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Public-private partnerships for tourism infrastructure development: Evidence from the Cradle of Humankind, South Africa

Abstract

Public-private partnerships (PPP) are important vehicles for infrastructure development in the global South and increasingly applied in tourism. South Africa has extensively adopted the PPP approach for infrastructure development across several different sectors from transport, water and sanitation services, social development, office accommodation, health care and correctional services; increasingly the PPP approach is being applied to the tourism sector. This paper analyses the utilisation of the PPP approach to infrastructure development for tourism in South Africa using the case of the Cradle of Humankind World Heritage Site. In this example the PPP model has foundered and failed to deliver anticipated outcomes in terms of project sustainability and inclusive growth through community benefits. At the heart of the disappointments of this PPP is the issue of demand risk and inadequate visitor flows to the tourism destination. The critical need for thorough and rigorous feasibility studies is widely acknowledged in the South African experience. Yet in this tourism infrastructure project the original feasibility studies were faulty and wildly over-optimistic regarding visitor demand projections such that revenue streams to the private partner fell below sustainability thresholds. A turnaround strategy currently is being implemented to boost tourism growth and sustainability of the Cradle of Humankind.

Key words: public-private partnerships; tourism infrastructure; Cradle of Humankind; South Africa

Introduction

Since the 1980s it has been observed that "partnerships have gained popularity as instruments for tourism planning, policy-making, community development, product development, marketing and destination management" (Zapata, 2014, p. 567). As emphasized by the World Tourism Organization (2015, p. 12) multiple forms of partnerships exist and can encompass the bringing together of different stakeholders "in a formal or informal voluntary partnership to improve the attractiveness of a regional destination, its productivity, associated market efficiency and overall management of tourism", including for resource conservation.

Over fifteen years ago Selin (1999, p. 260) could declare that partnerships and collaboration "have come of age in the tourism field". Reinforcing this sentiment Hall (1999, p. 274) stated that issues of collaboration and partnership "are now at the forefront of much tourism research on finding solutions to resource management and destination development problems". In acknowledging that collaboration and partnerships are both "complex and difficult" Bramwell & Lane (1999, p. 180) asserted that they remain central for sustainable development and further highlighted a need for additional research on these issues. Arguably, tourism scholars have heeded this call for an extended theoretical and empirical research agenda around collaboration and partnerships in tourism. This is reflected in the range of issues and approaches that have been interrogated in recent years (Zapata & Hall, 2012; Zapata, 2014;

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Gursoy, Saayman & Sotirianides, 2015). Although the majority of writings engage with partnership and collaboration issues in the setting of the global North there has been a welcome appearance of a smaller parallel scholarship for regions of the global South (Pansiri, 2013; Sai, Muzondo & Marunda, 2015). Globally, the rise in partnerships in the tourism sector is attributed variously "to changes in the institutional arrangements that shape tourism destination governance, such as the public sector's pursuit of effectiveness, the redefinition of the public sector, public budget cuts, the fragmentation of the tourism sector, processes of standardization and imitation, the institutionalization of the tourism sector, and the projectification of public policy making" (Zapata, 2014, p. 568).

The remit of this article is to focus on the role of public-private sector partnerships (PPPs) in the specifics of tourism infrastructure development. Arguably, PPPs are a component of what Dredge and Jamal (2015, p. 295) describe as the "neoliberal landscapes of tourism planning and policy". Across the international record PPPs have emerged as an increasingly popular vehicle for governments to procure certain forms of infrastructure or services for their citizens (Boardman, Greve & Hodge, 2015). Mfunwa, Taylor and Kreiter (2015, p. 9) maintain that the use of "PPPs as a beneficial contractual arrangement for the provision of economic and social infrastructure has grown sharply in recent decades". In particular, in addressing the large and growing infrastructure gaps across the global South PPPs have been proposed as a potential major solution to financing infrastructural development as an alternative to traditional public procurement. Trebilcock and Rosenstock (2015) show that across much of the developing world governments turned to PPPs to build and operate infrastructure in order to address backlogs as well as existing inefficient and costly infrastructure delivery arrangements. Within Africa PPPs are promoted (among others) by the African Union, New Partnership for African Development and the African Development Bank (Mfunwa et al., 2015, p. 17). The World Bank advocates opportunities for PPPs in the tourism sector variously "to support specific tourism attractions and to support infrastructure such as airports, access roads and main arterial trunk roads, power, water and sanitation" (World Bank, 2011, p. 54).

Currently, across Africa South Africa has the largest infrastructural commitments linked to PPPs and the longest history of engaging with PPPs (Farlam, 2005; Loxley, 2013). Increasingly the PPP approach is garnering attention for application in the tourism sector (National Treasury, 2005a). The task in this paper is to analyse the utilisation of the PPP approach as applied to tourism infrastructure development in South Africa. An examination is undertaken of the case of the Cradle of Humankind World Heritage Site. This is a major element of South Africa's expanding assets for the diversifying niche of heritage tourism as a lead sector for local economic development (Rivett-Carnac, 2011; Rogerson, 2014; van der Merwe, 2014, 2016). The analysis draws from a range of source material which includes original project documentation, interviews with key management stakeholders, and critical review of consultant feasibility studies.

Public-private partnerships and South Africa

PPPs involve a long-term contract between the public and private sector with the core aim to fulfil development objectives ensuring the delivery of well-maintained cost effective public infrastructure or services through leveraging private sector expertise and the transference of risk to the private sector (Boardman et al., 2015; Trebilcock & Rosenstock, 2015). This said, in a recent review of the literature of the PPP approach it was disclosed that "there is no single or standard definition" with a range of definitions used contingent upon the "perspectives, objectives and expectations of the parties and/or institutions involved" (Mafunwa et al., 2015, p. 7). Arguably, the PPP represents a procurement

arrangement that occupies a middle position between privatisation and traditional public procurement (Farlam, 2005). Essentially, it requires a cooperative alliance between the public and private sectors and takes place in different areas of intervention which are traditionally inherent in the public sector but without involving a complete privatization (Franco & Esteveao, 2010, p. 3). Many governments view PPPs as a fresh approach to risk allocation in public infrastructure projects (Mfunwa et al., 2015, p. 6).

Among key elements identified in the varying international definitions of PPPs are, *inter alia*, a contract between a government entity and private sector supplier (often its primary feature); the provision of public infrastructure or services through the private sector; substantial risk transfer to the private sector; remuneration to the private sector through a stream of payments from government, user charges levied on end users or a combination of both; medium to long-term duration from 5 to 30 years; and, outcome specification by which the private partner's actual payment is linked to compliance with the contractually set quality and quantity specifications (Mfunwa et al., 2015, p. 8). For Trebilcock & Rosenstock (2015) the essential characteristic of PPPs is the outsourcing and 'bundling' of project delivery components (such as design, build, finance, operate or rehabilitate) which are structured such as to incentivise the builder-operator to incorporate long-term operating cost considerations in the design and construction phases of a project with the outcome of value for money. As Table 1 shows in the bundling of project components different modalities for PPPs can emerge which demand different roles for government and the private sector (Mafunwa et al., 2015).

Table 1
Models of PPP arrangements from the international experience

PPP modality	Role of private sector	Role of public sector
Design-Build-Operate-and-Transfer (DBOT)	Designs, finances and constructs; operates and maintains infrastructure for fixed term; collects fees and charges to recover investments plus profit; at end of cooperation term the infrastructure is transferred.	Regulates activities of DBOT supplier; acquires facilities ownership at close of cooperation term
Build-and-Transfer (BT)	Finances and constructs; ownership is turned over to government after project completion	Acquires ownership of infrastructure after construction; compensates private sector at agreed schedule.
Build-Operate-and-Transfer (BOT)	Finances and builds; operates and maintains infrastructure for fixed term; secures fees and charges to recover investments plus profit; at end of cooperation term the infrastructure is transferred.	Regulates activities of BOT supplier; acquires facilities ownership at close of cooperation term
Build-Lease-and-Transfer (BLT)	Finance and constructs infrastructure with project turned over to government after completion; ownership is transferred after close of cooperation lease period.	Private sector is compensated by lease of facility at agreed term and schedule; owns and operates infrastructure after close of cooperation lease period.
Rehabilitate-Operate-and-Transfer (ROT)	Refurbishes, operates and maintains infrastructure/facility which is turned over after franchise period	Provides franchise to ROT supplier; regains legal title of asset/infrastructure after term of franchise period

Source: Adapted after Mafunwa et al. (2015, p. 31) and Ekpenyong & Mmom (2015, p. 83).

Overall, there are several reasons why governments are increasingly adopting the PPP approach to infrastructural development. First, there is the urgent need for infrastructure facilities. In sub-Saharan Africa Loxley (2013) stresses that PPPs are "proposed as a possible major solution" to the continent's large and expanding infrastructure gap. Second, with major finance constraints on governments in Africa, as in much of the rest of the world, PPPs have shifted from being simply a policy option for infrastructure delivery towards progressively "being a policy preference at the heart of government's consciousness" (Boardman et al., 2015, p. 441). A third suggested reason for growing interest in PPPs relates to past failures of the traditional procurement model as a consequence of lack of transparency, bribery and corruption, and lack of availability of most up-to-date technologies. Among the perceived potential or anticipated benefits of pursuing the PPP approach are cost reduction, risk sharing, efficiency

enhancements and improvement in infrastructural quality as PPPs may result in new innovations (Franco & Estavao, 2010; Mfunwa et al., 2015; Trebilcock & Rosenstock, 2015). Other benefits can encompass the faster delivery of infrastructure, given the private sector's greater flexibility and access to resources, as well as the encouragement of a 'life cycle' approach to planning and budgeting through the institution of long-term contracts (Ekpenyong & Mmom, 2015).

The successful application of PPPs is not, however, guaranteed with major risks surrounding loss of government control, potential danger of greater spending rather than cost reduction and poor quality of infrastructure if the arrangement is not properly structured with appropriate risk sharing (Mfunwa et al., 2015). Overall, from a review of African PPP experience, Farlam (2005, p. 33) cautions that they can suffer many of the same ills that afflict public procurement and that partnerships "entered into hastily pose many similar challenges to African governments". Stakeholder opposition is reported as a major cause of failure for PPPs in many instances. In addition, another major risk to PPPs is that of market or demand risk, the possibility that consumers will not use the infrastructure in sufficient volume to make the project viable (Farlam, 2005, p. 42). This can be mitigated, however, if prior to any contractual agreement a realistic cost-benefit analysis and feasibility study is conducted both by the private sector and government in order to ensure sufficient demand (Mfunwa et al., 2015, p. 12). Institutional capacity is viewed as a further critical determinant of PPP success (Trebilcock & Rosenstock, 2015). Another vital ingredient for PPP success is the existence of high levels of trust among project partners (Sai et al., 2015, p. 39).

South Africa has introduced a constitutionally entrenched framework and measures to regulate the ways and manner in which PPPs function (Aiello, 2014). The core legislation governing PPPs at the national and provincial levels of government is the Public Finance Management Act of 1999 and Treasury Regulation 16 which centre on delivering outputs through value-for-money solutions. Treasury Regulation 16 defines two types of PPP namely where the private sector performs an institutional function or where the private party acquires use of state property for its own commercial purposes. The regulation allows PPPs to be established with a range of different characteristics or modalities combining design, finance, build, operate and transfer (National Treasury, 2007). In terms of the application of PPP approach projects "should involve the development of a very large infrastructure asset and there should be ample scope to allocate clearly identifiable risk to the private party" (National Treasury, 2007). In line with best international practice for implementing infrastructure projects using PPPs South Africa established a dedicated support unit to guide policy development. During 2000, a PPP unit was founded in National Treasury which introduced an enabling PPP framework by preparing a manual, standardized PPP provisions and guidelines (Aiello, 2014). The PPP manual was issued as a guide for best practices for government institutions, the private sector and PPP practitioners (National Treasury, 2004). Until March 2013 the PPP team was a division of the budget office directorate in National Treasury when it was transferred to become part of the Government Technical Advisory Centre, albeit still 100 percent "owned" by National Treasury (Aiello, 2014).

Since the mid-1990s the PPP approach has been utilised in South Africa for the delivery of infrastructure across an array of different sectors from transport, water and sanitation services, social development, office accommodation, health care and correctional services (Farlam, 2005; National Treasury, 2007). By 2014, a total of twenty six projects had been signed in terms of Treasury Regulation 16 (Aiello, 2014). Currently, tourism is a growth sector for the establishment of a range of PPPs with projects linked to outsourcing the management of restaurants and shops in Kruger National Park, the rejuvenation of national heritage sites, and as a tool for the development of nature-tourism assets through long-term

concession agreements for private sector investors to build and operate safari lodges on behalf of local communities (National Treasury, 2005a; Collins & Snel, 2008; Varghese, 2008; National Treasury, 2010). The benefits to the private sector party are access to unique tourism sites and potentially a competitive return on investment (Varghese, 2008). For the state the benefits are revenue, savings, a reduction of risk, and an asset upgrade as well as facilitating job creation and potential small, medium and micro-enterprise (SMME) development for local economies (National Treasury, 2005a). In terms of the application of Treasury Regulation 16 one of the earliest tourism PPPs in South Africa was that concerning the Cradle of Humankind.

The Cradle of Humankind World Heritage Site

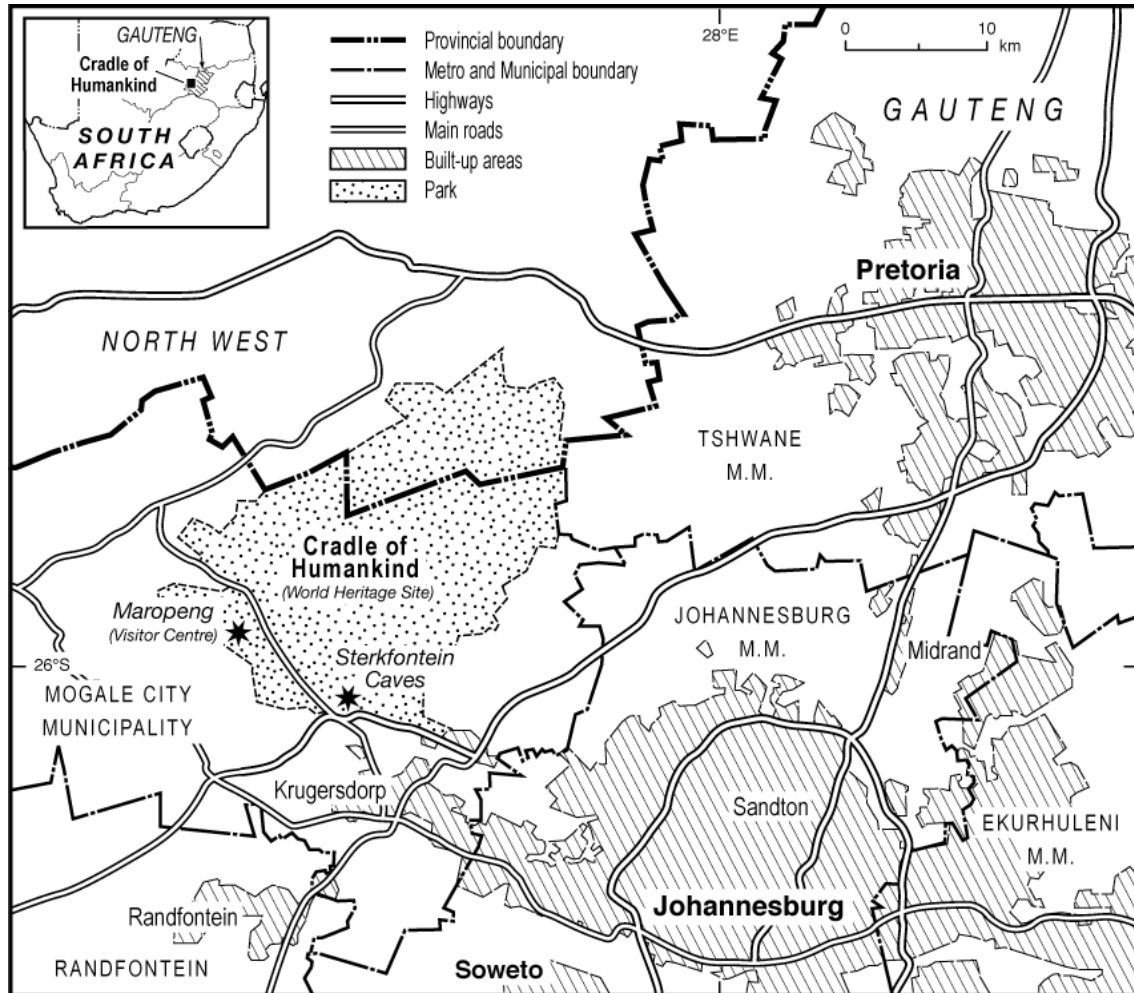
The Cradle of Humankind is situated in the north-west of Gauteng province (Figure 1), an area that was experiencing a decline in the local agriculture and mining activities when the decision was taken in May 1997 to nominate it for UNESCO World Heritage Site status. The UNESCO listing occurred in 1999. The Cradle of Humankind is described as "the world's biggest archaeological library filled with the largest collection of human fossils found anywhere in the world" (The Presidency, 2005). The most well renowned site is the Sterkfontein caves which represents the oldest and most continuous paleoanthropological dig in the world and the site where the most famous pre-human skull – Mrs Ples (found in 1947), and Little Foot (in 1997) – an almost complete hominid skeleton, were discovered. More recent discoveries have been at newer excavations most importantly at the Rising Star and the Malapa site, which yielded in 2008 the *Australopithecus Sedaba* fossils dated at 1.97 million years before present (Gauteng Province, 2014). Currently, there are fifteen excavated fossil sites identified in the area of which twelve are internationally recognised and declared as national heritage sites by the South African Heritage Resources Agency. The management of these sites is a priority if the site is to be preserved and sustainably utilised.

The Cradle of Humankind destination is essentially anchored on the preservation, exploration and interpretation of the story of humanity. It is styled as "a place of ongoing scientific discovery into our origins, but also a place of contemplation – who we are, where we have come from and where we are going to" (Gauteng Tourism Authority, 2015). Beyond archaeological attractions the surrounding area also includes other offerings for (mainly) domestic tourists including adventure activities for river rafting, quad-biking, hot-air ballooning, nature tourism attractions, and recreational road cycling. Accommodation in the area includes 191 establishments with an estimated 7200 beds ranging from five star boutique hotels to backpacker hostels as well as camping services. Additional components of the local tourism economy are 97 conference venues, a basis for domestic business tourism, and 44 wedding venues which are popular given the locality's proximity to South Africa's major population and economic centres, in particular Johannesburg (Rogerson & Wolfaardt, 2015; Rogerson & van der Merwe, 2016).

The project to develop the World Heritage Site as a heritage tourism attraction was conceived and led in a partnership between the Gauteng Provincial Government and the University of the Witwatersrand because of the latter's long history of distinguished palaeontological research in the environs as well as its ownership of the Sterkfontein Caves (Gauteng Province, 2001). From inception the planning of the Cradle of Humankind World Heritage Site contained a number of key strategic priorities including the preservation of a palaeo-anthropological site of unique international significance; developing the site as the showcase for the origins and story of humanity and increase local tourism; and facilitating delivery of socio-economic benefits to residents of the area (Gauteng Province, 2001). In terms of the

governance processes for a World Heritage Site the Cradle of Humankind Management Authority (COHWHS) was founded by the Gauteng Provincial Government on behalf of South Africa's national Ministry of Environmental Affairs. The duties and powers of the management authority are guided by the World Heritage Convention Act as well as local legislation pertaining to heritage protection and environmental management. The environmental assets of the area include palaeontological sites, archaeological sites and the natural grassland ecology.

Figure 1
The location of the Cradle of Humankind



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During 2000, this management authority undertook a comprehensive exercise in 'master planning' which was implemented progressively over a period of 10 years. The Masterplan was completed in 2001 and set out a strategy and an institutional model for the protection as well as tourism development of the site. The master plan envisaged the construction of a network of interpretive facilities which would be intended to, *inter alia*, promote scientific research as well as educational and learning opportunities, to facilitate appropriate access strategies; to integrate, coordinate and optimize the sustainable use of resources; and to provide a tourist attraction of international, national and local significance

(Gauteng Province, 2001). Central to planning was the proposed development of two interpretation centres with focused exhibitions at Maropeng (a location divorced from the actual fossil excavations) and at the Sterkfontein caves (see Figure 1). Other proposals were for fossil site specific interpretation facilities at excavated sites, a suite of visitor information points and four visitor orientation centres at key access points spatially located in a circle around the project area such that from whichever direction visitors approached the Cradle they would first encounter an orientation centre to inform them what was available, where, and to furnish information about the network of tourism offerings connected to the fossil sites (Gauteng Province, 2001).

The Cradle of Humankind PPP: Establishment and project construction

Following its designation in December 1999 as a World Heritage site, the Gauteng Provincial government identified the Cradle of Humankind as one of its ten special 'Blue IQ' development projects (Rogerson, 2004). The institutional innovation introduced by the COHWHS management authority was a PPP governed by the National Treasury's regulatory framework introduced in 1999 which allowed both national and provincial authorities to enter into such agreements. In the establishment of the Cradle of Humankind PPP the Gauteng provincial government was the public partner.

During 2003 the Gauteng provincial government entered into a regulated DBOT partnership with a private sector partner for the design, construction and operation of world class visitor and exhibition facilities to showcase the site. In a combination of government finance and private sector risk the Gauteng provincial government invested R163 million (in August 2003 1 Euro equalled 8.37 Rand) with in the capital costs of the project and an additional R70 million in support for infrastructural upgrading for roads and bulk infrastructure (National Treasury, 2005b). In terms of the agreement the private partner contracted to build for a fixed price, to complete by a fixed date, and assumed full risk on tourism numbers to meet its financing and operating costs over a fixed term (National Treasury, 2005b). Additionally in this agreed PPP, the first institutional arrangement of its kind, the concessionaire was obligated to pay an annual concession fee on operating revenue which the provincial government would invest in a Trust set up by the Gauteng Province with Wits University for the support of community projects as well as scientific research (Gauteng Province, 2014). The reasons given for involving the private sector were to buy in private sector expertise in order to market and operate the centres, to share risks and responsibilities both for the provincial government and Wits University and potentially to mobilise private sector capital.

After a competitive bidding process, the Maropeng Africa Leisure private consortium was awarded the concession for the construction, design and operation of the R200 million interpretation centre complex. The substantial capital investment was leveraged by the provincial government which recognised a need "for major interpretive facilities as fossils are not readily accessible or engaging to tourists" (Rivett-Carnac, 2011, p. 25). The centre includes a 2500 sq. metres exhibition centre, 5000 seater outdoor amphitheatre, an upmarket restaurant, a 24 room 4 star hotel, a 120 bed dormitory accommodation and retail outlet. In addition, the concessionaire is responsible for a new visitor reception centre at Sterkfontein Caves which includes a specialist exhibition centre, cave tour, public platforms for viewing exhibitions, a 100 seater conference facility, restaurant and a fossil preparation room.

The Maropeng Visitor Centre complex was designed to resemble a tumulus or ancient burial ground. The interpretation on approach "is that the tumulus shape of the museum, the fossils displayed under

transparent domes and the messages engraved in the granite from the area, all reinforce the theme of a burial ground" and that the visitor is approaching "an ancestral place" (Leujes, 2012, p. 87). The walkway leading to the entrance is lined with replicas of original fossils found in the Cradle of Humankind and with local granite rocks which are engraved with information "Life first emerged about 3.8 billion years ago. Our journey begins in South Africa where fossils of some of the earliest known life forms have been found" (Leujes, 2012, p. 82). Indigenous grasses are planted on both sides of the walkway and on the tumulus itself. The entrance hall is expansive and contains a large pool fed by strong water jets and abstract displays which communicate the themes of water, fire, earth and wind which recur at various points as thematic elements in museum displays (Leujes, 2012, p. 83). Subsequently, the visitor is lead down a staircase to a ramp which descends to an underground lake where a boat ride reminiscent of Disney theme parks transports the visitor through manmade caves with lighting effects that symbolise the four elements responsible for shaping the planet.

Two years after approval of the PPP, the construction of the Maropeng project was completed on time, within budget and meeting all its required specifications (National Treasury, 2005b). The official opening of the visitor centre occurred on 7 December 2005 by then President Mbeki who described its location as set "within the valley of our ancestors" and that through Maropeng "we offer the people of the world the opportunity to connect with the golden chain of life and to our human evolution" (The Presidency, 2005, p. 1). Mbeki described Maropeng as South Africa's "21st century humble contribution to record for posterity the story of evolutionary human biology and geography as it unfolds" (The Presidency, 2005). The major theme of Maropeng - meaning the place we all come from - is the birth of humankind through the evolution of hominids. According to Mbeki visitors are:

Transported back to the beginning of time, amidst an iceberg, a windstorm, a waterfall and fire. Then you journey along the path which our earliest ancestors took. You see their struggles for survival, their tenacity, their will to survive in the most hostile of environments. You look in wonder at the beginnings of technology, at the dawn of spirituality, at the birth of art and creativity, at the start of the long journey which brought us to where we are today (The Presidency, 2005, p. 1).

After its completion and opening the project received a number of international accolades including the British Guild of Travel Writers award for 'Best New Tourism Project World-wide' and the 'Best PPP project for 2005' from the magazine *Construction World* (National Treasury, 2005b).

The Cradle of Humankind PPP: Decline and collapse

The euphoria surrounding the triumphal opening of Maropeng and the completion of the infrastructural developments linked to the PPP was short lived. Five years after the new visitor centres and associated facilities opened for business it was announced during June 2010 that the PPP agreement with Maropeng Africa Leisure (MAL) had been dissolved (Grant Thornton, 2011). In response to the withdrawal of the major private shareholder the Gauteng provincial government appointed a team of consultants to explore options on the best way forward for the operational management of the visitor centres (Shoba, 2010). It was clarified that the contractual PPP agreement had been due to expire only in February 2018 but was "no longer in full effect since the withdrawal of the major private shareholder but the facility is still in operation with GPG and Wits jointly managing the project" (Grant Thornton, 2013, p. 4). Currently, therefore, whilst there is effectively no partnership with a private party legally the PPP is still operational.

Since inception in 2003 the MAL private consortium had not traded profitably with financial losses underwritten by its major shareholders until their withdrawal and thereafter with losses borne by the

provincial government. Accordingly, it was argued that an imperative exists to forge appropriate mechanisms "to ensure a viable business entity can operate the two visitor centres into the future" (Grant Thornton, 2013, p. 4). With almost 10 years of financial losses the PPP institutional model as applied at the Cradle of Humankind failed to meet the requirements of long-term economic sustainability. Moreover, whilst the aim of provincial government and Wits is sustainability not profitability per se, the need for profits was a *sine qua non* for the private sector partner. As the Maropeng and Sterkfontein centres were not operationally self-sustaining the proposed payment of concession fees for funding a range of community projects and scientific research have not materialised (Rivett-Carnac, 2011).

Table 2
**Visitor numbers to the Cradle of Humankind
 visitor centres 2006-2010**

Year	Number of visitors	
	Maropeng	Sterkfontein
2006	119,326	103,465
2007	112,390	92,316
2008	130,791	104,848
2009	134,848	105,224
2010	142,985	109,953

Source: Grant Thornton (2011).

The reasons for the collapse of the tourism PPP at Cradle of Humankind warrant further analysis. At the heart of the PPP failure was market demand and visitor numbers. The major problem was that for financial sustainability the private sector operator required Maropeng and Sterkfontein to attract 400.000 visitors per annum, which were the projected figures that had been issued in the original market and financial feasibility assessments. The private partner took on the full risk of these tourism numbers for meeting its finance and operating cost over a ten year term (National Treasury, 2005b). Actual visitor numbers have fallen well short of this target (Table 2). This said, since the opening of the COH visitor centres a substantial share of visitors – at least one-third of total numbers - have been accounted for by school visits charged at concessionary rates (Rogerson & van der Merwe, 2016). Another signal of the weak performance of the PPP was that occupancy rates at the four star hotel attached to Maropeng were only 33 percent (Grant Thornton, 2013).

Interviews with key stakeholders disclosed further elements of the disappointing performance of the COH as a heritage tourism attraction. From inception of project planning the intention was to build the global footprint and global awareness around the Cradle. In particular, for international tourists to South Africa they should be encouraged to visit the Cradle as a form of personal pilgrimage (Hanekom, 2013). It was stated that the "biggest challenge is to build the story and to make sure that story becomes an iconic story" to match that of people visiting (for example) the Pyramids of Egypt (Hanekom, 2013). In boosting the Cradle's international profile visiting Heads of State or Nobel Prize Winners were to be hosted there. Such visits, however, have been rare; as late as 2014 it was observed that this "area of work remains a challenge" (Gauteng Province, 2014, p. 36). Some of original planning was not delivered such as fossil site specific interpretation facilities at excavated sites and the planned suite of visitor information points and four visitor orientation centres at key access points spatially located in a circle around the project area (Gauteng Province, 2001). Access to Maropeng and Sterkfontein was a further challenge to tourism growth. Signage was in need of improvement, transport to visitor centres remained difficult with no public transport and only a limited number of tour operators offering day tours from Johannesburg or Pretoria (Hanekom, 2013). The potential for the hotel to become a focus for conference tourism was reduced by its small size.

Critically, the building of the Cradle into an iconic tourism attraction of international renown so far has not materialised with the consequence that it remains a destination dominated by domestic tourists (Rogerson, 2015). The underperformance of the Cradle as a project for driving tourism-led development is at the core of understanding its current modest impacts locally as regards inclusive growth (Rogerson & van der Merwe, 2016). The failure to achieve sustainable business is problematic as apart from some employment opportunities on site "direct community benefits remain limited and no sense of local 'ownership' exists among host communities" (Rivett-Carnac, 2011, p. 21). Several proposals have been put forward to address identified shortcomings at Maropeng. These include extending the size of the hotel, adding a spa, building new attractions such as a snake park, a permanent stage in the amphitheatre to facilitate events and introducing new activities such as stargazing, walking and cycling trails, team building and adventure options. The estimated costs for upgrading and extensions for this turnaround strategy are R57 million to be funded from public sources in order to result in a financially sustainable business. With these improvements hotel occupancies and visitor numbers are projected to increase after 2016. Nevertheless, it is estimated with current operating and projected performance no concession would be payable on turnover and revenues until 2016 (at a reduced level) and only reaching the proposed rate of 15 percent of turnover by 2018/2019 (Grant Thornton, 2013).

Conclusion

In a global overview the World Tourism Organisation (2015) applauds the importance of tourism PPPs for enhanced business competitiveness, economic sustainability, capacity building and environmental conservation. In terms of tourism infrastructure development PPPs are one element of neo-liberal tourism planning (Hall, 1999; Dredge & Jamal, 2015). Based upon a review of the African experience of applying PPPs to infrastructural projects Loxley (2013, p. 485) argues "great caution should be exercised in the use of PPPs". In South Africa this controversial model has been widely applied since 1999 as a contractual base for service delivery (water), infrastructure development (roads, prisons, hospitals) and most recently extending into tourism projects as a vehicle for risk transfer to a private party. In many cases the outcomes of PPPs in South Africa can be described as contributing towards inclusive growth (Farlam, 2005; Aiello, 2014). In the case of tourism projects the existing evaluations of PPPs are limited albeit with particular dangers highlighted from the experience of South African National Parks of selecting the wrong vendor, loss of control and unrealistic demand projections (Varghese, 2008).

In the specific case of the Cradle of Humankind the PPP model has foundered and failed so far to deliver anticipated outcomes in terms of project sustainability and inclusive growth through community benefits. At the root of understanding the disappointments of this PPP is the issue of demand risk. The critical need for thorough and rigorous feasibility studies is widely acknowledged in the South African experience (National Treasury, 2007). Yet in this tourism infrastructure project the original feasibility studies were faulty and wildly over-optimistic regarding demand projections such that revenue streams to the private partner fell below sustainability thresholds. In reviewing options for the future development of this heritage tourism asset government has conceded the PPP model remains, however, the most appropriate institutional vehicle (Grant Thornton, 2013). The ongoing turnaround strategy supported by state funding is now committed to enhance product offerings (cycle lanes, snake park, stargazing), further upgrade infrastructure in terms of extension of the hotel, improve branding and marketing, and with a renewed effort at a successful Heads of State programme. Further research on the role of PPPs in African tourism infrastructure projects is required for definitive conclusions to be offered on the wider application of this institutional vehicle.

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