



*Boundless Africa Conference, Johannesburg, South Africa*



## Dubai World Africa Africa Tourism Opportunities

October 2008



## Dubai World

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One of the world's largest holding companies

Manages and supervises for the Dubai Government a diversified portfolio of businesses and projects

Focus on development, hospitality, investment, commodities, marine services, ports and free zones

Employing over 50,000 people

With offerings in over 100 cities worldwide

The success of Dubai has been built on being outward looking, progressive and in line with world development





## Dubai World Africa

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Investment and development arm of Dubai World based in Cape Town

Focusing on the acquisition, development and management of prime assets in key locations on the African continent and the Indian Ocean Islands

Expansion into Africa is the realisation of a vision to significantly impact on growth and development of the African continent by partnering with key stakeholders in identified African countries who share the dream of building a sustainable economy for Africa

Formed Dubai World Conservation Africa, an eco friendly entity responsible for the investment in, preservation and responsible development of game reserves, wildlife conservation and eco tourism in Africa





## Finding value in South Africa

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### Economy is growing

Growing business confidence

Strong commodity sector

Developed legal, financial and commercial sector as a platform for expansion into Africa

Developed and growing stock markets

Large informal economy

Football as an economic driver – WC 2010 - 3,000,000 fans expected, ZAR 400 billion infrastructure spend

Growth in tourism from rest of Africa and the Middle East

Cape Town is an international destination of choice for vacations and conferences eg. Mining Indaba, World Economic Forum on Africa, etc.

Africa has vast regions of unspoilt land



## Why South Africa is attractive to the Middle East

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- Strong growth
- Optimistic long-term outlook, but challenging environment
- Strong links between the two regions
- Increasing demand for leisure travel
- Increasing transparency and sophistication for doing business



## Tourism and Leisure Investment Criteria

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- Quality assets
- Need to understand the Risk – Reward profile
- 20 to 30% IRR
- Development upside
- Leisure related assets including infrastructure related projects
- Medium to long term investment opportunities unlocking the latent potential of the region



## Challenges limiting investment in Tourism

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- Lack of airlift into South Africa
- Lack of packaged investments
- EIA process
- Lack of supply of qualified and skilled workforce
- Difficulty in ability to raise competitive funding due to risk aversion and lack of competition in the African banking sector



## Opportunities to enhance growth in tourism

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- Regional collaboration and integration would enhance tourist experience eg visa issuance
- Opening up of civil aviation to ease cross – Africa travel
- Re-branding of many parts of Africa as Leisure destinations to change perception
- Dedicated local presence is necessary to understand opportunities and mitigate risks
- Importance of local partnerships
- Utilisation of local professional advice
- Taking medium and longer term views



## Tourism and Economic Development

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Tourism can provide a solution for economic growth and poverty alleviation in Africa:

Tourism contributed ZAR60.5 billion to the economy last year, and approximately 7.4% of all jobs in South Africa exist indirectly or directly to this sector

- Natural competitiveness in terms of untouched wilderness, rich cultural heritage and beach and marine resources
- Fit with international trend of growing eco-, adventure and cultural/rural tourism
- Tourism has become a priority sector for many governments
- Sustainable and continuous growth is key



## Current South African Conservation Portfolio Overview

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## Victoria & Alfred Waterfront, Cape Town

### Investment Highlights

V&A is the most visited tourism destination in South Africa

55% of development currently complete.

New wing of shopping centre launch in April 2008 includes luxury world brand names, Gucci, Chopard, Louis Vitton

More Residential, Commercial Office, Retail and Hotels planned for development.

Approx 290,000 bulk m2 available for development (potential to increase to 567,000 bulk m2);

Masterplan currently being finalised, 8 early start projects due to commence July 2008.

Sector: Commercial

Sub-Sector: Mixed-use

Region: Africa

Country: South Africa

Investment Type: Direct

Existing Asset and Development Potential





## Shamwari Group, South Africa

### Investment Highlights

Shamwari has been named the world's Leading Safari and Game Reserve at the World Travel Awards for 12 consecutive years

Expert game management skills which will be applied elsewhere in the Dubai World group

Well positioned as an active shareholder to provide expert marketing, sales & distribution, development expertise, access to development sites and other strategic relationships throughout Africa and beyond



Sector: Eco-Tourism

Sub-Sector: Hospitality

Region: Africa

Country: South Africa

Investment Type: Direct

Existing Asset and Development Potential





## Nkomazi Game Reserve, South Africa

### Investment Highlights

Scarcity of good quality freehold land in South Africa

Scientists believe first form of life originated in this area - Cradle of Mankind

Complementary asset to exiting African portfolio

Excellent large-scale development potential to include golf courses and residential as well as 5 star hotel

Potential to become biggest game reserve in S Africa

Proposed World Heritage site

Kerzner commitment to develop commercial lodges

Sector: Eco-Tourism

Sub-Sector: Hospitality

Region: Africa

Country: South Africa

Investment Type: Direct

Existing Asset and Development Potential





# Gorilla Nest Lodge, Rwanda

## Investment Highlights

Strategically located in close proximity to the famous Volcanoes National Park – well visited by up market tourists mainly to trek with the mountain gorillas

Complete redevelopment of the facilities

Agreement with the Government for the development of the Gorilla Base Camp on the property is an added value as it increases property awareness

Growing Rwandan economy and tourism demand

Silverback gorilla's are endangered species

DWA have committed to conservation in Africa

Sector: Hotel  
Sub-Sector: Hospitality  
Region: Africa  
Country: Rwanda  
Investment Type: Direct

Existing Asset and Development Potential





## Akagera Lodge, Rwanda

### Investment Highlights

Akagera Lodge is the only accommodation available in the Akagera National Park (ANP)

The lodge compliments other assets that DWA is pursuing in Rwanda

Kempinski have been appointed to operate lodges and adding it to the DWA group of destinations in Rwanda will enhance portfolio

Sector: Hotel

Sub-Sector: Hospitality

Region: Africa

Country: Rwanda

Investment Type: Direct

Existing Asset and Development Potential





## Nyungwe Lodge, Rwanda

### Investment Highlights

Unique site adjacent to the Nyungwe National Park with zoning already in place

Nyungwe National Park is the largest high altitude rainforest in East or Central Africa, boasting 13 primate species, an abundance of flora and fauna and over 500 species of birds, making it one of the top eco tourism destinations in Africa

The Eco Lodge will be the only luxury accommodation facility in proximity to the forest and in line with Rwandan Government's Tourism Plan to attract top end eco tourists to Rwanda



Sector: Hotel  
Sub-Sector: Hospitality  
Region: Africa  
Country: Rwanda  
Investment Type: Direct  
Existing Asset and Development Potential





## New projects overview

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National Parks

Gabon

Singita – Lebombo

South Africa

Eco Game Reserve

Mozambique

Niokolo Koba Game Reserve

Senegal

Bilene Hotel and Resort

Mozambique





## Africa's place within Dubai World's successful global strategies

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Dubai World was established by the Ruler and Government of Dubai to continue expanding Dubai's growth domestically and abroad

To achieve its objective, Dubai World will

- Continue to grow organically its existing businesses
- Look at investment opportunities as they occur, on a case by case basis.
- Dubai World undertakes both a top-down and bottom-up approach to identifying investment opportunities
- Leverage its key business geographical footprint provided by DP World to expand its free zone, ports, real estate and hospitality businesses

Investments are subject to a rigorous review and are assessed against a number of key criteria



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