



Developing a Bankable Tourism Project Funding Proposal



NDT Local Government Tourism Conference
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Workshop Feedback Content



Workshop Brief



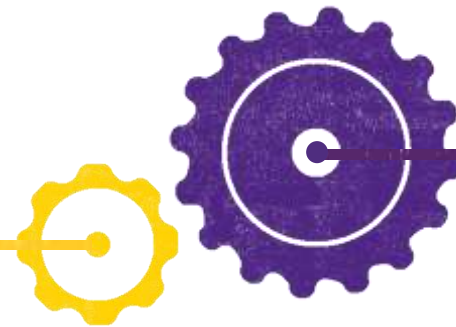
Challenges Identified



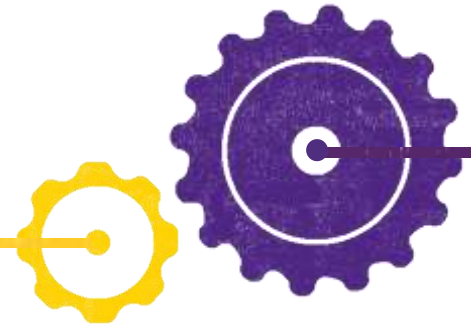
Sharing our Experience



Sources of Funding & Support



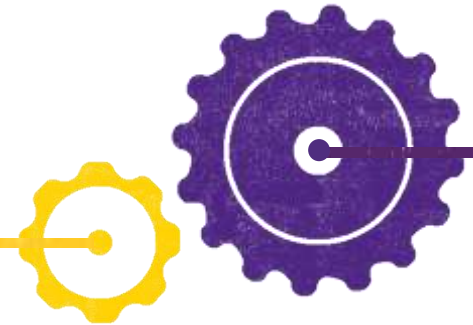
Workshop Brief



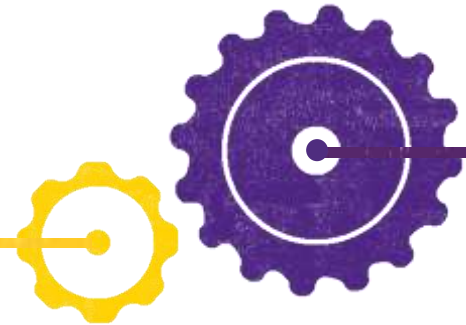


Workshop Brief

- ⚙️ Key components of a tourism project funding proposal
- ⚙️ Detailed tourism project funding proposal
- ⚙️ Sources of funding and support

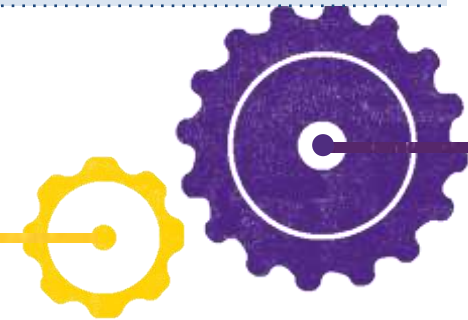


Challenges

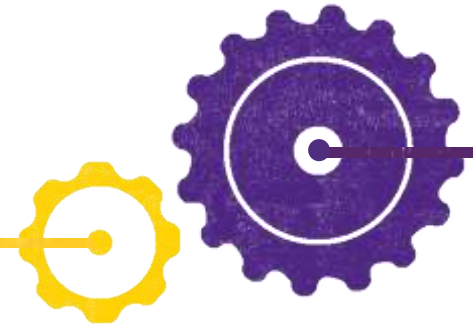


Challenges experienced in developing a Bankable tourism project funding proposal

Category	Description
Regulatory	Suitability of land for the intended development e.g. zoning and other regulatory requirements
Environmental Risk	Onerous EIA
Bulk infrastructure	Availability and access to bulk infrastructure services (energy; water; sewerage, roads etc)
Affordability Risk	Challenges in raising the required equity contributions
Market Demand or Volume Risk	Access to key demand markets
Socio-political Risk	Support and buy-in from affected communities

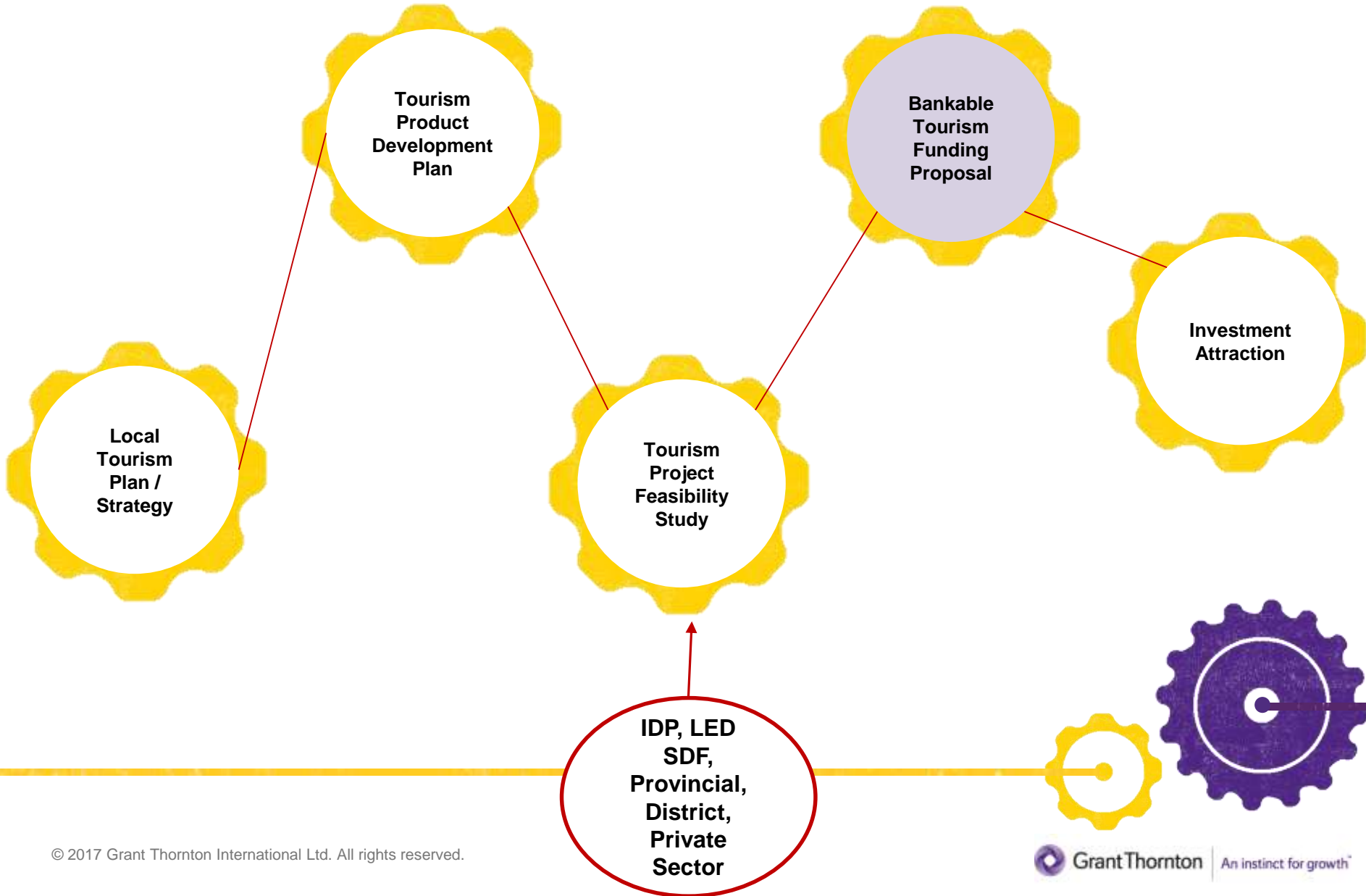


Sharing our Experience





Context of a tourism project funding proposal at Local Gov Level

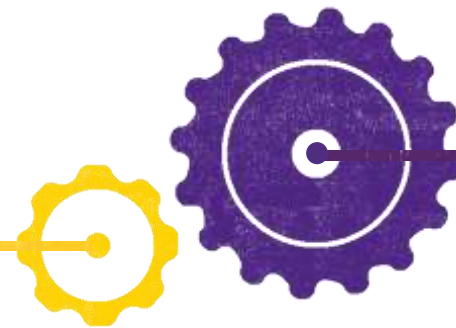




Context of a tourism project funding proposal at Local Gov Level



- **Vision & Mission**
- **Product Development Plan**
- **HR & Transformation Plan**
- **Marketing Plan / Strategy**
- **Implementation Plan**





Context of a tourism project funding proposal at Local Gov Level



**Tourism
Product
Development
Plan**

- **Identify projects**
 - **Project links to something else**
- **Project prioritization**
 - **right project/product**
 - **right location**
 - **for the right market**
- **Prioritised Project Design / Business Case**

Two strategic questions form the basis for the assessment criteria of identifying and prioritising tourism investment opportunities.

- "where to sell"
- "what to sell"

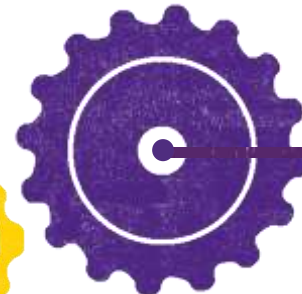
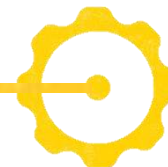


Connecting the tourism project funding proposal



**Tourism
Project
Feasibility
Study**

- **Market assessment**
 - **Tourism Market Analysis**
 - **Market Surveys**
 - **Demand Analysis**
- **Financial Assessment**
 - **Development Costs**
 - **Project Revenue**
 - **Operational Model**
 - **Management & Concession Fees**
 - **Financing**
 - **Cash Flow**
 - **Net Profit / Loss**
 - **Project Yield - IRR**





Context of a tourism project funding proposal at Local Gov Level



The diagram features a central grey circle with a yellow gear-like border containing the text 'Bankable Tourism Project Funding Proposal'. To its right is a yellow-bordered box containing a list of eight components. Yellow lines connect the right side of the central circle to the left side of the box, indicating that the proposal is composed of these elements.

**Bankable
Tourism
Project
Funding
Proposal**

- **Project Description**
- **Organisational Plan**
- **The Market**
- **Marketing Strategy**
- **Financial Information**
- **Socio-economic impact assessment**
- **Risk Assessment**
- **Implementation Plan**



Context of a tourism project funding proposal at Local Gov Level

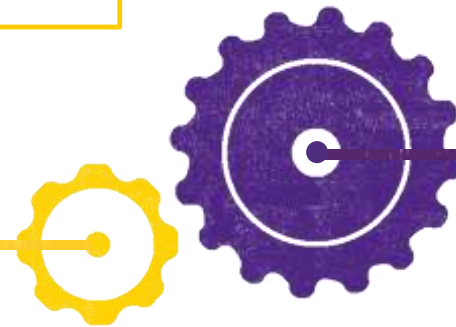


- **Push Strategy**

- A 'push' strategy relies on the formal pre-packaging of tourism investments by the host local authority and then "pushing" these projects onto the investment market, i.e. implementing a pro-active approach to the market, where the investment entity takes the projects to the market.

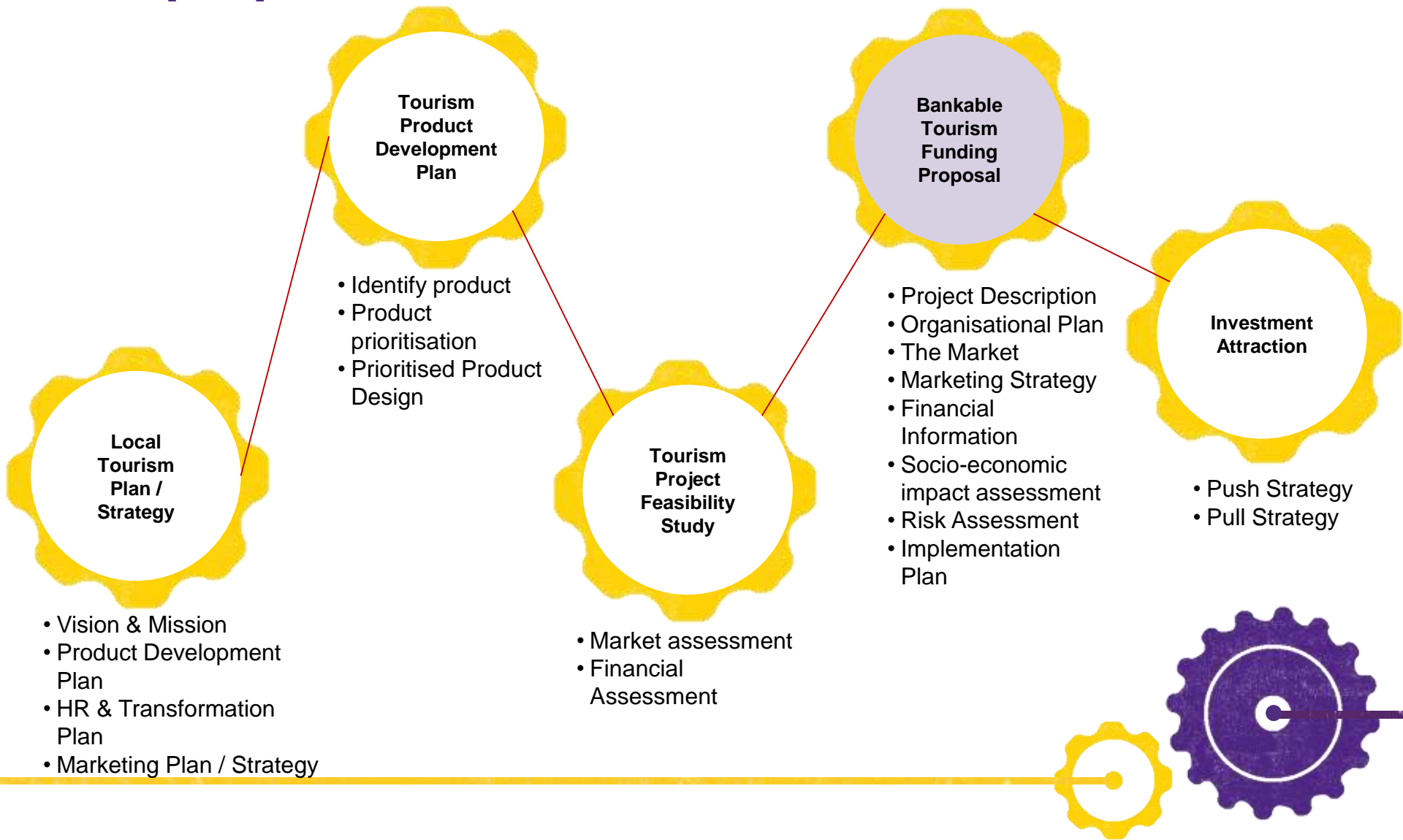
- **Pull Strategy**

- The 'pull' strategy relies mainly on creating an attractive enough environment so that investors are attracted to that market and the investor then identify their own projects for investment, i.e. implementing a re-active approach where the market comes to you.

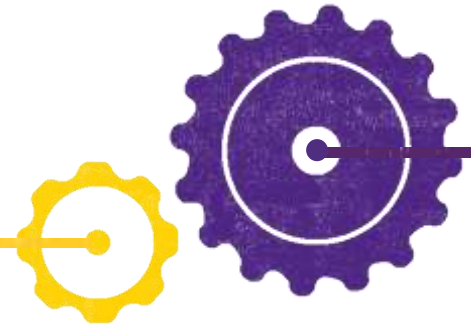




Connecting the tourism project funding proposal at local Gov. level



Sources of Funding & Support





Sources of Funding & Support

Description

Source

Marketing / Investment facilitation

National, Provincial, District, Local Tourism Authorities (NWTPB, NCTA)

Development Agencies (Wesgro, TIKZN, GGDA)

Loan funding

IDC, NEF, Commercial Banks

Equity funding

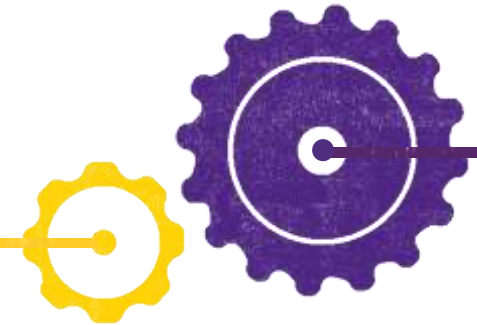
IDC, NEF, PIC, Private Sector (Venture Capital Firms)

Grant funding

NDT, National, Provincial, District, Local Authorities

Access to basic services, regulatory compliance issues

Local government



Thank You

