

Towards Triple Bottom Line Reporting
The Environmental, Social and Economic Contribution of
Table Mountain National Park
Financial Year 2005/2006



South African National Parks

October 2006
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Executive Summary

Table Mountain National Park (TMNP) was established eight years ago when land and personnel were transferred from the City of Cape Town to SANParks. In 2004 TMNP commissioned the Graduate School of Business at the University of Cape Town to assess the economic benefits arising from the Park. This report is a sequel to the 2004 study, the objective of which is to report on the environmental, economic and social contribution that has been made by the Park.

The vision of the Park is “A Park for All, Forever” and this report is arranged in line with the vision. This report is however not a triple bottom line report in the true sense of that reporting style. Rather it is a contribution towards that reporting format.

Environmental successes

Protecting the environment is the key mission of Park management. Biodiversity conservation entails the removal of invasive alien flora and fauna, the prevention of soil erosion, the restoration of Fynbos and forest and the protection of marine resources. Spending on achieving this objective has increased significantly having grown from R20m in 1999 to more than R57m in 2006 (2006 values).

The Park has two types of funding – an operating budget and project specific budgets. The major growth in expenditure aimed at protecting the environment has been as a result of substantial growth in project specific funding. This has increased more than five fold since 1999 and much of the growth over the last financial year is due to funding from the Expanded Public Works Programme.

Some key environmental interventions that have been implemented:

- The Park is actively involved in wide spread fynbos restoration. To this end significant funds have been raised to implement a number of important projects. These include the Global Environmental Facility; Ukuvuka (Operation Firestop) and Working for Water. A total of R5.8m was funded during the past financial year compared to R3.4m during 2004/5 (2006 prices).
- The building of appropriate footpaths is essential in the prevention of soil erosion. To date 250km of paths have been built under the Expanded Public Works Programme. A total of R6 405 941 was spent on this project during the past financial year. This is more than R3 329 690 during the previous financial year.
- There is an active forest restoration programme which aims to address the restoration needs of the forest pockets on the Peninsula. It is made up of four projects. The total cost of all these projects combined is R1.1m.
 1. A seedling growing project was started because there were no local indigenous plants available for planting. Local people are employed to collect seeds from Newlands forest for propagation. Currently 50,000 seedlings have been propagated, of which about 40,000 have been planted in the forest.
 2. A forest rehabilitation project mitigates the impact of fallen oak and pine trees. These fallen trees create gaps in the forest canopy which take many years to recover. By reducing the biomass of the fallen tree and releasing trapped saplings, the project increases the rate of gap restoration.
 3. A weed control project targets alien plants that grow after the harvesting of timber and compete with indigenous saplings.
 4. The final project in this programme is the establishment of a medicinal plant garden. Hundreds of trees in Newlands forest have

died as a result of the collection of bark for traditional medicines. To address this, a medicinal plant garden was established on the terraces at Mt Pleasant. This garden is currently tended by Rastafarians and traditional healers. Training is provided so the healers can create their own community nurseries.

- The Park has set up a Marine Unit with the objective of enforcing the Marine Living Resources Act, the National Environmental Management Act and the National Parks Act. The unit furthers environmental education by teaching learners about the biodiversity of the marine environment.
- One of the threats to biodiversity is the existence of invasive species of fauna and flora. To this end the Park has an active programme in place to control invasive species.

Economic Benefits

TMNP is an important national asset and an iconic masterpiece of nature. A considerable amount of Cape Town's beauty, appeal and tourist industry is based on the mountains and forests that make up this unique Park. The appeal of the Park is further enhanced by ensuring that it is a clean, safe and attractive place to visit. One of the key tenets of the management of the Park is that it should be financially and economically sustainable.

The Park generates a number of key economic benefits. It creates incomes and jobs; it contributes to the provincial tourist industry; and it hosts a number of other commercial operations. In addition the management of the Park strive for financial efficiencies so that expenditure is focussed on the Park itself rather than on unnecessary overheads.

The Park is continuing to develop its active contribution to tourism. This is being done through the improvement of footpaths; through the opening of overnight trails and accommodation; and through the active policing of the Park to reduce criminal opportunities. While eco-system restoration projects

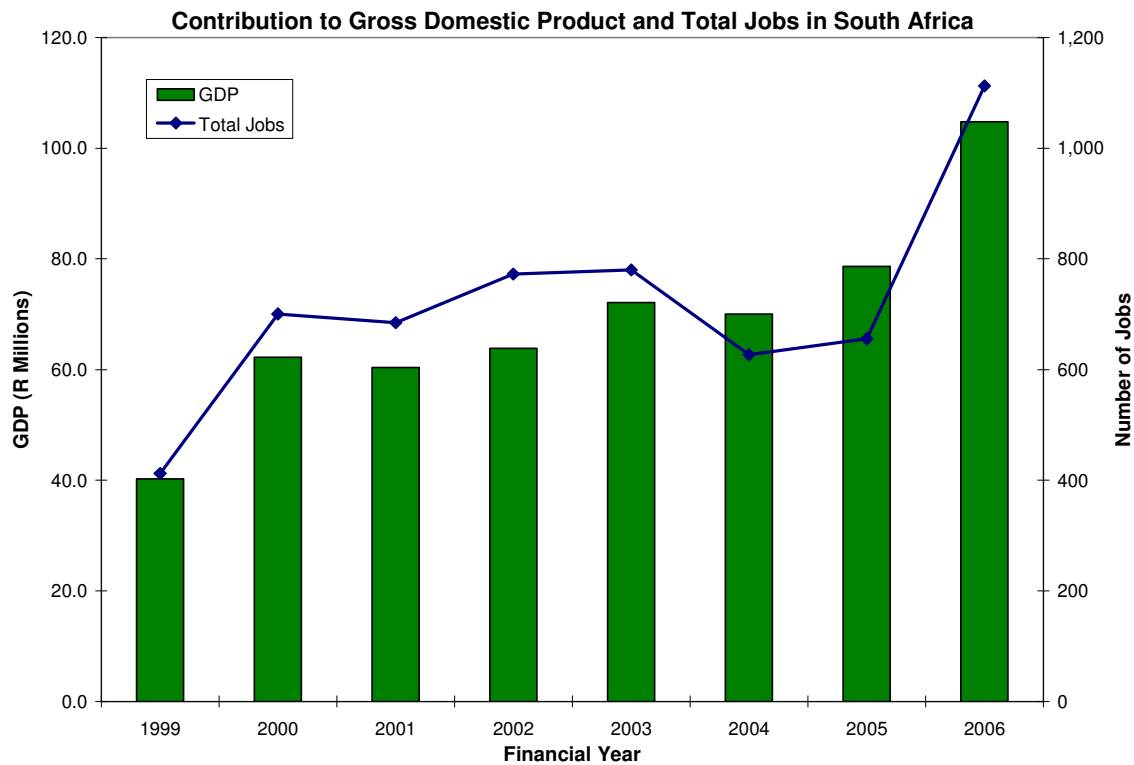
lower maintenance costs and create temporary jobs, these investments are directly linked to investment in eco-tourism infrastructure, such as the Hoerikwaggo Hiking Trails, and increasing the range of tourist activities offered in the TMNP so as to increase the length of stay of tourists in Cape Town and thereby increase bed night income to the City as a whole. To illustrate this, in one day ten percent of overseas visitors generate R130m in revenue to city businesses; R28m to the city's Gross Geographic Product, 403 direct jobs and 67 indirect jobs in the city.

Total spending on tourism related infrastructure is now twice as much as it was in 1999. It increased from R13m in the 2004/5 financial year to R19m in the 2005/6 financial year. In addition to the developing of footpaths, a number of trails have recently been completed. These are the Peoples Trail, a 1 night two day trail; the Table Mountain Trail which is a luxury trail aimed at local and overseas tourists; the Cape of Good Hope Trail which is aimed at the local market; and the first phase, from Silvermine to Orangekloof, of the Tip to Top Trail.

As part of the initiative to make the Park safer, 18 field rangers and 40 visitor safety officers were appointed over the last two years. The consequence is that the number of reported crime incidents has reduced steadily. In 2004 the number of monthly incidents ranged between a high of 25 and a low of 9. In 2005 this fell to between 10 and 2. In 2006 this reduced even further to a high of 6 with several months where no criminal incidents were reported.

While there are a number of different types of macroeconomic effects, the two most important are contribution to gross domestic product (GDP) and the creation of jobs. The importance of job creation is obvious. Increases in GDP are synonymous with increases in peoples' economic standards of living. Increased GDP – i.e. increased production – is experienced in the form of more jobs, higher wages and reduced economic hardship. It is clearly an important measure.

At a macroeconomic level the Park made a R104.8m contribution to South African Gross Domestic Product in 2005/6. This is considerably larger than the R78m contribution of the previous year. There were 240 full time jobs (230 for the previous year) and 638 project related jobs (252 for the previous year). The major contributor to the increased number of project related jobs is the Expanded Public Works Programmes. There are now a total of 878 direct jobs compared to the 482 of the previous year. In addition 235 indirect jobs were sustained – up from the 173 of the previous year. In total the Park sustained 1,113 total jobs compared to the 655 of the previous year. These trends are reflected in the figure below.



At an operational level the management of the Park continues to strive for increased efficiencies. This has had two results. First, salaries and wages decreased from 45% of the operational budget in 1999 to 34% in 2004/5 and further to 33% in 2006. Second, the proportion of spending on natural capital increased from 65% of total spending in 1999 to 75% in 2005/6. At the same time the actual spending on natural capital increased from R44m in

2004/5 to R57m in 2005/6. In addition, all of this has occurred while the actual size of the Park continued to increase. It is therefore clear that the management of the Park are succeeding with their mandate of financial sustainability.

The Park plays host to a variety of commercial activity. These include concessionaires, eco-tourism, and other commercial operators which make an important contribution to the Cape Town economy. The two main concessionaires are Table Mountain Aerial Cableway Company and The Cape Point Partnership. In addition to this there is one other existing concession, (Rhodes Memorial Tea Garden), one which is about to be developed (The Round House Precinct) and one which may be developed (Koeël Baai). The Park is also a popular location for film and commercial productions. In the 2005/6 financial year the Park earned R883,000 from film permitting. A total of 563 permits were issued, with 9,180 local crew and 555 international crew involved on the productions located in the Park.

Social Benefits

A key pillar in the vision of the Park is to promote access to the Park for all the people of Cape Town and to contribute to social awareness and poverty alleviation.

There are programmes promoting access to children and previously excluded sectors of society. these includes iBhasi Yentaba Yetafile (Table Mountain Bus) which transports approximately 20,000 school children to the Park each year; Kids in Parks where each year 500 learners and 50 teachers attend three day camps; educational permits 22,948 of which were granted at a discount; and the Cape Town Wild Card is reasonably inexpensive and allows card holders access to all the paying sites within TMNP. Part of promoting access is to make available affordable facilities and trails like the People's Trail and the Sunbird Centre at Silvermine

One of the social objectives of the Park is to contribute to poverty alleviation. This is done through job creation initiatives, awarding contracts to SMMEs and learnerships.

- The Park currently employs 120 permanent employees; 89 fixed term contracts; and 638 people working on projects.
- In line with its aim of poverty alleviation TMNP strives to award contracts to small and medium size enterprises. The Park has contracts with 49 transport service providers; 6 catering contractors; 21 footpath contractors, and 34 contractors on the Working for Water projects who in turn employ a total of 305 workers.
- The Park currently hosts 40 Security Learnerships; 20 Tourism Learnerships; and 10 Horticulture Learnerships.

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1 Introduction

Table Mountain National Park (TMNP) was established eight years ago when land and personnel were transferred from the City of Cape Town to SANParks. The TMNP is the only large urban national park in SANParks, and is the most visited of all of South Africa's national parks. The goal is that Cape Town's National Park should be recognised as the world's leading urban national park by 2010. It is a young and developing park, with SANParks led investment in the restoration of its highly impacted eco-system, subject as it is to the extreme pressures of a City of 4 million people. The TMNP protects the core of the Cape Floral Plant Kingdom, a natural World Heritage Site and an island of biodiversity within the City of Cape Town.

In 2004 TMNP commissioned the Graduate School of Business at the University of Cape Town to assess the economic benefits produced by the Park. The Park was specifically interested in its macroeconomic contribution to the national and local economies; improved managerial efficiencies; the value of investment in natural capital; and the broader economic impact of the Park on the economy of Cape Town.

This report is a sequel to the 2004 study and is in a sense more focussed and broader than the previous study. The objective of this study is to report on the environmental, economic and social contributions that have been made by the Park. In this regard we report primarily factual and largely financial contributions. Hence, we report on the financial contribution made to environmental conservation, for example, but we are not in a position to report on how successful these interventions were because this is not our area of expertise.

On the economic side the report is more focussed than the previous study in that we follow up on three areas that were previously reported on. These are:

- The quantification of investment in the natural capital.

- An analysis of the contribution to the South African and Cape Town economies.
- An indication of improved managerial efficiency.

The park's vision is to be "A Park, For All, Forever", which focuses the activities on biodiversity conservation, people and conservation & financial sustainability. These strategic objectives are largely achieved through ecosystem restoration, social development, and eco-tourism respectively. It is therefore appropriate that the report is arranged in line with this vision. The report is arranged in the following three main sections:

- Environmental Benefits – "A Park"
- Economic Benefits – "Forever" - the operation of the Park should be economically sustainable.
- Social Benefits - "For All" – The Park should be available to all and should also promote the goal of social upliftment.

The Park is important to residents of Cape Town recreationally and economically. The Park generates many jobs in various projects and is an important draw-card for tourists. To illustrate this, in one day ten percent of overseas visitors generate R130m in revenue to city businesses; R28m to the city's Gross Geographic Product, 403 direct jobs and 67 indirect jobs in the city. The Park's investments are directly linked to investment in eco-tourism infrastructure and increasing the range of tourist activities offered in the TMNP so as to increase the length of stay of tourists in Cape Town and thereby increase bed night income to the City as a whole.

Table Mountain National Park is clearly an important national asset and must be properly managed and maintained. It is from this position that this report is prepared and the environmental, economic and social results presented.

This report is not a triple bottom line report in the true sense of that reporting style. Rather it is a first step in that reporting format. The intention of that style of reporting is to ensure that the activities of an

organisation are environmentally, socially and economically sustainable. The appropriate way of doing this is to set specific objectives with measurable key performance indicators. Reporting is then done against these objectives.

The Park is committed towards triple bottom line reporting and this report is a move in that direction. In subsequent years the Park will workshop the appropriate reporting format, set performance objectives and report activities against these objectives.

2 Highlights of the 2005/6 Financial Year

- Protecting the environment is one of the key objectives of Park management. Spending on this area increased from R44m in 2004/5 to more than R57m in 2005/6 (2006 values). Most of this growth is from project related funding, particularly the Expanded Public Works Programme.
- Total spending on tourism related infrastructure is now twice as much as it was in 1999. It increased from R13m in the 2004/5 financial year to R19m in the 2005/6 financial year.
- To date there is now over 250km of well developed footpaths.
- A number of trails have recently been completed. These are the Peoples Trail, a 1 night two day trail; the Table Mountain Trail, a luxury trail aimed at local and overseas tourists; the Cape of Good Hope Trail which is aimed at the local market; and the first phase of the Tip to Top Trail which runs from Silvermine to Orangekloof.
- As part of the initiative to make the Park safer 18 field rangers and 40 visitor safety officers have been appointed. The effect of this is that the number of reported crime incidents has steadily reduced. In 2004 the monthly number of incidents ranged between a high of 25 and a low of 9. In 2005 this fell to 10 and 2. In 2006 this reduced even further to a high of 6 and with several months where no criminal incidents were reported.
- At a macroeconomic level the Park made a R104.8m contribution to South African Gross Domestic Product in 2005/6. This is considerably larger than the R78m contribution of the previous year. There were 240 full time jobs (230 for the previous year) and 638 project related jobs (252). This is a total of 878 direct jobs compared to the 483 of the previous year. In addition 235 indirect jobs were sustained – up from the 173 of the previous year. In total

the Park sustained a total of 1,113 jobs compared to 656 in the previous year.

- At an operational level the management of the Park continues to strive for increased efficiencies. This has had two results. First, salaries and wages decreased from 45% of the operational budget in 1999 to 34% in 2004/5 and further to 33% in 2006. Second, the proportion of spending on natural capital increased from 65% of total spending in 1999 to 75% in 2005/6. At the same time the actual spending on natural capital increased from R44m in 2004/5 to R57m in 2005/6. In addition, all of this has occurred while the actual size of the Park continues to increase. It is therefore clear that there are ongoing improvements in managerial efficiencies at the Park.
- The Park continues to promote its social mandate. Newly introduced access programmes include iBhasi Yentaba Yetafile (Table Mountain Bus); Kids in Parks; educational permits; and the Cape Town Wild Card. Part of promoting access is to make available affordable facilities and trails like the People's Trail and the Sunbird Centre at Silvermine
- Poverty alleviation is addressed through job creation, promoting SMMEs and learnerships. There are 120 permanent employees; 89 fixed term contracts; and 638 people working on projects. SMME contracts include 49 transport service providers; 6 catering contractors; 21 footpath contractors, and 34 contractors on the Working for Water projects who in turn employ a total of 305 workers. The Park currently hosts 40 Security Learnerships; 20 Tourism Learnerships; and 10 Horticulture Learnerships.

3 Environmental Benefits – “A Park”

The environment imperative is one of the key objectives of managing the Park. To do this it needs to encourage biodiversity and conservation. It also needs to prevent soil erosion, the plundering of marine resources and invasion by alien species.

Public investment into the TMNP has an integrated impact on all these areas. For example investment into the restoration of natural systems is lowering biodiversity conservation maintenance costs, while producing social benefits and improving the economic contribution of the Park to the City’s tourist economy.

TMNP’s investment into eco-system restoration lowers the cost of eco-system maintenance and has followed three phases - first fynbos, then paths and now afro-montane forests, with progress on the previous phase/s maintained as the next phase is introduced. The initial focus was on fynbos restoration, with the removal of 85% of the invasive woody alien plants. Path building and erosion control was the next focus with the new challenge being the restoration of the afro-montane forests.

This section highlights the expenditure on environmental conservation over the last two years. It measures the investment in the natural capital of the Park and describes some of the more significant environmental interventions.

3.1 Investment in the Natural Capital

One of the most important functions of the Park is to maintain and improve the natural capital of the mountain and the sea. The bulk of spending that occurs in the Park is directed at this. We outline some of the trends in spending on the natural capital.

The first item that is reported in this section is the overall spending of the Park and the degree to which this is directed to environmental objectives. Following this some detail is given about the different types of expenditure within the environmental objectives. Finally we report on environmental

spending from two sources – first from the operational budget and second from project funding.

Figure 1 shows the total spending on natural capital between 1999 and 2006, as well as spending on infrastructure designed to promote tourism. Investment in natural capital increased significantly over the last eight years having grown from R20m in 1999 to more than R57m in 2006 (all prices are adjusted for inflation and presented in 2006 values). Investment in tourism infrastructure consists primarily of improved footpaths, better access trails and overnight accommodation. This spending remained relatively stable between 1999 and 2005 and increased in 2006. Overall spending grew markedly from just over R31m in 1999 to today’s R76m.

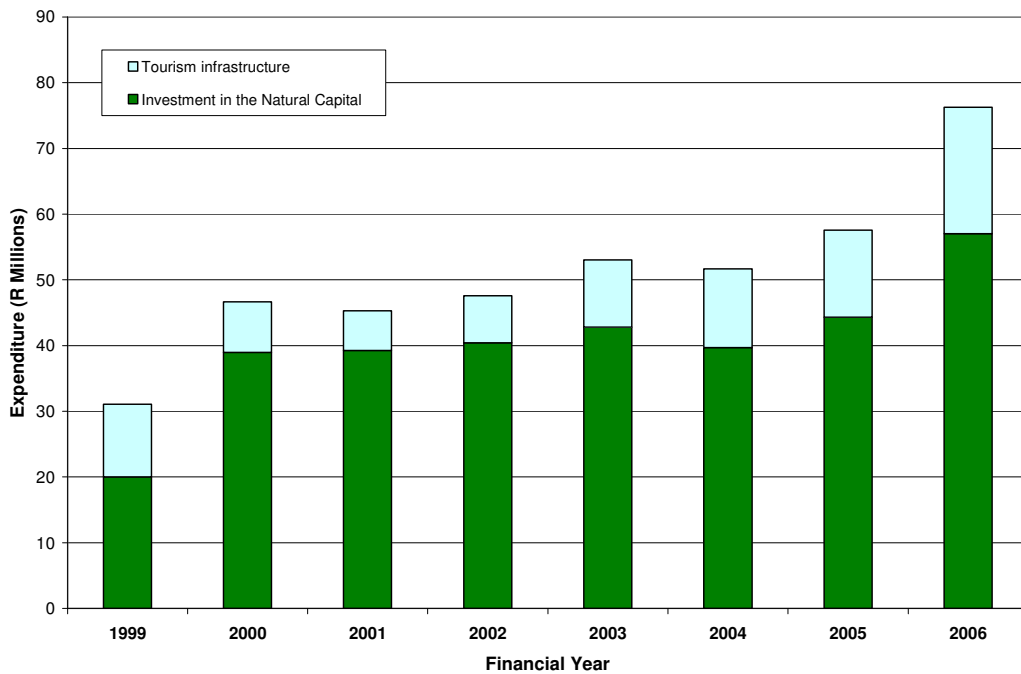


Figure 1: Total spending on the natural capital of the Park

Table 1 gives the total operational and project spending on natural capital over the last four years.

Combined Investment in the Natural Capital of the Park from Operational and Project Expenditure								
Category	2003		2004		2005		2006	
	Amount	%	Amount	%	Amount	%	Amount	%
Investment in Natural Capital	42,808,555	81%	39,722,155	77%	44,325,371	77%	57,025,238	75%
Investment in Tourism	10,195,006	19%	11,947,127	23%	13,246,899	23%	19,220,953	25%

Table 1: Spending in the Park from All Budgets

As a proportion of overall spending the share going to natural capital fell from 81% in 2003 to 75% in 2006. However, while the relative share is lower the total value has increased significantly. In 2006 this totalled R57m compared to the R43m that was spent in 2003. Investment in tourism infrastructure has become increasingly more important and increased from 19% to 25% of total spending between 2003 and 2006.

The Park has two types of funding – an operating budget and project specific budgets. The major growth in expenditure aimed at protecting the environment has been as a result of substantial growth in project specific funding. This has increased more than five fold since 1999 and much of the growth over the last financial year is due to funding from the Expanded Public Works Programme. It should be emphasised that project funding comes from both SANParks and other sources that it was possible to mobilise because the Park now falls within the SANParks domain.

Figure 2 indicates the proportionate share of operation and project funding over the last seven years and illustrates some important developments:

- In real terms operational spending on the natural capital has remained relatively constant
- There has been a more than five fold increase in project funding since 1999.
- Investment in tourism infrastructure has also almost doubled since 1999.

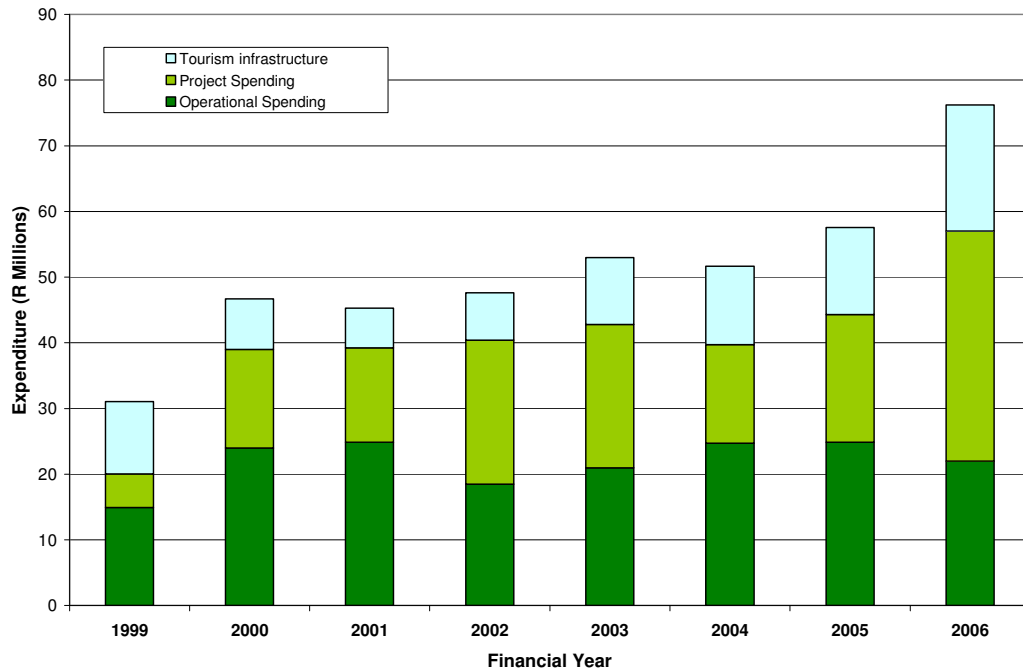


Figure 2: The proportionate contribution from Operational and Project Funding

It can be concluded that total investment in the natural capital of the Park has increased significantly. This is due to the increase in project spending, particularly grants from the Expanded Public Works Programme in 2005/6.

3.2 Spending on natural capital – different types of spending

The remainder of this section gives more detail about investment in the natural capital of the Park. To understand this section the following categories of expenditure were isolated in order to measure the Park's spending on natural capital. These are:

Direct expenditure on natural capital

This is expenditure which is unequivocally on the natural capital of the Park. Examples of this include alien clearing, game capture, breeding programmes, seed collection programmes and spending on herbicides and toxins.

Indirect expenditure on natural capital

This is expenditure which makes an indirect investment in the natural capital. It includes the training of honorary rangers, the commissioning of environmental impact assessments and spending that is aimed at protecting the environment.

Investment in Tourism

One of the new areas of spending is on the promotion of tourism. Such spending does not have an impact on the natural capital of the Park but is aimed at improving visitor access and the quality of that visit. Examples include the supply of LPG gas to overnight huts, the maintenance of the road network within the Park, the building of footpaths, and so on.

Pro-rata expenses

These are operating expenses that do not directly or indirectly affect the natural capital of the Park, yet by their existence facilitate direct and indirect expenditure. These include expenditure on equipment, salaries and wages, etc.

Total investment in the natural capital of the Park is the sum of the direct, indirect and proportionate pro-rata expenses.

3.2.1 Investment in the Park from Operating Budget

This section continues reporting on spending on the natural capital of the Park but focuses just on the operational budget and presents more detail on the division between direct and other types of expenditure.

Table 2 gives the total spending on the natural capital of the Park from the operating budget. This increased from R21m in 2003 to just under R25m in 2005 before falling to R22m in 2006. Currently, 59% of the operating budget (leaving aside depreciation) is spent on the natural capital of the Park. This is down from the 2005 share of 70%.

Investment in the Natural Capital of the Table Mountain National Park from Operational Expenditure								
Category	2003		2004		2005		2006	
	Amount	%	Amount	%	Amount	%	Amount	%
Natural Capital	20,996,190	68%	24,719,292	69%	24,857,858	70%	21,997,969	59%
Tourism infrastructure	9,996,897	32%	11,061,783	31%	10,876,161	30%	15,137,569	41%
Total (excl Depreciation)	30,993,087	100%	35,781,075	100%	35,734,019	100%	37,135,538	100%

Table 2: Distribution of the operating budget (2006 values)

Figure 3 illustrates the distribution of the operating budget into the four categories of spending outlined above. There have been some important developments:

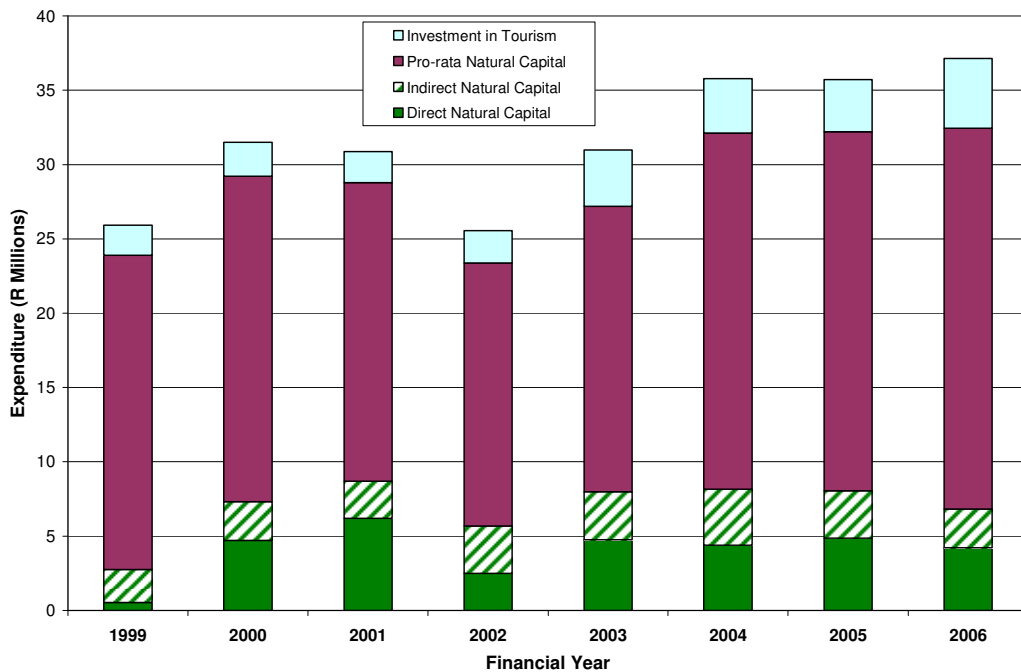


Figure 3: Distribution of Operational Spending

- Spending on tourism infrastructure has almost doubled since 1999 although it is a relatively small part of the overall budget.
- The bulk of the operating budget is the so-called pro-rata spending which facilitates direct spending on natural capital. As pointed out above this includes administration, salaries and wages and expenditure on equipment.

- Spending that makes an indirect contribution to natural capital remained fairly constant over the last eight years and is a relatively small part of the operating budget.

3.2.2 Investment in the Park from Project Expenses

This section continues reporting on spending on the natural capital of the Park but focuses just on project spending. There is a considerable amount of spending on natural capital that comes from project specific funds.

Table 3 gives the value of natural capital spending coming from project funding. It can be seen that the bulk of project funding goes to developing the natural capital of the Park.

Investment in the Natural Capital of the Table Mountain National Park from Project Expenditure								
Category	2003		2004		2005		2006	
	Amount	%	Amount	%	Amount	%	Amount	%
Natural Capital	21,812,365	99%	15,002,863	94%	19,467,513	89%	35,027,269	90%
Tourism infrastructure	198,109	1%	885,344	6%	2,370,738	11%	4,083,384	10%
Total	22,010,474	100%	15,888,207	100%	21,838,251	100%	39,110,653	100%

Table 3: Investment in the Park from Project Funding

- The proportion of project funding on natural capital has fallen slightly from 99% in the 2003 financial year to 89% in the 2005 and 2006 financial years. This is due largely because most initial project funding was directed towards the clearing of alien flora.
- There has been an increase in spending on tourism infrastructure, predominantly on hiking trails.

Figure 4 illustrates the allocation of project funding into the different types of expenditure defined above. A number of features are immediately apparent:

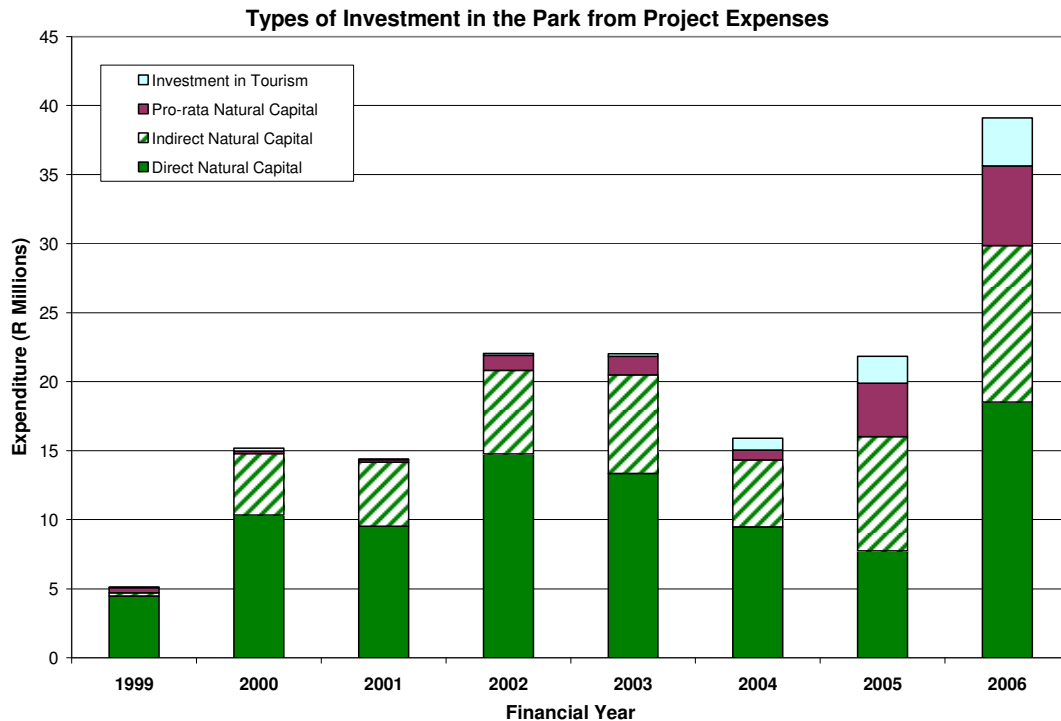


Figure 4: Type of Investment in the Park from Project Funding

- Nearly half of all project expenditure is on direct natural capital investment. Indirect natural capital investment also plays a significant role.
- Pro-rata natural capital investment and investment in tourism infrastructure play a lesser role in total project expenses.

3.3 Significant Environmental Interventions

This section describes some of the key environmental interventions that have been implemented over the last few years. These interventions include fynbos restoration, path building, a forest restoration programme and control of invasive flora and fauna.

3.3.1 Fynbos Restoration

The Park is actively involved in wide spread fynbos restoration. To this end significant funds have been raised to implement a number of important projects:

- The Global Environmental Facility raised R43.5m between 1998 and 2004. This project was completed in 2004 and hence no further funding.
- Ukuvuka (Operation Firestop) raised R20m between 2001 and 2004. This project came to an end in 2004 and hence no further funding.
- Working for Water has commissioned spending to the value of R14m since 2002. R3.4m was spent in 2004/05 and R5.8m in 2005/06, with an additional R10m committed each year up to 2010.

3.3.2 Building of Footpaths

The building of appropriate footpaths is essential in the prevention of soil erosion. To date 250 km of paths have been built under the Expanded Public Works Programme initiative at a cost of R12.5m. The intention is to double this to 500km of well maintained footpaths within the next three to four years.

3.3.3 Land Acquisition Programme

The Park has had a land acquisition programme in place since 1999. This programme has resulted in the area of the Park increasing from 17,000ha in 2001 to 24,000ha in 2006. This is a 41.2% increase in size.

3.3.4 Forest restoration programme

There is an active forest restoration programme in the Park which targets restoration needs of forest pockets on the Peninsula. Historically the focus has been on Newlands Forest but the intention is to expand this to other areas. The programme consists of the four projects, described below, and more than R1.1m was raised during 2005/06:

3.3.4.1 Seedling Project

This project replants tree saplings into areas cleared after commercial timber harvesting and alien clearing. Initially there were no local indigenous plants available for replanting. The only available plants were

from the southern Cape and genetically different to those needed in TMNP. To address this shortage, people were employed to collect seeds from Newlands forest for propagation. A pilot nursery was established and the seed collectors trained in a variety of nursery skills. To date 50,000 seedlings have been propagated, of which about 40,000 have been planted into the forest. SAPPI funded the project with a grant of R180,000 in the last financial year.

3.3.4.2 Forest Rehabilitation Project

This project mitigates the impact of fallen oak and pine trees. These trees create gaps in the forest canopy which take many years to recover. By reducing the biomass of the fallen tree and releasing trapped saplings, the project increases the rate of gap restoration. DEAT EPWP made available a grant for this to the value of R267,000 during the past financial year.

3.3.4.3 Weed Control Project

This project controls alien plants that grow after the harvesting of timber and compete with the indigenous saplings intended to rehabilitate the forest gaps. Controlling these weeds is an important contribution to the success of forest restoration. This project is funded by the DEAT EPWP which made available R214,000 in 2005/6.

3.3.4.4 Medicinal Plant Garden

Hundreds of trees in Newlands forest have died as a result of the collection of bark for traditional medicines. This was not sustainable and has had a major impact on the forest. Law enforcement efforts alone were unsuccessful and Park management had to look towards providing alternative sources of the medicinal products. A medicinal plant garden was established on the terraces at Mt Pleasant. Currently these gardens are tended and prepared for planting with the involvement of Rastafarians and Traditional Healers. Training is provided so that they can create their own community nurseries. This project is funded by the National Lotteries board and R462,400 was spent in the 2005/06 financial year.

3.3.5 Marine

The Park has set up a Marine Unit with the objective of enforcing the Marine Living Resources Act, the National Environmental Management Act and the National Parks Act. The Unit also acts as a conduit by engaging with the public while on patrol and providing access to general marine information at the Signal School Offices. The unit furthers the provision of environmental education by inviting schools and educating learners about the biodiversity of the sea and its shores.

3.3.6 Control of Invasive Fauna

One of the threats to biodiversity is the existence of invasive species. To this end the Park has a programme in place to control such species.

3.3.7 Management of Fauna

A number of planned interventions aimed at large mammal management have been completed since 2004. The objectives fall into several broad categories:

- Balancing of sex ratios and variation of genetics
- Removal of invasive problem animals
- Reintroduction of historically occurring species
- Adjusting population numbers to maintain optimal carrying capacity
- Management of problem species The following actions were taken:
 - An Eland and Bontebok capture and removal programme was undertaken in 2004.
 - The removal of an invasive species, the Himalayan Tahr and the release of the Klipspringer, an indigenous animal. This was followed by monitoring to determine the efficiency of the introduction.
 - A programme to remove the fallow deer, another invasive species, was introduced in 2006.
 - Initiatives have also been put in place to monitor and control baboon movement and reduce negative baboon / human interaction.

- A successful programme limited the spread of African Penguins into the suburban areas in and around Boulders, Simons Town.

4 Economic Benefits – “Forever”

The Park has made a significant economic contribution to the city, the province and the country. This includes a R104.8m contribution to South African Gross Domestic Product, the creation of 878 direct jobs and a further 235 indirect jobs.

The following areas are dealt with in more detail:

- The Macro Economic Contribution of TMNP
- Commercial activity in the Park
- Improved managerial efficiencies

4.1 Macro Economic Benefits

The operation of the Park has positive macroeconomic benefits for Cape Town, the Western Cape and the country as a whole. This section outlines the macroeconomic effects. It describes briefly some of the methodology used in determining these effects and reports on specific macroeconomic contributions.

4.1.1 General description of macroeconomic effects

While there are a number of different types of macroeconomic effects, the two most important are contribution to gross domestic product (GDP) and the creation of jobs. The importance of job creation is obvious. Increases in GDP are synonymous with increases in peoples' economic standards of living. Increased GDP – i.e. increased production – is experienced in the form of more jobs, higher wages and reduced economic hardship. It is clearly an important measure.

The actual task of calculating the macroeconomic contribution of the Park demanded a detailed and multifaceted approach. The simple act of

spending – upgrading pathways or clearing alien vegetation, for example, - leads to other economic effects. Demand for equipment used to upgrade the paths or to clear out the alien vegetation, for example, can lead to increased production in those industries. Increased demand for equipment, in turn, leads to demand for steel, which in turn, leads to increased demand for mining output that uses wood, water, electricity and so on.

As this process unfolds, each industry employs people and pays wages. Employees, in turn, spend their wages and cause a further ripple effect through the economy. Measuring this is further complicated by the fact that different industries demand different types of skills. This leads to different wage structures across the various industries. People earning different wages have different spending patterns. Thus, the change in overall spending patterns is dependent on which industries are affected.

The estimates that are reported take account of all these interrelated economic forces. The components adding to the overall macroeconomic effect include the operation and management of the Park, as well as through project spending.

4.1.2 Contribution to Gross Domestic Product

Gross Domestic Product (GDP) is the total value of all final goods and services produced in the country. GDP is clearly fundamental to the economic quality of life of all people in the country. It is also the most important and all encompassing measure of the macroeconomic benefits of expenditure by the Park.

Contribution to Gross Domestic Product - South Africa								
Rand million, 2006 Prices								
Financial Year	1999	2000	2001	2002	2003	2004	2005	2006
Operational Spending	33.5	41.2	40.3	33.5	41.2	47.7	46.7	49.1
Project Spending	6.7	21.1	20.1	30.3	30.9	22.3	31.9	55.7
Total Contribution	40.2	62.2	60.4	63.8	72.1	70.0	78.7	104.8
Cumulative Contribution	40.2	102.5	162.8	226.7	298.8	368.8	447.4	552.3

Table 4: Contribution to GDP.

This section examines the extent to which the Park adds to the total value of all final goods and services produced in the country, taking the effect of the multiplier into account. Table 4 and Figure 5 report on the contribution of the Park to GDP.

- The contribution to GDP from the operating budget increased from R33.5m in 1999 to R49.1m in 2006.
- After taking account of all multiplier effects, it is estimated that expenditure at the Park has made a cumulative contribution to GDP of R552.3m since inception in 1999.
- Initially operational expenditure had the greatest contribution, but this has changed over the last financial year and project expenditure now exceeds that of operational spending. The contribution from project expenditure has really shown a marked increase from R6.7m in 1999 to R55.7m in 2005/6.

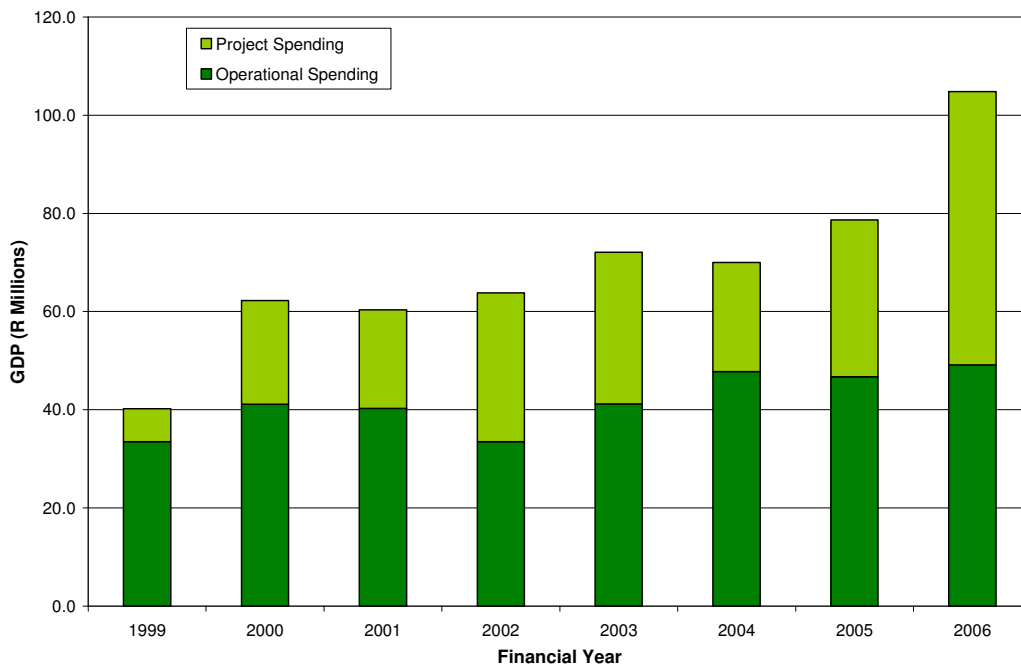


Figure 5: Contribution to GDP

Figure 5 illustrates:

- The historic contribution to GDP from the operational and project budgets.
- The ongoing rise in project expenditure and its effect on the contribution of the Park to GDP.

4.1.3 Job Creation

The Park contributes to two broad types of jobs. The first are the direct jobs within the Park. The second are the so-called indirect jobs that are the result of the multiplier effects.

4.1.3.1 Direct Jobs

Direct jobs are created as a direct result of the operation of the Park as well as projects carried out in the Park and are specific to Cape Town.

Table 5 shows that total direct jobs created by the TMNP rose from 310 in 1999 to 878 in 2006.

Contribution to Direct Jobs - Cape Town								
Financial Year	1999	2000	2001	2002	2003	2004	2005	2006
Operational Budget	199	276	282	171	186	195	230	240
Management of park	184	182	159	123	108	119	120	120
Contract staff	7	7	7	7	7	7	26	46
Veld maintenance	8	87	116	41	71	69	84	74
Project Budget	111	267	251	452	438	275	252	638
Fixed term contract Staff	2	7	17	14	23	34	22	27
Contract workers	109	261	236	438	417	242	230	612
Total Jobs	310	543	533	623	624	470	482	878

Table 5: Contribution to direct jobs in Cape Town

- Total direct jobs paid from the operating budget peaked in 2001 at 282 jobs, declined to 195 jobs in 2004 and since increased again to 240 jobs in 2006.
- The number of people needed to manage the Park declined from 184 in 1999 to 120 in 2005 and 2006 as a result of improved efficiencies.

- Contract staff funded from the operational budget increased from seven to 46.
- The number of people involved in veld maintenance has fluctuated over the last eight years. In 1999 there were eight direct jobs. This number increased to 116 in 2001, when alien clearing was at its peak, and has now been reduced to 74.
- Direct jobs created as a result of projects include jobs created for TMNP project staff and jobs for contract labour.
- The number of people employed on projects has fluctuated between 111 in 1999 and 452 in 2002. This dropped to 252 in 2005 and rose markedly to 638 in 2006, in line with the increased project spending, particularly from the Expanded Public Works Programme.
- As a result of the increase in the number of projects the number of TMNP fixed term contract staff increased from 2 in 1999 to 27 in 2006. (Technical note: At any one time there may have been more than 27 fixed term contract staff employed, but over the full year the annual average equivalent was 27 people).
- Total direct jobs from both operational and project budgets ranged between 310 in 1999, 624 in 2003, 482 in 2005 and 878 in 2006.

4.1.3.2 Indirect Jobs

Indirect jobs are those that result from the multiplier effects associated with spending at the Park. They are not confined to Cape Town and can occur elsewhere in the country.

Contribution to Indirect Jobs - South Africa								
Financial Year	1999	2000	2001	2002	2003	2004	2005	2006
Operational Spending	85	104	101	76	87	105	102	108
Project Spending	18	54	51	73	68	51	71	127
Total Jobs	103	158	152	150	155	156	173	235

Table 6: Contribution to Indirect Jobs

Table 6 shows that:

- Over the last eight years between 76 and 108 indirect jobs were created due to operating expenditure.
- Between 18 and 127 indirect jobs were created from project spending.
- The total number of indirect jobs has varied between 103 and 235 over the last eight years.

4.1.3.3 Total Jobs

This is the sum of direct and indirect jobs from operational and project expenditure. Table 7 shows the total number of direct and indirect jobs from activities in the Park.

Contribution to Total Jobs - South Africa								
Financial Year	1999	2000	2001	2002	2003	2004	2005	2006
Operational Spending	283	380	382	248	274	300	332	348
Project Spending	129	321	302	525	506	327	323	765
Total Jobs	412	700	685	773	780	627	656	1,113

Table 7: Total jobs

- In 1999 a total of 412 direct and indirect jobs were sustained.
- This number increased to 780 in 2003.
- The number fell off in 2005 but then increased to 1,113 in 2006.

4.1.4 Contribution to Gross Geographic Product

Gross Geographic Product (GGP) is the value of all final goods and services produced within a specific region or area of a country and is thus the provincial equivalent of national GDP.

Naturally, while many of the direct benefits would be felt within the province, there will be indirect effects on other provinces. As the Park is

maintained, for example, materials from all over the country are used in the process. Although the Western Cape can boast about producing the best wine and some of the best food in the country, other products such as paper tissues, toilet soaps and cleaning materials are often brought in from other provinces.

Hence a project's contribution to provincial GGP, in the province that the project is located, will be less than its contribution to GDP. The contribution to provincial GGP is reported in Table 8.

Contribution to Gross Geographic Product - Western Cape								
Rand million, 2006 Prices								
Financial Year	1999	2000	2001	2002	2003	2004	2005	2006
Operational Spending	11.6	14.1	13.9	11.8	14.2	16.6	16.1	16.7
Project Spending	2.4	7.7	7.3	10.9	11.1	8.0	11.1	19.1
Total Contribution	13.9	21.7	21.2	22.8	25.4	24.6	27.2	35.8
Cumulative Contribution	13.9	35.7	56.9	79.6	105.0	129.5	156.7	192.5

Table 8: Contribution to Western Cape GGP

- The Park contributed between R11.6m and R16.7m each year to the Western Cape GGP from operating expenditure over the last eight years.
- The contribution to GGP from project expenditure increased from R2.4m in 1999 to R19.1m in 2006.
- Total contribution to Western Cape GGP has risen from R13.9m in 1999 to R35.8m in 2006, largely as a result of the increase in project spending.
- The Park has added a cumulative R192.5m to provincial GGP over the last eight years.

4.1.5 Other Macroeconomic Benefits

Apart from the key macroeconomic benefits outlined above there are a number of other macroeconomic effects that flow from expenditure at the Park. These include the generation of direct and indirect taxes, and indirect household income.

4.1.5.1 Direct taxes and Licence Fees

Direct taxes include taxes such as Pay as You Earn (PAYE), Skills Development Levy (SDL), payments to the Unemployment Fund (UIF) as well as any other taxes on income and profit.

Table 9 reports on total direct taxes and licence fees that are paid by the Park, while Table 10 does the same for indirect taxes.

Contribution to Direct Taxes and Licence Fees - South Africa								
Rand million, 2006 Prices								
Financial Year	1999	2000	2001	2002	2003	2004	2005	2006
Operational Spending	1.86	2.13	1.99	1.55	1.63	1.99	1.56	1.57
Project Spending	0.03	0.05	0.06	0.05	0.07	0.08	0.03	0.05
Total Contribution	1.90	2.17	2.05	1.60	1.70	2.07	1.60	1.62
Cumulative Contribution	1.90	4.07	6.12	7.72	9.42	11.49	13.09	14.71

Table 9: Contribution to direct taxes and licence fees

- In the 2006 financial year the Park paid R1.57m in direct taxes and licence fees.
- Over the last eight years, the Park has paid a cumulative total of R14.7m in direct taxes and license fees.

4.1.5.2 Indirect Taxes

These are taxes generated as a result of the multiplier effects.

Contribution to Indirect Taxes - South Africa								
Rand million, 2006 Prices								
Financial Year	1999	2000	2001	2002	2003	2004	2005	2006
Operational Spending	3.2	3.9	3.8	3.2	3.9	4.6	4.5	4.8
Project Spending	0.6	2.0	2.0	2.9	3.0	2.2	3.2	5.5
Total Contribution	3.8	6.0	5.8	6.1	7.0	6.8	7.7	10.2
Cumulative Contribution	3.8	9.8	15.5	21.6	28.6	35.4	43.0	53.3

Table 10: Contribution to indirect taxes

- The Park has leveraged a cumulative contribution of over R53m to indirect taxes over the past eight years.

- Contribution to indirect taxes from operational spending varied from R3.2m to R4.8m between 1999 and 2006.
- Contribution to indirect taxes from project spending rose from R0.6m in 1999 to R5.5m in 2006. This is in line with the growth in project spending and grants.
- The total contribution of TMNP to indirect taxes increased from R3.8m in 1999 to R10m by 2006.

4.1.5.3 Contribution to Indirect Household Income

This is additional income that households earn as a result of the multiplier effect generated by Park spending.

Contribution to Indirect Household Income - South Africa								
Rand million, 2006 Prices								
Financial Year	1999	2000	2001	2002	2003	2004	2005	2006
Operational Spending	16.3	20.1	19.5	15.9	19.8	23.1	22.6	24.1
Project Spending	3.1	10.1	9.6	14.5	14.9	10.7	15.6	27.0
Total Contribution	19.4	30.2	29.1	30.5	34.8	33.8	38.2	51.0
Cumulative Contribution	19.4	49.6	78.7	109.1	143.9	177.7	215.9	266.9

Table 11: Contribution to indirect household income

- Operational spending made a variable contribution to indirect household income. Overall this rose from R16m in 1999 to R24m in 2006.
- Project costs have made an increasingly significant contribution from R3m in 1999 to R27m in 2006.
- Cumulatively, over the last eight years the Park has leveraged nearly R267m in indirect household income.

4.2 Commercial activity in the Park

There is a variety of commercial activity in the Park, including concessionaires, eco-tourism, and other commercial operators. The contribution from these sources has not been included in the analysis

above, but it is significant and makes an important contribution to the Cape Town economy.

4.2.1 Concessionaires

TMNP has two main concessionaires: Table Mountain Aerial Cableway Company (TMACC) and The Cape Point Partnership (CPP). In both cases rent is paid as a proportion of turnover. In addition to this there is one other existing concession (Rhodes Memorial Tea Garden), one which is about to be developed (The Round House Precinct) and one which may be developed (Koeël Baai).

Table 12 lists the rental income that TMNP has received from these concessionaires.

- The rental income in the 2006 financial year totalled R8.5m
- The cumulative income since 1999 totals nearly R50m (in 2006 prices).

Concessionaire Rental Income								
Rand million, 2006 Prices								
Financial Year	1999	2000	2001	2002	2003	2004	2005	2006
All Concessionaires	4.40	4.49	4.35	5.17	6.64	7.44	8.65	8.51
Cumulative Contribution	4.40	8.90	13.24	18.41	25.06	32.49	41.15	49.66

Table 12: Concessionaire rental income

- Rental income from concessionaires has nearly doubled in real terms from R4.4m in 1999 to R8.5m in 2006.
- Based on this it is estimated that the turnover of the concessionaires in 2005/06 is approximately R110 million. This amount has not been included in the economic analysis but obviously makes a significant contribution to the economy of the city.

4.2.2 Promotion of tourism

TMNP is entering a new chapter in eco tourism with the development of the Hoerikwaggo Hiking Trails. These trails, when finally completed, will be a suite of four trails. The following trails have been completed:

- The Peoples Trail: A one night, two day trail targeted at previously disadvantaged youth.
- The Table Mountain Trail: A luxury guided, portaged and catered trail aimed predominantly at the local high income market and overseas tourists.
- The Cape of Good Hope Trail: This trail is aimed at the local market.
- Phase One of the Tip to Top Trail: This is a trail from Silvermine to Orangethicket with a tented camp at Orangethicket. It is aimed at the local market.

4.2.3 Film Productions and Commercial operators

The Park is a popular location for film and commercial productions. In the 2006 financial year the Park earned R883,000 from film permitting. A total of 563 permits were issued during that financial year, with 9,180 local crew and 555 international crew involved on the productions located in the Park.

Table Mountain is a magnet for commercial operators. There is however no reliable method for determining the value that is generated from their activities.

4.3 Increases in managerial efficiencies

Before the handing over of the Park to SANParks in the 1990's, what is now the Park was managed separately by the, then, various Cape Town municipalities. A number of clear efficiency gains were expected as a

result of the unification of the Park, its transfer to a national entity and its declaration as a National Park. Included in these efficiency gains are:

- An integrated, focused and single management of the Park;
- Reduction of duplication on overheads and services;
- Personnel rationalisation;
- Ability to leverage other funding, most particularly the EPWP funding with SANParks being an implementing agency

While the 2004 report produced by the Graduate School of Business focussed on this issue, it will not be examined in as much detail here. Some aspects do need to be reported on and are illustrated in Figure 6.

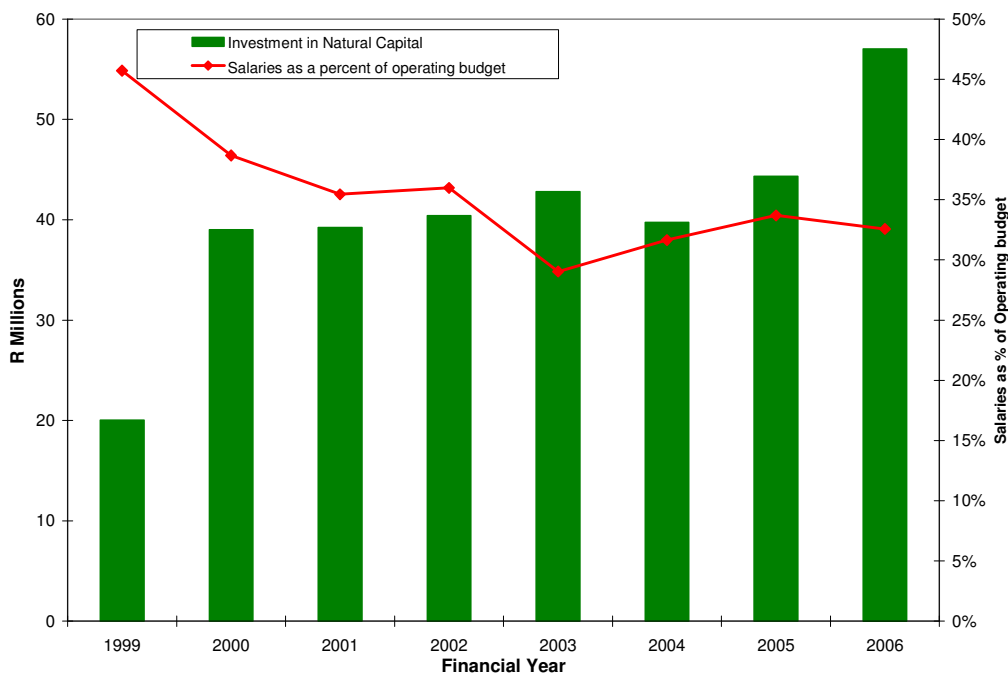


Figure 6: Spending on natural capital; salaries as a percent of the operating budget

At an operational level the management of the Park continues to strive for increased efficiencies. This has had three results which are illustrated in Figure 6. First, salaries and wages decreased from 45% of the operating

budget in 1999 to 34% in 2004/5 and further to 33% in 2006. Second, the proportion of spending on natural capital increased from 65% of total spending in 1999 to 75% in 2005/6. At the same time the actual spending on natural capital increased from R44m in 2004/5 to R57m in 2005/6. Third, all of this has occurred while the size of the Park continued to increase. As indicated by the line in Figure 7 the operating budget per hectare of park under management has dropped since the 2000 and 2001 financial years and has remained constant since the 2003 financial year onwards. Furthermore, since 2005 the marine protected area, which is 1,000 km² (100,000 ha) in area, would further reduce the operating budget per hectare of park. The area of the marine park has not been included in the analysis for the rates in Figure 7 because it is not known at this stage how the cost of management of the marine protected area per hectare compares with the cost of management of the land portion of the terrestrial park. However, management of the marine protected area is intensive because of the anti-poaching efforts required and this would have a significant effect on reducing the operating budget per hectare of park for the 2005 and 2006 financial years.

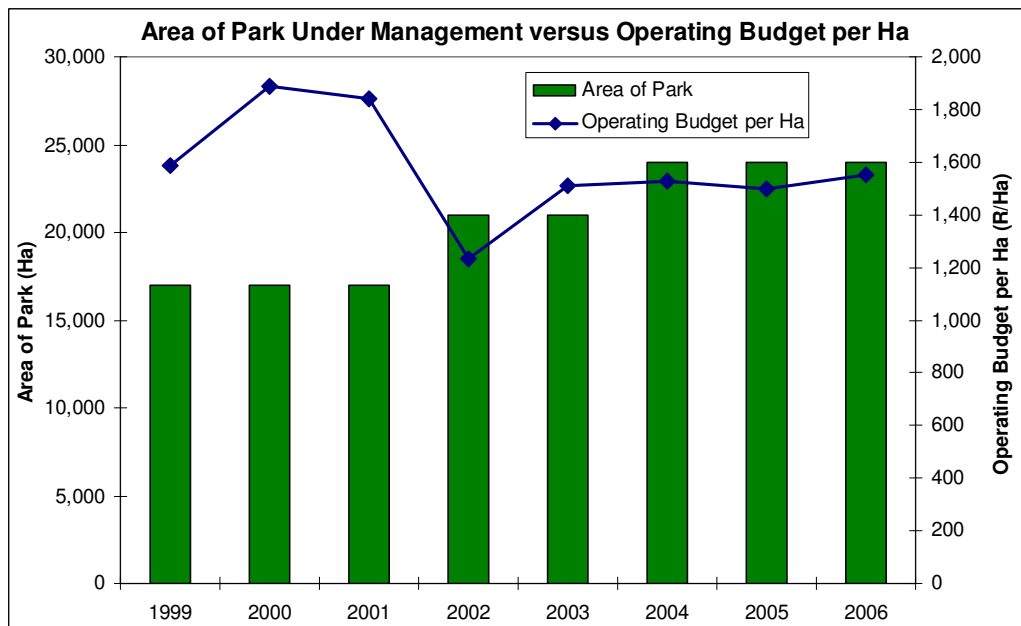


Figure 7: Area of Park Under Management versus the Operating Budget per Hectare

It is therefore clear that the management of the Park are succeeding with their mandate of financial sustainability.

5 Social Benefits – “For All”

This section highlights the societal contribution made by the Park over the last year. A key pillar in the vision of the Park is to promote access to the Park for all the people of Cape Town and to contribute to social awareness and poverty alleviation.

5.1 Access

As part of ‘A Park for All’ TMNP strives to open up access to the Park for people who previously could not afford to travel to the Park or pay the entrance fees to certain sections of the Park. The access programme has the following components, which focus on promoting access to children and previously excluded sectors of society. The intention is to increase biodiversity awareness and stewardship:

- iBhasi Yentaba Yetafile (Table Mountain Bus) is paid for by the World Bank and transports approximately 20,000 school children to the Park each year. It has been in operation since 2003 and is a partnership between the Province, the City and the Park.
- Kids in Parks is an initiative which is sponsored by Pick ‘n Pay. About 500 learners and 50 teachers from 10 schools visit the Park each year and attend three day camps. This programme plays a vital role in providing meaningful environmental learning, within the framework of outcomes-based education and the National Curriculum Statement.
- Educational Permits are granted at a discount to children and previously disadvantaged people.. A total of 22,948 permits were granted in the last financial year, up from the 22,625 in the previous financial year. These permits range in price from R2 per child to R30 per night for hiking and accommodation.

- The Cape Town Wild Card is proving to be a great success. It is reasonably inexpensive and allows card holders access to all the paying sites within TMNP. This results in a significant loss of income to the Park but contributes to the opening of access. By August 2006 TMNP had sold 8354 Cape Town Wild Cards.
- The recent opening of the People's Trail on the back of Table Mountain is an important access initiative. It is targeted at school children from previously disadvantaged communities. Its aim is to provide environmental education through hiking and camping opportunities.
- The Sunbird Centre at Silvermine sleeps 50 children and 2 facilitators. The Centre is hired by schools, youth groups, clubs, churches and environmental groups for camps, workshops, seminars and meetings. TMNP supports this through audio-visual presentations, nature trails, environmental rehabilitation projects and adventure activities.

5.2 Poverty Alleviation

One of the social objectives of the Park is to contribute to poverty alleviation. This is done through job creation initiatives, awarding contracts to SMMEs and learnerships.

5.2.1 Job Creation Initiatives

This section reports on the job creation initiatives by the TMNP over the 2006 financial year. As such it represents a detailed snapshot over one financial year, and should be read in conjunction with the section on job creation in the economic analysis which reported this since 1999.

The Park currently provides employment for the following people:

- 120 permanent employees
- 89 fixed term contracts (although this is not necessarily annual equivalents)

- 638 people working on projects, including:
- Expanded Public Works Projects (EPWP)
- Working for Water (WfW) projects
- City of Cape Town funded projects
- Tourist trail management

5.2.2 SMME's

In line with its aim of poverty alleviation the TMNP tries to award contracts to small and medium size enterprises. The Park has contracts with the following SMME's:

- 49 transport service providers (single person operations)
- 6 catering contractors each employing five people from previously disadvantaged communities.
- 21 footpath contractors, focussing on empowerment and training.
- 34 contractors, employing a total of 305 workers, are contracted on the Working for Water projects.

5.2.3 Learnerships

The Department of Labour (DoL) has the mandate to facilitate the creation of jobs and skills development. The DoL makes use of Implementation Agencies to match an accredited training provider with a host company or organization to accommodate learners.

TMNP are currently hosting the following Learnerships:

- 40 Security Learnerships
- 20 Tourism Learnerships
- 10 Horticulture Learnerships

5.3 Cape Town Fire Protection

Wildfire control is reported under the social section because the programme is designed to stop the mountain fires from burning properties adjacent to the Park.

The programme is made up of prescribed burning and fire fighting. Prescribed burning is done to reduce fuel loads and fire hazards; rejuvenate the fire-adapted and fire-dependant vegetation; and eliminate invasive plants. On the fire fighting side TMNP responded to 42 fires during the 2004/05 fire season and 62 fires during the 2005/06 fire season. The 2005/06 fire season was one of the busiest on record, with a total of 1,760ha of the Park burnt.

5.4 Active policing of the Park

As part of the initiative to make the Park safer to all its users TMNP appointed 18 field rangers and 40 visitor safety officers in 2004.

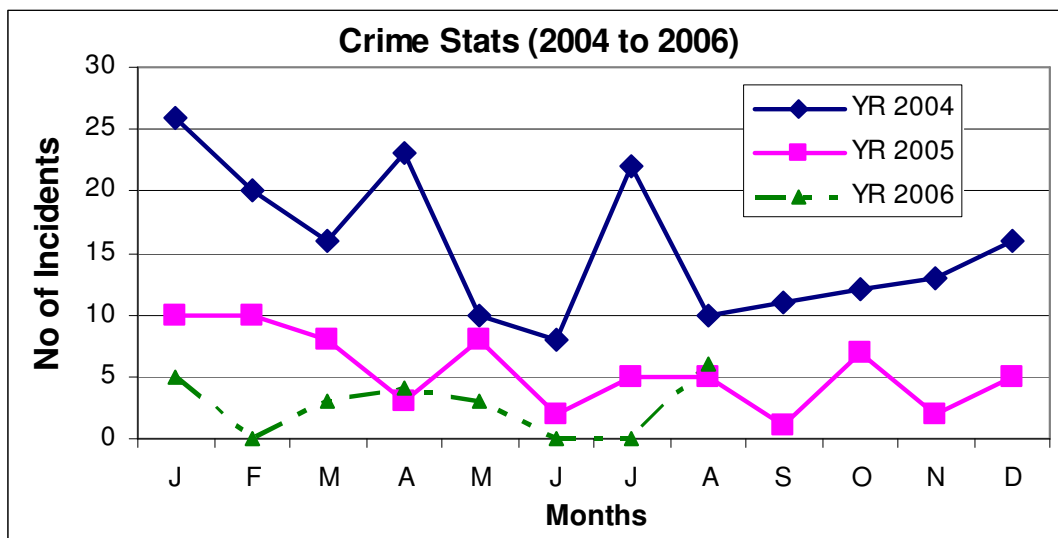


Figure 8: Crime Incidents in TMNP (2004- 2006) – Source TMNP

The effect of employing this can be seen in Figure 8. It is clear that the number of reported crime incidents has steadily reduced since 2004. In 2004 the monthly number of incidents ranged between a high of 25 and a low of 9. In 2005 this fell to 10 and 2. In 2006 this reduced even further

to a high of 6 and several months were no criminal incidents were reported.

6 Conclusion

Protecting the environment is one of the key missions of Park management. Expenditure on achieving this objective increased significantly over the last eight years having grown from R20m in 1999 to more than R57m in 2006 (2006 values). The major growth in expenditure aimed at protecting the environment was as a result of substantial growth in project specific funding. This has increased more than five fold since 1999. Much of the growth over the last financial year is due to funding from the Expanded Public Works Programme.

This growth in the natural capital of the park has taken place amongst increasing efficiencies by the management of the Park. Salaries and wages of operating staff have decreased as a percentage of operational spending, while the overall area of the Park under administration has continued to increase.

Some key environmental interventions have recently been implemented. The Park is actively involved in widespread fynbos restoration. To this end significant funds have been raised to implement a number of important projects. These include the Global Environmental Facility; Ukuvuka (Operation Firestop) and Working for Water. The building of appropriate footpaths is essential in the prevention of soil erosion. To date 250 km of paths have been built under the Expanded Public Works Programme. There is an active forest restoration programme which aims to address the restoration needs of the forest pockets on the Peninsula.

TMNP is an important national asset and an iconic masterpiece of nature. A considerable amount of Cape Town's beauty, appeal and tourist industry is based on the mountains and forests that make up this unique Park. The Park generates a number of key economic benefits. It creates incomes and jobs; it contributes to the provincial tourist industry; and it hosts a number of other commercial operations. In addition the management of

the Park strive for financial efficiencies so that expenditure is focussed on the Park itself rather than on unnecessary overheads.

At a macroeconomic level the Park made a R104.8m contribution to South African Gross Domestic Product in 2005/6. This is considerably larger than the R78m contribution of the previous year. There were 240 full time jobs (230 for the previous year) and 638 project related jobs (252). The major contributor to the increased number of project related jobs is the Expanded Public Works Programmes. There are now a total of 878 direct jobs compared to the 482 of the previous year. In addition 235 indirect jobs were sustained – up from the 173 of the previous year. In total the Park sustained 1,113 total jobs compared to the 656 of the previous year.

A key pillar in the social vision of the Park is to promote access to the Park for all the people of Cape Town and to contribute to social awareness and poverty alleviation. This is done through various access programmes, job creation, the promotion of SMMEs and Learnerships.