative nodes of Namibia (NSA, 2011).

On accommodation, 41.5% of the households reside in dwellings with outer walls made with cement / bricks. Approximately 58% of urban households used cement blocks / bricks for outer walls compared to 23.6% for rural households. A higher percentage of rural households used sticks with mud / clay / cow dung for walls (51.3%), compared to the 3.3 % found in urban areas.

At constituency level, more than 50% of households in Ongwediva and Oshakati West were constructed from cement blocks / bricks / stones (National Planning Commission, 2018)

### 5.12.1 DEMOGRAPHIC PROFILE

Namibia is one of the least densely populated countries in the world (3.2/km<sup>2</sup>), with an estimated population of 2.5 million people in 2020. The population growth rate is estimated at 2%, slightly lower than most African countries. It is estimated that 60% of the population falls in the age group 15 – 64, and 36% of the total population is younger than 15. Since 2005 there is a steady improvement in life expectancy, currently estimated at 65 years (National Planning Commission, 2018). Namibia's population is expected to increase from an estimated 2.11 million in 2011 to 3.44 million by 2041. The number of people living in the Oshana region has grown by 0.8 % per year from

161,915 in 2001 to 174, 900 people by 2011, with an average population density of 20.3 people per km<sup>2</sup>, making it the second most densely populated region in Namibia (NSA, 2011).

The Uuvudhiya Constituency, where the proposed lodge is situated, has an estimated population of approximately 4114 inhabitants - mostly farmers and cattle herders who are rearing livestock. The area is a farming zone that consists of multiple individuals from different regions such as Oshana, Oshikoto, Omusati and Ohangwena (NSA, 2011).

#### 5.12.2 GOVERNANCE

Namibia is divided in 14 regions, subdivided by 121 constituencies. The Oshana Region comprises of 11 constituencies and its capital is Oshakati. The name Oshana describes the most prominent landscape feature in the area, namely the shallow, seasonally inundated depressions which underpin the local agro ecological system. Oshana is one of only three regions without either a coastline or a foreign border. It borders the Ohangwena Region to the north, Oshikoto to the east, Kunene to the south and Omusati to the west. Each region has a regional council, elected during regional elections per constituency. Towns are governed through local authorities, in the form of municipalities. Oshakati is governed by a local authority in the form of a town council. As the capital of the region, the headquarters of the regional council is also located in Oshakati.

#### 5.12.3 EMPLOYMENT

The labour force participation rate is the proportion of the economically active population, given as a percentage of the working age portion of the population (i.e. older than 15 years of age). The rate of labour force participation for the Kunene Region was 71.5%, compared to the average of 71.2% for Namibia in 2018 (NSA, 2019).

In 2018, 53.4% of all working Namibians were employed in the private sector and 21.5% by the state. State-owned enterprises employ 7.6% and private individuals 16.6%. Agriculture (combined with forestry and fishing) is the economic sector with the most employees – 23% of all employed persons in Namibia work in this sector. Wages and salaries represented the main income source of 47.4% of households in Namibia (NSA, 2019).

Low education levels affects employability and prevents many households to earn a decent income. Of all employed people in Namibia, 63.5% are not higher qualified than junior secondary level (Grade 10 and lower). In total 11.8% of all employed people had no formal education. In total 29.1% of all employed people fall in the category “elementary occupation” and 15.2% in the category “skilled agriculture (NSA, 2019).

Overall the rate for unemployment is estimated at 33.4% for Namibia, using the broad definition of unemployment. The unemployment rate in rural and urban areas is almost the same – 33.4% in urban areas and 33.5% in rural areas. The highest unemployment rates are found amongst persons with education levels lower than junior secondary. The unemployment rate of persons with no formal education is 28.6%, with primary education 34.6% and with junior secondary education 32.7% (NSA, 2019).

Although declining over time, agriculture (combined with forestry and fishing) is the sector that employs most Namibians (23%) and it is also the sector with the most employers. It is also the sector that employs the most informal workers in Namibia, calculated at 87.6%. Wages of employees in the



agriculture sector are lower than all other sectors except for workers in accommodation and food services and domestic work in private households (NSA, 2019).

#### 5.12.4 ECONOMIC ACTIVITIES

Tourism is an important sector in Namibia. It is the third largest contributor to the country's GDP, it generates a significant amount of jobs and is a valuable foreign exchange earner for the economy. In fact, tourism is a critical pillar of the Namibian economy. In 2012, the World Travel and Tourism Council estimated the total contribution of travel and tourism to Namibia's GDP to be 20.5% and that 27% of all employment was generated through this sector (MET, 2016). The Namibian state has long recognised and prioritised tourism development in various legislative and policy documents as a result.

Since 2016, Namibia recorded slow economic growth, registering an estimated growth of only 1.1% in 2016. The primary and secondary industries contracted by 2.0 and 7.8% respectively. During 2017 the economy contracted by 1.7, 0.7 and 1.9% in the first, second and third quarters respectively (NSA, 2018). Despite the more positive expectations, the economy retracted to an average growth of not more than 1% annually since 2017.

The agricultural sector provides most of the employment opportunities in the southern parts of the Oshana Region. Livestock farming, timber harvesting and wildlife management are the major economic activities. The possibilities of a tourism-based enterprise like Olupale will create important additional economic opportunities in this part of the Oshana Region.

#### 5.12.5 INFECTIOUS DISEASES

Since independence in 1990, the health status of Namibia has increased steadily with a remarkable improvement in access to primary health facilities and medical infrastructure. Despite the progress, the World Health Organization (WHO) in 2015 recommended strategic priorities of the health system in Namibia which include improved governance, an improved health information system, emergency preparedness, risk reduction and response, preventative health care and the combating of HIV/AIDS and TB (WHO, 2016).

HIV/AIDS remains a major reason for low life expectancy and is one of the leading causes of death in Namibia. There is a high HIV prevalence among the whole population, but since the peak in 2002 (15,000 new cases of HIV per year, and 10,000 yearly deaths due to AIDS) the epidemic started to stabilise (UNICEF, 2011). Although new infections as well as fatalities halved during the next decade, life expectancy for females returned to pre-independence levels but for males it did not reach pre-independence levels yet. HIV/AIDS remains the leading cause of death and premature mortality for all ages, killing up to half of all males and females aged 40 - 44 years in 2013 (IHME, 2016).

Tuberculosis (TB) is a leading killer of people infected by HIV/AIDS, and Namibia has a high burden in 2018, 35% of people notified with TB were infected with HIV. The country is included among the top 30 high-burden TB countries in the world, with an estimated incidence rate of 423 per 100,000 people and 60 fatalities per 100,000 people in 2018 (retrieved from [www.mhss.gov.na](http://www.mhss.gov.na)).

Over the period 2000 – 2013 significant rises were observed for stroke, ischemic heart diseases, diabetes and depressive disorders, but HIV/AIDS remained the top cause of premature mortality. Over the same period significant decreases were observed for diarrheal diseases, neonatal

conditions and malaria. Risk factors are key drivers of premature mortality, and social ills were identified as the leading factor for death – particularly unsafe sex and alcohol and drug abuse. TB and malaria are compounded by the AIDS epidemic, and the risk of contracting malaria and TB is 15% greater if a person is also infected with HIV, with a risk of 50% higher to die as a result (IHME, 2016).

As of the beginning of 2020 the coronavirus disease (COVID-19), a communicable respiratory disease, causes illness in humans at a pandemic scale and has resulted in an increasing number of deaths worldwide. The viral outbreak is adversely affecting various socio-economic activities globally, and with reports of the increasing number of people testing positive, it is anticipated that this may have significant impacts on the operations of various economic sectors in Namibia too. The disease caused many countries to enter a state of emergency and lockdown mode, with dire economic consequences. In addition, these measures have a detrimental effect on tourism – and Namibia is in both cases no exception.

#### 5.12.6 CULTURAL HERITAGE

A review of the National Heritage Council database was conducted, and no known heritage sites were identified in the project area. In cases where heritage sites are discovered, the chance finds procedure will be used.

## 6 ENVIRONMENTAL ASSESSMENT OF FINDINGS AND MITIGATION

This section sets out the overall approach that was adopted to assess the potential environmental and social impacts associated with the project. To fully understand the significance of each of the potential impacts, each impact must be evaluated and assessed.

### 6.1 SCOPING ASSESSMENT FINDINGS

When undertaking the scoping exercise, the design of the proposed project and best practice measures were considered to ensure the likely significant effects and any required additional mitigation measures were identified. A summary of the potential impacts and mitigation and/or control measures are discussed below. The following topics were considered during the scoping phase:

- Surface water and groundwater
- Soils and topography
- Socio-economics (employment, demographics, and land-use)
- Noise
- Ecology (fauna and flora)
- Air quality (including dust), and
- Cultural heritage.

Table 13 sets out the findings of the assessment. Activities that could be the source of an impact have been listed, followed by receptors that could be affected. The pathway between the source and the receptor has been identified where both are present. Where an activity and / or receptor has not been identified, an impact is unlikely, thus no further assessment or justification is provided. Where the activity, receptor and pathway have been identified, a justification has been provided documenting if further assessment is required or not required.

Due to the nature and localised scale of the construction activities, and the environmental context of both sites, the potential environmental and social effects are limited and unlikely to be significant. Where effects occur, they will be managed (avoided or reduced) through implementation of best practice mitigation, as detailed in the EMP (contained in Appendix A). All topics were considered during the scoping assessments, which did not identify areas of uncertainty and thus no further investigation was deemed required.

TABLE 14 - SUMMARY OF POTENTIAL IMPACTS

DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF POTENTIAL IMPACT/S	EFFECT/DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONTROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
Fuel handling and storage, lubrication of equipment	Soil	Hydrocarbon and hazardous spillages lead to soil contamination	Adverse Direct Reversible Moderate Short term On-site Possible	Medium	Minor	Minor (4)	<ul style="list-style-type: none"> <li>- Good house keeping</li> <li>- Training through toolbox talks and induction</li> <li>- All stationary vehicles and machinery must have drip trays to collect leakages of lubricants and oil</li> <li>- Spill kits and absorption material available during fuel delivery, storage or use</li> <li>- Accidental spills and leaks (including absorption material) to be cleaned as soon as possible</li> <li>- Major spills to be reported, also to the authorities</li> <li>- Maintenance and service schedules on equipment is in place</li> <li>- Store bulk fuel in adequate containment areas (non-porous surface, bunded)</li> <li>- No damaged containers in use</li> <li>- Preventative measures</li> </ul>	Low (2)

DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF POTENTIAL IMPACT/S	EFFECT/DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONTROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul style="list-style-type: none"> <li>will be in place when service and maintenance activities are done (drip trays, non-porous surfaces, funnels, non-damaged containers)</li> <li>- Refuelling will be done in areas with adequate preventative measures in place</li> </ul>	
Sand mining and excavation activities for construction purposes	<b>Soil</b>	<p>Disturbance of drainage channels</p> <p>Excessive excavation activities and sand mining may lead to erosion and decreased soil quality</p>	<p>Adverse</p> <p>Direct</p> <p>Partially reversible</p> <p>Moderate</p> <p>Medium term</p> <p>On-site</p> <p>Possible</p>	Medium	Minor	<b>Minor (4)</b>	<ul style="list-style-type: none"> <li>- Practice minimal natural resources removal such as sand</li> <li>- Practise aftercare or rehabilitation measures on disturbed site</li> <li>- Make use of existing and approved borrow pits</li> <li>- Avoid drainage channels where possible</li> <li>- Acquire the relevant permits from MAWLR prior to the commence of construction activities</li> </ul>	<b>Low (2)</b>

DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF POTENTIAL IMPACT/S	EFFECT/DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONTROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
Fuel handling and storage, lubrication of equipment	<b>Groundwater</b>	Hydrocarbon and hazardous spillages may result groundwater contamination	Adverse Indirect Reversible Moderate Short term Regional Possible	Medium	Minor	Minor (4)	<ul style="list-style-type: none"> <li>- Good house keeping</li> <li>- Training through toolbox talks and induction</li> <li>- All stationary vehicles and machinery must have drip trays to collect leakages of lubricants and oil</li> <li>- Spill kits and absorption material available during fuel delivery, storage or use</li> <li>- Accidental spills and leaks (including absorption material) to be cleaned as soon as possible</li> <li>- Major spills to be reported, also to the authorities</li> <li>- Maintenance and service schedules on equipment is in place</li> <li>- Store bulk fuel in adequate containment areas (non-porous surface, bunded)</li> <li>- No damaged containers in use</li> <li>- Preventative measures will be in place when service and maintenance</li> </ul>	<b>Low (2)</b>

DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF POTENTIAL IMPACT/S	EFFECT/DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONTROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul style="list-style-type: none"> <li>activities are done (drip trays, non-porous surfaces, funnels, non-damaged containers)</li> <li>- Refuelling will be done in areas with adequate preventative measures in place</li> </ul>	
Discharge and infiltration of non-contained wastewater	<b>Surface water</b>	Wastewater can pollute and contaminate surface water	<ul style="list-style-type: none"> <li>Adverse</li> <li>Direct</li> <li>Partly Reversible</li> <li>Moderate</li> <li>Short term</li> <li>On-site</li> <li>Unlikely</li> </ul>	Low	Minor	Low (2)	<ul style="list-style-type: none"> <li>- Wastewater discharges will be contained</li> <li>- Workers will be made aware about the importance of wastewater management</li> <li>- Good housekeeping</li> </ul>	Low (1)
Inadequate management of waste	<b>Groundwater</b>	Waste items and litter can pollute drainage channels	<ul style="list-style-type: none"> <li>Adverse</li> <li>Cumulative</li> <li>Reversible</li> <li>Moderate</li> <li>Temporary</li> <li>On-site</li> <li>Unlikely</li> </ul>	Low	Minor	Low (2)	<ul style="list-style-type: none"> <li>- Good housekeeping</li> <li>- Training and awareness through toolbox talks and induction</li> <li>- Implement a Standard Operational Procedure on waste management, from cradle to grave for all kinds of waste possible on-site (e.g. domestic, mineral, hydrocarbons, hazardous, etc.)</li> <li>- Raise awareness about the importance of</li> </ul>	Low (1)

DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF POTENTIAL IMPACT/S	EFFECT/DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONTROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul style="list-style-type: none"> <li>responsible waste management</li> <li>- Implement a culture of correct waste collection, waste segregation and waste disposal</li> <li>- Avoid hazardous waste on site</li> <li>- Wastewater discharges will be contained – no disposal of waste water</li> </ul>	
Land clearing for construction activities of the lodge and land clearing for the trenching and lay of the water pipeline	<b>Terrestrial Ecology and biodiversity</b>	<ul style="list-style-type: none"> <li>Habitat fragmentation from clearing</li> <li>Habitat loss from excessive clearing of land</li> <li>Increased land clearance exposure can cause potential to plant elimination and soil erosion</li> </ul>	<ul style="list-style-type: none"> <li>Adverse</li> <li>Direct</li> <li>Partially-reversible</li> <li>Minor</li> <li>Local</li> <li>Short-term</li> <li>Likely</li> </ul>	Medium	Minor	Minor (3)	<ul style="list-style-type: none"> <li>- Use existing tracks where possible</li> <li>- Route new tracks around established and protected trees, and clumps of vegetation</li> <li>- Identify rare, endangered, threatened and protected species and demarcate them and avoid cutting them down.</li> <li>- All workers shall be notified to avoid any excluded areas or protected species</li> <li>- Natural drainage patterns should be</li> </ul>	Low (2)



DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF POTENTIAL IMPACT/S	EFFECT/DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONTROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul style="list-style-type: none"> <li>restored</li> <li>- Relocation of protected plant species if disturbance cannot be avoided.</li> </ul>	
Increased vehicle and human movements	<b>Terrestrial Ecology and biodiversity</b>	<p>Possible injury or death of animals</p> <p>Dust creation</p> <p>Off-road tracks creation</p> <p>Increased noise in the surrounding area</p> <p>Possible increased illegal hunting of wildlife in the area</p> <p>Potential human-wildlife conflict</p>	<p>Adverse</p> <p>Direct</p> <p>Partially - reversible</p> <p>Minor</p> <p>Local</p> <p>Short-term</p> <p>Likely</p>	Medium	Minor	Minor (3)	<ul style="list-style-type: none"> <li>- Use existing tracks where possible</li> <li>- No driving off designated access routes (into the bush) / off-road driving</li> <li>- Practise dust suppression mitigation measures</li> <li>- No driving by night without permission or accompanied by personnel of the lodge or authority officials</li> <li>- Maintain a speed limit on the access road to the proposed site area</li> <li>- A security plan needs to be established, approved and co-signed by Parks as a mitigation to poaching during construction and to be revised and approved</li> </ul>	Low (2)

DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF POTENTIAL IMPACT/S	EFFECT/DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONTROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							again during operations	
Dust creation due to construction activities and vehicle movements in the area	<b>Community</b>	Impacts of public health and visibility due to increased air pollutions in the area  Impact on fauna and flora	Adverse Direct Reversible Minor Local Temporary Unlikely	Low	Minor	Low (2)	<ul style="list-style-type: none"> <li>- Avoid off-road driving</li> <li>- Apply dust suppression methods- water sprinkling</li> <li>- Communication with farmers / landowners / neighbours.</li> </ul>	Low (2)
Light may cause disturbance / disorientation of animals at night	<b>Community and environment</b>	Disruption to neighbour and nearby settlements  Disturbance of local wildlife	Adverse Direct Reversible Moderate Local Temporary Unlikely	Low	Moderate	Low (2)	<ul style="list-style-type: none"> <li>- No construction activities to be conducted (between dusk and dawn, on Sundays and on public holidays</li> </ul>	Low (1)
Noise and light may act as a distraction / attraction to different species.	<b>Community and environment</b>	Construction impacts such as noise and light may cause disturbances to neighbouring residents	Adverse Direct Reversible Minor Local Temporary Possible	Low	Minor	Minor (3)	<ul style="list-style-type: none"> <li>- No construction activities to be conducted (between dusk and dawn, on Sundays and on public holidays</li> </ul>	Low (2)
Visual impact because of new structures and development in	<b>Neighbours / Landowners / Tourists</b>	Changes to aesthetics - disturbed view from the road	Adverse Direct Reversible Minor	Low	Minor	Low (2)	<ul style="list-style-type: none"> <li>- Maintain good housekeeping on site</li> <li>- Building material is low rise and made of natural</li> </ul>	Low (1)

DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF POTENTIAL IMPACT/S	EFFECT/DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONTROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
the area		(tourists and local community)	Local Short-term Reversible Likely				material therefore, it is unlikely that the lodge will have any impact of the landscape of the local community.	
Development and construction of buildings, water tank and reservoir, power supply, new tracks and roads	<b>Topography and landscape</b>	Environmental disturbance Loss of flora and fauna Disturbance of migratory animals in the area Loss of sense in the naturalness of the landscape	Adverse Direct Reversible Moderate Local Short-term Reversible Likely	Low	Moderate	Minor (3)	<ul style="list-style-type: none"> <li>- Make use of existing tracks if available</li> <li>- When developing a new track off an existing roadway ensure the junction is discreet and safe</li> <li>- Monitor the condition of the track before, during, and after use</li> <li>- Do not needlessly remove vegetation.</li> <li>- Consider development site area away from migratory animal tracks</li> </ul>	Low (2)
Potential to unearth archaeological remains Direct and indirect impacts to cultural	<b>Heritage</b>	Potential damage to cultural heritage sites	Adverse Direct Irreversible Major National Permanent Possible	High	Moderate	Major (9)	If discovery of unearthed archaeological remains to be uncovered, the following measures (chance find procedure) shall be applied:	Minor (4)

DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF POTENTIAL IMPACT/S	EFFECT/DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONTROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
resources							<ul style="list-style-type: none"> <li>- Works to cease, area to be demarcated with appropriate tape by the site supervisor, and the Site Manger to be informed</li> <li>- Site Manager to visit the site and determine whether work can proceed without damage to findings, mark exclusions boundary</li> <li>- If work cannot proceed without damage to findings, Site Manager is to inform the Environmental Manager who will get in touch with an archaeologist for advice</li> <li>- Archaeological specialist is to evaluate the significance of the remains and identify appropriate action, for example, record and remove; relocate or leave in situ (depending on the nature and value</li> </ul>	

DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF POTENTIAL IMPACT/S	EFFECT/DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONTROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul style="list-style-type: none"> <li>of the remains)</li> <li>– Inform the police if the remains are human, and</li> <li>– Obtain appropriate clearance or approval from the competent authority, if required, and recover and remove the remains to the National Museum or National Forensic Laboratory as appropriate.</li> </ul>	
Job creation due to proposed development activities	<b>Socio-economic</b>	<p>Employment creation and skills development</p> <p>Knowledge and technology skills transfer to workers during the operational phase and training of local employees</p>	<p>Beneficial</p> <p>Direct</p> <p>Reversible</p> <p>High</p> <p>National</p> <p>Long-term</p> <p>Certain</p>	Medium	Major (Beneficial)	Major (8)	<ul style="list-style-type: none"> <li>– Maximise local employment and local business opportunities to promote and improve the local economy</li> <li>– Enhance the use of local labour and local skills as far as reasonably possible. Where the required skills do not occur locally, and where appropriate and applicable, ensure that relevant local individuals are trained, and</li> </ul>	Low major beneficial

DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF POTENTIAL IMPACT/S	EFFECT/DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONTROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<ul style="list-style-type: none"> <li>Ensure that goods and services are sourced from the local and regional economy as far as reasonably possible</li> </ul>	
Increased people in the area	<b>Community</b>	Potential risk for social interactions and transmission of infectious diseases due to increased movement of people in the area	Adverse Direct Reversible Low Local Short-term Likely	Low	Moderate	Minor (3)	<ul style="list-style-type: none"> <li>Provide public awareness toolkits and informative notices on infectious diseases and preventive measures</li> <li>Ensure distribution of protection items such as condoms at the lodge</li> </ul>	Low (2)
Generation of waste due to development activities	<b>Community &amp; Environment</b>	Nuisances (odours and visual) due to litter (nuisance and ecological risk) and lay down area during construction phase  Increased pollution in the area from waste such as loose plastic items etc.	Adverse Direct Reversible Low On-site Short-term Likely	Low	Moderate	Minor (3)	<ul style="list-style-type: none"> <li>Training and toolbox talk to workers shall be provided</li> <li>Ensure good housekeeping across site</li> <li>Implement the waste management hierarchy across the site: avoid, reuse, and recycle</li> <li>Waste shall be collected and shall be removed on a regular basis to avoid bad odours</li> <li>It is unlikely that hazardous material and</li> </ul>	Low (2)

DESCRIPTION OF ACTIVITY	RECEPTOR	DESCRIPTION OF POTENTIAL IMPACT/S	EFFECT/DESCRIPTION OF MAGNITUDE	VALUE OF SENSITIVITY	MAGNITUDE OF CHANGE	SIGNIFICANCE OF IMPACT	IMPACT MANAGEMENT/CONTROL MEASURES	RESIDUAL IMPACT AFTER MITIGATION
							<p>wastes will be produced, however in the event that they do, they shall be managed in a safe and responsible manner so as to prevent contamination of soils, pollution of water and/or harm to people or animals as a result of the use of these materials, and</p> <ul style="list-style-type: none"> <li>– Hazardous and non-hazardous waste shall always be stored separately.</li> </ul>	

## 7 ENVIRONMENTAL MANAGEMENT PLAN

The EMP for the proposed project is presented in Appendix A. It provides management options to ensure the impacts of the proposed project are minimised. An EMP is a tool used to take pro-active action by addressing potential problems before they occur. This should limit the corrective measures needed, although additional mitigation measures might be included if necessary.

The management measures should be adhered to during all stages of the construction activities of the lodge. All persons involved and partaking in the proposed activities should be made aware of the measures outlined in the EMP to ensure activities are conducted in an environmentally sound manner.

The objectives of the EMP are:

- To include all components of the development and operations of the project
- To prescribe the best practicable control methods to lessen the environmental impacts associated with the project
- To monitor and audit the performance of operational personnel in applying such controls, and
- To ensure that appropriate environmental training is provided to responsible operational personnel.



## 8 CONCLUSION

The environmental assessment that was undertaken followed ECC's EIA methodology to identify if there is potential for significant effects to occur as a result of the proposed project.

All other social and environmental receptors were scoped out as requiring further assessment as it was unlikely that there would be significant effects. Through further analysis and identification of mitigation and management methods, the assessment concludes that the likely significance of effects on assessed construction and operational activities is expected to be minor. Various best practice and mitigation measures have been identified to avoid and reduce effects as far as reasonably practicable, as well as to ensure the environment is protected and unforeseen effects are avoided.

**On this basis, it is the opinion of ECC that an environmental clearance certificate could be issued, on conditions that the management and mitigation measures specified in the EMP are implemented and adhered to.**

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## APPENDIX A - EMP

## APPENDIX B - NON-TECHNICAL SUMMARY



ECC-104-208-NTS-01-B

### NON-TECHNICAL SUMMARY

DEVELOPMENT OF OLUPALE LODGE

PREPARED FOR OLUPALE LODGE (PTY) LTD



APRIL 2020

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PO BOX 91193 Windhoek Namibia  
Environmental Compliance Consultancy CC  
CC/2013/11404

## NON-TECHNICAL SUMMARY

### DEVELOPMENT OF THE OLUPALE LODGE IN THE IPUMBU YA TSHILONGO CONSERVANCY, OSHANA REGION, NAMIBIA

#### 1 PURPOSE OF THIS DOCUMENT

The purpose of this Non-Technical Summary (NTS) is to provide Interested and Affected Parties (I&APs) a background to the proposed project and to invite I&APs to register as part of the Environmental Impact Assessment (EIA) process. For the proposed development of the Olupale Lodge in the Ipumbu Ya Tshilongo Conservancy, I&APs are hereby invited to register as part of the EIA process. Through registering, all I&APs will be kept informed throughout the EIA process, and a platform for participation will be provided to submit comments/recommendations pertaining to the project.

This NTS includes the following information on:

- The proposed project and location
- The necessity of the project, benefits or adverse impacts anticipated
- The alternatives to the project have been considered and assessed
- How the EIA process works
- The public participation process and how to become involved, and
- Next steps and the way forward.

#### 2 DESCRIPTION OF PROPOSED PROJECT

##### 2.1 BRIEF INTRODUCTION

Environmental Compliance Consultancy (ECC) has been engaged by the proponent (Olupale Lodge (Pty) Ltd to undertake an EIA and Environmental Management Plan (EMP) in terms of the Environmental Management Act, 2007 and its regulations. An environmental clearance application will be submitted to the relevant competent authority, the Ministry of Environment, Forestry and Tourism (MEFT).

##### 2.2 LOCATION

The proposed project is located within the Ipumbu Ya Tshilongo Conservancy in the Oshana Region of Namibia (Figure 1).

##### 2.3 WHAT IS PROPOSED

The proponent, Nuvela Managerial and Marketing Services is a developer of numerous prestigious projects in Namibia, have worked on a number of hospitality projects and have developed and delivered multiple award winning facilities.

The function of the proposed lodge will be to attract visitors to the area by providing a high standard of accommodation and excellent service.

The proposed operational activities for this site are:

- Nature drives into the Etosha National Park
- Cultural experience and interaction with the community
- Horseback riding, hiking and nature walks

##### 2.4 OPERATION PHASE

The proposed construction activities are low-impact and non-intrusive. The following are envisaged during the proposed project:

- Potential creation of access tracks, where existing tracks cannot be utilised
- Possible construction of drainage infrastructure, a solar system for energy and water supply infrastructure, a sewerage treatment facility and associated connections
- Construction of a 40-room luxury lodge, inclusive of a spa and a lounge area

- Construction of a high standard restaurant and bar, serving a la carte lunches, buffet dinners and breakfasts
- Development of a rim flow pool with sunbathing deck, open air seating and pool bar

## 2.5 WHY IS THE PROJECT NEEDED

The development of Olupale Lodge will aid development in the region whilst offering tourists a higher-valued service, which will cater for middle to upper market tourists seeking a reasonably priced lodge. The new development will expose tourists to a cultural experience in the Owamboland area, specifically the Ipumbu Ya Tshilongo Conservancy, Namibia. This area has large tourism potential and will generate income for the local community.

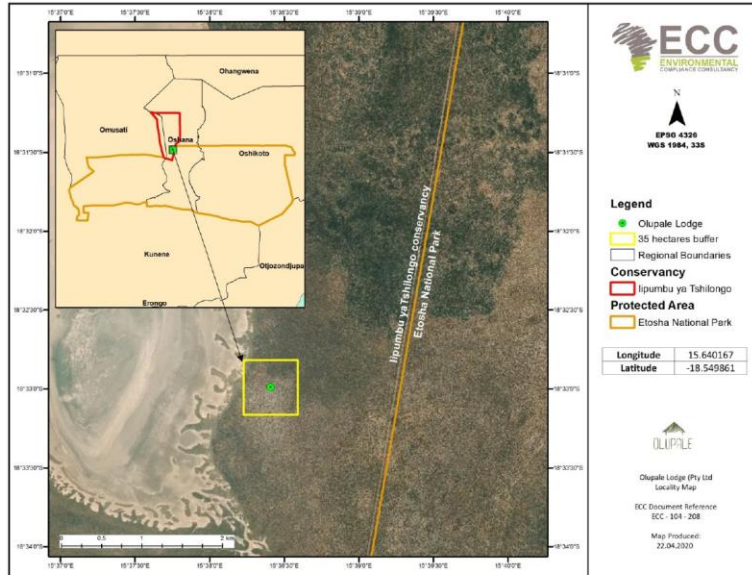


FIGURE 1 – LOCATION MAP OF THE PROPOSED PROJECT  
APRIL 2020

## 2.6 POTENTIAL IMPACTS OF THE PROJECT

### 2.6.1 SOCIO-ECONOMIC

The potential social impacts are anticipated to be of low significance, and those that may transpire shall be confined within the proposed project sites; these potential impacts may include the following:

- Potential to unearth, damage or destroy undiscovered heritage remains
- Some jobs will be created as a result of the project, and
- Potential economic benefits due to increased income in the Namibian tourism sector.

### 2.6.2 ENVIRONMENTAL

The potential environmental impacts are anticipated to be of minor significance, and those that may occur shall be contained within the site, these potential impacts may include the following:

- Potential use of resources, including surface and groundwater,
- The generation and management of waste,
- Construction of infrastructure including access roads, and
- Potential creation of noise and dust due to construction activities.

## 3 CONSIDERATION OF ALTERNATIVES

Best practice environmental assessment methodology calls for consideration and assessment of alternatives to a proposed project.

In a project such as this one, it is difficult to identify alternatives to satisfy the need of the proposed project; the activities shall be specific to the sites.

During the assessment, alternatives will take the form of a consideration of optimisation and efficiency to reduce potential effects.

## 4 THE ENVIRONMENTAL ASSESSMENT PROCESS

This EIA, conducted by ECC, is undertaken in terms of the Environmental Management Act, No. 7 of 2007 and its regulations. The process followed in this EIA is set out in the flowchart in Figure 2.

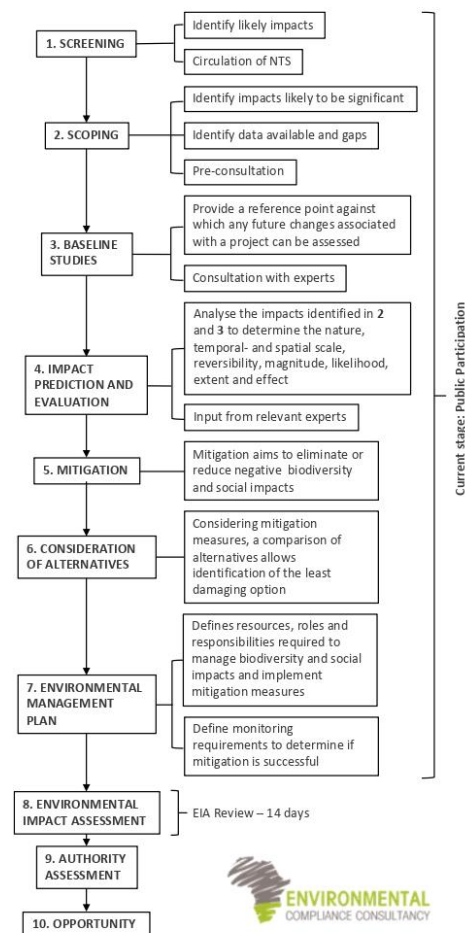


FIGURE 2 - FLOWCHART OF THE ENVIRONMENTAL ASSESSMENT PROCESS



#### 4.1 SCREENING

A review of the proposed project screening findings against the listed activities was conducted; the findings of which are summarised below:

##### **ENERGY GENERATION, TRANSMISSION AND STORAGE ACTIVITIES**

1. The construction of facilities for
  - (a) The generation of Electricity
  - (b) The transmission and supply of electricity

##### **WASTE MANAGEMENT, TREATMENT, HANDLING, AND DISPOSAL ACTIVITIES**

- 2.1 The construction of waste sites, treatment of waste and disposal of waste
- 2.3 The import, processing, use and recycling, temporary storage, transit or export of waste

##### **MINING AND QUARRYING ACTIVITIES**

- (3.2) Other forms of mining or extraction of any natural resources whether regulated by law or not.

##### **FORESTRY ACTIVITIES**

- (4) The clearance of forest areas, deforestation, forestation, timber harvesting or any other related activity that requires authorisation in term of the Forest Act, 2001 (Act No. 12 of 2001) or any other law.

##### **TOURISM DEVELOPMENT ACTIVITIES**

6. The construction of resorts, lodges, hotels or other tourism and hospitality facilities

##### **WATER RESOURCE DEVELOPMENTS**

- (8.5) Construction of dams, reservoirs, levees and weirs
- 8.6 Construction of industrial and domestic wastewater treatment plants and related pipeline system

The potential environmental and social effects are anticipated to be of minor significance, and those that may occur shall be contained on the proposed lodge sites.

#### 4.2 SCOPING

Due to the nature of the proposed project, and the implementation of industry best practice mitigation measures during the development phase of the project, the effects on the environment and society are expected to be minimal and localised.

#### 4.3 BASELINE STUDIES

For the proposed project, baseline information was obtained through a desk-based study and site verification processes through focusing on the environmental receptors that could be affected by the proposed project. ECC will also engage with stakeholders, I&APs and the proponents to seek input into the assessment.

#### 4.4 IMPACT ASSESSMENT

Impacts will be assessed using the ECC EIA methodology. The EIA will be conducted in terms of the Environmental Management Act, No. 7 of 2007 and its regulations. ECC's methodology for impact assessments was developed using IFC standards in particular Performance Standard 1 'Assessment and management of environmental and social risks and impacts' (IFC 2012, 2017) and Namibian Draft Procedures and Guidance for EIA and EMP (GRN, 2008), including international and national best practice with over 25 years of combined EIA experience.

#### 4.5 ENVIRONMENTAL MANAGEMENT PLAN

An EMP shall be developed for the proposed project setting out auditable management actions for the Olupale Lodge to ensure careful and sustainable management measures are implemented for their activities in respect of the surrounding environment and community.

- Advertise the environmental application in two national newspapers
- Place notices on-site at or near the boundary
- If required host a public meeting to encourage stakeholder participation and engagement, and provide details of issues identified by the environmental practitioner, stakeholders and I&APs
- Record all comments of I&APs and present such comments, as well as responses provided by ECC, in the comments and responses report, which will be included in the scoping report that shall be submitted with the application, and
- Circulate I&AP comments to the project team for consideration of project design.

Comments must be submitted in writing and can be emailed using the details in the contact us section below.

#### CONTACT US

We welcome any enquiries regarding this document and its content. Please contact:

**Environmental Compliance Consultancy (ECC)**

[info@eccenvironmental.com](mailto:info@eccenvironmental.com)

Tel: +264 816 697 608

[www.eccenvironmental.com](http://www.eccenvironmental.com)

At ECC we make sure all information is easily accessible to the public.

Follow us online to be kept up to date:



## APPENDIX C - EVIDENCE OF PUBLIC CONSULTATION

The following was advertised in the Namibian newspaper on the 18<sup>th</sup> and 26<sup>th</sup> of May 2020.

16 MONDAY 18 MAY 2020

THE NAMIBIAN



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**NOTICE OF ENVIRONMENTAL ASSESSMENT & PUBLIC PARTICIPATION PROCESS**  
**DEVELOPMENT OF THE DRIEFONTEIN SAFARI LODGE IN THE KUNENE REGION & THE OLUPALE LODGE IN THE OSHANA REGION**

Environmental Compliance Consultancy CC (ECC) hereby gives notice to the public that an application for an environmental clearance certificate in terms of the Environmental Management Act, No. 7 of 2007 will be made as per the following:

**Applicant & Location:** Driefontein Safari Lodge (Pty) Ltd in the Torra Conservancy, Kunene Region, Namibia & Olupale Lodge (Pty) Ltd in the Iipumbu 'ya Tshilongo Conservancy, Oshana Region, Namibia

**Environmental Assessment Practitioner (EAP):** Environmental Compliance Consultancy

**Project:** Proposed development of the Driefontein Safari Lodge in the, Kunene Region and the Olupale Lodge in the Oshana Region, Namibia.

**Proposed Activity:** The proposed projects include the development of 30 - 40 room luxury lodge, tented camp and camping on each site. Additional activities to be carried out on sites may include the construction of a water sewage system, water pipeline for water supply and a powerline.



**Application for environmental clearance certificate:** In terms of the Environmental Management Act, No. 7 of 2007, ECC on behalf of the client is required to apply for environmental clearance to the Ministry of Environment, Forestry and Tourism for the above-mentioned project.

**Purpose of the Review and Comment Period:** The purpose of the review and comment period is to present the proposed project and to afford interested and affected parties (I&APs) an opportunity to comment on the project to ensure that all issues and concerns are captured and considered in the assessment.

**Review Period:** The review and comment period is effective from 18<sup>th</sup> of May – 08<sup>th</sup> June 2020.

**How you can participate:** ECC is undertaking the required environmental assessment and public participation process in terms of the Act. I&APs and stakeholders are required to register for the project at: <https://eccenvironmental.com/projects/>

Environmental Compliance Consultancy  
Registration Number: CC/2013/13404  
Members: Mr JS Besselsdout of Mrs J Mooney  
PO Box 51193, Klein Windhoek  
Tel: +264 81 669 7608  
Email: [info@eccenvironmental.com](mailto:info@eccenvironmental.com)  
Website: <http://www.eccenvironmental.com>  
Project ID: ECC-104-207-A07-04-C



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Interested persons should visit [careers.standardbank.com](https://careers.standardbank.com) for more information on the following vacancy:

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**Closing date: 26 May 2020**

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## Millennium Group

### VACANCIES

The Millennium Group, is an equal opportunity employer. The Group hereby invites suitable qualified and experienced candidates to apply for the following vacant positions:

**POSITION: INTERNAL AUDITOR – CONSULTANT**

**Purpose of internal audit position:**

- To evaluate and improve effectiveness and efficiency of risk management, financial management, operational controls and governance processes. To ensure regulations and internal controls and policies are followed, that standards are adhered to, that organization's objectives are effectively achieved by using a systematic and disciplined approach, and to deal with related matters.

**Educational Qualifications & Experience:**

- Ideally a graduate in internal auditing from an accredited institution. At least 5 years' experience in Internal Auditing
- Certified Internal Auditor (CIA) will be an added advantage
- Minimum of 5 years performing financial and/or control audits

**Skills:**

- Strong verbal and written communication skills, strong analytical skills
- High attention to details, good interpersonal relations, organizational skills,

**POSITION: ACCOUNTANT**

**Key Performance Area**

- Must have experience in bookkeeping,
- Prepare balance sheets, perform reconciliation of accounts,

**Education Qualifications & Experience:**

- Degree in accounting or finance, must have completed articles
- Extensive knowledge of Pastel to be able to update customer and supplier information.
- 5 years of accounting and finance experience

**Skills:**

- Effective communication and good organizational skills, pays attention to detail, strong time management skills


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Enquiries: Tel: +264 61 256698/9 - Ms. Kondjesho Haufiku/Mr. Abisal Nghimwenavali

**APPLICATION PROCEDURE:**

Kindly submit a written application accompanied by a comprehensive CV to the undersigned to reach us no later than **29th May 2020**.  
Email: [hr@millennium-invest.com](mailto:hr@millennium-invest.com)

**NB:** Only short listed candidates will be contacted and no documents will be returned.



**ERONGO REGIONAL COUNCIL**

**PROCUREMENT MANAGEMENT UNIT**

**INVITATION FOR OPEN NATIONAL BIDDING**

**ERONGO REGIONAL COUNCIL INVITES INTERESTED BIDDERS TO APPLY FOR THE FOLLOWING BIDS:**

- 1. PROCUREMENT REF. NUMBER: NCS/ON/ERC - 01/ 2020/2021**

**DESCRIPTION:** LEASING OF MULTIFUNCTIONAL PRINTERS TO OFFICES AND SCHOOLS FOR THE PERIOD OF THREE (3) YEARS.
- 2. PROCUREMENT REF. NUMBER: NCS/ON/ERC - 02/ 2020/2021**

**DESCRIPTION:** PUMPING OF SEPTIC TANKS AND REFUSE REMOVAL OF SCHOOLS AND HOSTELS FOR THE PERIOD OF TWO (2) YEARS: DIRECTORATE OF EDUCATION, ARTS AND CULTURE

**BID DOCUMENTS:** AVAILABLE AS FROM 19 MAY 2020 AT THE ERONGO REGIONAL COUNCIL, DIRECTORATE OF EDUCATION, ARTS AND CULTURE HEADS OFFICE IN SWAKOPMUND

**CLOSING DATE:** AT 10H00, Tuesday, 23 June 2020

**LEVY:** NS300.00 (NON-REFUNDABLE) NCS/ON/ERC - 01/ 2020/2021  
NS100.00 (NON-REFUNDABLE) NCS/ON/ERC - 02/ 2020/2021  
PAYABLE FROM 08H00-12H00 AT: ERONGO REGIONAL COUNCIL, DIRECTORATE OF EDUCATION, ARTS AND CULTURE'S CASHIER, FINANCE DEPARTMENT, ROOM 31

**DELIVERY:** SEALED ENVELOPES MUST BE DEPOSITED INTO THE BID BOX CLEARLY MARKED WITH THE SAME PROCUREMENT REFERENCE NUMBER AT RECEPTION OF ERONGO REGIONAL COUNCIL

**CONTACT NUMBERS:**

Administrative queries:  
MR. HANS /HOESEB, TEL: +264 64-4105000  
MR. TAJURUBE HUMU, TEL: +264 64-4105000  
Technical queries: MR.PETER NSAMBA  
(LEASING OF MULTIFUNCTIONAL PRINTERS), Tel. 064-4105117  
MR GODFRIED MUHINAPEZE (PUMPING OF SEPTIC TANKS)  
Cell. 0812576888

# Africa Day: Proud Of Who We Are

• RINELDA MOUTON

AFRICA Day was celebrated yesterday, and although public events are still not permitted due to Covid-19, the occasion was widely honoured on social media.

Several artists took to social media sharing powerful messages on what it means to be African.

Leading songbird and prolific songwriter Erna Chimu said Africans must be thankful for this day, because it acknowledges the continent's many achievements and reflects on the myriad challenges still negatively impacting its development.

"In the past many Africans only knew about the existence of artists such as Salif Keita, but the growth of social media has made it easier for other artists to be identified, and this is wonderful. It however breaks my heart to see many Africans being fed with more Western music than African by television and radio," Chimu said.

She said Africa is a beautiful continent and many areas still have to be discovered.

"Let's be proud of our culture and who we are," she said.

Multiple award-winning musician Elemocho yesterday shared screen time with well-known African artists such as Salif Keita, Angélique Kidjo, Ismael Lo, Youssou N'Dour, Jimmy Cliff and Naomi Campbell on a show hosted by Worldwide Afro Network (WAN).

The show '#IAMWAN' was aimed at creating awareness and fostering solidarity in the face of the Covid-19 pandemic in order to promote initiatives from Africa and its diaspora.

"This is an amazing online event and I am honoured to be involved as a Namibian artist. This is an initiative by Africans, for Africans, and I am super proud to be part of it," Elemocho said.



Photo: facebook/Elemocho Management

Elemocho

He urged Africans to realise their value.

"I hope as Africans we grow to understand our worth, or else we will forever be slaves to other's perceptions and influence. This is the motherland of all popular musical styles. Imagine what we could do if we knew we came from a strong culture of music and art? The sad thing is everyone knows it but us."

Maria Immanuel, popularly known as 'ML', yesterday released a new live recording called 'Alulange' (Bring Me Back) on YouTube, dedicated to Africa Day. The session was recorded at

Nautilus Studio at Swakopmund. "The song is about helping someone do what is right," she said.

ML chose to release the song on Africa Day, because "I am passionate about pan-Africanism", she said.

"A-list African artists are often not keen on working with other Africans. They are more willing to team up with artists from other countries such as America. I love seeing how upcoming artists in Africa are working together. If we work together, we will make our continent more beautiful and special. I hope every African enjoyed our special day," ML said.

# 'At Home' with Mel Mwevi

• JAMES JAMU

THE Goethe-Institut Namibia's latest 'At Home' series featured performer and artist Mel Mwevi, who led an ensemble featuring nostalgic melodies and hearty poetry.

The show was live-streamed on the Goethe-Institut Namibia's Facebook page and YouTube on Friday evening.

It featured instrumentalist Raymond Mup, also known as 'Sir Ray' on bass guitar, Mutsa Lairdman on keys, and Emmanuel Ndifon on drums.

The show kicked off with a song entitled 'Shedding', which begins with a cover intro from Beyoncé's popular 2000s hit 'Me Myself & I'.

Mwevi says the song was written to allow herself and her listeners to let go of the ups and downs of daily life.

She opened up about falling in love and stumbling on the journey of life.

The Covid-19 pandemic erased the luxury of being present at live performances in public spaces like the Goethe-Institut, which previously also housed exhibitions and film screenings.

The 'At Home' series has allowed mu-

sic lovers to connect with artists in an intimate setting despite the changes the world is currently experiencing.

The future of art and music is a pertinent subject many artists are pondering.

"I was nervous the entire day, because I am used to performing in front of people. I had to get used to not seeing a face. I learned a lot and had a fairly great experience. I had loved ones from all over the world watching my concert. My 98-year-old grandmother sat comfortably in her living room and adored it," she said.

"Virtual live concerts are the way forward. As artists we have to tap into the senses of our audience members and reach out to them. I asked people to drink tea with me and also send selfies of them watching the show so I could visualise them."



Photo: Contributed

Mel Mwevi

## From The Twittersphere



AND that's it. The fourth and final Namibian public holiday (Africa Day) for the month of May is now a thing of the past. Tweeps juice up, liquor down, and count their socks...

#YouKnowYoureAfricanWhen...  
@bnc\_363: Your parents want grandchildren but don't want you to have sex.  
@Dankiz23: You get beaten for fighting, for losing a fight, and for winning a fight...

@Niusiku\_: The elders take the best meat first.

@imiretinzzy\_: You have a pair of black genes.

@m\_konklowe: Music isn't music till the volume is high.

@SilvanusPaulus: The neighbour buys a new vehicle and you either say it's not the latest or say they should have painted their house first.

@Neo\_Yogge: Visitors come to your home and juice comes out of nowhere...

@Mchisadeke: Adults never fart or tell lies.

#JustSaying

@emphlequill: An end to Taurus season means we have to hand over the rest of the year to all of the other procrastinators. It'll still be 2020 next year once we give it to the Virgos. Ait. Imma dip.

@DaveMkassi: Not having left the house in ages, I haven't given much thought to the contents of my sock drawer. I opened it this morning and smiled. Socks are nice.

#YouAreAKnowItAllWhen

@Green\_Greenly: You eat a burger ka fork and knife. Yes, I'm judging you...

@NwanakoSoshie: You speak English in a taxi.

@Akansisiphonye: You think you can sell a N\$10 bottle of alcohol for N\$600. Jesus, who are you?

@Gawndi\_ariison: You always remind the teacher about homework.

@Busisive\_22: You post something and say "Only Legends Will Understand"...



@KvriSinatra: #YouKnowYoureAfricanWhen your parent tells you not to change the channel because they're still watching...

Overheard

@Dotgybasi: I want you but I don't need you <<< RT @Slange\_A: Dear alcohol...

@ZwoPrudence: So, SA government wants to open liquor stores before opening the church? We are doomed <<< RT @razzyvella: Church gatherings globally have contributed to the spread of the virus, in some instances resulting in thousands of infections from a single service. We still pay tithes and offerings and can attend online. Liquor store workers are suffering from loss of income. It's a no-brainer.

Passing Shots

@BravoLinosi: Proverbs 19 vs 4. Wealth makes many friends; poverty drives them all away.

@weybedine: Cape Town should change its name to Ratanga Junction because its about to be closed for most of the year.

— Compiled by Jean Sutherland from twitter.com; follow me at @JeanNamibia



### NOTICE OF ENVIRONMENTAL ASSESSMENT & PUBLIC PARTICIPATION PROCESS DEVELOPMENT OF THE DRIEFONTEIN SAFARI LODGE IN THE KUNENE REGION & THE OLUPALE LODGE IN THE OSHANA REGION

Environmental Compliance Consultancy CC (ECC) hereby gives notice to the public that an application for an environmental clearance certificate in terms of the Environmental Management Act, No. 7 of 2007 will be made as per the following:

**Applicant & Location:** Driefontein Safari Lodge (Pty) Ltd in the Torra Conservancy, Kunene Region, Namibia & Olupale Lodge (Pty) Ltd in the Ilupumbu Ya Tshilongo Conservancy, Oshana Region, Namibia

**Environmental Assessment Practitioner (EAP):** Environmental Compliance Consultancy

**Project:** Proposed development of the Driefontein Safari Lodge in the, Kunene Region and the Olupale Lodge in the Oshana Region, Namibia.

**Proposed Activity:** The proposed projects include the development of 30 - 40 room luxury lodge, tented camp and camping on each site. Additional activities to be carried out on sites may include the construction of a water sewage system, water pipeline for water supply and a powerline.

**Application for environmental clearance certificate:** In terms of the Environmental Management Act, No. 7 of 2007, ECC on behalf of the client is required to apply for environmental clearance to the Ministry of Environment, Forestry and Tourism for the above-mentioned project.

**Purpose of the Review and Comment Period:** The purpose of the review and comment period is to present the proposed project and to afford interested and affected parties (I&APs) an opportunity to comment on the project to ensure that all issues and concerns are captured and considered in the assessment.


**Review Period:** The review and comment period is effective from 18<sup>th</sup> of May – 08<sup>th</sup> June 2020.

**How you can participate:** ECC is undertaking the required environmental assessment and public participation process in terms of the Act. I&APs and stakeholders are required to register for the project at: <https://eccenvironmental.com/projects/>

Environmental Compliance Consultancy  
Registration Number: CC/2013/11404  
Members: Mr JS Bezuidenhout or Mrs J Moonen  
PO Box 91193, Klein Windhoek  
Tel: +264 81 669 7608  
E-mail: [info@eccenvironmental.com](mailto:info@eccenvironmental.com)  
Website: <http://www.eccenvironmental.com>  
Project ID: ECC-104-207-ADT-04-C



The following was advertised in the Informante on the 18<sup>th</sup> of May and 26<sup>th</sup> of May 2020, (online newspaper).



HOME
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Conservancy, Usnana Region, Namibia


**Environmental Assessment Practitioner (EAP):** Environmental Compliance Consultancy

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Coastal	103.3

Promotion



**FRIDAY, 3 APRIL 2020  
RENAISSANCE HEALTH MEDICAL AID FUND COMMITTS  
RESOLUTIONS TOWARDS THE FIGHT AGAINST COVID-19.**

As one of the leaders in the private health medical funding industry in Namibia, Renaissance Health Medical Aid Society is eager to ensure the health and well-being of all our members in specific and of all the Namibians in general.

Following the coronavirus pandemic, which has placed our ordinary people and demands on leaders in Public Services and Hospital and more specifically the President of the Republic of Namibia Dr. Hage G. Geingob to reassess the industry. Renaissance Health Medical Aid Fund has committed itself to provide financial assistance to the industry to ensure that the medical equipment in line with the national plan towards COVID - 19 Furthermore, the supply of services provided will be delivered in the spirit of solidarity.

Renaissance Health has implemented several measures and quarantine requirements, which are important to safeguard public health. This, in addition to our moral and responsibility to ensure that the health and safety of our members are taken care of and taking cognizance of the fact that a crisis involves many concerns and our people should all contribute to face with human dignity and our first priority is to face an emerging global pandemic in a responsible way.

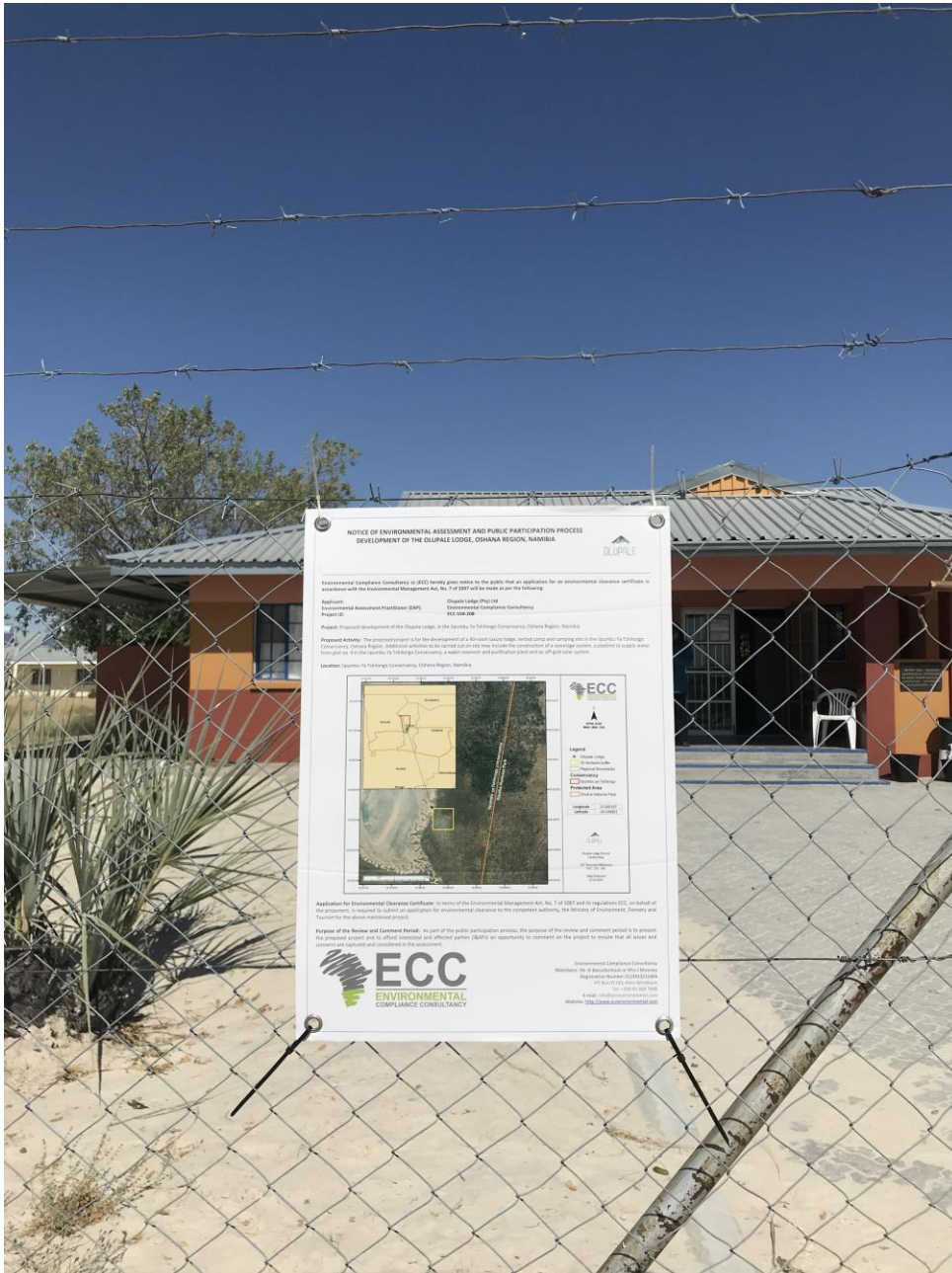
In response to the health-care crisis, Renaissance is encouraging all those who are able to make a contribution to do so, and for everyone to adhere to the lockdown guidelines to ensure that the Namibian nation remain united in overcoming the crisis.

Yours in Health,  
Esther Wilson  
Principal Officer

« Previous : Officeconomix

Next : » Stop n Stay Otavi - Rest Camp

SITE NOTICES



## PUBLIC MEETING (AGENDA AND MINUTES OF MEETING)



+264 81 669 7608

info@eccenvironmental.com

www.eccenvironmental.com



**Project Title:** The Driefontein safari & Olupale Lodges  
**Scheduled date:** 18 -22 May 2020

Nuvella Managerial and Marketing Services is a developer of numerous prestigious hospitality entities in Namibia, among which count Epacha Game Lodge and Spa, Eagle Tented Lodge and Intu Afrika Kalahari Reserve including Zebra Kalahari Lodge, Suricate Tented Lodge and Camelthorn Lodge, Le Mirage Desert Lodge and Spa, Divava Okavango Lodge and Spa, Villa Verdi Guest House and Gochaganas Game lodge.

The company plans to develop the Driefontein Nature Lodge near Bergsig in the Torra Conservancy in the Kunene Region as well as the Olupale Lodge in the Ipumbu Ya Tshilongo Conservancy north of the Etosha National Park in the Omusati Region.

Environmental Compliance Consultancy (ECC) was appointed to assess the potential impacts of these two developments, as required by the Environmental Management Act, No. 7 of 2007 and its regulations. Potential impacts of the proposed developments are assessed and documented and will be submitted to the Directorate of Environmental Affairs (DEA) at the Ministry of Environment, Forestry and Tourism (MEFT) for review as part of the applications for environmental clearance certificate.

Public participation and consultation are key requirements in terms of Section 21 of the Environmental Management Act, No. 7 of 2007 and its regulations for a project that requires an environmental clearance certificate. Consultation is a compulsory and critical component in the impact assessment process, aimed at achieving transparent decision-making, provide many benefits and is a key step to inform stakeholders.

**Public meetings with stakeholders of the proposed developments at Driefontein and Olupale are planned during the week 18 – 22 May 2020. The proposed agenda for these meetings are:**

1. Welcome and introductions
2. Meeting formalities and purpose of the meeting
3. Presentation of information:
  - a. Background and overview of the development
  - b. Processes and progress
4. General discussions, comments and questions
5. The way forward
6. Closure

ENVIRONMENTAL COMPLIANCE CONSULTANCY CC  
PO BOX 91193 WINDHOEK, NAMIBIA  
MEMBERS: J L MOONEY & JS BEZUIDENHOUT  
REGISTRATION NUMBER: CC/2013/11404



### Meeting minutes

**Meeting subject:** Public participation meeting for the proposed Olupale Lodge in the lipumbu Ya Tshilongo Conservancy

**ECC Reference:** ECC-104-208-MOM-07-A

Date: Thursday, 21.05.2020

Time: 11:00AM

Venue: Engombe growth point, Uuvudhiya constituency

#### 1. Introductions and Attendance:

Name:	Company:	Present	Absent
1. Lovisa Amwele (LA)	ECC	x	
2. Pierre Smit (PS)	ECC	x	
3. Christopher Van de Vijver (CVV)	NUVELLA	x	
4. Jonna litengula (JI)	IYC	x	
5. Isaac D.N (ID)	IYC	x	
6. Rauna Gebhard (RG)	MET	x	
7. Ismael Mwanyangapo (IM)	MET	x	
8. Community members (CM)	IYC	x	

#### 2. Opening

- Welcoming, emphasise and explain the importance of tourism in Namibia.
- Welcoming from the lipumbu Ya Tshilongo conservancy.
- Brief introduction of Nuvella company and their footprint in the Namibian tourism industry.

#### 3. Processes

- What does the zonation of the conservancy stipulate? Does the proposed location of the lodge fit into the right land use zone?
- Movement of wild animals – some trees that are fruit bearing can attract animals such as elephants – how will it be managed? Will there be compensation when domesticated animals are killed and properties are damaged?
- The routing and permission to place the water pipeline
- A water pipeline of 20 km from Plot 9 to Olupale is proposed
- The construction period is limited by the rainy season
- Due to the potential of occasional frost, plants at the lodge need to be carefully selected.
- Is there any knowledge from community members if there are any heritage sites in the area?
- Plant vegetation that is suitable in the area and can survive the harsh environmental conditions such as Marura.

Confidential

[1]

21 May 2020





**3. The way forward**

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>All concerns must be documented and must reach the conservancy office within one week after the meeting.</li> <li>All communication needs to be directed through the conservancy management committee.</li> </ul> |  |
|--|--|

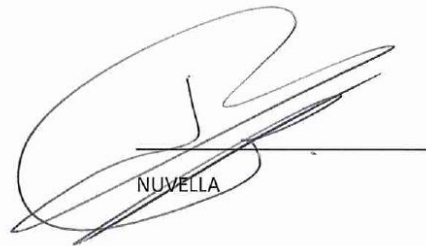
**4. Conclusion**

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>PS &amp; ID thanked all attendees for their time.</li> <li>Meeting closed at 12:50pm</li> </ul> |  |
|--|--|

Minutes approved on behalf of:



ECC



NUVELLA

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[ 2 ]

21 May 2020

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PO BOX 91193 Windhoek Namibia  
Environmental Compliance Consultancy CC  
06 2201211/1204

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 ☎ +264812627872  
 📠 +264816531214



Meeting Attendance Register

Date: 21 May 2020

Meeting Subject: - Olupale Lodge public meeting

Venue: Engombe growth point

	NAME	ORGANIZATION	EMAIL ADDRESS	CONTACT NUMBER	SIGNATURE
1	Lovisa	ECC	lovisa@eccenvironmental.com	0814351689	<i>Lovisa</i>
2	Pierre	ECC			
3	Isaac D.N	T.Yatshi Lodge	uaacnashumb@ gmail	0813097890	<i>Isaac</i>
4	Tomas Sheara	I.T. Hlongwe	Committee/4.7. ASS.	0875042375	<i>Tomas</i>
5	CHRISTOPHER UNOON	NOVELLA.	CHRISTOPHER@NOVELLA.COM.NA	0811242269	<i>Christopher</i>
6	SHILUMBA SILVANUS	IYC	P.O.Box 2448 Oshakati	0812360063	<i>Shilumba</i>
7	FRANS-MUNYALA	IYC TREASURER	PO BOX 915 OSHAKATI	0812949513	<i>Frans</i>
8	ALBERTINA GRAIN	IYC Secretary	PO BOX 40 Oshakati	0813386269	<i>Albertina</i>
9	KHISTA KIPINGE	P.P IYC		0812959802	<i>Khipinge</i>
10	Fenni Nambundu	IYC		0814080549	<i>Fenni</i>
11	Aili Janet	IYC	Pomtiy	0913959773	<i>Aili J</i>
12	Lusia Shupili	IYC member	lusiashipili@gmail.com	0813144601	<i>Lusia</i>
13	Raura Gebhard	MET	rngebhard@gmail.com	0812083913	<i>Raura</i>
14	Jonna BA Itengula	IYC	itengula@jbonpocense.com	081880016	<i>Jonna</i>
15	ISMAEL NIWANIKASAPU	MET	israelniwanikasapu@gmail.com	0812584341	<i>Ismael</i>

## LAND LEASE AND AUTHORITY AGREEMENTS

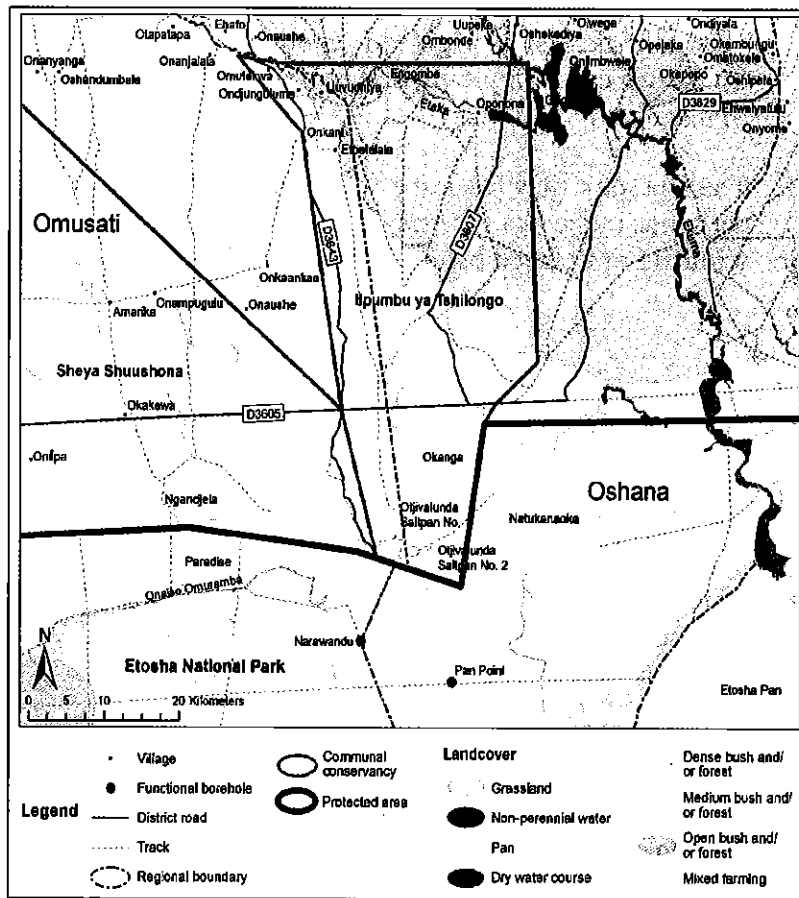
ANNEXURE A - TERMS AND CONDITIONS DRAFT

ANNEXURE A - TERMS AND CONDITIONS

1. TOURISM RIGHTS

Lodge Site

1.1. Subject to the terms of the Agreement the Conservancy shall make available to the Operator a Lodge Site to be situated to be agreed upon in the Conservancy Area (see Map 1)



Map 1: Conservancy Area.

Tourism development and operating rights

1.2. In accordance with the Operator's Proposal (Annexure B), the Operator shall have the following tourism development and operating rights:

1.2.1. The Operator shall have the right to develop, operate and maintain a 40 [forty] room lodge, including essential support infrastructure that includes access roads.

1.2.2. The construction of the Lodge Assets and / or major re-development of the Lodge Assets shall be confirmed in writing with the Conservancy before they are implemented. Such construction will be subject to the Environmental

R.I. HK R.W. M 1|Page

## ANNEXURE A - TERMS AND CONDITIONS DRAFT

Impact Assessment and have an Environmental Management Plan in accordance to the Environmental Management Act (2007).

### Activity rights

- 1.3. The Operator shall have the following activity rights:
  - 1.3.1. Game viewing drives inside the Etosha National Park in accordance with the Traversing Concession Contract between the Operator and Conservancy (Annexure C).
  - 1.3.2. The non-exclusive right to conduct guided drives and walks in the Conservancy Area provided that such activities conform to the Conservancy Management Plan.
  - 1.3.3. The Operator may request permission from the Conservancy to conduct other activities in the Conservancy Area. Such permission shall not be unreasonably withheld or delayed by the Conservancy.

### 2. CAPACITY LIMITS

- 2.1. The operating capacity limits at the Lodge Site is a 40 [forty] room lodge with staff housing and essential infrastructure.
- 2.2. If the Operator requires changes to capacity limits, then any such changes shall be based on the recommendation of an independent environmental expert, confirmed in writing by the Conservancy, and appended to this Agreement.

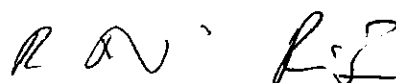
### 3. EFFECTIVE DATE

- 3.1. The Effective Date shall be the last date of signature on this Agreement.
- 3.2. This Agreement shall be valid for a period of 24 [twenty-four] years commencing on the first day of the Operational Period which will not be later than 12 [twelve] months after the Effective Date.
- 3.3. The duration for this Joint Venture Agreement and that of the Traversing Concession Contract (Annexure C) shall run concurrently.

### 4. RENEWAL

- 4.1. There is no automatic right of renewal associated with this Agreement.
- 4.2. Should the Conservancy elect to extend the granting of the operating rights as per clause 1 of this Annexure A or to appoint a management company, the Operator will have the

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**ANNEXURE A - TERMS AND CONDITIONS DRAFT**

right of first refusal subject to the same terms and conditions offered to any other prospect operator or management company.

- 4.3. At the end of the Agreement period or extended period or at such earlier time a may be provide herein, the Operator shall hand over its rights in the Lodge Assets to the Conservancy free of charges, liabilities, claims or encumbrances of any kind whatsoever and in good condition.

**5. RIGHT OF LEASEHOLD**

- 5.1 The Conservancy shall acquire in terms of the Communal Land Reform Act, 2002 the Right of Leasehold for 25 [twenty-five] years in the name of the Operator.
- 5.2 The Conservancy shall do everything within its power to support the Operator's application to the appropriate authorities for acquiring the Right of Leasehold.

**6. OPERATING FEE**

- 6.1. In consideration of the rights and opportunities the Operator receives under this Agreement, the Operator shall from the Effective Date make the following payments to the Conservancy:

- 6.1.1. A Minimum Fee paid quarterly in arrears before the 10<sup>th</sup> Business Day following the end of each quarter for which payment is due. The payments shall be accompanied by a report that reflects the financial performance of the Lodge including the occupancy level.

From the Effective Date	Minimum Annual Fee	Minimum Monthly Fee
Year 1	N\$ 0	N\$ 0
Year 2	N\$ 541,944	N\$ 45,162
Year 3	N\$ 614,208	N\$ 51,184
Year 4	N\$ 687,788	N\$ 57,316
Year 5	N\$ 696,151	N\$ 58,013
Year 6	N\$ 700,826	N\$ 58,402
Year 7	N\$ 700,826	N\$ 58,402
Year 8	N\$ 700,826	N\$ 58,402
Year 9	N\$ 702,719	N\$ 58,560
Year 10	N\$ 700,826	N\$ 58,402
Year 11	N\$ 700,826	N\$ 58,402

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**ANNEXURE A - TERMS AND CONDITIONS DRAFT**

Year 12	N\$ 700,826	N\$ 58,402
Year 13	N\$ 702,719	N\$ 58,560
Year 14	N\$ 700,826	N\$ 58,402
Year 15	N\$ 700,826	N\$ 58,402
Year 16	N\$ 700,826	N\$ 58,402
Year 17	N\$ 702,719	N\$ 58,560
Year 18	N\$ 700,826	N\$ 58,402
Year 19	N\$ 700,826	N\$ 58,402
Year 20	N\$ 700,826	N\$ 58,402
Year 21	N\$ 702,719	N\$ 58,560
Year 22	N\$ 700,826	N\$ 58,402
Year 23	N\$ 700,826	N\$ 58,402
Year 24	N\$ 700,826	N\$ 58,402
Year 25	N\$ 701,719	N\$ 58,477
Year 25	N\$ 701,719	N\$ 58,477

6.1.2. Notwithstanding Clause 6.1.1 the Operator shall calculate the annual Operating Fee of 6% [six per cent] of Net Turnover for each year of this Agreement and if the annual Operating Fee is greater than the paid annual Minimal Fee then the Operator shall pay the difference to the Conservancy within 30 [thirty] days after the annual anniversary of this Agreement. The payments shall be accompanied by a report that reflects the financial performance of the lodge and any other information that may be necessary for the Conservancy to determine and verify Operating Fee for the year.

6.1.3. In the event the Operator's annual certified financial statements shows an Accumulated Retained Profit before the declaration of dividends or any profit share to the Conservancy, the Operator shall make a profit share payment to the Conservancy within 90 [ninety] days after the ending of the Financial Year. The payment shall be calculated on 4% [four per cent] of Net Profit after Tax and shall be accompanied by a report that reflects the financial performance of the lodge and any other information that may be necessary for the Conservancy to determine and verify the profit share payment for the year.

6.2. All payments by the Operator shall be paid directly to the Conservancy's nominated account as instructed by the Conservancy in writing to the Operator.

6.3. All payments by the Operator must be made in Namibian dollars directly into the nominated accounts with no deduction of any amounts whatsoever.

6.4. The Minimum Fee under Clause 6.1.1 shall escalate annually at the official National Consumer Price Index (NCPI) published by the Bank of Namibia (<https://www.bon.com.na/>) or such measure as may replace it, and the adjusted amount shall be compounded annually for the duration of the Agreement.

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## ANNEXURE A - TERMS AND CONDITIONS DRAFT

- 6.5. Any late payment shall be subject to a penalty interest charge of prime rate published by the Bank of Namibia (<https://www.bon.com.na/>) plus 5% [five per cent] per annum on outstanding amounts.

### 7. REPORTING

- 7.1. The Operator shall within 2 [two] months of the end of the Operator's Financial Year provide an annual benefit report (use the template under Annexure I) on all benefits that have accrued to the Conservancy during the financial year including employment, training, and in-kind benefits.
- 7.2. The Operator shall within 2 [two] months of the end of the Operator's Financial Year provide written annual reports on the implementation of the Environmental Management Plan to the Conservancy.
- 7.3. The Operator shall within 2 [two] months of the end of the Operator's Financial Year provide written annual reports on the implementation of the Empowerment Plan to the Conservancy.
- 7.4. The Operator shall within 6 [six] months of the end of the Operator's Financial Year provide the Conservancy with a copy of their certified financial statements.

### 8. COMPLIANCE EVENTS

- 8.1. The following Compliance Events shall take place prior to the start of the construction of the Lodge:
- 8.1.1. Issuing of an Environmental Clearance Certificate for the Project in terms of the Environmental Management Act (2007);
- 8.1.2. Issuing of a Certificate of Right of Leasehold in terms of the Communal Land Reform Act (2002); and
- 8.1.3. Completion of the Environmental Management Plan covering the operation of the Lodge and the management of the Lodge and Lodge Site.
- 8.1.4. Completion of a 5 [five] year Empowerment Plan that includes the Operators undertaking in terms of local employment, training and local procurement.
- 8.1.5. Completion of all other necessary Regulatory Provisions and statutory requirements.
- 8.1.6. Approval of the Lodge Site

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ANNEXURE A - TERMS AND CONDITIONS DRAFT

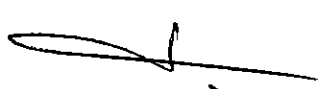
9. ADDRESS FOR NOTICES

9.1. Conservancy Representative:

Title: Chairperson  
Name: Iipumbu Ya Tshilongo Conservancy  
Address: P. O. Box 915  
Oshakati  
Namibia  
Contact details: +264 812560894 / 0817455575

9.2. Operator Representative:

Title: Managing Director  
Name: Nuvella Managerial & Marketing Consortium  
Address: P. O. Box 90538  
Windhoek  
Namibia  
Contact details: +264 61 375 300 / 0811242269



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Joint Venture Agreement

**JOINT VENTURE  
AGREEMENT**

For  
**OLUPALE LODGE**

Made and entered into by and between:

**THE IPUMBU YA TSHILONGO CONSERVANCY**

Herein represented by Mr. Henock Kamati  
in his capacity as Chairman  
(Herein after referred to as “the Conservancy”)

AND

**NUVELLA MANAGERIAL & MARKETING  
SERVICES**

**Registration Nr. 2014/0807  
OR NOMINEE**

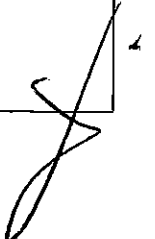
Herein represented by Mr. Christophe van de Vijver  
in his capacity as Managing Director  
(Herein referred to as the “the Operator”)

(Joint herein referred to as “the Parties”)

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# Joint Venture Agreement

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# Joint Venture Agreement

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Annexure B:	Operator's Proposal
Annexure C	Traversing Concession Contract
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Annexure E:	Certificate of Leasehold
Annexure F	Environmental Clearance Certificate
Annexure G:	Environmental Management Plan
Annexure H:	Empowerment Plan
Annexure I:	Annual Benefit Summary Report

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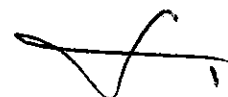
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# Joint Venture Agreement

## Whereas

- a) The Conservancy has the objective of conserving the natural and cultural heritage of the Conservancy Area for the benefit and enjoyment of its residents and visitors.
- b) The Conservancy wishes to generate income and community benefits from tourism developments and activities within the Conservancy and from the Etosha Traversing Area that has been granted to the Conservancy by the Ministry of Tourism and Environment.
- c) The Conservancy has selected the Operator as its preferred partner to implement a joint venture tourism partnership and has allocated the Operator a Lodge Site, access to the Conservancy Area and the traversing rights to Etosha as more fully described in Traversing Concession Contract (Annexure C).
- d) The Operator has expertise in the development and operation of tourism infrastructure, tourism services and activities for visitors and in the marketing of tourism products.
- e) The Operator will develop and operate the Lodge on the Lodge Site the traversing areas as agreed upon with the Conservancy.
- f) The Operator has submitted a proposal to the Conservancy (Annexure B) for operating the Lodge and utilizing the tourism traversing rights in the Etosha National Park (Annexure C).
- g) The Parties wish to implement this Agreement to achieve the commercial objectives of the Operator whilst simultaneously achieving the conservation, tourism and community related objectives of the Conservancy referred to in (a) and (b) above.

  
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# Joint Venture Agreement

**NOW THEREFORE THE PARTIES HERETO AGREE AS FOLLOWS:**

## **1 DEFINITIONS AND INTERPRETATION**

1.1 In this Agreement the following words and expressions shall have the meanings hereby assigned to them when said terms are used with a capitalised first letter.

- “Agreement” shall mean this joint venture Agreement and any Annexure hereto.
- “Business Day” a normal business day excluding weekends and statutory public holidays;
- “Conservancy” shall mean the Iipumbu Ya Tshilongo Conservancy acting through its duly appointed Committee.
- “Conservancy Area” shall mean the geographic area registered as the Iipumbu Ya Tshilongo Conservancy.
- “Day” shall mean any calendar day including a week-end day and a public holiday.
- “Effective Date” shall be the date specified in Annexure A and determines when the rights and obligations of this Agreement become binding on the Parties.
- “Exclusive Area” shall mean the area within the Conservancy where the right to develop and operate tourism facilities is restricted to the Operator.
- “Financial Year” shall mean the annual accounting period used by the Operator to provide information on the financial achievement and position of the Lodge and associated activities.
- “Lodge Assets” shall mean the Lodge, any existing and new fixed assets on the Lodge Site including but not limited to the Lodge structures and staff accommodation. For the avoidance of doubt, the following classes of assets shall be considered to be fixed or immovable: fences; buildings and all their associated fixtures and fittings whether embedded in the ground or not; all other accommodation, storage or service structures whether with or without foundations (including, but not limited to, tents and timber shelters) and all their associated fixtures and fittings whether embedded in the ground or not; all transport infrastructure including airstrips, roads, bridges; and all infrastructure associated with the provision of power, water and sanitation (including, but not limited to, solar installations, power lines, dams, boreholes, wildlife waterholes, windmills, storage tanks, water-pumps and sewerage systems);

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## Joint Venture Agreement

- “Lodge” shall mean the Olupale Lodge constructed on the Lodge Site within the Conservancy Area.
- “Lodge Site” shall mean the area on which the Lodge is built as covered by the Right of Leasehold.
- “Minimum Fee” shall mean the minimum annual amount payable for the rights to operate a tourism business by the Operator to the Conservancy.
- “Net Turnover” shall mean all monies, generated by the Lodge and Lodge activities that is received or receivable by the Operator, excluding;
- commission of bona fide travel Agents and Tour Operators
  - levy to the Namibia Tourism Board.
  - other government levies.
  - concession fees for the Etosha Traversing Concession,
  - damages claimed
  - interest earned
  - insurance proceeds
  - capital gains realized on disposal of moveable assets, and
  - Value Added Tax received by the Operator.
- For any given year this Net Turnover must be consistent with that presented in the Operator accounts for tax purpose for the appropriate Financial Year as certified by the Operators auditor.
- “Parties” shall mean the Conservancy or nominee and the Operator or nominee.
- “Operating Fee” shall mean the amount payable for the rights to operate a tourism business by the Operator to the Conservancy.
- “Operational Period” the period following the construction phase during which the Operator utilizes the concession assets for the purpose of exercising its concession rights.
- “Operator” shall mean the counterparty to the Conservancy hereunder.
- “Remedy Period” the period (which shall be reasonable) granted by either party to the other, during which the notified party must take action to make good the damage or rectify the notified default or problem;
- “Right of Leasehold” shall mean the lease rights over the Lodge Site which shall be acquired in terms of the Communal Land Reform Act.



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# Joint Venture Agreement

“Traversing Area” shall mean all remaining areas within the Conservancy Area that is available for traversing purposes by the Operator, but to be shared with other tourist operators and tourists, as recorded in the Conservancy Management Plan and the Zonation Schedule.

“Zonation Schedule” shall mean a zoning plan agreed by the Parties which shall include at least the delineation of the Lodge Site and Exclusive Area.

1.2 Words in this Agreement that references to a particular gender shall include the other gender.

1.3 Words in this Agreement that reference to the singular shall include the plural and vice versa.

1.4 Words in this Agreement that reference to natural persons shall include the legal persons and vice versa.

1.5 Headings and sub-headings in this Agreement are for ease of reference only and shall not be used in the interpretation of this Agreement.

## 2 FRAME WORK

### 2.1 Right to Utilisation

2.1.1 Subject to the terms of this Agreement, the Conservancy makes available to the Operator for conducting agreed upon tourism activities as per the Terms and Conditions of this Agreement (Annexure A) and the Operator’s Proposal (Annexure B).

### 2.2 Effective Date and Agreement Period

2.2.1 The Effective Date shall be shall be the date specified in Annexure A.

2.2.2. The Agreement Period shall be for the term as contained in Annexure A subject to termination in accordance with this Agreement.

### 2.3 Right of Leasehold

2.3.1 The Right of Leasehold shall be acquired as contained in Annexure A.

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## Joint Venture Agreement

2.3.2 Should the Right of Leasehold be in the Operators name then the following should apply:

2.3.2.1 The Operator cannot sell or transfer this Right of Leasehold unless it has prior written permission from the Conservancy. This permission shall not be unreasonably withheld nor delayed.

2.3.2.2 The Operator cannot use the Right of Leasehold as collateral for other creditors or businesses unless it has prior written permission from the Conservancy which shall not be unreasonably withheld nor delayed.

2.3.2.3 If this Agreement expires or is terminated for any reason before the Right of Leasehold expires, the Operator will be required to transfer the Right of Leasehold into the name of the Conservancy.

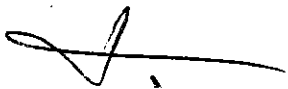
2.3.3 Whichever party holds the Rights of Leasehold will be responsible for the payment of lease fees as determined by the appropriate Land Board, failing which by the relevant Ministry.

### 2.4 Operator's Capital Contribution

2.4.1 The Operator shall be responsible for all capital required for the development and operation of the Lodge and associated activities outlined in Annexure A and B or as otherwise agreed upon by the Parties.

### 2.5 Operating Fee Payment

2.5.1 The Operating Fee shall be paid by the Operator as contained in the Annexure A.



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## Joint Venture Agreement

2.5.2 If an audit of the Operator's account for a given year revises the Operating Fee the difference will be paid by the Operator to the Conservancy or deducted by the Operator from future payments to the Conservancy within 60 [sixty] Days of such audit and receipt of official notification.

2.5.3 If a Party is obligated to pay taxes, levies or other fees ("New Taxes") to a relevant state authority, which the Party was not obligated to pay at the Effective Date, and the payments of the New Taxes have the effect of rendering the commercial objectives of either Party as unviable, the parties shall meet forthwith to consider the situation and seek in good faith to renegotiate and amend Section 2.5 and Clause 6 in Annexure A to give relief to the Party obligated to pay the New Taxes.

### 3 THE CONSERVANCY'S OBLIGATIONS

#### 3.1 Conservancy Support

3.1.1 The Conservancy shall do everything within its powers to support any application brought by the Operator for the granting of all licenses or other authorities as may be required by the Operator to use the Lodge Site. Notwithstanding this provision, the Operator shall be responsible for obtaining all such licenses or authorities at its sole risk and cost.

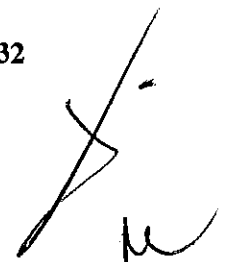
3.1.2 The Conservancy shall do everything within its powers to support all other such things and steps as may be open to them and necessary for putting into effect the terms and conditions of this Agreement.

#### 3.2 Conservancy Management

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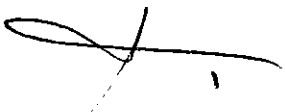
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## Joint Venture Agreement

- 3.2.1 The Conservancy will take responsibility for the management of the Conservancy Area in a manner that will support the operations of the Operator as contemplated in this Agreement.
- 3.2.2 It shall be responsible for the ongoing management of wildlife and other natural resources in the Conservancy Area, and in particular shall:
- 3.2.2.1 Integrate any rules of use developed by the Joint Management Committee into the Conservancy's Management Plan.
  - 3.2.2.2 Prohibit any form of hunting at the Lodge Site or within the Exclusive Area and No-hunting Areas, except in the event that an animal is sick, injured or wounded, or declared a problem animal, in which case the Operator must be informed by the Conservancy prior to the hunt taking place.
  - 3.2.2.3 Inform the Operator of all hunting activities that are taking place in the Conservancy.
  - 3.2.2.4 Undertake problem animal control within the Conservancy Area with due consideration for the tourism activities of the Operator.
  - 3.2.2.5 Develop and implement a management strategy for excluding new settlements, cattle and other domestic animals and reducing the impact of tree cutting, burning and ploughing or any other agreed activities which could have a negative impact on the success of the Lodge within the Exclusive Area.
  - 3.2.2.6 Implement within its authority the Conservancy Management Plan.
- 3.2.3 The Conservancy shall undertake to do everything within its authority to provide unimpeded and free access to the Lodge Site within the Conservancy Area.



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## Joint Venture Agreement

3.2.4 The Conservancy shall submit to the Operator a copy of the Conservancy's annual report within 6 [six] months of the end of the Conservancy year end, which shall include; a summary of benefit distribution and a report of the natural resource management activities undertaken during the year under report.

### 3.3 Tourism Control

3.3.1 The Conservancy undertakes to:

3.3.1.1 Assume responsibility for controlling tourism activities within the Conservancy Area as enabling legislation become available.

3.3.1.2 Reject other operators and private individuals from building and operating tourism facilities within the Exclusive Area.

3.3.1.3 Refer to relevant tourism plan, policies and guidelines when planning new tourism developments in the Conservancy Area.

3.3.1.4 Discuss with the Operator any proposal for future tourism related developments in the Conservancy Area and offering the Operator first right of refusal for such proposed future tourism developments. This should ensure that such development will not undermine the existing partnership between the Conservancy and Operator.

## 4 THE OPERATOR'S OBLIGATIONS

### 4.1 Operator's Support

4.2 The Operator shall do everything within its powers to support all other such things and steps as may be open to them and necessary for putting into effect the terms and conditions of this Agreement.

### 4.3 Auditing and Reporting

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## Joint Venture Agreement

4.3.1 The Operator shall within 6 [six] months of the end of the Operator's financial year provide the Conservancy with a copy of the certified financial statements.

4.3.2 The Conservancy shall have the rights to a monthly report summarized into an annual report in prescribed formats, including the use of the Joint Venture Financial Dashboard that reflects the number of guests and any other information that may be necessary for the Conservancy to determine and verify the Operators Fee for a particular month or year under review.

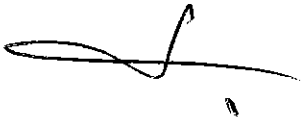
### 4.4 Rights to Inspect

4.4.1 The Operator grants the Conservancy the right to inspect and verify the Operator's Management accounts, limited to guests numbers and turnover amounts.. The Conservancy will exercise this right at its own cost.

4.4.2 The Conservancy shall have the right at all reasonable times through its duly authorized agent to inspect the Lodge Assets. The Conservancy shall give written notice to the Operator of its intention to exercise this right subject to the Operator agreeing on the time and date of such inspection which agreement shall not be unreasonably withheld.

### 4.5 Environmental Management Plan

4.5.1 The Operator undertakes to:



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## Joint Venture Agreement

- 4.5.1.1 Obtain an Environmental Clearance Certificate and develop an Environmental Management Plan (EMP) in respect of the construction and management of the Lodge and Lodge Site. The application for an Environmental Clearance Certificate and the drafting of the EMP should be prepared by an independent environmental consultant in accordance with the Environmental Management Act.
- 4.5.1.2 Take responsibility for the disposal of any waste associated with, or resulting from, the construction and operation of Lodge.
- 4.5.1.3 Adhere to the Zonation Schedule and relevant sections of the Conservancy Management Plan, copies of which are annexed to this Agreement
- 4.5.1.4 Develop and adhere to a written Environmental Management Plan covering the operation of the Lodge and management of the Lodge Site that conforms to established best practice
- 4.5.1.5 The Operator shall provide a copy of the Environmental Management Plan to the Conservancy.
- 4.5.1.6 The Operator shall submit written reports on the implementation of the plan to the Conservancy at regular intervals, but no less than once per annum.

### 4.6 Local Empowerment

- 4.6.1 The Operator's 5 [five] year empowerment plan shall become part of this Agreement on the Effective Date. This plan shall include the Operator's undertaking in terms of local employment, training, procurement and any other forms of assistance the Operator intends, offering targets and time frames for the undertaking.


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## Joint Venture Agreement

- 4.6.2 The Empowerment Plan shall reflect a clear commitment by the Operator to optimize employment, skills development and other benefits to members of the Conservancy. The Operator shall provide a copy of the Empowerment Plan to the Conservancy.
- 4.6.3 Wherever possible the Operator shall employ members of the Conservancy at the Lodge and, where specific skills required at the Lodge are not immediately available among members of the Conservancy, shall include in its empowerment plan a skills development plan designed to build such skills amongst members of the Conservancy.
- 4.6.4 The Operator shall submit written reports regarding the implementation of its empowerment plan at least once per annum. These reports provide information on the number of local and outside staff employed at the Lodge. This report shall outline the skills developments and training activities conducted for the benefit of Conservancy members, and any other benefits or activities relating to the empowerment of the Conservancy and its members that have been undertaken.
- 4.6.5 The Operator shall provide adequate accommodation facilities and meals or food for those employees whose responsibilities require them to overnight at the Lodge.
- 4.6.6 The Operator shall furnish the Conservancy with a copy of the employment policies for the Lodge.
- 4.6.7 All human resource management decisions made will be made by the Operator only, with due regard to the provisions of the Labour Act 11 of 2007 or any other labour legislation in force at the time.



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## Joint Venture Agreement

4.6.8 The Operator will look for opportunities for 'preferential procurement' of goods and services from local business. Where possible, the Operator will support local entrepreneurial activities, including those that support the Lodge operations.

### 4.7 Maintenance

4.7.1 All maintenance and repair of the Lodge Assets shall be the responsibility of the Operator. The Operator shall be required to keep the facilities in proper working order, and maintain all structures in line with generally accepted industry standards and recognized level of maintenance.

4.7.2 In the event that pursuant to 4.7.1 major renovations are deemed necessary the Operator may request the Conservancy prior to any renovations for a full or partial suspension of fee payments for a reasonable duration of the renovation. The written request should not be withheld unreasonable by the Conservancy. Any disagreement as the viability of the written request shall be resolved in terms of the dispute resolution procedure outlined under Section 8.

4.7.3 Maintenance of access roads to and from the Lodge shall be the responsibility of the Operator.

### 4.8 Insurance and Liabilities

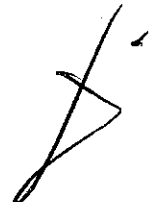
4.8.1 The Operator shall be obliged at its own cost to take out and keep in force for the duration of this Agreement insurance policies as customarily carried by a tourism Operator. This shall include amongst others cover for the Lodge Assets and third-party liability.

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## Joint Venture Agreement

- 4.8.2 The Operator when called upon to do so shall furnish the Conservancy with a copy of the insurance policy for the Lodge Assets.
- 4.8.3 The Operator shall not have any claims of any nature against the Conservancy for any loss damage or injury which the Operator its guests or invites or employees may suffer in the Conservancy Area.
- 4.8.4 The Conservancy or any of its members shall not have any claims of any nature against the Operator for any loss or damage which the Conservancy or any of its members relatives or guests may suffer in the Conservancy Area arising out of negligent or accidental action by the management a staff member or guest of the Operator beyond the Operator's control.

### 4.9 **Material Change in Partnership**

- 4.9.1 The Operator shall notify the Conservancy as soon as practically possible before any significant change to its business or ownership of the Operator or claim against the Operator or its business which is reasonably likely to have a material effect on the partnership between Operator and Conservancy.

## 5 **JOINT MANAGEMENT COMMITTEE**

- 5.1 The Conservancy and the Operator agree to establish a Joint Management Committee and arrange for its first meeting within 60 [sixty] Days of signing of this Agreement.
- 5.2 The Parties shall agree on the composition of the Joint Management Committee including the number of representatives to be designated by each Party, the number of representatives from each Party required to form a quorum, and whether the Joint Management Committee should include representatives of other parties operating tourism facilities or conducting hunting activities within the boundaries of the Conservancy.

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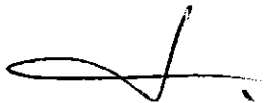
## Joint Venture Agreement

- 5.3 The Joint Management Committee shall not intervene with day to day management activities at the Lodge Site, except at the request of the Operator.
- 5.4 The purpose of the Joint Management Committee shall be to:
- 5.4.1 Take responsibility for overseeing the implementation of this Agreement and ensuring the commitments of both Parties are met.
  - 5.4.2 Negotiate any issues not covered by this Agreement or any amendments to this Agreement, on the understanding that both Parties reserve the right to take such matters back to their members or shareholders for decision.
  - 5.4.3 Nominate and / or recommend candidates for employment and to facilitate the resolution of any disputes that might arise between the Parties in relation to the employment of persons in terms of this Agreement, provided that the ultimate decisions regarding such matters are with the Operator and in line with the Labour Act 11 of 2007.
  - 5.4.4 Resolve issues of concern to the Parties, such as the movement of tour operators within the Exclusive Area, and address the conduct of members of the Conservancy when it is in conflict with the tourism activities of the Operator, or the conduct of the Operator's clients and employees when it is in conflict with the Conservancy or community development related objectives of the Conservancy.
  - 5.4.5 Discuss questions and issues relating to the quarterly and annual financial reports of the Lodge. Each of the Parties may nominate a person to represent its interest and to liaise with the other if any matter requires in-depth discussion.

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## Joint Venture Agreement

- 5.4.6 Consider and decide upon the use of other areas within the Conservancy boundaries for tourism activities by the Operator.
- 5.4.7 Air grievances and propose solutions with respect to conflict or disputes arising from this Agreement.
- 5.4.8 Develop rules and regulations for use of the Traversing Areas by the Operator subject to the provisions of this Agreement.
- 5.4.9 Furnish one another with any information and / or documents deemed necessary for decision making and the smooth implementation of this Agreement.
- 5.4.10 As far as meetings are concerned:
- 5.4.10.1 The Joint Management Committee shall meet as often as it deems necessary but not less than once every quarter.
  - 5.4.10.2 The Parties and the Concessor shall attend Committee meetings and participate in Committee activities at their own risk and cost unless agreed otherwise
  - 5.4.10.3 All meetings shall be minuted and minutes shall be kept on file.
  - 5.4.10.4 If deemed necessary by the Parties hereto meetings of the Joint Management Committee may be facilitated by a mutually acceptable, neutral facilitator.



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# Joint Venture Agreement

## 6 EXPIRY OF THE AGREEMENT

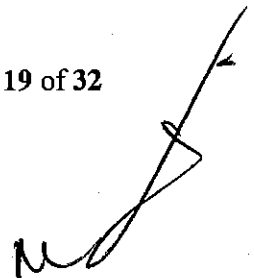
6.1 Should the Operator not renew this Agreement for a further period, this Agreement will then expiry in accordance to the following conditions.

6.1.1 The Operator shall at all reasonable times during the last 6 [six] months of the Agreement, allow prospective partners of the Conservancy to enter and review all parts, including the interior of the Lodge.

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## Joint Venture Agreement

- 6.1.2 At the end of the Agreement, including any renewals hereto, or at such earlier time as may be provided herein, the Operator shall vacate the Lodge, the Lodge Site and Exclusive Area and leave such areas, and Lodge Assets thereon, clean and in good working condition, or as otherwise agreed to in writing by the Parties.
- 6.1.3 As stipulated within the Communal Land Reform Act of 2002, the Operator shall not be entitled to an automatic compensation in respect of any improvements effected by him or her from the State or any other authority if the Right of Leasehold is terminated for reasons other than breach of the contract.
- 6.1.4 Should the Operator at the end of the Agreement intend disposing of non-fixed assets used by the Lodge, the Conservancy shall have the first option to buy these items from the Operator at a market-related price, as negotiated and agreed to by the Parties. If the Conservancy has not purchased the non-fixed assets from the Operator within 60 [sixty] days of receiving the offer from the Operator, the Operator shall be entitled to sell the non-fixed assets to another purchaser at a price not less than the offer to the Conservancy unless the Conservancy has in writing waived its rights of first option to purchase.

## 7 TERMINATION OF THE AGREEMENT

### 7.1 Termination by the Conservancy

7.1.1 The Conservancy shall have the right to terminate this Agreement if;

7.1.1.1 the Operator defaults in any payments due under this Agreement, or

7.1.1.2 the Operator commits a material breach of its terms in this Agreement in any other way.

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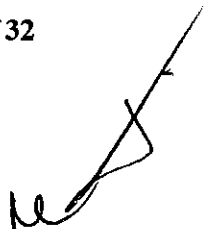
## Joint Venture Agreement

- 7.1.2 The Concessionaire shall, prior to exercising its rights to terminate this Agreement under this clause 7 send a written notice to the Operator notifying it of the event giving rise to such right and requesting the Operator to remedy the event. If said event is not remedied before the expiry of the Remedy Period of 30 [thirty] Business Days or any agreed longer period, the Concessionaire may, upon expiry of the Remedy Period, terminate this Agreement upon written notice to the Operator.
- 7.1.3 The right to terminate is without prejudice to any alternative or additional right of action or remedy available to the Conservancy in the circumstances, to cancel this Agreement with immediate effect.

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## Joint Venture Agreement

- 7.1.4 Operator shall furthermore be deemed to be in breach of this Agreement in the event that it commits an act of insolvency, being voluntarily or otherwise liquidated, being placed under judicial management, or a civil judgment being obtained against it and such judgment remains unsatisfied by the Operator for longer than 30 [thirty] Days. In such an event the Conservancy will be entitled to cancel the Agreement without any notification to the Operator.
- 7.1.5 Upon termination pursuant to Section 7.1.1 and 7.1.4 the Conservancy shall be entitled to repossess, take transfer and cession of the Right of Leasehold and recover from the Operator damages for default or breach including all reasonable foreseeable economic losses suffered by the Conservancy and other costs and expenses incurred as a result of the termination.
- 7.1.6 Section 7.1.1 and 7.1.4 shall not be construed as excluding the ordinary lawful consequences of a breach of this Agreement by the Operator and in particularly any right of cancellation of Agreement on the ground of material breach going to the root of this Agreement.



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## Joint Venture Agreement

7.1.7 In the event of the Conservancy having cancelled this Agreement justifiably but the Operator remaining in occupation of the land, with or without disputing the cancellation and continuing to tender payments of operating fee and any other amounts which would have been payable to the Conservancy but for the cancellation, the Conservancy may accept such payments without prejudice to and without affecting the cancellation, in all respects as if they had been payments on accounts of the damages suffered by the Conservancy by reason of the unlawful holding over on the part of the Operator.

7.1.8 On termination due to material breach by the Operator, the Conservancy shall be entitled to be compensated for the value of "loss of business" from either the Operator or by an approved third party purchaser. The value of "loss of business" shall to be determined by an independent valuation.

### 7.2 Termination by the Operator

7.2.1 The Operator shall have the right to terminate this Agreement if;

7.2.1.1 the Conservancy commits a material breach in respect of the performance of any of its obligations under this Agreement excluding breaches relating to its general obligations listed under Section 3, and

7.2.1.2 the Conservancy fails to remedy such default within 30 [thirty] Days or any other agreed period after receiving a written demand that it be remedied.

7.2.2 The right to terminate is without prejudice to any alternative or additional right of action or remedy available to the Operator in the circumstances, to cancel this Agreement with immediate effect.

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# Joint Venture Agreement

7.2.3 Upon termination pursuant to Section 7.2.1 the Operator shall be entitled to recover from the Conservancy damages for default or breach including all reasonable costs and expenses incurred as a result of the termination as well as compensation for the immovable property calculated as a percentage of the capital investment with reference to the remainder of the term over the 25 years. An independent valuation shall determine the value of damages.

## 7.3 Effect of Termination

7.3.1 Upon termination or expiry of this Agreement for whatever reason and without prejudice to any rights of the Parties hereto:

7.3.1.1 All rights as the Operator may have been granted by the Conservancy under this Agreement shall cease to have effect.

7.3.1.2 The Operator shall forthwith relinquish all interest in any immovable property within the Conservancy in favour of the Conservancy.

7.3.1.3 The Operator shall within a period of 30 [thirty] Days remove all of its movable assets and reinstate the Lodge Site to the acceptable standards.

7.4 The provision of Section 7.3 shall be suspended pending the final outcome of any arbitration or legal proceedings between the Parties concerning the validity of the termination of this Agreement and shall be suspended pending the final payment of any monies due in terms of the termination.

## 8 DISPUTE RESOLUTIONS

8.1 Subject to Section 7 any dispute between the Parties arising out of or in connection with this Agreement, shall first be considered in a meeting of the Joint Management Committee.

8.2 Should the Parties acting through their representatives on the Joint Management Committee be unable to resolve the dispute, it shall then be submitted to and decided by arbitration on the following terms and conditions:

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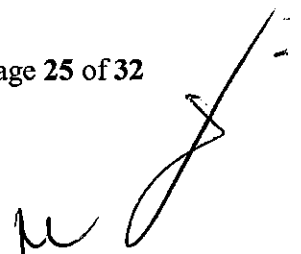
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## Joint Venture Agreement

- 8.2.1 The Arbitrator shall be a mutually appointed by the Parties, failing which the President of the Namibia Law Society shall make such an appointment. Preference should be given to an admitted practicing Legal Practitioner, practicing as such for at least 10 years.
- 8.2.2 The terms of reference of the arbitration will be determined by the Arbitrator.
- 8.2.3 The decision of the Arbitrator will be final and binding on the Parties.
- 8.3 The costs of such arbitration shall be paid as determined by the Arbitrator in his sole discretion. The Arbitrator may direct that the Parties share the costs of arbitration or that either party bear all the arbitration costs, or that the Parties pay unequal parts of the arbitration costs as the Arbitrator deems fit in the circumstances.
- 8.4 This arbitration Section shall not preclude a Party from seeking urgent relief in a court of appropriate jurisdiction, where grounds for urgency exist.
- 8.5 The provisions of this Section;
- 8.5.1 constitute an irrevocable consent by the Parties to any proceedings in terms hereof and no Party shall be entitled to withdraw there from or claim at any such proceedings that it is not bound by such provisions,
- 8.5.2 are severable from the rest of this agreement and shall remain in effect despite the termination of or invalidity for any reason of this agreement, and
- 8.5.3 shall not be applicable if any one of the Parties refuses to subject itself to the dispute resolution procedure as set out in this Section 9 (the refusing Party) in which event the other Party may proceed to institute legal action in any Court of competent jurisdiction.

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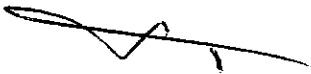


## Joint Venture Agreement

- 8.6 Any notice, demand or other communication properly addressed by an Party to another Party at the latter domicilium in terms hereof for the time being and sent by prepaid registered post shall be deemed to be received by the latter on the 14<sup>th</sup> Day following the date of posting thereof.
- 8.7 Any Party may change its nominated address to another address in the Republic of Namibia by prior written notice to the other Party.

### 9 DAMAGE TO OR DESTRUCTION OF LODGE ASSETS

- 9.1 Should the Lodge Assets be damaged to an extent which diminishes the Operator's enjoyment thereof but which falls short of the event contemplated in 9.2 then the following provision shall apply;
- 9.1.1 this Agreement shall not be cancelled,
- 9.1.2 the Operator shall continue to be liable for the fee, and
- 9.1.3 the Operator shall at its own cost reinstate the Lodge Assets as quickly as is reasonably possible in the circumstances and shall apply the proceeds of any insurance policy relating to the Lodge Assets for such purpose.
- 9.2 If as a consequences of vis major or casus fortuitous, the Lodge Assets be damaged or destroyed to an extent that even with the proceeds of insurance policy, the Lodge Assets are commercially unviable and incapable of beneficial use then the Operator shall be entitled to terminate this Agreement by written notice to the Conservancy.
- 9.3 Should the Parties not agree on whether the Lodge Assets have been damaged or destroyed to an extent which renders them commercially unviable or incapable of beneficial use the matter shall be referred to the Joint Management Committee for resolution and failing which to the dispute resolution procedure in terms of Section 8 of this Agreement.
- 9.4 The right of termination pursuant in Section 9.1 must be exercised within 60 [sixty] Days of the date on which the event giving rise to the right occurs or determination by the Joint Management Committee or Arbitrator as the case may be failing which such right shall lapse. If the Operator exercises its rights to terminate this Agreement under Section 9.1 then this Agreement shall terminate with effect from the date of the event in question.
- 9.5 If the Operator does not exercise its rights to terminate in terms of Section 9.1 then the following provisions shall apply:



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## Joint Venture Agreement

- 9.5.1 The Operator shall reinstate at its own cost the Lodge Assets and the Exclusive Area as quickly as is reasonably possible in the circumstances, and shall apply the proceeds of any insurance policy relating to the improvements for such purpose;
- 9.5.2 The Operator shall not be liable for payments until the damage has been restored, but will continue to be liable for the Operating Fee under this Agreement once the improvements have been restored;
- 9.5.3 The Agreement period shall be extended by the period during which the Operator was deprived of the use of the improvement and during which period the Operating Fee was not payable.
- 9.6 The Parties shall not have any claims against each other as a result of such cancellation or loss of occupation of the Lodge Assets unless the damage or destruction was caused by an act or omission for which a Party is responsible in terms of this agreement or in law.

## 10 FORCE MAJEURE

### 10.1 "Force Majeure" defined

"Force Majeure" shall mean an event resulting in consequences of a material nature beyond the control of either Party, whose occurrence could not have been reasonably foreseen at the date of the execution of this Agreement which specifically but not exclusively includes:

10.1.1 war, civil war or terrorism, or floods, storm, earthquake, landslip, volcanic activity or other forces of nature; and

10.1.2 which directly causes either Party to be unable to comply with all or a material part of its obligations hereunder.

### 10.2 Notice of Force Majeure

Each Party shall promptly notify the other of the occurrence of a perceived event of Force Majeure and when such event has ceased. Any disagreement as to whether an event of Force Majeure has occurred shall be resolved in terms of the dispute resolution procedure in Section 9.

### 10.3 Consequences of Force Majeure

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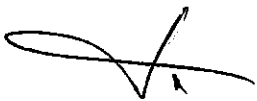
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## Joint Venture Agreement

- 10.3.1 If the Parties agree or it is determined under Section 10.2 that an event of Force Majeure has occurred the Conservancy and the Operator shall promptly consult to agree a mutually satisfactory resolution to the changed circumstances resulting from the event of Force Majeure.
- 10.3.2 If an event of Force Majeure (or its consequences) shall continue for 60 (sixty) or more consecutive Days and the Parties have not reached a mutually satisfactory resolution to the changed circumstances and the effect of the Force Majeure continues, this Agreement may, upon 20 (twenty) Days prior notice, be terminated by either the Conservancy or by the Operator.

### 11 WHOLE AGREEMENT

- 11.1 This is the entire Agreement between the Parties.
- 11.2 Neither Party relies in entering into this Agreement on any warranties, representatives, discolours or expressions of opinion which have not been incorporated into this Agreement as warranties or undertakings.
- 11.3 No variation or consensual cancellation of this Agreement shall be of any force or effect unless reduced to writing and signed by both Parties.



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# Joint Venture Agreement

## 12 NO WAIVER.

Neither Party shall be regarded as having waived, or precluded in any way from exercising, any right under or arising from this Agreement by reason for such Party having at any time granted any extension of time for, or having shown any indulgence to the other Party with reference to any payment or performance hereunder, or having failed to enforce, or delayed in the enforcement of, any right or action against the other Party.

## 13 WARRANTY

13.1 The person signing this Agreement on behalf of the Parties expressly warrants their authority to do so.

## 14 DOMICILIARY AND NOTICES

14.1 Each Party has chosen (see Annexure A) as its address for all purposes under this Agreement ("chosen address"), whether for serving any court process or documents, giving any notice, or making any other communications of whatsoever nature and for any other purpose arising from this Agreement ("notice").

14.2 Any notice required or permitted under this Agreement shall be valid and effective only if in writing.

14.3 Any Party may by notice to the other Party change its chosen address to another physical address in the Republic of Namibia and such change shall take effect on the seventh day after the date of receipt by the Party who last receives the notice.

14.4 Any notice to a Party contained in a correctly addressed envelope and:

14.4.1 sent by prepaid registered post to it at its chosen address; or

14.4.2 delivered by hand to a responsible person during ordinary business hours at its chosen address,

14.4.3 shall be deemed to have been received on the fourteenth business day after posting (unless the contrary is proved).

## 15 SALE, CESSION, SUBLETTING AND ENCUMBERMENT

15.1 Subject to Section 2.3.2 the Operator shall not be entitled except with the prior written consent of the Conservancy which cannot be unreasonably withheld nor delayed:

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## Joint Venture Agreement

- 15.1.1 To change substantially its ownership structure in relation to the operation of the Lodge which would result in a change in entity or person holding majority ownership of the Operation.
  - 15.1.2 To cede all or any of its rights under this Agreement.
  - 15.1.3 To sublet or give up possession of the Lodge Assets, Lodge, Lodge Site or Exclusive Area, in whole or part, any third party or
  - 15.1.4 To encumber the Lodge and or Lodge Site or any portion thereof or any right arising out of this Agreement in any manner whatsoever or use same as security for any of the obligations of the Operator unless otherwise agreed to in writing by the Parties.
- 15.2 In the event that the Operator decides to sell the Lodge and Lodge activities then subject to Annexure A conditions the Operator shall pay a proportion of the sale proceeds to the Conservancy.

### 16 PROSPECTIVE TENANTS / PURCHASERS

- 16.1 Should the Parties not agree to extend the Agreement for a further period, the Operator shall at all reasonable times during the last 6 [six] months of the Agreement period, allow prospective tenants or purchasers of the Lodge Assets, to enter and view the interior of the Lodge Assets.

### 17 ORDER OF PRECEDENCE

- 17.1 Where discrepancies exist between this Agreement and its Annexure the Agreement shall take precedence.

### 18 REPLACEMENT OF EARLIER AGREEMENTS

- 18.1 At the date of signing this Agreement replaces all earlier agreements between the Parties and between the Operator and any other third parties in relation to the Lodge.

### 19 SUCCESSORS IN TITLE

- 19.1 This Agreement shall be binding on the Operator's creditors, liquidators, successors in title, heirs, legates, executors, administration and beneficiaries.
- 19.2 This Agreement shall be binding on the Conservancies successors in title and heirs.

### 20 SUSPENSIVE CONDITIONS



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# Joint Venture Agreement

20.1 Should any one of the suspensive conditions contained in Annexure A not be fulfilled within 6 [six] months from the Effective Date of this Agreement, then the Agreement will become null and void.

## 21 CONFIDENTIALITY

21.1 Each of the Parties shall at all times use its best endeavours to keep confidential any information which it has acquired or may acquire in relations to this Agreement, except with consent of the other Party.

## 22 GOVERNING LAW

22.1 This Agreement shall be governed by the laws of the Republic of Namibia.

## 23 GOOD FAITH

23.1 The parties to this agreement acknowledge that at all times they will act in the spirit of cooperation, fairness and good faith to enable the underlying principles and objectives in this document to be successfully achieved.

The undersigned representatives being duly authorised thereto by their respective institutions have signed this Agreement.

SIGNED AT WTK ON THE DAY OF 12/10/18 2018

Name: HENOCK

AS WITNESSES

Position: CHAIRPERSON

Name: LITA REINHOLD

Hkamafi

Raita

For and on behalf of the *Conservancy*

SIGNED AT WTK ON THE DAY OF 12/10/18 2018

Name: CHRISTOPHE VAN DE JÜR AS WITNESSES

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[Signature]  
R.E.W



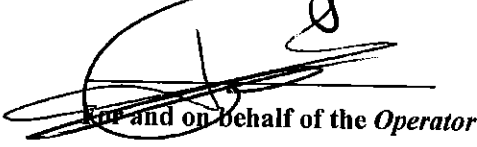
Joint Venture Agreement


Position:

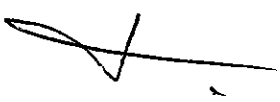
Managing Director

Name:

NICOLE DU PLESSIS

  
For and on behalf of the Operator





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## ITEM 2 : INFORMATION ABOUT THE BIDDER

The bidder has been registered as Nuvella Managerial and Marketing Services (Pty) Ltd being the Lead Member of the consortium involved in the bid.

The members of the consortium are as follows :

### 1. Nuvella Managerial and Marketing Services (Pty) Ltd

- a. Namibian registered private company with registration number 2014/0807 and tax registration number 6585169-01-1
- b. Physical address : 30 Blohm Street, Windhoek
- c. Postal address : PO Box 90538, Klein Windhoek
- d. Managing director : Christophe van die Vijver who has 16 years of experience in design, construction and operation of lodges in Namibia.



### 2. Tourvest Holdings (Pty) Ltd

- a. South African registered private company with registration number 2008/003719/07
- b. Physical address 28 on Sloan Office Park, Ground Floor, Block A, Bryanston, 2191, South Africa
- c. Represented by the *aha* Division which is their lodge and hotel management division specialising in operating lodges and hotels. Their wealth of experience, training systems and access to the tourist market add a tremendous value to project.



### 3. Ya-Tshilongo Etosha Campsite & Tours CC

- a. A Namibian registered CC (in process of registration)
- b. Physical address : Erf 0146, Uukumwe Street, Oshakati
- c. Postal Address : PO Box 324, Oshakati
- d. The closed corporation is our PDN partner in the project and adds value to our design, activities and procurement procedures.



Together the consortium will be responsible to establish a new entity to contract with the concessionaire and a management agreement is envisaged with the *aha* Division of Tourvest. Please refer to the attached company profile of Tourvest, BBBEE accreditation, financial statements and all relevant required information.

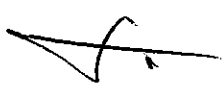
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**ITEM 3 : INITIALLED CONCESSION OPERATOR CONTRACT**

Please refer to the attached documents:

- i. Concession Operator Contract – Traversing rights inside Etosha National Park
- ii. Proposed amendments to (i)
- iii. Concession Operator Contract – Lodge and infrastructure development within the Iipumbu Ya Tshilongo Conservancy
- iv. Proposed amendments to (iii)

} Still to be supplied



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#### ITEM 4 : BUSINESS PLAN

##### **Operational experience, Organization and Management**

###### **A. Background**

As a developer of numerous prestigious projects in Namibia we have worked on a number of hospitality projects and have developed and delivered the multiple award winning Epacha Game Lodge & Spa, Eagle Tented Lodge and Intu Afrika Kalahari Reserve including Zebra Kalahari Lodge, Suricate Tented Lodge and Camelthorn Lodge, Le Mirage Desert Lodge & Spa, Divava Okavango Lodge & Spa, Villa Verdi Guest House and Gochanas Game Lodge amongst others.

We therefore not only understand the mechanics and processes of developing lodges but we also have a deep appreciation of doing so in protected environments where there must be minimal impact on the environment.

In considering this tender we engaged with our hospitality management partners **aha Hotels and Resorts**, a division of Tourvest who own and operate over 40 hotels and lodges in southern Africa. Their details are included in the Bidder Information section and the signed letter of intent and term sheet is attached hereto for this project.

Together we have worked on researching this project and this has included:

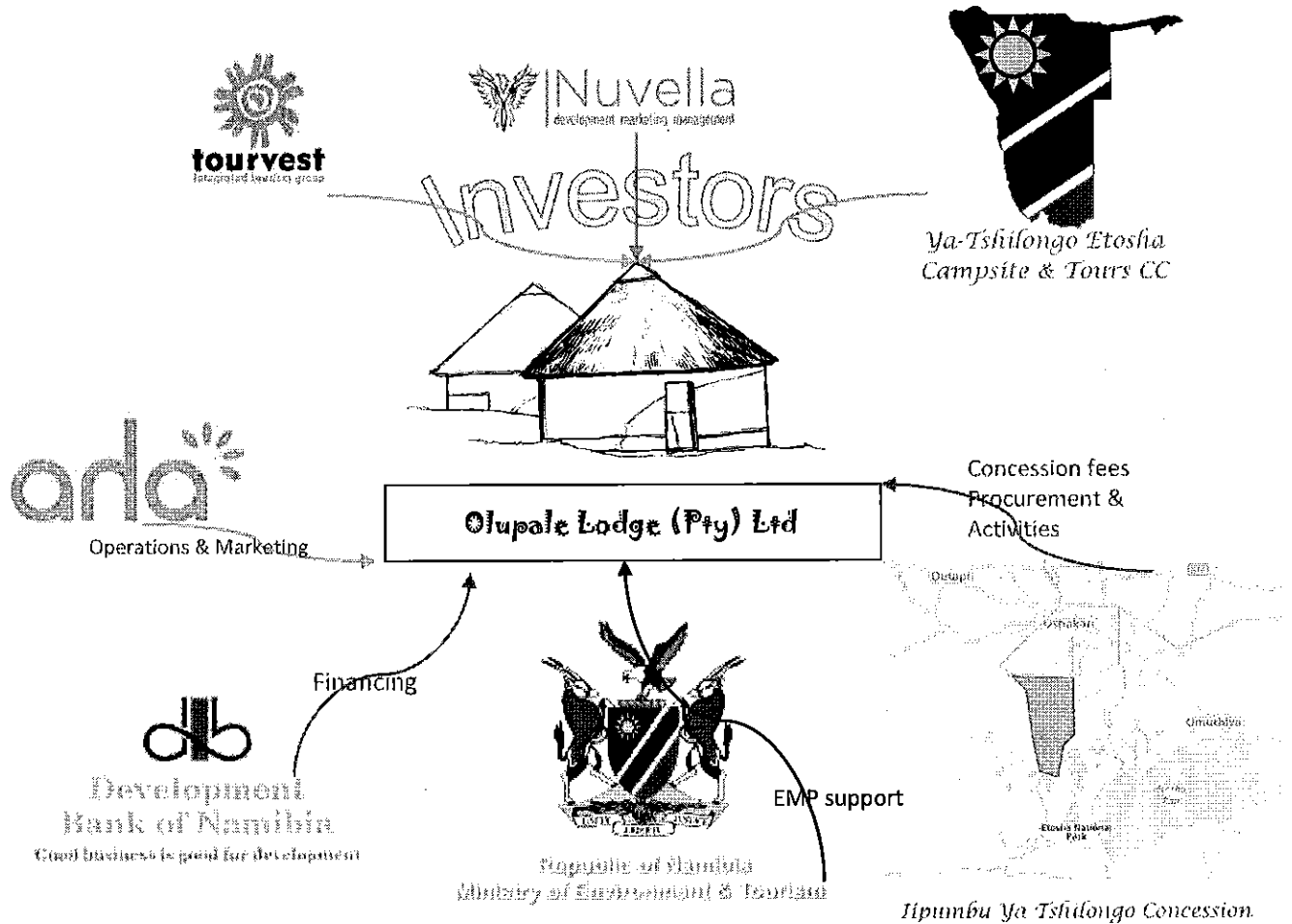
- visiting the site;
- meeting with local representatives in the area;
- Identification of local workforce and suppliers;
- discussing supply arrangements with local suppliers both for development materials and stocks/consumables post opening;
- discussions regarding the sub-soil and water-table conditions in this area;
- discussing the guest demand in the area with Tour operators and other lodge operators;
- discussing other hospitality projects in the greater Etosha are and beyond with other Developers;
- discussing room rates for lodges in this area with specialist tour operators.

The Development Plan, Empowerment Plan, Marketing Plan, Social Responsibility Plan and Financial plan are all based on this research.

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**B : Business Structure**

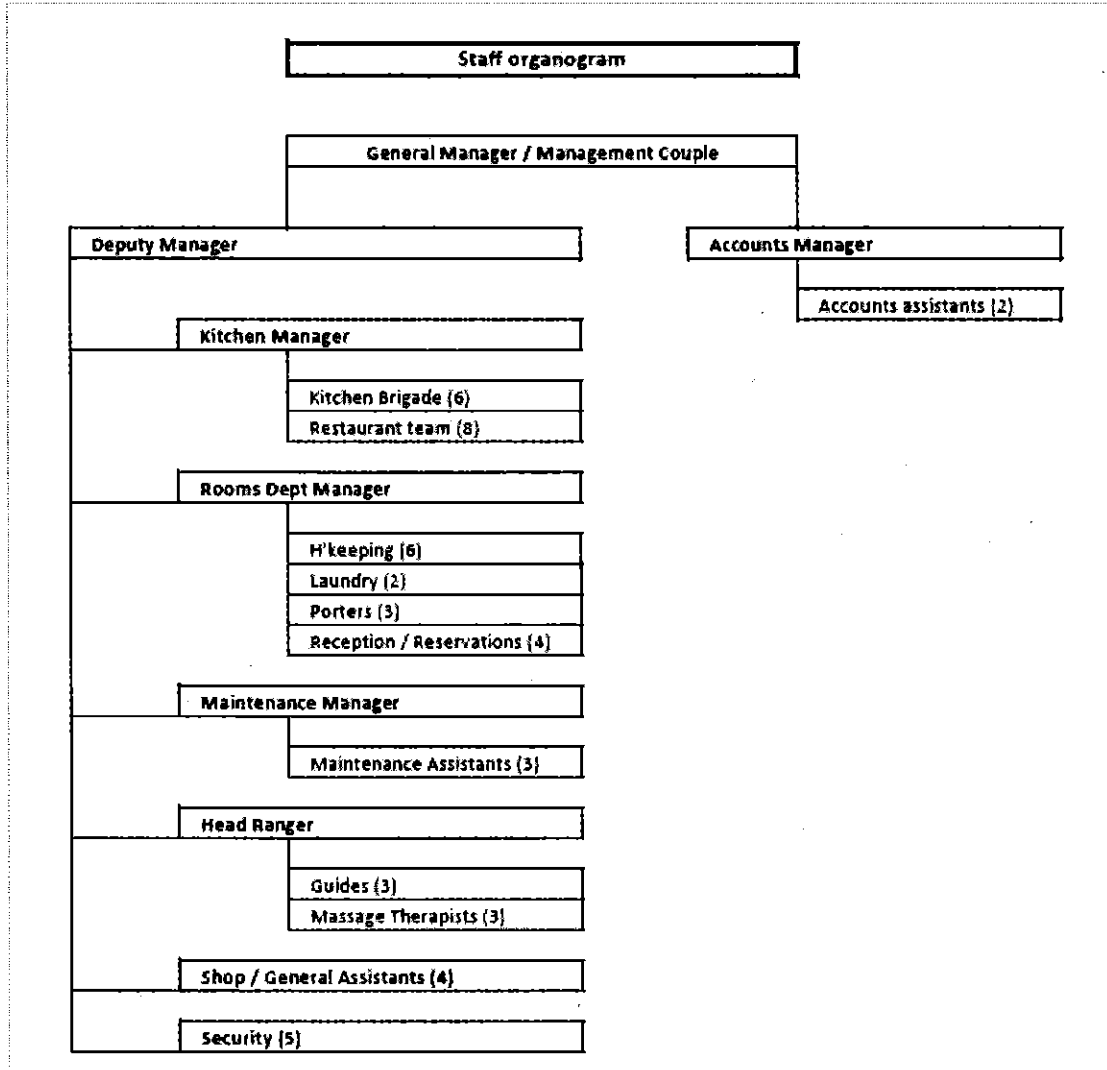
The proposed organogram of the new Namibian Entity will have the following layout :



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**C : Employment Plan**

It is envisaged that the lodge will have a staff compliment between 50 and 60 members of which 4 will be top management positions and 4 will middle management positions. Please refer to the proposed management structure :



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The following employment plan is envisaged for the lodge operation and the positions earmarked for local recruitment have been highlighted in yellow in the below table. The management positions will be required to have some experience, and if available from the local community these positions would also be filled with local individuals.

42 Positions in N\$		Namibia MET Proposal - Iipumbu				
Position	Dept.	Number	Month N\$	Annual Total N\$	First Burden* 20%	Dept. Total N\$
GM / Mgt Couple	A & G	1	NAD 65,000	NAD 780,000		
Deputy Manager	A & G	1	NAD 25,000	NAD 300,000		
Accounts Manager	A & G	1	NAD 20,000	NAD 240,000		
Accounts assistants	A & G	2	NAD 8,000	NAD 144,000		
Security	A & G	5	NAD 3,500	NAD 210,000	NAD 334,800	NAD 2,008,800
Kitchen Manager	F & B	1	NAD 20,000	NAD 240,000		
Kitchen Brigade	F & B	6	NAD 4,000	NAD 288,000		
Restaurant team	F & B	8	NAD 3,500	NAD 336,000	NAD 172,800	NAD 1,036,800
Rooms Dept Mgr	Rooms	1	NAD 8,000	NAD 96,000		
Housekeeping	Rooms	6	NAD 3,500	NAD 252,000		
Laundry	Rooms	2	NAD 3,000	NAD 72,000		
Porters	Rooms	3	NAD 3,000	NAD 108,000		
Reception / Reservations	Rooms	4	NAD 4,000	NAD 192,000	NAD 144,000	NAD 864,000
Maintenance Manager	R & M	1	NAD 6,000	NAD 72,000		
Maintenance Assistants	R & M	3	NAD 2,500	NAD 90,000	NAD 32,400	NAD 122,400
Head Ranger	Other	1	ZAR 8,000	ZAR 96,000		
Guides	Other	3	ZAR 5,000	ZAR 15,000		
Massage Therapists	Other	3	ZAR 3,500	ZAR 126,000	ZAR 47,400	ZAR 284,400
Shop / General Assistants	Other	4	NAD 3,000	NAD 144,000	NAD 26,800	NAD 172,800
<b>Total</b>		<b>56</b>	<b>NAD 316,750</b>	<b>NAD 3,801,000</b>	<b>NAD 760,200</b>	<b>NAD 4,489,200</b>
<b>Annual Total</b>				<b>NAD 3,801,000</b>	<b>NAD 760,200</b>	<b>NAD 4,489,200</b>

\*Payroll burden includes: SSC, VET, staff meals, uniforms and Other staff costs

Management experience required

Earmarked for local recruiting

It is the bidders' intention to recruit the maximum number of employees from the local community. To facilitate this, the bidder is planning to set up a training centre during the construction phase of the lodge to give basic training courses to the local community individuals who would be interested in working at the lodge. During these courses the individuals will be assessed and those who are successful would be offered a training position in one of the other lodges operated by *aha* in Namibia. After the training has been successfully completed, the top individuals will be offered a position in the lodge.

In conclusion, the development of any new business is an exciting venture. The lodge is fortunate to have a large pool of local talent and, by working with the local workforce we will strive to transfer skills and enhance the self-esteem of all our employees.

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**D: Operational control**

A new Namibian entity will be registered in accordance with the Namibian Companies Act and all registrations and licences will be obtained by this new company. The registered office of the company will be located in Windhoek. The lodge will have a fully functional office and the operational control will be done from the lodge. The ultimate control and support of the operations will be done from a centralised head office in Windhoek, currently the offices of Nuvella where the marketing and reservations are based.

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## Business Rationale

### **A: Background**

The aim of the concession is for the concessionaire to attract quality private-sector investment in the concession area, with the objective of developing an operating the concession to its optimal potential and thus contributing to conservation and poverty alleviation within the local community.

The location of the concession area lends itself towards tourism related opportunities and based on our market research a profitable business case can be presented.

### **B: Objectives & strategies**

As lodge developers and lodge managers, our main objective would be to operate a lodge within the concession area for a financial benefit to all of the stakeholders, including the local community and the investors.

To bring a more value to the community we have foreseen to assist the local community in creating products to incorporate in the lodge operations. Having a lodge in the area will create a demand for various products, such as uniforms, fresh produce, meat, arts and crafts etc which can be supplied to the lodge by the local community.

### **C: Product concept**

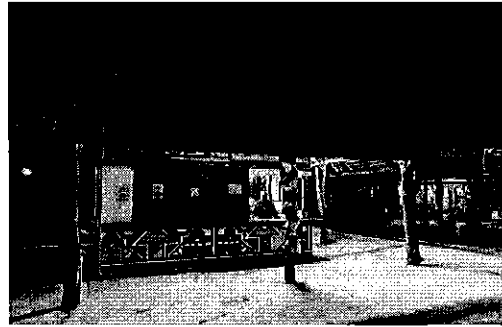
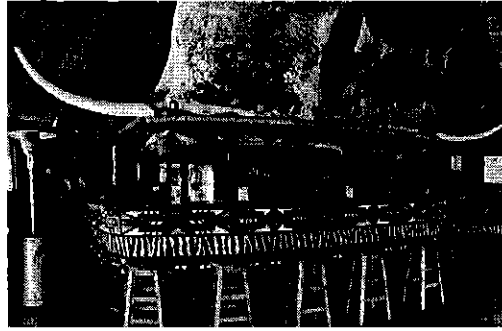
We aim to create a unique product that has not been introduced into the Namibian market as such, an Oshivambo Village experience, and this would be the unique selling point of the lodge. The design concept will be similar to that of Lesedi Cultural Village and Shakaland in South Africa.



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Based on our market research, we will construct a 40 key lodge in traditional style (wooden decks, canvas tents covered in wooden sticks on the sides and with palm leaves on the roofs) in an upper 3\* market with 4\* finishes. The lodge will cater for all the basic needs of guests including restaurant, bar, pool, laundry service, activities, curio shop etc.

Apart from the cultural experience of the lodge, the activities offered to the guests will consist of game drives into the Etosha National Park (morning drives and afternoon drives), horseback safaris, cultural village excursions and a massage room.

The lodge will be branded as part of the aha group of hotels and lodges and will be referred to as *aha* Olupale Lodge. The name Olupale refers to the central meeting place of the "kraal" and the lodge will be constructed on the same basic principles of a "kraal".

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## D : Business Model

The lodge will be operated, managed and marketed by *aha* on a 10 year management contract with the option to renew. With their experience and expertise in the lodge sector within Africa, their input, direction and market infiltration will be of invaluable importance.

### Services

The function of the lodge will be to attract visitors to the area by providing a high standard of accommodation and excellent service. This will include the basic services of :

- Accommodation in 30 up-market twin tents (3\*- 4\*) and 10 luxury tents (4\*- 5\*)
- High standard restaurant serving a la carte lunch, buffet dinners and breakfasts.
- Rim flow pool with sunbathing deck, open air seating and pool bar
- Lounge area for relaxing, reading and enjoying the beautiful nature views
- Massage rooms for that extra amazing experience

### Activities

Suggested activities for this site are outlined below. We would expect that many of these are undertaken by the local communities creating employment and businesses:

- **Game drives into the Etosha National Park via the private gate**  
These drives will traverse the Etosha National Park's Northern area and will include visiting a newly built hide at one of the waterholes with drinks and snacks included. This activity will be operated by the lodge.
- **Cultural experience**  
A visit to a local cultural village (a newly erected village in the traditional style envisaged to include the staff accommodation) will give guests a unique Namibian experience of the Oshivambu culture.

This area has a rich heritage in artisan products including jewellery and wooden products and we feel that visitors, whether they are Namibian, Southern African or International will be fascinated and charmed to see the skills in making of these products and to have the opportunity to purchase these either for their own use or for gifts.



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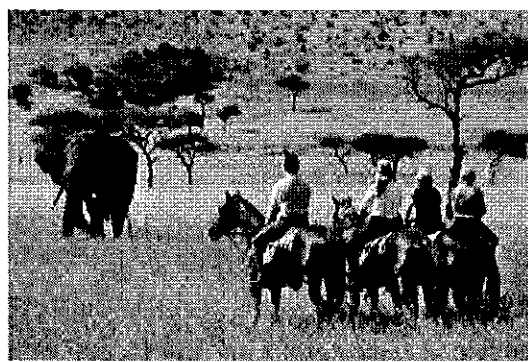
- **Music**

Music has been a core part of African culture for millennia and the opportunity to engage with local communities in singing and drumming performances will be a vibrant and un-forgettable experience.



- **Horseback safaris**

Horse riding is one of the local traditions and a wonderful opportunity exists to take guests on escorted horseback safaris in the beautiful surroundings. Once again an opportunity for local entrepreneurs to become involved.




**Activities – conclusion**

The range of offerings here are intended to showcase local skills and culture and to enable the local communities to both the display their pride in their locally produced products as well as to generate an income stream form the increased numbers of visitors to the area.

The aim is to have the lodge deliver the core services that are capital intensive and to promote entrepreneurs in the local community to offer other activities as a group.

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## Market Justification

### A. Target Markets

The demand for a lodge in this part of the Etosha National Park will be multi-strata and consequently in analyzing the dynamics exerting themselves on such a product. It has also to be said that the lodge will be more commercially successful if as many customer channels as possible can be tapped. It is, therefore clearly in all stakeholders' interests to maximize the revenues generated.

The segments which we consider relevant to this product include:

- Tour operators, both regional and international;
- Self drive: International incoming;
- Self drive: local and regional.

This market is therefore predominantly a **Leisure market** and whilst we wouldn't rule out conferences, we do feel that the M.I.C.E. (Meetings, Incentive, Conference and Events) segment will not form a significant component of the business.

As such this source is clearly highly seasonal with peaks in the Northern Hemisphere summer and also the Christmas holiday season for local and regional visitors.

As it is predominantly a Leisure market, revenues are driven by personal discretionary spend which in turn is susceptible to economic conditions.


### B. Future Competition

Whilst no-one can or should prevent competition, there will undoubtedly continue to be strong demand for visitors to the Etosha National Park barring dramatic and unforeseen events. We perceive there is a competitive advantage to having a lodge located on the border of the Park with a private entrance, as this gives guest immediacy to their desire for game viewing. We understand from discussions with M.E.T there is another tender for the King Nehale area, but we are not aware of any further planned tenders for accommodation within the Etosha National Park.

We do not know the likely outcome for the King Nehale tender but we are comfortable with our intended product being able to be meet the demand which we perceive based on our research.

### C. Future Demand

The United Nations Conference on Trade and Development in their May 2017 report noted that 1 out of 14 jobs in Africa is supported by tourism and is a key driven of economic growth in Africa:

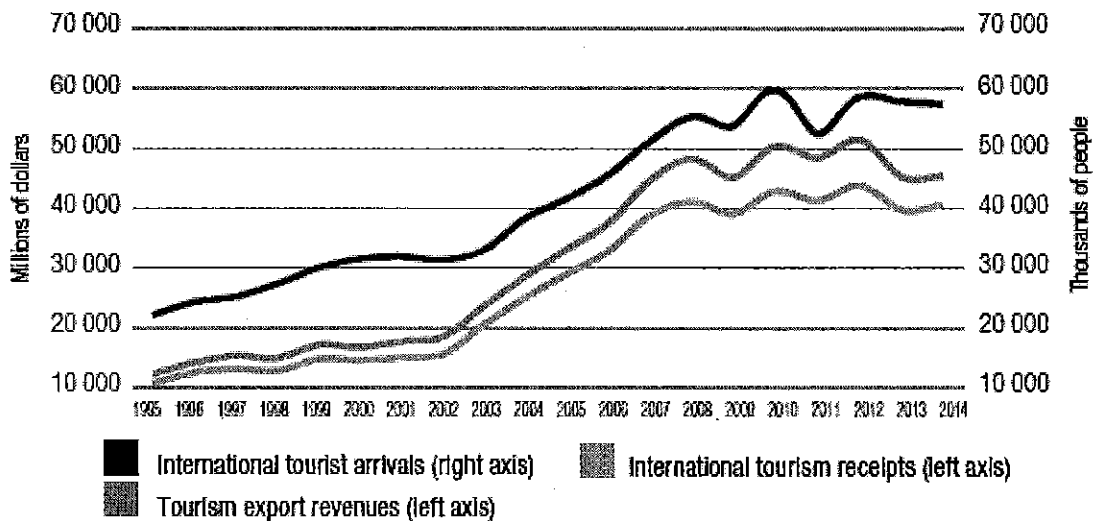
  
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**Africa: International tourist arrivals, international tourism receipts and tourism export revenues, 1995-2014**



Source: UNCTAD calculations, based on data from UNWTO, 2017.

The demand drivers recognize that holiday makers are becoming more adventurous and demanding in their search for satisfying and stimulating holidays, there is saturation in certain traditional holiday destinations and a number of area specific concerns for traditional destinations.

Whilst sporadic terrorism attacks remain a feature of Northern Hemisphere conurbations, we believe there will be strong demand for holiday destinations where this threat is considerable reduced and, specifically, Namibia will benefit from this. There is also the consideration of refugees fleeing problems in North Africa and Syria to the northern parts of the Mediterranean which have substantial volumes of hotel rooms dedicated to the holiday market of Europe, UK and North America.

**D. Pricing**

Our research into the various offerings in the greater Etosha has intended to stratify the market into 3 star, 4 star and 5 star markets whilst also understanding that there are substrata within these divisions. With the intended Lodge having accommodation at upper 3 star and 4 star levels we researched both the price points being asked by the existing competition and the projected demand at these levels. The balance of the room configuration reflects the lower demand, relatively speaking, for the higher price point of the 4 star market.

**E. Distribution Networks**

With the management of the Lodge being provided by **aha Hotels and Lodges** the Lodge will have access to the Sales & Marketing resource provided by them together with their Central Reservations Office.

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They are well established in the hospitality business offering specialist hospitality management with a team of professionals in the industry dedicated to focus on the quality standards of a range of lodges and resorts.

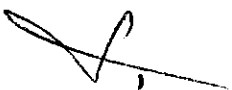
This will ensure that the needs of the Lodge are met with a tailored partnership to deliver above market returns, improve sustainability and afford an excellent management infrastructure and an ethical, transparent business relationship.

In addition *aha* offers vast benefits:

- **Proficient central reservation infrastructure**, with strong market penetration derived from no less than 22 online channels which include leading global travel distribution systems such as *Galileo, Amadeus, Sabre*.
- **Focused Sales & Marketing infrastructure** aimed at the key sectors of the supply chain in both the domestic and international business & leisure sectors.
- **An efficient Revenue Management system** with ability to predict customer expectations, a more effective and competitive pricing strategy and an expansion of available markets.
- **Strong partnership with Tourvest Inbound Operations and Tourvest Travel Services** network which are both linked on-line to the Central Reservations Infrastructure.

#### F. Establishment of market presence

It is a common feature of hospitality operations that there is a three year ramp-up in business levels and this is reflected in our projections and structures. It is not our intention to pursue high volume, low revenue markets which may have a quicker ramp-up as we do not feel this is appropriate to the scenic beauty and environmental considerations of the Park.




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**ITEM 5 : DEVELOPMENT AND USAGE PLAN**

**A:        MAPS & DRAWINGS**

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**B: DESIGN ELEMENTS**

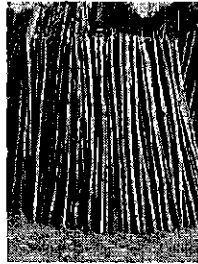
We have opted for an integrated overall design to ensure better service delivery, guest satisfaction and efficiency. The design presented clearly illustrates how we propose to integrate the various elements of the Lodge.

The material used will consist mostly of natural elements including sticks, thatch, stone and palm leaves. Concrete, brick and mortar will be used internally where needed and canvas will be used to seal off the natural elements in the rooms.

**Materials**



Palm leaf roof covering



Wooden sticks

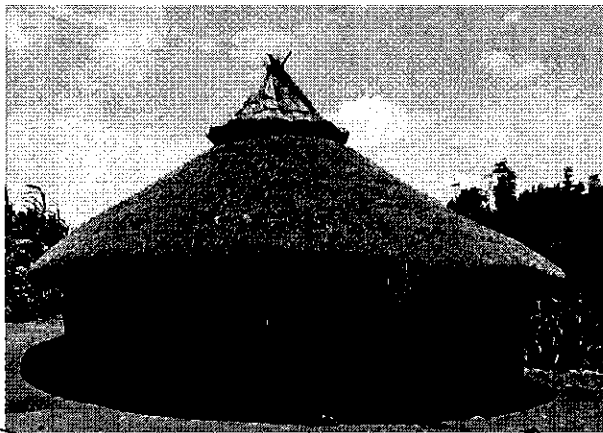


Canvas Interior

**Interior ideas for chalets**



**Exterior finishes : wooden sticks and palm leaf roof covering**



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**Arrival**

The use of local, natural materials will have the minimum impact on the visual amenity of the area and enhance the delight of arriving guests. The layout based on a local royal palace will combine both flow and function.

**Lodge pathways**

Will have minimal environmental impact by using local material and will be well sign-posted.

**Public areas**

Again drawing from the royal palace layout, will use natural thatch, wood and other building materials locally sourced.

**Synergised design**

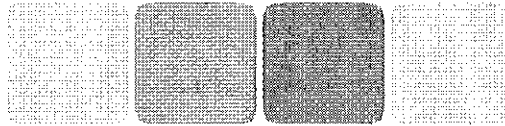
The entire facility is presented in harmonious space blending the natural contours of the land with comfort levels and layouts demanded by local and international guests.

**Front of house design plans**

As indicated in the above schematics, we have drawn heavily in our design from local history and culture and the design of the main buildings have their roots in a traditional royal palace:

- Various rooms as per the royal palace with adapted usages suitable for a lodge
- All traditional material sources from the area
- Lighting: Where possible we have adopted solar powered or low energy lights that provide ambient lighting and no light pollution
- The use of natural colours for wall coatings will be enhance by brighter local colours:

Muted natural shades

**Back of house design plans**

In keeping with the above we have, as far as practically possible continued to follow the layout. In other areas we have accommodated practical requirements but have adopted environmentally friendly considerations:

**Kitchen**

- Cooking and refrigeration: to the maximum extent possible we will use gas rather than electrical equipment.
- The use of grease traps will minimize the amount of grease solid and semi-solids in liquid waste water.
- Water consumption will be monitored and water minimization procedures adopted.
- We intend to use as much recyclable packaging as possible and not use disposable items.

**Dry store**

Self-sealing containers will minimize wastage and assist pest control.

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### **Staff areas**

Dedicated staff areas for changing, storage of personal items and eating meals will be provided for the amenity of staff.

### **Green design**

We have taken cognisance of MET's desire to reduce the footprint of this facility in the design, materials and operation of the Lodge.

- Retail store – enjoys full LED lighting, low energy fridges and inverter type AC units.
- Kitchen – will have a gas stove gas cold storage facilities
- Water usage – will be minimal and monitored.
- All consumption will be scheduled and monitored by our operations team.

### **Décor plans**

The conceptual drawings and artists impressions of the new facility show our clear commitment to retaining the natural ambiance of the area but adopting high levels of comfort and modernity.

Elements of natural wood, stone and canvas will form the basis of our decor palette. Muted natural shades of paint and decorative elements will flow throughout.

We believe that our initial investment will create a facility that has longevity. We have provided annual funds for maintenance which should result in the facility being kept at the required standards without additional capital expenditure and allows us to present a facility built using quality materials and craftsmanship.

The lounge area will have comfortable seating with a select number of traditional seating to add character and a sense of authenticity to the facility.

### **Landscaping**

Working with local experts we will ensure the Resort blends with and its immediate surroundings and draws on its natural beauty.

We intend to use:

- Plants obviously suited to the area.
- Plants that will not attract wild animals and tempt them to come closer to the facility putting them and the visitors in potential danger.
- We will use efficient water harvesting techniques.



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C: BUILDING UNITS

**BUILDING UNITS AND COVERAGE**

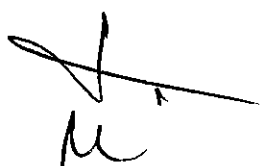
<u>Building</u>	<u>Number</u>	<u>Size</u>	<u>Total size</u>
<b>Main building including the following :</b>			
Reception	1	30	30
Curio Shop	1	80	80
Offices	2	20	40
Massage rooms	3	15	45
Activity centre	1	40	40
Lounge	1	144	144
Pool & deck	1	150	150
Bar	1	72	72
Restaurant	1	144	144
Kitchen	1	120	120
Passages			185
			<u>900</u>
<b>Service Block containing the following :</b>			
Dry store	1	72	72
Butchery	1	36	36
Freezer rooms	1	15	15
Cooler rooms	1	20	20
Generator Rooms	1	8	8
Laundry	1	56	56
Workshop	1	40	40
Maintenance store	1	20	20
Waste storage	1	20	20
			<u>179</u>
<b>Accommodation :</b>			
Luxury Rooms	10	75	750
Twin Rooms	30	50	1,500
Guide rooms	8	12	96
Manager cottage	1	150	150
Senior Staff	6	20	120
Junior Staff	25	12	300
Staff canteen	1	72	72
			<u>2,988</u>
<b>TOTAL BUILDINGS</b>			<b>4,067</b>

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**D: TIMELINES**

It would be preferable that the lodge opens during the month that leads up to high season in Namibia's tourist year and thus during June or July. Unfortunately that is a very tight deadline and we propose that a more prudent approach be followed.

<b>Event</b>	<b>Due Date</b>
Singing of Concession Operator Contract	30 November 2017
EIA study and report	31 January 2018
Archaeological scoping	31 January 2018
Financing agreements signed	31 January 2018
Approval of final building plans	31 January 2018
Construction company on site	15 February 2018
Training courses and staff recruitment start-off	01 June 2018
Staff appointments completed	30 September 2018
Construction hand over	30 September 2018
Official opening of the lodge	15 October 2018



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## **E: ENVIRONMENTAL IMPACT**

As mentioned, there are three possible sites for the construction of the lodge. The final site selection will be done after the formal EIA process has been completed and a decision has been reached on the best water source and also after the archaeological scoping has been done on the sites in order of preference.

All 12 points as per the Environmental & Development Guidelines (Annexure 1 of the RFP) will be adhered to in the development and a close working relationship between MET, Etosha National Park management and the representatives of the Concessionaire will be of utmost importance to ensure that we preserve the beauty of the area for future generations.

The shape of the lodge, pools and rooms are all following the patterns of the surrounding pans and will be built on stilts as far as possible to minimise the impact on the environment. The following elements have been considered in our design to ensure low impact :

### **Hot Water Services**

Gas Hot Water Geysers will be used for all hot water requirements.

### **Water Supply**

A solar driven submersible borehole pump will be installed. Treatment of the abstracted groundwater will include an activated carbon and sand filtration unit.

Low flow shower heads, taps, low-flush toilet cisterns and other water saving fixtures and appliances will be installed to save water.

### **Electricity Supply**

Namibia, due to its many sunny days is extremely suitable for solar and photovoltaic systems. Combination (Hybrid) systems consisting of solar and photovoltaic systems, including battery storage for night energy usage, in combination with emergency diesel generation backup have proven feasible.

Energy efficient appliances e.g. refrigerators, lighting systems (LED lights), AAA+ rated electrical appliances and gas hot water geysers will be used. Gas stoves will be installed in lieu of electrical stoves. Preference will be given to equipment which enables lower operational costs, even if the initial capital cost of such equipment is higher than the available alternatives.

### **Stand-by Generators**

Diesel Standby Generators (Outdoor Silent Pack) installed on a flat concrete plinth with a simple weather protection roof installed in close vicinity to the Electrical Main Distribution board of the premises are proposed. The unit will consist of an automatic transfer switch with Mains failure sensing.

### **Cooling**

The design will cater for improved roof insulation and roof vents creating an air cushion above the rooms, sufficient windows for natural cross ventilation and where cooling facilities are required consideration will be given to using the Namibian developed units which are powered by a photovoltaic system.

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**Solid Waste**

A service block will be built which makes provision for a large rubbish bin area with numerous bins for rubbish separation and storing. All solid waste will be removed from the concession area and dumped at formal dump sites and/or delivered to suitable recycling facilities if available.

**Waste Water Treatment**

The provision of a suitable "trickling plant" for the new lodge is proposed. The effluent from the plant will be used for the irrigation of lawns around the buildings to combat erosion or for any vegetation barrier (landscaping).

A modern trickling filter waste water treatment plant (containerised plant) has a very small foot print and produces an effluent quality equal to or exceeding conventional activated sludge technology. The effluent from the plant will be used for the irrigation of lawns, shrubs and trees.

Simple, reliable technology. The trickling filter relies on attached growth technology (a biological process) with hydraulic distribution and control. Such systems can accommodate large fluctuations (quality and flow) of inflow and can even accommodate shock loads.

Minimal automation and control. Because of the simple technology employed, automation and control is minimal and the system is therefore very reliable, robust and most appropriate for the envisaged application.

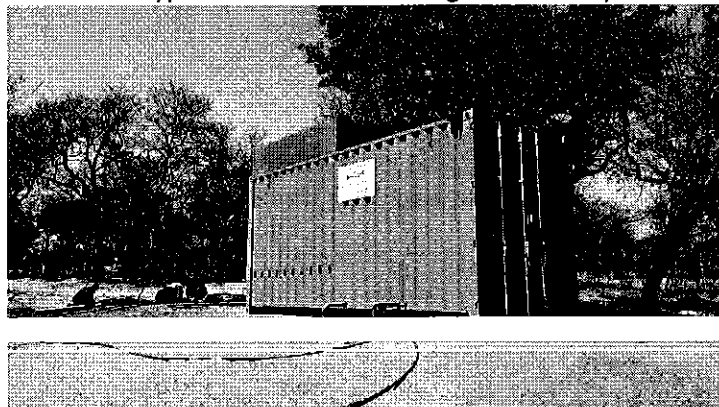
No skilled operators required. Hydraulic control and operation of the system renders skilled operators obsolete. The system does not require mechanical oxygen input and therefore no specific skill or supervision is required from the operators.

Low sludge production. The aerobic sludge produced in the trickling filter is returned to the anaerobic (septic) tank, where it is anaerobically digested to ca 3/10th of its original volume.

With this modern trickling filter design and technology, an effluent quality equal to or exceeding conventional activated sludge technology is achieved. The trickling filter system can, process wise, be compared to the Three-Stage Phoredox (activated sludge) Process, i.e. the final effluent from a trickling filter system will be of similar or better quality than the final effluent from a Three-Stage Phoredox process.

Waste water generated at the wash bay, kitchen and workshop will be pre-treated prior to entering the septic tank of the trickling plant in order to remove any oil products. An oil and grease separator will be built.

The Photo below shows a typical containerised sewage treatment plant.



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**ITEM 6 : CORPORATE SOCIAL PLAN**

**A: Ownership**

The consortium that make up the bidder includes a closed corporation who is 100% owned by 3 PDN's and they will have a 30% shareholding in the new Namibian company that will be registered in accordance with the Companies Act of Namibia. Our preferred name will be Olupale Lodge (Pty) Ltd.

The ultimate shareholding will be as follows :

- Namibian registered private companies           70%
- PDN – male   18%
- PDN – female    12%

**B : Strategic Representation**

The PDN CC's shareholding will be 30% of the ordinary issued share capital of the company giving the PDN's full voting rights as shareholders and thus full rights to nominate and appoint directors in accordance with the Companies Act of Namibia.

A shareholders' agreement will be entered into by the shareholders whereby all the parties rights and responsibilities will be set out and agreed as well as the "house rules" of the company.

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**C: Employment Plan**

The staffing structure as detailed under Point 4 subsection C, indicates 57 new positions that will be offered by the lodge. As stated the bidder will procure the maximum number of local staff to fill the positions after theoretical and practical training have been provided to the local community members who would be interested.

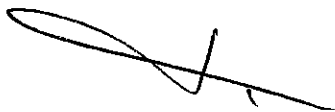
It must be noted that the start up operation of a lodge is a critical phase for guest satisfaction and for establishing a presence in the market. It is therefore imperative that the lodge management are experienced and well trained individuals being able to manage and direct the new recruits in this crucial stage. If available, preference will always be given to local community members for all the positions, including management positions, should they qualify.

During the course of the training, especially the practical training, candidates showing potential for management positions will be identified. They will be given further in-house training by their supervisors to ensure that they will be able to fill a management position in future.

The following time frames will apply for the skills transfer in management positions :

- Middle management 3 years
- Senior management 5 years
- Top management 7-10 years

We have attached a concept framework for an Affirmative Action Policy.



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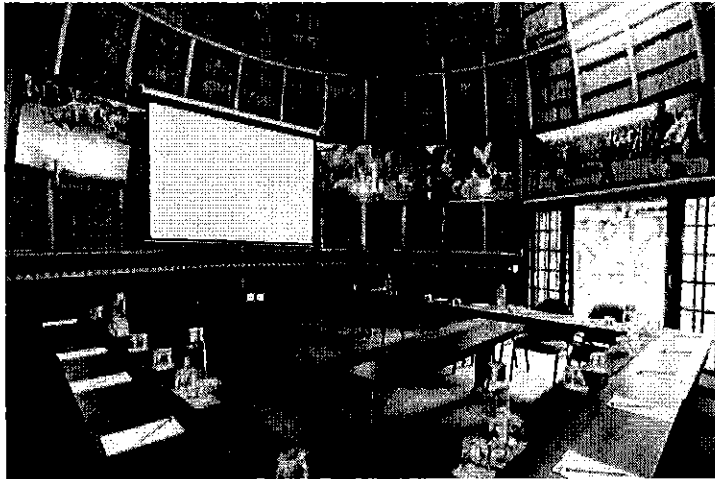
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**D: Skills Development**

The bidder will incorporate a skills development plan as required and as detailed in previous sections. To keep up with the market demands service always need to be improved and hence training will be one of the most important factors in the organisation.

The training and skills development will be managed by *aha* Hotels and Lodges as part of their management contract and most of the training will be given in-house via our training centre. The cost of outsourced training is included in the payroll burden but is estimated at 5% of salary costs, thus an approximate amount of N\$190 000 for the first year escalating each year with inflation.

We have attached the *aha* Training and Development Policy as well as the Training Curriculum.



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**E : Local procurement and entrepreneurial support**

**Construction**

As much as possible building material would be purchased locally and the local communities will have to opportunity to produce and/or source the materials for the construction of the lodge such as wooden sticks, palm leaves, natural rock and live palm trees.

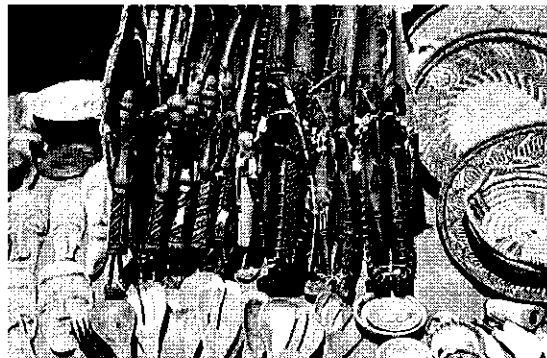
**Activities**

The lodge will support local entrepreneurs in starting up tourism related businesses to outsource activities to the local community. Activities at this stage include horseback safaris and a cultural village experience. We believe it is possible to raise about N\$450 000 as from year 1 from these activities for the local community.



**Curios**

The items for the curio shop will also be sourced from the local community and we will endeavour to include as many individuals as possible. An estimated first year purchase would be around N\$160 000.



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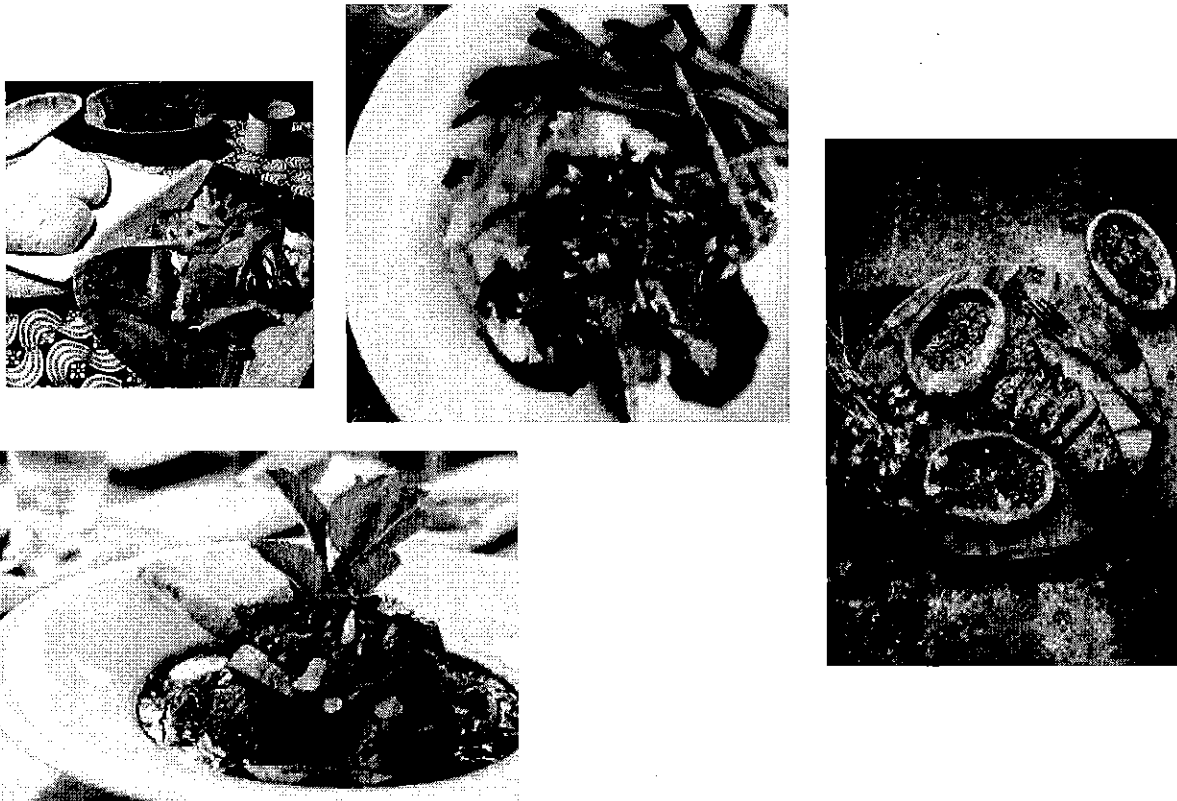
**Local tailors**

Furthermore it has become apparent that there are local tailors whom we will use to manufacture the uniforms of the staff as well as some of the linen items required by the lodge. The local dresses and other items can also be sold in the curio shop.



**Lodge supplies**

The concession area is located in a farming community and this will enable us to source local produce from the surrounding farmers. We will assist the farmers to set up a co-operation through which they will supply the lodge on a weekly basis with meat (beef, lamb, goat, chicken), eggs and other fresh produce. It is the intention to offer traditional food of the region and Namibia served with a European flair. An amount of N\$250 000 per annum spent should be attainable as purchases from local suppliers provided that the items are available.

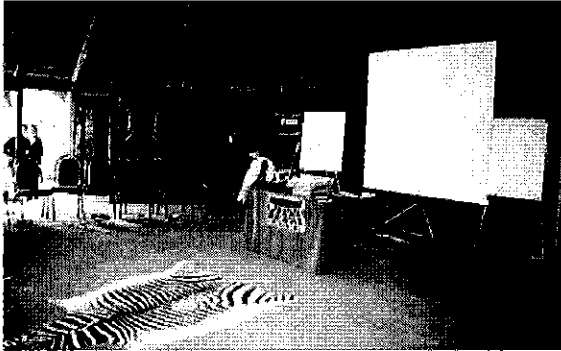


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**E: Social Investment Commitments**

**Training**

Apart from the initial training that will be conducted to source staff for the lodge, we would yearly offer courses for local individuals in the different disciplines of a lodge operation (for example reception, housekeeping, restaurant staff and bar man) and offer in-house on-the-job training to give the trainees the experience needed to apply for a job at any accommodation facility. These training courses will be conducted in the low season and would be a yearly occurrence.



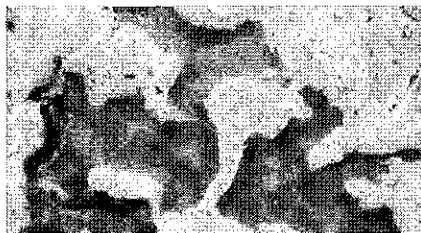
**Transportation**

A weekly clinic shuttle service will be operated between the local village and Ondangwa to give local inhabitants access to clinic services. This service will be done by the lodge in their staff transport vehicle which has a capacity of 20 people and will commence once the lodge is operational.



**Salt lick**

One weekly delivery of local salt, mined by the local inhabitants for their animals, will be offered by the lodge to the farmers in the area. The precise route is still to be determined in co-operation with the local farmers. This service will also commence once the lodge is operational.



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**CONCESSION OPERATOR CONTRACT**

**For the  
ACTIVITY CONCESSION  
in  
ETOSHA NATIONAL PARK / OSHANA REGION**

**Between**

**lipumbu Ya Tshilongo Conservancy**

**herein represented by Mr. H. Kamati in the capacity as Chairperson and duly authorized to do so by the Conservancy**

**(The Concessionaire)**

**And**

**Nuvella Managerial & Marketing Services (Pty) Ltd**

**herein represented by Mr. Christophe Van de Vijver in the capacity as Managing Director and duly authorized thereto to enter this agreement**

**(The Operator)**

**(hereinafter referred to as "the Parties")**

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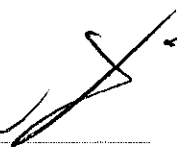


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**THIS CONCESSION OPERATOR CONTRACT IS ENTERED INTO BETWEEN**

**(1) THE CONCESSIONAIRE; and**

**(2) THE OPERATOR.**

**(3) WHEREAS**

- A. The Concessor has granted the Concessionaire, through a Head Concession Contract (see **Annexure 1**) the right to utilise the Concession Area to generate income and stimulate socio-economic development through the development and operation of tourism in the Concession Area, and to enter into this Concession Operator Contract with the Operator.
- B. The Operator submitted technical and financial proposals to the Concessionaire during an open competitive tender procedure, to apply for the right to develop and operate the Concession Area as outlined in this Agreement (see **Annexure 2**).
- C. The Operator was selected by the Concessionaire as its preferred partner to implement this Project.
- D. Appointment of the Operator has received a "no-objection" by the Concessor, as required in terms of the Head Concession Contract.
- E. The Operator has expertise in the development and operation of tourism infrastructure, tourism services and activities for visitors to the Park.
- F. The Concessionaire wishes to enter into a Concession Operator Contract for the purposes of undertaking the Project with the Operator.
- G. Without compromising the conservation of the Concession Area and the Park, the Parties intend to implement this Concession Operator Contract in the spirit of co-operation and mutual support to achieve the Concessionaire's and the Operator's commercial objectives, whilst at the same time allowing the Concessionaire to fulfil its development objectives.

**NOW THEREFORE** the Parties agree as follows -

**1 DEFINITIONS AND INTERPRETATION**

- 1.1 The headings in this Concession Operator Contract or in the Annexures are for convenience only and shall not be taken into consideration in the interpretation or construction thereof.
- 1.2 Words importing the singular only, also include the plural and vice versa where the context requires.
- 1.3 Words importing reference to one or other gender shall be taken to mean both genders.
- 1.4 Any reference to any agreement or Annexure shall be construed as including a reference to any agreement or Annexure, amending or substituting that agreement or Annexure and be deemed to be part of this Agreement.
- 1.5 If any definition in this **clause 1** contains a substantive provision conferring rights or imposing obligations on any Party, effect shall be given to such provision as if it were a substantive provision in the body of this Agreement.

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1.6 In this Concession Operator Contract and its Annexures the following words and expressions shall have the meanings hereby assigned to them when said terms are used with a capitalised first letter:

<b>“Agreement”</b>	this Concession Operator Contract.
<b>“Annexure”</b>	an annexure hereto;
<b>“Associated Agreements”</b>	any contracts related to the design, construction, financing, Operation, Maintenance and Management of the Concession or otherwise entered into by the Concessionaire or the Operator (with any other person or entity, thus a ‘third party’ i.e. a ‘third party contract’) in connection with the Project, including, but not limited to, those contracts listed in <b>Annexure 3</b> ;
<b>“Best Industry Practice”</b>	the exercise of that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from time to time from a skilled and experienced operator, contractor or professional seeking in good faith to comply with his contractual obligations, complying with all applicable legislation and laws and engaged in the same type of undertaking and under the same or similar circumstances and conditions as those envisaged by this Concession Operator Contract the intention being that an acceptable balance shall be maintained between tourism and conservation;
<b>“Business Day”</b>	a normal business day excluding weekends and statutory public holidays;
<b>“Compliance Events”</b>	shall mean the events outlined in <b>Annexure 4</b> that must take place prior to the start of the Construction Works and the Operation, Management and Maintenance of the Concession Assets and Concession Area;
<b>“Concession”</b>	the restricted rights to develop tourism infrastructure and conduct tourism activities on business principles in proclaimed protected areas, which shall also refer to the granting of the Concession Rights outlined in <b>Annexure 4</b> ;
<b>“Concession Area”</b>	the area in which the Operator is entitled to exercise the Concession Rights as specified in <b>Annexure 4</b> ;
<b>“Concession Assets”</b>	collectively the Existing Immovable Concession Assets and the New Concession Assets, or, if the context is appropriate, any one of them, as further outlined in <b>Annexure 5</b> ;
<b>“Concession Fee”</b>	the amount payable for the Concession Rights by the Operator to the Concessionaire in terms of <b>Clause 2.6</b> and <b>Annexure 4</b> ;
<b>“Concessionaire”</b>	the counterparty to the Operator hereunder;
<b>“Concession Operator Contract”</b>	this Concession Operator Contract between the Concessionaire and the Operator including the Annexures hereto;
<b>“Concession Period”</b>	the period specified in <b>Clause 2.3</b> and <b>Annexure 4</b> , and any extensions thereof in accordance with this Concession Operator Contract;

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<b>“Concession Rights”</b>	all the rights conferred upon the Operator pursuant to this Concession Operator Contract and Annexures for the purposes of the Project, including, without limitation, the right to traverse and use, including to design, construct, rehabilitate, repair, finance, commission, Operate, Manage, Maintain, repair, charge and collect and raise revenues from the Project, as further explained and illustrated in <b>Annexure 4</b> ;
<b>“Concessor”</b>	Government of the Republic of Namibia represented by the Ministry of Environment & Tourism, and thus being the counterparty to the Concessionaire in terms of the Head Concession Contract;
<b>“Concessor’s Requirements”</b>	specific requirements of the Concessor, including those outlined in <b>Annexure 4, 6, 7 &amp; 8</b> hereto;
<b>“Conservation Management”</b>	the management of biodiversity in all its facets and fluxes as well as paleontological and cultural (including archaeological) assets in a manner that is consistent with the principles and objectives set out in the Management Plan of the Park;
<b>“Construction Contracts”</b>	the design and construction contracts, entered into or to be entered into, for purposes of the design, construction, rehabilitation, repair and/or commissioning of the relevant Concession Assets (other than for general maintenance or up-keep purposes);
<b>“Construction Phase”</b>	the phase(s) during the Concession Period in which Construction Works are carried out;
<b>“Construction Site”</b>	that part of the Concession Area required for the Construction Works;
<b>“Construction Works”</b>	design, construction, rehabilitation, repair and/or commissioning of the relevant Concession Assets in accordance with this Concession Operator Contract and the Construction Contracts (other than for general maintenance or up-keep purposes);
<b>“Contractor”</b>	the party designated as Contractor under the relevant Construction Contract;
<b>“Decommissioning period”</b>	the period during which the Operator shall be responsible for vacating the Concession Area or such parts as are utilised by it, and restoring it to the condition as stipulated in the EIA and EMP;
<b>“Detailed Design”</b>	the detailed design for the Construction Works or part thereof prepared by Contractor under the Construction Contract, as described in more detail within <b>Clause 7</b> and <b>Annexure 6</b> ;
<b>“Effective Date”</b>	the date on which this Agreement has been signed by both Parties;
<b>“EIA” or “Environmental Impact Assessment”</b>	the process of assessing the environmental effects of a development and its subsequent operation and ultimate decommissioning, carried out in accordance with applicable Regulatory Provisions and guidelines;



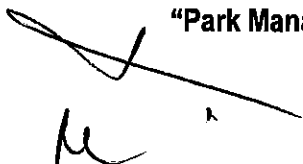
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<b>"Environmental and Development Guidelines"</b>	the guidelines for developing or conducting tourism related projects or activities within the Concession Area set forth in <b>Annexures 6, 7, &amp; 8</b> , as same may be revised and updated by the Concessionaire and the Operator from time to time, or imposed by the Concessor as new environmental information becomes available;
<b>"EMP" or "Environmental Management Plan"</b>	the environmental management plan to be developed and implemented by the Operator using the template provided in <b>Annexure 8</b> , outlining activities and guidelines for the design, operation and ultimate decommissioning of the developments in terms of this Project;
<b>"Existing Immovable Concession Assets"</b>	the immovable assets currently managed by the Concessor and associated with or connected to the Project as at the Effective Date, as listed in <b>Annexure 5</b> . For the avoidance of doubt, the following classes of assets shall be considered to be immovable: fences; buildings and all their associated fixtures and fittings whether embedded in the ground or not; all other accommodation, storage or service structures whether with or without foundations (including, but not limited to, tents and timber shelters) and all their associated fixtures and fittings whether embedded in the ground or not; all transport infrastructure including airstrips, roads, bridges; and all infrastructure associated with the provision of power, water and sanitation (including, but not limited to, solar installations, power lines, dams, boreholes, wildlife waterholes, windmills, storage tanks, water-pumps and sewerage systems);
<b>"Force Majeure"</b>	has the meaning set forth in Clause 14;
<b>"Head Concession Contract"</b>	the Head Concession Contract between the Concessor and the Concessionaire including the Annexures thereto;
<b>"Joint Management Committee" or "the Committee"</b>	the committee to be formed by the Concessionaire, Operator and Concessor as per <b>clause 2.7</b> of this Agreement;
<b>"Management Plan"</b>	a plan related to the management and use of the Park which has been prepared by the Ministry;
<b>"Material Damage"</b>	used in the context of the environment means any change in the environment within the Concession Area or the Park, caused by the Operator as a result of any activity, whether engaged in by the Concessionaire or not, where the change results in a material adverse effect on the ecological or cultural (including archaeological) integrity of the environment or on the ability of the eco-system on the land to recover or which will have a material effect in the future, all of which shall be measured against the EIA or any subsequent EIA;
<b>"Minimum Concession Fee"</b>	the minimum annual amount payable by the Operator to the Concessionaire and/or the Concessor, as outlined in <b>Annexure 4</b> ;
<b>"Ministry"</b>	the Ministry of Environment & Tourism;

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<b>“Net Profit”</b>	Shall mean the Operator's income remaining after deduction of all costs of sales and operating expenses, but before payment of tax and deduction of depreciation. For any given year, this Net Profit must be consistent with that presented in the Operator's accounts for tax purposes for the appropriate Financial Year, as certified by the Operator's auditors.
<b>“Net Turnover”</b>	shall mean any and all monies, in any manner directly generated by and/or flowing or arising from the Concession and this Concession Operator Contract, received or receivable by the Operator, excluding the commissions of <i>bona fide</i> travel agents and tour operators, Namibia Tourism Board levy, damages claimed, interest earned, insurance proceeds, capital gains realised on the disposal of movable assets and Value Added Tax received by the Operator. For any given year, this Net Turnover must be consistent with that presented in the Operator's accounts for tax purposes for the appropriate Financial Year, as certified by the Operator's auditors;
<b>“New Concession Assets”</b>	the assets acquired or constructed by the Operator and / or the Concessionaire during the Concession Period or, if the context is appropriate, any one of them, as listed in <b>Annexure 5</b> . For the avoidance of doubt, the following classes of assets shall be considered to be immovable: fences; buildings and all their associated fixtures and fittings whether embedded in the ground or not; all other accommodation, storage or service structures whether with or without foundations (including, but not limited to, tents and timber shelters) and all their associated fixtures and fittings whether embedded in the ground or not; all transport infrastructure including airstrips, roads, bridges; and all infrastructure associated with the provision of power, water and sanitation (including, but not limited to, solar installations, power lines, dams, boreholes, wildlife waterholes, windmills, storage tanks, water-pumps and sewerage systems);
<b>“Operational Period”</b>	the period following the Construction Phase during which the Operator utilises the Concession Assets for the purpose of exercising its concession rights;
<b>“Operation, Management and Maintenance” or “Operate, Manage and Maintain”</b>	all activities necessary for the operation, management and maintenance of the Concession Assets and the Concession Area utilised by the Operator in accordance with this Concession Operator Contract;
<b>“Operator”</b>	the counterparty to the Concessionaire hereunder;
<b>“Ordinance”</b>	the Nature Conservation Ordinance 4 of 1975, including amendments promulgated thereafter, or succeeding legislation that may repeal and replace such law;
<b>“the Park”</b>	the Etosha National Park;
<b>“Park Entry Fee”</b>	the fee charged by the Concessionaire to its guests for entering the Park for the purpose of conducting tourism activities, as further specified in <b>Annexure 4</b> ;
<b>“Park Manager”</b>	the manager of the Park as appointed by the Concessor



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<b>"Park Rules"</b>	rules set by the Concessor pertaining to the management and use of Park, which include but are not limited to the Act, and guidelines specified in this agreement (see Annexures 3, 4 and 6), and in the Management Plan;
<b>"Party"</b>	the Concessionaire or the Operator, as the case may be;
<b>"Parties"</b>	collectively, the Concessionaire and the Operator;
<b>"Person"</b>	any individual, partnership, conservancy, corporation, company, business organisation trust, governmental agency, parastatal, Relevant Ministry or other entity;
<b>"Previously Disadvantaged Namibian / Historically Disadvantaged Group" ("PDN/PDG")</b>	any individual, or organisation or group who are citizens of the Republic of Namibia who were socially, economically or educationally disadvantaged by racially discriminatory laws or practices which were enacted or practised before the independence of Namibia;
<b>"Project"</b>	the design, construction, rehabilitation, repair, commissioning, financing, Operation, Management and Maintenance of the Concession Assets and implementation of the Concession Rights within the Concession Area and/or Park and the provision of related infrastructure and/or services for visitors to the Operator's operation, under the terms of this Concession Operator Contract;
<b>"Regulations"</b>	regulations issued in terms of the Ordinance;
<b>"Regulatory Provisions"</b>	(a) the special conditions and guidelines outlined in <b>Annexures 4, 6, 7, &amp; 8</b> ; and  (b) collectively the prevailing laws, regulations, ordinances, policy directives and standards of the State and any Relevant Ministry which in any way affect or apply to the Project and/or the activities of the Concessionaire and/or the Operator and/or this Concession Operator Contract from time to time or, if the context is appropriate, any one of them and where appropriate includes the Regulations, Park Rules and the Management Plan;

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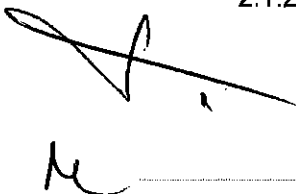


- “Related Party”** any Person who holds at least 5% equity interest in the Operator, or  
 any Person in whom the Operator holds at least 5% equity, or  
 a Person who directly, or indirectly through one or more intermediaries, controls, or is controlled by a Person who holds at least 5% equity interest in the Operator, or  
 is under the common control with any other Person and who together hold at least a 5% equity interest in the Operator;  
 where “control” with respect to any Person means the power to direct the management and policies of such Person whether through the ownership of voting securities, by contract or otherwise and the term “controlled” has the meaning correlative to the foregoing;
- “Related Party Transaction”** any material transaction relating in any way directly or indirectly to the Project in which the Operator leases, transfers or otherwise disposes of any of its properties or assets to, or purchases any property or assets from, or enters into any contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, a Related Party (other than the Operator);
- “Relevant Ministry”** any ministry, department, regional or local agency, Ministry or body of the State and any other public ministry, body, entity or Person having jurisdiction under the laws of the State with respect to the Concessionaire or the Operator or the Project;
- “Remedy Period”** the period (which shall be reasonable) granted by either party to the other, during which the notified party must take action to make good the damage or rectify the notified default or problem;
- “Responsible Persons”** for the purposes of clause 12, any Contractor, sub-contractor at any level, agent, servant, officer or employee of the Operator;
- “State”** the Government of the Republic of Namibia, acting directly or through its lawfully designated representatives.

**2 FRAMEWORK**

**2.1 Operator Statements**

- 2.1.1 The Operator will undertake the Project at its own cost and risk and in accordance with the provisions of this Concession Operator Contract. The Concessionaire shall not provide any guarantee or support to the Operator except as otherwise specifically provided herein. This Concession Operator Contract shall not be deemed to grant the Operator any right to impose any obligations on the Concessionaire except as specifically stated in this Concession Operator Contract.
- 2.1.2 All the rights, obligations and remedies of the parties to this Concession Operator Contract against each other are subject to the terms of the Head Concession Contract,



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which grants the parties hereto the right to enter into this Concession Operator Contract. In case of a conflict between the provisions of this Concession Operator Contract and the Head Concession Contract, the provisions of the Head Concession Contract shall override the provisions of this Concession Operator Contract.

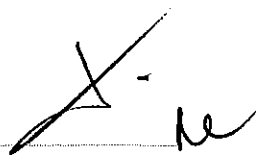
- 2.1.3 Notwithstanding that this Concession Operator Contract permits or requires the Operator to engage third parties to perform all or part of the Project, such engagements shall not release the Operator from any of its obligations and responsibilities to the Concessionaire hereunder, and the Operator shall be fully responsible for the acts and omissions of such third parties.
- 2.1.4 Any process conducted by the Operator to find, determine and appoint the most appropriate third party to perform all or part of the Operator's obligations in terms of this Concession Operator Contract, shall be subject to the Concessionaire's scrutiny and prior written approval, and if the Concessionaire deems necessary, also subject to the Concessionaire's active involvement in such process.
- 2.1.5 Any agreement or arrangement between the Operator and a third party to perform all or part of the Project, shall be subject to the Concessionaire's scrutiny and prior written approval.

## 2.2 Granting of Concession Rights

- 2.2.1 Subject to the terms of this Concession Operator Contract, the Concession Rights are granted to the Operator from the Effective Date of this Concession Operator Contract for the Concession Area as defined in **Annexure 4**, until the termination or expiry of this Concession Operator Contract or the Head Concession Contract.
- 2.2.2 Subject to the provisions of this Concession Operator Contract, the Concessionaire grants to the Operator the right during the Concession Period to:
  - 2.2.2.1 operate tourism activities in the Park as defined by the Concession Rights in Annexure 4, and finance, design, construct, Operate, Manage and Maintain the Concession Assets;
  - 2.2.2.2 generate, charge and collect revenues from the Operation, Management and Maintenance of the Concession Assets during the Concession Period; and
  - 2.2.2.3 use the Concession Area as defined by the Concession Rights contained in **Annexure 4** for the purposes of the Project.
- 2.2.3 If it is obliged to do so by the Concessor in terms of the Head Concession Contract, the Concessionaire reserves the right to grant third parties access to all or parts of the Concession Area for the purposes of obtaining access to other concessions, prospecting sites and mining areas, or for Conservation Management, or to conduct research approved by the Concessor, or for other purposes deemed justifiable by the Concessor.

## 2.3 Term of Concession Period

The Concession Period shall be for the term as contained in **Annexure 4**, subject to termination in accordance with this Concession Operator Contract.

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## 2.4 Concession Operator Contract Legally Binding at Effective Date

The Parties hereby represent and warrant that as from the Effective Date, this Concession Operator Contract is legally valid and binding upon them.

## 2.5 Concession Rights

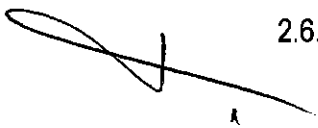
Further details regarding the rights and obligations bestowed upon the Operator pertaining to:

- the description of the Concession Rights;
- the non-exclusive and/or exclusivity rights;
- carrying capacity to be exploited;
- the tourism activities allowed and activities not allowed;
- non-tourism activities allowed;
- rights of access;
- the requirements of reporting, maintaining registers and records;
- the Park rules; and
- environmental and development guidelines, including Park zonation guidelines

are contained in this Concession Operator Contract, as well as in **Annexures 4, 6, 7, & 8**.

## 2.6 Payment of Concession Fees

- 2.6.1 The Operator shall pay Concession Fee to the Concessionaire as specified in **Annexure 4**.
- 2.6.2 The Operator shall pay all amounts due to the Concessionaire in terms of this Agreement free of exchange, deduction or set-off in Namibian Dollars and in the manner directed by the Concessionaire.
- 2.6.3 If the Operator is in default in payment of the Concession Fee for Twenty (20) Business Days after a due date specified in **Annexure 4**, then the Operator shall pay interest on the unpaid fee from the due date until the date of payment at the Penalty Interest Rate specified in **Annexure 4**.
- 2.6.4 Notwithstanding the provisions of **clause 2.6.1** above, the Operator shall be liable to the Ministry for its guests and invitees paying Park entry fees.
- 2.6.5 Failure by the Operator to make payment of the Concession Fee shall constitute a material breach of the terms of this agreement, and entitle the Concessionaire to invoke the provisions of the Suspension **clause 15** or the Termination **clause 16**.
- 2.6.6 In determining the Net Turnover, the Operator herewith irrevocably agrees and binds itself to comply with the reporting and auditing requirements as determined by the



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Concessionaire, and to grant the Concessionaire and / or its agents, unrestricted access on demand to such records pertaining to the determination of Net Turnover.

2.6.7 Subject to **paragraph 11 in Annexure 4**, the Operator will be responsible for all taxes of general application and without limiting the generality of the a foregoing, any duties, fees or taxes assessed by any Relevant Ministry in respect of this Concession, or in respect of activities conducted with regard to this Concession or activities undertaken by the Concessor relating to the regulation of this Concession Operator Contract.

2.6.8 For the avoidance of any doubt, neither the Concessionaire, nor the Concessor, the State, nor any Relevant Ministry shall be liable for any payments except as expressly specified in this Concession Operator Contract, the Head Concession Contract or in any applicable law.

## **2.7 Joint Management Committee of the Concession**

2.7.1 The parties shall establish the Joint Management Committee of the Concession granted in terms of this Concession Operator Contract within 3 (three) months of the Effective Date.

2.7.2 The purpose of the Committee shall be to:

2.7.2.1 Oversee the implementation of and adherence to this Concession Operator Contract by the Parties;

2.7.2.2 Attempt to find amicable resolutions to disputes between the parties before such disputes are dealt with in terms of this Concession Operator Contract.

2.7.3 The Joint Management Committee shall consist of:

2.7.3.1 At least one representative of the Concessor;

2.7.3.2 At least one representative of the Concessionaire; and

2.7.3.3 At least one representative of the Operator.

2.7.4 The Committee members shall elect from among their number:

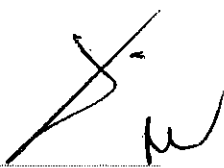
2.7.4.1 a Chairperson,

2.7.4.2 a Vice Chairperson, and

2.7.4.3 a Secretary

2.7.5 The Committee shall meet at least quarterly or at such more frequent intervals as the circumstances of the Parties, the Park and the Concession may require.

2.7.6 The Parties and the Concessor shall attend Committee meetings and participate in Committee activities at their own risk and cost.

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### 3 OPERATOR COVENANTS

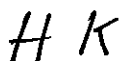
#### 3.1 3.1 Registration & Commencement of Operations

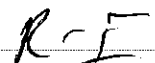
- 3.1.1 The Operator shall be a single purpose incorporated juristic person (a (Pty) Ltd Company), recognised in terms of the laws of the Republic of Namibia, shall be a bona fide accommodation or tourism provider in Namibia, shall be registered with the Namibia Tourism Board and shall remain as such for the entire Concession Period.
- 3.1.2 The Operator shall not amend, restate, supplement or otherwise modify its Articles of Association or Memorandum of Association or substantively change its ownership, unless otherwise agreed by the Concessionaire in writing, where such agreement shall not be unreasonably withheld. For the purposes of this **clause 3.1.2**, 'substantively change its ownership' shall mean a change of 10% or more in the shareholding in the Operator or any Related Party.
- 3.1.3 The Operator shall conclude the Construction Phase and/or commence the Operational Period as approved by the Concessionaire not later than twelve months from the Effective Date, failing which the Concessionaire shall have the right to terminate this Concession Operator Contract in terms of **clause 16** hereof.

#### 3.2 Environmental Compliance and Compliance with Laws, Regulations and Standards

- 3.2.1 From the Effective Date, and during the Construction Phase and the Operational Period, the Operator shall take all reasonable steps to ensure that it and its officers, employees, Contractors, sub-contractors at all levels, sub-agents, assignees, employees, guests, invitees and patrons abide by and comply with the Nature Conservation Ordinance, the Environmental Management Act 7 of 2007, or any subsequent legislation, any Regulatory Provisions under any legislation, the Zonation Guidelines, the Environmental and Development Guidelines generally in respect of the Park and specifically in respect of this Concession, the Project EIA and EMP, and any valid and enforceable directives or rules issued by the Ministry's staff and/or the Concessionaire from time to time.
- 3.2.2 The Concessionaire shall use all best endeavours in assisting the Operator to acquire the appropriate environmental permits and other permits, approvals and/or licences in accordance with the Regulatory Provisions, provided, however that the Concessionaire shall bear no liability for any failure of the Operator to obtain such permits.
- 3.2.3 Without prejudice to **Clause 3.2.2**, the Operator shall obtain all necessary environmental and other permits, approvals and/or licences in accordance with the Regulatory Provisions and shall comply with all conditions of any environmental or other permit, approval or licence granted by any Relevant Ministry and shall take all other necessary action required under the Regulatory Provisions for the implementation and the development, Operation, Management and Maintenance of the Project for the Concession Period.
- 3.2.4 Action which is prohibited in terms of the Regulatory Provisions or non-compliance with any duty or obligation that is imposed by the Regulatory Provisions shall be deemed to be a breach of this Concession Operator Contract, as well as a breach by the Concessionaire of the Head Concession Contract. The Concessionaire shall be entitled to give the Operator notice to rectify any such breach if such breach is capable of

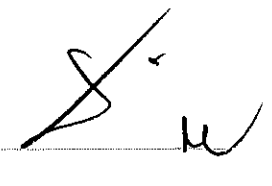






rectification but, in any event, the Concessionaire shall be entitled to act on any such breach to protect its rights and interests. The Operator hereby indemnifies the Concessionaire and the Ministry for any costs, losses and expenses suffered or incurred by the Concessionaire and / or the Ministry as a result of the Concessionaire and / or the Ministry so acting to protect its rights and interests.

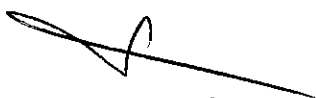
- 3.2.5 The Operator shall undertake an EIA and develop an EMP in respect of the Project, at its own cost and risk, and which is to be prepared by an independent environmental consultant approved by the Ministry, in accordance with the Environmental Management Act.
- 3.2.6 The Operator shall bear all risks and costs with respect to Material Damage to the natural environment caused by the implementation of the Project during the Concession Period arising from any act or omission of the Operator or any third party for whom it is responsible, save where such Material Damage is an unavoidable result of the Project as permitted in terms of this Concession Operator Contract. Should the Operator fail to fulfil any obligations in respect of the Construction, Operation, Management and/or Maintenance of the Concession Assets or such parts of the Park used for this Project, and the associated infrastructure or permit behaviour which, in the reasonable opinion of the Ministry and/or the Concessionaire, may result in Material Damage to the environment, then, without prejudice to the Operator's obligations hereunder and at law, the Ministry and/or the Concessionaire shall be entitled to give written notice to the Operator to immediately cease and desist from such conduct or behaviour, and in such notice shall set out its reasons therefore and the Ministry and/or the Concessionaire shall be entitled forthwith to exercise any powers granted to them in terms of the Regulatory Provisions in respect of the conservation management of the Park and the Operator shall promptly make payment to the Ministry and/or the Concessionaire for their costs, expenses and other damages suffered or incurred or reasonably expected to be suffered or incurred in connection with the execution of such powers.
- 3.2.7 The Operator shall appoint, at no cost to the Concessionaire, an independent environmental control officer, approved by the Ministry, who shall be responsible for ensuring that Construction Works and Operations, Management and Maintenance are performed in accordance with the Ministry's Requirements and relevant environmental Regulatory Provisions and for monitoring and ensuring the implementation and effectiveness of mitigation measures and other requirements and targets set forth in the EIA and EMP, subject to approval by the Concessionaire and / or the Ministry. The Operator shall deliver monthly reports prepared and signed by the environmental control officer to the Concessionaire during the Construction Phase and thereafter annual reports as detailed in **clause 8.1.2**. Such reports shall also be signed by the authorised signatory representing the Operator.
- 3.2.8 All fossils, coins, articles of value or antiquity, and structures and other remains or things of geological or archaeological interest or burial sites discovered within the Park shall (as between the Parties) be the property of the Ministry or other Relevant Ministry. The Operator shall take reasonable precautions to prevent its staff, labour, Contractors or other Persons from removing or damaging any such article or thing. The Operator shall, immediately upon discovery of such article or thing, advise the Concessionaire and the Ministry, and the Ministry shall issue instructions for dealing with it.

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- 3.2.9 Subject to complying with its obligations under **clause 3.2.8**, the Operator shall be required to minimise and mitigate, and to take reasonable steps to procure that its Contractors minimise and mitigate, to the maximum extent possible, the damage to such discovery as is referred to in **clause 3.2.8** and shall deal with the discovery in terms of the Environmental and Development Guidelines, the EIA and EMP. If need be a revised EIA and EMP specific to the discovery can be called for by the Concessionaire or the Ministry.
- 3.2.10 The Operator shall take all reasonable steps in the performance of its obligations hereunder to prevent and limit the occurrence of any environmental health hazards and to ensure the health and safety of staff, guests, invitees and patrons and shall ensure that all staff, guests, invitees and patrons are adequately covered under an insurance policy as defined in **clause 13** and **Annexure 4**.
- 3.2.11 During the Concession Period, the Operator shall operate at all times in an environmentally responsible way by adopting appropriate operating methods and practices for conducting a tourism business in a proclaimed nature area and/or protected area and shall adhere to the Regulatory Provisions, the Management Plan, the Environmental and Development Guidelines, the EIA and EMP. This Concession Operator Contract does not confer any consumptive use of plants, animals, minerals or any other natural resources to the Operator, unless otherwise authorised in writing by the Concessor or by the Management Plan (e.g. water, building sand, stones etc.).
- 3.2.12 Further matters to be taken into account are all ecological aspects, including waste disposal, human waste treatment, firewood collection and fuel self-sufficiency, camp fire placement, fauna and flora protection, acceptable practices for wildlife viewing and photography, feeding or touching animals, preservation of water supply, minimising noise levels, visual impacts, the removal of plants, insects, rocks and the like, removal of souvenirs, social aspects, including local customs and traditions, permission to take photographs, language, privacy, response to begging, use of technological equipment, bartering and bargaining, indigenous rights, local officials and off-limits areas. The Operator shall bring any activity that may have a detrimental impact on the environment to the attention of both the Concessionaire and the Ministry before implementation by the Operator.
- 3.2.13 Any failure by the Operator to adhere to the provisions of **clause 3.2.11**, and which failure amounts to a material breach, shall, subject to a Remedy Period, entitle the Concessionaire to invoke the provisions of the suspension **clause 15** and/or of the termination **clause 16.1**, without liability on the part of the Concessionaire or Ministry for any losses or damages suffered by the Operator.

### 3.3 Related Party Transactions

- 3.3.1 Unless otherwise agreed by the Concessionaire in writing, the Operator will enter into no material Related Party Transactions, other than Related Party Transactions which are no less favourable to the Operator than those that could have been obtained in a comparable arm's-length transaction by the Operator with an unrelated person.
- 3.3.2 The Concessionaire shall have the right to review the basis for all costs charged, directly or indirectly, to the Operator by a Related Party. The Operator shall give prior written



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notice to the Concessionaire of any material Related Party Transaction prior to entry therein together with all relevant details relating thereto.

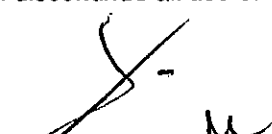
- 3.3.3 The Concessionaire reserves the right to conduct a particularly thorough examination of the cost basis of Related Party Transactions involving the Operator and any companies providing travel agent, booking agent, tourism operating or management services for a fee or commission. Such fees and commissions will be required to conform to normal industry practice. In the event that the Operator benefits directly or indirectly in a financial sense from fees and concessions charged and/or paid to a Related Party arising from this Concession Operator Contract, such revenue to the Operator shall be deemed to be included in the revenue base from which the fees and payments to the Concessionaire are calculated.

### 3.4 Intellectual Property

- 3.4.1 It is specifically recorded that all intellectual property rights, whether capable of registration or not, regarding the Park's name, logo, image and all other intellectual property matters relating to the Park, its name, logo and/or image shall remain the sole property of the Ministry.
- 3.4.2 The Operator acknowledges that the name of the Park (the "Protected Name") is associated with and peculiar to the Park and is the intellectual property of the Ministry. Consequently, the Operator agrees that the sole and exclusive ownership of the Protected Name shall vest in the Ministry and should the Operator utilise the Protected Name, it does so only in terms of this Concession Operator Contract and with the prior written approval of the Ministry.
- 3.4.3 All intellectual property rights, whether capable of registration or not, regarding the Concessionaire's name, logo, image and all other intellectual property matters relating to the Concessionaire, its name, logo and/or image shall remain the sole property of the Concessionaire.
- 3.4.4 Subject to existing rights and obligations, the Concessionaire shall, on application by the Operator, grant a non-exclusive right and licence to the Operator to use the Concessionaire's trademarks.
- 3.4.5 In order to establish and maintain high standards of style, quality and propriety associated with the Concessionaire and / or the Ministry, in the event the Operator desires to use the Concessionaire's and / or the Ministry's trademarks or logos in any way, the Operator shall first submit the concept or a sample of the proposed use to the Concessionaire and / or the Ministry for approval. Under no circumstances shall any use of the Concessionaire's and / or the Ministry's trademarks or logos or the image or likeness of any trademark, logo or employee, which the Concessionaire and / or the Ministry in good faith believes reflects unfavourably upon or disparages the Concessionaire and / or the Ministry, be approved. If the Concessionaire and / or the Ministry approve the concept or sample, the Operator shall not depart there from in any material respect without the Concessionaire's and / or the Ministry's further written approval.
- 3.4.6 If at any time the Concessionaire and / or the Ministry withdraw their approval for the specified use of any trademark or logo, the Operator shall forthwith discontinue all use of

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such Concessionaire or Ministry trademark or logo and shall remove from public sale or distribution, any previously approved product in respect of which the Concessionaire and / or the Ministry has rescinded approval.


- 3.4.7 Within 20 (twenty) Business Days after the termination of this Concession Operator Contract and where the Operator has operated an entity utilising any Protected Names with the permission of the Concessionaire and / or the Ministry, the Operator shall change the name to a name not substantially similar to any of the Protected Names.
- 3.4.8 The naming of the Operator's lodge or business operation shall be done in consultation with the Concessionaire and subject to the Concessionaire's approval which will not be unreasonably withheld.
- 3.4.9 In circumstances where the name chosen by the Operator and approved by the Concessionaire and / or the Ministry is not part of the Concessionaire's and / or the Ministry's intellectual property, then the rights of the Concessionaire and / or the Ministry contemplated in this **clause 3.4** shall not be applicable and the intellectual property shall be the sole property of the Operator.

### 3.5 Transfer of Concession Rights and Concession Assets

- 3.5.1 At the end of the Concession Period or at such earlier time as may be provided herein, the Operator shall hand over its rights or interest in the Concession Assets to the Concessionaire free of charges, liens, claims or encumbrances of any kind whatsoever, free of any liabilities and in good condition. The Operator shall not be entitled to payment of any compensation in connection therewith.
- 3.5.2 The Operator shall keep and maintain the Concession Assets or alterations to the Concession Area in good repair through the Concession Period.
- 3.5.3 Subject to any conditions set out in the Annexures hereto and in accordance with the EIA, EMP and the Detailed Design, at the expiry or earlier termination of this Concession, the Operator shall remove its moveable equipment from the Concession Area, vacate the Concession Area and the Park or such parts as are utilised by it, and restore it to the condition as stipulated in the EIA and EMP.
- 3.5.4 Any moveable structure or equipment not removed from the Concession Area at the termination of this Concession shall become the property of the Concessionaire. The Operator shall reimburse the Concessionaire for any cost incurred in the removal of such, structures, equipment or facilities from the Concession Area or the reinstatement of the Concession Area in the event that the Operator has not complied with the provisions of **clause 3.5.3** at the termination of this Concession.

### 3.6 Approvals

- 3.6.1 The Operator warrants and shall ensure that any decision, determination, instruction, inspection, examination, testing, consent, approval, expression of satisfaction, acceptance, agreement, exercise of discretion (whether sole or otherwise) or similar act by the Concessionaire and / or the Ministry required in terms of this Concession Operator Contract, the Construction Contracts or other Associated Agreements shall be so applied for or requested promptly.






- 3.6.2 The Operator shall not erect or bring into the Concession Area any structure, install any facility, nor alter the Concession Area in any way without the prior written consent of the Concessionaire.
- 3.6.3 The Operator shall reimburse the Concessionaire all costs associated with applications for approval under this Clause determined at the standard rates then applying in the Ministry for cost recovery of staff time and expenses.
- 3.6.4 The Operator shall upon request by the Concessionaire submit written engineering or building plans and details to the Concessionaire for approval before:
- a. erecting or altering any structure in the Concession Area;
  - b. bringing any structure into the Concession Area;
  - c. installing any facility; or
  - d. altering the Concession Area in any way.

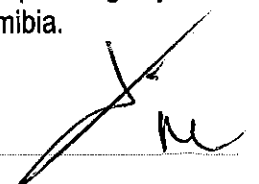
The Operator shall not commence any work until the Concessionaire has given its written approval and obtained the Ministry's permission under the terms and conditions of the Head Concession Contract.

- 3.6.5 When undertaking any work under this Clause, the Operator shall comply with all statutory requirements for the work undertaken.

### 3.7 Performance Guarantee

- 3.7.1 The Operator shall lodge a definitive guarantee, the Performance Guarantee, covering its performance of the Project in terms of the Agreement.
- 3.7.2 The Performance Guarantee must be submitted to the Concessionaire within 20 (twenty) Business Days of signature of this Concession Operator Contract.
- 3.7.3 The Performance Guarantee shall be issued in favour of the Concessionaire to the amount indicated in **Annexure 4**.
- 3.7.4 The Performance Guarantee must be substantially in the format provided in **Annexure 9** and be endorsed by a reputable financing institution.
- 3.7.5 The Performance Guarantee shall be reinstated in full and its amount adjusted annually to reflect inflation within 90 (ninety) Business Days prior to the end of each Project year.
- 3.7.6 The Performance Guarantee shall secure the Operator's performance under the Concession Operator Contract and may be called on by the Concessionaire to the extent of any costs, losses, damages or expenses suffered or incurred by the Concessionaire as a result of breach by the Operator of the Concession Operator Contract, including, but not limited to, any delay in the payment of sums due to the Concessionaire in terms of the Concession Operator Contract.
- 3.7.7 The Performance Guarantee will be callable upon first demand in the event that one or more of the circumstances described in **clause 3.7.6** above has occurred. Forfeiture of the Performance Guarantee will not preclude the Concessionaire from pursuing any other remedies they may have against the Operator under the laws of Namibia.

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3.7.8 In respect to **clause 3.7.7**, the Concessionaire shall notify the Operator in writing of its forfeiture of the Performance Guarantee, stating the reasons thereof, and issue a copy of such notification to the financing institution serving as grantor of the Performance Guarantee.

#### **4 THE CONCESSIONAIRE'S CONTRIBUTION**

Except as otherwise provided for in this Agreement, the contribution of the Concessionaire shall be limited to the granting of the Concession Rights upon the terms and conditions set out herein and the Operator shall not be entitled to receive by virtue of this Concession Operator Contract any financial assistance or payment, including, without limitation, any grants, incentives or subsidies from the State, the Concessionaire, the Ministry or any Relevant Ministry. The Concessionaire's contribution is on the basis of the fulfilment of all the requirements set out in this Concession Operator Contract including its Annexures.

#### **5 THE CONCESSIONAIRE'S UNDERTAKINGS**

##### **5.1 The Concessionaire's Assistance**

Except as otherwise provided in this Concession Operator Contract, the Concessionaire shall give reasonable assistance in the form of advice, introductions and documentary support to the Operator in its dealings with Relevant Authorities, the Ministry and/or community partners and otherwise in connection with implementing the Project in accordance with the terms and conditions set forth herein.

##### **5.2 Access**

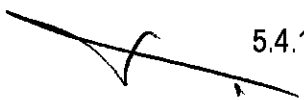
The Concessionaire shall ensure that, for the duration of the Concession Operator Contract, the Operator, its guests, employees, agents and invitees have reasonable access to the Park, subject to the provisions of this Concession Operator Contract, the Park rules and other regulations, or legislation, which may be in place from time to time.

##### **5.3 Other Concessions**

Nothing herein shall preclude or in any way limit the right of the Concessionaire and / or the Ministry or any other Ministry granting such further or other Concessions or to enter into other agreements or to construct or procure the construction of other developments in the Park as the Concessionaire and / or the Ministry in their sole discretion deem fit, nor shall the Operator have any claim arising from the grant of such further or other Concessions or from the construction of such other developments, provided that the Concessionaire and / or the Ministry shall fulfil the obligations set out herein with due regard to the Concession Operating Rights granted to the Operator in terms of this Concession Operator Contract.

##### **5.4 Concessionaire Competence**

5.4.1 The Concessionaire hereby represents and warrants that the Concessionaire has been duly empowered and authorised to implement the Project under the terms and conditions



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of a Head Concession Contract with the Ministry and to enter into and perform its obligations under the Concession Operator Contract.

- 5.4.2 All decisions, determinations, instructions, inspections, examinations, tests, consents, approvals, certifications, expressions of satisfaction, acceptances, agreements, exercises of discretion (whether sole or otherwise), nominations or similar acts of the Concessionaire hereunder shall be given, made and done in writing.

## **6 ACQUISITION, TRANSFER OF CONCESSION RIGHTS, OWNERSHIP AND RISK**

### **6.1 Development Rights**

The Operator shall, after due fulfilment of the Compliance Events, enjoy the development rights attaching to the Concession Area, which are specified in **Annexure 4**, and are designated for the Project.

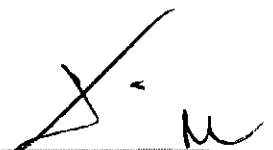
### **6.2 Transfer of Concession Rights**

- 6.2.1 The Concessionaire shall, as far as practically possible, on the Effective Date, transfer enjoyment of the Concession Rights to the Operator and shall thereafter ensure that the Operator continues to be entitled to such enjoyment of the Concession Rights as is necessary for the Operator to perform its obligations under this Concession Operator Contract, and to enjoy the Concession Rights, from the date of transfer to the termination or expiry of this Concession Operator Contract.
- 6.2.2 Subject to the prior written approval of the Concessionaire, the Concession Rights contained herein shall be freely transferable from the Operator to a third party, creditor or successor in title of the Operator or a buyer of the Concession Rights contained herein.
- 6.2.3 Any net proceeds through capital gain and sale of goodwill resulting from the sale or transfer of the business to a buyer, as contemplated in **clause 6.2.2** above, shall be shared equally between the Concessionaire and the Operator.

### **6.3 Suitability and Condition of the Park**

- 6.3.1 The Operator is deemed to have inspected and examined the Park and Concession Area and to have satisfied itself as to the condition of such parts of the Park, which are to be utilised through the Concession Rights, including any structures erected therein and including subsurface soil conditions and access roads.
- 6.3.2 The Concessionaire makes no representation and gives no warranty to the Operator in respect of the condition of the Park, the Concession Area or any structures located therein and the Operator accepts the Concession Rights and any structures erected in the Concession Area in their present condition (including subsurface soil conditions) and subject to all defects.

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#### 6.4 Ownership of Land in the Park

- 6.4.1 Subject to the terms of this Concession Operator Contract, the Operator has, and will have, no title to, or ownership interest in, or liens, or leasehold rights or any other rights (save for the Concession Rights) in the land on which the Project is to be constructed or in the Concession Assets (other than movable New Concession Assets). Title to such land and assets shall be held, directly or indirectly, by the Ministry or the State.
- 6.4.2 The Operator has no and will have no rights with respect to the airspace above, or the area below the surface of, the Park or the land on which the Project and any Concession Assets are to be constructed, except the right to use such land for the sole purpose of the Project during the Concession Period in accordance with the terms of this Concession Operator Contract. The Concessor and/or any Relevant Ministry has reserved unto itself the right to grant to third parties and/or to the Concessionaire all rights with respect to the airspace above and the area below the surface of the Concession Area, provided that in exercising such right it shall have due regard to the rights granted to the Concessionaire in terms of the Head Concession Contract and to the Operator under this Concession Operator Contract.
- 6.4.3 The Concessionaire shall be obliged to inform and involve the Operator in any discussions and/or negotiations with the Concessor or any Relevant Ministry, about any action that may influence the rights of the Operator. The Concessionaire shall at all times communicate this right to the Concessor or Relevant Ministry, as the case may be, and if necessary also enforce it with the remedies available in the Head Concession Contract and in law.
- 6.4.4 The Operator shall not use this Concession, including the Concession Rights and Concession Area as collateral or surety for any purpose other than for the Operation, Management and Maintenance of this Concession.

#### 6.5 Damage to or Destruction of the Concession Assets

- 6.5.1 Upon delivery of the Concession Rights or any portion thereof to the Operator, the Concession Assets, or any portion thereof and any New Concession Assets shall be at the sole risk of and under the care, custody and control of the Operator.
- 6.5.2 Without prejudice to the generality of **clause 6.5.1**, the Operator shall bear all risks and costs with regard to any weather conditions (subject to as provided in **clause 14**), including, without limitation, floods, and with regard to physical conditions or obstructions (both above-ground and subsurface and whether artificial or not) whether foreseen or unforeseen which are encountered during the Construction Works or at any time during the Concession Period.
- 6.5.3 Should the Concession Assets or any portion thereof be damaged or destroyed at any time during the Concession Period, the Operator shall, within a reasonable period of time, at its own cost and expense, repair, rebuild or replace the same so that after such repair, rebuilding or replacing, such Concession Assets shall, to the satisfaction of the Concessionaire, be substantially in the same or improved condition as prior to such damage or destruction.



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- 6.5.4 In the event that the extent or nature of such damage or destruction is such that it would be impossible or commercially not viable to repair, rebuild or replace the relevant portion of the Concession Assets, or in the event the cost and expense to be incurred to repair, rebuild or replace same exceeds the proceeds of any insurance available to the Operator for such purpose, the Operator shall be excused from the obligation to so repair, rebuild or replace but shall be required to remove the damaged or destroyed Concession Assets at the Operator's own costs. In such event the Concessionaire or the Operator shall have the right to proceed pursuant to **clause 14** on the basis that an event of Force Majeure shall be deemed to have occurred.
- 6.5.5 Should the Concessionaire and the Operator disagree with respect to what is "commercially not viable" in **clause 6.5.4**, any Party may request the other Party to agree within 10 (ten) Business Days on an independent expert to make a determination in that regard. Should the Parties be unable to agree on the identity of such expert within 10 (ten) Business Days of the second party being so requested, such expert shall be chosen by the President of the Law Society of Namibia or the chairman of the Professional Arbitration and Mediation Association of Namibia (PAMAN) to make such determination. The expert shall act as an expert and not as an arbitrator and the determination by such expert shall be final and binding on the Parties.

## 7 CONSTRUCTION WORKS

### 7.1 Design and Construction

- 7.1.1 Preparation of the Detailed Design shall be the responsibility of the Operator, and shall be approved in writing by the Concessionaire and the Concessor, prior to any Construction Works taking place.
- 7.1.2 Any developments in the Concession Area shall be constructed substantially in accordance with the Detailed Design. The Detailed Design shall be amended to take into account requirements of the EIA.
- 7.1.3 The Operator shall undertake or procure the Construction Works in accordance with the Detailed Design and to meet the requirements of the Concession Contract, in so far as they relate to the Construction Works, and, subject thereto, in accordance with the findings of the EIA. The Operator bears sole responsibility for the procurement of all construction materials, the adequacy of the design in terms of construction quality and safety (including fire safety), Concessor's Requirements and compliance with this Concession Operator Contract and any Regulatory Provisions. The Operator may submit to the Concessionaire written proposals for modifications by the Operator to the Detailed Design, which in the Operator's opinion would improve construction quality or safety to enable the Concessionaire to monitor environmental compliance.
- 7.1.4 The location, design and construction of any points of access to and/or egress from the Construction Site during construction shall be subject to the provisions detailed in the EIA and shall be approved in writing by the Concessionaire and the Concessor, prior to any Construction Works taking place.

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## 7.2 Project Programme

Subject to the Concessionaire having provided to the Operator the Concession Area, the Operator shall undertake the Construction Works subject to a project programme of the Operator's own choosing, as amended by the Operator from time to time. The only compellable legal obligation toward the Concessionaire that the Operator will have in respect of the Project programme is that all construction activity will be completed within twelve (12) months from the Effective Date or such longer period as agreed in writing with the Concessionaire. In the event that Construction Works are running behind schedule the Operator is required to inform the Concessionaire in writing within thirty (30) days prior to the twelve month deadline, stating detailed reasons for the inability to meet construction deadlines. In the event that Construction Works are still continuing as at that date, the Operator shall be ordered to cease such works, and provide to the Concessionaire a detailed explanation of the reasons for such delay, and a new time table for completion. Construction Works shall not recommence unless given separate approval by the Concessionaire.

## 7.3 Contracts

7.3.1 The Operator shall as soon as reasonably possible after the conclusion of this Concession Operator Contract enter into the relevant Associated Agreements and such other contracts necessary to ensure the timely and proper completion of the Detailed Design, Construction Works, Financing, Operation, Management and Maintenance of the Concession Area, and such future design and construction as may be necessary to meet the Operator's obligations in terms of this Concession Operator Contract. The Operator must satisfy itself that the terms of such agreements fully describe the rights, obligations, risk allocation and protection of the Operator's rights. The Concessionaire and its advisers, the State and Relevant Authorities shall have no liability whatsoever arising from any of the Associated Agreements.

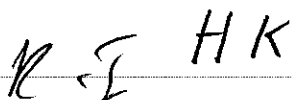
7.3.2 The Operator shall take all reasonable steps to ensure that the Contractors perform the Construction Works in accordance with the terms of the relevant Construction Contracts.

## 7.4 Concessionaire Monitoring

The Concessionaire or any of its designated representatives may from time to time, enter any part of the Concession Area but, in respect of those parts of the Concession Area on which Construction Works are being carried out, only at reasonable times and on reasonable prior notice to the Operator and the relevant Contractor provided that the Concessionaire or its designated representative must comply with the reasonable safety requirements of the Operator or Contractor which generally apply.

## 7.5 Concessionaire Rejection

At any time prior to the completion of the Construction Works, if the Construction Works have not been carried out substantially in accordance with the provisions of **clauses 7.1 and 7.2**, the Concessionaire shall be entitled to reject in writing any work, materials or equipment, which is not in accordance with the Construction Programme or if the Construction Programme has been varied by the Operator without complying with the provisions of **clauses 7.1 and 7.2** and, to require the Operator, at its own cost, to correct the work or substitute proper materials and equipment within a reasonable time.



**7.6 Information Relating to the Construction Works**

The Operator shall furnish to the Concessionaire or any of its designated representatives all such reports and other information relating to the Construction Works as the Concessionaire may reasonably request from time to time.

**7.7 As-Built Drawings**

Upon completion of any Construction Works, the Operator shall supply the Concessionaire with copies of all as-built drawings and other technical and design information and completion records relating to the finished Construction Works.

**7.8 Costs Recoverable from Contractors and Third Parties**

Where the Operator is entitled under any Construction Contract or any contract for Operations, Management and Maintenance to recover costs which have been or are reasonably expected to be incurred by the Concessionaire in connection with the Project, the Operator shall enforce its rights to recover such costs and shall pay any amounts so recovered promptly to the Concessionaire.

**7.9 Commencement**

Actual construction will only be permitted to begin from the Effective Date, and only after the Compliance Events have taken place to the satisfaction of the Concessionaire.

**7.10 Progress Reports**

The Operator shall provide monthly reports on the progress of the Construction Works, providing such details as the Concessionaire shall reasonably specify.

**7.11 Environmental Impact Assessment**

Before commencement of the Construction Works, the Operator shall undertake an EIA at its own cost in respect of the Project and shall ensure that such EIA is prepared by an independent environmental consultant in accordance with the Environmental Management Act (2007).

**7.12 Environmental Control Officer (ECO)**

The Operator shall appoint, at no cost to the Concessionaire, an independent environmental control officer who shall be responsible for ensuring that all aspects of the Project are carried out in accordance with the relevant environmental Regulatory Provisions and the EMP and for monitoring and ensuring the implementation and effectiveness of mitigation measures and other requirements and targets set forth in the EIA. The Operator shall deliver monthly reports to the Concessionaire during any construction phase and thereafter annual reports as required by the Concessionaire and an annual EMP audit report prepared by an independent environmental consultant, all at the Operator's sole cost.

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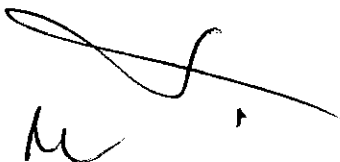
## **8 OPERATION, MANAGEMENT AND MAINTENANCE**

### **8.1 Operation, Management and Maintenance by the Concessionaire**

- 8.1.1 The Operator shall be obliged during the Concession Period to equip and furnish the Concession Assets and to undertake the Operation, Management and Maintenance of the Concession Assets and of all related Construction Works and developments undertaken by the Operator according to Best Industry Practice.
- 8.1.2 The Operator shall, at its cost, provide ongoing maintenance to the Concession Assets on the understanding that the Concessionaire and / or the Concessor may prescribe specific standards and methods applicable in the tourism sector which shall be employed in the process of maintenance of the said Concession Assets.
- 8.1.3 The Operator shall furnish the Concessionaire with an annual report in a format agreed in the Joint Management Committee regarding the Operation, Management and Maintenance of the Concession Assets.
- 8.1.4 Subject to the provisions of this Concession Operator Contract, the Operator shall manage, operate and maintain the Concession Assets:
- 8.1.4.1 at its own cost and risk;
  - 8.1.4.2 in a manner consistent with the EIA and the EMP;
  - 8.1.4.3 in compliance with all applicable Regulatory Provisions and consents;
  - 8.1.4.4 in compliance with all applicable health and safety standards;
  - 8.1.4.5 otherwise in accordance with Best Industry Practice;
  - 8.1.4.6 in compliance with the provisions of the Management Plan;
  - 8.1.4.7 in compliance with the Park rules; and
  - 8.1.4.8 in compliance with all the standards set out in **Annexures 4, 6, 7 & 8** of this Concession Operator Contract.

### **8.2 Third Party Contracts**

The Operator may use a third party or third parties or a Joint Venture Partner to carry out all or part of its design, financing, development, Construction, Operation, Management and Maintenance obligations under this Concession Operator Contract with the prior written approval of the Concessionaire, which approval shall not be unreasonably withheld or delayed. Any such sub-contract shall be an Associated Agreement and the terms of any such sub-contract shall in all material respects reflect the spirit and purport of this Concession Operator Contract and be bound to the terms of this Concession Operator Contract. The Operator undertakes to deliver a copy of the relevant contract to the Concessionaire within 30 (thirty) days of it being entered into. The engagement of a third party shall not release the Operator from any of its obligations hereunder.



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### 8.3 Modifications during Concession Period

- 8.3.1 Modifications to any part of the Concession Area required by the Operator shall be preceded by an appropriate EIA and EMP at the cost of the Operator, and shall also be subject to the prior written consent of the Concessionaire and subject to the provisions set forth in this Concession Operator Contract. The Concessionaire shall be entitled to seek expert advice at the costs of the Operator for the designing of an EMP for the intended modifications.
- 8.3.2 The Concessionaire may in its discretion impose any reasonable terms and conditions as it considers appropriate for any modifications in terms of **Clause 8.3.1**.

## 9 PARK MANAGEMENT

### 9.1 Maintenance

- 9.1.1 The Operator shall, at its cost, provide ongoing maintenance to the Concession Assets listed in **Annexure 5**, provided for its use through the granting of the Concession Rights, as well as any New Concession Assets which may be established by agreement between the Operator and the Concessionaire to the satisfaction of the Concessionaire and with the understanding that the Concessionaire may prescribe specific standards and methods which shall be employed in the process of maintenance of the said Concession Assets.

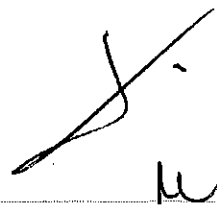
### 9.2 Access

- 9.2.1 The Ministry's staff as well as any other duly authorised Government personnel on official duty for the purpose of exercising their functions, shall have access to all parts of the Park, including the Concession Area at all times. Any refusal by the Operator, its staff or agents, to grant the Ministry staff (or any other Government personnel on official duty) access in terms hereof, shall constitute a material breach on the part of the Operator.
- 9.2.2 The Concessionaire shall have access to the Concession Area at reasonable times that are mutually agreed with the Operator. Any refusal by the Operator, its staff or agents, to grant the Concessionaire access in terms hereof, shall constitute a material breach on the part of the Operator.
- 9.2.3 When exercising its rights in terms of **clause 9.2.2** the Concessionaire shall have due regard to the commercial activities of the Operator, and when access may negatively impact on such commercial activities, the Concessionaire shall consult with the Operator prior to accessing the Concession Area in order to avoid and / or minimize such negative impact.

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## **10 EMPOWERMENT**

### **10.1 Empowerment Objectives**

- 10.1.1 When making decisions affecting the performance of its obligations in respect of the Project and under this Concession Operator Contract, the Operator shall take into account all applicable laws in regard to the State policies and objectives on affirmative action and the empowerment of Previously Disadvantaged Namibians and Previously Disadvantaged Groups (PDNs and PDGs).
- 10.1.2 The Operator shall make every effort and use all appropriate opportunities to foster the empowerment of PDNs, including, but not limited to, creating business and employment opportunities for PDNs, provided that such empowerment is consistent with the conditions specified in **Annexure 6 & 9** hereto.
- 10.1.3 The Operator shall ensure compliance with all Legal and Regulatory Provisions relating to affirmative action and empowerment.

### **10.2 Specific Empowerment Obligations of the Operator**

- 10.2.1 Notwithstanding the generality of the obligations set forth in **clause 10.1**, the Operator shall implement and adhere to the specific and quantifiable undertakings and conditions relating to empowerment that are included in **Annexure 9** hereto.
- 10.2.2 The Operator shall provide an annual report to the Concessionaire on the extent to which the specific objectives referred to in **clause 10.2.1** and **Annexure 9** have been met, as well as documenting other achievements in promoting the empowerment of PDNs / PDGs.

## **11 EMPLOYMENT ISSUES**

### **11.1 Labour Laws**

The Operator agrees to abide by the Labour Act 11 of 2007 and all other laws in force, as amended from time to time, relating to the employment of staff employed for this Concession and shall use its best endeavours to take all reasonable steps to ensure similar compliance by its Contractors, sub-contractors at all levels, assignees and agents, and furthermore agrees to adhere to and ensure, as far as practicably possible, adherence to fair labour practices.

### **11.2 Employment of Personnel**

The operator may employ personnel at its own cost and risk, as may be required, to implement and operate all activities and services necessary as provided herein in the agreement.

### **11.3 Claims relating to Personnel**

The concessionaire shall not be liable for any claim in any manner whatsoever for such personnel.



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## 12 LIABILITY WITH RESPECT TO THIRD PARTIES

### 12.1 Operator Indemnification

12.1.1 The Operator shall indemnify the Concessionaire and the Ministry, and hold the Concessionaire and the Ministry harmless from and shall be responsible to third parties for, any liability, loss, damage, damages, cost or costs of any kind whatsoever incurred or suffered by any third party or the Concessionaire or the Ministry on or after the Effective Date, including any claim against the Concessionaire or the Ministry or a Relevant Ministry, as a result of any act or omission of the Operator or any Responsible Person, (including without limitation any default or failure by the Operator under this Concession Operator Contract) within or in consequence of any act or omission in terms of this Concession Operator Contract except to the extent directly caused by any gross negligence, material default or material breach of statutory duty on the part of the Concessionaire or the Ministry or such Relevant Ministry.

12.1.2 Without limiting the generality of the foregoing, the Operator hereby indemnifies the Concessionaire and the Ministry against all liability, loss, damage, damages, costs and claims in respect of:

- (a) death or injury to any Person; or
- (b) loss of or damage to any property; or
- (c) any economic loss, arising out of any such act or omission.

### 12.2 Concession Acknowledgement

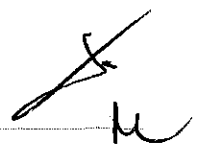
The Operator acknowledges that the fauna and flora in the park, including the presence of dangerous animals, as well as the intrinsic features and environment of the park constitute a potential danger to people and property. The Operator shall take steps to draw the attention of all guests, visitors, invitees, employees, contractors, patrons and the like to the dangers in the Park and will obtain from such persons an indemnity and waiver in the format approved by the Concessionaire and the Ministry from time to time. The requirements of this Clause shall not effect, in any way, the indemnity provided under **clause 12.1**.

### 12.3 Legal Action

If any legal action is brought or claim is made against the Concessionaire and / or the Ministry in respect of which the Concessionaire and / or the Ministry is entitled to be indemnified under **clause 12.1**, the Operator shall, if required to do so by the Concessionaire and / or the Ministry, defend any such action or claim at its own expense or provide the Concessionaire and / or the Ministry with full co-operation in defending such action. If the Operator defends such action or claim, the Concessionaire and the Ministry shall be entitled to specify which legal counsel shall be appointed and shall have the final say as to the manner in which the defence shall be conducted. The Concessionaire and / or the Ministry may settle such action or claim without the consent of the Operator or take over the conduct of the action from the Operator at any time without relieving the Operator of the obligation to indemnify the Concessionaire and the Ministry under **Clause 12.1**.

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## 13 INSURANCE

### 13.1 Construction

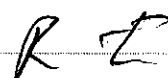
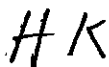
During the period of any Construction Works, the Operator shall, to the reasonable satisfaction of the Concessionaire, maintain and/or shall procure that the relevant Contractor maintains adequate insurance on the Concession Assets and its other insurable properties including Contractor's all risks insurance, third party liability insurance, employer's liability insurance and, where appropriate, consequential loss/completion delay insurance. Adequate insurance cover means sufficient insurance cover to place the Concessionaire in the position it would have been had the Concessionaire self-insured in similar circumstances and as stipulated in **Annexure 4**.

### 13.2 Operation

During the period starting at the delivery of the Concession Area or any portion thereof and ending on the date of the termination or expiry of this Concession Contract, the Operator shall, to the reasonable satisfaction of the Concessionaire, maintain or procure maintenance of adequate insurance on the Concession Assets and casualty insurance, including business interruption insurance, third party liability insurance and employer's liability insurance as stipulated in **Annexure 4**.

### 13.3 Covenants Relating to Insurance

- 13.3.1 The Operator shall provide the insurance policies set forth in **clauses 13.1 and 13.2** and **Annexure 4** for the benefit of the Concessionaire and all relevant Contractors and consultants engaged in the Construction Works and Operation, Management and Maintenance.
- 13.3.2 The Operator will maintain the insurance in accordance with Best Industry Practice.
- 13.3.3 The interest of the Concessionaire shall be noted on the policies set forth in **clauses 13.1 and 13.2**. The Operator shall provide the Concessionaire with certified copies of the certificates of all such insurance and shall periodically review the extent and adequacy of the coverage provided by such insurance in the context of this **clause 13** and the prevailing conditions in Namibia.
- 13.3.4 The proceeds of any claims under the all risks insurance policies referred to in **clause 13.1** and under the property and casualty insurance policies referred to in **clause 13.2** hereof shall be applied to the repair or restoration of the buildings and/or other insured Concession Assets.
- 13.3.5 If the Operator is unable to obtain insurance in the sums or on the terms required by **clauses 13.1 and 13.2**, at a reasonable commercial rate, it shall immediately notify the Concessionaire of any material areas of change in the terms or level of the insurance cover and shall restore the terms and level of cover to the required levels as soon as such become available.
- 13.3.6 Should the Concessionaire and the Operator disagree with respect to what is "commercially reasonable" or "economically viable" in **clauses 6.5 or 16.2** or in any other clause of this agreement, or as to what is "a reasonable commercial rate", either Party may request the other Party to agree within 7 (seven) Business Days on an independent



insurance expert to make a determination in that regard. Should the Parties be unable to agree on the identity of such expert within 7 (seven) Business Days of the second Party being so requested, such expert shall be chosen by the Permanent Secretary in the Ministry of Environment & Tourism to make such determination. The expert shall act as an expert and not as an arbitrator and the determination by such expert shall be final and binding on the Parties.

#### 13.4 Terms of Insurance

13.4.1 The Operator shall maintain the aforementioned insurances on the best terms available in the domestic insurance market, which are authorised by the relevant State authorities to provide the respective coverage.

13.4.2 Unless the Concessionaire agrees otherwise such terms shall include:

13.4.2.1 waiver of subrogation against the Concessionaire, its agents, servants, officers, employees and contractors;

13.4.2.2 a provision whereby the insurance shall apply to each of the insured as if a separate policy had been issued to each of them other than in the event of exhaustion of the sum insured or limit or indemnity;

13.4.2.3 a breach of a condition or warranty/severability/non-vitiation provisions acceptable to the Concessionaire or if such provisions are not generally available in equivalent policies written in the Namibian insurance market, each of the Operator and the Contractor(s) (if any) shall covenant, for the duration of such non-availability, with the Concessionaire in writing that it will not make any misrepresentations to, or breach any condition or warranty made to, the insurer or take or omit to take any action which would cause the relevant insurance policy to fail;

13.4.2.4 a provision which requires the insurer to send copies of all notices of cancellation or any other notices given under or in relation to the policy to the Concessionaire;

13.4.2.5 a provision whereby the policy shall only be cancelled subject to 90 (ninety) Business Days' notice, or 60 (sixty) Business Days' notice in respect of non- payment of premium;

13.4.2.6 a provision that a notice of claim given to the insurer by the Operator, shall, in the absence of manifest error, be accepted by the insurer as valid notification of a claim in respect of the interests of all insured parties under the policy; and

13.4.2.7 a provision that such insurance shall be primary and no other policy shall be called into contribution.

#### 14 FORCE MAJEURE

##### 14.1 "Force Majeure" defined

"Force Majeure" shall mean an event resulting in consequences of a material nature beyond the control of either Party, whose occurrence could not have been reasonably foreseen at the date of the execution of this Concession Operator Contract, which

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specifically but not exclusively includes:

- 14.1.1 war, civil war or terrorism, or floods, storm, earthquake, landslip, volcanic activity or other forces of nature; or
- 14.1.2 nuclear, chemical or biological contamination, unless the source or cause of the contamination is the result of actions of either Party or their sub-contractors; and
- 14.1.3 which directly causes either Party to be unable to comply with all or a material part of its obligations hereunder.

#### 14.2 Notice of Force Majeure

Each Party shall promptly notify the other of the occurrence of a perceived event of Force Majeure and when such event has ceased. Any disagreement as to whether an event of Force Majeure has occurred shall be resolved in terms of the Dispute Resolution Procedure in **clause 17**.

#### 14.3 Continuation of Project Operations

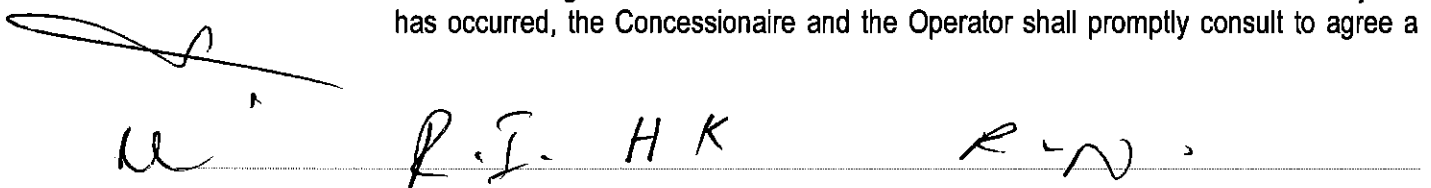
- 14.3.1 Decisions concerning Force Majeure and the application of this **clause 14.3** shall be directed toward the completion of the Construction Works and continued Project operations for the remainder of the Concession Period. In this regard the Operator shall, to the maximum extent possible, continue the Construction Works and Project operations during the occurrence of any event of Force Majeure, and shall also notify the Concessionaire of any proposals, including any reasonable alternative means for performance, but shall not effect such proposals without the consent of the Concessionaire.
- 14.3.2 Subject to **clause 14.6**, the Party claiming the occurrence of the Force Majeure shall be excused from performance of its obligations under this Concession Operator Contract to the extent that it is unable to perform those obligations as a result of such Force Majeure and neither Party shall be entitled to:
  - 14.3.2.1 terminate this Concession Operator Contract on account of such occurrence other than in accordance with the terms and conditions of **clause 14.6**; and/or
  - 14.3.2.2 claim damages, penalties or other compensation as a result of such failure to perform except in accordance with **clause 14.6**.

#### 14.4 Insured Events of Force Majeure

To the extent that the consequences of an event of Force Majeure falls within the terms of the insurance cover required hereunder, then the Operator shall forthwith make the appropriate claims thereunder and shall apply the proceeds as required in terms of the insurance requirements contained in **clause 13**.

#### 14.5 Consequences of Force Majeure

- 14.5.1 If the Parties agree or it is determined under **clause 14.2** that an event of Force Majeure has occurred, the Concessionaire and the Operator shall promptly consult to agree a



mutually satisfactory resolution to the changed circumstances resulting from the event of Force Majeure.

- 14.5.2 If an event of Force Majeure (or its consequences) continues for 90 (ninety) or more consecutive Business Days and the Parties have not reached a mutually satisfactory resolution to the changed circumstances, or the event of the Force Majeure is an uninsurable event or, if insured there is a material shortfall in the proceeds of such insurance, by the Operator; in such events this Concession Operator Contract may, upon 25 (Twenty Five) Business Days prior notice, be terminated by the Concessionaire.

#### 14.6 Prior Obligations

The foregoing provisions of this **clause 14** shall not excuse or release the Party claiming Force Majeure from obligations due or performable, or compliance required, under this Concession Operator Contract prior to the above-mentioned failures or delays in performance due to the occurrence of Force Majeure or obligations not affected by the event of Force Majeure. A Party excused from performance by the occurrence of Force Majeure shall continue its performance under this Concession Operator Contract when the effects of the event of Force Majeure are removed.

### 15 SUSPENSION

- 15.1 The Concessionaire may suspend this Concession Operator Contract if in the opinion of the Concessionaire or the Ministry there is a risk to public safety or the safety of the Concessionaire's staff or the safety of other operators, the Ministry or other concessionaires whether arising from natural events such as earthquake, landslip, volcanic activity, storm or flood, or whether arising in any other way including the activities of the Operator, its clients or invitees. If in the opinion of the Concessionaire and/or Ministry the hazard can be remedied or isolated then the Operator shall be given a reasonable opportunity, within a reasonable timeframe to remedy the situation to the satisfaction of the Concessionaire and/or Ministry before any suspension is affected.
- 15.2 If in the opinion of the Concessionaire or the Ministry the activities of the Operator, its clients or invitees are having or may have an adverse effect associated with or stemming from the concession activity on the environment; and the Concessionaire is of the opinion that the effect can be avoided, remedied, or mitigated to an extent satisfactory to the Concessionaire and/or Ministry, then the Concessionaire may suspend this Concession until the Operator remedies, avoids or mitigates the adverse impact to the satisfaction of the Concessionaire, provided that the Concessionaire shall give the Operator such reasonable notice as the circumstances allow, to remedy the situation which is causing the adverse effects.
- 15.3 The Concessionaire may suspend this Concession while it investigates any of the circumstances contemplated in **clauses 15.1 and 15.2** and also while it investigates any potential breach or possible offence by the Operator under the Environmental Management Act and or the Ministry's Policy on Tourism and Wildlife Concessions on State Land.
- 15.4 During any period of temporary suspension the Concession Fee payable by the Operator shall abate in fair proportion to the loss of use by the Operator of the Concession Area.

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- 15.5 The Concessionaire and / or the Ministry shall not be liable to the Operator for any loss sustained by the Operator by reason of suspension of the Concession under this clause.

## 16 TERMINATION

### 16.1 Termination by the Concessionaire for Fault of Operator

- 16.1.1 The Concessionaire shall have the right to terminate this Concession Operator Contract:

16.1.1.1 in the event that the Operator commits a material breach of this Concession Operator Contract; or

16.1.1.2 in accordance with any other provision of this Concession Operator Contract expressly entitling the Concessionaire to terminate this Concession Operator Contract.

- 16.1.2 The Concessionaire shall, prior to exercising its rights to terminate this Concession Operator Contract under this **clause 16.1** send a written notice to the Operator notifying it of the event giving rise to such right and requesting the Operator to remedy the event. If said event is not remedied before the expiry of the Remedy Period of 30 (thirty) Business Days or any agreed longer period, the Concessionaire may, upon expiry of the Remedy Period, terminate this Concession Operator Contract upon written notice to the Operator.

- 16.1.3 If such events are not remedied by the Operator by the expiry of the Remedy Period or the relevant event does not require a Remedy Period the Concessionaire may terminate this Concession Operator Contract forthwith by notice in writing to the Operator.

- 16.1.4 Upon any termination pursuant to **clause 16.1.3** above, the concessionaire shall be entitled to claim an amount equal to:

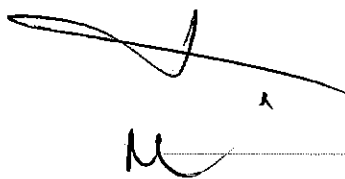
16.1.4.1 the cost and expense incurred or to be incurred in the reinstatement of the Park to the standards required by the Ministry's, EIA and EMP requirements as at the date of termination; and

16.1.4.2 an amount equal to all damages recoverable at law; and

16.1.4.3 all costs and expenses incurred and/or reasonably expected to be incurred in restoring or remedying Material Damage to the environment caused by the Operator and/or any Person for whom it is legally responsible; and

16.1.4.4 all reasonably foreseeable economic losses suffered or reasonably expected to be suffered by the Concessionaire or the Ministry as a result of the breach or breaches by the Operator of this Concession Operator Contract which resulted in termination of this Concession Operator Contract pursuant to **clause 16.1.3**.

- 16.1.5 Should the Concessionaire not exercise its rights to terminate pursuant to **clause 16.1.3**, the Operator shall compensate the Concessionaire for all damages suffered and costs



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and expenses incurred by the Concessionaire or the Ministry as a result of the events set forth in **clause 16.1.1**.

## **16.2 Termination by Operator**

16.2.1 The Operator shall have the right to terminate this Concession Operator Contract if:

16.2.1.1 the Concessionaire commits a material breach in respect of the performance of any of its obligations hereunder; or

16.2.1.2 the Operator or any areas of the Park that are used under the Concession Rights and/or the Concession Assets are nationalised, compulsorily acquired, or expropriated from the Operator by the State, which results in a material impairment of the Concession Rights; or

16.2.1.3 any action by any Relevant Ministry renders the performance by the Operator or the Concessionaire of all or substantially all of their respective obligations hereunder illegal or impossible; or

16.2.1.4 factors outside the control of the Operator make the operation of the Concession not economically viable.

16.2.2 The Operator shall, before exercising its rights to terminate this Concession Operator Contract pursuant to **clause 16.2.1**, give written notice to the Concessionaire requiring the Concessionaire to remedy the event referred to in **clause 16.2.1**. If said event is not remedied before the expiry of the Remedy Period of 30 (thirty) Business Days or any longer period agreed by the Parties, the Operator may, upon expiry of the Remedy Period, terminate this Concession Operator Contract upon written notice to the Concessionaire.

## **16.3 Effect of Termination**

16.3.1 On the expiry or termination of this Concession Operator Contract and/or the Concession Period for whatever reason and without prejudice to any rights of the Parties hereto (subject as herein provided):

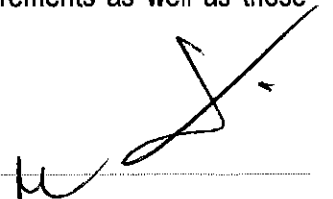
16.3.1.1 this Concession Operator Contract (other than **clause 14, 16 & 17**) shall cease to have effect, subject to all rights and obligations of the Parties existing prior to such termination;

16.3.1.2 such rights as the Operator may have over the Park, the Concession Assets (other than moveable New Concession Assets) and all other immovable property thereon shall terminate;

16.3.1.3 the Operator shall forthwith relinquish any interest in any immovable property within the Concession in favour of the Concessionaire;

16.3.1.4 the Operator shall within a period of 30 (thirty) days remove all of its movable New Concession Assets and reinstate the Park to the standards required by the Concessionaire and / or the Ministry's Requirements as well as those stipulated in the EIA and EMP;

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- 16.3.1.5 the Operator shall deliver all Project documentation to the Concessionaire.
- 16.3.2 Upon termination of this Concession Operator Contract, the Concessionaire shall have the right to:
  - 16.3.2.1 enter and take immediate operational control of the Concession Area used under the Concession Rights; and
  - 16.3.2.2 select and substitute a new operator for the Operator.
- 16.3.3 The provisions of this **clause 16.3** shall be suspended pending the final outcome of any legal proceedings between the Parties concerning the validity of the termination of this Concession Operator Contract.

## **17 GOVERNING LAW AND RESOLUTION OF DISPUTES**

### **17.1 Governing Law**

This Concession Operator Contract shall be governed by the laws of the Republic of Namibia.

### **17.2 Resolution of Disputes**


17.2.1 Any dispute between the Parties in regard to:

- the interpretation of;
- the effect of;
- the Parties respective rights and obligations under;
- a breach of;
- any matter arising out of;

this Concession Operator Contract shall:

- 17.2.1.1 in the first instance, be referred to the Joint Management Committee, which shall attempt to resolve the dispute amicably among themselves within 20 (twenty) Business Days of the dispute arising, and if the dispute is still unresolved, then
- 17.2.1.2 in the second instance, be referred to the Permanent Secretary of the Concessor and the Chairperson of the Concessionaire, and the Chief Executive Officer of the Operator, who shall attempt to resolve the dispute within 20 (twenty) Business Days, and if it still remains unresolved, then
- 17.2.1.3 as a last resort, be submitted to arbitration by either party in the manner set out in **clause 17.2.2**.

17.2.2 The said arbitration shall be held subject to the provisions of this Clause:

  
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- 17.2.2.1 at Windhoek;
  - 17.2.2.2 informally;
  - 17.2.2.3 otherwise in accordance with the provisions of the Arbitration Act 42 of 1965 as amended and the Professional Arbitration and Mediation Association of Namibia;
  - 17.2.2.4 it being the intention that if possible it shall be held and concluded within 20 (twenty) Business Days after it has been demanded.
- 17.2.3 The arbitrator shall be, if the question in issue is -
- 17.2.3.1 primarily a legal matter, a practising attorney of no less than 10 (ten) years experience agreed upon between the Parties;
  - 17.2.3.2 any other matter, a suitably qualified and experienced independent person agreed upon between the Parties.
- 17.2.4 If the Parties cannot agree upon a particular arbitrator in terms of **clause 17.2.3** above within 10 (ten) Business Days after the arbitration has been demanded, the nomination in terms of **clauses 17.2.3.1 or 17.2.3.2**, as the case may be, either Party shall have the right to approach the President of the Law Society of Namibia or the Chairperson of the Professional Arbitration and Mediation Association of Namibia to appoint an arbitrator.
- 17.2.5 The Parties irrevocably agree that the decision in these arbitration proceedings:
- 17.2.5.1 shall be binding on them;
  - 17.2.5.2 shall be carried into effect; and
  - 17.2.5.3 may be made an order of any Court of competent jurisdiction.

### 17.3 Obligations during Arbitration

Pending any attempt at amicable settlement or any award of an arbitral panel, both Parties shall continue to perform their obligations hereunder unless otherwise agreed in writing.

### 17.4 Costs of Arbitration

The costs of arbitration shall be paid as determined by the arbitrator in his or her sole discretion. The arbitrator may direct that the Parties share the costs of arbitration or that either Party bear all the arbitration costs, or that the Parties pay unequal parts of the arbitration costs, as the arbitrator deems fit in the circumstances

## 18 SUPPORT

The Parties undertake at all times to do all such things, to perform all such acts and to take all such steps and to procure the doing of all such things, the performance of all such actions and the taking of all such steps as may be open to them and necessary for or incidental to the putting into effect or maintenance of the terms, conditions and import of this Concession Operator Contract.

HK R W. R-I J u

## 19 MISCELLANEOUS PROVISIONS

### 19.1 Primacy of the Head Concession Contract

19.1.1 Subject to the Head Concession Contract between the Ministry and the Concessionaire, this Concession Operator Contract shall govern all aspects of, and all contractual relationships relating to the Project as agreed between the Parties. In the event of conflict between this Concession Operator Contract and any Associated Agreement on a matter affecting the Parties, including all questions of interpretation, this Concession Operator Contract shall prevail.

19.1.2 The Schedules and Annexures attached hereto shall be deemed a part of this Concession Operator Contract and shall have binding effect. If the content of any of the Annexures and Schedules is in conflict with the content of this Concession Operator Contract, the content of this Concession Operator Contract shall prevail.

### 19.2 Confidentiality

19.2.1 Either Party shall at all times use their best endeavours to keep confidential any information which it has acquired or may acquire in relation to this Concession Operator Contract save for any information:

19.2.1.1 which is publicly available or becomes publicly available through no act or default of the Party which acquired the information; or

19.2.1.2 which was in the possession of that Party prior to its disclosure otherwise than as a result of any breach by a Party of any obligation of confidentiality owed to the other Party whether pursuant to this Concession Operator Contract or otherwise; or

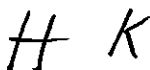
19.2.1.3 which is disclosed to that Party by a third party which did not acquire the information under an obligation of confidentiality; or

19.2.1.4 which is independently acquired by that party as a result of work carried out by a person to whom no disclosure of such information has been made;

and shall not use or disclose such information except with the consent of the other Party or in accordance with an order of a court of competent jurisdiction or in order to comply with any law or governmental regulations by which the Party concerned is bound.

### 19.3 Variations in Writing

All additions, amendments, variations and any consensual cancellation of this Concession Operator Contract shall be binding only if in writing and signed by duly authorised representatives of all of the Parties.



**19.4 Entire Agreement**

This Concession Operator Contract, including the Annexures attached thereto, represents the entire agreement between the Parties in relation to the subject matter thereof and supersedes any request or proposal, and any or all previous agreements or arrangements, whether oral or written, between the Parties in respect of the Project, and the Concession Rights or the other contents of this Concession Operator Contract. No representations, warranties or other terms and conditions of whatever nature not contained or recorded herein have been made or agreed to.

**19.5 No Waiver**

No waiver by either Party of any default or variation by the other in the performance of any of the provisions of this Concession Operator Contract shall operate or be construed as a waiver of any other or further default or variation whether of a like or different character, or shall be effective, unless in writing duly executed by an authorised representative of such Party.

**19.6 Time and Indulgence**

Any time or other indulgence allowed by one Party to the other in which to perform its duties and obligations hereunder or to remedy any breach hereof shall not be, and shall not be construed as, a waiver by the Party giving such time or indulgence of any of its rights hereunder.

**19.7 No Third Party Beneficiaries**

This Concession Operator Contract is made exclusively for the benefit of the Operator and the Concessionaire and no third party shall have any rights hereunder or deemed to be a beneficiary hereof, except as may be expressly provided for herein, and with regard to the obligations of the parties toward the Ministry and with regard to the Ministry's functions in terms of the law and rights and obligations in terms of the Head Concession Contract.

**19.8 Language**

This Concession Operator Contract has been drawn up and shall be construed in the English language.

**19.9 Notices and domicilia**

19.9.1 Any notice or correspondence to be given under this Concession Operator Contract shall be in writing in English unless otherwise agreed and shall be delivered personally or sent by registered or certified mail, return receipt requested, or sent by fax followed by the original delivered by hand or sent by registered or certified mail, return receipt requested.

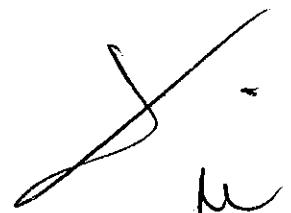
19.9.2 Any notice, demand or other communication properly addressed by any Party to another Party at the latter's domicilium in terms hereof for the time being and sent by prepaid registered post shall be deemed to be received by the latter on the 7th business day following the date of posting thereof.

19.9.3 The domicilium addresses of the Parties for Notices are as contained in **Annexure 4** hereto.

R.J.

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R.V.



19.9.4 Any Party may change its nominated address to another address in the Republic of Namibia by prior written notice to the other Party.

#### **19.10 Severability**

If any one or more of the covenants, agreements, provisions or terms of the Concession Operator Contract shall be held wholly or partly invalid, illegal or unenforceable for any reason whatsoever, then those covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms of the Concession Operator Contract and shall in no way affect the validity, legality or enforceability of the Concession Operator Contract. The Parties shall meet as soon as possible and negotiate in good faith upon a replacement provision that is legally valid and that achieves as nearly as possible the objective of the Concession Operator Contract and produces an equivalent economic effect.

#### **19.11 Representatives**

19.11.1 The Operator shall be represented by the representative determined in Annexure 4 hereto, or such other representative as shall from time to time be notified to the Concessionaire.

19.11.2 The Concessionaire shall be represented by the representative determined in Annexure 4 hereto, or such other representative as shall from time to time be notified to the Operator.

#### **19.12 Consent**

The Concessionaire shall not unreasonably withhold or delay the giving of any consent, approval or expression of satisfaction referred to in this Concession Operator Contract, and shall exercise its rights to consent, approve or express satisfaction reasonably and fairly. In any circumstance where consent or approval is required to be given by the Concessionaire in terms of this Concession Operator Contract, such consent or approval shall not be unreasonably withheld.

#### **19.13 Transactional taxes**

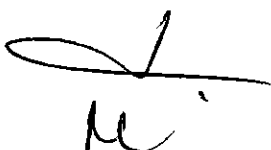
All Concession Fee payable in terms of this Agreement are exclusive of Value Added Tax (VAT) and any other transactional taxes. Should the Concessionaire be required to charge VAT or other transactional taxes, such amounts shall be added to Concession Fees outlined in this Agreement.

### **20 REPRESENTATIONS AND WARRANTIES**

#### **20.1 Representations and Warranties by the Operator**

The Operator hereby represents and warrants to the Concessionaire as follows:

20.1.1 The Operator is duly organised under the laws of the Republic of Namibia with all requisite juristic power to carry out its obligations under this Concession Operator Contract and to execute and deliver this Concession Operator Contract.



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R.V. - R.I

- 20.1.2 This Concession Operator Contract has been duly authorised by all necessary legal and administrative action, is legally valid and binding upon itself and does not require approval in any form in order to give full effect thereto.
- 20.1.3 The Operator is not prevented or restrained legally, commercially or otherwise from entering into and undertaking the provisions of this Concession Operator Contract in accordance with its terms.
- 20.1.4 The Operator has fully familiarised itself with all aspects of the Project and has all the knowledge, experience, ability (particularly financial ability) to carry out the Project in accordance with the terms of this Concession Operator Contract.
- 20.1.5 The Operator has reviewed and checked as an expert the Park and its surroundings, and the physical condition of such parts of the Park over which this Concession Operator Contract grants Concession Rights and their surroundings and is fully familiar with the terms of all relevant laws and regulations including without limitation all laws and regulations relating to the Park and the Concession and its rights and obligations thereunder and hereunder, and pursuant to such review the Operator finds the Park and the Concession Rights suitable for the fulfilment of its obligations and undertakings under this Concession Operator Contract, including without limitation, the completion of the design and construction of the Concession Assets and the Project. The Operator further acknowledges its willingness to enter into this Concession Operator Contract with full awareness of, among other things, the rights and obligations derived from the physical position of the Park, the provisions of this Concession Operator Contract and its ability to fulfil all of its obligations under this Concession Operator Contract adequately and in a timely manner.
- 20.1.6 The Operator has conducted a full inquiry and has satisfied itself, and accordingly accepts responsibility for the fact that the execution of the Project or any part thereof shall not involve any infringement of any patent or trade secret or know how or copyright belonging to any third party.
- 20.1.7 The Operator has evaluated all factors that may reasonably be deemed to affect the carrying out of its obligations under this Concession Operator Contract, including geological conditions, technical risks, tourism risks, and any other risk involved herein, and such other conditions that may reasonably be deemed to affect the progress or completion of the Project in accordance with the terms of this Concession Operator Contract.
- 20.1.8 All representations, warranties, information and data of the Operator contained in any written statement (including financial statements), certificate, exhibit or schedule or any other document delivered pursuant to any pre-qualification questionnaire, concession application, or in connection with this Concession Operator Contract, shall be true and correct in all material respects as of the date hereof.

## 20.2 Representations and Warranties of the Concessionaire

The Concessionaire hereby represents and warrants to the Operator as follows:

*Rn*, *HK*, *R.I.*, *[Signature]*, *u*



- 20.2.1 In executing the Concession Operator Contract for the purposes of accepting the benefits hereof and the granting of the Concession Rights, the Chairperson or Executive Director acts for and on behalf of the Concessionaire and in accordance with law.
- 20.2.2 The Concession Operator Contract is legally valid and binding upon the Concessionaire and enforceable in accordance with its terms.

## 21 COUNTERPARTS

This Concession Operator Contract may be executed in any number of counterparts, but all of such counterparts taken together shall be deemed to constitute one and the same instrument.



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**IN THE WITNESS WHEREOF**, the undersigned representatives, being duly authorised thereto by their respective institution, have signed this contract in duplicate in English.

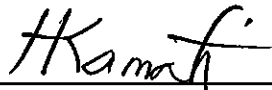
Execution on behalf of the Concessionaire:

SIGNED AT W.H.K. ON 12/10/ 2018.



WITNESS

For and on behalf of **THE CONCESSIONAIRE**

  
who warrants their authority hereto

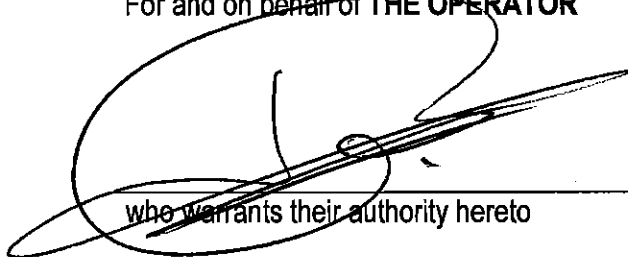
Execution on behalf of the Operator:

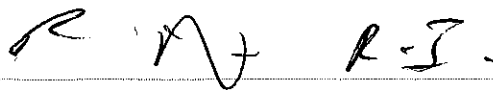
SIGNED AT W.H.K. ON 12/10 2018.

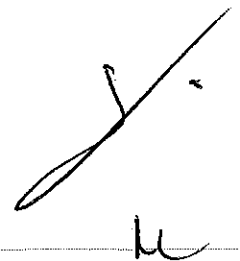


WITNESS

For and on behalf of **THE OPERATOR**

  
who warrants their authority hereto





**22 LIST OF ANNEXURES**

- Annexure 1: Head Concession Contract
- Annexure 2: Operator's Proposal
- Annexure 3: Associated Agreements
- Annexure 4: Terms and Conditions
- Annexure 5: Concession Assets
- Annexure 6: Special Conditions
- Annexure 7: Zonation Guidelines
- Annexure 8: Environmental and Development Guidelines
- Annexure 9: Format for the Performance Guarantee



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**ANNEXURE 1: HEAD CONCESSION CONTRACT**

See attached annexure

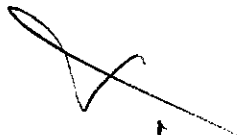


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**ANNEXURE 2 – OPERATOR'S PROPOSAL**

See attached Annexure's

By reference the Operator's Proposal submitted on the **29<sup>th</sup> September 2017**, including additional information supplied on **13<sup>th</sup> November 2017** is incorporated herein and forms part of this Concession Operator Contract. The original Operator's Proposal and correspondence between the Parties is available at the offices of the Operator and the Concessionaire.

  
\_\_\_\_\_ *re* *HK* *RYN* *P.L.*

**ANNEXURE 3 – ASSOCIATED AGREEMENTS**

1. Service contract for preparation of EIA and EMP between the Concessionaire and a consultant to be identified in accordance with the environmental Management Act (2007)
2. Construction Contracts (between the Operator and the Contractor



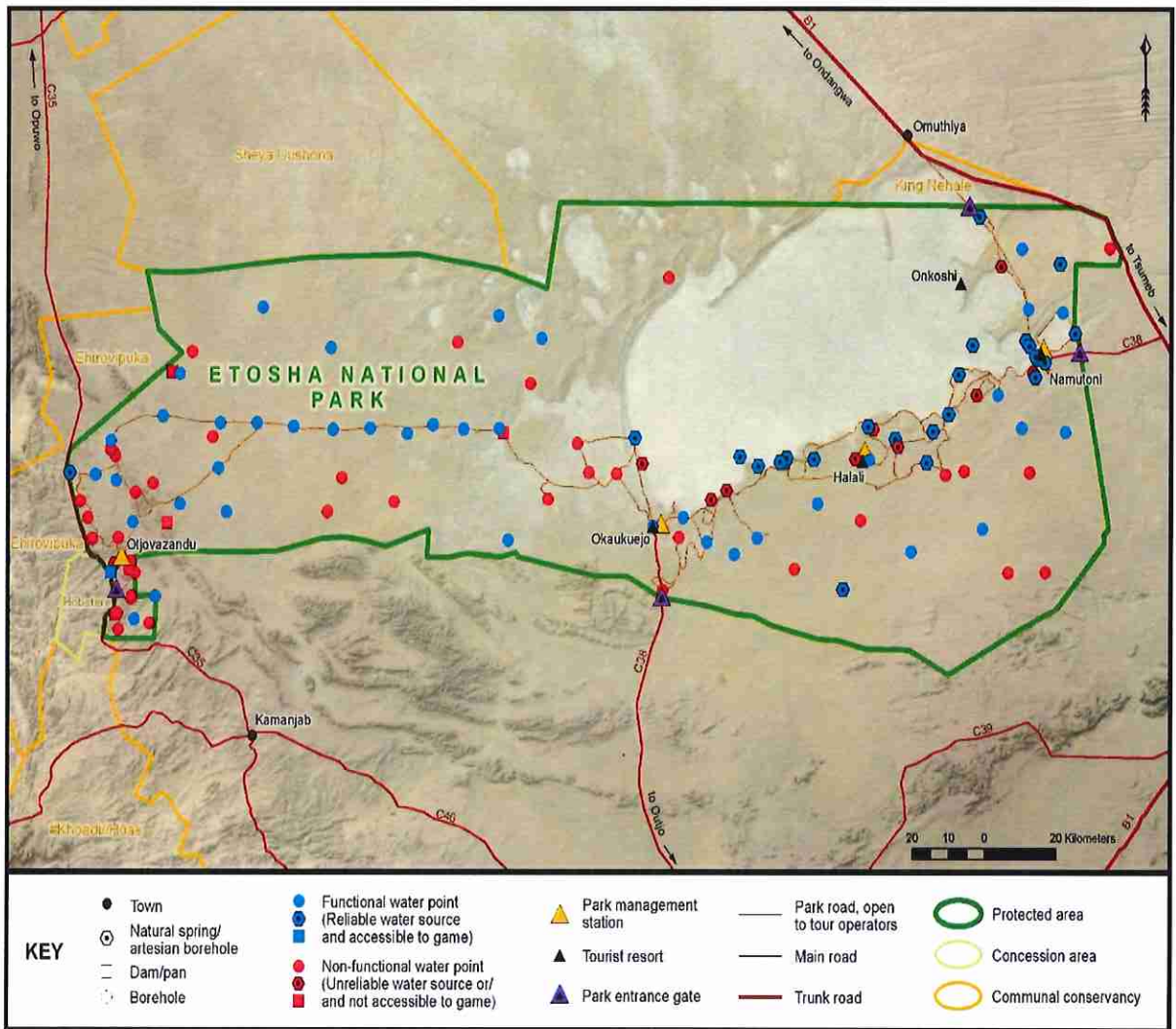
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### ANNEXURE 4 - TERMS AND CONDITIONS

#### 1. CONCESSION AREA

The Concession Area is situated in the Etosha National Park (see Map 1), and is demarcated as the “Iipumbu Ya Tshilongo Activity Concession” in Map 2 and Map 3 of this Annexure 4.

Map 1: Overview of Etosha National Park

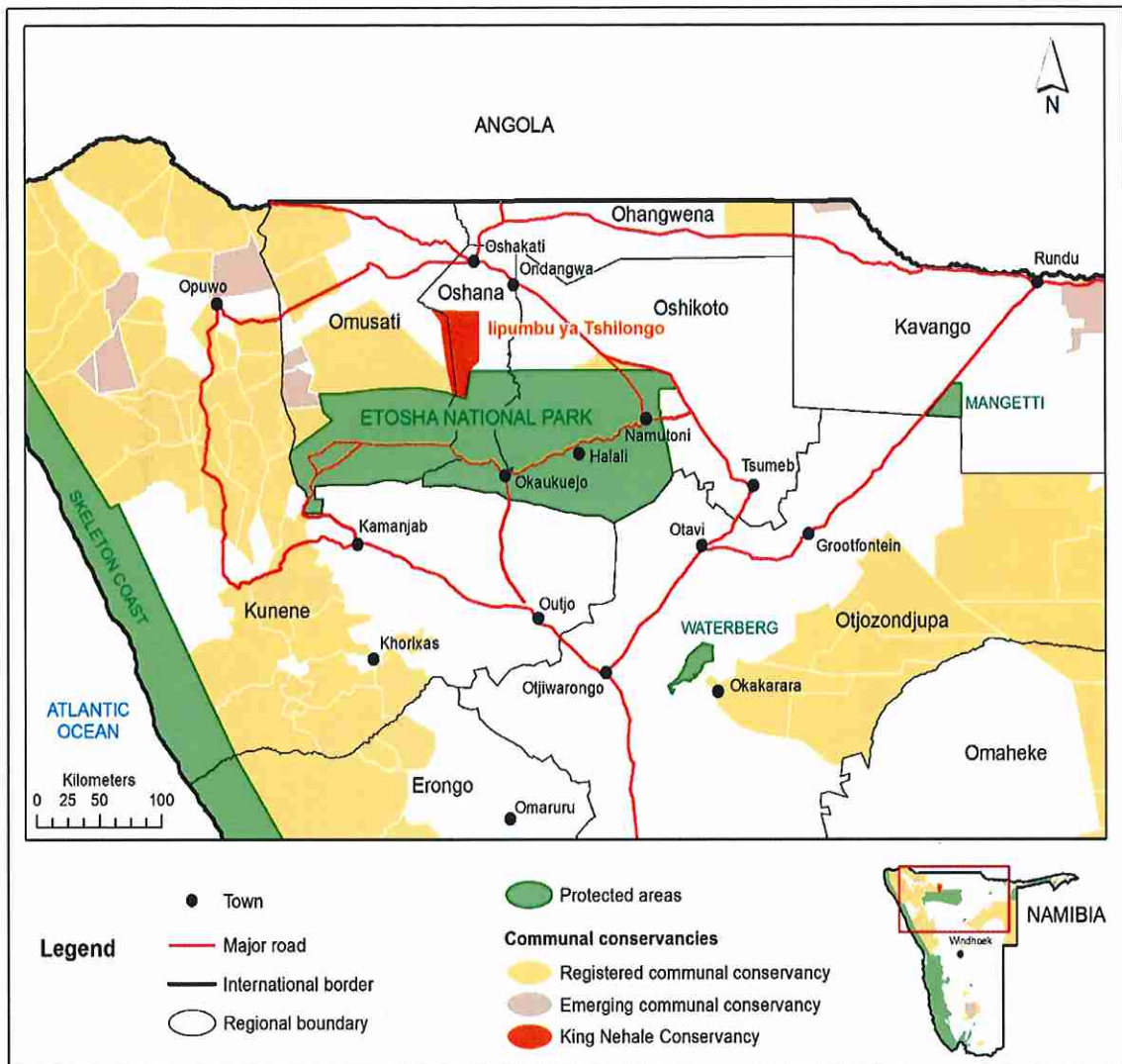


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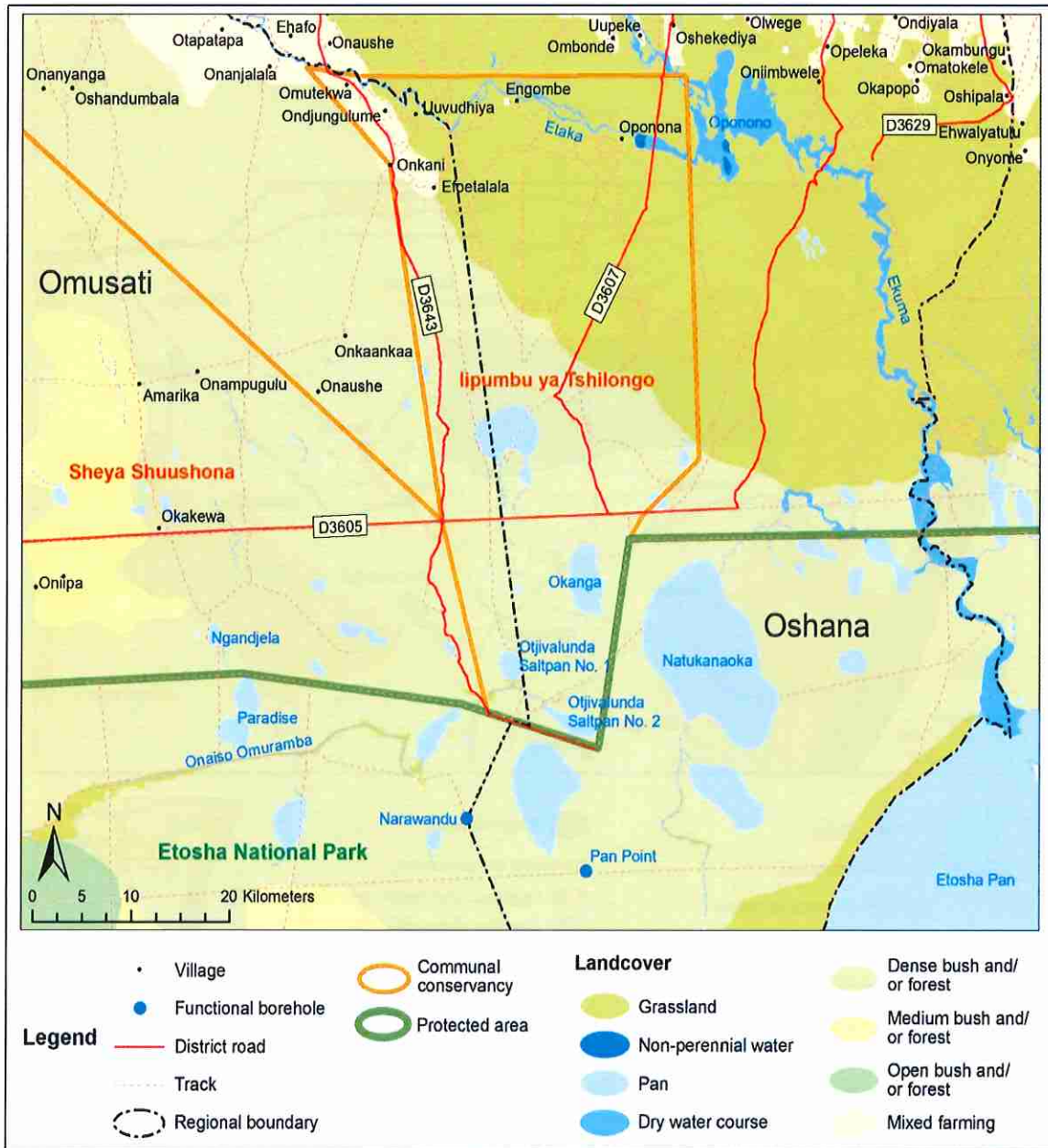
Map 2. Location of lipumbu Ya Tshilongo Conservancy



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Map 3: Map of Ipumbu Ya Tshilongo Conservancy and the adjoining areas



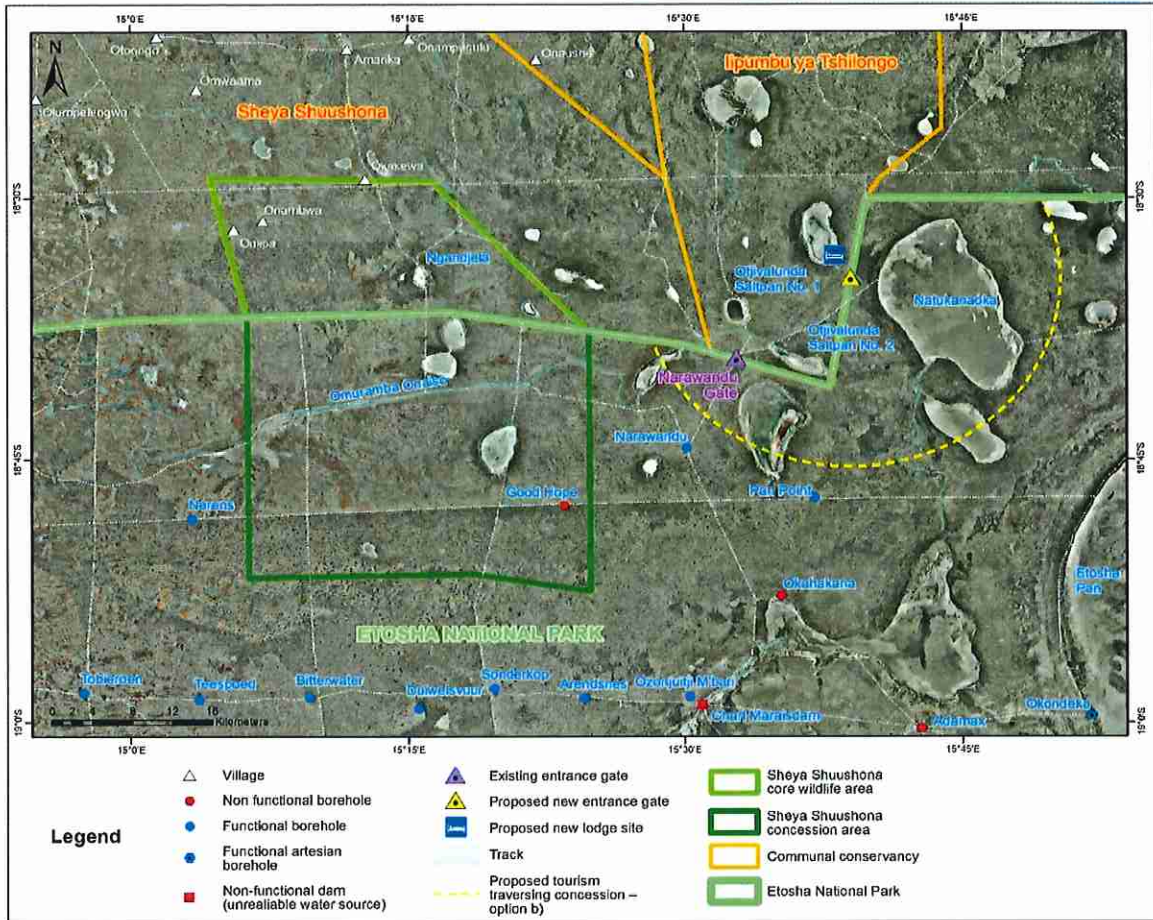
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Map 3: Location of the Concession Area.



## 2. CONCESSION RIGHTS

### Tourism development and operating rights

2.1. The Operator shall have the following tourism development and operating rights:

- 2.1.1. the right to build and operate an exclusive gate between Uukanga and Nakutanaoka Pan with the approval of Etosha National Park Management;
- 2.1.2. the right to build and operate an exclusive waterhole and game viewing hide on the south-western side of Nakutanaoka Pan with the approval of Etosha National Park Management; and
- 2.1.3. an exclusive network of new tracks for the lipumbu Ya Tshilongo Conservancy within a radius of 20 km from their exclusive gate, with the approval of the Etosha National Park Management.
- 2.1.4. The construction of any New Concession Assets and / or major re-development of Existing Concession Assets must be confirmed in writing with the Concessor before they are implemented. Such construction will be subject to the Detailed Design, EIA and EMP procedures outlined in this Agreement.

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**Activity rights**

- 2.2. The Operator shall have the following **activity rights** within the Etosha National Park:
  - 2.2.1. Game drives and viewing throughout the year.
  - 2.2.2. Access roads to link with the Park's network of tourists roads
  - 2.2.3. The Concessionaire may request permission from the Concessor to conduct other activities in the Concession Area. Such permission shall not be unreasonably withheld or delayed by the Concessor.

**Tourism access rights**

- 2.3. The Operator and its guests and staff shall have the right to enter and leave the Concession Area and Park via points other than the official Park entry gates. Such points of entry shall be determined by the Concessor's Park staff in consultation with the Concessionaire.
- 2.4. This concession is situated within the very important biophysical zone. The concession is zoned for a low level of use and for exclusive access (i.e. for the concessionaire's exclusive use).

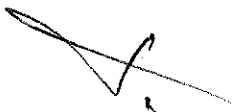
**3. ACTIVITY GUIDELINES**

- 3.1. All activities listed in **paragraph 2.2** of this **Annexure 4** shall be guided by staff of the Operator.
- 3.2. The Operator's activity guides shall be qualified and trained in line with Best Industry Practice in their respective field, and shall be licensed according to the appropriate statutory requirements for Namibia and / or any specific requirements for the Park as stipulated by the Concessor.
- 3.3. All tourism activities must conform to the Environmental and Development Guidelines (**Annexure 6**) and will be subject to the EIA and EMP procedures outlined in this Agreement.

**4. PARK & CONCESSION AREA MANAGEMENT**

**Track development & maintenance**

- 4.1. Track planning and development in the Park shall be the responsibility of the Concessor, and shall be guided by the Management Plan for the Park.
- 4.2. The Operator may make proposals to the Concessionaire regarding its requirements for new tracks.
- 4.3. Any tracks assigned by the Concessor for the Operator's exclusive use shall be maintained by the Operator at the Operator's own cost and risk, but under supervision of the Concessor.
- 4.4. In planning and developing vehicle tracks the Concessor shall use its best efforts to meet the needs of the Concessionaire and / or Operator while also ensuring that the needs of other concessionaires as well as the conservation and other Park objectives are not compromised. This challenge will be met by the Concessor through a process of consultation with the Concessionaire and Operator.



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## Park Rules

- 4.5. The Operator shall abide by the Park Rules, as stipulated in the Nature Conservation Ordinance No. 4 of 1975, as amended, and Government Notice No. 240 of 1976, or succeeding legislation and regulations that may repeal and replace these laws.

## Park Entry Fees

- 4.6. The Operator shall pay Park Entry Fees for each guest that enters the Park. Employees of the Operator that work in the Concession Area shall be exempt from such fees.
- 4.7. The amount payable shall be in accordance with the statutory fees published from time to time by the Concessor in the Government Gazette.
- 4.8. Park Entry Fees shall be payable by the Operator at a location and in a manner to be advised in writing by the Concessor.
- 4.9. Payment of Park Entry Fees shall be accompanied by a summary of vehicle and guest entry numbers, including a description of vehicle type and nationalities of guests.
- 4.10. Delays in payment shall incur the penalty interest rate stipulated in **paragraph 11** of this **Annexure 3**.
- 4.11. Payment procedures may be reviewed from time to time and amended by mutual agreement between the Operator and the Concessionaire.

## 5. SPECIFICATIONS

### Vehicles

- 5.1. The Operator's vehicles used in the Park shall:
- 5.1.1. have a net mass of no more than 2 (two) metric tons;
  - 5.1.2. have a maximum passenger capacity of 9 (nine) excluding the driver / guide;
  - 5.1.3. be four-wheel-drive and of standard vehicle width;
  - 5.1.4. be licensed according to the appropriate statutory requirements for Namibia;
  - 5.1.5. be properly converted, modified and equipped in accordance with Best Industry Practice;
  - 5.1.6. be maintained in accordance with Best Industry Practice; and
  - 5.1.7. be operated with low tyre-pressure to minimise negative impacts on tracks and roads.

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- 5.2. The above specifications do not apply to the Operator's lodge supply vehicles used primarily along the main access track to the Concession Area.

## 6. CAPACITY LIMITS

- 6.1. The Operator's operating capacity limits for the Park are as follows:
- 6.1.1. The Operator may operate a maximum of three (3) vehicle at any one time within the Concession Area.
- 6.2. The EIA and EMP procedures stipulated in this Agreement may require changes to Concession Rights (including capacity limits), initially or at any stage during the Project. Any such changes shall be based on the recommendation of an independent environmental expert, confirmed in writing by the Concessor, and appended to this Agreement.

## 7. EFFECTIVE DATE & CONCESSION PERIOD

- 7.1. The Effective Date shall be on the fulfilment of all suspensive conditions in **paragraph 14** of this **Annexure 4**, after the signing of this Concession Operator Contract.
- 7.2. This Concession Operator Contract shall be valid for a period of **25 (twenty five) years** commencing on the Effective Date.
- 7.3. The Concession Period for this Concession Operator Contract and that of the Head Concession Contract attached to this Concession Operator Contract **as Annexure 1**, will run concurrently.

## 8. RENEWAL

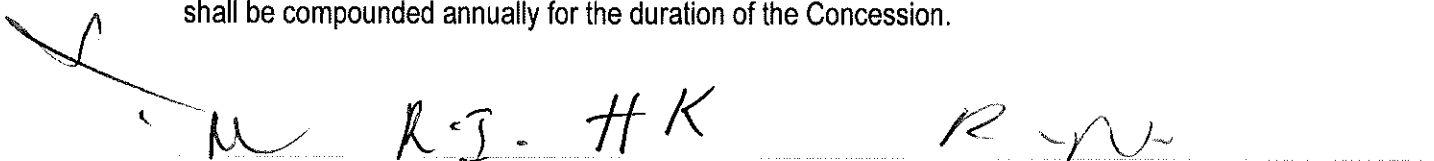
There is no right of renewal associated with this Concession Operator Contract. At the end of the Concession Period or at such earlier time as may be provided herein, the Operator shall hand over its rights or interest in the Concession Assets to the Concessionaire free of charges, liens, claims or encumbrances of any kind whatsoever, free of any liabilities and in good condition. The Operator shall not be entitled to payment of any compensation in connection therewith.

## 9. CONCESSION FEE

The Concession Fee, commencing on the 1st Anniversary of the Effective Date, is as follows;

- 9.1. For years 1 (one) to 24 of the Concession Operator Contract, the Concession Fee shall be 6% (six percent) of Net Turnover associated with the Concession.

The Concession Fees are escalated at the official National Consumer Price Index (NCPI) published by the Bank of Namibia (<https://www.bon.com.na/>) (or such measure as may replace it), and the adjusted amount shall be compounded annually for the duration of the Concession.

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**TRAVERSING CONCESSION FEE**  
**NUVELLA MANAGERIAL & MARKETING CONSORTIUM**


	Minimum Concession fee
Year 1	N\$ 0
Year 2	N\$ 97,503
Year 3	N\$ 110,725
Year 4	N\$ 124,189
Year 5	N\$ 125,704
Year 6	N\$ 126,543
Year 7	N\$ 126,543
Year 8	N\$ 126,543
Year 9	N\$ 126,890
Year 10	N\$ 126,543
Year 11	N\$ 126,543
Year 12	N\$ 126,543
Year 13	N4 126,890
Year 14	N\$ 126,543
Year 15	N\$ 126,543
Year 16	N\$ 126,543
Year 17	N\$ 126,890
Year 18	N\$ 126,543
Year 19	N\$ 126,543
Year 20	N\$ 126,543
Year 21	N\$ 126,890
Year 22	N\$ 126,543
Year 23	N\$ 126,543
Year 24	N\$ 126,543
Year 25	N\$ 126,890

9.2. The Concessor's portion of the Concession Fee, as described in the Head Concession Contract (attached as **Annexure 1**), should be deducted from the above Concession Fee and paid directly to the Concessor by the Operator on behalf of the Concessionaire.

**10. CONCESSION FEE REVIEW (ONLY INCLUDE THIS SECTION WHERE THE CONCESSION FEE IS MORE THAN 1 % BELOW THE BENCHMARK OF 8%)**

10.1. The percentages of Net Turnover specified in Clause 9.1 and 9.2 falls below the current benchmark rates for similar operations in Namibia and were only agreed because of the strong revenue projections contained in the Operator's Proposal (see **Annexure 2**). Consequently, the Parties have agreed to a periodic review of the Concession Fee based on the actual performance of the Operation over the course of the Concession.

10.1.1. The Concessionaire shall have the right to review the Concession Fee, including the percentage of Gross Revenue and the Minimum Concession Fee, if there has been a significant deviation of the revenue projections contained in the Operator's Proposal.

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- 10.1.2. If the Concessionaire elects to exercise its right to review the Concession Fee then the Concessionaire shall give a written notice to the Operator specifying a new Concession Fee motivating why it should be considered as a fair market value for the Concession having regard to the performance of the Operation and benchmark rates achieved for comparable operations elsewhere in Namibia.
- 10.1.3. Immediately following receipt by the Operator of the Concessionaire's notice under sub **Clause 9.2**, the Parties shall endeavour to agree on the new Concession Fee. Neither party should act unreasonably but in a spirit of cooperation, fairness and good faith to enable the underlying principles and objectives of this agreement to be successfully achieved.
- 10.1.4. Until a new Concession Fee is determined, the Concession Fee payable by the Operator shall remain as specified in the Agreement.

## 11. VALUE OF PERFORMANCE GUARANTEE

- 11.1. The Performance Guarantee, in accordance with the provisions of Clause 3.7 of the Concession Operator Contract and in the format supplied in **Annexure 10**, shall be issued in favour of the Concessionaire to the amount of **N\$12 500.00 (Twelve Thousand five Hundred Namibia Dollars)**, which amount shall escalate annually by the National Consumer Price Index (NCPI) published by the Bank of Namibia (or such other measure as may replace it) within 60 (sixty) Business Days of the end of each year of the Concession.

## 12. NEW FEES IMPOSED BY CONCESSOR OR ANY RELEVANT MINISTRY

- 12.1. If the Concessor or any Relevant Ministry imposes new fees or taxes (other than compulsory transactional taxes such as VAT) on to the Concessionaire in terms of the Head Concession Contract, such fees shall be payable by the Concessionaire without impact or change on the Concession Fees payable by the Operator in terms of this Concession Operator Contract.

## 13. PENALTY INTEREST RATE

- 13.1. Late payments of any fees due shall attract interest at the prevailing current prime lending rate plus 5 (five) percent.

## 14. COMPLIANCE EVENTS

- 14.1. The following Compliance Events shall take place prior to the start of the Construction Works and the Operational, Management and Maintenance of the Concession Assets and Concession Area:
- 14.1.1. Provision of a Performance Guarantee by the Operator to the Concessionaire as per Clause 3.7, paragraph 9 of this Annexure 4, and Annexure 10;
- 14.1.2. Approval of the Detailed Design by the Concessionaire and the Concessor;
- 14.1.3. Issuing of an Environmental Clearance Certificate for the Project in terms of the Environmental Management Act (2007); and
- 14.1.4. Completion of all necessary Regulatory Provisions and statutory requirements.

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**15. INSURANCE**

15.1. The Operator shall take out and keep in force for the Concession Period the following insurance:

- 15.1.1. Comprehensive insurance of the Concession Assets, including insurance cover of the Construction Works during the Construction Phase of the Project;
- 15.1.2. Indemnification of the Concessionaire and the Concessor for public liability and passenger liability to a minimum value of N\$5,000,000 (five million Namibia dollars);
- 15.1.3. Casualty insurance, including for emergency evacuation of guests and employees of the Operator;
- 15.1.4. Business interruption insurance;
- 15.1.5. Third party liability insurance; and
- 15.1.6. Employer's liability insurance.

**16. CONCESSION ASSETS TO BE MAINTAINED BY THE OPERATOR**

16.1. All Concession Assets shall be maintained, refurbished and / or replaced by the Operator, and at the Operator's cost and risk.

**17. OPERATOR TO PARTICIPATE IN THE JOINT MANAGEMENT COMMITTEE**

17.1. The Operator shall be required to participate in the Joint Management Committee in terms of **Clause 2.7** of this agreement.

**18. ADDRESS FOR NOTICES**

**Concessionaire Representative:**

Chairperson: lipumbu Ya Tshilongo Conservancy  
Name: Mr. Henock Kamati  
Address: P. O. Box 915  
Oshakati  
Namibia  
Contact details: +264 81 2560 894 / 081 7455575

**Operator Representative:**

Title: Managing Director  
Name: Mr. C. Van de Vijver  
Address: Nuvela Managerial & Marketing Services (Pty) Ltd  
P. O. Box 90538  
Windhoek  
Namibia  
Contact details: +246 61 375 300 / +264 81 124 2269

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## TRAVERSING CONDITIONS & PROTOCOLS FOR ETOSHA NATIONAL PARK

### 1. Traversing Rights

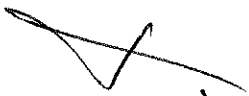
- a) The Concessor grants to the Concessionaire the following rights (the “Traversing Rights”) to enter and use the Park for tourism purposes:
  - i) The right to enter and exit the Park via existing vehicle tracks in and adjacent to the Uukanga and Nakutanaoka Pan; and
  - ii) The right to conduct guided, vehicle-based tourism activities with guests via existing tracks between the Uukanga and Nakutanaoka Pan inside the Park (refer to Map 3).
- b) All guides and / or drivers of the Concessionaire conducting activities in the Park shall be trained in accordance with Best Industry Practice.
- c) All guides and / or drivers of the Concessionaire conducting activities in the Park shall be licensed according to the appropriate statutory requirements for Namibia and / or any specific requirements for the Park as stipulated by the Concessor.

### 2. Activity guidelines

- a) The Concessionaire’s activities inside the Park must cease between sunset and sunrise, and during this period the Concessionaire, its staff, guests and equipment must vacate the Park.
- b) No off-road driving shall be permitted in the Park.
- c) All vehicles used in the Park must be operated with low tyre-pressure to minimise negative impacts on tracks and roads.
- d) Use of spot-lights shall only be permitted in accordance with Best Industry Practice.

### 3. Environmental guidelines

- a) The Environmental and Development Guidelines (**Annexure 6**) shall be applicable, where appropriate, to the Traversing Rights.
- b) The EIA and EMP conducted by the Concessionaire for this Concession shall also include the Traversing Rights within its scope of work.
- c) Supplementary environmental guidelines may be provided from time to time by the Concessor.



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**ANNEXURE 5: CONCESSION ASSETS**

The Existing Immovable Concession Assets connected to the Project, as at the Effective Date, consist of the following:

Name:	Description / Location

**Note:** A detailed description of the New Concession Assets is provided in the Operator's Proposal (see Annexure 2).

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## ANNEXURE 6: SPECIAL CONDITIONS

The following points are special conditions of contract, which include the Ministry's Requirements as well as specific requirements outlined in the Head Concession Contract.

1. No additional fixed structures may be erected in the Concession Area without written permission from the Concessionaire, which in turn requires permission from the Concessor before construction can start.
2. The Operator shall preserve and monitor the Concession Area and its game and botanical species and ensure that all its guests, visitors and employees who enter the Concession Area shall likewise preserve the area and the game and plants therein. In particular, but not limited to, the Operator shall take all reasonable steps to ensure that:

(2.1) No game or plant life or other natural resource and/or occurrences be disturbed, violated, mutilated, destroyed, killed or removed;

(2.2) All solid waste shall be removed from the Concession Area and be disposed of appropriately at a formal waste depot.

(2.3) The Operator shall provide full cooperation to the officials of the Ministry, especially in respect of protection of the area and the game therein and the prevention of pollution and environmental damage in the Concession Area. The utilisation and management of game in the concession area, including control of problem animals, shall remain the sole responsibility of the Ministry.

3. The Operator shall only use existing roads and tracks in the Concession Area, and not construct or lay out any new track, roads or airfields without the prior written permission of the Concessionaire, which in turn requires permission from the Concessor before clearing of tracks can start.
4. The Operator shall ensure that its tourism operations are environmentally sensitive and wherever possible use alternative and/or renewable energy sources (refer to Environmental and Development Guidelines in **Annexure 8**).
5. The Operator shall not collect firewood for its tourism operations from within the Park. Any firewood used will be from sustainable and authorised sources.

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Detailed Design, including the extent, layout, and appearance of the development

6. All facilities and structures shall be designed and constructed so as to be of minimal impact, and unless otherwise agreed with the Concessionaire and the Ministry, they shall be completely removable with no impact left on the Park or its environment.
7. The Detailed Design, including the layout and design of all access tracks, pathways, signage, energy supply, fencing (if any), building and landscape designs, site layouts and specifications, colour schemes, elephant and fire proofing, modifications to any existing facilities, waste management systems, and water extraction / reticulation systems shall be presented to and approved by the Concessionaire, which in turn requires final approval from the Concessor before the Construction Works can start.
8. The Operator may extract water from a borehole that it may establish at its own expense, provided permission is granted in line with point 7 above. Water extraction methods must not be noisy or unsightly.
9. Vehicle access to and from the Concession Area shall be via a single track as agreed with the Concessionaire and Concessor, as outlined in point 7 above. The Concessionaire may place discrete signs at specific track junctions to advertise their accommodation.
10. The Operator may erect water tanks at the sites at its own expense. Water provision to tourists will be the sole responsibility of the Operator.
11. Power supply to the Concession Assets shall be by means of solar power or other renewal energy whenever possible. The use of a diesel powered generator is subject to approval as outlined in point 7 above.
12. All facilities should be in line with the standards as set by the Namibia Tourism Board, and must be registered and open for inspection by the NTB.
13. The Operator will be responsible for removing all non-fixed (movable) infrastructure and rehabilitating all impacts, including but not limited to those identified in the project de-commissioning section of the EIA and EMP, brought about during the occupancy of the Concession Area, within a period of thirty (30) days after termination of the Agreement.

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Waste disposal and management

14. The Operator shall be responsible for the collection, storage and dumping of all solid wastes.
15. All refuse recovered from the Concession Area shall be disposed of in an appropriate, properly managed public dump outside the Park.
16. The Operator shall not permit refuse to be stored at the sites for more than 24 hours, provided that during such storage, it is not accessible to wildlife and does not cause a proliferation of flies or other pests.
17. Combustible refuse may not be burnt within the park unless the permission is obtained as outlined in point 7.

Roads and tracks

18. The Operator shall not drive any vehicle, or allow any vehicle to be driven at any place in or around the Concession Area or the Park other than on existing roads and tracks.
19. The Operator shall not itself, nor shall it permit any other person to clear or construct any new tracks or roads in or around the Concession Area or the Park without permission being granted as per point 7 above.

Admission to the sites

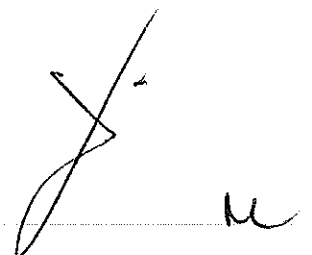
20. The Concessionaire shall ensure that visitors to the Concession Area are in possession of a valid park entry permit, which may be obtained from the Ministry at Park station. Entry fees shall only be collected by the Ministry. The Concessionaire will not accommodate visitors with expired park entry permits.

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Management facilities and staff

21. The Operator's employees shall be permitted to overnight in the Park. Family and friends of employees shall not be permitted in the Park, unless they are visiting as official guests of the Operator.
  
22. The Operator may permit additional employees to enter the Park between sunrise and sunset each day for the purpose of maintenance and cleaning the Concession Assets. Such persons should be in possession of valid park entry permits. The Operator shall ensure that no human settlement or squatter camps develop in the Park, other than those provided for in the Detailed Design and approved as outlined in point 7.
  
23. The Operator shall, without delay, remove from the Park any employee, guest or visitor who is under the influence of alcohol, disruptive, aggressive or otherwise behaving in a manner that detracts from the enjoyment of visitors, jeopardizes the smooth management of the campsite or undermines the management of the Park.
  
24. The Operator shall not allow domestic animals to be kept in the Park.
  
25. The Operator will ensure that its employees do not engage in any agricultural activities within the Park.
  
26. The Operator will ensure that no exotic plant species are kept or planted in the Park. Removal of indigenous vegetation is strongly discouraged and shall only be permitted in accordance with the approved Detailed Design, EIA and EMP.
  
27. The Operator shall take all necessary precautions to safeguard the Concession Assets, employees and visitors to the Concession Area against fire. The Operator shall use Best Industry Practice in terms of developing fire prevention systems and plans, and installing fire fighting equipment.
  
28. The Operator will take measures to protect the Concession Assets against elephant damage, as the Concessionaire will not be held liable against such damage.

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Management of the sites

29. The Operator shall, at their own expense, maintain the sites on a regular basis, specifically ensuring that:
- i. the site is clean
  - ii. water is available
  - iii. drains are clear
  - iv. no water leakage is occurring
  - v. toilets are flushing
  - vi. refuse and litter are removed
  - vii. ash is removed
  - viii. pollution of the soil or underground water, is prevented
  - ix. fire and elephant proofing of facilities is adequate
  - x. structures are well maintained and in working order
30. Firewood offered for sale or used in the Park shall not be collected in the Park.
31. The Operator shall not permit the soliciting of unauthorized or irregular payments or favours from Park visitors.
32. If deemed necessary, the Concession Assets may be safeguarded against possible damage by wild animals; however this must be in such a way as to not cause injury or death to any animal. Fencing of the Concession Assets will be subject to approval as outlined in point 7.
33. The Operator shall not be entitled to take any action against problem animals and shall promptly report all such cases to the Ministry, who shall decide on appropriate action, if any, to be taken in respect thereof.

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## Environmental Management Plan

34. The Operator shall develop and adhere to an Environmental Impact Assessment (EIA) and Environmental Management Plan (EMP) covering the development and operation of the Concession. The Operator is furthermore required to submit these to the Ministry for approval and issue of an Environmental Clearance Certificate, which is to be received prior to start of the Construction Phase. The Operator shall provide copies of this documentation to the Concessionaire within 120 days of the Effective Date, and shall submit written reports on the implementation of the EMP to the Ministry and Concessionaire at regular intervals, but no less than once per annum.

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## ANNEXURE 7: ZONATION GUIDELINES

Given Concession Area falls within the “**very important**” habitat zone according to the Management Plan, the following zoning guidelines shall apply.

### 22.1.1.1 Environmental impact assessment (EIA) process

1. There is a very high likelihood that a full EIA will be required for any development in this zone. The justification for anything less than a full EIA must be strong. At the very least the EIA process will include a scoping and an EMP. In each case the benefit of placing a development in this zone must be compared with the option of placing it in an Important or Less Important Zone.
2. The EIA process must include the potential cumulative impacts of all tourism activities, including number and periodicity of game drives and boat trips, as well as the environmental impact of existing and other planned lodges.

### 22.1.1.2 Construction guidelines

3. Although some level of EIA will still be required, locating a development on a brownfield site will mean less chance that a full EIA will be required. Greenfield sites can be used, but this must be well justified and the EIA process must show not only that the impacts will be minor or positive, but that it can be easily managed.
4. Non-permanent structures are preferred for tourism developments, with a strong emphasis on using low-impact building materials and building methods (in terms of energy, carbon and waste).
5. Where possible, fencing should preferably be limited to a few electrified strands. Other types of fencing may be needed provided there is an appropriate justification.

### 22.1.1.3

### 22.1.1.4 Management approach and particular activities

6. Park management must prioritise their resources to reduce or eliminate threats to these areas.
7. Management actions must include the monitoring and regulation of tourism activities.
8. No waste storage, other than temporary storage for sorting activities, is allowed in this zone. No permanent waste dump sites are allowed here.
9. A road that has become redundant because it has either been re-routed or replaced must be restored. Trenches dug for services (water, sewer or power lines) must be restored, regardless of whether it is inside a concession construction area or not.

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## ANNEXURE 8: ENVIRONMENTAL AND DEVELOPMENT GUIDELINES

Specific environmental issues that have been identified for consideration during the EIA / EMP Procedure for this particular Concession include:

### Site specific guidelines:

Highly erodible sodic soils occur over much of the area placing demands on regular maintenance of the existing track network, and limiting future track development.

This is a fenced area (although breakages occur continuously) and therefore severely restricts important seasonal dispersal patterns of several species (including elephant, springbok, and eland). Population numbers of some herbivores will need management (for example by removal of 'surplus' grazers to minimise over- utilisation of the herbaceous layer over the long term).

Key issues that need further elaboration during the formal EIA process include:

1. Availability of ground water;
2. In the absence of a formal management plan for this fenced area, all proposed developments should be logically defensible in terms of location and scale/size;
3. Possibility of additional wildlife water points (although a management plan should be in place before new artificial water is provided);
4. Highly erodible sodic soils occur, emphasizing the strong need for strategic location of access and traversing roads, and a high level of maintenance;
5. Any new access roads to be located away from sodic soils as far as is practicable; adequate drainage structures to be provided on all such roads (including humps, mitre drains, pipes supported by gabions etc.);
6. Developments within granite boulder areas to be especially sensitive in terms of design, location within boulders, shape, colour and texture of materials used;
7. The access route should be upgraded by gravelling in areas with visible erosion, and installation of adequate drainage. Ongoing maintenance is essential and responsibility for such must be clarified before any concessions are finalised.
8. Waste management will be extremely challenging in this Concession. Solid waste will need to be removed from the Concession Area and recycled or dumped at an organised waste management site.

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Refer to the following detailed Environmental and Development Guidelines and Environmental Management Plan template for further guidelines.

**General Environmental & Development Guidelines:**

The following general Environmental & Development Guidelines shall apply to this Concession.

Design and construction parameters	General Guidelines	Specific Guidelines – Etosha National Park.
Visual impact	<ul style="list-style-type: none"> <li>Requirements for particular architectural style, building materials etc. to reduce visual impact should be included in the initial documentation. This should take into account potential future users of the area.</li> <li>Visual impact of support services should also be considered.</li> </ul>	<ul style="list-style-type: none"> <li>In vicinity of granitic outcrops, shape, nature, colour and texture of materials used for construction to meld with granite.</li> <li>Subdued lighting to be used</li> <li>No constructions to break skyline</li> </ul>
Construction Activities	<p>Site definition</p> <ul style="list-style-type: none"> <li>The site for development must be clearly defined so the assessment can be made within this area.</li> <li>During construction the site must be well marked, possibly by pegging, so that the limits are clearly understood by all.</li> </ul> <p>Environmental management plan</p> <ul style="list-style-type: none"> <li>In the case of new developments an environmental scoping should be carried out prior to the concession being granted. Following the initial acceptance of a proposal, an environmental screening should be conducted, and thereafter if necessary a full environmental impact assessment should be carried out, and this should lead to an environmental management plan (EMP), which will incorporate the issues in this checklist.</li> <li>An Environmental Control Officer (ECO) should be appointed to oversee developments and ensure compliance with the EIA and EMP.</li> </ul> <p>Issues during construction</p> <ul style="list-style-type: none"> <li>The EMP should clearly detail what level of disturbance to surrounding areas is permitted and what may be removed or altered (e.g. large trees etc.).</li> <li>Penalties should be determined for violations of the EMP, including off-site impacts and trees or features that may be defaced or destroyed. Irreplaceable and/or critical features must be clearly marked.</li> <li>The EMP should specify how construction workers are to be accommodated, and what ablution facilities and other waste management are to be allowed.</li> <li>Give guidelines on use of resources, especially local building supplies. If this is permitted it should be spelt out how such use should be carried out and regulated and whether there should be any fee for it.</li> <li>There may need to be restrictions on the maximum size of vehicle used for construction, and access to the park may need to be restricted to certain times, for control purposes and to reduce impact on other users.</li> <li>It is possible that there may be chance cultural, historical and/or archaeological finds. A procedure for dealing with these should be detailed in advance.</li> </ul>	<ul style="list-style-type: none"> <li>Prior to construction, exact positions of all intended structures to be pegged and passed by ECO/MET</li> <li>Example of EMP appended for use during EIA process</li> <li>Archaeological phase 1 Screening to precede any construction</li> <li>Adequate accommodation and ablution facilities to be provided for workers</li> <li>Spring area to be fenced off, no activity / encroachment onto this area</li> <li>In the event of chance finding of any archaeological artefacts during construction, construction activities must be suspended, the area to be fenced and a competent archaeologist contacted immediately</li> <li>Penalties for non-compliance to be included in contracts</li> </ul>
Buildings and structures	<ul style="list-style-type: none"> <li>In the case of concessions where there are existing buildings it must be specified what changes to them would be permitted and whether a deposit or guarantee is required before structures are damaged, altered or removed.</li> <li>There may be existing 'immovable' assets (pumps, borehole equipment, etc) that fall within the concession area. It should be specified what will happen to these, what use may be permitted,</li> </ul>	<ul style="list-style-type: none"> <li>Permanent structures of appropriate design and using appropriate construction materials (including local materials sourced from permitted sites-ECO to specify)</li> </ul>

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Design and construction parameters	General Guidelines	Specific Guidelines – Etosha National Park.
	<p>who will maintain them and in what condition they must be in at the end of the concession agreement if the concessionaire uses them.</p> <ul style="list-style-type: none"> <li>• If new structures are to be erected, there may be some restrictions on the types of buildings allowed, including their location within the concession areas.</li> <li>• It should be made clear whether fixed structures will be permitted or only temporary structures, and if so how this is defined. Depending on the circumstances and sensitivity of the area it may be necessary to be specific on guidelines such as area, style, height, building material, colour, number of guests and staff, services etc. These are often highly subjective issues, but they must be limited firstly by environmental and cultural factors (water, sewerage, habitat etc.) but also on the visitor carrying capacity for the park and the market niche to be catered for. These issues must be broadly defined in the management plan.</li> </ul>	
<b>Roads and Tracks</b>	<ul style="list-style-type: none"> <li>• A concession, particularly one covering a substantial area, is likely to require roads and tracks. The road network must reflect the type of product offered and the expected visitor usage. Some of these will be pre-existing, while others may need to be developed. It must be clear who is responsible for maintaining these roads, and if new roads may be constructed, how these will be approved and what type is permitted (single track or built up road). These should all require an EIA that must address the location and the sourcing of any building material from quarries.</li> <li>• The cost implications to the MET must be considered if the MET is to maintain the road network since this cost may escalate with increasing usage.</li> <li>• It should be specified whether 'off-road driving' may be permitted and if so under what circumstances.</li> </ul>	<ul style="list-style-type: none"> <li>• Responsibilities for road maintenance to be clearly specified in all concession agreements</li> <li>• No new roads to be constructed before formal management plan in place</li> <li>• No off road driving under any circumstances</li> <li>• River to be entered at exited using only existing approaches and entrance/exit points</li> <li>• Where entrance exit points show signs of erosion, measures must be taken to stabilise these</li> </ul>
<b>Support infrastructure</b>		
<b>Electricity/energy</b>	<ul style="list-style-type: none"> <li>• Depending on the site, it may be necessary to impose limitations on the type of energy source which may be used and on reticulation to and on the site (for instance whether this can be overhead or should be underground). This will be dependent on noise, air and fuel pollution from diesel or other power generation systems, the visual impact of the power supply and the costs of these systems. It must be clear who will pay for the power supply.</li> </ul>	<ul style="list-style-type: none"> <li>• Developers are encouraged to use solar and other innovative sources of energy wherever feasible</li> <li>• Any electricity cable to sites to be underground</li> </ul>
<b>Water</b>	<ul style="list-style-type: none"> <li>• Water is often a major limiting factor in any development and although the risks for finding and supplying this must rest with the concessionaire, the MET should conduct an initial feasibility study to ensure that water is present and is likely to meet the specifications expected for the site. MET must define what may be used by the concessionaire, both in terms of the quantity and source. If information is available on water quality and quantity, this should be supplied, but the concessionaire should conduct tests to verify this before investing.</li> <li>• It should be defined who carries the risk if water dries up or quality deteriorates.</li> <li>• Meters may need to be fitted, and if so it should be specified at whose cost this will be done, who will read them and what penalties will be applied for overuse.</li> <li>• If water resources are to be shared with other users, this will need to be specified, and agreement sought with the other users.</li> </ul>	<ul style="list-style-type: none"> <li>• Tests needed to ensure sufficient water of acceptable quality is available (start with existing borehole)</li> <li>• Meter to be installed to measure water use (targets for water use to be set and used as benchmark)</li> </ul>
<b>Communications</b>	<ul style="list-style-type: none"> <li>• Type of communications systems allowed and standards required for safety.</li> <li>• Use of overhead lines, masts and towers.</li> </ul>	<ul style="list-style-type: none"> <li>• Any masts and towers to be as unobtrusive as possible</li> <li>• Any overhead lines to be located unobtrusively and consider possible elephant damage</li> </ul>
<b>Waste Management</b>		

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Design and construction parameters	General Guidelines	Specific Guidelines – Etosha National Park.
Liquid waste and by products	<ul style="list-style-type: none"> <li>Standards may need to be applied for disposal of sewage and wastewater. These will be dependent on the sensitivity of the area, availability of water, and possibility of ground water contamination.</li> <li>Specific conditions may be applied to storage of liquid fuels/solvents/cleaning materials, and there may be limits on type or quantity or storage and containment structures.</li> <li>Conditions should be established for the use of toxic products, including a list of any banned and how will they be handled and managed on the site and transported.</li> <li>Indicate whether there is a policy regarding the use of environment friendly products.</li> </ul>	<ul style="list-style-type: none"> <li>Grease traps to be installed in kitchens, "grey water to be used for any landscaped areas (using only regionally indigenous species)</li> <li>Oil pans to be placed in vehicle parking areas; under and around fuel storage areas; if gas is used, canisters to be housed in Bureau of Standards approved structures; fire extinguishers to be strategically located throughout developed area; used oil to be despatched to appropriate waste facility</li> </ul>
Solid Waste	<ul style="list-style-type: none"> <li>System for disposal of solid waste.</li> <li>Policy over reduction at source, recycling and sorting.</li> <li>Storage prior to removal, including specifications and how long it may be stored before it is disposed of in an appropriate site.</li> <li>Transport of waste. Permitted types of containers and preferred route.</li> </ul>	<ul style="list-style-type: none"> <li>All non-organic solid waste to be sorted for possible recycling, and removed to registered landfill site</li> <li>Storage in animal-proof cages prior to removal</li> <li>Organic waste may be buried in suitably designed "animal –proof" deep pits-the EIA will need to provide designs for such</li> </ul>
Air emissions	<ul style="list-style-type: none"> <li>Permission for use of incinerators and standards to be applied.</li> </ul>	<ul style="list-style-type: none"> <li>Only incinerators built according to Bureau of Standards specifications may be used.</li> </ul>
<u>Environmental Parameters</u>		
Carrying capacity	<ul style="list-style-type: none"> <li>Number of guests and staff permitted to use the area. Determination of carrying capacity is often highly subjective, if it is not clearly defined by environmental constraints.</li> <li>Other users. If they increase as a result of the added marketing and awareness, can the park infrastructure and management accommodate this additional use?</li> </ul>	<ul style="list-style-type: none"> <li>Broad adherence to zonation guidelines and current tourism planning report</li> </ul>
Fauna and flora	<ul style="list-style-type: none"> <li>If there are any rare, endangered or endemic species or habitats that require special attention, conditions to safeguard these organisms or habitats may be required.</li> <li>Policy with regard to introductions of additional species, and/or removal of existing exotics.</li> <li>Water holes and feeding of animals/birds. Is this permitted in any form and if so what are the special conditions which may apply? The general policy regarding water for game in the park should be addressed in the management plan.</li> <li>Responsibility for dealing with problem animals, especially those presenting a risk to visitors, should be specified.</li> <li>If capture, culling or hunting of wildlife may be carried out in the area it is important to bring this to the attention of the concessionaire and include it in the contract.</li> </ul>	<ul style="list-style-type: none"> <li>Special attention to habitats with sodic soils (erosion risk minimisation); river entrance and exit points; all spring seepage areas; through proper initial location of tourism infrastructure and ongoing monitoring;</li> <li>No introductions or additional water points until Management Plan in place</li> <li>MET to deal with any problem animal cases</li> <li>Capture and relocation of animals deemed excess to carrying capacity may occur periodically</li> </ul>
Footpaths and trails	<ul style="list-style-type: none"> <li>Who will provide these and to what standard? Who will provide and maintain these and to what standard?</li> <li>Who will be responsible for erosion control?</li> </ul>	<ul style="list-style-type: none"> <li>All trails to be included in EIA</li> </ul>
Landscaping and gardening	<ul style="list-style-type: none"> <li>Species not permitted and any restrictions in this regard.</li> <li>Specific issues relating to landscaping (water features etc.).</li> <li>Use of pesticides, herbicides and fertilizers.</li> </ul>	<ul style="list-style-type: none"> <li>Only local indigenous flora to be used (other than any small areas of lawn that may be required e.g. around pool)</li> <li>Use of fertilisers to be kept to a minimum; only pyrethroid or similar organic-based pesticides to be used if absolutely essential</li> </ul>

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Design and construction parameters	General Guidelines	Specific Guidelines – Etosha National Park.
<b>Permitted Activities</b>	<ul style="list-style-type: none"> <li>• Provide a list of permitted activities with definite restrictions if necessary, for example, no off-road driving on gravel plains, protocol for driving in sand sea, rivers and on coast.</li> <li>• Detail what may be done, such as hunting, fishing, walking, aircraft safaris etc.</li> </ul>	<ul style="list-style-type: none"> <li>• No off road driving</li> <li>• River to be used using current track network and current entry and exit points (which will require ongoing monitoring, particularly after each period of flow</li> <li>• Other activities to be defined in lease per agreement between concessionaire and MET</li> </ul>
<b>Disabled access</b>	<ul style="list-style-type: none"> <li>• Requirements to make some or all facilities available for disabled access.</li> </ul>	
<b>Archaeological/cultural and historical</b>	<ul style="list-style-type: none"> <li>• Known sites which require special treatment.</li> <li>• Policy if chance find is encountered.</li> <li>• Any relevant legislation to be brought to the attention of the concessionaire.</li> </ul>	<ul style="list-style-type: none"> <li>• As above</li> </ul>
<b>Management issues</b>		
<b>Access and exclusivity</b>	<ul style="list-style-type: none"> <li>• Regulation and control over access to the park and the site.</li> <li>• Will the concessionaire be the only user of the area or will others also have access and use, possibly during concession period?</li> <li>• Will the general public be allowed access to the area or will all other visitors be excluded? Specify how the regulatory aspects will be dealt with regarding access by the public / visitors / tourists to the areas.</li> </ul>	<ul style="list-style-type: none"> <li>• Concessionaire responsible for controlling access to and within site</li> <li>• Regulation of access to be specified in lease agreement</li> </ul>
<b>Gates</b>	<ul style="list-style-type: none"> <li>• Responsibility for control of gates.</li> <li>• Responsibility of concessionaire for dealing with trespassers in area.</li> </ul>	<ul style="list-style-type: none"> <li>• Responsibilities to be defined in lease agreement</li> </ul>
<b>Signage</b>	<ul style="list-style-type: none"> <li>• How will the concessionaire provide directions to the site?</li> <li>• Restrictions on type, colour, logos of signage.</li> </ul>	<ul style="list-style-type: none"> <li>• Signage according to current Road and Transport regulations as regards size, colour, location</li> </ul>
<b>Domestic Stock</b>	<ul style="list-style-type: none"> <li>• Domestic stock, such as horses, elephants or camels for visitor use.</li> <li>• If so any restrictions on enclosures, feeding, importing feed into the Park and removal of waste should be specified.</li> </ul>	<ul style="list-style-type: none"> <li>• Horses permitted; strict control of fodder to minimise risk of introduction of invasive alien plants;</li> <li>• Horses to be treated preventatively as per veterinary directives</li> <li>• Manure may be used for garden composting</li> <li>• Horses to be stabled at night and kept within game fenced stockades</li> </ul>
<b>Fire</b>	<ul style="list-style-type: none"> <li>• Is fire management likely to impact on the concessionaire?</li> <li>• Precautions to be taken by the concessionaire.</li> <li>• Policy on combating wildfires in the Park.</li> <li>• Measure for protecting property and life, including firebreaks, and responsibility for maintenance.</li> <li>• The need for insurance of buildings.</li> <li>• Will the concessionaire be provided with alternative areas if their entire concession area is burnt in a single season?</li> </ul>	<ul style="list-style-type: none"> <li>• Adequate firebreaks to be made and maintained around all constructions</li> <li>• Wildfires to be left alone by concession staff unless life or property is under direct threat</li> </ul>
<b>Aircraft and airstrips</b>	<ul style="list-style-type: none"> <li>• Are these permitted? If so under what conditions?</li> <li>• Construction of strip, approach and take-off, other tourist interference, aerial safaris.</li> <li>• Special species in flight paths.</li> </ul>	<ul style="list-style-type: none"> <li>• No new airstrips without EIA</li> </ul>
<b>Resource use</b>	<ul style="list-style-type: none"> <li>• May local materials be used for any purpose? If so under what conditions and restrictions, and is any payment required?</li> <li>• Is hunting or fishing allowed? Does it take place in the park currently? Are other users permitted to undertake these activities? Will they impact on the concessionaire?</li> </ul>	<ul style="list-style-type: none"> <li>• Local materials (rock, grass, ) may be used for construction under supervision of ECO and within limits defined during site-specific EIA's</li> </ul>

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Design and construction parameters	General Guidelines	Specific Guidelines – Etosha National Park.
		<ul style="list-style-type: none"> <li>No firewood collection within Hobatere; firewood to be bought in from reputable source</li> <li>Lease agreement to define any hunting or fishing details</li> </ul>
<b>Guest activities, staff safety and accommodation</b>	<ul style="list-style-type: none"> <li>Emergency procedures, including any special conditions people must be made aware of (heat, dehydration, dangerous game etc.).</li> <li>Staff accommodation, location and standards. Special protection measures such as fencing.</li> <li>Requirement for concessionaire to enforce park rules on guests and staff.</li> <li>Any guiding standards or qualifications required, minimum requirements for vehicles or buildings to meet special requirements etc.</li> </ul>	<ul style="list-style-type: none"> <li>Rules to be specified in agreements</li> <li>Fire extinguishers to be located within all structures and serviced regularly</li> </ul>
<b>Marketing</b>	<ul style="list-style-type: none"> <li>Can logos and reserve names be used in marketing?</li> <li>Joint marketing of reserve and product.</li> </ul>	<ul style="list-style-type: none"> <li>To be specified in agreements</li> </ul>
<b>Supervision and monitoring</b>	<ul style="list-style-type: none"> <li>Who will do this, and who is responsible for what?</li> <li>Are regular meetings required?</li> <li>How will concessionaire be managed?</li> <li>If there are other concessionaires it may be useful to create a forum to agree jointly on operations?</li> <li>Code of conduct and site development manual.</li> </ul>	<ul style="list-style-type: none"> <li>MET to monitor and enforce all rules and concession guidelines</li> <li>ECO to carry out monitoring as per the EMP emanating from the site-specific EIA process</li> <li>Independent expert to conduct annual compliance audit</li> </ul>
<b>General compliance with responsible tourism development</b>	<p>Has the proposal taken sufficient account of the following elements:</p> <ul style="list-style-type: none"> <li>Avoid waste and over-consumption;</li> <li>Use local resources sustainably;</li> <li>Maintain and encourage natural, economic, social and cultural diversity;</li> <li>Be sensitive to the host culture;</li> <li>Involve the local community in planning and decision-making;</li> <li>Assess environmental, social and economic impacts as a prerequisite to developing tourism;</li> <li>Ensure communities are involved in and benefit from tourism;</li> <li>Market tourism that is responsible, respecting local, natural and cultural environments;</li> <li>Monitoring impacts of tourism and ensure open disclosure of information;</li> <li>Safety and security of employees and clients.</li> </ul>	

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**TEMPLATE ENVIRONMENTAL MANAGEMENT PLAN (EMP)**

The following template EMP shall be used by the Applicant.

ISSUE	ACTION	RESPONSIBILITY	AUDIT CONTROL
	<b>PRE-CONSTRUCTION PHASE</b>		
	<b>Hydrology</b>		
<ul style="list-style-type: none"> <li>• Flooding</li> <li>• Disruption of local hydrology</li> </ul>	<ul style="list-style-type: none"> <li>• These are 'killers' and pre site inspection must assess any risks; no construction within any defined wetlands or within 1:100 year floodline</li> </ul>		
	<b>Soil</b>		
<ul style="list-style-type: none"> <li>• Soil erosion</li> <li>• Soil compaction</li> </ul>	<ul style="list-style-type: none"> <li>• No construction or activities within areas containing highly erodible dispersed, fine-particle, sodic etc. soils</li> </ul>		
	<b>Flora and fauna</b>		
<ul style="list-style-type: none"> <li>• Damage to vegetation</li> <li>• Protected species</li> </ul>	<ul style="list-style-type: none"> <li>• Presence of protected, rare or endangered plant species requires approved conservation/recovery plan, or such sites preferably to be avoided</li> <li>• Avoid any sites with nests, burrows, dens etc. of protected species.</li> </ul>		
	<b>Aesthetic and Visual</b>		
<ul style="list-style-type: none"> <li>• Visual Impact</li> </ul>	<ul style="list-style-type: none"> <li>• Large catchments with low visual absorption capacities require sensitive location and construction of facilities, or avoidance</li> </ul>		
	<b>CONSTRUCTION PHASE</b>		
	<b>Soil</b>		
<ul style="list-style-type: none"> <li>• Soil erosion</li> </ul>	<ul style="list-style-type: none"> <li>• All necessary measures should be taken to limit soil erosion and construction guidelines should be adhered to at all times.</li> <li>• It is important that adequate measures are taken to prevent water runoff from concentrating in any one area and to prevent the compaction of soil through excessive heavy vehicle movements or destruction of protective vegetation.</li> </ul>		
	<b>Vegetation</b>		
<ul style="list-style-type: none"> <li>• Protection of vegetation</li> </ul>	<ul style="list-style-type: none"> <li>• Adhere to construction guidelines and ensure that only permitted access roads and paths are used by construction workers and vehicles at all times.</li> <li>• Special attention to any protected, endemic, rare or endangered species,</li> </ul>		
<ul style="list-style-type: none"> <li>• Alien invasives</li> </ul>	<ul style="list-style-type: none"> <li>• Landscaping will be negligible and no exotics or plants that do not occur locally will be planted.</li> </ul>		
	<b>Sewage and Waste Water</b>		
<ul style="list-style-type: none"> <li>• Ecological impact</li> <li>• Odours</li> </ul>	<ul style="list-style-type: none"> <li>• NB All facilities must be located a minimum of 50m from any water body or source.</li> <li>• Fat/grease traps to be installed at kitchen outlets</li> <li>• Adequate temporary ablutions to be provided for workers</li> </ul>		
	<b>Energy</b>		
<ul style="list-style-type: none"> <li>• Energy efficiency</li> <li>• Generator</li> </ul>	<ul style="list-style-type: none"> <li>• Maximum use of solar energy, gas</li> <li>• Energy saving measures (lights, etc.)</li> <li>• Efficient, modern, silenced generator only</li> </ul>		
	<b>Building Materials</b>		
<ul style="list-style-type: none"> <li>• Soil and other contamination</li> </ul>	<ul style="list-style-type: none"> <li>• The mixing and use of concrete and cement must be carefully managed so as not to contaminate the sites in any way.</li> </ul>		
<ul style="list-style-type: none"> <li>• Soil erosion</li> <li>• Surface runoff</li> </ul>	<ul style="list-style-type: none"> <li>• Any gravel or stone that may be required for building purposes (including roads) will be obtained from environmentally acceptable and permitted sources and quarries may not be dug without formal registration/permission.</li> </ul>		
	<b>Fire</b>		
<ul style="list-style-type: none"> <li>• Human and animal safety</li> <li>• Ecological</li> </ul>	<ul style="list-style-type: none"> <li>• All normal safety precautions will be taken during the construction phase.</li> </ul>		
	<b>Construction Plan</b>		

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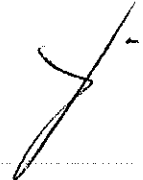
ISSUE	ACTION	RESPONSIBILITY	AUDIT CONTROL
<ul style="list-style-type: none"> <li>Mitigation of construction impacts</li> </ul>	<ul style="list-style-type: none"> <li>The sequencing of construction events is an important part of managing any potentially negative impacts arising from the construction phase:</li> <li>The site boundaries should be demarcated and movement of construction crew must be within these at all times.</li> <li>A suitably positioned stock piling and mixing area should be chosen and demarcated. This should ideally be located in an area that is already transformed or disturbed.</li> <li>Access routes from the stockpiling areas to the building sites should be demarcated and used. Existing roads should be used for these purposes.</li> <li>Once all construction work has been completed then the site should be suitably rehabilitated.</li> </ul>		
<b>Construction Guidelines</b>			
<ul style="list-style-type: none"> <li>Mitigation of construction impacts</li> </ul>	<ul style="list-style-type: none"> <li>The contractor and his employees shall adhere to any rules and regulations that the MET may prescribe at all times.</li> <li>The contractor must ensure the proper supervision of employees at all times and their abidance to any rules and regulations.</li> <li>Access to the site must be restricted to contractors employees only.</li> <li>All employees must be educated to the need to refrain from the destruction of plants and animals, as well as from indiscriminate defecation, waste disposal and or pollution of soil and water resources.</li> <li>All mixing of cement and other materials should be done in such a way that it is properly contained and that contaminated water may not run off into the area.</li> <li>The building envelope shall be demarcated to ensure that building activities are contained within its perimeter and that no undue environmental damage or disturbance occurs outside of this perimeter.</li> <li>The contractor is to take all precautions to prevent the outbreak and spreading of fires and is to ensure all his employees are aware of the necessary precautions.</li> <li>All earthworks, berms, channels, spoil and borrow areas are to be worked in such a way as to minimise the possibility of erosion.</li> <li>Any water pipes shall be routed so as to minimise the disturbance to vegetation and minimise the chance of erosion.</li> </ul>		
<ul style="list-style-type: none"> <li>Mitigation of construction impacts</li> </ul>	<ul style="list-style-type: none"> <li>The contractor will provide a suitable, animal proof receptacle to contain all, daily refuse. Refuse will be disposed of regularly at a suitable designated location and in an environmentally appropriate manner.</li> <li>The contractor will ensure that all equipment is in good working order and will not contaminate soil or water resources with diesel, petrol, oil or any other foreign substances.</li> <li>All building materials will be stockpiled in designated areas within the building envelope.</li> <li>All building rubble is to be removed from the area and disposed of in a suitable and legal location in an environmentally acceptable manner.</li> <li>The contractor shall ensure that all vehicles stick to designated roads at all times.</li> <li>The greater area around building sites should be searched for snares during and after the construction phase is complete.</li> </ul>		
<b>OPERATIONAL PHASE</b>			
<b>Vegetation</b>			
<ul style="list-style-type: none"> <li>Alien invasives</li> <li>Use of plants, firewood</li> </ul>	<ul style="list-style-type: none"> <li>The area will be kept free of any alien vegetation that may inadvertently be introduced.</li> <li>No picking of plants, collection of firewood or any other damage permitted</li> </ul>		
<b>Fauna</b>			

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ISSUE	ACTION	RESPONSIBILITY	AUDIT CONTROL
<ul style="list-style-type: none"> <li>Interaction with wildlife</li> </ul>	<ul style="list-style-type: none"> <li>Guests should still be sensitised to the need to be aware of wildlife and of the appropriate way to interact with wildlife.</li> <li>Trained guides to escort guests at all times, no self-drive or walking other than in accepted designated areas</li> <li>Adherence to any special requirements including adherence to accepted rhino-viewing protocols</li> </ul>		
<b>Water</b>			
<ul style="list-style-type: none"> <li>Water conservation</li> </ul>	<ul style="list-style-type: none"> <li>Water conservation must be actively promoted, including installation of meters, low-flow showerheads etc.</li> </ul>		
<ul style="list-style-type: none"> <li>Water pollution and toxic effects</li> </ul>	<ul style="list-style-type: none"> <li>The use of biodegradable and eco-friendly soaps and detergents should be encouraged.</li> </ul>		
<b>Waste</b>			
<ul style="list-style-type: none"> <li>Soil and water pollution</li> <li>Health</li> <li>Animal safety</li> </ul>	<ul style="list-style-type: none"> <li>All waste bins will be covered and secured. If a central waste collection depot is needed, this area should be fenced and secured and it should have a concrete floor to ensure that it can be suitably maintained and no ground seepage will occur.</li> <li>If possible and appropriate, glass will be stored on site in suitable containers until there is sufficient to be transported for recycling.</li> <li>If possible and appropriate, tins, cans and foil will be stored on site in suitable containers until there is sufficient to be transported for recycling.</li> <li>If possible and appropriate, plastics will be stored on site in suitable containers until there is sufficient to be transported for recycling.</li> <li>If possible and appropriate, paper and cardboard may be stored on site in suitable containers until there is sufficient to be transported for recycling.</li> <li>All waste that cannot be recycled or sold must be disposed of at a permitted waste site; organic waste may be deep-buried; limited amounts of packaging may be incinerated in an approved (Bureau of Standards) incinerator.</li> </ul>		
<b>Sewage</b>			
<ul style="list-style-type: none"> <li>Soil and water pollution</li> <li>Health and Safety</li> </ul>	<ul style="list-style-type: none"> <li>Septic tanks and soakaways MUST be adequate for peak periods, properly installed and maintained.</li> <li>Regular monitoring of water for E coil contamination is required</li> </ul>		
<b>Energy</b>			
<ul style="list-style-type: none"> <li>Energy efficiency and metering</li> </ul>	<ul style="list-style-type: none"> <li>Energy use to be metered, benchmarked and efficiency striven for</li> </ul>		
<b>Fire</b>			
<ul style="list-style-type: none"> <li>Danger to human and animal life</li> </ul>	<ul style="list-style-type: none"> <li>Fire extinguishers to be installed and maintained, all normal safety precautions will be taken during the operational phase.</li> </ul>		
<b>DECOMMISSIONING PHASE</b>			
<b>Buildings and Equipment</b>			
<ul style="list-style-type: none"> <li>Human and animal safety</li> <li>Soil and water pollution</li> <li>Visual and aesthetic impacts</li> </ul>	<ul style="list-style-type: none"> <li>All structures will be completely removed to the satisfaction of MET.</li> <li>Construction guidelines will apply during this phase to ensure that this phase of operations is properly managed and limited environmental impact results.</li> <li>In the case of sewage systems, septic tanks will need to be drained and removed and the area (including the soak away) will need to be filled, preferably with rubble or with fill from an environmentally acceptable source.</li> </ul>		
<b>Vegetation</b>			
<ul style="list-style-type: none"> <li>Soil erosion</li> <li>Alien plant invasion</li> </ul>	<ul style="list-style-type: none"> <li>The site will be suitably re-vegetated or if this is not appropriate then it will be covered with scrub to ensure that soil erosion does not result and to provide protection for reseeded vegetation.</li> <li>Follow ups will be done to ensure that alien or invasive plants and weeds have not flourished.</li> </ul>		

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**ANNEXURE 9: FORMAT OF THE PERFORMANCE GUARANTEE**

**PART A: FORMAT FOR THE PERFORMANCE GUARANTEE**

(To be provided to the Concessionaire – see paragraph 9 below)

Bank address &  
Contact details

Date

The Chairperson  
(Name of Concessionaire)  
(Address)


Dear Sir/Madam,

**GUARANTEE NUMBER** .....

**CONCESSION OPERATOR CONTRACT FOR THE** ..... **(NAME OF CONCESSION)** ("The Contract")

**(Name of Bank and Reg. No.)** ("the Bank"), herein duly represented by (Name/s of person/s) in his/her/their capacity/ies as ....., herewith bind the Bank irrevocably as guarantor to **NAME OF CONCESSIONAIRE** ("the Beneficiary") for the due performance by (..... **(Pty) Ltd, Reg. No.** ....., **trading as** ..... **Lodge**) ("the Applicant") of all the Applicant's obligations in terms of the Contract, provided that the Bank's liability in terms hereof shall be limited to the payment of money to the amount of **N\$12 500.00 (Twelve Thousand Five Hundred Namibian Dollars)** ("the guaranteed amount") and subject to the following conditions:

1. The Beneficiary shall without reference and/or notice to the Bank, have complete liberty of action and to act in any manner authorized and/or contemplated in terms of the Contract and/or agree to any modifications, variations, alterations, directions or extensions of the completion date of the works under the Contract and the Beneficiary's rights under this guarantee will in no way be prejudiced nor will the Bank's liability hereunder be affected by reason of any steps which the Beneficiary may take under the Contract.
2. The guaranteed amount, or any lesser amount that may be demanded by the Beneficiary, will be paid free of any bank charges at the ..... Branch of the Bank to the Beneficiary on receipt of the original guarantee and a first written demand signed by the Beneficiary and stating that the Applicant has failed to fulfil his obligations in terms of the Contract and has failed to pay the amount claimed. Any demand submitted hereunder must be signed by the Permanent Secretary of the Ministry of Environment & Tourism and (the Beneficiary), who's signature(s) and authority to sign need not be proved by the Beneficiary.
3. The language of any required documents shall be English.
4. The Applicant shall be liable for the payment of any charges relating to this guarantee.



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5. The Bank reserves the right to effect payment within 5 (Five) working days from the date any complying demand was made by the Beneficiary.
6. This guarantee shall remain in full force and effect for a period of twelve (12) months from date of issuance thereof. The Beneficiary shall apply for a new guarantee three (3) months prior to expiry of this guarantee, which guarantee shall be issued at the discretion of the Bank.
7. This guarantee is neither transferable nor negotiable and the original guarantee must be returned to the Bank upon payment of the guaranteed amount to the Beneficiary or upon expiry, whichever event occurs first.
8. The Bank chooses its domicilium citandi et executandi for all purposes in connection herewith at the following address: .....
9. The Beneficiary chooses its domicilium citandi et executandi for all purposes in connection herewith the following address: .....
10. This guarantee shall be governed by the laws of the Republic of Namibia and shall be subject to the Uniform Rules for Demand Guarantees 2010 Revision, published as Number 758 by the International Chamber of Commerce, except as stated above. The High Court of Namibia shall have jurisdiction to hear any dispute between the Beneficiary and the Bank.

.....

(Name)

(Position)

.....

(Name)

(Position)

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**PART B: FORM OF CERTIFICATE**

To: [Name and address of Bank]

Attention:

From: The Concessionaire

Address:

Dated:

Dear Sirs

**Performance Guarantee Dated [insert date] (the "Guarantee")**

We refer to the above Guarantee issued by you. Terms defined in the Guarantee shall have the same meaning when used in this Certificate.

The Concessionaire is entitled to call on this Guarantee under the Concession Operator Contract and we demand payment of the sum of N\$[.....] under the Guarantee. Payment is to be made in accordance with the provisions of the Guarantee.

Payment must be made within ten (10) Business Days of receipt hereof to [The Concessionaire bank account details].

Yours faithfully,

.....

for and on behalf of The Concessionaire

u H K R W R.I

**IIPUMBU YA TSHILONGO CONSERVANCY**

**WILDLIFE MANAGEMENT AND UTILIZATION PLAN**

**2014 - 2020**

*Reviewed: August 2014*

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**Vision**

Poverty alleviation through harmonization of human-wildlife relations and utilization of wildlife resources in a sustainable manner

**Objectives**

1. To create community awareness on the importance of wildlife and other natural resources through training
2. To re-introduce wildlife that existed in the conservancy area in the past
3. To establish water points within the conservancy area
4. To identify and zone various land units into zonation areas for the conservancy
5. To establish bylaws that will protect and maintain natural resources for the conservancy
6. To develop the conservancy area for tourism potentials
7. To provide an opportunity for community members to learn more about wildlife
8. To generate income for the conservancy area
9. To integrate natural resources management within the conservancy area
10. To obtain recognition for Lake Oponona as a RAMSAR Site
11. To protect the cultural heritage of the Salt Pans

**Current status of game within the conservancy area**

Species	No. of species	Increase/Decrease (current status)	Status reason	Status objectives	Remarks
Springbok	Unknown	Increased	Less poaching	Increased	Trophy hunting, tourism, meat and cultural benefit
Ostrich	Unknown	Increased	Less poaching and game disturbance	Increased	Trophy hunting, tourism, meat, cultural benefit
Zebra	Unknown	Decreased	Due to fire and lack of water	Increased	Trophy hunting, tourism & meat
Hyena	±15	Increased	Constant	Decreased	Trophy hunting although they account for livestock losses
Steenbok	Unknown	Increased	Not very abundant due to poaching	Increased	Meat, trophy hunting attraction
Kudu	±20	Increased	Less poaching	Increased	Trophy hunting, tourism and own use
Duiker	Unknown	Increased	Less poaching	Increased	Own use, trophy hunting, tourism, meat and cultural benefit
Hartebeest	30	Increased	Less poaching	Increased	Trophy hunting,

*[Handwritten signatures and initials: a large signature, 'u', 'H K', 'R N', 'R-I']*

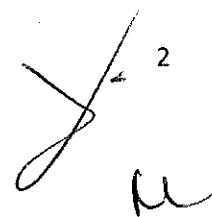
					and tourism
Elephant	Seasonally	Decreased	Lack of water	Increased	Trophy hunting and cultural attraction
Rhino	Seasonally	Decreased	Lack of water	Promoted	attraction
Scrub hare	Unknown	Increased	Reduced community hunting practices	Increased	Indicator for a conserved area, cultural benefit
Springhare	Unknown	Increased	Less hunting	Increased	Cultural benefit
Jackal	±30	Increased	Constant	Constant	Trophy hunting
Lion	Seasonally	Increased	Unknown	Number Regulated	Trophy hunting
Blue Wildlife	Seasonally	Decreased	Increased	Constant	Number should be kept in check as they are carriers for wildlife diseases, though they are deemed valuable for educational purposes and trophy hunting
Caracal	Unknown	Increased	Less human disturbance	Number kept constant	Educational, trophy hunting
Leopard	Unknown	Increased	Conservation awareness	constant	Trophy hunting
Guinea fowl	±2500	Increased	Increased	Increased	For educational purposes & own use (shoot and sell)
Warthog	Unknown	Increased	Conservation awareness	Increased	Trophy hunting, meat
Oryx	Unknown	Increased	Conservation awareness	Increased	Trophy hunting, tourism, meat
Bat-eared fox	Unknown	Increased	Conservation awareness	Balanced	Biodiversity conservation

Apart from the animals in the table above, the conservancy is home to the following species: pangolin, turtles, and snakes (including python). Bird species such as vulture, ducks, francolin, flamingo, blue crane are found; sand grouse are common in the conservancy.

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**Proposed game species needed for re-introduction in the conservancy:**

Species	Number of species	Current status
Ostrich	50	Small number existing
Springbok	300	Small number existing
Kudu	200	Existing number is small
Hartebeest	60	Current number is low
Zebra	30	Environment suitable
Eland	40	Environment suitable
Warthog	100	Current number is low
Impala	50	Vegetation suitable
Oryx	40	Environment suitable
Giraffe	15	Existed in the area before

**Conservancy challenges and Strategies**

**1. Law enforcement and conservation**

**Challenges**

- Poaching activities
- No law enforcement personnel
- Ill-equipped Community Resource Monitors
- Proposal of mining in the two salt lakes (Otjivarunda 1 & 2)
- Unsustainable fishing in Lake Oponona

**Strategies**

- Create awareness to community members
- Use event book system through Community Resource Monitors
- Conduct law enforcement patrols
- Improve communications with institution and community members
- Lobby the Namibian government to apply to UNESCO for World Heritage status for the salt lakes
- Register Lake Oponona as a RAMSAR site
- Develop lipumbu ya Tshilongo Tourism Master Plan

Action plan	Who	When
Train CRMs on best conservation practices	MET	2014
Community awareness meeting on the importance of wildlife and other natural resources	Centre representatives and Resource Monitors	May & October (2014 - 2020)
Equip CRMs to execute their	Conservancy Committee, NDT	2015

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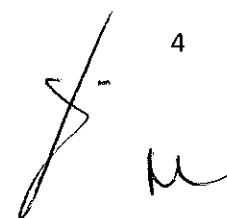
work efficiently	and suitable donors, MET	
Follow up on process to register Lake Oponona as a RAMSAR Site	Conservancy Committee, MET, NDT, Ministry of Fisheries and Marine Resources, Iishana Basin Management Committee (IBMC)	2014
Feedback to community on RAMSAR Site proposition	Conservancy Committee, MET, NDT, TA, Ministry of Fisheries and Marine Resources, IBMC	2015
Develop Management Plan for Lake Oponona	Conservancy Committee, MET, NDT, TA, Ministry of Fisheries and Marine Resources, IBMC	2015
Feedback to community on the Lake Oponona Management Plan	Conservancy Committee, MET, NDT, TA, Ministry of Fisheries and Marine Resources, IBMC	2015
Follow up on process to advocate for salt pans to be proposed to UNESCO as World Heritage Sites due to their cultural significance for all Owambo people (Otjivarunda 1 & 2)	Conservancy Committee, MET, NDT and Ekango Committee	2015
Develop Salt Pans (Omakango) Management Plan	Conservancy Committee, MET, NDT and Ekango Committee	Conservancy Committee, MET, NDT and Ekango Committee
Identify and approach stakeholders for support in developing a Tourism Master Plan	Conservancy Committee, TA, MET, Regional Council, Ministry of Agriculture, Forest and Rural Water Supply, Ministry of Fisheries and Marine Resources	2015
Develop a Tourism Master Plan which will include concession rights in Etosha, cultural tourism at Salt pans and tourism at Lake Oponona	Conservancy Committee, MET, NDT, TA, Ministry of Fisheries and Marine Resources, IBMC	2015conc
Issuing of fishing permit in Lake Oponona	Conservancy Committee, NDT, TA, Ministry of Fisheries and Marine Resources, IBMC	2015

## 2. Human Wildlife conflict

### Challenges

- Livestock not kept in kraals or not herded
- Lack of water within the conservancy area

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- Increase of livestock losses by predators (hyena, lion and leopard)

**Strategies**

- Create awareness and implement the human wildlife
- Eliminate specific problem animal that have caused damage and/or losses to human/livestock or properties

<b>Action plan</b>	<b>Who</b>	<b>When</b>
Follow up on HWC review panel representatives request from Uuvudhiya and Otamanzi constituency offices	Conservancy Committee	20 August 2014
Establish HWC Review Panel	Conservancy Committee, Uuvudhiya and Otamanzi constituency offices	2014
Pay current HWC claims according to MET HWC Self-Reliance Scheme	HWC Review Panel and Conservancy Committee	2014
Increase awareness on HWC and promote herding and kraaling during night	Conservancy Committee and Community Resource Monitors (CRMs)	2014 - 2020
Explore the introduction of herding dogs i.e. Anatolian herding dog	Conservancy Committee Community, CRMs and Cheetah Conservation Fund (CCF) and NDT	2014 - 2020
Address wildlife with adequate water (as per recommendation of water assessment)	Conservancy Committee, CRMs, Rural Water Supply	2016
Problem animal control through trophy hunter	MET, Conservancy Committee, CRMs	As they occur
Improve communication between CRM and MET officers – acquiring proper communication technology – i.e. bulk messaging with Etosha and Regional MET staff on problem animal patrol	Conservancy committee, CRMs and MET	2014
Establish Iipumbu ya Tshilongo HWC Management Plan and have it endorsed by AGM	Conservancy Committee, MET, NDT	2015
Implement Iipumbu ya Tshilongo HWC Management Plan	Conservancy Committee and CRMs	2015 -2020

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### 3. Veld Fire Management

#### Challenges

- Uncontrolled burning of the veld (cigarettes, poachers, rifles etc.)
- Loss of grazing, woodland and wildlife due to veld fire and non-rested grazing
- Land Degradation

#### Strategies

- Make fire cut lines
- Create awareness among community members
- Establish bylaws to control veld fire
- Empower local level institutions for better utilization and management of resources
- Increase fire cut lines sizes to prevent field fire
- Make trials to regenerate and multiply good quality grass species
- Ensure proper land allocation in line with sustainable use of resources

• Action plan	Who	When
Establish fire cut lines in the conservancy	Conservancy committee (CC), Directorate of Forestry (DoF), Regional Council and Traditional Authority	2015
Develop lipumbu ya Tshilongo Fire Management Policy and have it approved by AGM	CC, DoF, Regional Council and Traditional Authority	2017
Implement lipumbu ya Tshilongo Fire Management Policy	Conservancy committee, Traditional Authority and CCGs	2018 – 2020
Joint Fire Management Approach	Conservancy committee, Directorate of Forestry, Namibia Defense Force and Etosha National Park	2015 – 2020

### 4. Re-introduce wildlife that existed in the conservancy area before

#### Challenges

- Drought
- Inadequate water points
- Salty water
- Silting of the lakes/Omadhiya

#### Strategies

- Develop boreholes within the conservancy areas

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- Excavate earth dams to store rainwater
- Research the area for good quality water
- Re-introduce game into the conservancy

<b>Action plan</b>	<b>Who</b>	<b>when</b>
Apply from MET Scientific Services to conduct a vegetation assessment of the Exclusive Wildlife Area: Tourism only(No Hunting)	Conservancy Committee and MET Scientific Services	September 2014
Conduct a water quality survey in the conservancy	Rural water supply	2015
Funding proposal to fence-off the Exclusive Wildlife Area: Tourism only (No Hunting)	Conservancy Committee and NDT	2015
Develop boreholes at Ekulo Iyamanzi and Onoolongo	Conservancy Committee and Rural Water Supply	2015
Reintroduce the intended wildlife according to MET recommendation	Conservancy Committee, MET and CRMs	2015
Develop a Water Management Plan	Conservancy Committee	2017
Develop and implement a broad based wildlife and natural resource monitoring system	Conservancy Committee and CRMs	2016 - 2020

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## Zonation plan

**Vision:** The division of the conservancy into different main land uses and zones ensures that conflict between land uses are minimized while potential for each area is being realized

**Objective:** To maximize the potential of land uses through zonation

**lipumbu ya Tshilongo conservancy is divided into three main land uses and five zones as explained in the table below:**

MAIN LAND-USE	ZONATION	ACTIVITIES	
		RECOMMENDED	DISCOURAGED
Settlement & Cropping Area	Settlement & Cropping Area	<ul style="list-style-type: none"> <li>- Settlement</li> <li>- Cropping</li> <li>- Livestock</li> <li>- shops</li> <li>- Grazing</li> <li>- Tourism activities (cultural tourism)</li> <li>- Social service development (clinics, schools, shops)</li> <li>- Non dangerous wildlife</li> <li>- Harvesting of veld products (with permit)</li> <li>- Harvesting of poles (local construction only) with permit</li> <li>- Road development</li> </ul>	Theft  Uncontrolled veld fires  Unauthorized cutting down trees and harvesting of veld products including grass  Farms  high speed boats on the lake  Hunting (shoot and sell, trophy hunting) unless in the case of removing problem animal i.e. hyena and lion  Off-road driving

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		<ul style="list-style-type: none"> <li>- Grass and pole harvesting (with permit only)</li> <li>- Fishing with permit</li> </ul>	
<b>Multiple Use Areas (Livestock &amp; Wildlife)</b>	<b>Multiple Use - Livestock Priority</b>  <i>This zone is the main grazing area</i>	<ul style="list-style-type: none"> <li>- Cattle posts</li> <li>- Wildlife</li> <li>- Hunting (trophy and own use) 1 km away from cattle posts, water points and 500 m away from district roads</li> <li>- Herding (cattle herders and/or herding dogs)</li> <li>- Existing boreholes</li> <li>- Grazing</li> </ul>	Settlements  Cropping  Town, bars/shebeens  Off-road driving  Unauthorized harvesting of resources including grass,  Veld fires  Crops
	<b>Multiple Use - Hunting Priority</b>	<ul style="list-style-type: none"> <li>- Trophy hunting</li> <li>- Cattle posts</li> <li>- Grazing</li> <li>- Lodges and campsites</li> </ul>	Settlements  Cropping  Further development

<b>Exclusive Wildlife Area</b>	<b>Exclusive Wildlife Area: Tourism only</b>  <i>This zone is set aside as a breeding zone for wildlife. As population increases, wildlife will be released into the broader conservancy</i>	<ul style="list-style-type: none"> <li>- Lodge</li> <li>- Wildlife</li> <li>- Guided tours</li> <li>- Cultural tourism</li> </ul>	Settlements  Harvesting of veld products including poles  Grazing  Cropping  Hunting
	<b>Exclusive Wildlife Area: All Wildlife Utilization</b>	<ul style="list-style-type: none"> <li>- Hunting (except within 3 km radius of the salt pans (Otjivarunda 1 &amp; 2), 1 km from cattle posts and water points or 500 m from district roads</li> <li>- Cattle posts</li> <li>- Cultural tourism particularly into salt lakes</li> </ul>	Settlements  Cropping  Extra boreholes or cattle posts

Action plan	Who	When
Review the amended zonation map	Conservancy Committee and CRMs	2014
Resent the amended zonation map at the AGM	Conservancy Committee	2015
Present the map to all centers of the conservancy	Centre representatives	2015
Implement the zonation rules	Conservancy Committee and CRMs	2015 -2020

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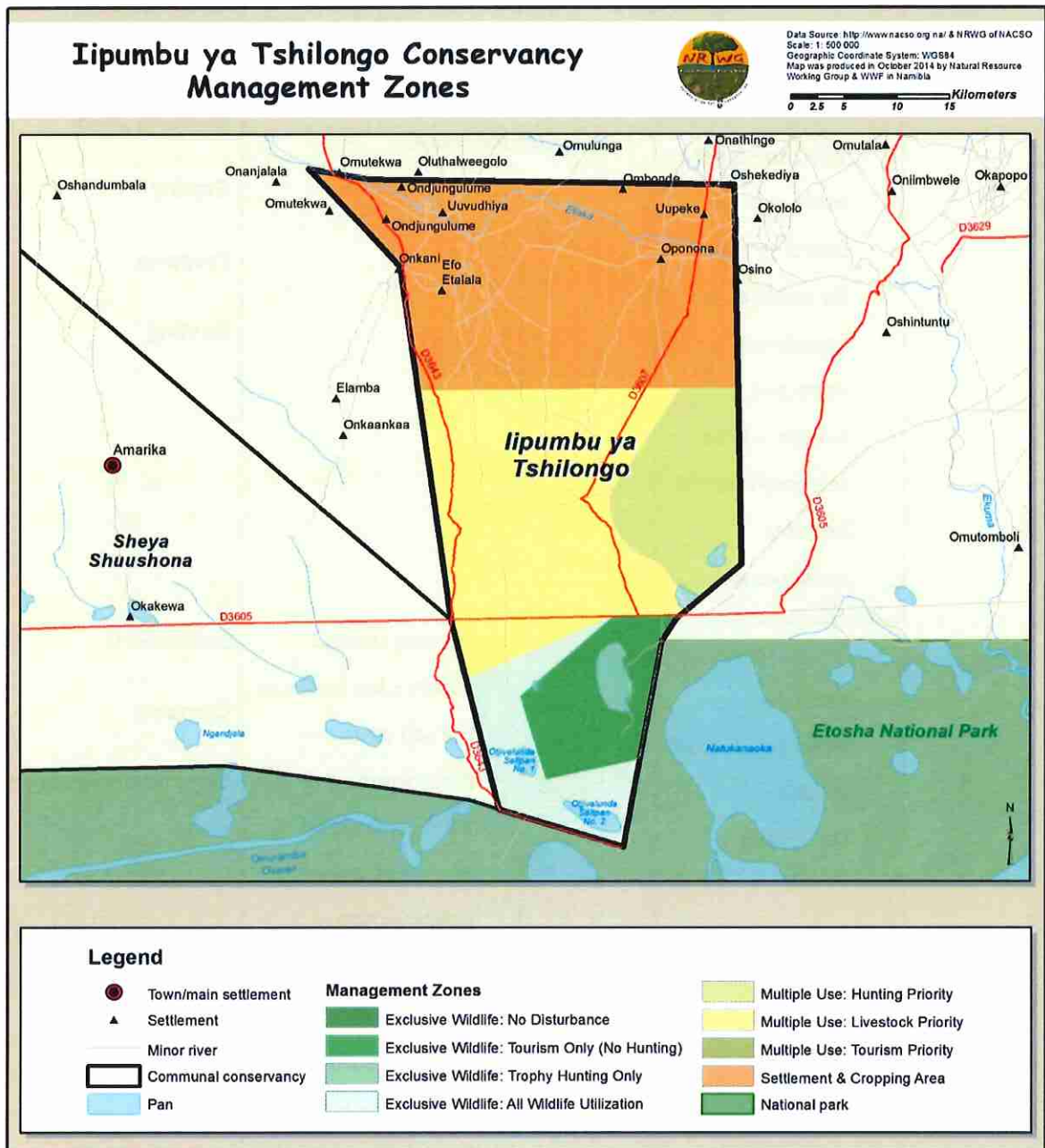


Figure1. Iipumbu ya Tshilongo Conservancy management zones map (August 2014)

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**ENDORSEMENT**

Therefore lipumbu ya Tshilongo Conservancy members endorsed and adopted this Wildlife Management and Utilization Plan at the Annual General Meeting held on the .....

at .....

Signed by the lipumbu ya Tshilongo Conservancy Chairperson

\_\_\_\_\_

**Chairperson**

\_\_\_\_\_

**Date**

Witness 1: \_\_\_\_\_

Witness 2: \_\_\_\_\_

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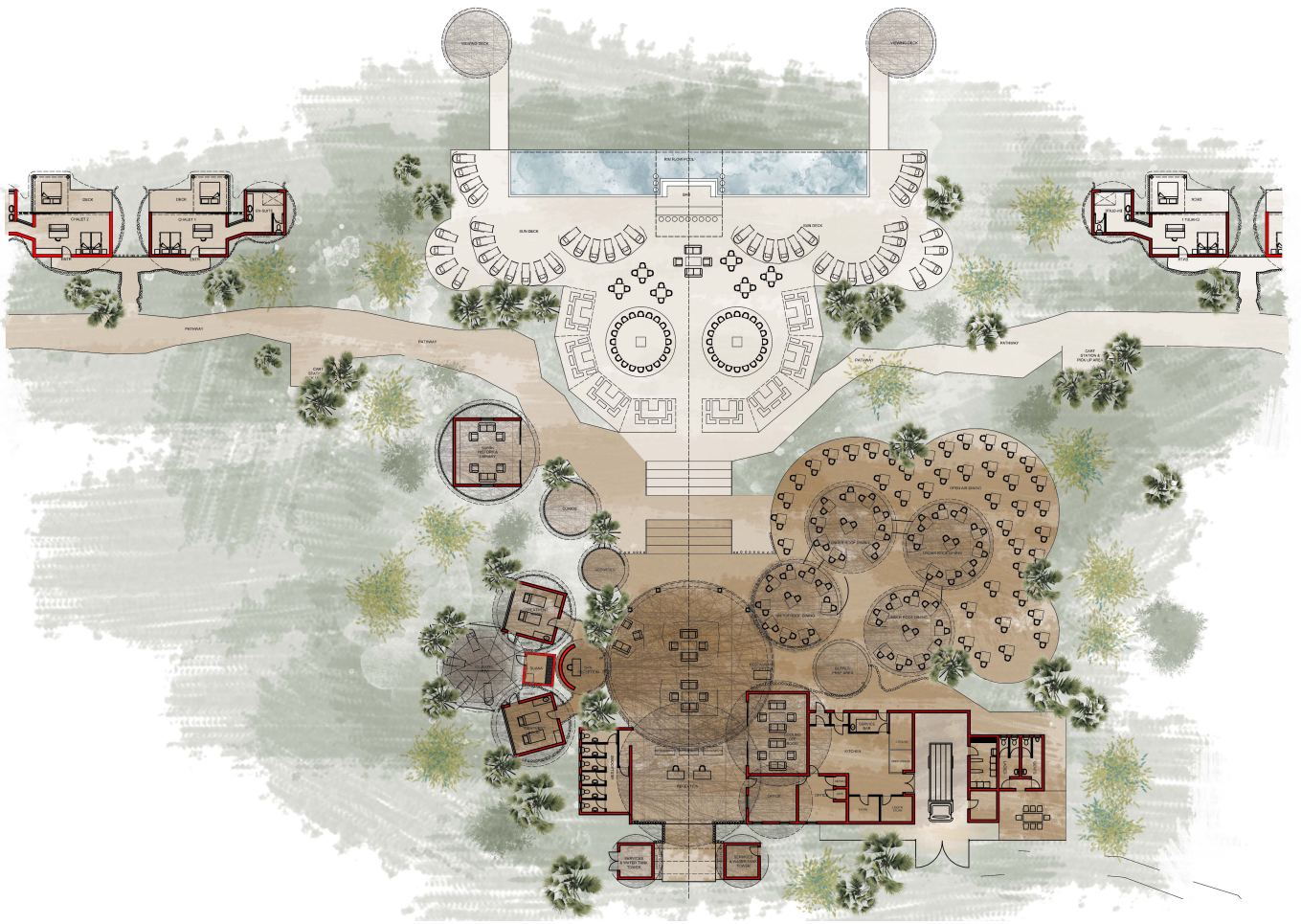
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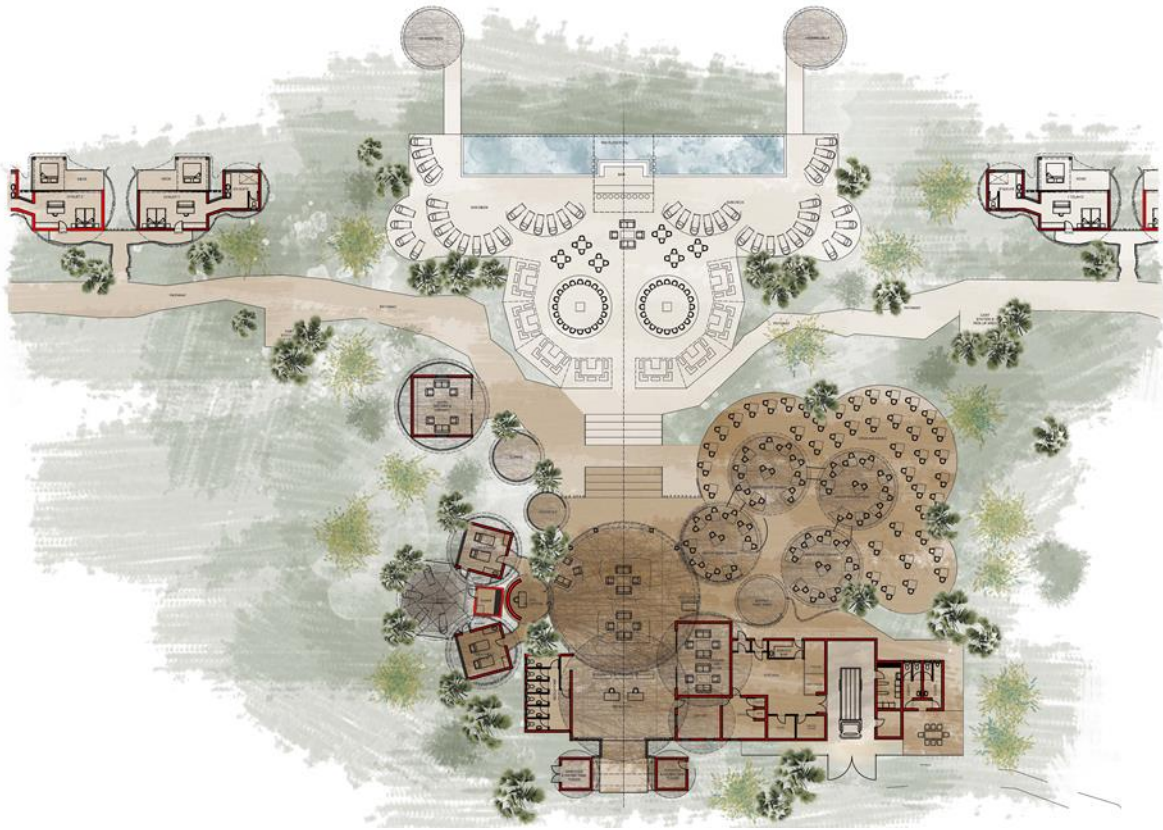


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## APPENDIX D - PROPOSED PROJECT DESIGNS





## APPENDIX E - ECC CVS



## APPENDIX F - ASSESSMENT FORM

The full application is available on their website

### Eco Awards Namibia

Tel: +264 (0)61 306450  
Fax: +264 (0)61 306290  
Email: [admin@ecoawards-namibia.org](mailto:admin@ecoawards-namibia.org)  
Web site: [www.ecoawards-namibia.org](http://www.ecoawards-namibia.org)



### Assessment Form:

#### Establishment details:

Name: \_\_\_\_\_ No of beds: \_\_\_\_\_  
NTB Registration category \_\_\_\_\_ Telephone: \_\_\_\_\_  
And number: \_\_\_\_\_  
Physical address: \_\_\_\_\_ Fax: \_\_\_\_\_  
Postal address: \_\_\_\_\_ email: \_\_\_\_\_

#### Contact person:

Name: \_\_\_\_\_ Telephone: \_\_\_\_\_  
Position: \_\_\_\_\_ Fax: \_\_\_\_\_  
Cell-phone: \_\_\_\_\_ email: \_\_\_\_\_

	CRITERIA SUBSECTION	TOTAL SCORE POSSIBLE	TOTAL SCORE APPLICABLE	OWN SCORE	ASSESSORS SCORE	AWARDED SCORE
1.	Management	23	23			
2.	Conservation	17	17			
3.	Energy	16	16			
4.	Water	20	20			
5.	Waste, pollution, sewer	24	24			
6.	Building & landscaping	18	18			
7.	Staff & Health	36	36			
8.	Guiding	6	6			
9.	Social responsibility	13	13			
10.	Legal/NTB Compliance	16	16			
	<b>SUBTOTAL</b>	<b>189</b>	<b>189</b>			
	<b>PERCENTAGE</b>	100%	100%			
<i>To calculate the percentage: divide total own score by total APPLICABLE score (i.e. exclude items not applicable to your establishment specifically and exclude bonus points), multiply the answer by 100.</i>						
11.	Bonus points	10%	10%			
	<b>TOTAL FINAL SCORE</b>	<b>110%</b>	<b>110%</b>			
	<b>TOTAL FINAL SCORE</b>					

Number of Flowers applied for: (Circle applicable category):

40% or more = One Flower	55% or more = Two Flowers	70% or more = Three Flowers	80% or more = Four Flowers	90% or more = Five Flowers
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Date: \_\_\_\_\_  
Name of Assessor: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date of MC approval: \_\_\_\_\_  
Signature of MC Chair: \_\_\_\_\_