MALAWI NATIONAL TOURISM INVESTMENT MASTERPLAN

2022-2042

Malawi
the warm heart of africa

Malawi National Tourism Investment Masterplan

2022-2042

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LIST OF ABBREVIATIONS & ACRONYMS

AfDB	African Development Bank
AU	African Union
COMESA	The Common Market for Eastern and Southern Africa
DDI	Domestic Direct Investment
DoT	Department of Tourism
DNPW	The Department of National Parks and Wildlife
ESCOM	Electricity Supply Corporation of Malawi Limited
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GoM	Government of Malawi
ICT	Information and Communications Technology
IPAs	Investment Promotion Authorities
MDAs	Ministries, Departments and Agencies
MFI	Micro Finance Institutions
MGDS	Malawi Growth and Development Strategy
MICE	Meetings, Incentives, Conferences, and Exhibitions
MITT	Ministry of Industry, Trade and Tourism
MoTPW	Ministry of Transport and Public Works
MSME	Micro, Small and Medium-size Enterprises
MTC	Malawi Tourism Council
MW	Mega Watt
NGO	Non-Governmental Organisation
NTMP	National Transport Master Plan for Malawi
PICTS	Promoting Investment and Competitiveness in the Tourism Sector
PPPC	Public Private Partnership Commission
SADC	The Southern African Development Community
SME	Small & Medium Enterprises
SWOT	Strengths, Weaknesses, Opportunities, Threats
UN	United Nations
UNWTO	The United Nations World Tourism Organization
WEF	World Economic Forum

FOREWORD

The Malawi Government prioritised Tourism as one of the key sectors for developing the country's economy. Further, the sector has also been adopted in the country's long-term vision, the Malawi 2063, as an anchor sector under the Urbanization Pillar for achieving its overall goal of "*an inclusively wealthy and self-reliant nation*". This strategic positioning of the tourism sector in the national policy is crucial. It acknowledges the conciliatory role of tourism between urbanisation and the environment upon which Malawi tourism depends heavily. Through responsible and sustainable tourism development, Malawi can leverage its abundant natural and cultural resources that have not been fully utilized for economic development. In addition, the main goal of Malawi's National Tourism Policy is "to **create an enabling environment for the development, regulation, and promotion of a sustainable tourism sector that enhances tourist experiences and satisfaction whilst improving the socio-economic well-being and maintaining the local cultural identity of the local communities**."

As the Ministry of Tourism, Culture and Wildlife, our main goal is to facilitate the sector's growth and ensure that it plays its rightful role in meeting the aspirations of Malawi Vision. In our efforts to attain this goal, we have formulated a comprehensive Malawi National Tourism Investment Master Plan (MNTMP) designed to guide investments into Tourism and related sectors. The Plan analyses the settlement patterns and develops an understanding of regional indicators driving the process of Urbanization in Malawi. The plan reflects on key proposals for identifying tourism nodes at the country level and linking them with infrastructure provisions and requirements.

"to create an enabling environment for the development, regulation, and promotion of a sustainable tourism sector that enhances tourist experiences and satisfaction whilst improving the socio-economic well-being and maintaining the local cultural identity of the local communities."

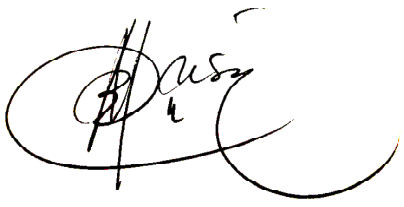
Apart from the Malawi 2063, the Plan is also aligned with global, regional and national development policies, plans and strategies such as Sustainable Development Goals (SGDs), African Union Agenda 2063, SADC Tourism Programme, National Tourism Policy, Eco-tourism Development Strategy and Domestic Tourism Marketing Strategy. The scope of the masterplan covers all spheres of the Tourism Value chain.

The Malawi National Tourism Investment Master Plan (MNTMP), also known as the National Tourism Investment Master Plan, provides measures to address the bottlenecks that hinder the development of the sector and improve the sector's contribution to GDP. The MNTMP, therefore, fosters a shift from the current ways of doing things and proposes measures of ensuring that the sector is mainstreamed across all key sectors and at every decision-making level if it is to achieve its potential.

The MNTMP also looks forward to meeting the sector's needs of a transformed economy. Tourism will be at the centre stage of urbanization, and Malawi being the hub of tourism development within the region. In addition, the MNTMP provides strategies and a range of projects designed to act as catalysts for the development of tourism cities and sustainable economic growth.

The Government wishes to acknowledge the support of the African Development Bank in developing this Master Plan. I also wish to acknowledge all who have participated in the many consultation exercises across the whole country during the development of the NTMP despite the challenges posed by the COVID-19 pandemic. The views and contributions of all key stakeholders have been well received.

While Government is committed to implementing this MNTMP, it also recognizes that its successful implementation requires all stakeholders – Government, private sector, development partners and civil society- to fully play their roles. Indeed, the MNTMP contains several specific proposals for improved coordination between stakeholders to facilitate the achievement of this goal. Therefore, I am hopeful that this Master Plan will unlock opportunities to address the bottle-necks in the Tourism sector and help the Government's efforts in diversifying the tourism products. The Government will continue to provide a conducive environment to ensure that Malawi's Tourism sector is competitive across the region and brings economic benefits to local communities.



Michael Biswick Usi, PhD
Minister for Tourism, Culture and Wildlife

PREFACE

The development of this Malawi National Tourism Investment Master Plan is anchored on the aspirations of the Malawi 2063 Vision, which recognizes the sector's potential as one of the key drivers of the country's socio-economic development. Malawi 2063 prioritizes tourism as a catalyst for the urbanization of all tourist attraction sites. The Vision also envisages making our beautiful country a regional and international tourist destination, harnessing the SADC and Sub-Saharan continental tourist market and the rest of the world. The Tourism Value chain is essentially a catalyst in that it supports and facilitates the development of other productive sectors within Malawi, such as agriculture, transport, and trade, among others. According to the Vision, the tourism sector will help empower rural communities by engaging them in ancillary services such as restaurants, art, accommodation, transportation, and tour guide services.

The National Tourism Policy recognizes that strengthening the development of medium to long term strategies is key for guiding the sector for Tourism to effectively play its key role in the economy. This document which is also known as the National Tourism Investment Masterplan, is the first Malawi National Tourism Masterplan (MNTMP) for Malawi and, as such, marks a paradigm shift in which we expect the country's tourism sector to move forward over the next 20 years.

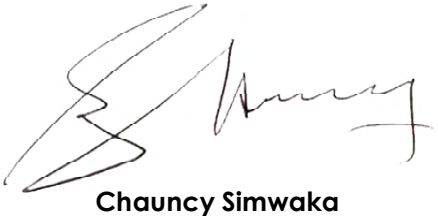
It articulates the overall strategy for tourism development at the country level along with summaries of key proposals for identifying tourism nodes at the country level and linking them with infrastructure provisions. The identified nodes encompass existing locations of tourism importance in the country and locations with massive potential for future development. The nodes function as clusters with destinations of primary and secondary importance, further following the structure of the 'Hub and Spoke' model. This MNTMP recognizes the important links between the sector and other sectors of the economy. It also acknowledges that its implementation must ensure a full engagement between the Tourism sector and other key economic sectors so that the productive development of our country can be realised.

The MNTMP is based on comprehensive and extensive surveys across the country and built on estimates of future needs of the sectors and key success factors. The preparation of the MNTMP has been highly consultative through the engagement of a wide range of stakeholders from both the public and private sectors, civil society and development partners. Consultations took place at all stages of MNTMP development, from assessing Tourism sectors' needs and developing strategies to evaluating initiatives and individual projects.

The National Tourism Policy recognizes that strengthening the development of medium to long term strategies is key for guiding the sector for Tourism to effectively play its key role in the economy.

Let me take this opportunity to convey my sincere gratitude to individuals and organizations that participated in the development of this Master Plan. My appreciation also goes to the industry stakeholders from all over the country and beyond for their invaluable inputs throughout the process. Special thanks also go to the African Development Bank for the financial support rendered to the Ministry under the PICTS Project, which facilitated the procurement of consultancy services to spearhead the development of this Plan. Let me also express my gratitude to the consultants, Avasant and their local counterparts who worked tirelessly during the most challenging period of our time as the world battled the Covid-19 pandemic. Their thorough understanding of the issues and challenges faced by the tourism sector has enabled them to develop a plan which is robust and meets the future needs of the sector. I am also indebted to the officials in my Ministry for their effective coordination of the process to develop this Masterplan whose implementation was affected by the Covid-19 pandemic.

In particular, I wish to thank the Acting Director of Tourism, Mr Sosten Lingwalanya, and his team, especially Mr Noah Nansongole(Deputy Director of Planning and Development), Mr Charles Kachelenga(PICTS Project Focal Point), Ms Tamanda Kaleke, Mr George Chirambo and Ms Yamikani Phiri, who worked tirelessly with the consultants for the entire duration of the project which had to be extended due to the impact of the Covid-19 pandemic.



Chauncy Simwaka
Secretary for Tourism, Culture and Wildlife

EXECUTIVE SUMMARY

The Malawi Government, with financial support from the African Development Bank (AfDB), has developed the National Tourism Investment Masterplan under the Promoting Investment and Competitiveness of the Tourism Sector (PICTS) Project. The National Tourism Investment Masterplan is a product of desk research, assessment visits, consultations and intense validations with key stakeholders over a period of 30 months. The Investment Masterplan provides a clear and concise 20-year tourism investment strategy to direct product development and diversification, infrastructure development, manpower development and equitable tourism investment across the country's tourist regions, among others. It highlights the national priority projects for implementation by Government as well as the private sector.

Apart from aligning the Master Plan to the Malawi 2063 (MW2063) under the Urbanization pillar to assist the country in achieving wealth creation and becoming a self-reliant nation, the plan has also been aligned to global, regional and national development policies, plans and strategies. These include the Sustainable Development Goals (SDGs), African Union Agenda 2063, SADC Tourism Programme 2020-2030, and the National Tourism Policy (2019).

a) Justification for the National Tourism Investment Masterplan

Malawi is endowed with rich natural, cultural and historical resources such that tourism has an immense potential to contribute to inclusive wealth creation and self-reliance. However, tourism development has been done haphazardly resulting in incompatible land use. Furthermore, most of these resources are not fully developed for tourism purposes. And rapid population growth and climate change continue to put pressure on these resources. The sector also faces challenges in terms of inadequatetourism support infrastructure and services such as access roads.

The National Tourism Investment Master Plan, therefore, aims to develop a 20-year roadmap that will guide systematic investments in Tourism and related sectors. The Plan takes into account the settlement patterns and indicators driving urbanization in Malawi.

b) Current Situational Assessment

i) Current and Potential State of Tourism in Malawi

The tourism sector has the potential to drive the economy. Its total contribution to GDP is currently at about 7.7% (2018) and is estimated to rise by 4.7% per annum and is expected to reach 11% (US$ 923 million) by 2029. As a source of foreign exchange earnings arising from visitor exports, the sector is currently contributing about 1.75% (US$ 40 Million) of the total exports for Malawi, with the potential to grow to US$50 million by 2029. In terms of employment, the tourism sector supported 524,000 jobs, of which 228,000 were direct jobs in tourism-related industries, representing 3.0% of total employment. By 2029, total employment is expected to rise to 715, 000 of which 312,000 will be direct jobs.

In the past decade, Malawi has been receiving an average of about 800,000 visitors annually. It is estimated that this number could increase to over 1.25 million visitors by 2029 if the tourism sector is nurtured sustainably. Out of the top 10 countries that frequently visit Malawi, about 75% of the visitors are from Africa. On average, 32% of the total visitors are from the neighbouring country of Mozambique.

ii) Malawi's Current Tourism Products

Lake Malawi: Together with its beaches and islands, the lake is the major tourist attraction and a prime lake-based tourism asset for Malawi. It is the fourth largest freshwater lake in the world by volume and the ninth largest lake in the world by area. It is also one of the deepest freshwater lakes in the World. Endemic cichlid fish species in Lake Malawi National Park (a UNESCO World Heritage site), diving, historical site tours, swimming, snorkelling and canoeing are some of the must-do activities and must-see places for lake tourism.

Nature and Wildlife Tourism: Malawi's five National Parks, four Wildlife and numerous Forest Reserves have immense wildlife diversity and remarkable significance in as far wildlife restoration is concerned. Malawi is also home to around 650 bird species, of which several are endangered or can be only found in the region. Activities in the protected areas include game viewing, game driving, walking safaris, boat safaris, bird watching and fish watching. The five national parks and four wildlife reserves spread across different climate zones, diverse landscapes and vegetation types include Nyika National Park, Lake Malawi National Park, Liwonde National Park and Kasungu National Park and Lengwe Nyika National Park, Majete

The National Tourism Investment Master Plan, therefore, aims to develop a 20-year roadmap that will guide systematic investments in Tourism and related sectors.

Wildlife Reserve, Mwabvi Wildlife Reserve, Vwaza Wildlife Reserve and Nkhotakota Wildlife Reserves.

The country also offers unique scenery, with every 100km changing the terrain and vegetation. Mulanje Mountain, Zomba Plateau, Nyika Plateau, Dedza, Dzalanyama, Kirk range and Viphya offer breath-taking scenic and panoramic views. These are forest reserves and offer bird watching, trout fishing, wildflowers, hiking and mountain climbing amongst other activities.

Cultural Tourism: Malawi offers unique and distinctive cultural experiences for regional as well as international tourists. Pre-historic tools and remains of hominids discovered at Malema in Karonga prove that the area could be the cradle of humankind. Karonga also has the remains of some of the earliest dinosaurs, which lived between 100 million and 140 million years ago. The Chongoni Rock Art is a World Heritage Site that features the richest concentration of rock art in Central Africa. A once-prosperous 19th-century slave depot for Arab slave traders, the Nkhotokota town offers a peek into the unique history of the slave trade. Malawi's historical sites are in the form of buildings that date from the colonial era. For instance, Mandela's house and compound in Blantyre, Livingstonia mission and stone house, slave house at Nguludi Mission, missionary sites at Cape Maclear, Likoma Island and Nkhotakota and other artefacts preserved in the museum of Malawi in Blantyre and Mangochi.

Malawi has a diversity of living traditions and culture manifested in dance, music, handicrafts, wood and carvings. The friendliness of the people is the biggest asset that earned Malawi the accolade "***The Warm Heart of Africa***".

MICE Tourism: Meetings, incentives, conferences and exhibitions (MICE) tourism involves bringing together large groups of travellers to a place. Malawi has facilities to host international conferences, exhibitions and events in its venues scattered across it.

Accommodation: Malawi offers a wide variety of accommodation for the tourists ranging from campsites and homestays to high-end luxury resorts with a high concentration of accommodation and rooms within the 3 main cities of Lilongwe, Blantyre and Mzuzu and lake shore districts of Mangochi, Salima and Nkhata Bay.

iii) Existing Tourism Circuits

The destinations in Malawi are classified according to Malawi's three regions - Northern region, Central region, and Southern region. Visitors who enter Malawi for business concentrate around the major cities of Lilongwe and Blantyre since they are commercial hubs with a well-established transportation system. The country is yet to develop the infrastructure present in the vast game reserves of East Africa and the world-class tourist facilities of southern Africa. Statistics show that Malawi sees a lot of road transit tourism, as compared to fly-in tourism. Lake Malawi has become the ultimate destination for backpackers crossing between eastern and southern Africa, with Lake Malawi National Park and Cape Maclear being the most visited tourist spots in the country. Additionally, the national parks and game reserves are popular among visiting Malawi for their pristine forests and rugged nature. The major tourists' circuits include **Zambia – South Malawi** through Chipata/Mchinji, **Lake Malawi-South Malawi, Lake Malawi Islands, Lake Malawi-Wildlife** and **Lake Malawi-North Malawi**.

iv) Key Success Factors

The success of the National Tourism Masterplan entails that Government addresses the bottlenecks that impede the growth of tourism as a multi-sectoral industry in order to create an enabling environment. Some of the Government deliberate interventions should include encouragement of meaningful participation of locals in running tourism ventures by encouraging joint ventures and incentivization schemes, institutional strengthening of the Department of Tourism to carry out its mandate effectively and efficiently, mainstreaming of tourism issues across all planning levels to facilitate the growth of tourism, development of a well-trained, qualified and professional workforce to deliver quality service, Increased utilisation of locally produced goods and services and promotion of domestic tourism, provision of specific investment incentives for priority projects and undertake reforms in land administration, and investment processes and issuance of business permits.

v) The Way Ahead Key Proposals

Sustainable Tourism development is the main thrust of this National Tourism Investment Masterplan. Sustainability rests on the pillars of environment, economy and community. Sustainable tourism strategies must aim to create a balance between economic development, socio-cultural justice and environmental conservation. Therefore, this Masterplan takes into recognition that Malawi's tourism assets are nature-based and is suitable for the growth of eco-tourism. The guiding principles of the National Tourism Policy and the linkages between tourism and the 17 sustainable development goals (SDGs) have also informed the development process of this Masterplan.

vi) Spatial Planning of Tourist Infrastructure and Nodes

Due to the linear size of Malawi, the "*Hub and Spoke*" model of spatial planning has been adopted to guide the development, whereas regional getaways will act as tourist hubs, surrounded by a cluster of tourism

destinations and products. The tourism hubs will help in the formation of clusters envisaged as communities of inter-related activities supported by the infrastructure of the Node.

The three main hubs of Mzuzu, Lilongwe, and Blantyre will enable regional growth in agglomeration since these hubs are well-connected to the hinterland and the nodes just as hubs are connected to spokes. The development of any node in the region would, in return, also consider the development of its connection to the nearest regional hub.

The 'Hub and Spoke' Model is envisaged to spur growth in the regions and help in clustering of the hospitality industry, thus ensuring efficiency in services. It will further strengthen the transportation infrastructure network along the tourism corridor that runs across the country from north to south along Lake Malawi.

Five spatial planning parameters have been used to identify nodes, namely:

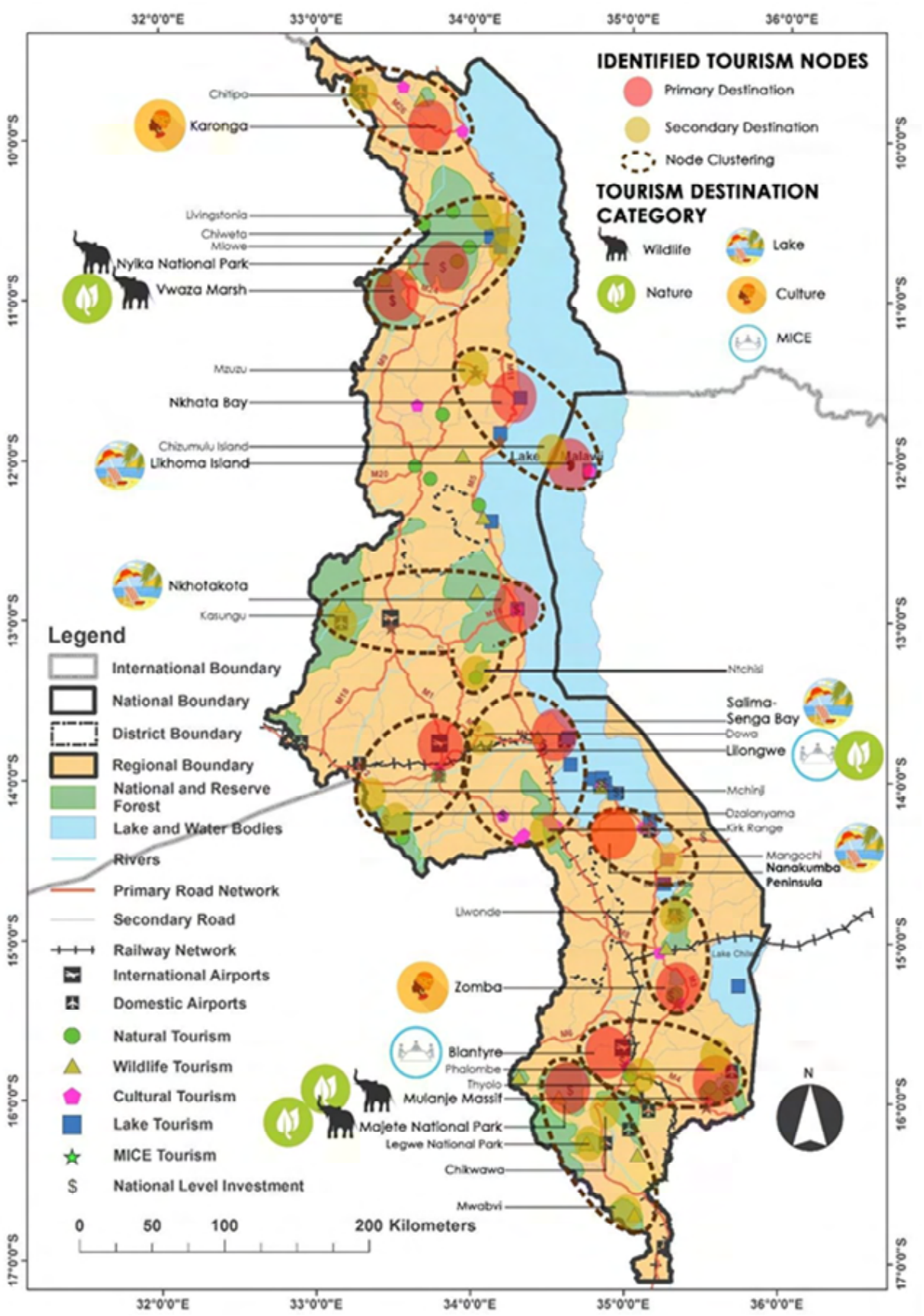
1. Spatial contiguity with three major hubs and emergent settlement hierarchy
2. Clustering of various tourism assets within one location
3. National level investment projects
4. Transportation Connectivity and the possibility for multi-modal augmentation
5. Existing Infrastructure status

The Ten (10) identified nodes (Table 1 and Map 1) have been equitably spread across the country and comprise existing areas of tourism importance and locations with massive potential for future development. The identified nodes function as clusters with primary and secondary destinations that will be supported by infrastructures such as transport, ICT, water, waste disposal and power, amongst others.

Table 1: Tourism Nodes in Malawi

S.No.	Identified Nodes	Primary Destinations	Secondary Destinations
Northern Region			
1	Nyika - Vwaza - Livingstonia - Chiweta - Mlowe	Nyika – Vwaza	Livingstonia - Chiweta - Mlowe
2	Likoma Island, Chizumulu Island, Nkhata-Bay and Mzuzu	Likoma Island and Nkhata-Bay	Chizumulu Island, Mzuzu
3	Chitipa and Karonga (Misuku hills and Songwe River basin)	Karonga	Chitipa
Central Region			
4	Lilongwe - Dzalanyama – Mchinji	Lilongwe	Dzalanyama – Mchinji
5	Kasungu - Ntchisi - Nkhotakota	Nkhotakota	Kasungu, Ntchisi
6	Salima - Dowa - Kirk Range - Lilongwe	Salima	Dowa, Kirk Range *(Lilongwe only to be included in this node as a gateway to this node)*
Southern Region			
7	Zomba-Liwonde	Zomba	Liwonde
8	Nankumba Peninsula and Mangochi	Nankumba Peninsula	Mangochi
9	Mulanje - Blantyre- Thyolo - Phalombe	Mulanje, Blantyre	Thyolo, Phalombe
10	Lower Shire (Chikwawa, Nsanje and Shire River)	Majete WR	Lengwe, Mwabvi, Chikwawa

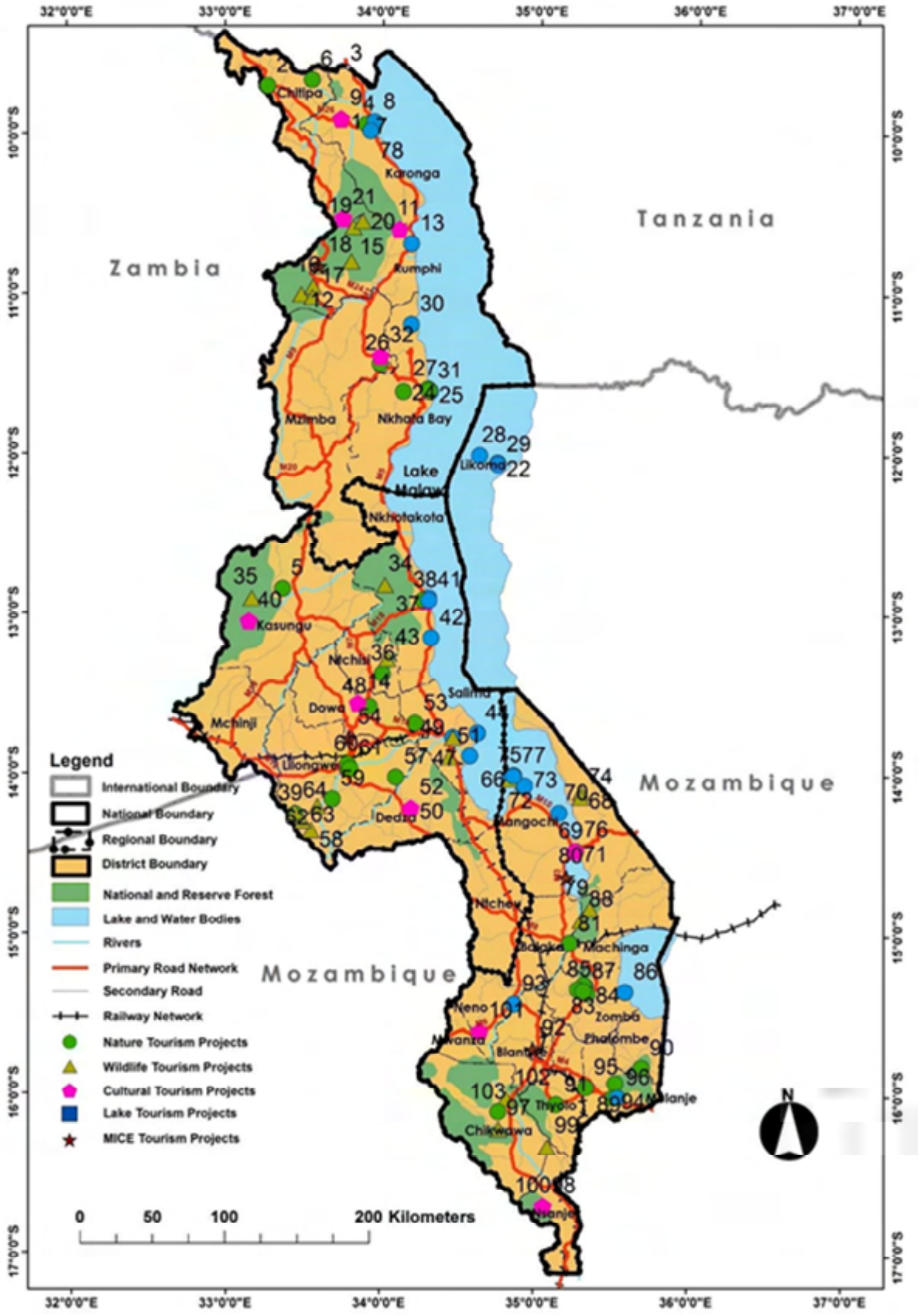
Map 1: Identified Tourism Nodes



vii) Recommended Projects – Tourism and Infrastructure

About 100 tourism projects (Map 2) have been identified and shortlisted from the 10 identified nodes for implementation over the lifespan of this Masterplan. In identifying these projects, consideration was made on each project's alignment to the Malawi 2063 vision and the National Tourism Policy, balancing the product lines, development of product (accommodation and experiences) across the different price segments, benchmarking with peer countries equitable distribution across the country.

Map 2: Identified Tourism Products



viii) Priority Projects

A list of 10 priority projects (Table 2) has been identified with an estimated value of US$ 228.07 million to be implemented over the short, medium and long term period of the masterplan. The criteria for the selection of priority projects are:

i. The project accentuates the unique selling proposition (USP) of a node and differentiates the node from others.
ii. The project has the potential to bring substantial socio-economic benefits to the node.
iii. The project develops on the unexplored potential of the node.
iv. The project is in alignment with priority development goals and the Government or local authority vision for the node.
v. Potential to bring in tourist numbers and revenue, and increase the location attractiveness of the node so that other projects in the vicinity of the priority project can thrive (For example, Likoma project can bring in location attractiveness/engagement activities so that planned lodges in the area can thrive).

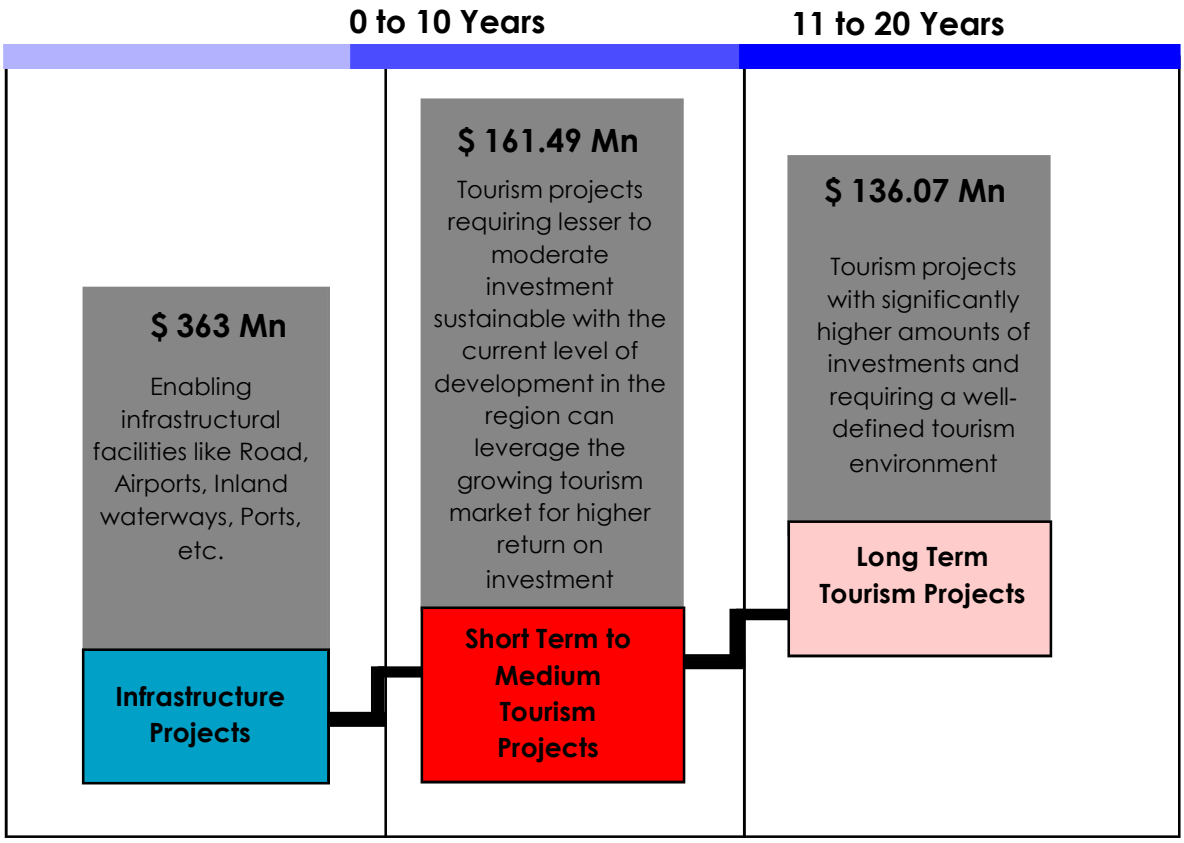
Table 2: The 10 Priority Projects

S.No.	Region	Node	Priority Project
1	Northern	Karonga-Chitipa	Transit Facility outside Songwe Border Post
2	Northern	Nyika-Vwaza-Livingstonia-Chiweta-Mlowe	New Mid-market Resort at Livingstonia in Rumphi district
3	Northern	Nkhata Bay-Likoma-Mzuzu	Activity Centre, Likoma Island
4	Northern	Nkhata Bay-Likoma-Mzuzu	Integrated Waterfront Development at Nkhata Bay Boma
5	Central	Nkhotakota – Kasungu - Ntchisi	A new tourism resort and houseboat harbour Nkhotakota
6	Central	Lilongwe-Dzalanyama	The Lilongwe River Board Walk
7	Central	Salima-Dowa-Kirk Range-Lilongwe	Integrated Tourism Facility in Maganga at Salima
8	Central	Nankumba Peninsula - Mangochi	Golden Sands Development at Cape Maclear
9	Southern	Mulanje-Blantyre-Thyolo-Phalombe	Integrated Cable Car Resort on Mount Mulanje
10	Southern	Liwonde - Zomba Lower Shire: Chikwawa -	The Shire River Waterfront

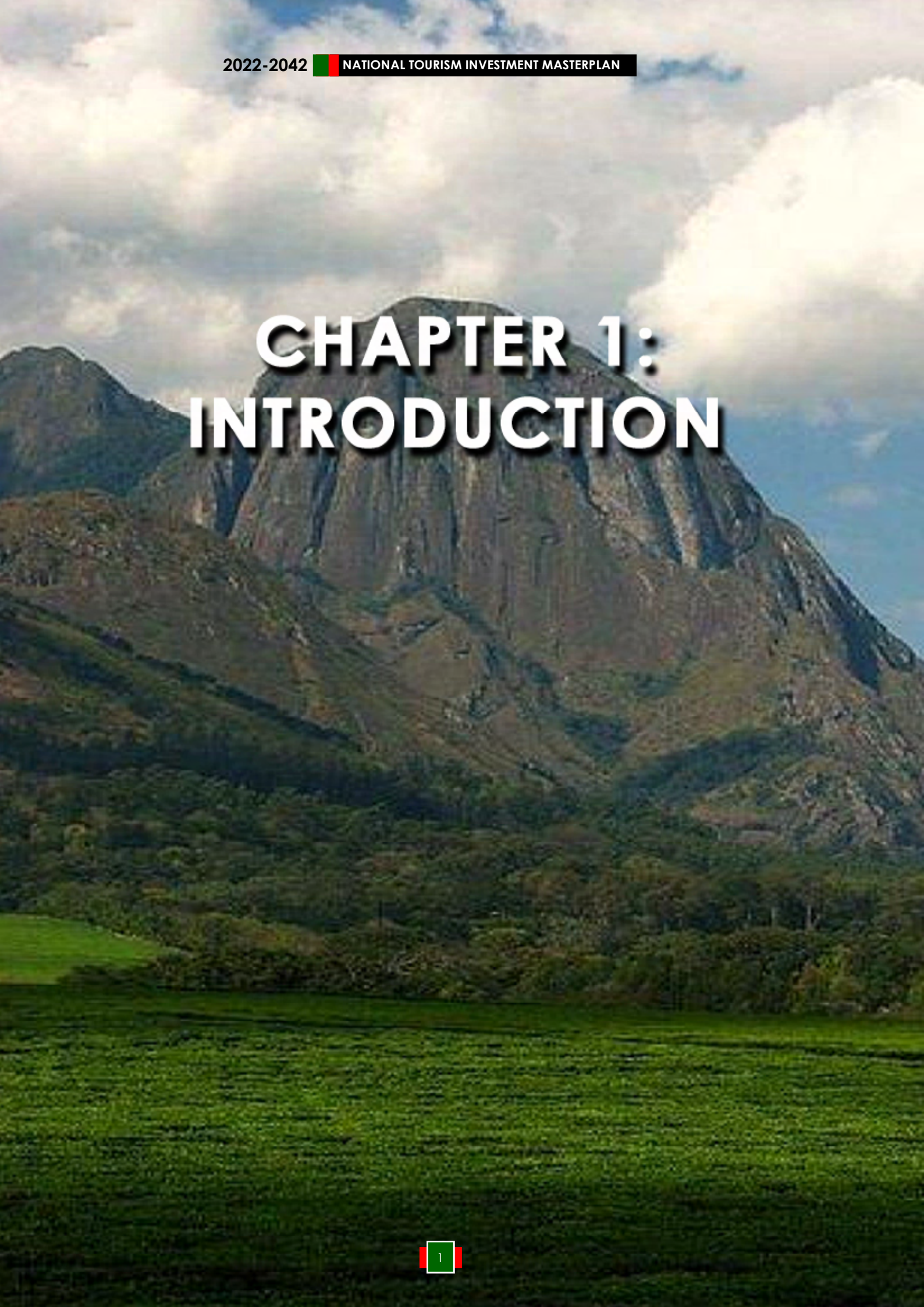
iX) Implementation Plan for the projects

The infrastructure and tourism projects have been planned over a timeline of 20 years based on the amount of investment required, implementation timeline, and the development in the particular node needed to be attained for the successful execution of the project, as shown below. The investments will take different modes: public, private, or as a partnership between both public and private stakeholders. Refer to Figure 1.

Figure 1: Investment Strategy for Short, Medium and Long Term



Uptake of these investment opportunities will be promoted locally and internationally by the Malawi Investment and Trade Centre and the Ministry of Tourism through various investment promotion activities like participation in investment forums, trade and travel shows, road shows, website presence and social media campaigns. Malawi's foreign missions abroad will also provide another avenue for the promotion of the projects.



CHAPTER 1: INTRODUCTION

1. INTRODUCTION

1.1 Background

The Government, through the Ministry of Tourism, Culture and Wildlife, has developed the Malawi National Tourism Investment Master Plan, which lays out a framework of tourism investment strategies that will continue to transform Malawi into a preferred national and international destination. The Master Plan aims to assist the Ministry, as well as other institutions, to target national and foreign investors for the development of the tourism sector in support of the national development vision as set out in Malawi 2063 (MW 2063). The tourism vision of developing inclusive tourism to make Malawi a preferred tourist destination with well-conserved wildlife resources and unique cultural heritage provides a framework consistent with the aspirations for the sector.

The purpose of this Plan, therefore, is to develop a 20-year roadmap that will guide investments into Tourism and related sectors in line with the MW2063. The plan reflects on key proposals for identifying tourism nodes at the country level and linking them with infrastructure provisions and requirements. The Plan also analyses the settlement patterns and develops an understanding of regional indicators that are driving the process of Urbanization in Malawi.

...this Master Plan seeks to build and upscale the implementation of tourism programmes through a focused and prioritized approach that is designed to deliver a more competitive, sustainable and inclusive tourism sector.

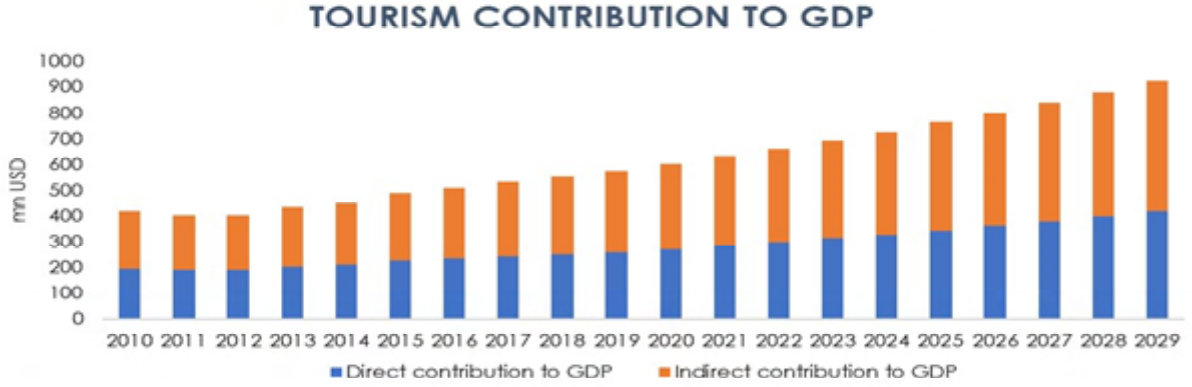
The Malawi National Tourism Investment Master Plan aligns with the Malawi 2063 (MW2063) Vision which has identified Urbanization as a key pillar for achieving wealth creation and self-reliance aspiration. Tourism is a key component under the third pillar on urbanization since it is a catalyst. The Plan also aligns with global, regional and national development policies, plans and strategies, including the Sustainable Development Goals (SDGs); African Union Agenda 2063, SADC Tourism Programme 2020-2030. National Tourism Policy; Eco-tourism Development Strategy; Malawi Tourism Marketing Strategy Framework and, Domestic Tourism Marketing Strategy.

Malawi has a wealth of natural, cultural, and man-made attractions which remain untapped for tourism development. To harness its potential, this Master Plan seeks to build and upscale the implementation of tourism programmes through a focused and prioritized approach that is designed to deliver a more competitive, sustainable and inclusive tourism sector.

1.2 Overview of the Tourism Sector

In the past decade, Malawi has been receiving an average of about 800,000 visitors annually. It is estimated that this number could increase to over 1.25 million visitors by 2029 if the tourism sector is nurtured sustainably. Out of the top 10 countries from which visitors frequent Malawi, about 75% of the visitors are from within Africa. On average, 25% of the total visitors are from the neighbouring country of Mozambique. The tourism sector has the potential to drive the economy. Currently, its total contribution to GDP is 7.7% (2018) and is estimated to rise by 4.7% per annum and reach 11% (US$ 923 million) by 2029. This also includes a significant indirect contribution, which currently is over 50% of the sector's total contribution (Refer to figure 2).

Figure 2: Tourism Contribution to GDP



*Forecast based on WTTC Data

The sector is also a source of foreign exchange earnings from visitor exports. Currently, the sector contributes about 1.75% (US$ 40 Million) of the country's total exports. As international visitors continue to grow, the foreign currency generated by these visitors is projected to reach US$ 50 Million by 2029 (Refer to Figure 3)

Figure 3: Visitor Exports (DATA SOURCE: WTTC)

As a labour-intensive economic sector, job opportunities have the potential to grow substantially if the development in the tourism industry is sustained in the coming years. In 2018, the tourism sector directly supported 228,000 jobs representing 3.0% of total employment. This is expected to rise by 2.9% per annum to 312,000 jobs by 2029. Beyond the direct impact, tourism reaches to other sectors such as construction, manufacturing, and IT services having a multiplier effect along the value chain. It is estimated that every job in the core tourism sector creates about 1.5 additional indirect jobs in the tourism-related economy. In 2018, tourism indirectly supported over 296,000 jobs and was estimated to grow to over 402,000 jobs. By 2029, the sector has the potential to support 715,000 jobs both directly and indirectly. Thus, with technology and innovation propelling this sector in line with the Master Plan, there are so many

As a labour-intensive economic sector, job opportunities have the potential to grow substantially if the development in the tourism industry is sustained in the coming years. In 2018, the tourism sector directly supported 228,000 jobs representing 3.0% of total employment. This is expected to rise by 2.9% per annum to 312,000 jobs by 2029. Beyond the direct impact, tourism reaches into many other sectors such as construction, manufacturing, and IT services, having a multiplier effect along the value chain. It is estimated that every job in the core tourism sector creates about 1.5 additional indirect jobs in the tourism-related economy. In 2018, tourism indirectly supported over 296,000 jobs and was estimated to grow to over 402,000 jobs. By 2029, the sector has the potential to support 715,000 jobs both directly and indirectly.

It is estimated that every job in the core tourism sector creates about 1.5 additional indirect jobs in the tourism-related economy.

Thus, with technology and innovation propelling this sector in line with the Master Plan, there are many new employment opportunities in the country's tourism that, if well-regulated to safeguard quality, it has the potential to make a huge impact on job creation across the value chain and the economy.(Refer to Figure 4)

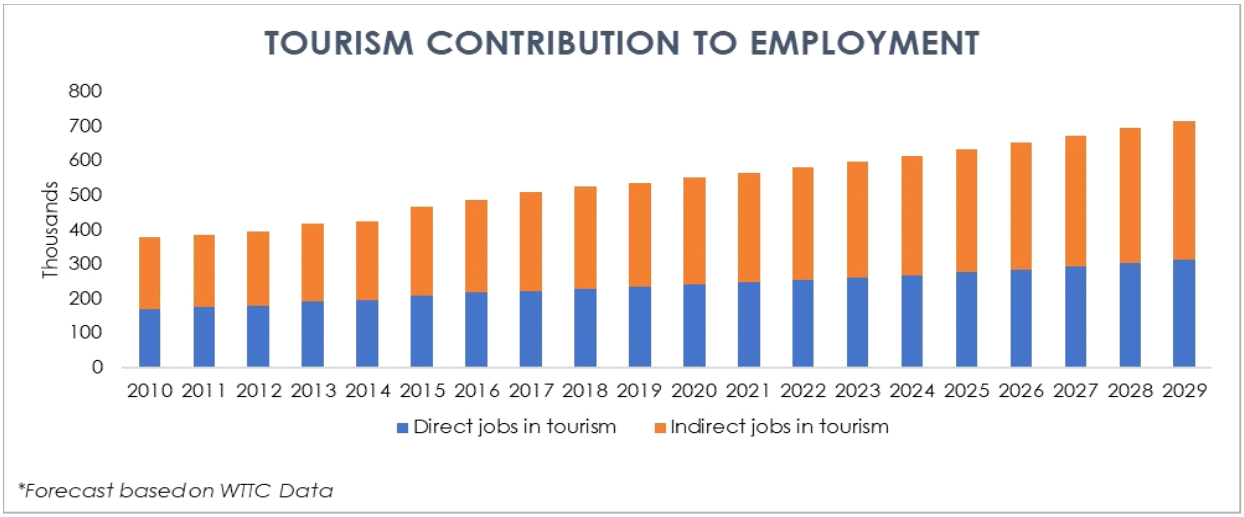


Figure 4: Tourism Contribution to Employment

1.3 Rationale

Malawi is endowed with rich natural, cultural and historical resources such that tourism is identified as having an immense potential to contribute to inclusive wealth creation and self-reliance. However, most of these are not fully developed for tourism purposes. Furthermore, rapid population growth and climate change continue to put pressure on these resources. In areas where tourism development has taken place, the development has been haphazard, resulting in incompatible land use. The sector also faces challenges in terms of tourism support infrastructure and services such as access roads. Efforts have been undertaken to consolidate the gains already made and adopt a more strategic and innovative approach in exploring new tourism opportunities. The country needs to pursue inclusive growth, which will be done by expanding community participation across the full range of facilities and services planned in the tourism circuits and development areas. This requires infrastructure development necessary to address problems of inadequate access, poor infrastructure and lack of utilities, especially in remote areas.

The Master Plan also aims at realizing the MW2063's aspiration of transforming Malawi into a regional and international tourist hub.

It is with this background that the Government of Malawi, through the Ministry of Tourism, Culture and Wildlife, developed the National Tourism Investment Master Plan. The Master Plan, therefore, aims to provide a 20-year roadmap that will guide investments in the Tourism and related sectors. Through the Master Plan, Government seeks to boost investments in the tourism sector by identifying national priority projects for implementation with support from the private sectors, a developing incentive structures and framework for zoning of land for tourism projects. In line with the Vision, the Master Plan will also focus on empowering rural communities by engaging them in ancillary services such as restaurants, art, accommodation, transportation, and tour guide services, among others. The Master Plan also aims at realizing the MW2063's aspiration of transforming Malawi into a regional and international tourist hub.

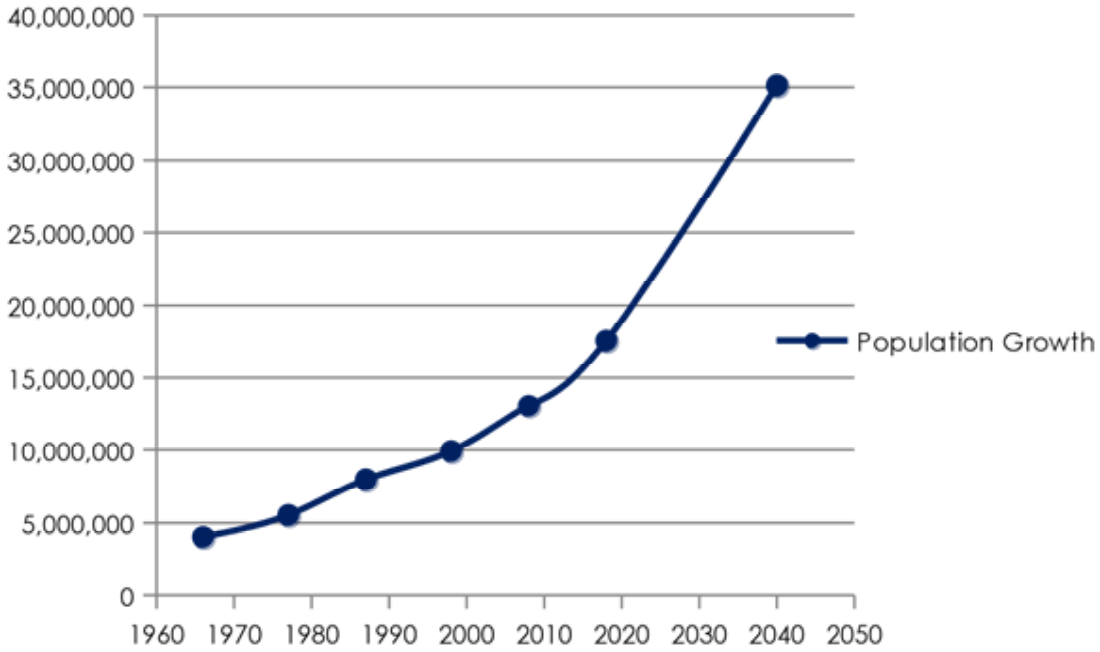
CHAPTER 2: SOCIO-ECONOMIC PROFILE

2. SOCIO-ECONOMIC PROFILE

2.1 Emergent Demographic Pattern

Malawi has a youthful population which is its greatest resource. With almost half (47%) aged below 18 years. If properly nurtured and supported, the youth will positively contribute to the country's socio-economic development. The population of Malawi in 2008 stood at 13,029,498 and has grown to 17,563,749 people in 2018, representing an overall decadal growth rate of 35%. With a similar growth rate, the population is likely to double by 2040, as projected in Figure 5 below.

Figure 5: Malawi Population Growth



Data Source: Malawi Population and Housing Census 2018 (National Statistics Office)

2.1.1 Population Growth

According to the National Statistical Office (2019), Malawi's population has grown by close to 4 times since 1966 and 1.3 times since 2008. The total population increased by 35 % between 2008 and 2018, representing an intercensal growth rate of 2.9 % per annum. The Central region had the highest intercensal growth rate of 3.1% per annum, followed by the Northern Region at 3.0% and the Southern Region at 2.7%. Among the cities, Mzuzu experienced the highest intercensal growth rate at 5.4%, followed by Lilongwe at 3.8%, Zomba at 2.5%, and Blantyre at 2.0%. At the District level, Machinga had the highest intercensal growth rate of 3.9%, followed by Mangochi at 3.6%. Thyolo had the lowest intercensal population growth rate of 2.0%. The sex ratio is 94.2 at the national level as per the 2018 Census. The four major cities of Lilongwe, Blantyre, Mzuzu, and Zomba have more males than females, while data shows that there are more females in the country's rural areas.

2.1.2 Population Distribution

Eighty-four% (84%) of the population lives in the rural areas of the country, while 16% of the population lives in urban areas. The 2018 Census shows that Lilongwe rural has the highest proportion of the population at 9.3%, followed by Mangochi at 6.5% and Mzimba at 5.4%. Likoma has the lowest proportion of the population at 0.1%. In a period of 10 years, the urban population in Malawi increased from about 2.0 million to 2.8 million in 2018. However, the increase, as a proportion of the national population, has risen marginally, from 15.3% to 16% during the same period. Refer to Figure 6 below.

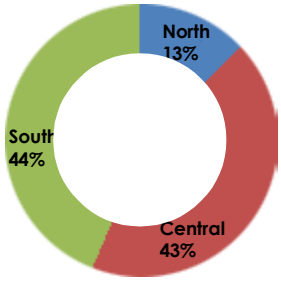


Figure 6: Region-wise Share of Population 2018

2.1.3 Population Density

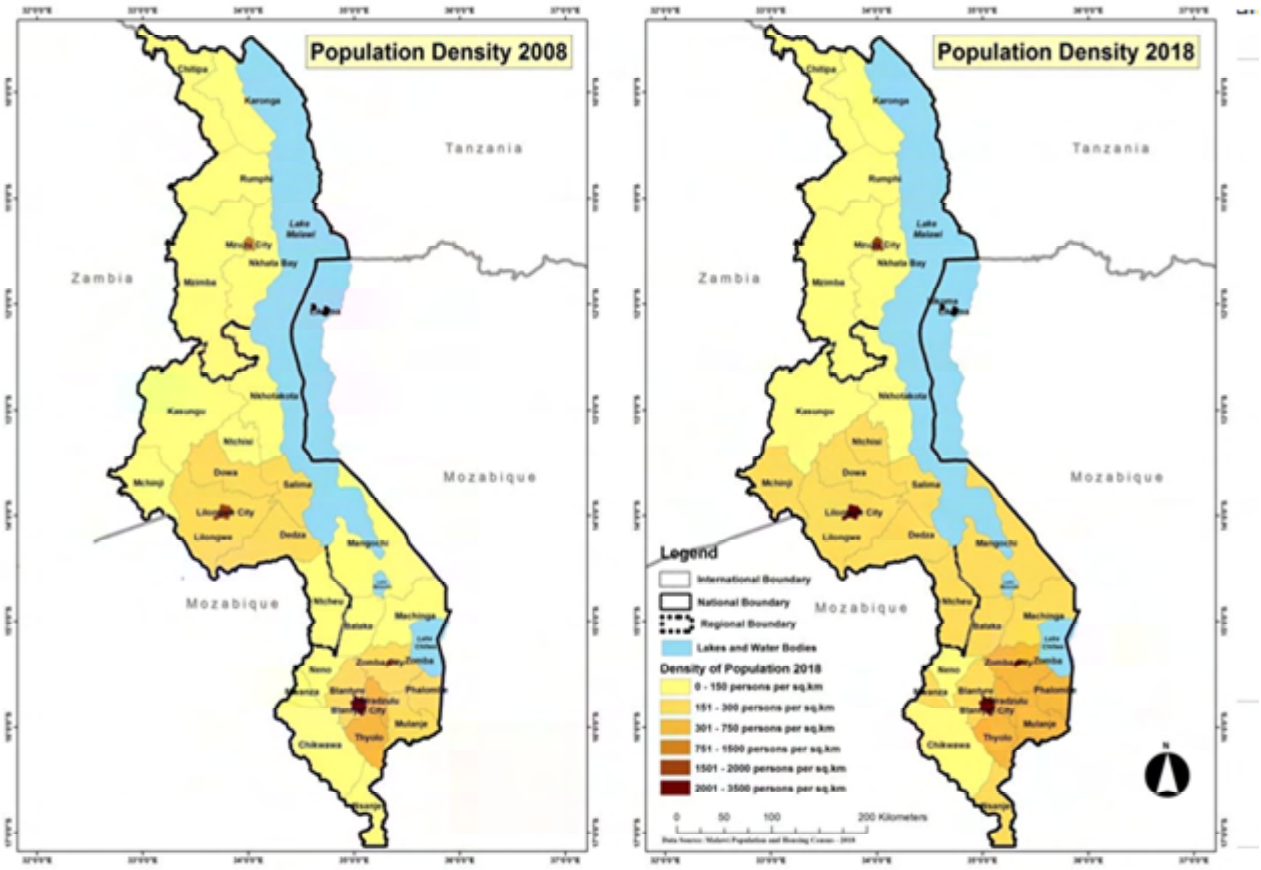
The country's population density increased by 35 %, from 138 persons per square km in 2008 to 186 persons per square km in 2018. Among the districts, Likoma has the highest population density of 726 persons per square km, followed by Chiradzulu and Thyolo, which have 469 and 433 persons per square km, respectively. Rumphi district has the lowest population density of 50 persons per square km, followed by Chitipa with 54 persons per square km. Among the four major cities, Mzuzu has experienced a maximum increase in density between 2008 and 2018 (Refer to table 3)

Table 3: Population Density Comparison of Major Cities in Malawi

S.No.	City Name	Population Density- persons per km²		Increase in Density (%)
		2008	2018	
1.	Lilongwe	1661	2455	48 %
2.	Mzuzu	874	1516	73 %
3.	Blantyre	2704	3334	23 %
4.	Zomba	1941	2500	29 %

Data Source: Malawi Population and Housing Census 2018

Map 3: Spatial comparison of District Density(2008 vs 2018)



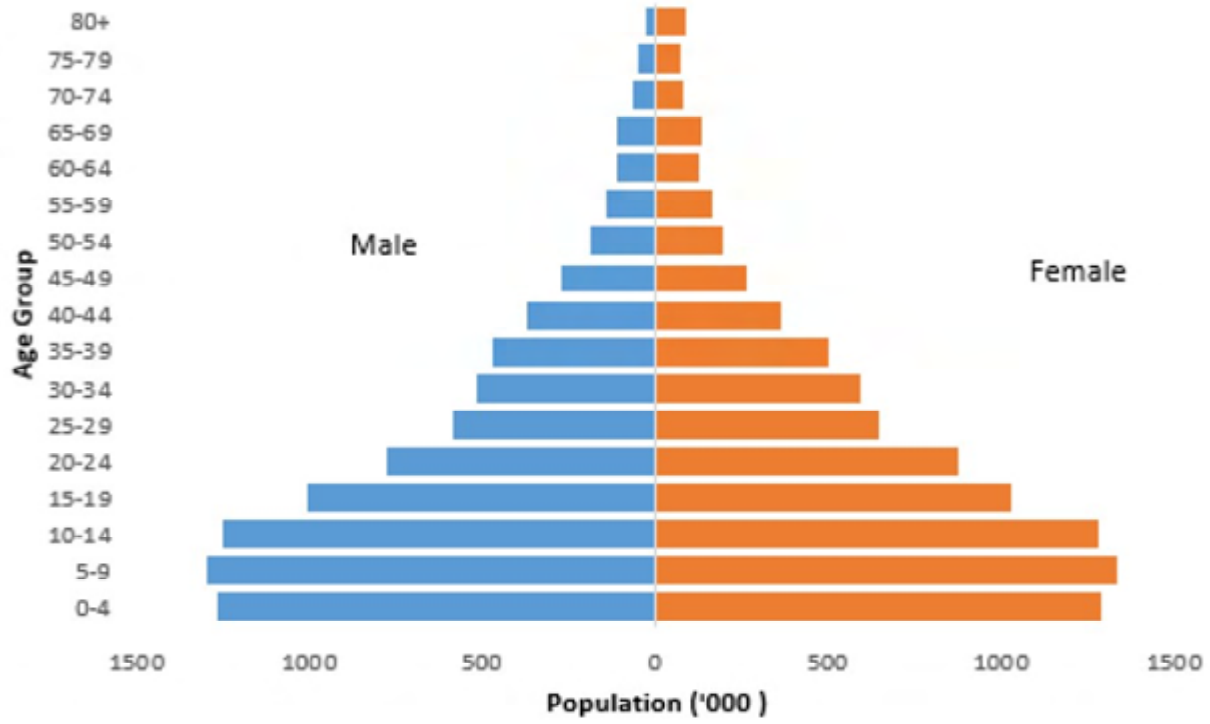
On spatial comparison, the population densities between 2008 and 2018, it is evident that among the four major cities, Mzuzu (73% decadal increase) and Lilongwe (48% decadal increase) have experienced a maximum rise in population density. As an emergent pattern that is interesting to observe, the districts

around Blantyre (Mulanje, Phalombe, Thyolo) and Zomba (Machinga, Mangochi, Balaka) have increased in density, almost forming agglomerations. This further reinforces the fact that the country has been experiencing southern region-dominated urbanization for decades (Refer to Map 3).

2.1.4 Age and Sex Distribution

The census shows that in Malawi, 2.6 million people were under five years, 6.3 million people were between 5 and 17 years, and about 8.7 million were aged 18 years or more. The median age of the population in Malawi is 17.2 years. The Age-Sex pyramid shows that Malawi's population is still youthful and transitioning from high fertility to low fertility, as is confirmed by the narrowing base of the population aged 0-4 years (Refer to Figure 7). It is a striking fact and a great opportunity that 51% of the country's population is below the age of 18. The magnitude of the demographic dividend that can be earned can be enhanced if the change in the age structure of this young population is accompanied by sustained investments and improvements in education, skills development, public health, economic growth, and most importantly, job creation.

Figure 7: Age-Sex Pyramid



Source: Malawi Population and Housing Census 2018

2.1.5 Religion and Tribe Classification

Malawi is a God-fearing nation, comprising 77.3% of the population as Christians and 13.8 % Muslims. Of the 17,563,749 million residents, 3.0 million (17.2%) were Roman Catholics, 2.5 million (14.2%) belonged to Church of Central African Presbyterian (CCAP), 2.4 million (13.8%) were Moslems, 1.6 million (9.4%) were Seventh Day Adventist/Baptist/Apostolic, 4.7 million (26.6%) were other Christians denominations, 5.6% were population with other non-Christian denominations and 0.4 million (2.1%) had no religion.

Malawi is characterized by various tribes. The Chewa tribe is the largest, constituting 40% of the total population, followed by the Lomwe tribe, which makes up for 22% of the population (Refer to Figure 8).

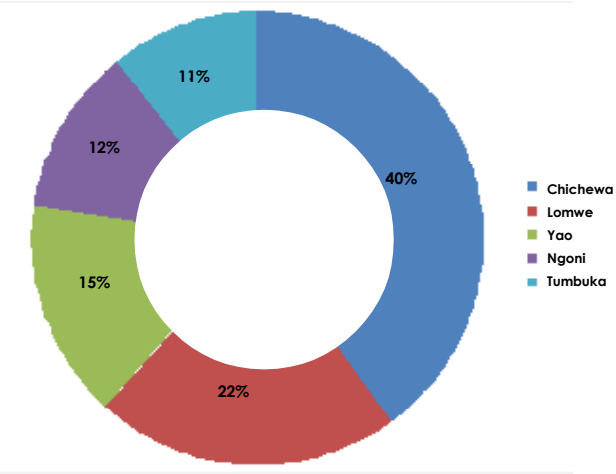


Figure 8: Demographic classification based on Tribe

2.1.6 Literacy Rate

According to the definition adopted by the census of literacy, a person is considered literate if he or she is reported to read and write a simple sentence in any language. As per the 2018 Census, of the 15.0 million people aged five years and older, 10.3 million persons are literate, representing a 68.6% literacy rate. At the district level, Likoma has the highest literacy rate of 85%, followed by Rumphi (83%) and Chitipa (80%). Mangochi has the lowest literacy rate of 53%, followed by Nsanje (56%) and Machinga (57%). In the four cities of Mzuzu, Lilongwe, Zomba, and Blantyre, in terms of literacy rate, Mzuzu has the highest literacy rate of 91%, followed by Zomba and Blantyre (90%), and then Lilongwe at 87%. This clearly indicates that the cities attract the literate population of the country to take up skilled jobs.

...the country mostly exports agricultural commodities comprising about 80% of total exports. Tobacco is the most important export from Malawi, accounting for more than half of the exports.

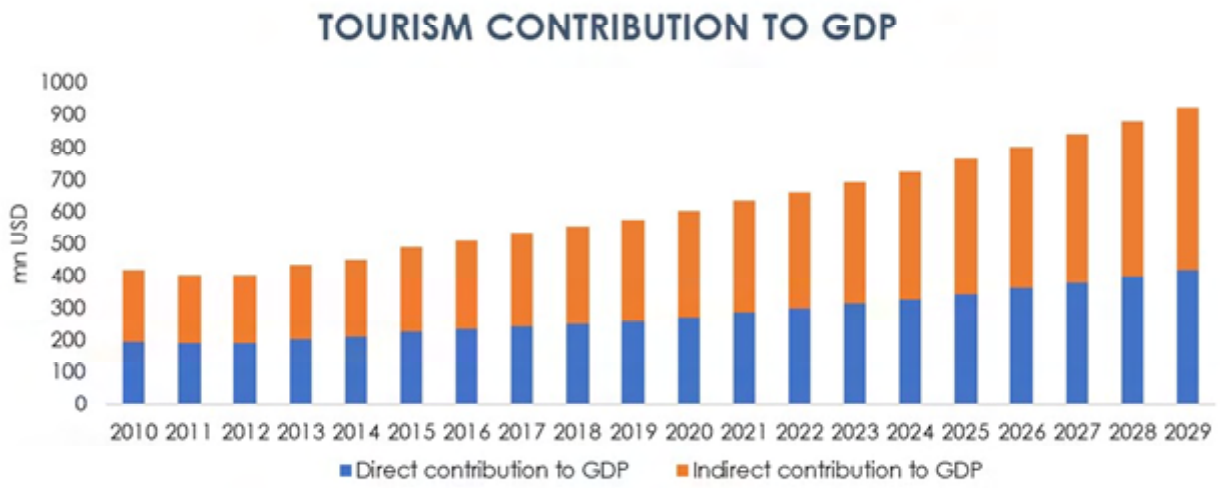
On comparing literacy rate and unemployment rate across districts, what is important to note is that despite districts in the Northern Region had a very high literacy rate, they also have the highest unemployment rate. This reinforces the fact that there is a difference in opportunities between the North and Southern parts of Malawi (Please refer to Map 4). The Southern Region has a relatively low unemployment rate, although it has a very low literacy level. The equitable distribution of employment opportunities and economic development is one of the major contributing factors for identifying recommended tourism development projects covered later in the document.

2.2 Economy

Malawi is a peaceful country with an economy that is predominantly agricultural-based, with 80 per cent of the population living in rural areas. As of 2018, the country's GDP stood at US$ 7.065 billion (World Bank). Agriculture and allied activities contribute 26 % of the GDP, with Industry contributing 14%, whereas Services account for 52% of the GDP. Services are largely dominated by retail and wholesale trading. Other important economic sectors are tourism, transport, education, health services, telecommunication, and banking. Exports contribute to 29% of the GDP (World Bank, 2018). the country mostly exports agricultural commodities comprising about 80% of total exports. Tobacco is the most important export from Malawi, accounting for more than half of the exports. Other commodities exported are tea, sugar, cotton, coffee, peanuts, wood products, apparel, and uranium.

The total contribution of Travel & Tourism to the national GDP in 2018 was US$ 530 million, comprising about 7.7% of total GDP. Tourism and Travel's contribution is estimated to rise by 4.7% per annum and reach US$ 923 million in 2029. This also includes a significant indirect contribution, which currently is over 50% of the sector's total contribution. Refer to Figure 9.

Figure 9: GDP contributions by the Tourism Sector in Malawi



*Forecast based on WTTC Data

...tourism facilitates innovation and discovery of new entrepreneurial activities in the economy

As per the 2018 Census, out of the labour force of 6,614,065 people, 5,389,463 (81.5%) are employed and 1,224,602 (18.5%) are unemployed. As per the Census definition, "Unemployed were persons who during the reference period of seven days did not work even for an hour but were available for work". The labour force participation rate at the national level is 72%, 69% for urban areas, and 73% for rural areas.

Besides facilitating economic activity in general, tourism facilitates innovation and discovery of new entrepreneurial activities in the economy because it gives businesses exposure to foreign consumers and thus information about the nature of demand in foreign markets.

2.3 Household Business Ownership

The country has vibrant micro, small and medium-term enterprises (MSME sector), which creates employment for just over a million people. Out of 3,984,981 households in Malawi, 651,357 households operate a business representing 16.3% of all the households. Forty-four% (44%) of the businesses owned by households sell products in the same form that they were bought, 16% buy products to sell but add value before selling, 15% make products and sell, 7% grow and sell, while 15% of household indicated that they were re-selling products after re-packing, re-grading, or cooking, which entails light manufacturing, especially given that trading in foodstuff is widespread in Malawi. It is important to note that only 0.2% of the total households render tourism-related services (Refer to Figure 11). In terms of the spread of enterprises within districts, the maximum concentration is found in Lilongwe and Blantyre Districts.

Figure 10:Percentage of Households by core business activities 2018

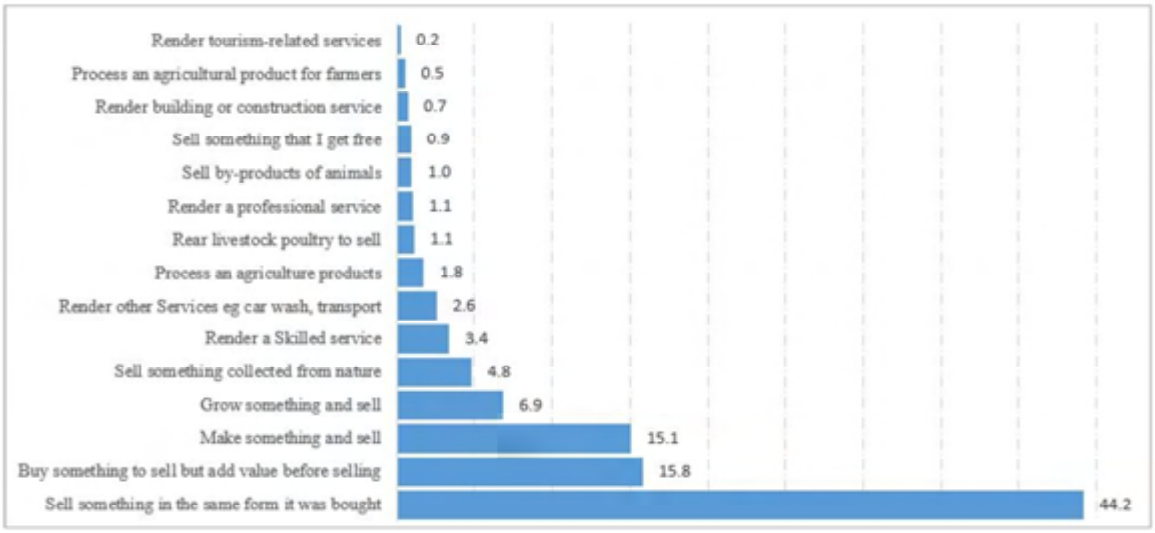


Figure Source: Malawi Population and Housing Census 2018

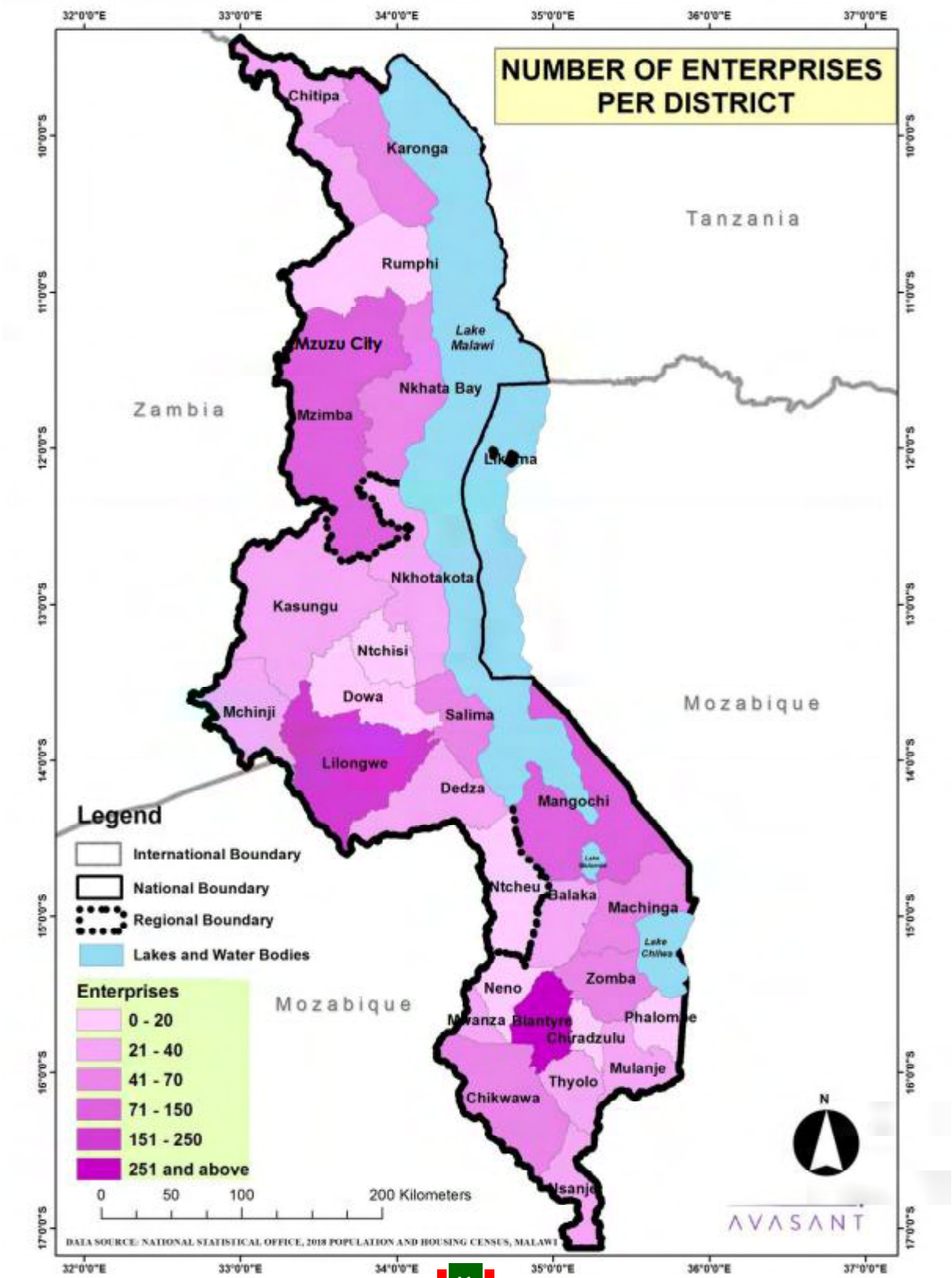
2.4 Healthcare

Currently, the Government operates a three-tier health system. The first tier is primary healthcare which meets the needs of general medical care, which includes community and rural hospitals and maternity units. The second tier consists of district hospitals serving patients who receive a referral from their primary care physician to receive specialized services. The final tier is tertiary care provided by central hospitals, which covers extreme conditions that require highly specialized care, such as treatment for specific diseases. The linkage for these services comes through an elaborate referral system that trickles down the health system.

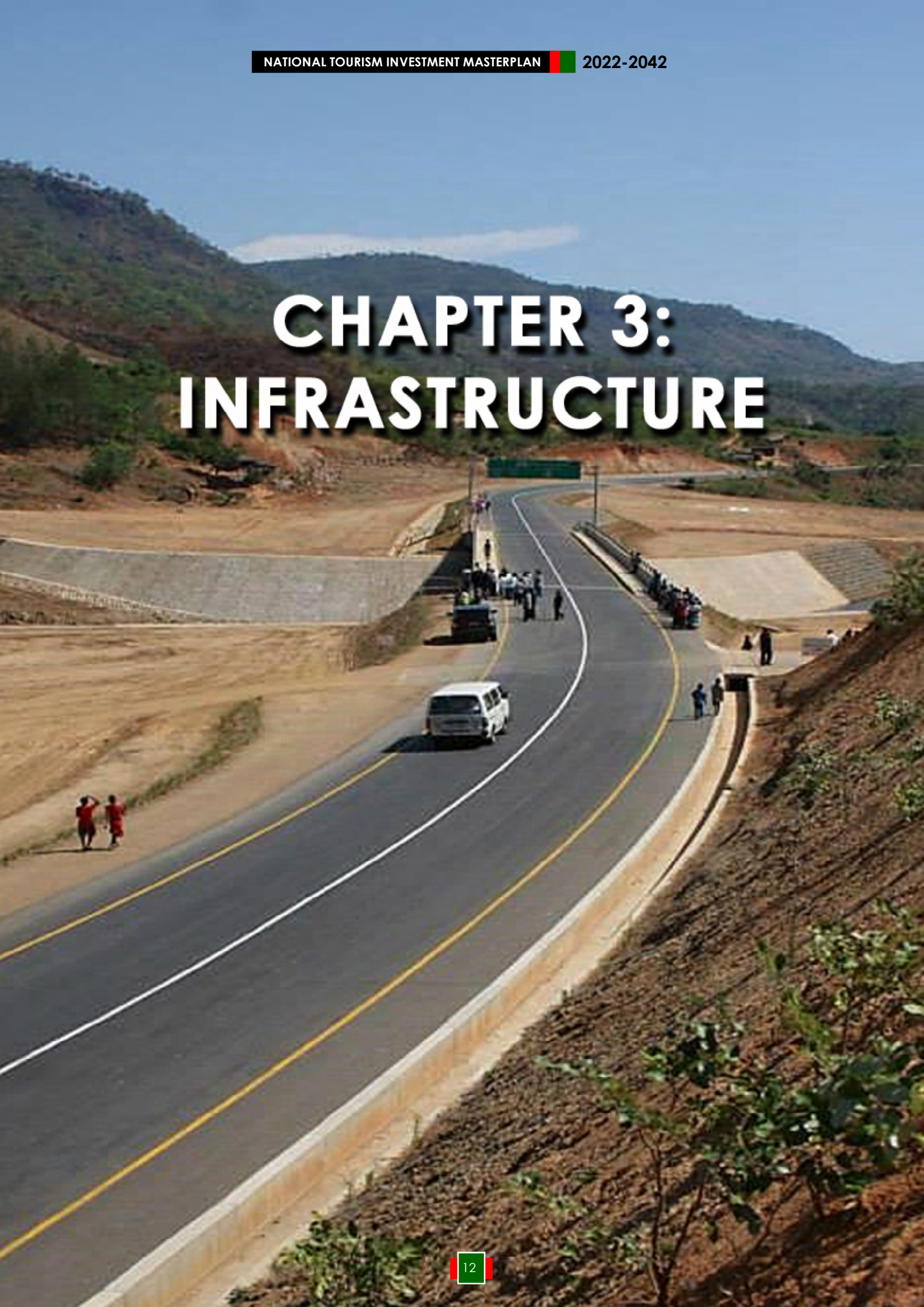
Currently, the Government operates a three-tier health system.

Further analysis on the availability of healthcare facilities district-wise, it is evident that Central Malawi has fewer health care facilities (Refer to Map 4). A recent UNICEF health facility mapping study identified the proportion of the population of Chitipa, Kasungu, and Mzimba-South not to be in an 8 km radius of a health care centre (as per Ministry of Health, Malawi standard). The proportion of the population living within an 8 km radius of health facilities, health centres and hospitals) stands at 90% in 2016, increasing from 81% in 2011. This indicates that there is still a proportion of under0served populations, especially those residing in the rural and hard-to-reach areas.

Map 4: District-Wise Distribution of Healthcare Centers in Malawi



CHAPTER 3: INFRASTRUCTURE

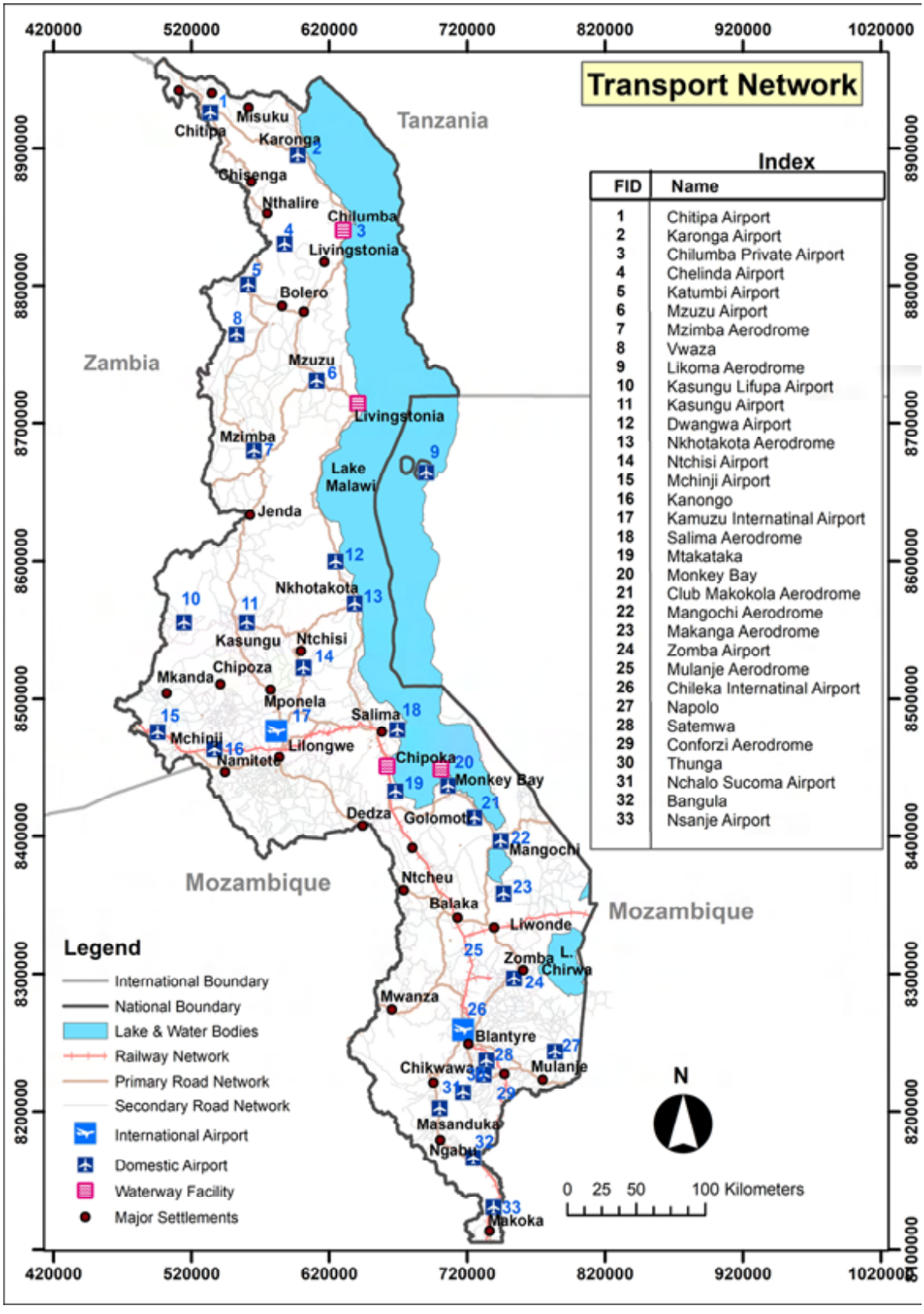


3. INFRASTRUCTURE

3.1 Transportation Infrastructure

Access to a transport network has been consistently associated with a positive correlation between urbanization and development. There are considerable cross-sector linkages between the transport and tourism sectors. For instance, an improvement in the transport infrastructure and services can have a positive impact on tourism by providing access to tourist assets, thereby boosting the local economy. Malawi's mobility is characterized by 4 major transport modes, namely Road, Railway, Water, and Air. Furthermore, the urbanization pattern in Malawi is characterized by four major cities, namely Lilongwe, Blantyre, Mzuzu, and Zomba. The means of transport within these cities show the majority making walking trips, followed by minibus and cycling. Very limited trips are made using private vehicles, with just 2.4% of the population owning private vehicles.

Map 5: Transport Network of Malawi

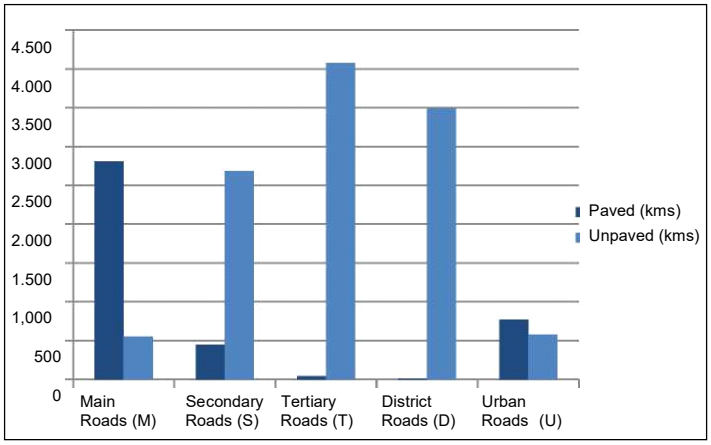


Source: Malawi National Transport Masterplan

3.1.1 Road Transportation

The national classified road network totals 15,451 km, comprising Main (21.7%), Secondary (20.2%), Tertiary (26.7%), District (22.7%), and Urban (8.7%) roads. Only 26% of the national classified road network is paved. According to 2014 data, almost 82% of the paved road network in Malawi is in good or fair condition (IRIB <5.0). There is a large proportion of secondary, tertiary, and district roads, which are unpaved. The Main Roads traverse the entire length and breadth of the country, adding up to 3,468 km of the arterial road network. The M1 is the longest road among the major networks connecting the Songwe International boundary in the Northern Region to Marka in the South (1,108 km) (Refer to Figure 12, Map 6 and Annexure 12.1).

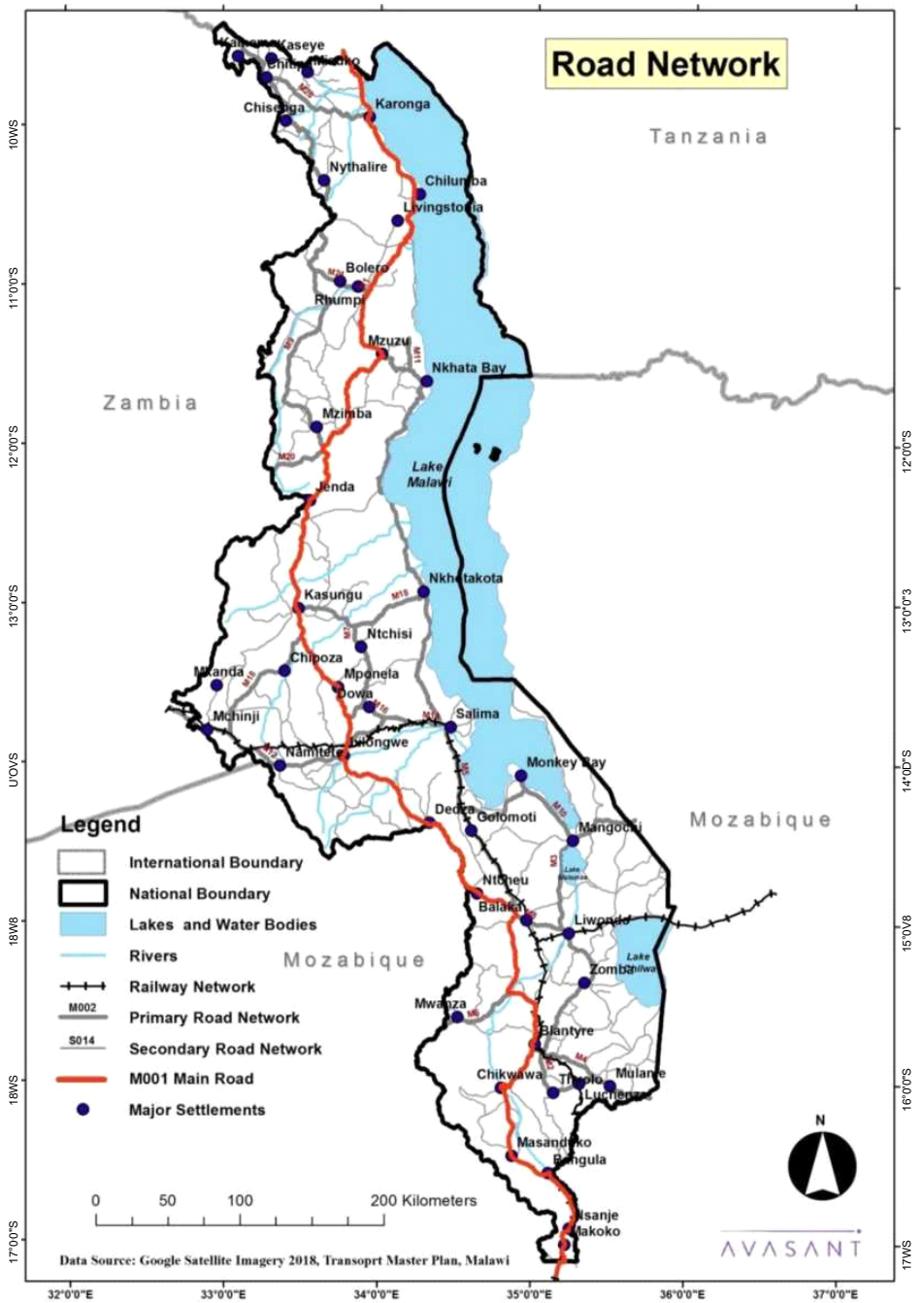
Figure 11: Road Network Type



Data Source: Malawi Transport Master Plan 2017-2037

The M1 is the longest road among the major networks connecting the Songwe International boundary in the Northern Region to Marka in the South (1,108 km)

Map 6: Rail and Road Network Map



Data Source: Malawi Transport Master Plan (2017-2037)

3.1.2 Railway Transportation

Malawi's rail network is not comprehensive, only serving the Central and Southern Regions of the country. Most of the network is used predominantly for freight, with only the Limbe – Balaka - Nayuchi sections offering passenger services, as shown in Table 4.

Table 4: Details of Railway Infrastructure

S.No.	Key Features	Nkaya- Kachaso	Nkaya-Nayuchi	Nkaya-Limbe-Marka	Nkaya-Mchinji/ Chipata
1	Total length	130.5 km	99 km	297 km*	400 km
2	Maximum line speed	70 kmph	70 kmph	50 kmph	50 kmph
3	Haulage time	2-3 hrs	3-4.5 hrs	5-7 hrs	20 hrs
4	Maximum axle load	20.5 tonnes	20.5 tonnes	18 tonnes	15 to 18 tonnes
5	Track	Single	Single	Single	Single
6	Passing loops	5	6		
7	Concession	Vale Logistics Limited / Corridor Logistico Integrado de Nacala	Central East African Railways	Central East African Railways	Central East African Railways
8	Condition	Good	Good	Nkaya-Limbe: fair, ongoing improvement work Limbe Makhanga:Closed	
				Makhanga-Marka: closed	

* Including 120.6 km of the non-operational section

Focus areas for Improvement in the rail transport sub-sector include:

- Need for extensive network coverage throughout the country;
- Skill gaps and shortage of local expertise and resources in critical areas of rail operation and management;
- Need for strengthening the institutional framework of the Ministry of Transport & Public Works (MoTPW);
- Lengthy and inefficient procedures at border crossings;
- Gaps in the regulatory framework; and
- Need for a significant integration with other transport modes in the country.

3.1.3 Air Transportation

Malawi has a total of 44 aerodromes, 5 of which have paved runways. Lilongwe (Kamuzu International Airport) and Blantyre (Chileka International Airport) are the two primary international gateways for air passengers. Several countries are accessible by air from Malawi within the one, two and three-hour zones. Regional Airports that are within the one-hour zone include Lusaka and Harare. Two-hour flight zones include Johannesburg, Nairobi, Dar es Saalam with Addis Ababa being the three-hour zone. Several international airlines already fly into Lusaka, Dar es Salaam, Harare, and these include Emirates, Turkish Airlines, Egypt Air, Etihad Airways, Oman Air, Qatar Airways, Swiss Air, British Airways, among others.

Some of the other airports that are capable of handling international charters are Karonga, Likoma, Mzuzu and Makokola Retreat. However, these are in varying degrees of operational readiness and infrastructure facilities. The remaining 26 airfields are restricted to basic airstrips of grass or low-grade material with little or no buildings associated with them. Most airports are operated by the Malawi Government under the Department of Civil Aviation (DCA), except for the Kamuzu International Airport (KIA), which is operated by Airport Development Limited (ADL). The national parks and industry operators account for the others, as they are linked to local tourist or production centres. Refer to table 5 and map 7.

Table 5: Details of Air Transportation Infrastructure

S.No.	Features	Kamuzu International, Lilongwe	Chileka International, Blantyre
1	Aircraft parking facility	4	4
2	Runway length	3,540 m 4	2,325 m
3	Aircraft handling capacity	Code D & E	Code D & E
4	Passenger capacity	300,000/year	200,000/year
5	Cargo handling capacity	3,000 tonnes/year	550 tonnes/year
6	Runway condition	Good	Poor
7	Navigation aids	Radar not available. ILS available and functioning	Instrument Landing System (ILS) or radar is not available.

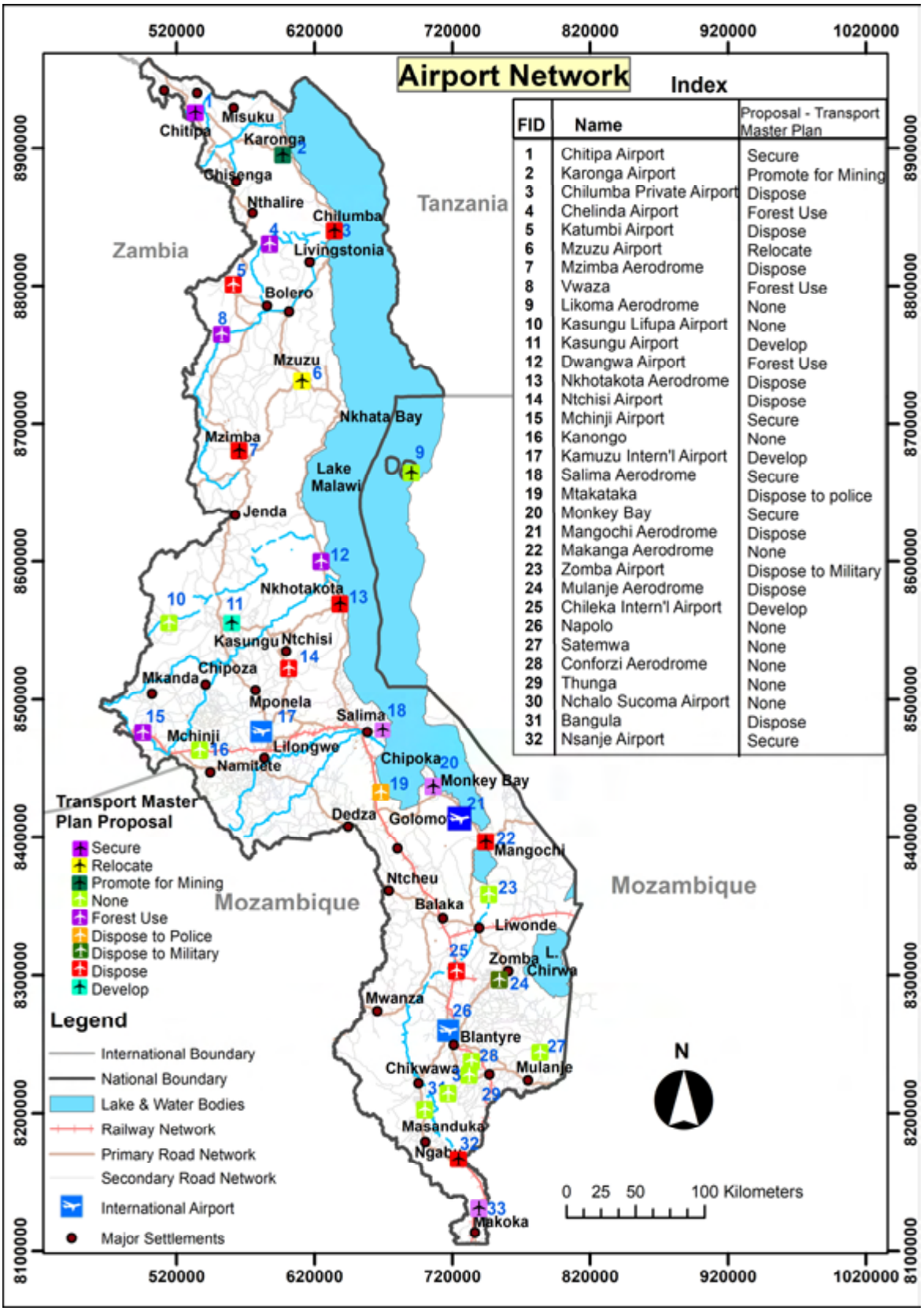
Data Source: Malawi Transport Master Plan 2017-2037

3.1.4 Inland Water Transportation

Lake Malawi, which is approximately 550 km long and 75 km wide, is the second deepest lake in Africa. The lake harbours four main ports, all of which require an upgrade. The historic 620 tonne MV Ilala, with a total passenger capacity of 360, calls at several ports from Monkey Bay to Likoma and Chizumulu Islands. The round trip covers stops at Nkhotakota, Likoma, Nkhata Bay, Chipoka, then back to Monkey Bay District, taking close to 3 days. The Shire River, the largest river in Malawi, with a length of 400 km and connecting Lake Malombe to the Southern Region, also has the potential to play a significant role in the inland water transport system.

The historic 620 tonne MV Ilala, with a total passenger capacity of 360, calls at several ports from Monkey Bay to Likoma and Chizumulu Islands. The round trip covers stops at Nkhotakota, Likoma, Nkhata Bay, Chipoka, then back to Monkey Bay District, taking close to 3 days.

Map 7: Airport Network



Source: Malawi National Transport Masterplan (2017-2037)

Table 6: Details of inland Water Transportation Infrastructure

S.No.	Port	Machinery	Storage area	Condition
1	Monkey Bay	1 x mobile crane 1 x tractor 1 x trailer	Dry - 500m2 Liquid - N/A	Old and dilapidated. Rehabilitation in 2013.
2	Chipoka	1 x 35 MT gantry crane 4 x 3 MT forklifts	Dry –800m2 Liquid - 923,000 litres	Old and dilapidated. Rehabilitation in 2013.
3	Nkhata Bay	Machine tools Cranes	Warehouses	Jetty is currently not operational.
4	Chilumba	1 x 35 MT gantry crane 1 x 20 MT mobile crane 1 x 6 MT forklift 5 x 3 MT forklifts 1 x tractor 1 x trailer	Dry- 800m2 Liquid - 583,000 litres	Gantry crane lost. Old and dilapidated.

Data Source: Malawi Transport Master Plan 2017- 2037

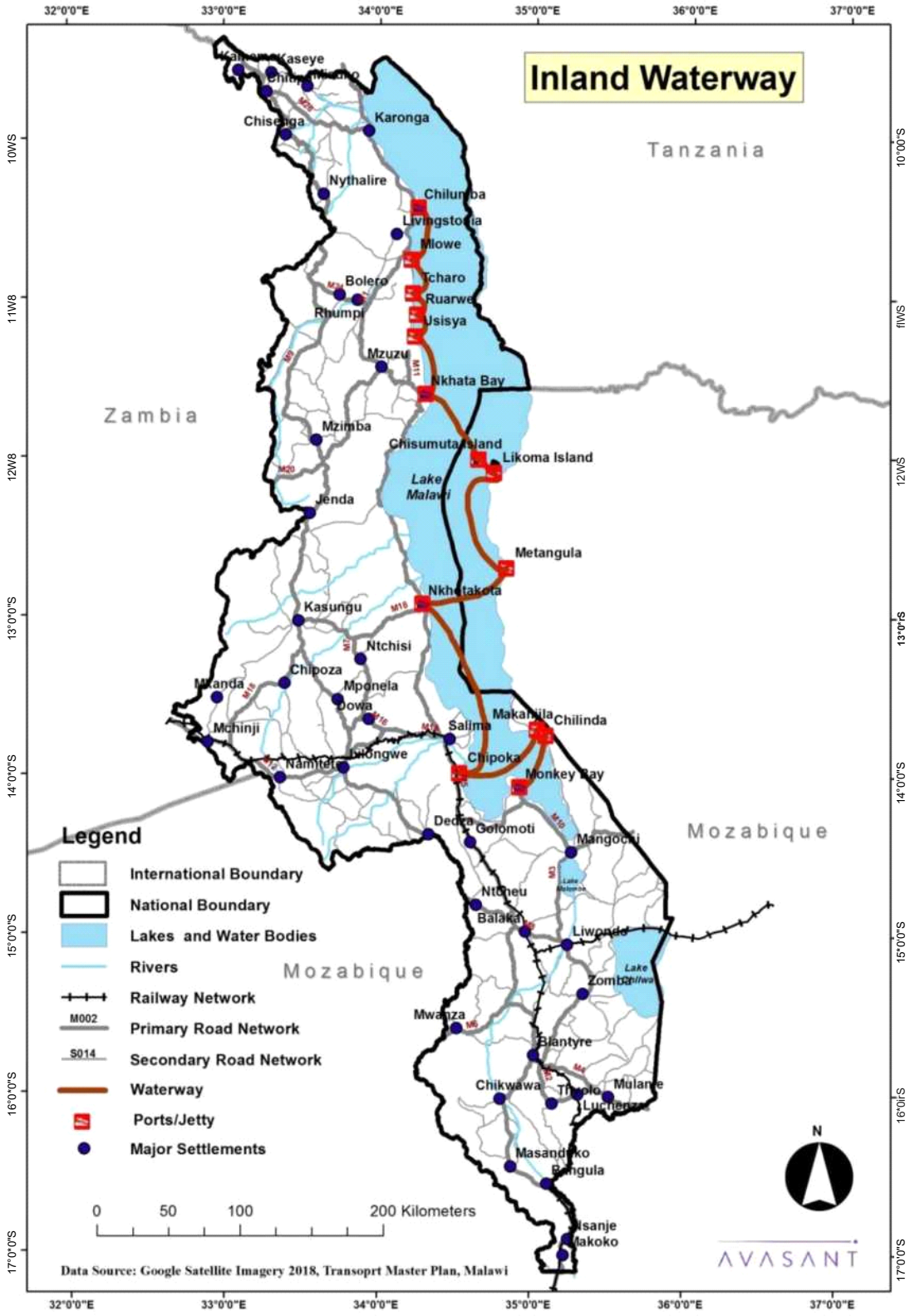
The privately-owned Malawi Shipping Company Ltd (previously known as Malawi Lake Services), which was given a 35-year-old concession, has two operational ferries - MV Ilala, which has been in operation since 1951, and MV Chilembwe. This newly built vessel started providing services in 2015. Chilembwe was built in Monkey Bay to compliment MV Ilala in the long term. However, MV Ilala remains the main ferry offering passenger service across the lake and Chilembwe is only used as a replacement as it has high fuel consumption. The concessionaire is free to offer services on a commercial basis. However, the concession imposes a minimum Passenger Service Obligation (PSO) for the Nkhata Bay – Chizumulu - Likoma and Nkhata Bay – Usisya - Chilumba routes to the extent of one round trip per week. Currently, the concessionaire operates the minimum required services as mandated by the PSO.

The privately-owned Malawi Shipping Company Ltd (previously known as Malawi Lake Services), which was given a 35-year-old concession, has two operational ferries - MV Ilala, which has been in operation since 1951, and MV Chilembwe.

The areas for improvement in the inland water transport sub-sector include:

- Inadequate integration with other modes of transport with Lake Malawi not being utilized to its full potential.;
- Inefficient navigation systems result in slow vessel speeds.;
- Gaps in the regulatory framework, such as the absence of an independent safety regulator.'
- Inadequate maintenance of both vessels and port infrastructure resulting in inefficiency and safety issues.;
- Inadequate institutional capacity for the efficient operation and management of the infrastructure; and Unsuccessful participation of private sector investors to date.

Map 8: Inland Waterway



Source: Malawi National Transport Masterplan (2017-2037)

3.2 Other Infrastructure

3.2.1 Water

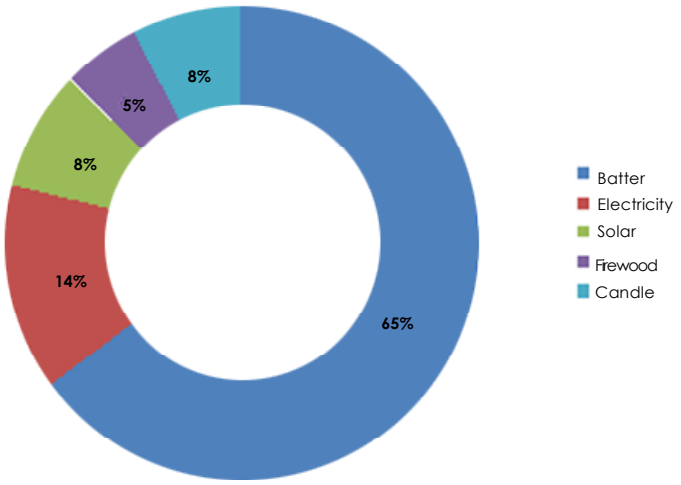
The Government has been increasing investment to ensure access to safe potable water for the population. In 2018, 85% of the population in households had access to an improved drinking water source which includes piped water, public standpipes, tube/protected wells, and boreholes. 61.7% of the population use boreholes, 8.1% community standpipe, and 10.3% piped water into dwelling units or plots as the main source of drinking water in the dry season. A geographical analysis of the country's various water sources against the population density distribution pattern shows that the largely populated areas of the Southern Region (which is around half of Malawi's population) are sparsely populated with water sources. Low water levels at sources and higher frequency aof droughts have resulted in acute water shortage throughout the country. there is need to improve access to portable water if the sector is to thrive. It is therefore imperative that Malawi's freshwater sources are conserved and managed sustainably.

3.2.2 Power

The country generates 439 megawatts (MW) largely using hydropower (87.4%). The majority of Malawi's hydropower generation is on the Shire River, located south of Lake Malawi. The hydrology of the river determines, to a great extent, the available output of electricity at any time. Malawi's power sector is one of the most severely constrained in sub-Saharan Africa – less than 10% of the population of 18 million is connected to the electrical grid. Estimates indicate that the shortage of capacity frequently exceeds 60 MW or over 17% of peak demand in Malawi. With no reserve margin and a stressed system, the reliability and quality of the electricity supply are inadequate. However, the heavy reliance on hydroelectricity is often constrained by floods and low water levels.

The current Access Rate is 10.8%. There is a big gap between the urban and rural access rates, with a 46% access rate in urban regions compared to less than 1% in the rural regions, which constitute 80 % of the country's population. Around 3.2 million households in the country do not have access to power. The most recent Country-level Energy Master Plan identifies these gaps and has proposed transmission lines electrifying the rural areas. As per the 2018 Census, 65% of the households used batteries as the main energy source for lighting, while just 11.4% of the total households had access to electricity. While 77.4% of the households used firewood as the main source for cooking, 18% used charcoal, and just 2% used electricity.

Figure 12: Household source of Power



Data Source: Malawi Population and Housing Census 2018

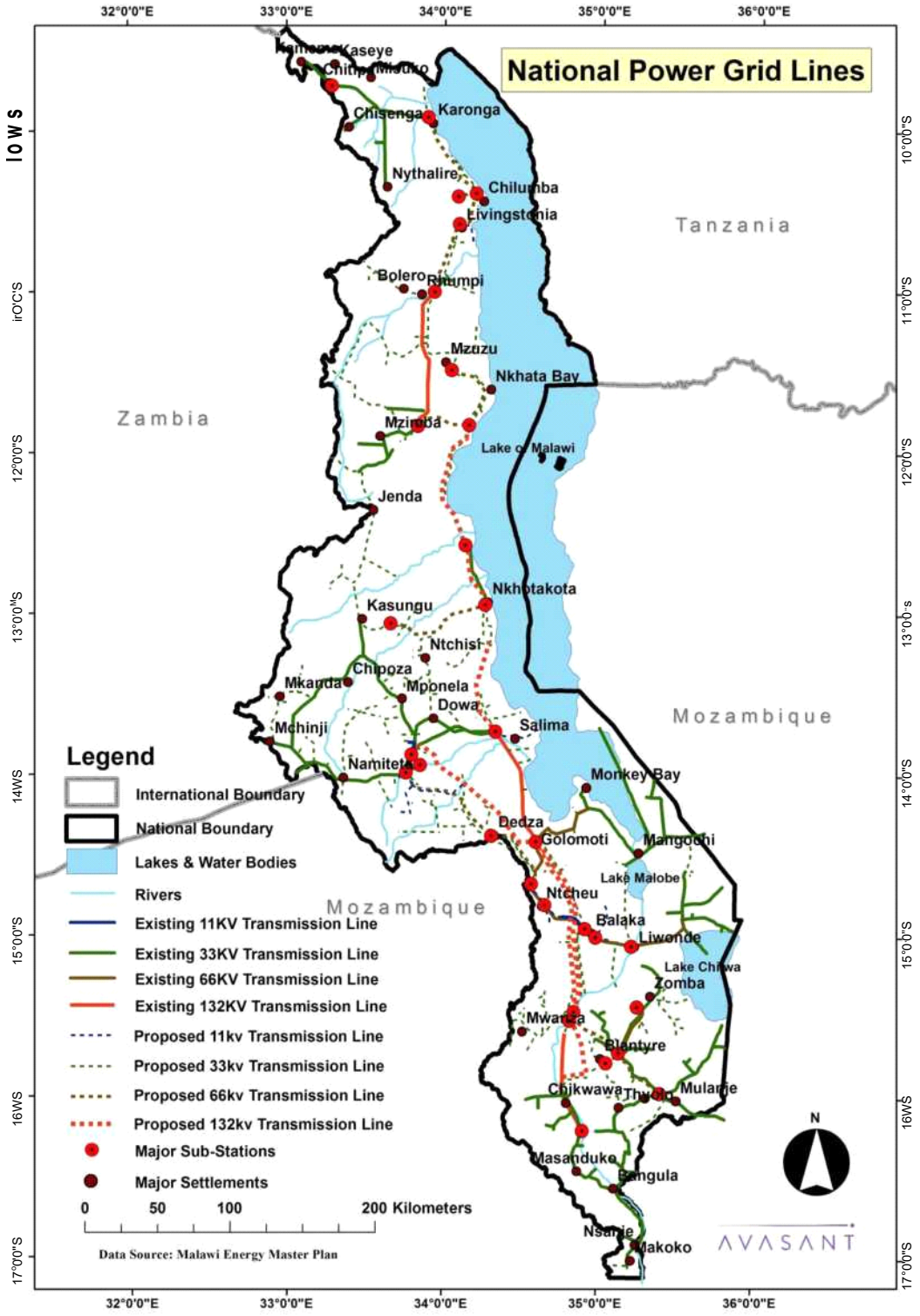
Table 7: Region-wise source of Energy for Lighting

S.No.	Source of Energy for Lighting of Households	National Average (%)	North Region (%)	Central Region (%)	South Region (%)
1.	Electricity	11.4	13	8.8	13.4
2.	Solar	6.6	12.3	7	4.7
3.	Battery	52.9	47.9	54.3	52.9

Data Source: Malawi Population and Housing Census 2018

Around 55 MW of electricity is produced from solar energy plants in off-grid systems. This sector expects a huge leap due to the great potential for the systems and limitations of hydropower systems in the region. Tourist centres and facilities, mostly located in the rural areas, have a better prospect in solar energy harnessing for the power needs since hydropower generation is unreliable. Although the country largely depends on the domestic generation, there are few interconnection projects with Zambia and Mozambique underway and in the pipeline.

Map 9: National Power Grid Lines



3.3 Settlement Patterns

3.3.1 Comparison of Urbanization by Region

A set of 16 key socio-economic-spatial indicators have been put together and analyzed to further understand the regional dynamics of Malawi and patterns of urbanization (Refer to Table 8). Some of the key points that emerge from the analysis include:

1. The Southern and Central Regions have a larger share of the country's population as well as higher densities;
2. The Northern and Central Regions have been growing demographically faster than the Southern region;
3. The Northern Region has a higher unemployment rate despite having a higher literacy rate;
4. The Southern Region has higher workforce participation implying more work opportunities;
5. Households in the Central Region have relatively lower access to electricity;
6. Households in the Central Region also have relatively lesser access to drinking water and sanitation facilities; and
7. The Central Region also ranks comparatively lower with respect to technology-based indicators like households with access to the internet and mobile phones.

Table 8: Comparison of Key Indicators by Region

S.No.	Regional Indicators	North	Central	South
1	Share of Country's Population in 2018 (%)	13	43	44
2	Intercensal Growth Rate- 2008-2018 (%)	3	3.1	2.7
3	Sex Ratio	94.8	95.7	92.6
4	Density (persons per km^2)	84	211	244
5	Literacy Rate (%)	79	67	67
6	Work Force Participation (%)	72	70	74
7	Unemployment Rate (%)	25	18	17
8	Average Household size	4.8	4.4	4.3
9	Housing Condition-Semi Permanent (%)	26.3	22.1	23.1
10	Total number of Healthcare facilities	100	181	218
11	Households with access to electricity as a source of Lighting (%)	13	8.8	13.4
12	Households with Piped water in-dwelling or plot as the main source of drinking water (%)	16.8	9.3	9.4
13	Households with Pit latrine with earth/sand slab (%)	47.4	45.1	47.2
14	Households with mobile phones (%)	66	48.5	51
15	Households with access to the internet (%)	16.4	10	23.2
16	Households with ownership of Bicycle (%)	31.9	34.8	37.7

3.3.2 Need for a firm Urbanization Policy

The policy discussion in Malawi has been cautionary against rapid urbanization and its adverse effects, such as the urbanization of poverty. Some of these concerns may have been propelled by the projection of a high urbanization rate. However, Malawi is at an early stage of urbanization with fairly moderate rates of urbanization. The GDP and employment patterns for the past 15 years (1998-2013) indicate that Malawi's economy is undergoing a positive structural change. However, the structural transformation is not driven by urbanization, as conventionally known, since most of the country's non-farm sector expansion occurred in rural areas.

Simultaneously, the urban economy has demonstrated the potential of making a greater contribution to national development by growing faster than the overall economy. Additionally, there are complex but strong linkages between rural and urban economies through production, consumption, and migration channels, which can further be reinforced in support of national growth and development. Urbanization can therefore play a positive critical role in Malawi's national growth and development.

To promote tourism and develop it as a major contributor to the GDP, urbanization and infrastructure development must get decentralized and reach the country's remote areas. This will lead to a more equitable distribution of tourist traffic coupled with the distribution of required skills sets, culture, and human resources across the country.

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CHAPTER 4: TOURISM AS A GROWTH ENGINE

4. TOURISM AS A GROWTH ENGINE

Traditionally, Malawi has been an agricultural economy, with tobacco dominating the country's exports. However, in recent years, the Agricultural sector has been facing a lot of challenges including effects from climate change and low prices. In addition, tobacco has been met with anti-smoking campaigns worldwide, resulting in reduced demand for the commodity. This has consequently lowered its export revenues and this negatively impacted on the country's economy. As a way of diversifying the economy to shift from the overreliance on tobacco, the country has identified tourism as a one of thevehicles for sustainable development, which is in line with the country's long-term vision, the MW2063.

he National Tourism Policy recognizes that strengthening the development of medium to long term strategies is key for guiding the sector for Tourism to effectively play its key role in the economy.

4.1 Tourism for Economic Development

The tourism industry in Malawi has grown since the mid-1970s. By 2018, Malawi received 893,000 international visitors, up from below around 50 000 in the early 1970s. It is estimated that this number could increase to over 1.25 million visitors by 2029 if the tourism sector is nurtured sustainably.

Tourism is important to the Malawi's economy for a number of reasons. It is one of the catalysts that can provide resources to complement the growing and competing demands of the economy. The industry provides growth that is less susceptible to international commodity price volatility, to which Malawi is very vulnerable. In addition, it promotes the inclusive involvement of local communities, youth, women, and other vulnerable groups through the creation of many entry-level employment opportunities in both urban and rural areas. Beyond employment, the sector also offers opportunities in and around marginalized communities to supply farm and lake produce, services including carpentry, plumbing, repairs, taxis/ transport, and sale of curios and other goods to tourists. Strategies to enhance skills are critical in creating employment opportunities and reducing poverty rates. Thus, the tourism sector is challenged to embrace effective policies that would enable public and private sector collaboration to develop a niche for an economically productive and multi-experience destination. Tourism is, therefore, an important factor in driving the economic development of the country.

As a source of foreign currency for Malawi, tourism currently generates visitor exports worth over US$ 40 Million from an average of approximately 800,000 visitors that it attracts annually. This comprises about 1.75% of the total exports for Malawi. As international visitors continue to grow, the foreign currency generated by these visitors is expected to reach US$ 50 Million by 2029.

4.2 Contribution of The Tourism Sector to GDP

The dollar value of tourism and travel contribution to Malawi's GDP has been increasing steadily over the years from $0.2bn in 2000 to $0.6bn in 2019, representing an average annual growth rate of 6.31% (World Travel and Tourism Council). This includes a significant indirect contribution, which currently is over 50 % of the sector's total contribution. It is estimated that tourism contribution to GDP would rise by 4.7% per annum, reaching US$ 923 million in 2028. Refer to table 9.

Table 9: Malawi Value of Tourism in USD and Annual percentage Change

Year	Value (Billion USDs)	Percentage Change (%)
2019	0.6	4.06
2018	0.6	3.61
2017	0.5	4.64
2016	0.5	3.72
2015	0.5	8.99
2014	0.5	3.88
2013	0.4	7.61
2012	0.4	0.12
2011	0.4	-3.28
2010	0.4	3.55
2009	0.4	23.53
2008	0.2	

Data source: World Travel and Tourism Council (WTTC)

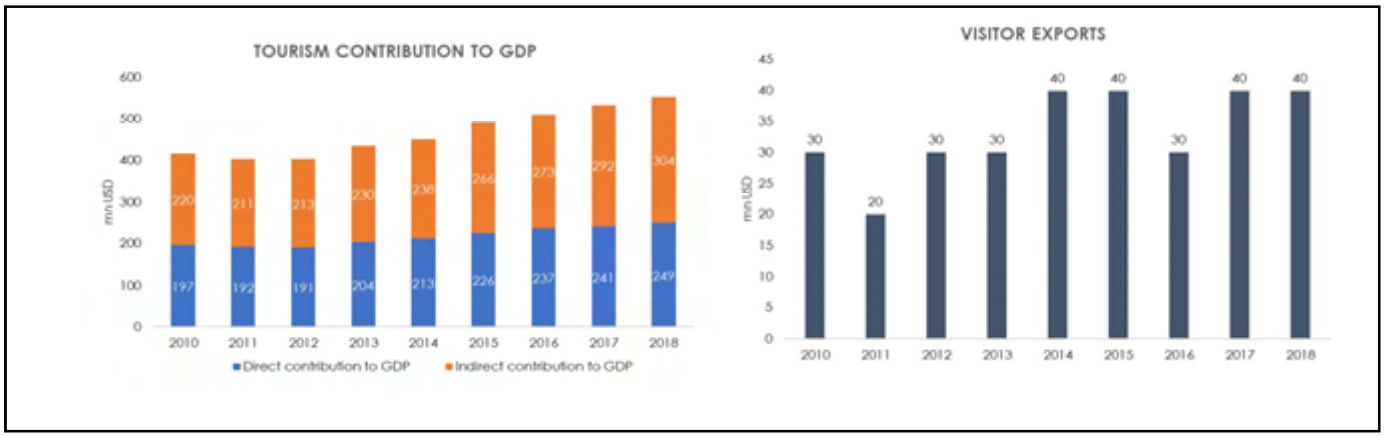
Below is a graph showing Malawi tourism contribution to the national GDP from 2000 to 2019:

Figure 13: Malawi Tourism contribution to national GDP 2000-2019

Source: World Travel and Tourism Council Data

The figures indicate minimal growth of the sector through the years. However, there has been a relative stagnation in visitor exports since 2010, as shown in the charts below:

Figure 14: GDP Contribution by Tourism Sector



Some of the challenges impeding the development of tourism include lack of serious investments by the government to create a conducive environment for the growth of the sector; and lack of awareness by the general population on the potential of tourism to improve the well-being of individuals, families, communities and the country in general.

4.3 Tourism for Infrastructure Development

MW2063 envisages the establishment of secondary cities through the upgrading of various urban centres, which should act as economic and tourism hubs in rural areas. The establishment of these tourism hubs will provide an incentive for investment in infrastructures such as roads, railways, medical and training and education facilities. The country stands to benefit from a well-managed and sustainable tourism sector to support its long-term development agenda.

4.4 Tourism for Cultural Exchange

Tourism boosts cultural preservation and development through art, live cultural performances, and cultural cross-hybridization, as communities and societies learn new concepts and practices to add more value to their cultures, consequently attracting more tourists. The booming of cultural villages across Southern Africa, for example, is one such concept that has benefitted and continues to benefit from tourism.

CHAPTER 5: MALAWI TOURISM PRODUCTS

5. MALAWI TOURISM PRODUCTS

Tourism in Malawi may be classified into several themes:

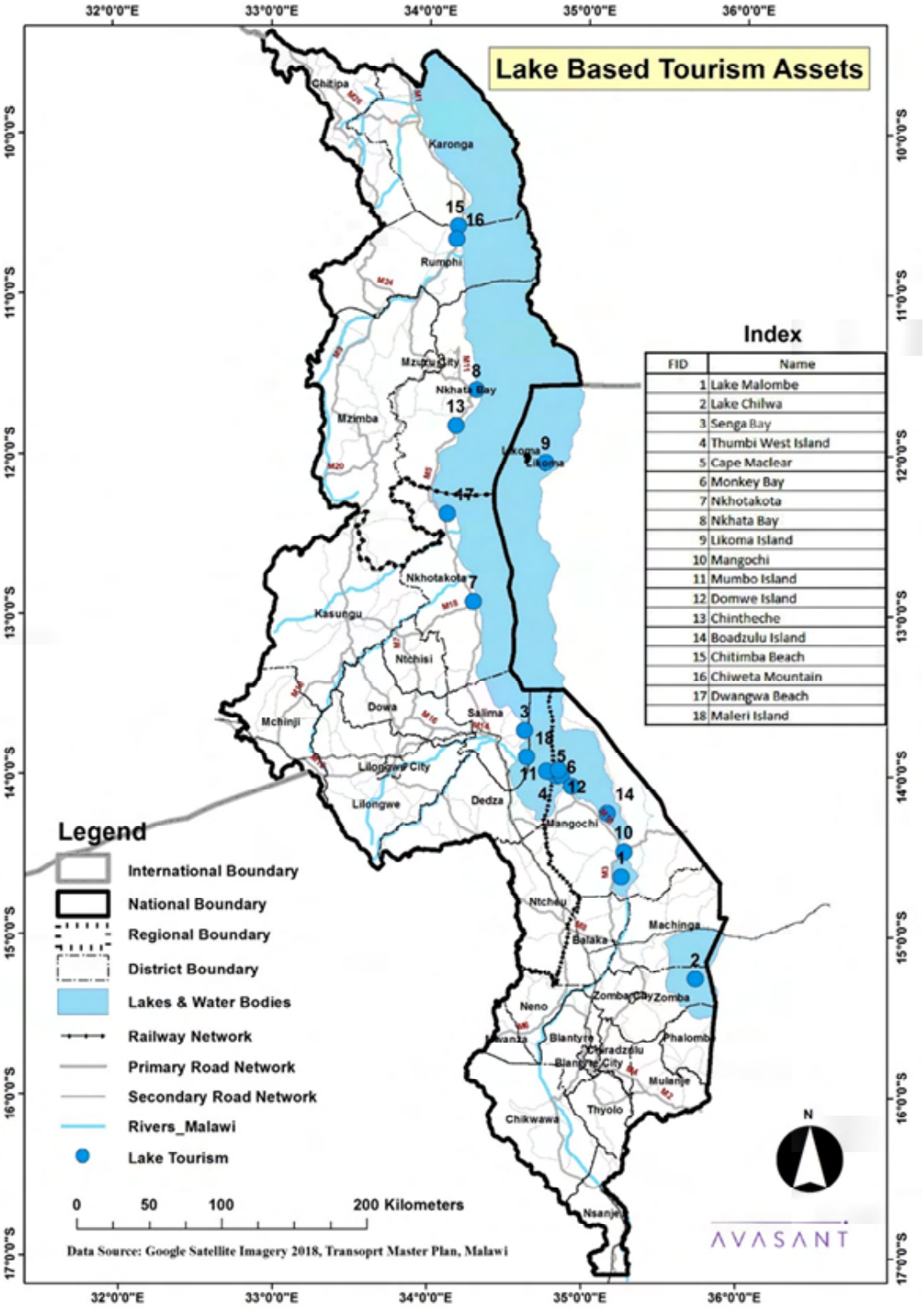
5.1 Lake Tourism

Lake Malawi constitutes one-third of the country's total area. It is the fourth largest freshwater Lake globally by volume and the ninth-largest Lake in the world by area. It is also one of the deepest freshwater lakes in the world. It is the region's most prominent tourism asset, and the beaches and islands are major tourist attractions (Please refer to Map 13 for Lake-based Tourism Assets in Malawi).

Lake Malawi is dotted with many small Islands, where one can laze in a hammock on a deserted island, go for a swim, snorkeling, canoeing, and various other adventure activities. It is one of the world's top locations for freshwater diving, water-based adventure activities and beachside holidaying. Some of the best diving and snorkeling takes place at Cape Maclear, Nkhata Bay and its Islands. The world's first freshwater Lake National Park incorporates several offshore islands, and a peninsula of Land was declared at Cape Maclear in 1980. The Lake Malawi National Park is of such international importance that it has been designated a UNESCO World Heritage Site. Lake Malawi offers one of the world's greatest diversity of freshwater fish, with over 1,000 species. Lake Malawi harbours biologically unique small fish called Cichlids. One of the best months to visit Lake Malawi is October, with ample opportunities to find varieties of fish in the Lake and birds such as watch kingfishers, cormorants, and fish eagles.

Nkhotakota on the central Lakeshore of Lake Malawi is one of the continent's oldest towns and was once a significant centre for the slave trade in Africa. It has many important historical sites connected to the slave trade. Music Festivals on the shores of the lake and sailing competitions on the lake are some of the prominent examples of lake-based tourism in Malawi.

Map 10: Lake Based Tourism Assets for Malawi



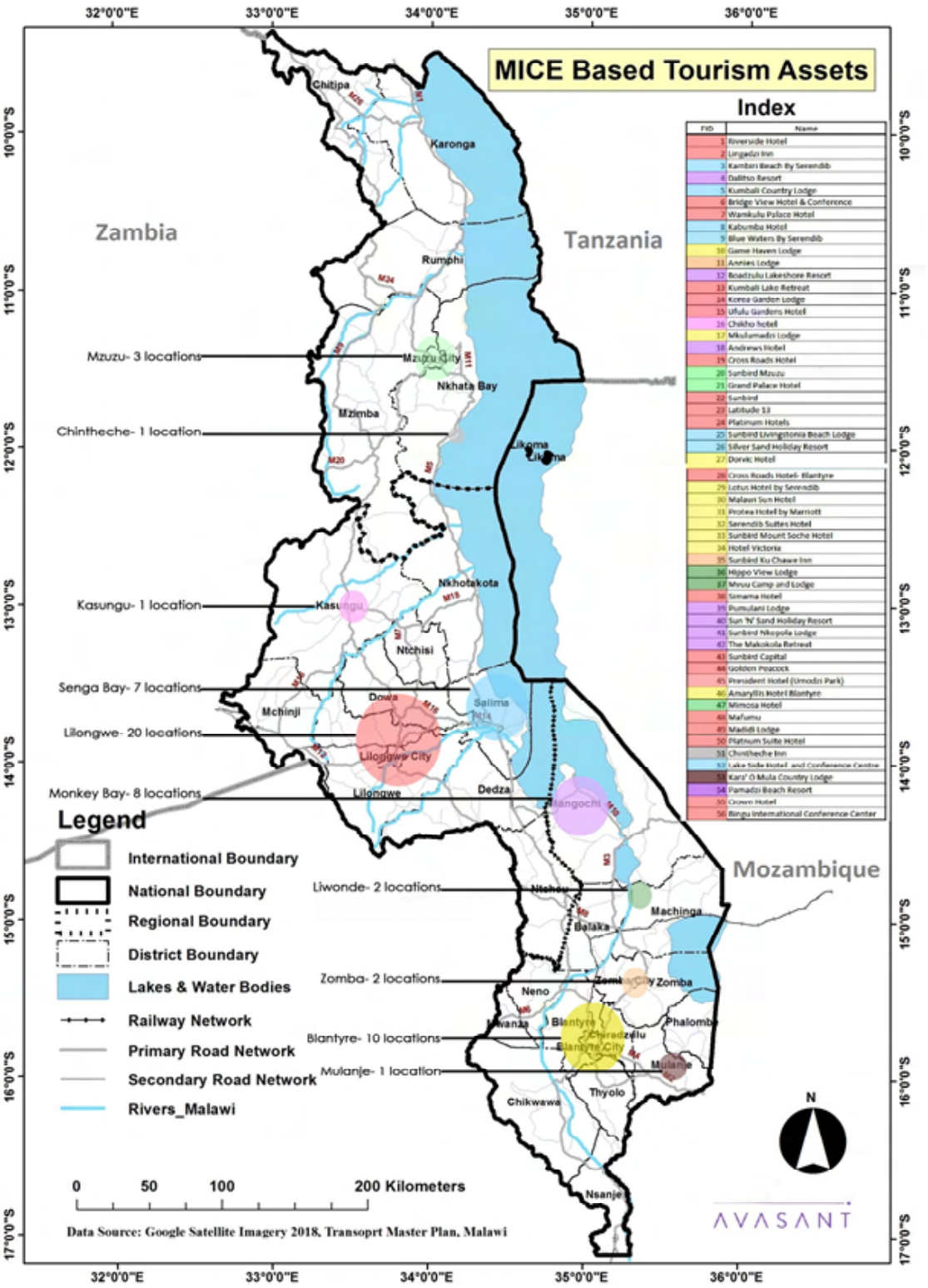
5.2 MICE Tourism

Meetings, incentives, conferences, and events (MICE) tourism involve bringing together large groups for team events like conferences. With a number of multilateral and global organizations implementing programmes across the country, there is immense potential for meetings, workshops, congresses, conferences, exhibitions, and fairs. Most tourists visit Malawi for business or conferences, which is an opportunity to develop the country as a major MICE destination. Currently, MICE tourism is mainly restricted to the major cities of Lilongwe and Blantyre and a few of the tourist nodes mainly along the lake.

Business hotels, primarily in the cities, are mostly patronized by business and corporate visitors. A majority of M.I.C.E tourists in Malawi are associated with NGOs or volunteer organizations. Strong demand for business hotels is evident from the high occupancy levels and robust revenues (average tariffs). Buoyed by this strong demand, investors have lined up several projects in the major cities in the next 5 years. Notable ones include Golden Peacock Blantyre, Ryalls Hotel Lilongwe, and the proposed new Crossroads Hotel (Mount Pleasant), Blantyre, among others. These are in various stages of development ranging from financial closure to construction.

However, MICE properties nationwide can perform better and attract a larger diaspora of visitors if marketed by the local and international tour operators on behalf of the hotel management and a Convention Bureau set up to promote Malawi as a MICE-destination. To Map11 for MICE based tourism assets for Malawi.

Map 11: MICE Based Tourism Assets in Malawi



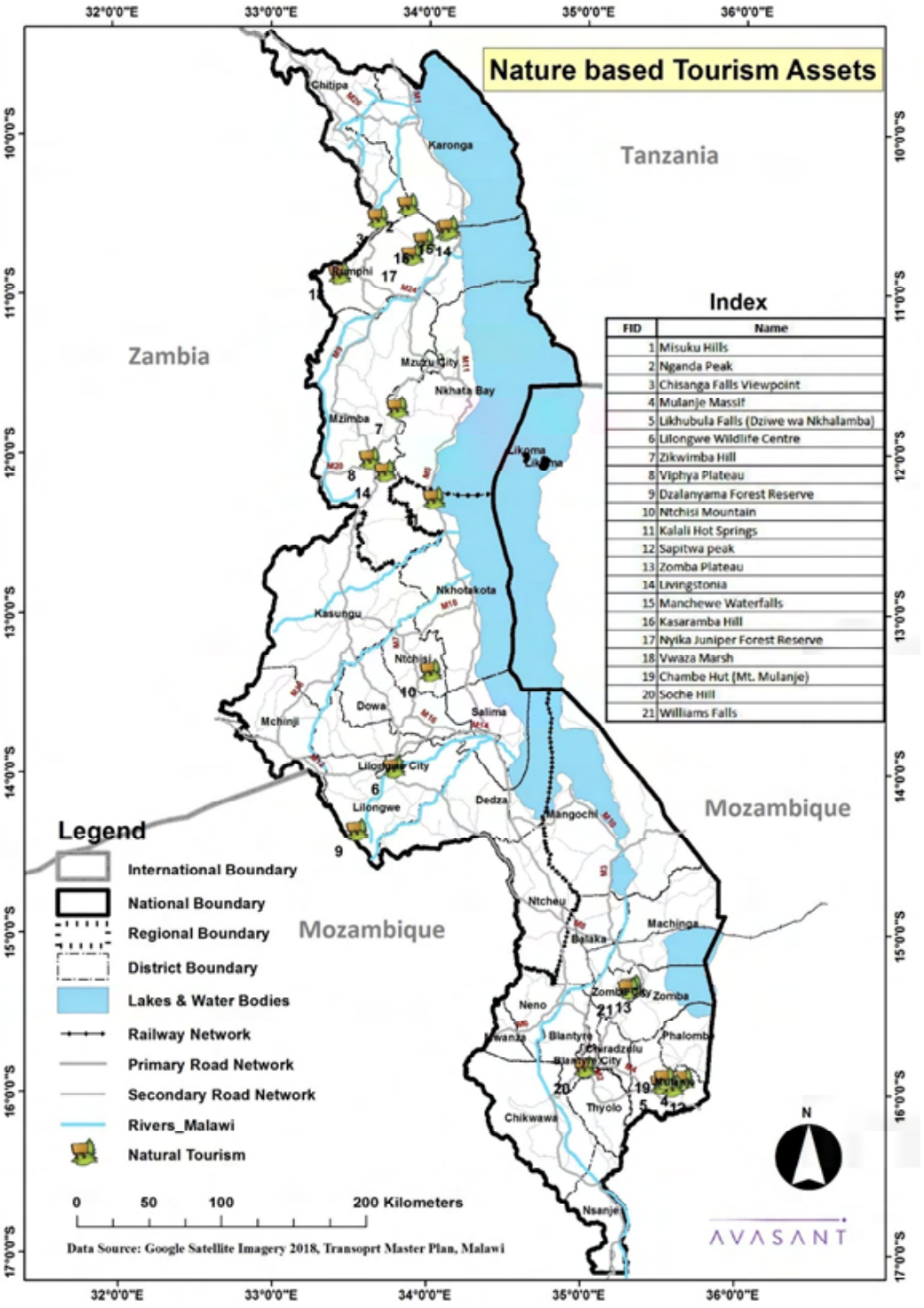
5.3 Nature and Wildlife Tourism

Responsible and sustainable tourism development is key for the survival of the industry Since tourism primarily depends on nature and the environment. Sustainable tourism development would ensure the future of conservation of the country's National Parks, Wildlife reserves, forests, mountains, places of outstanding natural beauty and fragile ecosystems, such as Lake Malawi.

Malawi National Parks and Wildlife Reserves have immense wildlife diversity, and current efforts are concentrated on bringing back the "Big Five". Malawi is also home to around 650 bird species, of which several are endangered or can be only found in the region. Efforts are required to conserve these assets and develop innovative tourism products that include game viewing, game driving, walking safaris, boat safaris, bird watching, and fish watching with a difference.

Malawi has nine national parks and four wildlife reserves spread across different climate zones, diverse landscapes, and vegetation types. There are five protected national parks in Malawi, namely, Nyika National Park, Lake Malawi National Park, Liwonde National Park, Lengwe National Park and Kasungu National Park. Nyika National Park, situated in the northern part of Malawi and established in 1966, is the largest (3,134 square km) and located on a plateau. It offers visitors the most beautiful scenery in the country, game viewing, and special interest activities of flower and bird watching. Kasungu National Park (2,100 square km) is located in the central region. It offers game viewing with historical and geological sights. Lake Malawi National Park lies in the southern region of the Nankumba Peninsula. It is both a terrestrial and aquatic park covering twelve islands and protects 350 species of tropical fish, locally known as Mbuna. This cichlid fish family inhabit the rocky shoreline of the lake. It is the first freshwater lake globally and was declared a World Heritage Site by UNESCO in 1984. Liwonde National Park is situated in the flat area of Lake Malombe and the eastern upper part of the Shire River. It offers game viewing and boat riding. Lengwe National Park is located in the southern part of Malawi, and it offers game viewing.

Map 12: Nature-Based Tourism Assets for Malawi



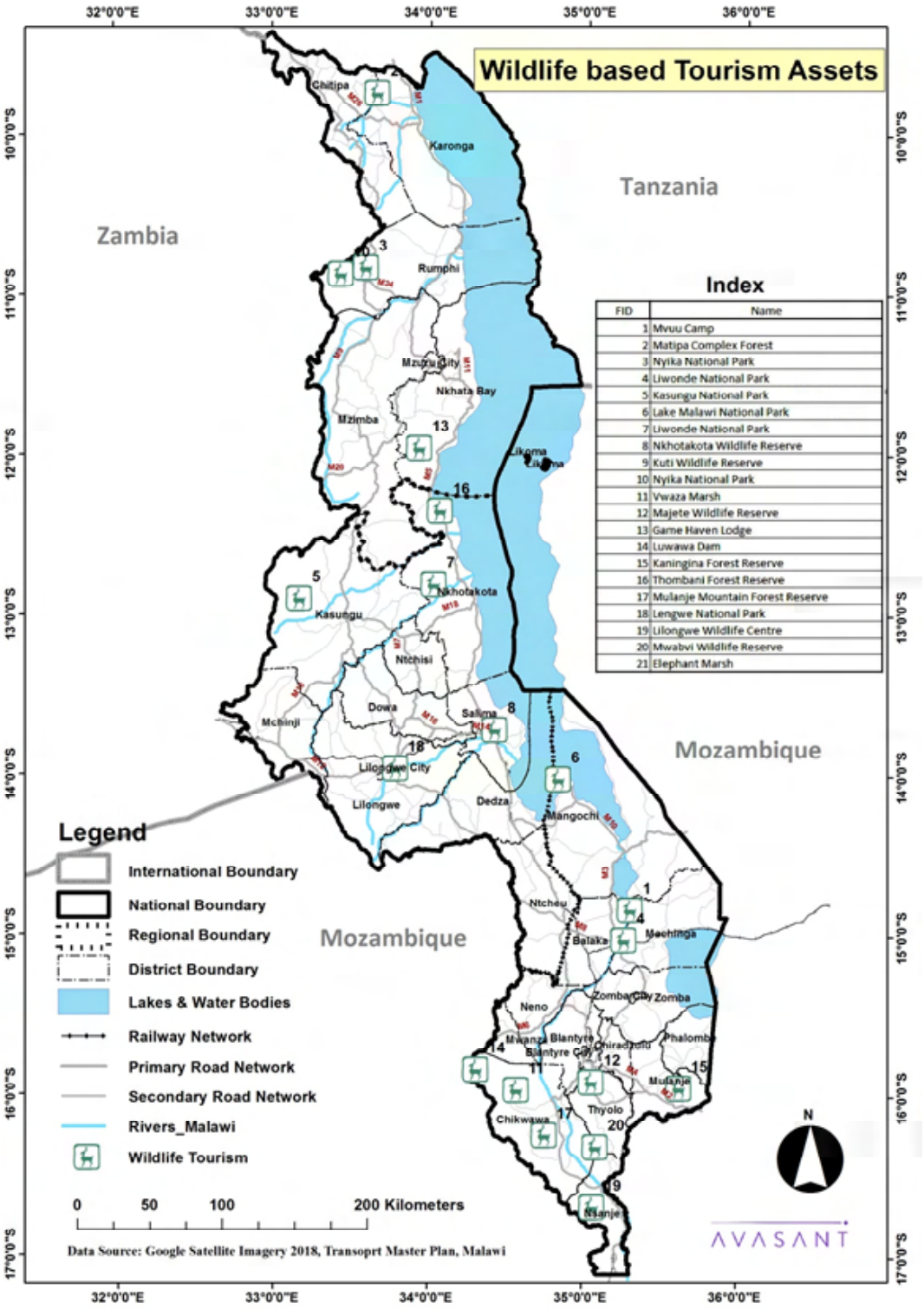
The Vwaza Marsh Wildlife Reserve is just below Nyika National Park in the North, located in Vwaza Marsh, on the Luangwa Valley National Park tip in Zambia. It offers game viewing and bird watching. The Nkhotakota Wildlife Reserve is located on the west of Lake Malawi in the Central Region. It offers game viewing and angling. The Bua and Dwangwa Rivers have stocks of Mpasa (Lake Salmon). The Majete Wildlife Reserve is located on the lower Shire River and offers waterfalls, fishing, and game viewing. Mwabvi Wildlife Reserves is located in the southern tip of Malawi, bordering Mozambique. It offers game viewing.

Mulanje Mountain, Zomba Plateau, Nyika Plateau, Dedza, Dzalanyama, Kirk range and Viphya offer mountain and plateau scenery. These are forest reserves and offer bird-watching, trout fishing, wildflowers, hiking, and mountain climbing. Nyika and Zomba also offer horse riding. Mount Mulanje, a biodiversity hotspot, offers an exceptional ecosystem rich in diverse

5.4. Cultural Tourism

With about 11 different ethnic groups in the country, Malawi has a mosaic of cultural norms and practices. Unique traditional dances and rituals, as well as arts and crafts, identify these groups. The Museum of Malawi recognizes the importance of these traditions and promotes appropriate activities in schools and other public places. Mau Mission's Chongoni Centre for Culture and Art has embraced the neighbouring Chewa, Yao and Ngoni cultures and religions, which is also seen clearly in the approach to the mission's work. Despite the ethnic differences, Malawians are hospitable, friendly and courteous hence

Map 13: Wildlife Based Tourism Assets for Malawi



Malawi's epithet of 'The Warm Heart of Africa'.

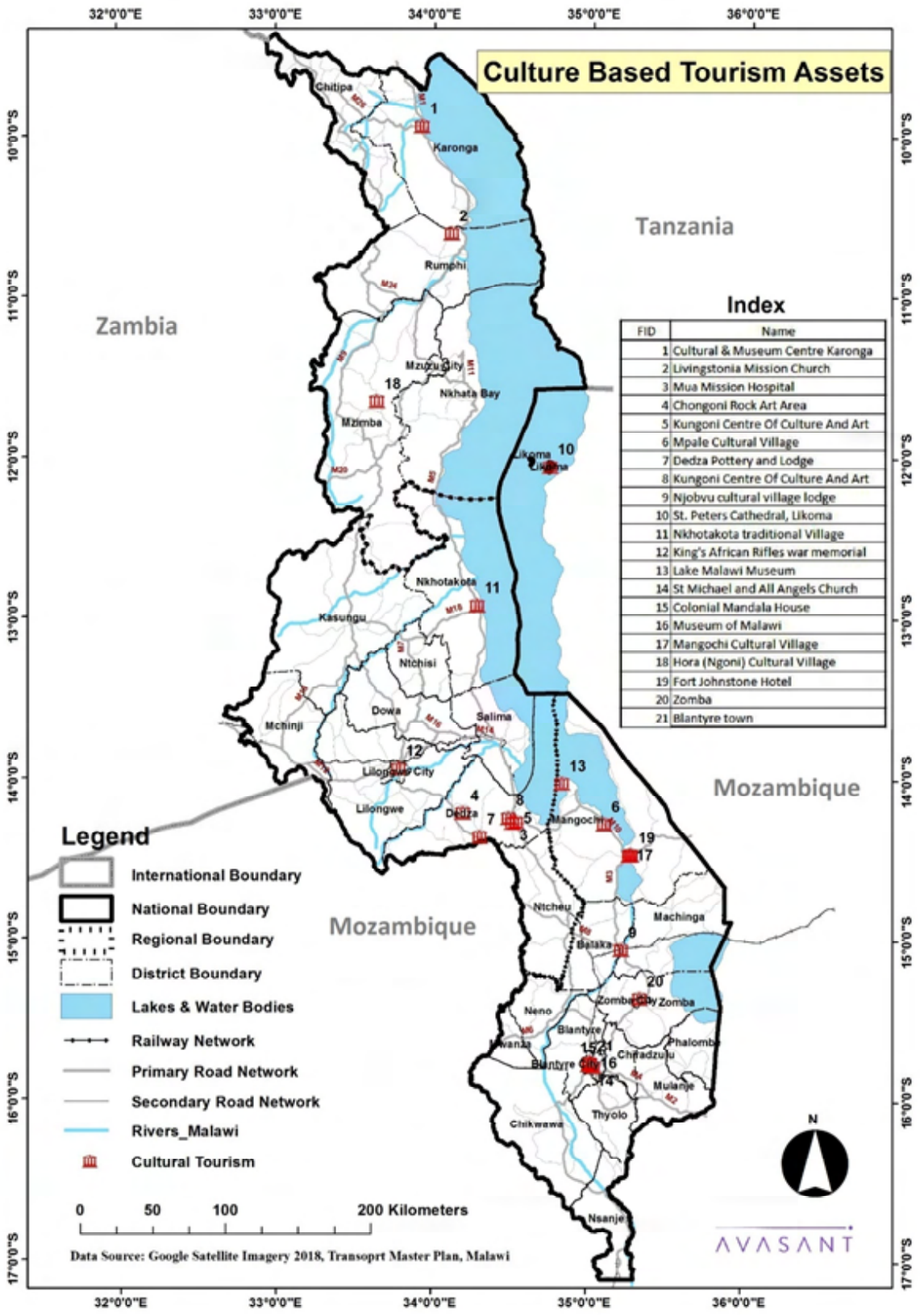
The country offers unique and distinguished cultural experiences for domestic, regional as well as international tourists. Pre-historic tools and remains of hominids discovered in Malawi's remote northern district of Karonga provide further proof that the area could be the cradle of humankind. The dinosaur's remains and bones of early humans are a sign of the rich history of this land. The discovery was at the Malema excavation site, 10 km from Karonga. These remains point to some of the earliest dinosaurs, which lived between 100 million and 140 million years ago. Early hominids

are believed to have lived between a million and 6 million years ago. The Pre-historic era is reflected and preserved in the Chongoni Rock Art, a World Heritage Site, featuring the richest concentration of rock art in Central Africa. Malawi is also rich in slave history. A once-prosperous 19th-century slave depot for Arab slave traders, Nkhotakota town offers a peek into the unique history of the slave trade.

Cultural facets can also be explored in various other activities across the country. The nation is famous for its tea, coffee, and sugar plantations that offer exquisite visit experiences for tourists. A great diversity of local arts and handicrafts is also an added advantage that can be further developed to promote tourism and socio-economic development.

Malawi's historical sites are also in the form of buildings that date from the colonial era. For instance, the Mandala house and compound in Blantyre, Livingstonia mission and stone house, slave house at Nguludi Mission, missionary sites at Cape Maclear, Likoma Island, and

Map 14: Culture-based Tourism Assets in Malawi

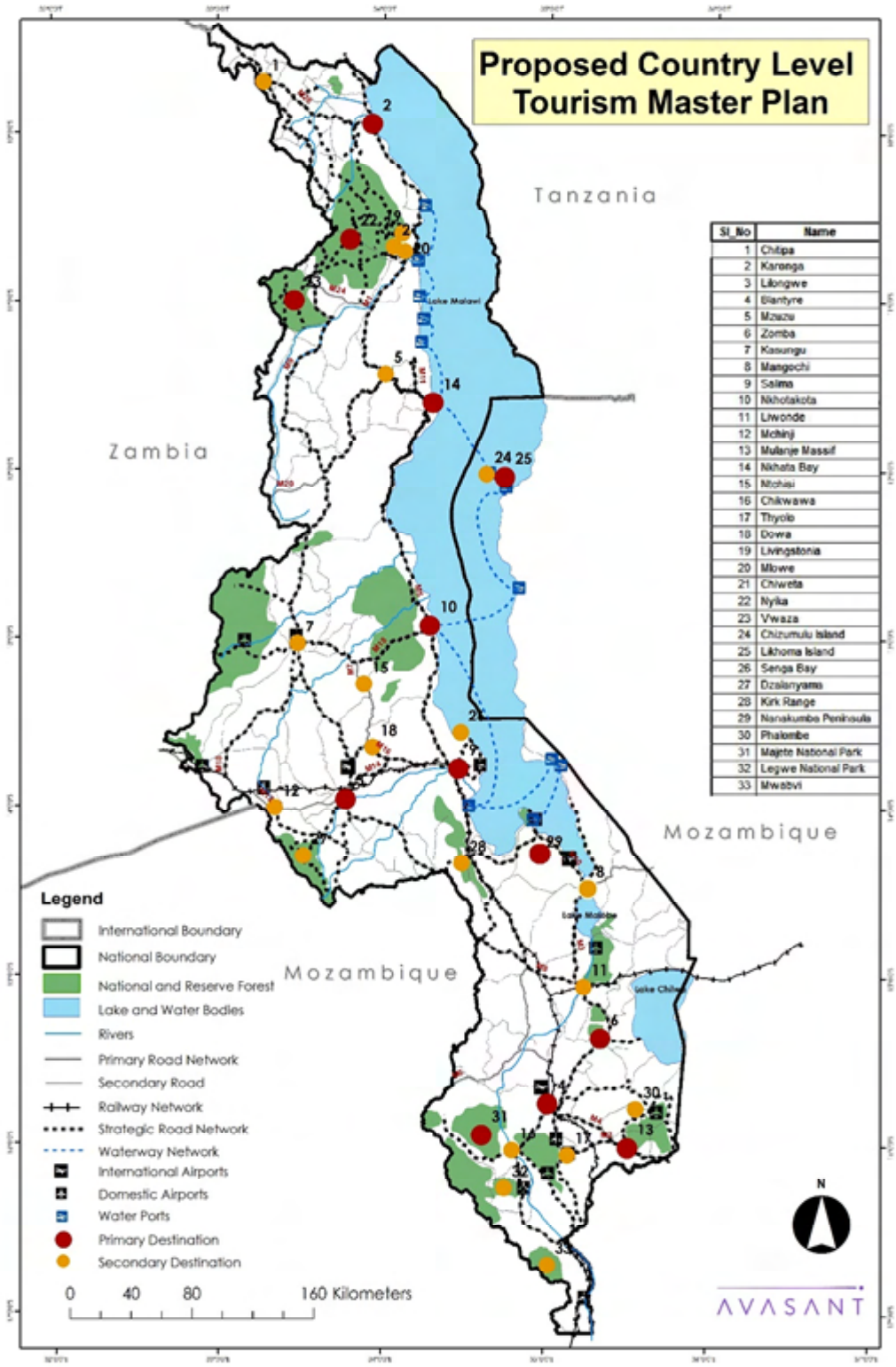


Nkhotakota and other artefacts preserved in the museum of Malawi in Blantyre and Mangochi. Malawi also has diverse traditions and cultures manifest in dance, music, handicrafts, wood, and carvings. Refer to Map for Culture-based Tourism Assets in Malawi

5.5 Mapping of Tourism Assets

Tourism assets have been mapped at the country level, based on Malawi's tourism product lines discussed in the previous sections, namely Nature, Wildlife, Culture, Lake, and MICE tourism (refer to Map 15). A total of 140 tourism assets have been mapped across the 5 types of product lines (refer to Annexure 13.2 for an extended listing).

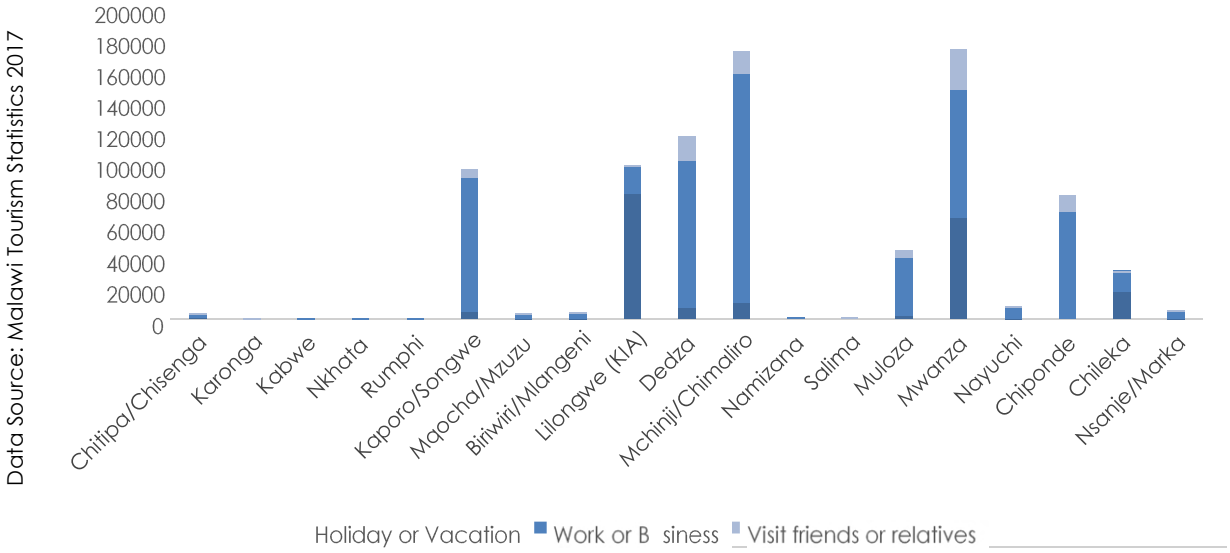
Map 15: Country-level Tourism Assets



5.6 Existing Tourism Circuits

The tourism destinations in Malawi can be broadly classified based on the country's three regions – Northern, Central, and Southern Regions. The annual share of visitors departing Malawi shows that most of the visitors exit the country through the Central and Southern Regions.

Figure 15: Number and Proportion of Departing Visitors by Port of Exit and Reason (2017)



The visitors who enter Malawi for business are concentrated around the major cities such as Lilongwe and Blantyre. These cities are commercial hubs and have a well-established transportation system. Tourists coming into Malawi by air depend on these hubs as their entry points and pit stop points in their itinerary.

Tourism in Malawi has developed along rather unusual lines. The country is yet to develop its infrastructure to match those present in the vast game reserves of East Africa and other world-class tourist facilities of southern Africa. Consequently, it sees a lot of road transit tourism, as compared to fly-in tourism. This is evident from statistics showcased in Figure 16, which clearly shows a high number of visitors entering and exiting through road transit points, such as Mwanza, Songwe and Mchinji.

Lake Malawi has become the ultimate destination for backpackers crossing between eastern and southern Africa. A large number of road travellers combine neighbouring country itineraries with Malawi to visit this regionally distinctive wonder. Hence, Lake Malawi National Park and Cape Maclear are the most visited tourist spots in the country. Additionally, the national parks and wildlife reserves are popular among people solely visiting Malawi for its pristine forests and rugged nature. Some of the traditional itineraries in Malawi have been highlighted in the following sections for better comprehension.

5.6.1 Zambia – South Malawi

Crossing over to Malawi from Zambia is one of the common routes taken by tourists visiting by road. Tourists visit Victoria Falls, through Lusaka in lower Zambezi National Park and South Luangwa National Park before entering Malawi through Chipata district by road. The common destination after this is Lake Malawi National Park and Mount Mulanje (3,002 m above sea level). The upscale tourists rely on the Lilongwe International Airport for entry into the country before boarding a chartered flight for domestic and international transfers.

5.6.2 Lake Malawi-South Malawi

Tourists who visit Malawi as a standalone destination combine Lake Malawi with Nature and Wildlife in their itinerary. Blantyre is the entry point for international tourists. While upscale tourists rely on chartered flights, the more adventurous tourists take self-drive options and public transport for exploring the country. Lake Malawi National Park, Monkey Bay, Cape Maclear, and surrounding islands are accessible by road and water. Liwonde National Park, Zomba Plateau, and Mount Mulanje are the other important destinations in this circuit.

5.6.3 Lake Malawi-Islands

Lake Malawi is a highly rated location for freshwater diving. It also offers various adventure water activities and beachside holidaying. Some of the best diving and snorkelling takes place around Cape Maclear in the southern region of the lake, while Nkhata Bay offers some of the best diving in the northern area. Other popular diving areas include sites around Domwe Island and Bird Island. Likoma and Chizumulu Islands near the Mozambique border are accessible by Ferry and Air.

Lake Malawi is a highly rated location for freshwater diving. It also offers various adventure water activities and beachside holidaying.

5.6.4 Lake Malawi-Wildlife

Malawi is a unique place, which offers both land and marine wildlife. The world's first freshwater, Lake Malawi National Park incorporates several offshore

islands and a peninsula, which was declared at Cape Maclear in 1980. Nkhotakota Game Reserve and Nyika National Park can be easily accessed from the coast of Lake Malawi and is a circuit that brings out the true essence of Malawi.

5.6.5 Lake Malawi- North Malawi

This circuit features Lake Malawi and Northern Region. Visitors utilize Chartered flights and M1 and M5 roads from Lilongwe to access the northern region. The circuit can also be accessed by Inland waterways that connect the northern coastline by MV Ilala from Monkey Bay.

Nkhata Bay and Likoma and Chizumulu Islands, Nyika National Park, Vwaza Marsh, and Kaning'ina Forest Reserve are major

CHAPTER 6: KEY PROPOSALS— THE ROAD AHEAD

6. KEY PROPOSALS:-THE ROAD AHEAD

6.1 Sustainable Tourism Development

Sustainability rests on the pillars of environment, economy, and community. Sustainable tourism strategies should aim at creating a balance between economic development, socio-cultural justice, and environmental conservation. Sustainable tourism should:

1. Make optimal use of environmental resources that constitute a crucial element in tourism development while maintaining essential ecological processes and helping conserve natural heritage and biodiversity;

2. Respect the socio-cultural authenticity of host communities, preserve their built and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance; and

3. Ensure viable, long-term economic operations while providing socio-economic benefits to all fairly distributed stakeholders, including stable employment and income-earning opportunities and social services to host communities and contributing to wealth creation.

Malawi's natural landscape is suitable for the growth of eco-tourism. According to UNESCO, ecotourism is a form of touring relatively undisturbed natural areas for the primary purpose of admiring them and learning more about their habitats. Eco-tourism also seeks to reduce its impacts on the visited areas. It further contributes to conserving natural areas and sustainable development of the adjacent regions and communities, generating further awareness among residents and nearby populations and visitors.

6.2 Sustainable Development Goals in the context of Tourism

During the 70th Session of the UN General Assembly, 154 Heads of State or Government adopted the bold and ambitious 2030 Agenda for Sustainable Development, along with the 17 Sustainable Development Goals (SDGs) that aim to, among other things, end poverty, protect the planet, and ensure prosperity for all.

Figure 16: Sustainable Development Goals

Malawi's natural landscape is suitable for the growth of eco-tourism.

The economic relevance of tourism, representing up to 10% of the world's GDP and employment, is essential for the advancement of the SDGs. Tourism can contribute directly or indirectly to achieving all 17 SDGs due to its cross-cutting nature and global reach. Specifically, tourism appears in the targets of Goals 1, 8, 12, and 14 (No Poverty, 'Decent Work and Economic Growth, 'Responsible Consumption and Production', and 'Life Below Water). Achieving these goals requires a clear implementation framework with adequate funding and investment in technology, infrastructure, and human resources. The country-level Tourism Investment Master Plan is a unique opportunity to shape and determine policies to increase tourism's role in realizing the 2030 Agenda. The United Nations World Tourism Organization (UNWTO) has developed the 'Tourism for SDGs' platform to enable contextualization and implementation of the SDGs. The following are broad strategies laid out by the UNWTO towards the realization of the SDGs:

Goal 1: No Poverty
As one of the largest and fastest-growing economic sectors globally, tourism is well-positioned to foster economic growth and development at all levels and provide income through job creation. Sustainable tourism development, and its impact at the community level, can be linked with national poverty reduction goals, those related to promoting entrepreneurship and small businesses, and empowering less favoured groups, particularly youth and women.

Goal 2: Zero Hunger
Tourism can spur sustainable agriculture by promoting the production and supplies to hotels and sales of local products to tourists. Agro-tourism can generate additional income while enhancing the value of the tourism experience.

Goal 3: Good Health and Well-Being
Tax income generated from tourism can be reinvested in health care and services, improving maternal health, reducing child mortality, and preventing diseases. Visitors fees collected in the protected areas can as well contribute to health services.

Goal 4: Quality Education
Tourism has the potential to promote inclusiveness. A skilled workforce is crucial for tourism to prosper. The tourism sector provides opportunities for direct and indirect jobs for youth, women, and those with special needs, who should benefit through educational means.

Goal 5: Gender Equality
Tourism can empower women, particularly through the provision of direct jobs and income generation from SMEs in tourism and hospitality-related enterprises. Tourism can be a tool for women to become fully engaged and lead in every aspect of society.

Goal 6: Clean Water and Sanitation
Tourism investment can play a critical role in the provision of safe and potable water and the improvement of hygiene and sanitation for surrounding communities. The efficient use of water in tourism, pollution control, and technology efficiency can be vital to safeguarding our most precious resource.

Goal 7: Affordable and Clean Energy
As a sector, which is energy-intensive, tourism can accelerate the shift towards increased renewable energy shares in the global energy mix. By promoting investments in clean energy sources, tourism can help to reduce greenhouse gases, mitigate climate change, and contribute to access to energy for all.

Goal 8: Decent Work and Economic Growth
Tourism, as services trade, is one of the top four export earners globally, currently providing one in ten jobs worldwide. Decent work opportunities in tourism, particularly for youth and women, and policies favouring better diversification through tourism value chains can enhance tourism-positive socio-economic impacts.

Tourism, as services trade, is one of the top four export earners globally, currently providing one in ten jobs worldwide.

Goal 9: Industry Innovation and Infrastructure
Tourism development relies on good public and private infrastructure. The sector can influence public policy for infrastructure upgrades and retrofit, making them more sustainable, innovative, and resource-efficient and moving towards low carbon growth, thus attracting tourists and other sources of foreign investment.

Goal 10: Reduced Inequalities
Tourism can be a powerful tool for reducing inequalities if it engages local populations and all key stakeholders in its development. Tourism can contribute to urban renewal and rural development by allowing people to prosper in their place of origin. Tourism serves as an effective means for economic integration and diversification.

Goal 11: Sustainable Cities and Communities
Tourism can advance urban infrastructure and accessibility, promote regeneration, and preserve cultural and natural heritage, assets on which tourism depends. Investment in green infrastructure (more efficient transport, reduced air pollution, etc.) should result in smarter and greener cities for residents and tourists.

Goal 12: Responsible Consumption and Production
The tourism sector needs to adopt sustainable consumption and production (SCP) modes, accelerating the shift towards sustainability. Tools to monitor sustainable development impacts for tourism, including energy, water, waste, biodiversity, and job creation, will enhance economic, social, and environmental outcomes.

Goal 13: Climate Action
Tourism contributes to and is affected by climate change. Tourism stakeholders should play a leading role in the global response to climate change. By reducing its carbon footprint, tourism can benefit from low carbon growth in the transport and accommodation sector and help tackle one of the most pressing challenges of our time.

Goal 14: Life Below Water
Coastal and maritime tourism rely on healthy marine ecosystems. Tourism development must be a part of Integrated Coastal Zone Management to help conserve and preserve fragile marine ecosystems and serve as a vehicle to promote a blue economy, contributing to the sustainable use of marine resources.

Goal 15: Life on Land
Rich biodiversity and natural heritage are often the main reasons why tourists visit a destination. Tourism can play a major role if sustainably managed in fragile zones, not only in conserving and preserving bio-diversity but also in generating revenue as an alternative livelihood to local communities.

Goal 16: Peace Justice and Strong Institutions
As tourism revolves around billions of encounters between people of diverse cultural backgrounds, the sector can foster multicultural and inter-faith tolerance and understanding, laying the foundation for more peaceful societies. Tourism, which benefits and engages local communities, can also consolidate peace in post-conflict societies.

Goal 17: Partnerships for the Goals
Due to its cross-sectoral nature, tourism can strengthen private/public partnerships and engage multiple stakeholders – international, national, regional, and local – to work together to achieve the SDGs and other common goals. Public policy and innovative financing are at the core of achieving the 2030 Agenda.

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6.3 Guiding Principles from the National Tourism Policy of Malawi

Tourism is important to Malawi and all the individuals connected with this industry. It is essential to recognize that this is a global industry, influenced by both local and international trends. The strategies and actions outlined in this policy can only be achieved by establishing partnerships between key parties. In establishing such partnerships, the following principles shall apply:

a. **The Government should actively promote policies that stimulate tourism growth:** The Government at all levels must demonstrate the priority it places on tourism as a growth sector by effecting efficient policies and allocating appropriate funding to the sector to create an environment conducive to investment.

b. **Tourism should be private-sector driven:** Tourism growth and development should be primarily directed by the principles of demand and supply, making the private sector a major partner in the development of the industry.

c. **Tourism should be supportive of community involvement:** Without the support and participation in tourism by the widest spectrum of citizens, the foundations of hospitality, service, and facility standards will remain weak, and this could be counter-productive to the sustainable development of tourism. With respect to poverty reduction issues, cultural tourism and capacity

building of SMEs in the sector should be recognized and encouraged.

d. **The tourism sector should be conscious of the important role it plays in employment**. There is a need for labour in tourism to be organized into associations to ensure a culture of excellence. The importance of a motivated, skilled, and productive labour force should be acknowledged and supported by all stakeholders.

e. **Tourism should be environmentally responsible and sustainable:** Sustainable tourism development should be promoted and encouraged to demonstrate in tangible ways the benefits that ecologically sensitive tourism schemes can have.

f. **Tourism should be gender-responsive** in recognition of the important roles that both men and women play in the tourism industry. The Sectoral Mission, as defined by the guiding principles, hence focus on "*Ensuring the development and promotion of the sector, that it is sustainable, bringing meaningful economic benefits to the areas visited, contributing effectively to the reduction of poverty and making it enjoyable to both present and future hosts and visitors.*"

6.4 Pillars of Sustainable Tourism Development

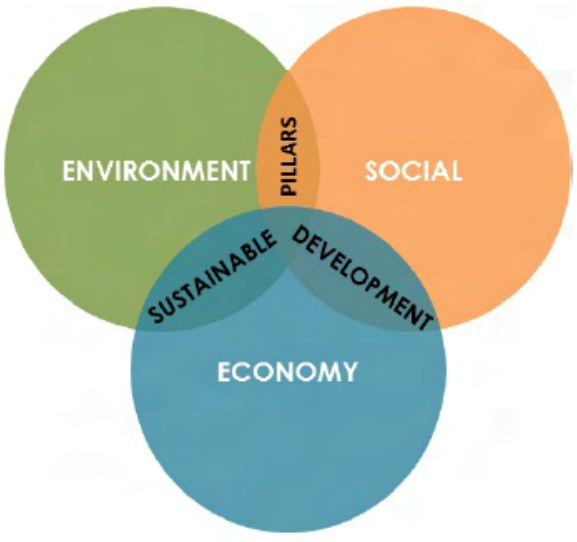


Figure 17: Pillars of Sustainable Development

The strategy for National Tourism Investment Master Plan development focuses on various aspects that are sustainable towards the country's socio-economic context and towards the country's environmental sustainability. Hence, critical facets from these three sustainability pillars of Environment, Economic, and Society-are considered while any development at tourism nodes is proposed. Careful consideration of balancing between these three pillars has been made. These three pillars have been explained in greater detail in the following subsections:

Economy

Tourism development must strive to strengthen the local economy. Job creation and economic sustainability must be the prime motive for tourism development. The development of tourism must include local stakeholders in all tourism products to benefit the local economy. Tourism development strategies must also encourage and train the local population to work in the tourism industry and generate income. The use of locally available resources to the maximum extent possible must be encouraged to benefit the region and reduce the carbon footprint towards resource transportation.

Environment

Each asset should be planned after a thorough environmental impact assessment. There should be an encouragement to use locally available natural materials for construction purposes. Methods of green construction and eco-friendly assets should be explored, and tourism development should not disrupt the local ecology. The main strategies to conserve and wisely use the resources are:

- **Water:**

Water is a scarce resource but is a requirement for the development of the nodes. Various strategies should be taken up to conserve water and use renewable sources. Rainwater harvesting tanks should be made mandatory for each lodge/ resort development to provide water for the development and Recharge. Bioswales and rain gardens must be planned within the site planning of tourism products like resorts, lodges etc.

- **Energy, Fuel:**

The ideology to develop self-sufficient tourism nodes, independent of the energy grid, would require investments in hydro energy, solar parks, and wind energy. Energy

conservation must be an important strategy in the design of tourism products. Energy creation may be integrated with the design in solar roods, on-site mini windmills etc.

- **Forest Resources:** The existing forests and natural reserves must be protected to conserve the ecosystem and also act as a carbon sink.

- **Waste Management -** Conventional waste disposal infrastructure and sewer reticulation should be prioritized in plan making and implementation. Proper solid waste management is critical in natural settings. This normally is included in the Environmental Impact Assessment, as is the management of sewerage and storm water. Enterprises should be encouraged by the Government towards waste management endeavours.

Social

Strategies should encourage the development of sustainable tourism products and services that respect the local cultural values. The achievement of increased quality and diversity of tourism products and services should be based on respect and preservation of local values. There should be an increased awareness of the importance of local cultural values. Inclusion and diversity in employment and zero discrimination should be encouraged.

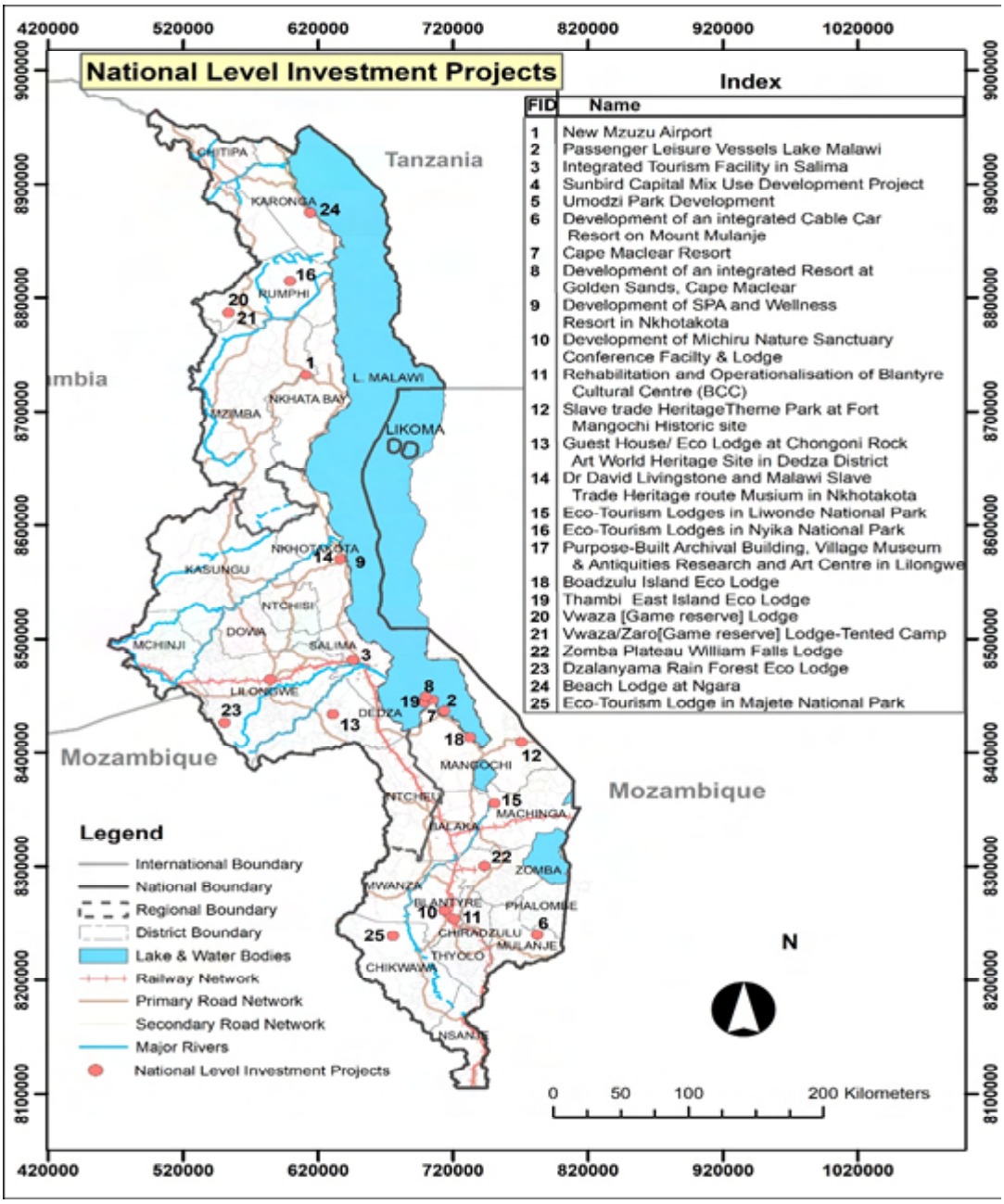
6.5 National level investments

Major country-level investments are envisaged to spur growth across the country and have been mapped to identify potential nodes. Several of the investments are directly focused on the tourism sector, while others indirectly affect increasing tourist inflow (Please refer to Map 16). These projects have been retrieved from various sources of information, including the Investment Compendiums published by the Malawi Investment and Trade Centre.

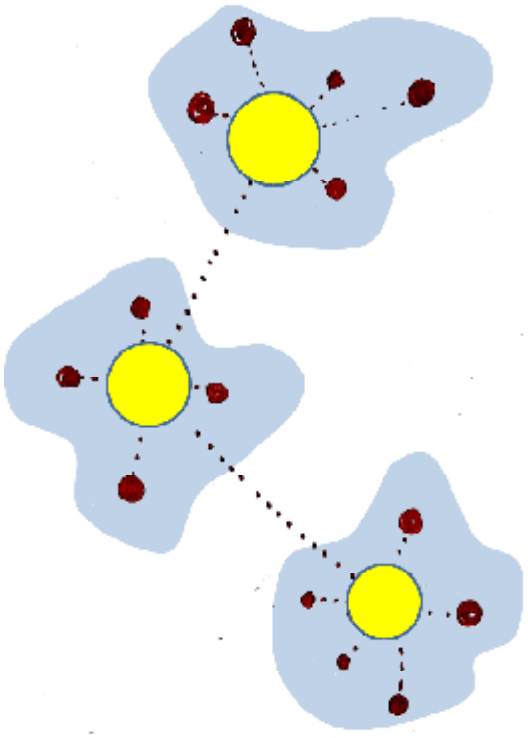
6.6 Spatial Planning of Tourism Infrastructure and Nodes

Malawi is a linear country with Lake Malawi running along the eastern boundary.

Map 16: National Level Investment Projects



The major urban centres which act as gateways to Malawi's hinterland are Mzuzu, Lilongwe, and Blantyre. These also form the three major intersections for several tourist circuits in Malawi. They are well connected by air, rail and road, with the exception of Mzuzu, which is not connected by rail. The destinations in Malawi can be broadly classified according to Malawi's three regions - northern region, central region, and southern region.



Hub and Spoke Model: The 'Hub and Spoke' Model is based on regional gateways that act as tourist hubs, surrounded by a cluster of tourism destinations and products dependent on the hub.

It has been perceived that any type of industry, including tourism, grows in agglomeration. The important regional tourism hubs help in the formation of clusters. These clusters are envisaged as communities of inter-related activities supported by the infrastructure of the Node.

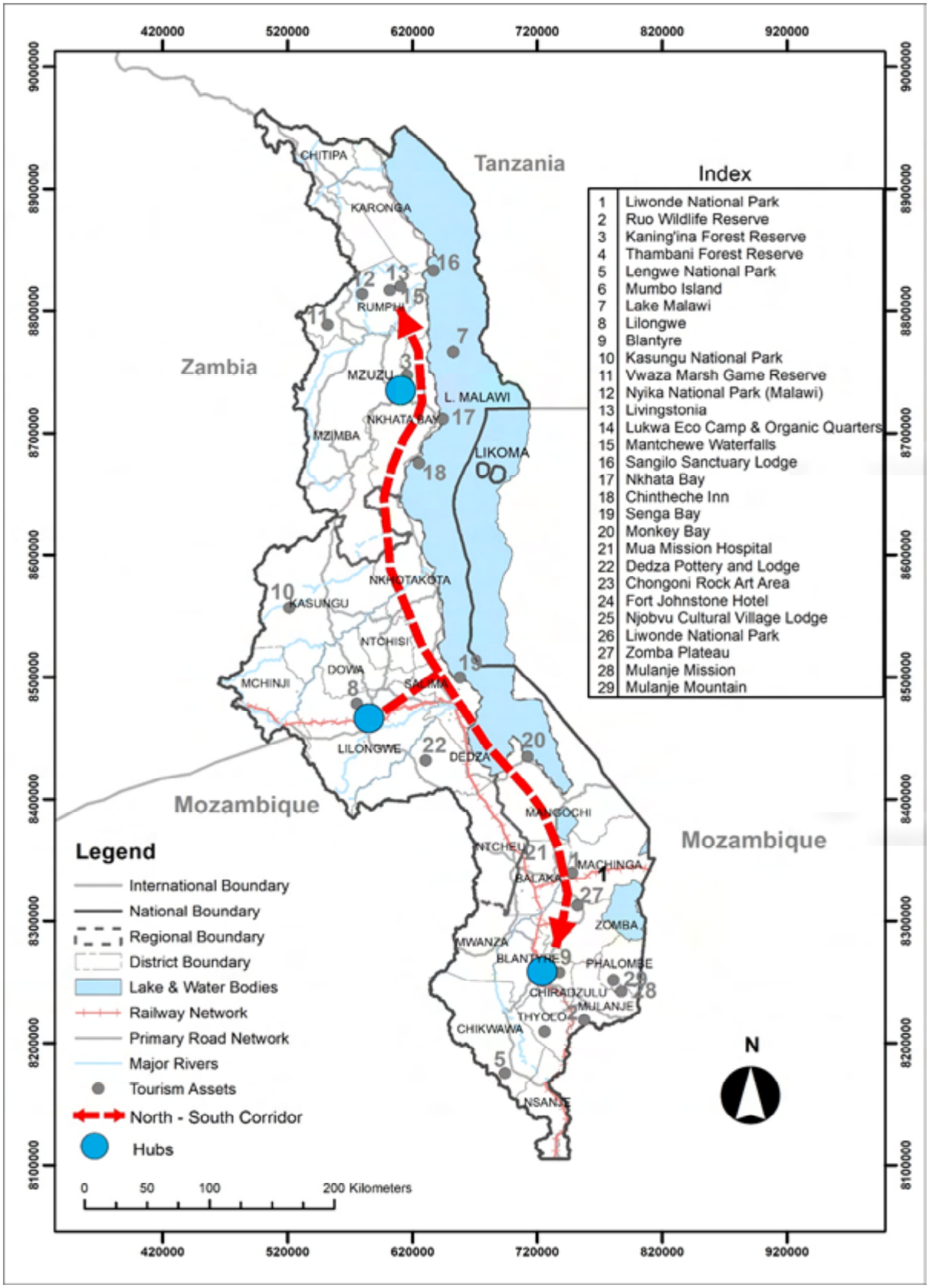
The three main hubs that will enable regional growth are Mzuzu, Lilongwe and Blantyre. These districts are well-connected to the hinterland and the nodes. The development of any node should also consider its connections to the nearest regional hub.

The three main hubs that will enable regional growth are Mzuzu, Lilongwe and Blantyre. These districts are well-connected to the hinterland and the nodes.

Most hotels tend to concentrate on specific geographical areas. The main reason behind this trend has traditionally been found in the so-called "economies of geography". The geographic concentration of hotels around the resources demanded by tourists is likely to generate agglomeration economies that will benefit establishments in the form of cost reduction and increased income.

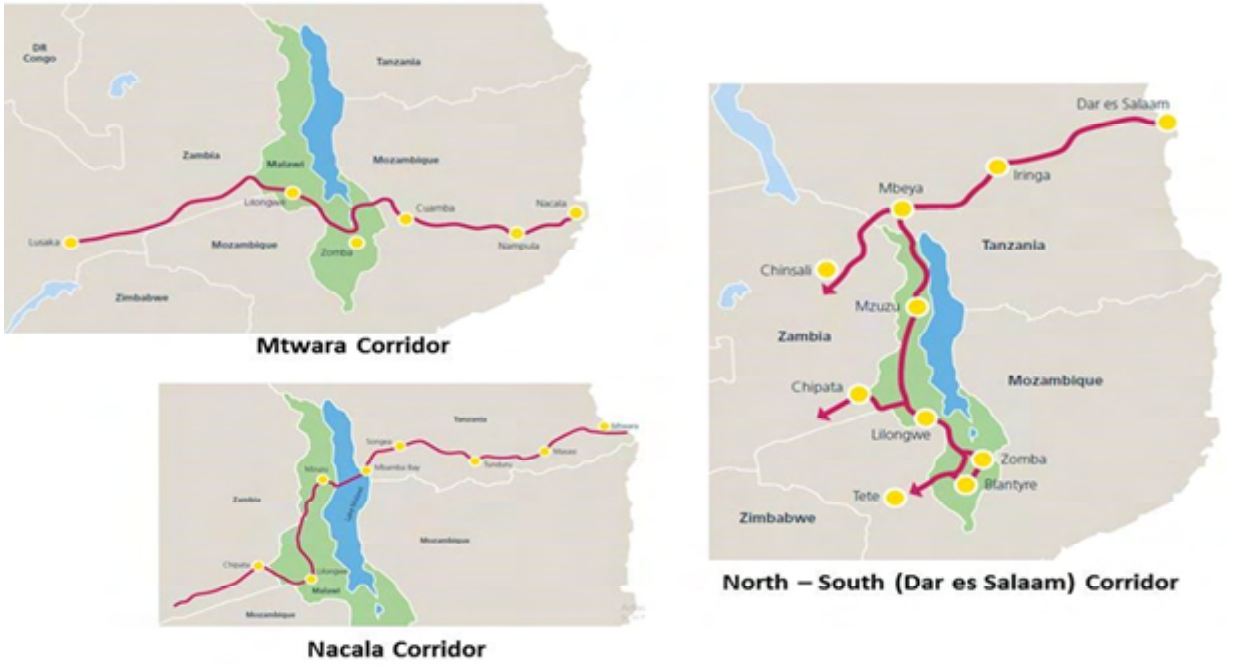
Thus, the 'Hub and Spoke' Model is envisaged to spur growth in the region and help in clustering of the hospitality industry, thus ensuring efficiency in services. The 'Hub and Spoke' Model will be further strengthened by an efficient transportation infrastructure network along the tourism corridor that runs across the country from north to south along Lake Malawi. This plan will attempt to take advantage of the country's linearity and the long shoreline offered by Lake Malawi. It is recommended that major roads M1 and M5 be upgraded, after appropriate feasibility studies, to 30 m right of ways (RoW) incorporating dedicated bus lanes.

Map 17: Hubs along the N-S corridor



A World Bank report (2010) indicates that infrastructure constraints are responsible for about two-thirds of the productivity handicap faced by Malawian firms[1]. It is fundamentally important to make connections with the major infrastructure corridors in the region at the country level. The Transport Master Plan for Malawi identifies these corridors as Mtwara Corridor, Nacala Corridor, and N-S Dar es Salaam Corridor. From a tourism perspective, a railway corridor has been identified extending from the existing south connecting to Mzuzu and then onto the N-S Dar es Salaam corridor, i.e. The Tazara Railway. Recently, Lonely Planet identified the Tazara Railway among 10 of the world's most amazing train journeys. Refer to figure 19.

Figure 18: Key Regional Network Proposal from Transport Master Plan



Source: Malawi National Transport Master Plan

6.6.1 Recommendations from the Malawi National Transport Master Plan:

i. Tarred roads, streetlights, and cycle and footways should be developed in urban centres to facilitate planned urban development that can enhance economic growth;

ii. Conventional waste disposal infrastructure and sewer reticulation should be prioritized in planning and implementation;

iii. Sufficient water and sanitation services should be provided in all centres by Water Boards as required by law;

iv. The Government should provide equitably and proportionally distributed funds among urban centres to develop infrastructure that will promote urbanization. To ensure the sustainability of the funds and infrastructure, the utility of the fuel levy should be transparent;

v. Councils should be allowed to introduce Toll Fees to generate revenue for local council infrastructure requirements; and

vi. Streetlights should be installed in all urban centres as a policy and legal requirement to ensure safety and security and reduce the potential gender-based violence against women.

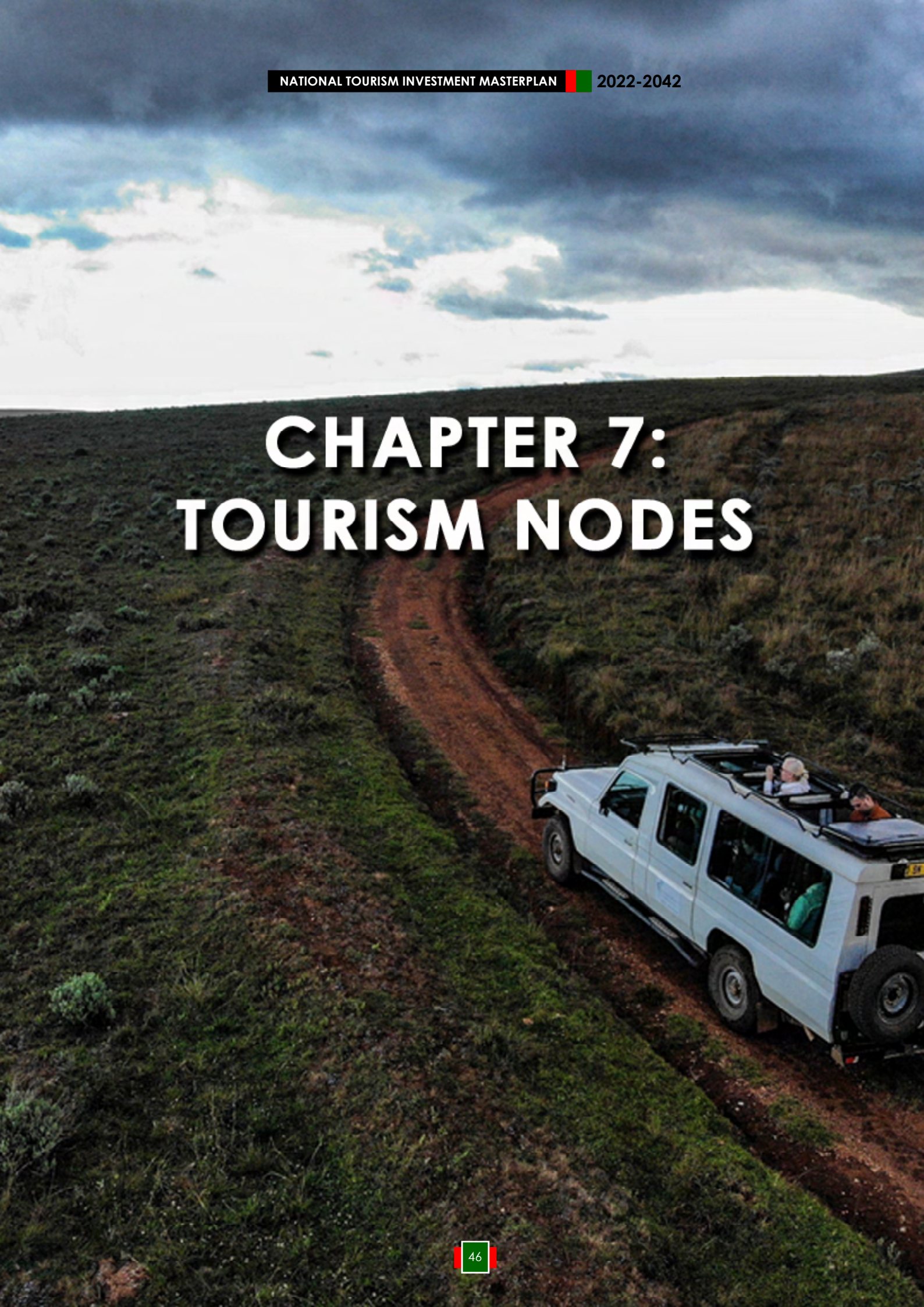
Tarred roads, streetlights, and cycle and footways should be developed in urban centres to facilitate planned urban development that can enhance economic growth

[1] Foster, V & Shkaratan, M, 2010. Malawi's Infrastructure: A Continental Perspective, World Bank

Table 10: Status of Infrastructure around major Tourism Assets

S.No.	Tourism Asset	Major access points	Access Infrastructure Status
1	Lake Malawi	Nkhata Bay	Road (M5), lake services
		Salima	Road (M14, S122)
		Mangochi	Air, road (M10)
		Monkey Bay	Road (M10, S128), lake services
		Nkhotakota	Road (M5), lake services
2	Nyika National Park	Rumphi – Thazima Gate	Road (unpaved)
3	Nkhotakota National Park		Air, road (M18)
4	Kasungu National Park	Kasungu	M1, S118, potholed road, and gravel road in the park
5	Liwonde National Park	Liwonde	M3, 14km unpaved road, M8, 30km unpaved road
6	Majete Wildlife Reserve	Chikwawa	S136 paved
7	Mulanje Mountain Reserve	Mulanje	M2
8	Lengwe National Park	Chikwawa	M1, paved roads
9	Likoma Island	KIA, Lake ports	Air, lake services
10	Mwabvi Wildlife Reserve	Bangula	M1
11	Namizimu Forest Reserve	East of Mangochi	Road, 3km unpaved
12	Vwaza Marsh Reserve	Chilumba	M9

Source: Malawi National Transport Master Plan



CHAPTER 7: TOURISM NODES

7 . TOURISM NODES

7.1 Potential Tourism Clusters and Nodes

Potential tourism nodes have been identified in each of the three regions of Malawi. The nodes are envisaged as spokes connected to the major cities of Mzuzu, Lilongwe, and Blantyre as hubs. On layering the tourism assets with the settlement hierarchy, a clustering network emerges, which becomes a basis for spatial identification of the potential nodes (Refer to Map 18). The spatial planning parameters used to identify nodes are:

1. Spatial contiguity with three major hubs and emergent settlement hierarchy;

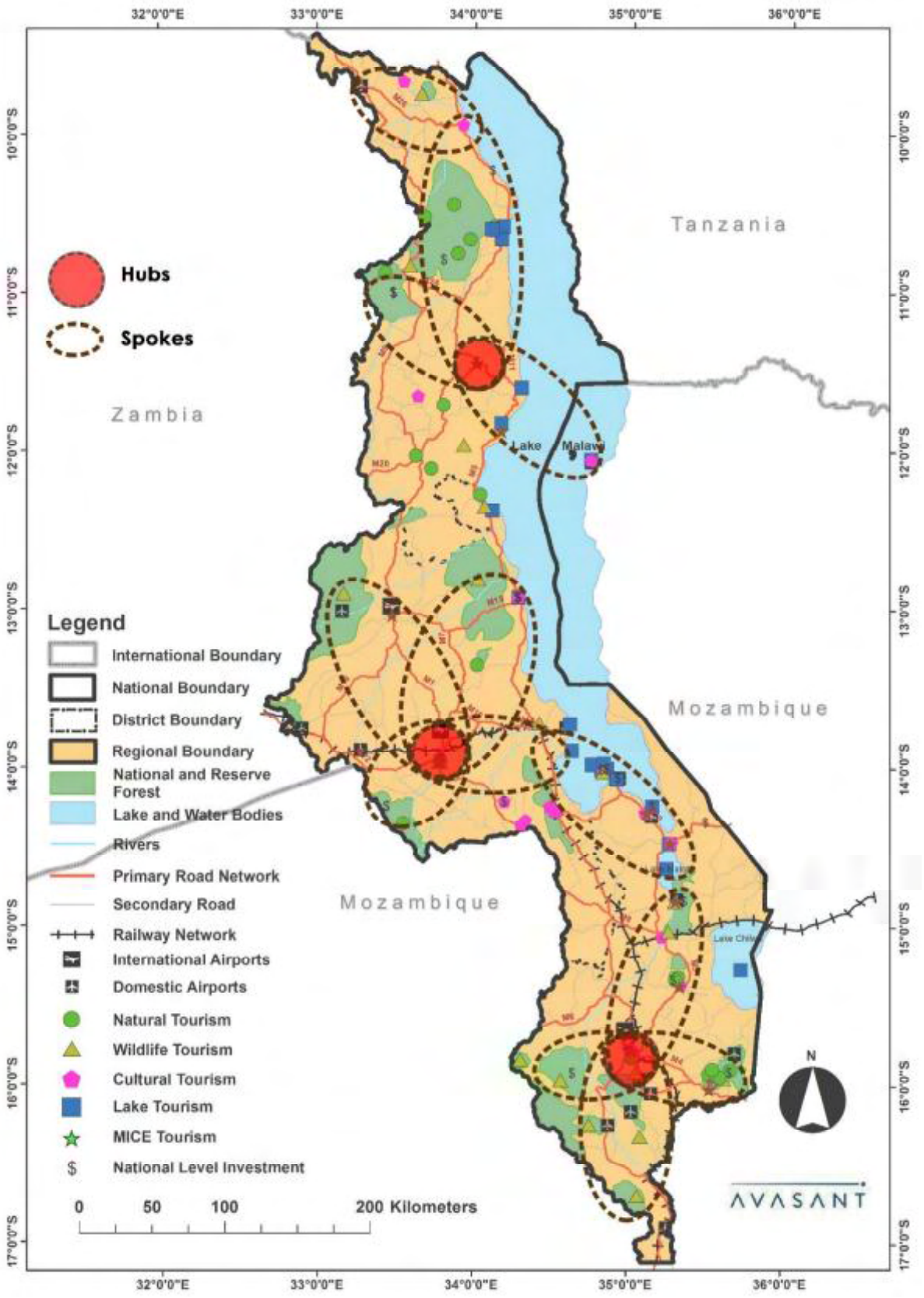
2. Clustering of various tourism assets within one location;

3. National level investment projects;

4. Transportation connectivity and the possibility for multi-modal augmentation; and

5. Existing Infrastructure status.

Map 18: Hub and Spoke Clustering diagram



7.2 Identified Nodes

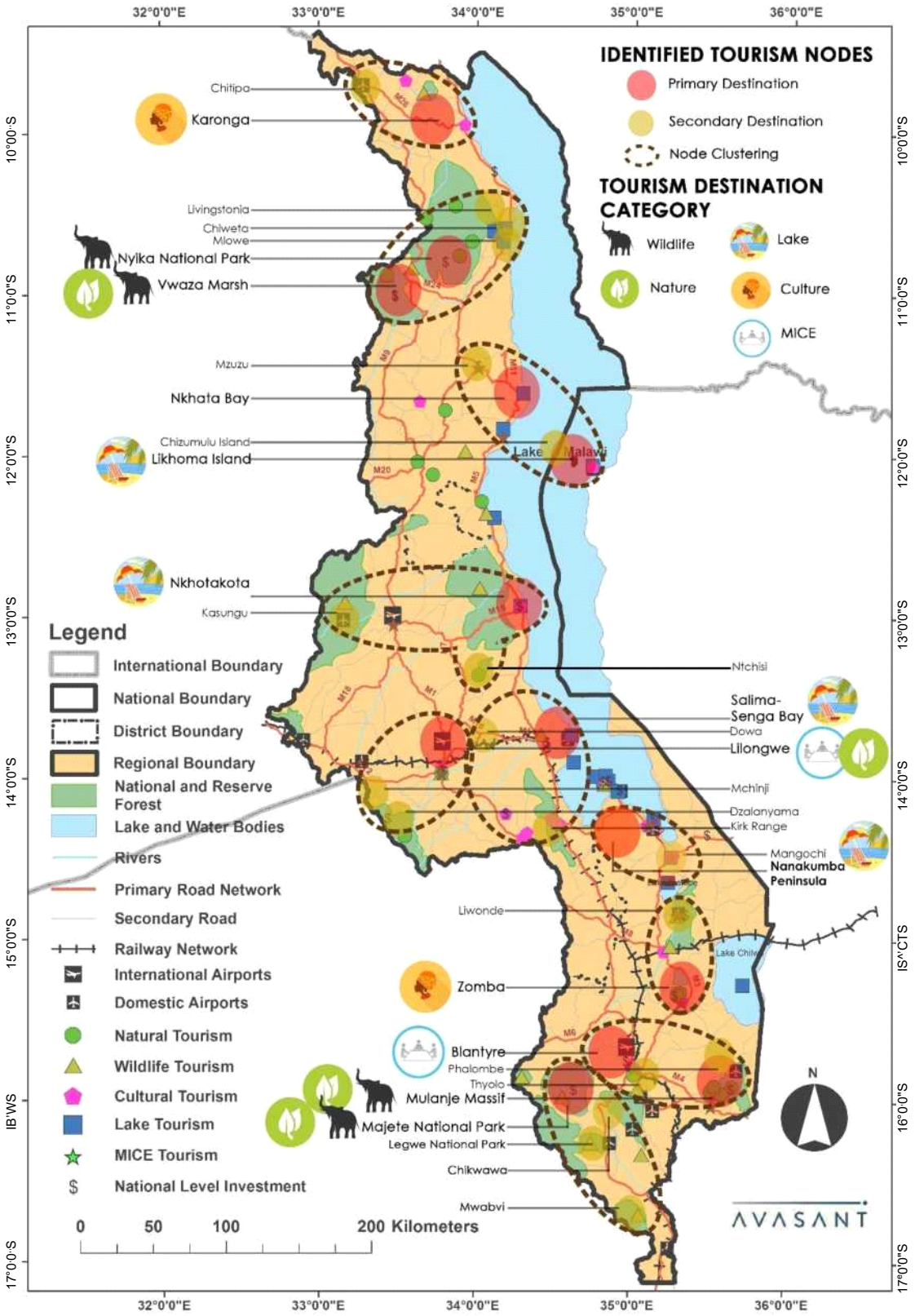
S.No.	Identified Nodes	Primary Destinations	Secondary Destinations
Northern Region			
1	Nyika - Vwaza - Livingstonia - Chiweta - Mlowe	Nyika – Vwaza	Livingstonia - Chiweta - Mlowe
2	Likoma Island, Chizumulu Island, Nkhata-Bay and Mzuzu	Likoma Island and Nkhata-Bay	Chizumulu Island, Mzuzu
3	Chitipa and Karonga (Misuku hills and Songwe River basin)	Karonga	Chitipa
Central Region			
4	Lilongwe - Dzalanyama – Mchinji	Lilongwe	Dzalanyama – Mchinji
5	Kasungu - Ntchisi - Nkhotakota	Nkhotakota	Kasungu, Ntchisi
6	Salima - Dowa - Kirk Range - Lilongwe	Salima	Dowa, Kirk Range *(Lilongwe only included in this node as a gateway to this node)*
Southern Region			
7	Zomba-Liwonde	Zomba	Liwonde
8	Nankumba Peninsula and Mangochi	Nankumba Peninsula	Mangochi
9	Mulanje - Blantyre- Thyolo - Phalombe	Mulanje, Blantyre	Thyolo, Phalombe
10	Lower Shire (Chikwawa, Nsanje and Shire River)	Majete WR	Lengwe, Mwabvi, Chikwawa

The identified nodes encompass existing locations of key tourism attractions and areas with potential for future tourism development. The identified nodes function as clusters of primary and secondary destinations, following the structure of the 'Hub and Spoke' model. The nodes are spread across the country, envisaging future development.

Since this tourism investment plan is for a horizon of 20 years, it is pivotal to establish future infrastructure networks and linkages within the tourism nodes. In future, many of these identified nodes will undergo development and an increase in traffic. This, in turn, will put pressure on existing infrastructure, especially the road network. The road network is also the primary carrier for trunk infrastructures like water, sewage, and power lines. Thus, it is important to integrate these networks into the tourism nodes. In each node, a strategic road network has been planned, connecting the identified primary and secondary destinations (refer to Map 19). The development of these road networks will have to meet the growing mobility and future infrastructure demands. These networks have been further detailed out in the node level plans, and recommendations for important upgrades have also been provided. As a "rule of thumb" for the road hierarchy, primary roads are recommended to have a road width of 24-30m, while secondary roads may have a road width of 12-18m. Roads within National Parks/ Wildlife Reserves may have a road width of 9m.

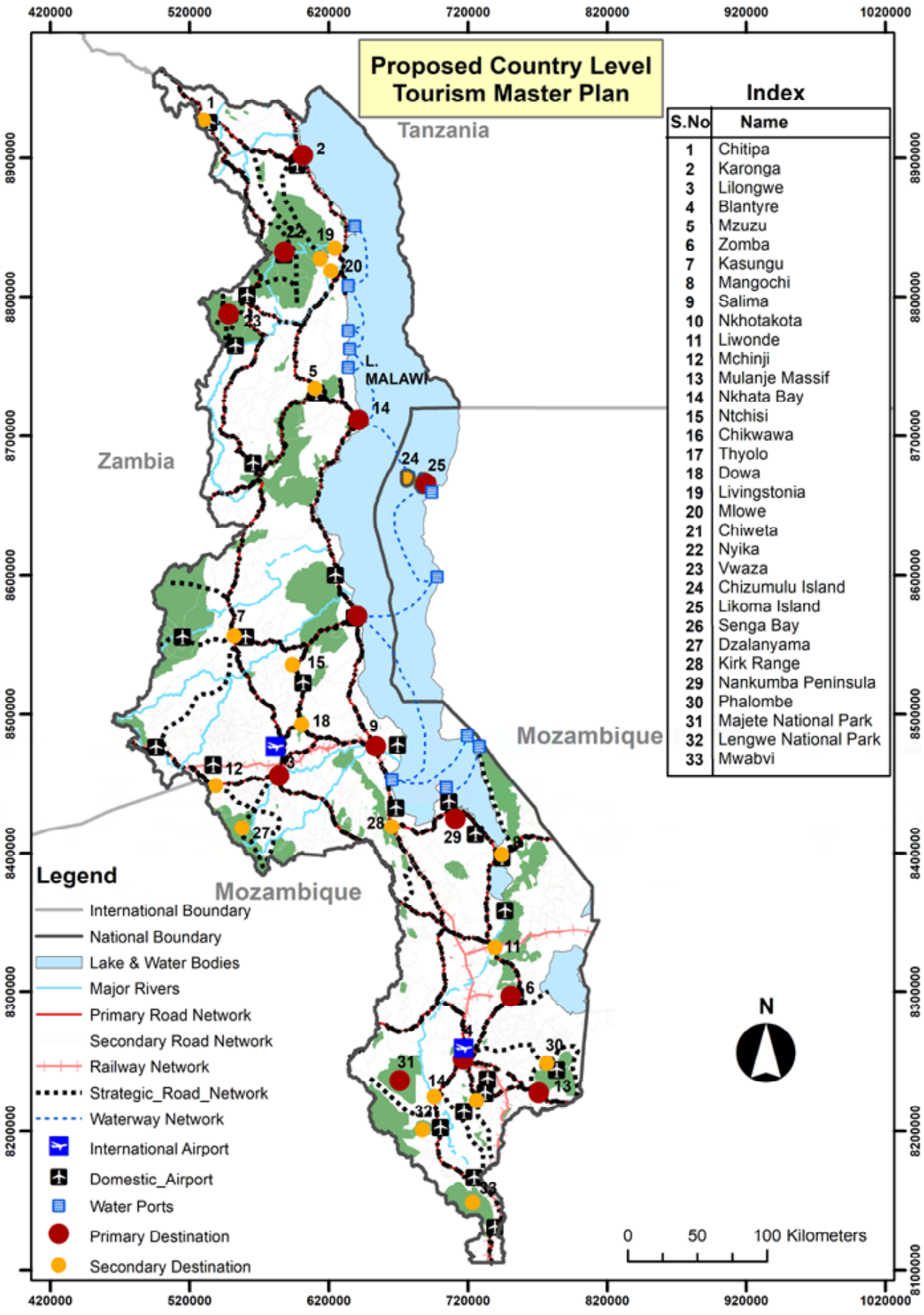
Since this tourism investment plan is for a horizon of 20 years, it is pivotal to establish future infrastructure networks and linkages within the tourism nodes.

Map 19: Identified Nodes with Primary and Secondary Destinations



The following map showcases the country level Tourism Master Plan with all the major tourist locations in the country and their inter-connectivity via roads, air, and waterways (Refer to Map 20).

Map 20: Proposed Country Level Tourism Master plan



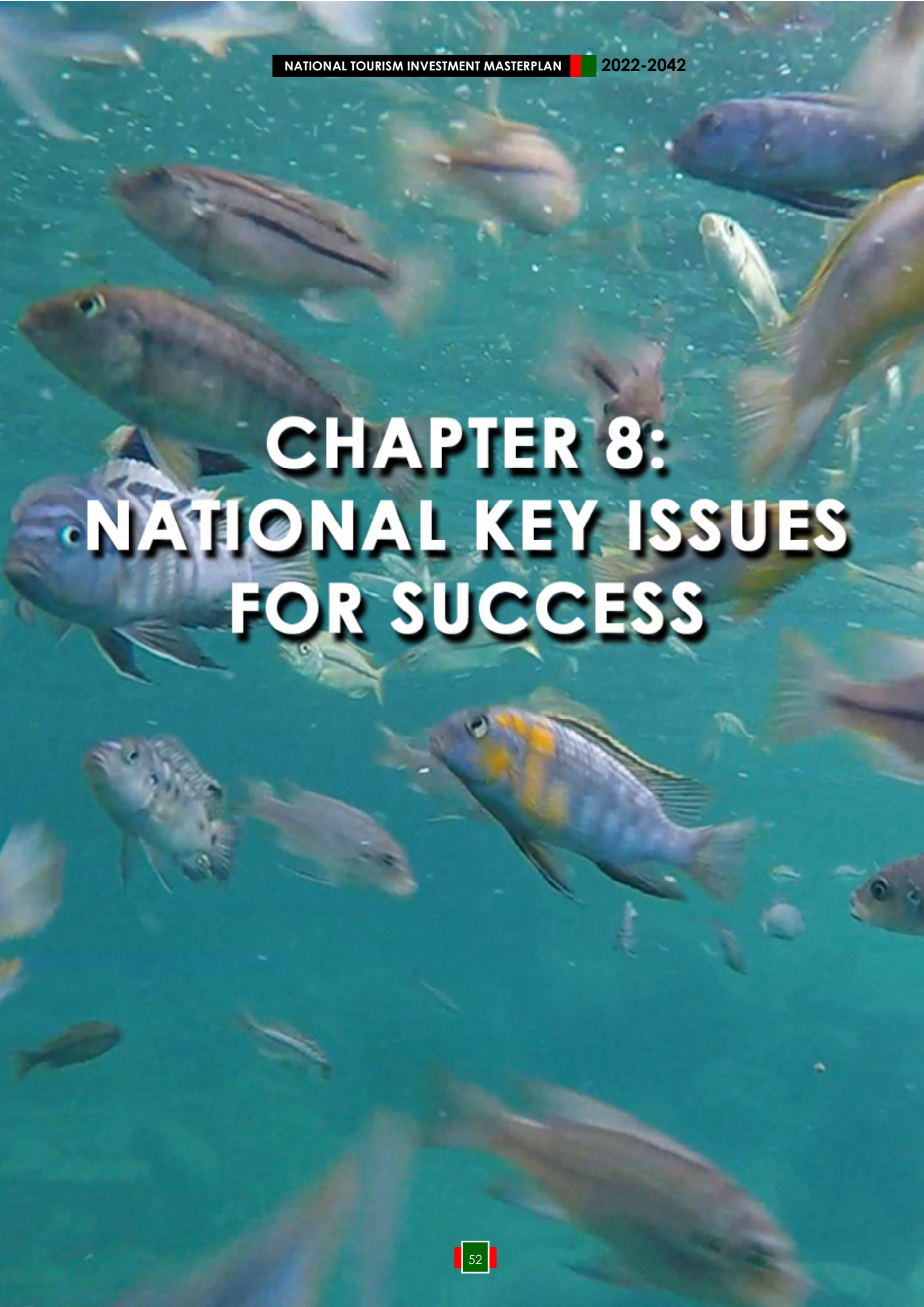
7.3 Inclusive Tourism

Tourism is a growth industry that cuts across many sectors of the economy. Its high multiplier effect stimulates high economic activity across a country's economy. Inclusive growth has the potential to provide entrepreneurship and employment opportunities to disadvantaged groups that are brought by increased involvement in the sector.

The Malawi 2063 advocates the creation of secondary cities and urbanization of all major tourist attractions across the country as a way of ensuring that there is equal distribution of wealth to marginalized areas of the country. Key Interventions to enhance inclusive tourism include:

- Meaningful participation of local businesses in protected areas by disaggregating concession managements into accommodation and catering; game viewing and boat safaris; and transfers to protected areas, among others;
- Promoting joint ventures between foreign and local investors under public, private partnership arrangements; and
- Increasing the prime parks entry fees to ensure that are more resources. A flat fee of under USD10 is charged for park visitor entry, vehicle entry, and camping regardless of the quality of the protected area. A differential rate could be introduced for the protected areas and higher ones for such unique attractions as Lake Malawi National Park, which protects 350 species of cichlids not found anywhere else in the world. For example, the Galapagos Islands, which has the world's largest diversity of unique animal species, charges a flat fee of USD100, which is paid on arrival in the country, whereas Rwanda charges USD1500 per person per day for guerilla trekking.

The Malawi 2063 advocates the creation of secondary cities and urbanization of all major tourist attractions across the country as a way of ensuring that there is equal distribution of wealth to marginalized areas of the country



CHAPTER 8: NATIONAL KEY ISSUES FOR SUCCESS

8. NATIONAL KEY ISSUES FOR SUCCESS

The National Tourism Investment Masterplan provides a framework for tourism development and investment across the country. It informs Government Ministries, Departments and Agencies at all levels, including local councils; the private sector; potential investors and other key stakeholders, about the country's short-term, medium-term and long-term plans to transform the tourism sector and industry. Governments' central role is to create an enabling environment while also ensuring that the following national key issues impeding tourism industry growth are addressed:

8.1 Public Sector Reforms

The National Tourism Policy identifies a number of interventions in the public sectors that will optimize the tourism sector enabling environment. The five key areas for public sector reforms are:

i) Functional review for the Department of Tourism

The Department of Tourism needs to be restructured and strengthened with the objective of improving its competitiveness in the regional and global tourism market. The functional review will also further mitigate the negative impacts of continuously emerging issues in tourism as a service sector.

ii) Devolution of tourism to local councils

The objective of achieving inclusive tourism requires the devolution of tourism functions to local councils to ensure that tourism planning is decentralized. The process of devolution will ensure that all tourism decision making at the local level is the responsibility of local councils.

iii) Development of a comprehensive Tourism Law

The current Tourism and Hotels Act was enacted in 1968 and focused predominantly on Licensing of the accommodation sector. The Act, therefore, needs to be comprehensively reviewed to ensure that all emerging and evolving issues related to tourism development, promotion and regulation are efficiently legislated in line with the national aspiration as articulated in the MW2063.

iv) Creation and establishment of a National Tourism Authority

The current institutional setup provides that the development, promotion and regulation of tourism are undertaken by the Ministry of Tourism, Culture and Wildlife. In order to improve the efficiency and effectiveness of the functions of marketing and regulation, there is a need to create a semi-autonomous Malawi Tourism Authority that will be responsible for destination marketing and regulation of the tourism sector. This will ensure that Malawi's visibility in the international and domestic markets is enhanced. The aspect of regulation under the Authority will lead to an improvement of product quality of tourism facilities and services.

v) Mainstreaming Tourism across all sectors

Tourism is a sector that has multiple linkages with other sectors such as transport, security, agriculture, health and the environment. The decisions made at all planning levels have a bearing on the growth and development of the tourism sector. The developments in the key support sectors such as transport, land, mining, among others, have an impact on tourism hence the need to mainstream tourism in strategies, programs and activities of all the relevant sectors.

The introduction of Pillar and Enabler Coordinating Groups (PECGs) can ensure the mainstreaming of prioritized sectors across all sectors of the economy.

Malawi needs urgent reforms in the following areas to effectively facilitate tourism growth:

- Ensure that there is consideration to implement aviation policies that promote entry of more international and regional airlines to increase competition and capacity. This will result in competitive airfares on the Malawi regional routes that make the destination very expensive;
- Consideration should be made to join sub-region or regional visa regimes in line with regional integrations commitments and continuously align visa fee regime to the region for the country to remain competitive;
- There is a need to continuously improve customer service delivery to frontline workers' key to the tourism industry through the provision of a series of customer service workshops; and
- Encourage the participation of local private investments in the domestic airline sector that will lead to the increase in mobility between and within tourism nodes and hubs.

8.2 Human resource development and motivation

The provision of quality service quality in the tourism sector is one of the most important factors for gaining destination sustainable competitive and advantage and consumer confidence in a highly competitive marketplace.

For Malawi to be competitive as a tourism destination, there is a need to have a well-trained, qualified and professional workforce. Another factor that needs to be taken into account in quality service delivery is the

Malawi needs to introduce and develop a legal framework that will regulate tourism, travel and hospitality training institutions.

provision of a healthy working environment and fair sectoral wage. The National Tourism Policy provides direction for collaboration with relevant authorities to introduce a minimum wage for the tourism sector.

The issue of building capacity for a professional tourism workforce is pivotal in growing tourism traffic to Malawi. There is a need to strengthen the capacity of training tourism institutions and, in particular, the Malawi Institute of Tourism (MIT) by modelling it on reputable tourism training institutions such as Utali College of Kenya, a government-owned institution responsible for the improvement and sustenance of quality service delivery in the tourism and hospitality industry in Kenya.

Malawi needs to introduce and develop a legal framework that will regulate tourism, travel and hospitality training institutions. It is also recommended that a provision should be made in the Tourism Act that provides for the creation of a Tourism and Hospitality Professional body to enhance career development in the industry.

8.3 Development of tourism support infrastructure

Infrastructure requirements in the tourism nodes such as roads, bridges, ports, airfields, information communication technology, energy, rail, among others, have been aligned to the National Transport Masterplan (2017-2037) and the new support infrastructure requirements have been adopted in relevant District Development Plans. The infrastructure needs of the tourism industry for the first 10 years should be aligned to the MIP-1, which is a 10-year implementation plan for Malawi 2063.

8.4 Reduction of Leakages

The tourism industry, especially international tourism, is susceptible to very high-income leakage rates resulting in revenue generated by tourism being lost to other countries economies. Much of the generated tourist expenditure is used for payment of imports of goods and services for the tourism services that are not locally available in the country; loan and interests' repayments of foreign loans; salaries and benefits for expatriate staff, amongst others. Leakages can be reduced through strengthening tourism linkages with other sectors such as agriculture, manufacturing; encouraging increased meaningful participation of locals in the tourism industry that will ensure wealth created in the sector remains in the country for the benefit of the country's economy.

8.5 Domestic Tourism Development and promotion

Domestic tourism accounts for a large portion of a country's tourism revenue. The majority of tourism inventory, services and facilities are utilized by the domestic market, and therefore successful investments need to take into account the needs of the domestic market. The following interventions are recommended:

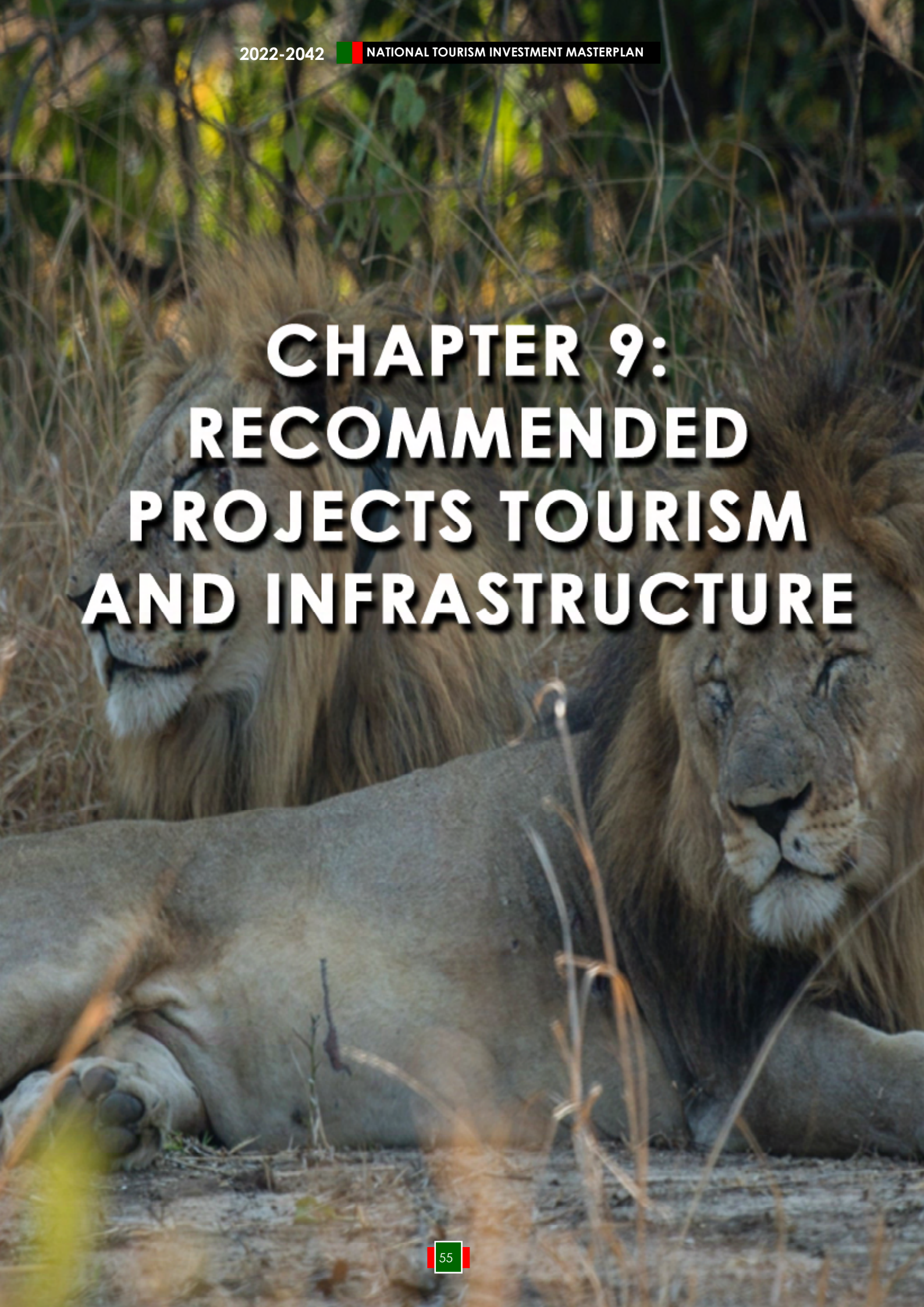
- Increased domestic tourism promotion to demystify travel among locals;
- Development of products and activities targeting domestic tourism;
- Collaborating with tourism entrepreneurs to offer reasonable rates for domestic tourists;
- Development and promotion of tourism destinations spearheaded by local councils; and
- Increased investment in safe, direct public transport for tourists.

8.6 Increased utilization of local goods and services

Malawian designated tourism enterprises have a high preference for imported fixed and consumer goods and services regardless of the availability of relatively better local products. The following recommendations will help to address these challenges:

- Use of accommodation prototypes that promote utilization of locally produced materials;
- Incorporation of local crafts and art in tourism facility fixtures, e.g. ceilings and décor;
- Utilization of local consumer goods from local communities and businesses; and
- The general adoption of indigenous knowledge.

Due to tourism linkages with other sectors, it is therefore evident that the successful implementation of the National Tourism Investment Masterplan will be dependent on the implementation of sectoral strategies and plans. Hence the need for collaboration with other Government Ministries, Departments and Agencies to address the bottlenecks as highlighted above.



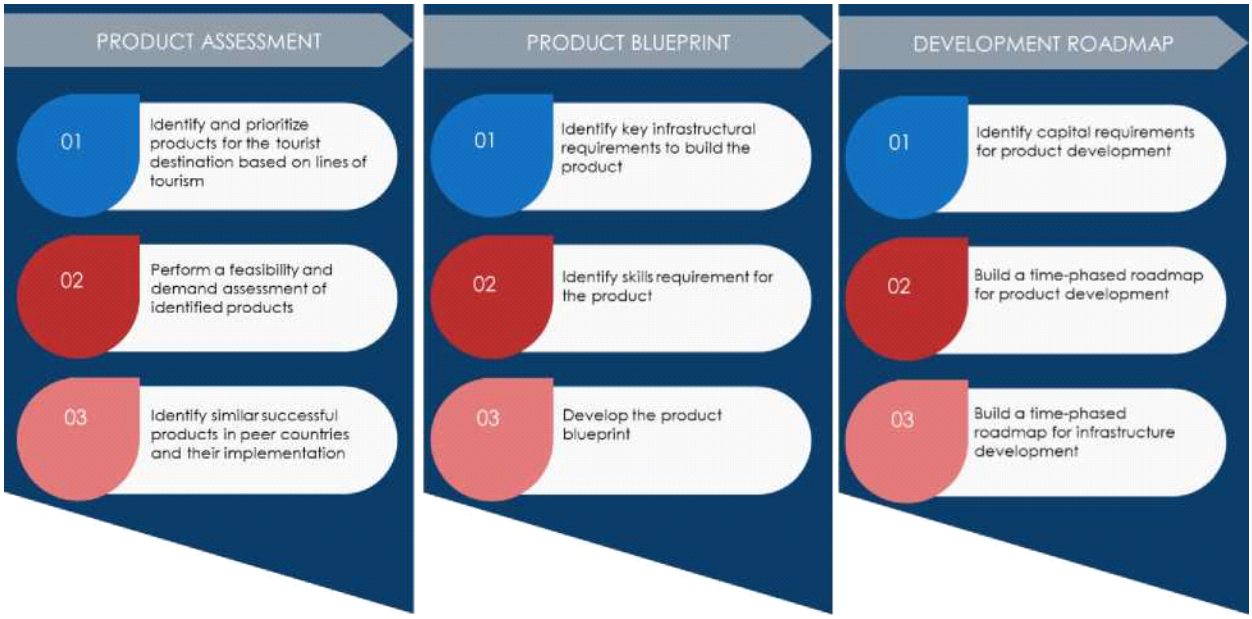
CHAPTER 9: RECOMMENDED PROJECTS TOURISM AND INFRASTRUCTURE

9 RECOMMENDED PROJECTS – TOURISM AND INFRASTRUCTURE

9.1 Tourism Project Development

The potential projects across nodes have been identified using a strategic planning and assessment framework, which is depicted in Figure 19 below. This fra,ework identifies tourism products and provides a roadmap for their development.

Figure 19: Tourism Project Development Framework



Based on the framework above earlier, a set of guidelines was developed to identify and shortlist products in the nodes as follows:

- **Determine alignment of products designed with Malawi2063 and the National Tourism Policy 2019** – the tourism products identified for different nodes were shortlisted based on their alignment with the tourism policy.
- **Across the five tourism product lines** – product identification has been made, ensuring that there is a balanced distribution of products across the five lines.
- **Across cost segments** - the product identification process also ensured that it comprehensively covered all tourist cost segments for both accommodation and tourism experience.
- **Benchmarking of best practices** - success stories of similar products in the peer countries have been studied for product development consideration.
- **Equitable geographic and demographic coverage** – the product identification across the nodes has been made keeping in mind that it is distributed equitably across the different geographic regions of the country and targets all the demographical segments.
- **National Vision** – the vision for tourism sector development set by Malawi's Malawi MW2063, has been used as one of the foundations for identifying tourism products across all nodes.
- **Consideration of sectoral policies and guidelines** when developing tourism products, especially in water bodies, mountains and protected areas.

9.2 Tourism-line Specific Project Development Opportunities

The following list contains the potential tourism products (be it facilities, activities, or programs) under the tourism product lines. This list has been utilized in identifying tourism products in all the 10 Nodes, with adaptation for specific Node opportunities or restrictions. The products have been identified based on what is working in peer countries. The proposed tourism projects have taken a high degree of inputs/strategy from peer destinations to offer the same suite of products and tap into the source market of peer nations.

One such opportunity might be connecting the Nyika

9.2.1 Wildlife

Malawi's wildlife product is unique because of the variety rather than the number of species that can be found in a small area. The country has made progressive commitments in conserving wildlife that has seen phenomenal translocation of wildlife species such as giraffes, lions, wild dogs and cheetah. The country's national parks and wildlife reserves offer varied landscapes and habitats for both flora and fauna. The country's largest National Park, Nyika National Park, is an undulating landscape where one can view game 10km away. At 1800 m above sea level, the park offers a temperate climate within a tropical region and is a hostile environment for malaria-causing mosquitos to survive. It is also part of a Transfontier Park in the region as it shares borders with Zambia.

Liwonde National Park sits on the floodplains of the Shire River, which is the only tributary of Lake Malawi. The river is reminiscent of the Okavango delta, supporting prolific birdlife with over 400 species recorded in the park alone. Majete Wildlife Reserve, a global wildlife conservation success story that evolved from early 2000 with only one elephant left to become a source of breeder wildlife for the country's other parks. It is now a big five park and forms part of a more exciting wildlife combo with Lengwe National Park.

Lake Malawi National Park, an aquatic and terrestrial park, is home to 350 species of cichlids that cannot be found anywhere in the world. It is the World's first freshwater park and was declared a World Heritage Site in 1984 to protect the cichlids, whose biodiversity is comparable to the world-famous Galapagos Islands of South America. Kasungu National Parks is not only Malawi's second-largest park but also protects archaeological sites and iron age era smelting kilns. It is also experiencing a wildlife revival through a public-private partnership arrangement.

Proposed new tourist development activities under wildlife should include:

- Mobile tent safaris in protected areas;
- Medicinal plant tours;
- Hot air balloon safaris, especially in vast parks like Nyika and Kasungu National Parks;
- Wildlife law enforcement volunteer tours; and
- Wildlife photography tours.

9.2.2 Nature

Malawi is a scenic country with undulating landscapes spread across the country. It offers an opportunity to traverse from plains, valleys to mountainous within a short period of time. Malawi's location in the Great African Rift Valley provides it with a base for spectacular views and varied habitats. Mulanje mountain, at 3002m above sea level, is the highest mountain in Central Africa. The Massif, which covers an area of 640 square km, has over 46 peaks, most of which are above 2,500m above sea level.

The Mount Mulanje Biosphere Reserve is located southwest of Malawi near the border with Mozambique. The mountain's high altitude offers different climatic conditions at different heights. It has a rain forest that protects 500 plant and animal species found nowhere else in the world. The mountain is also full of myths, with several stories told about an encounter with spirits whilst on the mountain. There are also special sites on the mountain, such as Dziwe la Nkhalamba, Muloza pools which provide a unique "island in the sky experience". The Mulanje cedar found in reserve is considered the national tree of Malawi and is highly valued for its use in silviculture and its contribution to socio-economic development. In general, current improvements of nature-based attractions should include:

1. Interpretative viewpoints: Well designed and constructed information displays at points of natural beauty or importance, e.g. waterfalls and historical sites;

2. Hiking trails and overnight facilities exist in conservation areas such as the Ntchisi;

3. Forest Reserve, thus expanding into scenic natural areas; 3. Bird aviaries and rehabilitation centres contribute to the wellbeing of birds but also enhance the birder's experience. These need not be close to natural areas but they can be located close to tourism hubs or cities; and

4. Exceptional natural features, such as hot springs, could be utilized. The Nkhotakota hot spring is such an example, and the Malawi Investment Compendium already visualized a Spa and Wellness Resort being developed there. Large visitor numbers are required to make this sort of investment worthwhile, but simpler ways can be investigated to make natural features more accessible.

The Mulanje cedar found in reserve is considered the national tree of Malawi and is highly valued for its use in silviculture and its contribution to socio-economic development.

For tourism sites located in hard-to-reach areas can be linked by cable cars. One such opportunity might be connecting the National Park to Livingstonia, which will unlock many tourism opportunities for both destinations. Several examples of cable car projects can be found in peer countries.

In addition underwater hotspots can be made accessible with glassed viewpoints or even dining opportunities. These should preferably be in protected areas to safeguard the natural environment and the infrastructure investment required. A more affordable way of letting tourists experience the underwater world is offering underwater walks.

Guided excursions to areas of high natural value can form a part of tour operators' itineraries. By encouraging tour operators and private minivan owners to devise focused nature outings, they will expand their tourism offering and can boost the occupancy of existing tourism product owners. This includes special interest groups such as birders and photographers.

Activity-based nature tourism: eco-lodges can be built in an area of outstanding natural beauty such as forests offering various indoor and outdoor activities, such as tree trekking, nature walk, kayaking, canoeing, indoor sports, and archery. These facilities will cater to families.

Houseboats, similar to the self-drive barges found in many European countries and South Africa, can be built on water bodies like Shire River, Chia Lagoon, Kamuzu Dam amongst others. In South Africa, the Knysna Houseboat Company in an excellent example of this type of the product.

9.2.3 MICE (Meetings, Incentives, Conventions and Events)

The country's central physical location, friendly people, safety and security provide an excellent getaway between East and Southern Africa. Malawi offers significant opportunities for MICE tourism. Malawi's location is accessible and connected by air from Malawi within the one, two and three-hour zones. Regional Airports that are within the one-hour zone include Lusaka and Harare. Two-hour flight zones include Johannesburg, Nairobi, Dar es Saalam with Addis Ababa being the three-hour zone. Several international airlines already fly into Lusaka, Dar es Salaam, Harare, and these include Emirates, Turkish Airlines, Egypt Air, Etihad Airways, Oman Air, Qatar Airways, Swiss Air, amongst others. The connections to Malawi are provided by Malawian Airlines in all the regional hubs.

Several cities and towns in Malawi have the capacity and infrastructure to host international meetings, events, exhibitions and conferences. These include Lilongwe, Blantyre, Mangochi, Salima, Zomba and Mzuzu.

Malawi also has an added advantage in language and is one of the few countries in Africa where French is highly spoken outside Francophone Africa. The country's proximity to Mozambique, where Portuguese is the lingua franca, and Tanzania, where Swahili is also spoken, has seen a large size of the population, especially those leaving in the border areas being able to speak these languages fluently. This is an advantage for hosting international meetings, conferences, events and exhibitions. Further developments in the MICE sector can position the country as a leading MICE destination in the region.

These include:

1. The development and adaptation of smaller hotels, inns and resorts for specific MICE purposes in selected areas based on the potential for the MICE segment catering for business travellers;
2. The development of larger MICE facilities can be developed closer to major urban centres. These hotels or resorts will also have the capacity to cater for weddings, product launches and other functions etc. these correct positioning of such developments is critical in developing a vibrant and successful Malawian MICE tourism product;
3. The development of MICE facilities in areas of outstanding natural beauty in the wildlife area and forest areas to add value to the MICE product;
4. Local tour operators should be encouraged to develop packages linking MICE products within and beyond a node, as they can benefit from add-on business by taking spouses, friends and children to other tourism venues located close to the node.
5. The same goes for the development of ground transfer facilities to transport delegates and guests to and from major centres and to nearby points of interest.

9.2.4 Lake and water

Malawi is the only country in the Southern Africa region whose total area is claimed by a substantially huge inland water body. Lake Malawi, together with other water bodies, cover 20% of the country's total area. The lake is fed by 14 tributaries, and only one, the Shire river, is the sole distributary. Other lakes are Lake Chilwa, Lake Malombe and Lake Chiuta. Other notable sized water bodies that could be harnessed

for tourism development include the Shire river and the North Rukuru river. Marshes and wetlands in Malawi support over 700 bird species, both endemic and migratory. Notable birding destinations include Liwonde National Park, Elephant Marsh, Lake Malawi and Lake Chilwa, which was declared a Ramsey International Wetland.

Lake Malawi is a major tourist attraction. This vast body of crystal clear freshwater fringed by beaches of golden sand is not only a scenic wonderland but also provides water sport opportunities for those looking for something beyond sun, sand and swimming. It is 350 miles long from its northern to its southern tip. This measurement makes it the 9th largest lake in the world. Further, it is also the second deepest Lake in Africa. It

several bird islands that some of which are large enough to support the construction of tourist accommodations such as Mumbo Island, Domwe Island and Maleri Island. The lake is a habitat to over 1,000 species of cichlids, with hundreds discovered but yet to be named.

Lake Malawi is also a wonderland that offers all types of water sports and activities expected of any tropical beach destination. These activities include kayaking, diving, angling, boat rides, snorkelling and kayaking experience. Below are the Investments required along the lake:

- Lakeshore resorts cater for (mostly) foreign visitors. This product requires a mass market and can be ideally placed in locations where the existing tourist footfall or the potential of footfall is high.
- **Smaller lakeside hotels or inns:** this product is already well represented in several destinations along Lake Malawi. It caters to both the domestic and foreign markets, with venues varying in degrees of sophistication. Some of the existing lakeside hotels in Nankumba Peninsula and Cape Maclear are good examples.
- **Water activities** at Cape Maclear can include:
    - Glass bottom boat rides in unspoilt areas where marine life is prolific.
    - Sailing.
    - Diving and snorkelling.
    - Fishing.

Source: https://www.expertafrica.com/malawi/shore-of-lake-malawi/where-to-stay

Lake Activity Centres can be developed in selected areas, which can offer the following:

- Boats for hire (fishing, sailing, birding etc.).
- Diving and fishing gear for hire.
- Dining experiences on the jetty or nearby lakeshore or specially designed boats for sunrise and sunset dining.

Visitor Facilities / Stopovers: Public amenities and stopover facilities for visitors exploring the lake add to the lakeshore development. Availability of such amenities encourages visitors to spend more time in the lake, thus increasing the footfall and adding to the overall experience generated through the facilities such as changing rooms, lockers, restaurants, and toilets.

- **Dhow excursions**: these can either be day trips or to nearby overnight facilities. Fishing the traditional way can also be done with dhows, as can snorkelling. The facility requires capacity building for developing and operating the vessel.

- Introduce more ferries and cruises on Lake Malawi: Faster water vessels and cruises can be introduced on Lake Malawi to cater for excursionists.This will cater for excursionists or a two-day return trip from Likoma / Chizumulu Islands.

9.2.5 Culture and people

Malawi's greatest asset is its people. The country has ethnic groups that trace their origins from the Zulus in South Africa (the Ngoni of M zimba and Ntcheu); Chewa of DRC, Lomwe of Mozambique, Yao of Mozambique and Tanzania, among others. The country's early history can be traced to the 14th century when a group of pygmies called Batwa inhabited the country. They were defeated by immigrating tribal groupings that such as the Chewa, Yao, Lomwe, Ngoni. Their history is reflected in the Chongoni Rock Art, which has the largest concentration of rock art covering an area of 126 square km. The area is Malawi's second UNESCO World Heritage Site.

Some of Malawi's cultural dances and traditional cuisine have been prescribed under the Intangible Cultural Heritage of Humanity, and these include Gule WaMkulu, Vimbuza, Tchopa and Minoghe. Malawi's food remains rustic and traditional. Recommended developments to utilize the cultural assets for tourism are:

- Development of **eco-museums** that incorporate living culture. The model can be introduced in the existing cultural villages or new areas to showcase Malawi's unique culture and also promote community-based tourism.

- Innovation in **Arts and crafts** by creating a much stronger link between the product and purchaser. The Government can provide and rent out purpose-built themed curio stalls located at strategic places. The stalls could also provide tourists and consumers with a practical experience of how curios and crafts are crafted.

- Cultural sites such as museums or cultural villages are difficult to justify from a commercial investment point of view. These attractions, if located in high areas of tourism concentration, can add much-needed value in the key attractions areas.

- **The development of multipurpose retail and cultural centres** has got significant potential in terms of commercial viability with value-added facilities and services such as dining experience, shopping experiences, conference facilities to support the core cultural activities.

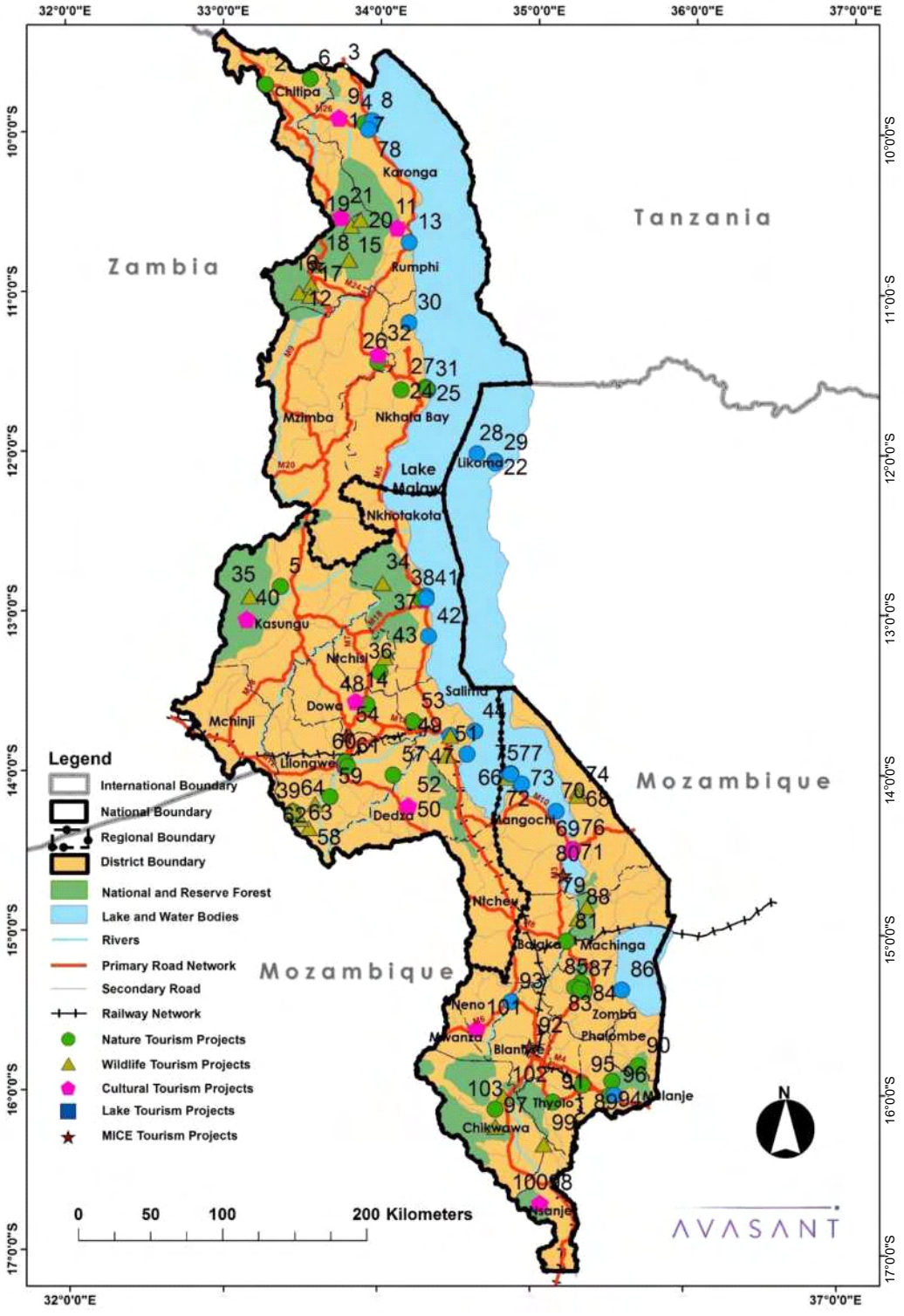
- The development of tourism support facilities for **historical sites** in Malawi can be an added value to tourism resources, in particular the under-exploited tourism attractions such as Chongoni rock paintings in Dedza, Kasungu National Park, iron smelting sites in Kasungu and slave trade routes in Nkhotakota.

- Support the development and marketing of **traditional dancing, storytelling and other cultural activities. It is recommended that** these cultural issues should be integrated into the school curriculum to establish lasting support for their cultural heritage.

9.3 Recommended Tourism Projects

Map 21 depicts the recommended 100 projects that have been identified using the Tourism project development methodology described in the previous section.

Map 21: Identified Potential Tourism Projects at Country level



9.3.1 North Region – Nodes and Recommended Tourism Projects

The main hub for local and international tourists visiting the Northern region is the city of Mzuzu. Mzuzu is the biggest city in the Northern Region; and is easily accessible from all over Malawi as it lies on Malawi's major highway on the M1. It is also currently accessible by air from Malawi's airports by non-scheduled domestic flights. Mzuzu City acts as a gateway to the major attractions in the Northern Region such as Lake Malawi, Nyika National Park, Vwaza Wildlife Reserve, Lake Malawi, Zikwimba Hill in Nkhata Bay, Luwawa Forest Lodge, and Kaning'ina Forest Reserve, Livingstonia Stone House, Lukwe Eco Camp and Manchewe waterfalls.

The nodes and recommended projects in the Northern Region. Due to its proximity to Lake Malawi, the city also serves as a gateway to destinations in the northern parts of the Lake. Malawi's largest national park – the Nyika National Park, is also close to Mzuzu. The nodes and recommended projects in the northern region will be served by Mzuzu City as its gateway.

Table 12: Nodes identified within the Northern Region

S.No.	Node	Primary Destination	Secondary Destination	USP
1	**Nyika, Vwaza, Livingstonia, Chiweta, Mlowe**	Nyika – Vwaza	Livingstonia - Chiweta - Mlowe	Wildlife, Nature (wild orchids), Culture (Missionary history, archaeological sites)
2	**Likoma Island, Chizumulu Island, Nkhata-Bay and Mzuzu**	Likoma Island and Nkhata Bay	Chizumulu Island, Mzuzu	Island tourism, Diving Snorkeling, Culture
3	**Chitipa and Karonga (Misuku hills and Songwe River basin)**	Karonga	Chitipa	History, Culture (Karonga Museum housing Malawisaurus, Nature (Misuku hills, coffee plantations)

Diverse existing and potential tourism assets have been identified within the region (Refer to Maps 22).

Map 22: Tourism Assets-Northern Region

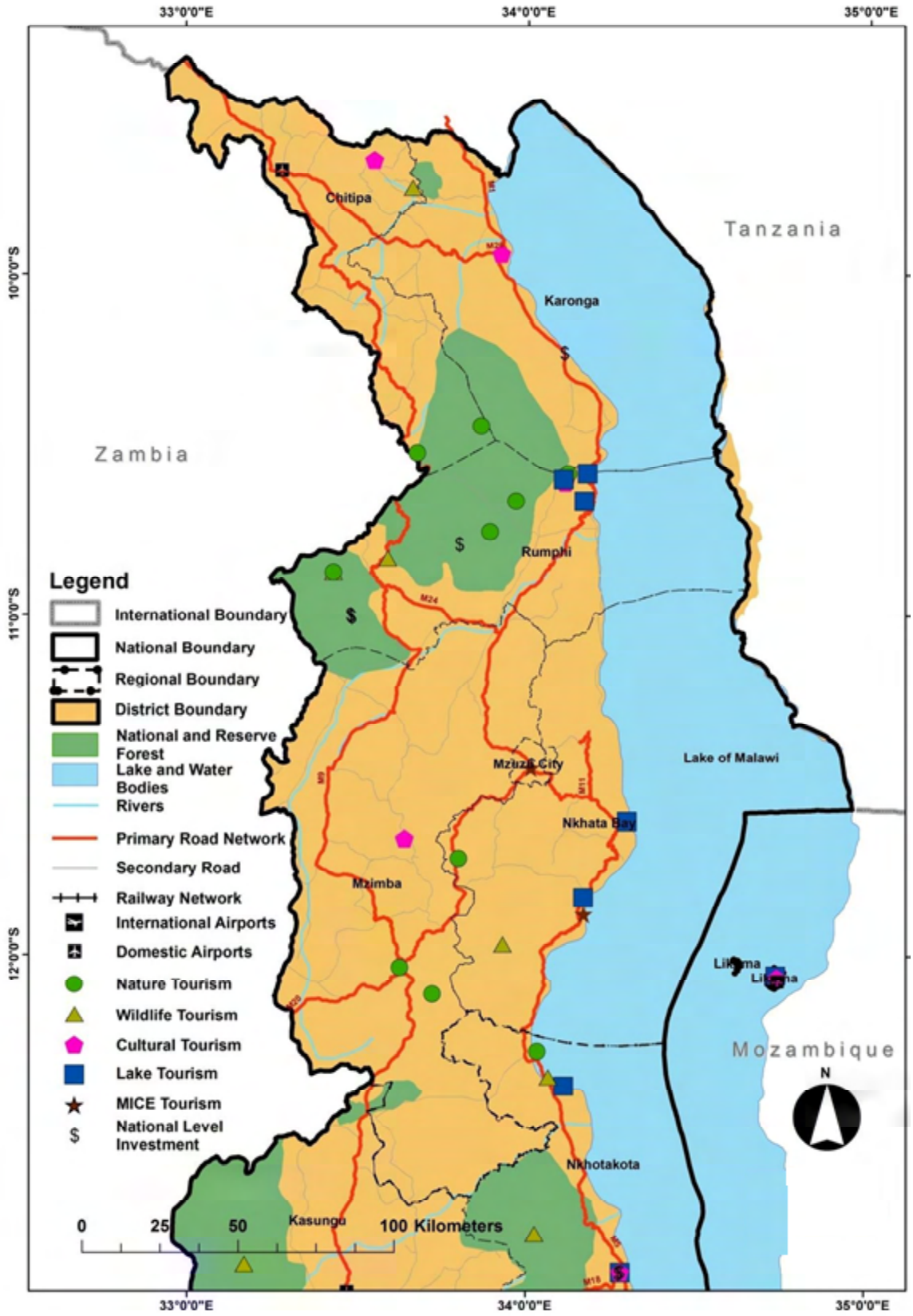
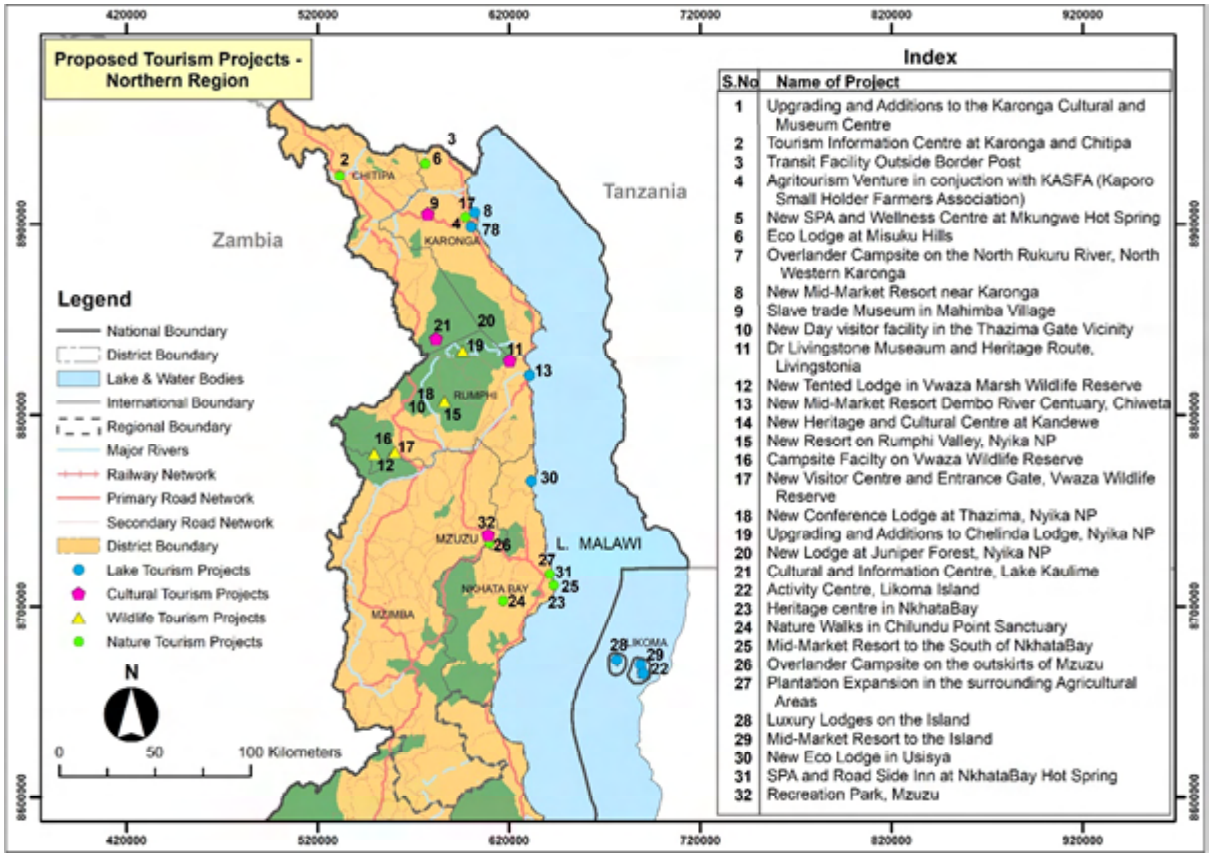


Table 13: Recommended Tourism Projects in the Northern Region

SL_No	Region	Node	Name of Projects
1	Northern	Karonga-Chitipa	Upgrading of and Additions to the Karonga Cultural and Museum Centre
2	Northern	Karonga-Chitipa	Tourism Information Centres at Karonga and Chitipa
3	Northern	Karonga-Chitipa	Transit Facility outside Songwe Border Post
4	Northern	Karonga-Chitipa	Agri-tourism Venture in conjunction with KASFA (Kaporo Smallholder Farmers Association)
5	Northern	Karonga-Chitipa	New Spa and Wellness Centre at Mkungwe Hot Spring
6	Northern	Karonga-Chitipa	Eco-lodge at Misuku Hills
7	Northern	Karonga-Chitipa	Overlander Campsite on the North Rukuru river, north-western Karonga
8	Northern	Karonga-Chitipa	New Mid-market Resort near Karonga
9	Northern	Karonga-Chitipa	Slave Trade Museum in Mwahimba Village
10	Northern	Nyika-Vwaza-Livingstonia-Chiweta-Mlowe	New Day Visitors facilities in the Thazima Gate vicinity
11	Northern	Nyika-Vwaza-Livingstonia-Chiweta-Mlowe	Dr Livingstone Museum and Heritage Route, Livingstonia
12	Northern	Nyika-Vwaza-Livingstonia-Chiweta-Mlowe	New Tented Lodge in Vwaza Marsh Wildlife Reserve
13	Northern	Nyika-Vwaza-Livingstonia-Chiweta-Mlowe	New Mid-Market Resort at Dembo River Estuary, Chiweta
14	Northern	Nyika-Vwaza-Livingstonia-Chiweta-Mlowe	New Heritage and Cultural Centre at Kandewe
15	Northern	Nyika-Vwaza-Livingstonia-Chiweta-Mlowe	New Resort on Rumphi Valley, Nyika NP
16	Northern	Nyika-Vwaza-Livingstonia-Chiweta-Mlowe	Campsite facilities in Vwaza Wildlife Reserve
17	Northern	Nyika-Vwaza-Livingstonia-Chiweta-Mlowe	New Visitor Centre and Entrance Gate, Vwaza Wildlife Reserve
18	Northern	Nyika-Vwaza-Livingstonia-Chiweta-Mlowe	New Conference Lodge at Thazima, Nyika NP
19	Northern	Nyika-Vwaza-Livingstonia-Chiweta-Mlowe	Upgrading and Additions to Chelinda Lodge, Nyika NP
20	Northern	Nyika-Vwaza-Livingstonia-Chiweta-Mlowe	New Lodge at Juniper Forest, Nyika NP
21	Northern	Nyika-Vwaza-Livingstonia-Chiweta-Mlowe	Cultural and Information Centre, Lake Kaulime
22	Northern	Nkhata Bay-Likoma-Mzuzu	Activity Centre, Likoma Island
23	Northern	Nkhata Bay-Likoma-Mzuzu	Heritage Centre in Nkhata Bay

SL_No	Region	Node	Name of Projects
24	Northern	Nkhata Bay-Likoma-Mzuzu	Nature walks in Chilundu Point Sanctuary
25	Northern	Nkhata Bay-Likoma-Mzuzu	Mid-market Resort to the south of Nkhata Bay
26	Northern	Nkhata Bay-Likoma-Mzuzu	Overlander Campsite on the outskirts of Mzuzu
27	Northern	Nkhata Bay-Likoma-Mzuzu	Plantation Excursions in the surrounding agricultural areas
28	Northern	Nkhata Bay-Likoma-Mzuzu	Luxury Lodge/s on the Islands
29	Northern	Nkhata Bay-Likoma-Mzuzu	Mid-market Resorts on the Islands
30	Northern	Nkhata Bay-Likoma-Mzuzu	New Eco-lodge in Usisya
31	Northern	Nkhata Bay-Likoma-Mzuzu	Spa and Roadside Inn at Nkhata Bay Hot Spring
32	Northern	Nkhata Bay-Likoma-Mzuzu	Recreation Park, Mzuzu

Map 23: Identified Tourism Projects-Northern Region



9.3.2 Central Region – Nodes and Recommended Tourism Projects

The Central region of Malawi is well connected by road, rail and air. Lilongwe, the capital of Malawi, is one of its largest urban centres. It serves as a hub for tourists. Malawi's main entry point by air. Lilongwe is accessible to international travellers from all over the world through the regional hubs of Nairobi, Johannesburg and Addis Ababa. The City gives easy access to the rest of the country, including all tourism attractions. The City is also well connected by road, and rail, hence it serves as a hub to tourist nodes and destinations in the central region of Malawi. The Central region's unique topography comprising of the Plateau and the great East African Rift Valley make it ideal for nature-based tourism.

Salima is a popular tourist destination in the central region and the closest point to the shore from Lilongwe. Nkhotakota is one of the main ports on Lake Malawi and a gateway to ferry services. The Nkhotakota Wildlife Reserve, close to the Bua River, is home to a rich diversity of flora and fauna, including several large mammal species. The other attraction area is Kasungu National Park, Malawi's second-largest national park (2000 sq. km). It is a large area of woodland, bush and grassland and home to large mammals such as Elephants, Buffaloes, Hippos and prolific birdlife.

Table 14: Nodes identified within Central Region

S. No.	Node	Primary Destination	Secondary Destination	Description and USP
1	Lilongwe, Dzalanyama, Mchinji	Lilongwe	Dzalanyama-Mchinji	Urban Centre, Culture, Nature, Wildlife
2	Kasungu, Ntchisi, Nkhotakota	Nkhotakota	Kasungu, Ntchisi	Beaches, Wildlife,Ferry Services
3	Salima, Dowa, Kirk Range, Lilongwe	Salima/ Senga Bay	Dowa, Kirk Range *(Lilongwe to act as a gateway to this node*	Nature, Culture, Lake

Several diverse tourism assets exist within the region. As an outcome of the nodal Master Plans, assembling several tourism projects have been identified within the region.

Map 24:Tourism Assets-Central Region

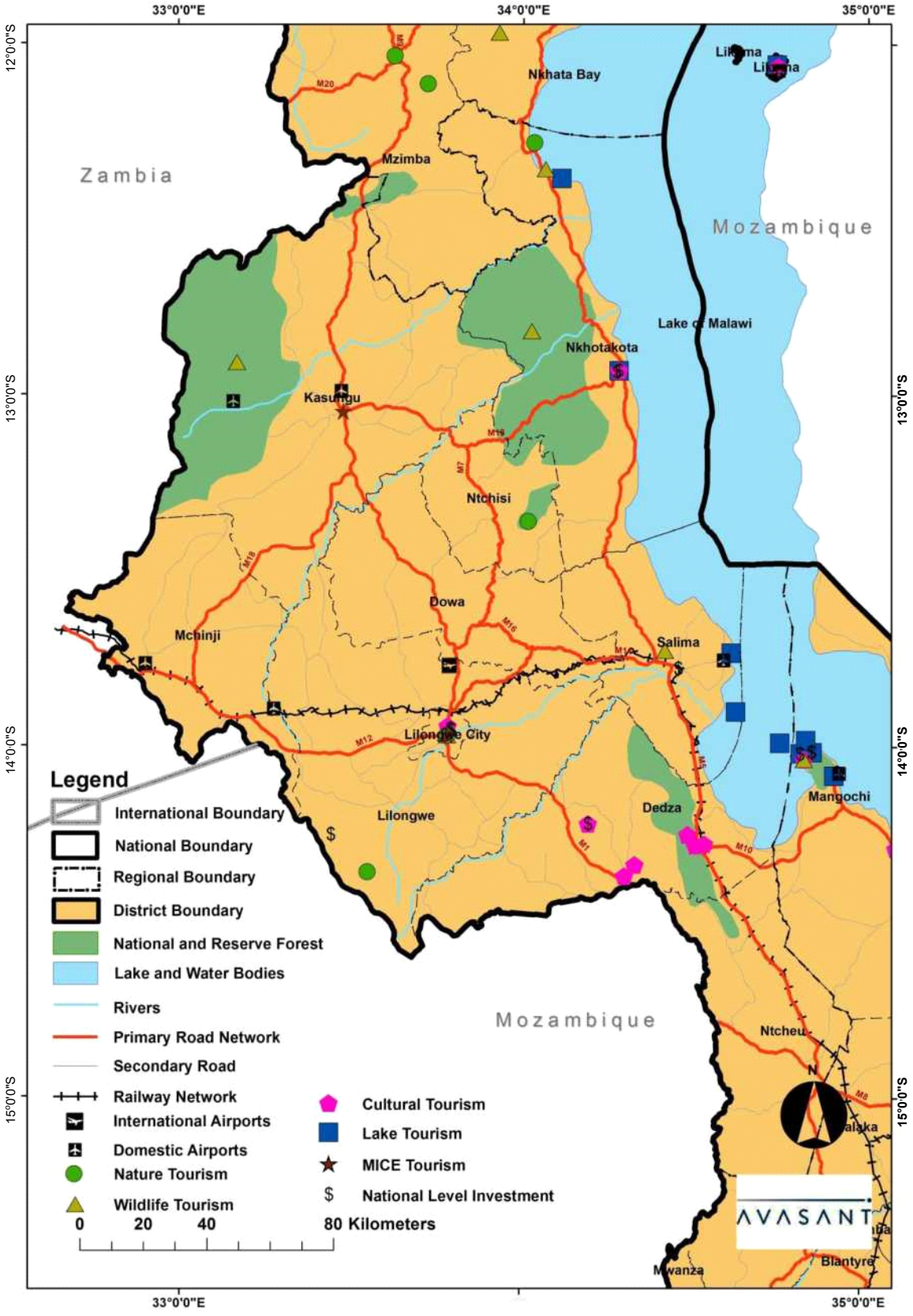


Table 15: Recommended Projects in the Central Region

SL_N o	Region	Node	Name of Projects
33	Central	Kasungu-Ntchisi-Nkhotakota	Development of the Dr Livingstone Information Centre as part of the Malawi Slave Trade Heritage Route in Nkhotakota
34	Central	Kasungu-Ntchisi-Nkhotakota	Campsite for backpackers in Nkhotakota Wildlife Reserve.
35	Central	Kasungu-Ntchisi-Nkhotakota	New Game Lodge to be developed in the Kasungu NP near Kangwa.
36	Central	Kasungu-Ntchisi-Nkhotakota	Basecamp for hikers and mountain bikers in Ntchisi Forest Reserve.
37	Central	Kasungu-Ntchisi-Nkhotakota	Houseboats departing from Nkhotakota and other harbours along the lakeshore
38	Central	Kasungu-Ntchisi-Nkhotakota	Spa and Wellness Resort at the Nkhotakota hot spring
39	Central	Kasungu-Ntchisi-Nkhotakota	Agri-tourism Venture, Dwangwa
40	Central	Kasungu-Ntchisi-Nkhotakota	Interpretation Centre linking the rock paintings and iron smelting kilns in the Kasungu National Park.
41	Central	Kasungu-Ntchisi-Nkhotakota	Lake Activity Centre at Kariba Jetty
42	Central	Kasungu-Ntchisi-Nkhotakota	Angling and bird sighting spots at Chia Lagoon
43	Central	Kasungu-Ntchisi-Nkhotakota	Upmarket Lodge, Ntchisi Forest Reserve
44	Central	Salima-Dowa-Kirk Range	Public beach Facilities, Senga Bay
45	Central	Salima-Dowa-Kirk Range	Wildlife Reserve on Maleri Island (including landing facilities on the mainland) with day trips by boat.
46	Central	Salima-Dowa-Kirk Range	Activity Centre/Marina in Senga Bay.
47	Central	Salima-Dowa-Kirk Range	Integrated Tourism Facility at Salima, Maganga area
48	Central	Salima-Dowa-Kirk Range	Campsite, mid-market lodge and hilltop café in the Dowa Highlands.
49	Central	Salima-Dowa-Kirk Range	Bird aviary/rehabilitation centre in or near Salima.
50	Central	Salima-Dowa-Kirk Range	Guesthouse/inn and information centre at the Chongoni Rock Art site.
51	Central	Salima-Dowa-Kirk Range	High-end Eco-lodge in Thuma Forest Reserve
52	Central	Salima-Dowa-Kirk Range	Dedza mountain Tourist Information Centre and trails
53	Central	Salima-Dowa-Kirk Range	Development of Overlander campsites in various locations
54	Central	Lilongwe-Dzalanyama	Gateway to Malawi mixed-use project near Lumbadzi International Airport

SL_N o	Region	Node	Name of Projects
55	Central	Lilongwe-Dzalanyama	Cultural, Arts & Crafts Museum Complex in Lilongwe
56	Central	Lilongwe-Dzalanyama	River boardwalk in Lilongwe Nature Sanctuary
57	Central	Lilongwe-Dzalanyama	Nkhoma Mountain Tourism Centre & Trails
58	Central	Lilongwe-Dzalanyama	New Cafeteria & Viewpoint in the Dzalanyama Rain Forest
59	Central	Lilongwe-Dzalanyama	Integrated Tourism Facilities at Kamuzu Dam
60	Central	Lilongwe-Dzalanyama	Upgrading of the Lilongwe Botanical Gardens
61	Central	Lilongwe-Dzalanyama	Riverside Boardwalk in Lilongwe City
62	Central	Lilongwe-Dzalanyama	Family Getaways in Dzalanyama Forest Reserve
63	Central	Lilongwe-Dzalanyama	New Entrance Gates for the Dzalanyama Forest Reserve
64	Central	Lilongwe-Dzalanyama	New Mountain Inn & Campsite in the Mchinji part of the Dzalanyama Rain Forest

9.3.3 Southern Region – Nodes and Recommended Tourism Projects

Blantyre is Malawi's commercial city and is located in the southern region of Malawi. Zomba city, which is also located in the Southern Region, was the colonial capital replete with historical monuments, a variety of natural and cultural attractions. Blantyre serves as the major hub for transfers to the majority of tourist attractions in Southern Malawi. The attractions include Lake Malawi National Park in Mangochi -the world's first freshwater park that has also been declared as a UNESCO World Heritage Site. Other tourist attractions include Lake Chilwa, Liwonde National Park, Majete Wildlife Reserve in Chikwawa, Mount Mulanje, Agri-tourism, focusing on the tea plantations in Mulanje and Thyolo districts. The region is also best known for community-based tourism products, which involves a lot of community participation.

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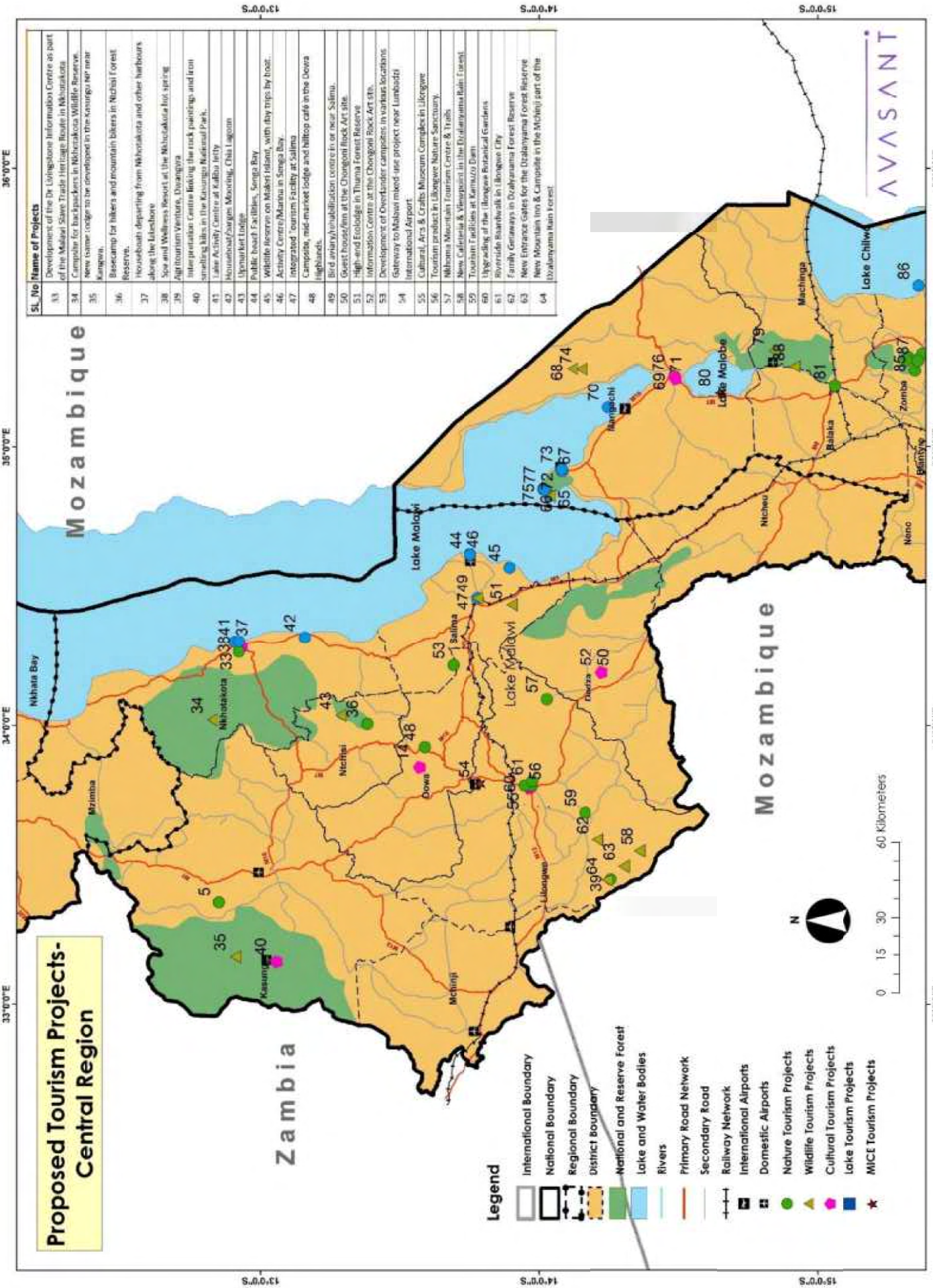


SL_No	Name of Projects
33	Development of the Dr Livingstone Information Centre as part of the Malawi Slave Trade Heritage Route in Nkhotakota
34	Campsite for backpackers in Nkhotakota Wildlife Reserve.
35	New game lodge to be developed in the Kasungu NP near Kamuzu.
36	Basecamp for bikers and mountain bikers in Ntchisi Forest Reserve.
37	Houseboats departing from Nkhotakota and other harbours along the lakeshore
38	Spa and Wellness Resort at the Nkhotakota hot spring
39	Agritourism Venture, Dwangwa
40	Interpretation Centre linking the rock paintings and iron smelting kilns in the Kasungu National Park.
41	Lake Activity Centre at Kaliba Jetty
42	Houseboat/barges Mooring, Chia Lagoon
43	Upmarket Lodge
44	Public beach Facilities, Senga Bay
45	Wildlife Reserve on Maleri Island, with day trips by boat.
46	Activity Centre/Marina in Senga Bay
47	Integrated Tourism Facility at Salima
48	Campsite, mid-market lodge and hilltop café in the Dowa Highlands.
49	Bird aviary/rehabilitation centre in or near Salima.
50	Guest house/inn at the Chongoni Rock Art site.
51	High-end Ecolodge in Thuma Forest Reserve
52	Information Centre at the Chongoni Rock Art sth.
53	Development of Overlander campsites in various locations
54	Gateway to Malawi mixed-use project near Lumbadzi International Airport.
55	Cultural, Arts & Crafts Museum Complex in Lilongwe
56	Tourism product in Lilongwe Nature Sanctuary.
57	Nklooma Mountain Tourism Centre & Trails
58	New Cafeteria & Viewpoint in the Dzalanyama Rain Forest
59	Tourism Facilities at Kamuzu Dam
60	Upgrading of the Lilongwe Botanical Gardens
61	Riverside Boardwalk in Lilongwe City
62	Family Getaways in Dzalanyama Forest Reserve
63	New Entrance Gates for the Dzalanyama Forest Reserve
64	New Mountain Inn & Campsite in the Mchinji part of the Dzalanyama Rain Forest

Map 25: Tourism Assets-Central Region

From these diverse tourism assets existing within the regionis an outcome of the nodal Master Plans, a number of tourism projects have been identified within the region.

Table 16: Nodes identified within Southern Region

S. No	Node	Primary Destinations	Secondary Destinations	USP
1	**Zomba-Liwonde**	Zomba	Liwonde	History, Wildlife (Liwonde National park), Nature (Zomba Plateau)
2	**Nankumba Peninsula and Mangochi**	Nankumba Peninsula	Mangochi	Nature/ Lake Malawi (Cape Maclear)
3	**Mulanje - Blantyre- Thyolo - Phalombe**	Mulanje, Blantyre	Thyolo, Phalombe Lengwe, Mwabvi,	Nature (Mount Mulanje) , Scenery (Tea Plantations) Culture (Historical sites)
4	**Lower Shire (Chikwawa, Nsanje and Shire River)**	Majete NP	Chikwawa	Wildlife, Culture

Map 26: Tourism Assets- Southern Region

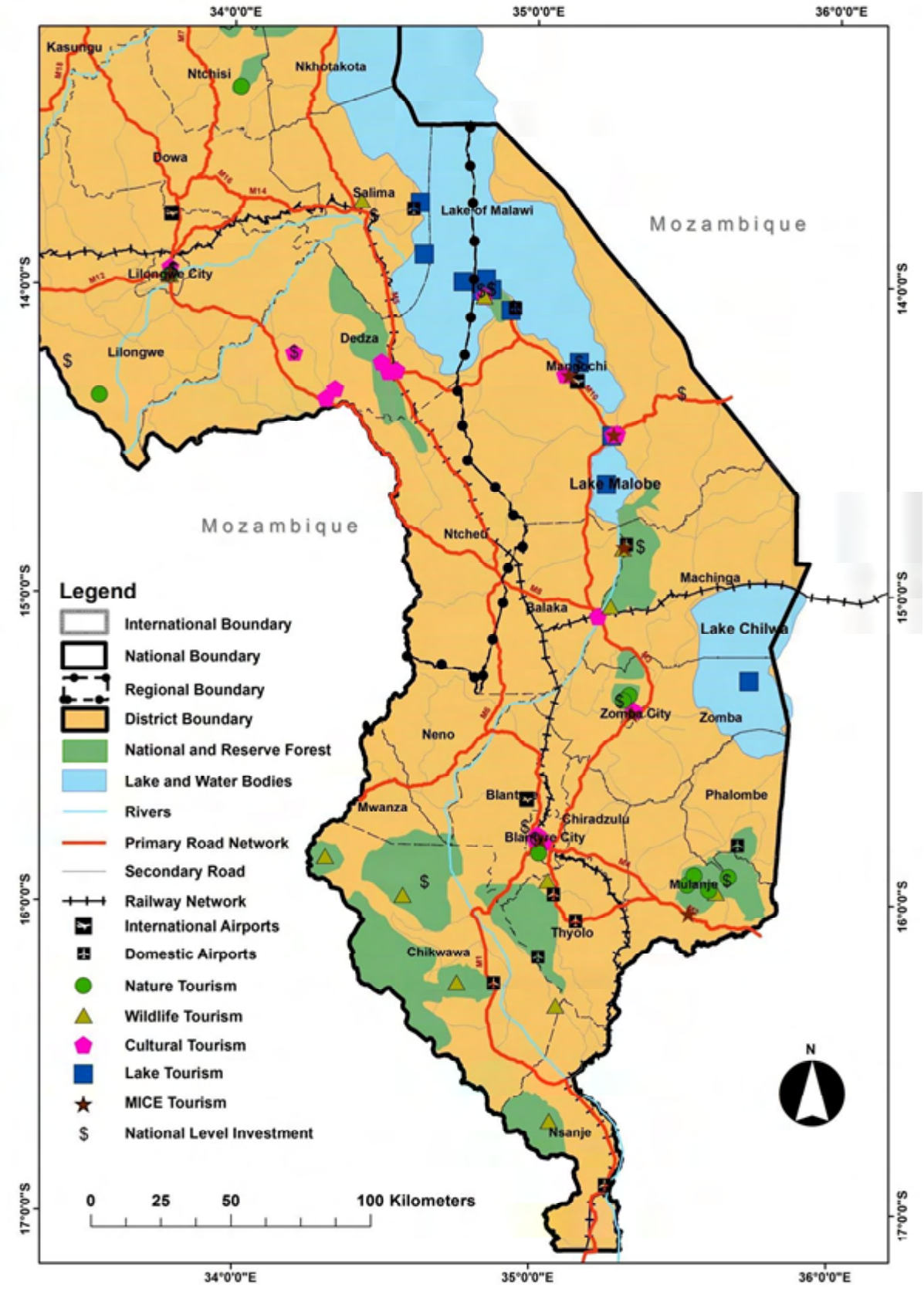
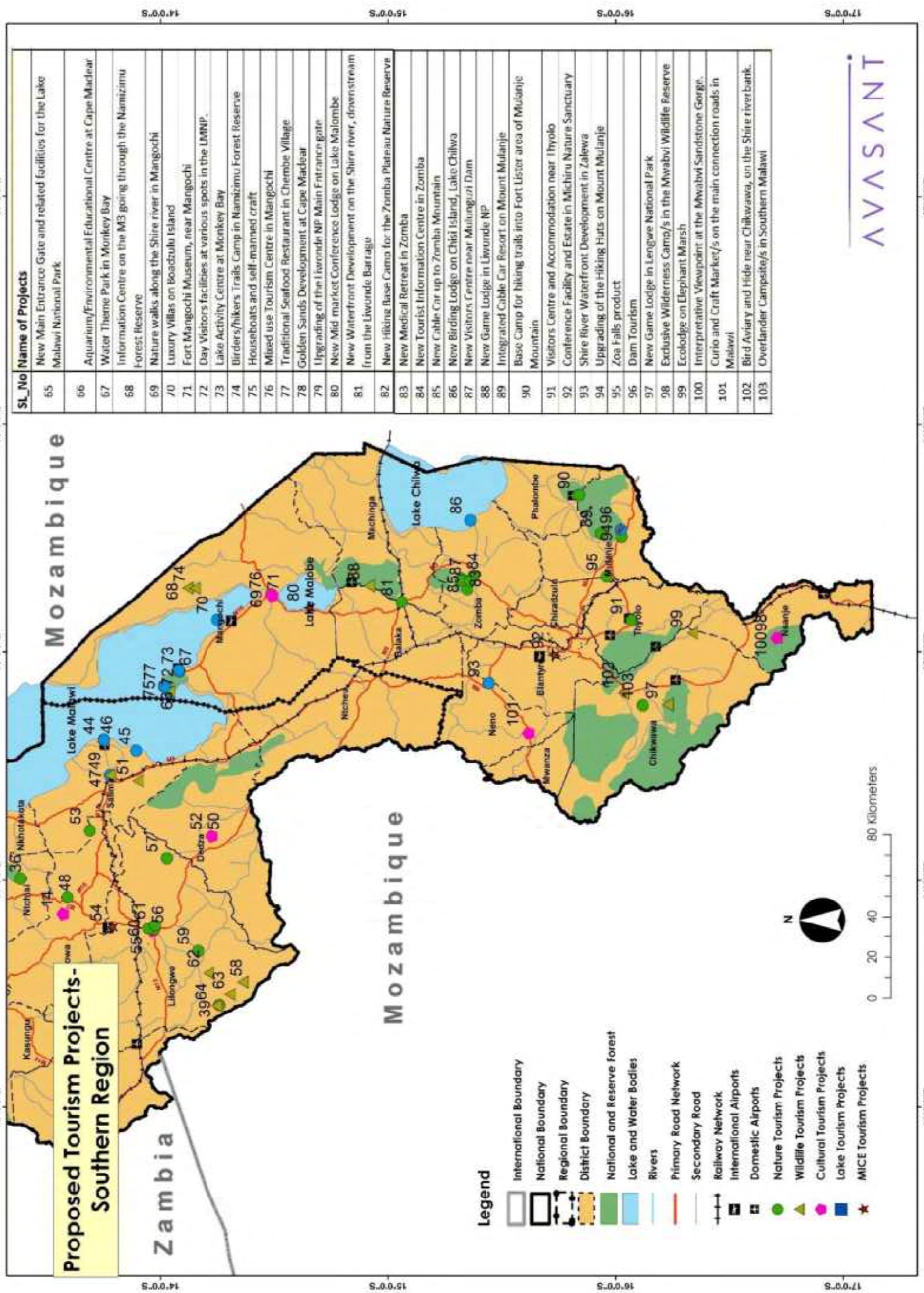


Table 17:Recommended Tourism Projects in the South

SL_No	Region	Node	Name of Projects
65	Southern	Nankumba Peninsula – Mangochi	New Main Entrance Gate and related facilities for the Lake Malawi National Park
66	Southern	Nankumba Peninsula – Mangochi	Aquarium/Environmental Educational Centre at Cape Maclear
67	Southern	Nankumba Peninsula – Mangochi	Water Theme Park in Monkey Bay
68	Southern	Nankumba Peninsula – Mangochi	Information Centre on the M3 going through the Namizimu Forest Reserve
69	Southern	Nankumba Peninsula – Mangochi	Nature walks along the Shire River in Mangochi
70	Southern	Nankumba Peninsula – Mangochi	Luxury Villas on Boadzulu Island
71	Southern	Nankumba Peninsula – Mangochi	Fort Mangochi Museum near Mangochi
72	Southern	Nankumba Peninsula – Mangochi	Day Visitors facilities at various spots in the LMNP.
73	Southern	Nankumba Peninsula – Mangochi	Lake Activity Centre at Monkey Bay
74	Southern	Nankumba Peninsula – Mangochi	Birders/hikers Trail Camp in Namizimu Forest Reserve
75	Southern	Nankumba Peninsula – Mangochi	Houseboats and self-manned craft
76	Southern	Nankumba Peninsula – Mangochi	Mixed-use Tourism Centre in Mangochi
77	Southern	Nankumba Peninsula – Mangochi	Traditional Seafood Restaurant in Chembe Village
78	Southern	Nankumba Peninsula – Mangochi	Golden Sands Development at Cape Maclear
79	Southern	Zomba-Liwonde	Upgrading of the Liwonde NP Main Entrance gate
80	Southern	Zomba-Liwonde	New Mid-market Conference Lodge on Lake Malombe
81	Southern	Zomba-Liwonde	New Waterfront Development on the Shire River, downstream from the Liwonde Barrage
82	Southern	Zomba-Liwonde	New Hiking Base Camp for the Zomba Plateau Nature Reserve
83	Southern	Zomba-Liwonde	New Medical Retreat in Zomba
84	Southern	Zomba-Liwonde	New Tourist Information Centre in Zomba
85	Southern	Zomba-Liwonde	New Cable Car up to Zomba Mountain
86	Southern	Zomba-Liwonde	New Birding Lodge on Chisi Island, Lake Chilwa
87	Southern	Zomba-Liwonde	New Visitors Centre near Mulunguzi Dam
88	Southern	Zomba-Liwonde	New Game Lodge in Liwonde NP
89	Southern	Mulanje-Blantyre-Thyolo	Integrated Cable Car Resort on Mount Mulanje

SL_No	Region	Node	Name of Projects
90	Southern	Mulanje-Blantyre-Thyolo	Base Camp for hiking trails into Fort Lister area of Mulanje Mountain
91	Southern	Mulanje-Blantyre-Thyolo	Visitors Centre and Accommodation near Thyolo
92	Southern	Mulanje-Blantyre-Thyolo	Conference Facility and Estate in Michiru Nature Sanctuary
93	Southern	Mulanje-Blantyre-Thyolo	Shire River Waterfront Development in Zalewa
94	Southern	Mulanje-Blantyre-Thyolo	Upgrading of the Hiking Huts on Mount Mulanje
95	Southern	Mulanje-Blantyre-Thyolo	Zoa Falls product
96	Southern	Mulanje-Blantyre-Thyolo	Dam Tourism
97	Southern	Lower Shire	New Game Lodge in Lengwe National Park
98	Southern	Lower Shire	Exclusive Wilderness Camp/s in the Mwabvi Wildlife Reserve
99	Southern	Lower Shire	Eco-lodge on Elephant Marsh
100	Southern	Lower Shire	Interpretative Viewpoint at the Mwabvi Sandstone Gorge.
101	Southern	Lower Shire	Curio and Craft Market/s on the main connection roads in Malawi
102	Southern	Lower Shire	Bird Aviary and Hide near Chikwawa, on the Shire riverbank.
103	Southern	Lower Shire	Overlander Campsite/s in Southern Malawi



SL_No	Name of Projects
65	New Main Entrance Gate and related facilities for the Lake Malawi National Park
66	Aquarium/Environmental Educational Centre at Cape Madear
67	Water Theme Park in Monkey Bay
68	Information Centre on the M3 going through the Namizimu Forest Reserve
69	Nature walks along the Shire river in Mangochi
70	Luxury Villas on Boadzulu Island
71	Fort Mangochi Museum, near Mangochi
72	Day Visitors facilities at various spots in the LMNP.
73	Lake Activity Centre at Monkey Bay
74	Birders/hikers Trails Camp in Namizimu Forest Reserve
75	Houseboats and self-manned craft
76	Mixed use Tourism Centre in Mangochi
77	Traditional Seafood Restaurant in Chembe Village
78	Golden Sands Development at Cape Madear
79	Upgrading of the Haroonde NP Main Entrance gate
80	New Mid market Conference Lodge on Lake Malombe
81	New Waterfront Development on the Shire river, downstream from the Liwunde Barrage
82	New Hiking Base Camp for the Zomba Plateau Nature Reserve
83	New Medical Retreat in Zomba
84	New Tourist Information Centre in Zomba
85	New Cable Car up to Zomba Mountain
86	New Birding Lodge on Chisi Island, Lake Chilwa
87	New Visitors Centre near Mulunguzi Dam
88	New Game Lodge in Liwunde NP
89	Integrated Cable Car Resort on Mount Mulanje
90	Base Camp for hiking trails into Fort Lister area of Mulanje Mountain
91	Visitors Centre and Accommodation near Thyolo
92	Conference Facility and Estate in Michiru Nature Sanctuary
93	Shire River Waterfront Development in Zalewa
94	Upgrading of the Hiking Huts on Mount Mulanje
95	Zoa Falls product
96	Dam Tourism
97	New Game Lodge in Lengwe National Park
98	Exclusive Wilderness Camp/s in the Mwabvi Wildlife Reserve
99	Ecolodge on Elephant Marsh
100	Interpretative Viewpoint at the Mwabvi Sandstone Gorge.
101	Curio and Craft Market/s on the main connection roads in Malawi
102	Bird Aviary and Hide near Chikwawa, on the Shire riverbank.
103	Overlander Campsite/s in Southern Malawi

Map 27: Identified Tourism Projects- Southern Region

9.4 Infrastructure Development

Infrastructure forms the core of economic growth. In the context of tourism, infrastructure is important both from the perspective of the consumer of tourism services as well as for the provider. The intended business environment can only be stimulated if the appropriate infrastructure, in addition to the regulatory environment, is in place. Though Tourism infrastructure is necessary, enabling national infrastructure is a prerequisite to support tourism growth. Currently, the country's infrastructure requires up-grading in a number of areas, ranging from transportation to logistics and utilities.

9.4.1 Air Transport Infrastructure

Slow development of infrastructure in primary airports and inadequate facilities in secondary/tertiary airports adversely impact the tourism sector. As per the World Economic Forum, Malawi is ranked relatively low in the quality of air transport infrastructure among its peer destinations in Sub-Saharan Africa. Table 18 comprises recommended Air Transport Infrastructure projects, which will assist towards developing the country's tourism.

9.4.2 Road Transport Infrastructure

The majority of Malawi's tourism assets are situated in remote areas. Most of these areas remain difficult to reach as they do not have proper access roads, especially the last mile connectivity. Most of the roads that form the last mile are unpaved but can be accessed by a 4x4 vehicle. Paved roads are limited to arterial highways and towns. Current conditions of roads, particularly to the far-flung areas, needs significant development for tourism to make their mobility across the country easier. Table 19 consists of recommended Road Transport Infrastructure project, which will help in the development of tourism in Malawi:

Currently, the country's infrastructure requires up-grading in multiple areas, ranging from transportation to logistics and utilities.

9.4.3 Inland Water Transport Infrastructure

Inland water infrastructure in Malawi is the most inadequately developed among all modes of transport. Hence the need for a significant investment. This sub-sector offers immense potential for tourism, regular passenger services, and cargo operations. Lake Malawi has a plethora of avenues for operating tourism-focused services such as island ferries, dinner cruises, and yachting, among others. Recommended Inland Water Transport Infrastructure project to support tourism growth are at hand in Table 20.

9.5 Priority Projects

A list of 10 priority projects has been identified, one from each Node. The criteria for the selection of priority projects are:

i. The project accentuates the USP of a node and differentiates the node from others;
ii. The project has the potential to bring substantial socio-economic benefits to the node;
iii. The project develops on the unexplored potential of the node;
iv. The project is in alignment with the Government's development priorities and local authority's vision for the node; and
v. Potential to bring in tourist numbers and revenue, and increase the location attractiveness of the node so that other projects in the vicinity of the priority project can thrive (For example, Likoma project can bring in location
vi. attractiveness/engagement activities so that planned lodges in the area can thrive).

Table 18:Recommended Air Transport Infrastructure

S.N	Node	Project	Project Description	Length	Desired Surface	Approx. Cost	Remarks	Mode of Investment
1	Karonga-Chitipa	Karonga Airport Upgradation	Extension of Karonga Airport (at coordinates -9.955243, 33.895896) is required. The current asphalt runway of 1.5kms is required to be upgraded to a length of 2.5kms to be able to cater to at least 100-seater planes.	2.5kms	Asphalt	US$ 1,625,000	The cost per km for asphalt is US$650,000	Public Private Partnership
2	Nyika Vwaza-Livingstonia	The airstrip at the Nyika National Park	Expansion of the airstrip located at Nyika National Park is necessary to support the growing demand for tourism. The airstrip may not be operational during the rainy season since it is a grass airstrip of 1,200m in length.	1.2 km grass airstrip to be upgraded to Asphalt surface	Asphalt	US$ 780,00 0	The cost per km for asphalt is US$650,000	Public Private Partnership
3	Kasungu-Nkhotakota-Ntchisi	Nkhotakota Airstrip Upgradation	The current grass strip surface (1.2kms) airfield must be upgraded to an asphalt surface for future better connectivity.	1.2kms	Asphalt	US$ 780,000	The cost per km for asphalt is US$650,000	Public Private Partnership
4	Mulanje-Blantyre-Thyolo	CCAP Rest Hut has an airstrip enhancement	The CCAP Rest Hut has an airstrip that can be expanded for the landing of small aircraft. The upgrade of the airstrip also needs to include additional facilities such as an administration block, a waiting area, and a small facility for snacks or dining. High spending visitors can have better access to the Mulanje area by proper rehabilitation of this airstrip.	1.2kms grass airstrip to be upgraded to Asphalt surface (assumed)	Asphalt	US$ 780,000	The cost per km for asphalt is US$650,000	Public Private Partnership
5	Liwonde-Zomba	Liwonde National Park airstrip Nsanje Airstrip Upgrade	Expansion of the airstrip located at the Liwonde National Park is necessary to support the growing demand for tourism. Currently, the airstrip may not be operational during the rainy season. (Location Coordinates -14.838611,35.301389)	1.2kms grass airstrip to be upgraded to Asphalt surface	Asphalt	US$ 780,000	The cost per km for asphalt is US$ 650,000	Public Private Partnership

S.N	Node	Project	Project Description	Length	Desired Surface	Approx. Cost	Remarks	Mode of Investment
6	Nankumba Peninsula - Mangochi	Monkey Bay Airport	The proposed airport at Monkey Bay needs to be upgraded to a matter of strategic importance for the node's development to market the node's accessibility to global tourism source markets. The current 1.5km grass airstrip needs to be updated to 2.5kms of asphalt to be able to cater to at least 100seater planes.	2.5kms	Asphalt	US$ 1,625,000	The cost per km for asphalt is US$ 650,000	Public-Private Partnership
7	Lower Shire Valley	Expansion Nsanje Airstrip Upgrade	The grass airstrip is recommended to be upgraded to 2.5kms of Asphalt runway to accommodate direct flights with at least a 100 capacity.	2.5kms	Asphalt	US$ 1,625,000	Cost per km for asphalt is US$ 650,000	Public-Private Partnership

Table 19: Road Transport Infrastructure

S.No.	Node	Project	Project Description	Length	Desired Surface	Approx. Cost	Remarks	Mode of Investment
1	Karonga-Chitipa	Karonga Internal Roads	11km of road leading to tourism assets within Karonga requires immediate up-grading to Asphalt surface.	11km	Double layer of Chip seal	US$ 2,750,000	The cost per km for Low / Chip Seal is US$ 250,000	Public Sector
2	Karonga-Chitipa	Karonga Airport vicinity roads upgrade	Road Number U, with a length of 5.1km beginning at Karonga airport, needs up-grading to tarmac	5.1km	Double layer of Chip Seal	US$ 1,275,000	The cost per km for Low / Chip seal is US$ 250,000	Public Sector
3	Karonga-Chitipa	Karonga vicinity roads upgrade	Road Number S100, with a length of 9.2km, starting at T301 junction and ending at T303 junction, needs upgrading to Asphalt surface.	9.2km	Double layer of Chip Seal	US$ 2,300,000	The cost per km for Low / Chip seal is US$ 250,000	Public Sector
4	Karonga-Chitipa	Karonga vicinity roads upgrade	Road number S100, with a length of 12.7km starting at M26 turnoff and ending at T301 junction.	12.7km	Double layer of Chip Seal	US$ 3,175,000	The cost per km for Low / Chip seal is US$ 250,000	Public Sector
5	Karonga-Chitipa	Chitipa vicinity roads upgrade	Road number M9, with a length of 48.8 km starting at Chendo and ends at Chisenga.	48.8km	Double layer of Chip seal	US$ 12,200,000	Cost per km for Low / Chip seal is US$ 250,000	Public-Private Partnership
6	Karonga-Chitipa	Karonga – Chitipa link road with Nyika upgrade	Road number S101, with a length of 26.8km starting at M26 turnoff and ends at Kopakopa.	26.8km	Double layer of Chip seal	US$ 6,700,000	Cost per km for Low / Chip seal is US$ 250,000	Public-Private Partnership
7	Karonga-Chitipa	Misuku hills up-gradation	The dirt Mountain track to Misuku Hills at location coordinates (9.609994, 33.405513) and location coordinates (9.612624, 33.393318) need levelling and grading.	10km	Gravel rehabilitation with concrete pads	US$ 520,000	Cost per km for unpaved district road is US$ 50,000 and US$ 20,000 for concrete pads	Public Sector
8	Karonga-Chitipa	Chitipa – Zambia link road upgrade	M9 and D1 from Chitipa to Nakode border of Zambia Road number D1, with a length of 21.1km starting at the Zambia border and ending at M9 turn off, needs upgrading to Asphalt surface.	60km	Double layer of chip Seal	US$ 15,000,000	Cost per km for Low / Chip seal is US$ 250,000	Public-Private Partnership
9	Karonga-Chitipa	Chitipa – Zambia link road upgrade	325km of total Nyika NP internal roads require grading. Some prominent roads that can be prioritized for this grading effort are below. 1. The End Point of S103 (D31) has a dirt track.	21.1km	Double layer of Chip seal	US$ 5,275,000	Cost per km for Low / Chip seal is US$ 250,000	Public Sector
10	Nyika-Vwaza - Livingstonia -Chiweta-Mlowe	Grading of Internal roads within the Nyika National Park	Road to be constructed from this point to Ntchena Chena Trading centre. 2. A 20km stretch on the Rumphi -Nyika – Chitipa Road leading up to the Chelinda Camp needs be upgrading to an all-weather road (20km)	325km of total Nyika NP internal roads require grading	Gravel Rehabilitation	US$ 16,250,000	The cost per km for unpaved district road is US$ 50,000	Public-Private Partnership

S.No.	Node	Project	Project Description	Length	Desired Surface	Approx. Cost	Remarks	Mode of Investment
11	Nyika-Vwaza - Livingstonia -Chiweta-Mlowe	The main access road to Nyika National Park	The Rumphi –Thazima Gate Road is currently unpaved and needs upgrading.	40km unpaved road needs to be upgraded	*Low Volume Sealed Roads/ Chip Seal (Cape Seal)*	US$ 10,000,000	Cost per km for Low volume sealed is US$ 250,000 (Same can be done on Cape Seal First Layer Chip Seal and Slurry finish)	Public Sector
12	Nyika-Vwaza - Livingstonia -Chiweta-Mlowe	Repair of the bridge in Lower Rumphi Valley	Repair of the bridge in Lower Rumphi Valley (location coordinates 10.4957424,33.8857064). The half-burnt bridge in Lower Rumphi Valley on a tributary stream of Dembo river needs to be rebuilt and roads upgraded on both sides. The beautiful valley is an ideal location for a potential resort.	The burnt bridge in Rumphi Valley needs to be upgraded to a concrete level	1 Concrete bridge	US$ 30,000	The cost per bridge of 5 m concrete span with masonry walls is US$ 20,000	Public Sector
13	Nyika-Vwaza - Livingstonia -Chiweta-Mlowe	The Rumphi - Nyika – Chitipa – Misuku road	The Rumphi - Nyika – Chitipa – Misuku road needs to be upgraded to connect the Node to the Karonga – Chitipa Node in the North, especially with the Misuku Hills.	275km	*Low Volume Sealed Roads/ Chip Seal (Cape Seal)*	US$ 68,750,000	Cost per km for Low volume sealed is US$ 250,000 (Same can be done on Cape Seal First Layer Chip Seal and Slurry finish)	Public-Private Partnership
14	Nyika-Vwaza - Livingstonia -Chiweta-Mlowe	Rumphi to Kahuna	The 30km stretch from Rumphi to Kazuni needs to be upgraded to an all-weather gravel road.	30km	Gravel rehabilitation	US$ 1,500,000	The cost per km for District unpaved road is US$ 50,000.00	Public Sector
15	Nyika-Vwaza - Livingstonia -Chiweta-Mlowe	The Grading of Internal roads within the Vwaza Marsh Game Reserve needs to be done.	The Vwaza Wildlife Reserve internal roads need to be upgraded to all-weather roads to enable self-drive excursions. Some important roads that can be prioritized are listed as follows: 1. Luwewe – Chamawe – Luwewe loop (1km) 2. Luwewe loop (1km) 3. Central Luwewe – east bank of Luwewe at Central Luwewe – east bank of Luwewe at Chondoka (12km) 4. Khweta – Chamatete – east Luwewe (12km) 5. Zaro pool, east of Luwewe – Njale (14kms	110km	Gravel Rehabilitation	US$ 5,500,000	The cost per km for unpaved District road is US$ 50,000	Public Sector

S.No.	Node	Project	Project Description	Length	Desired Surface	Approx. Cost	Remarks	Mode of Investment
16	Nyika-Vwaza - Livingstonia -Chiweta-Mlowe	Bridges and Culverts in Vwaza Reserve	Access to Zaro and Kawiya is still a challenge due to the absence of proper bridges and culverts. With the support of the GEF Project, only one bridge was constructed in 2013. About 5 main concrete bridges and 5 culverts need to be constructed for the whole reserve to be accessed throughout the year.	N/A	5 concrete bridges, 5 concrete culverts	US$ 107,500	The cost per bridge of 5m concrete span with masonry walls is US$ 20,000 and US$150,000 for culverts	Private Sector
17	Nyika-Vwaza - Livingstonia -Chiweta-Mlowe	Livingstonia Access Road upgrade	The Turn off to Livingstonia is a dirt track and needs upgrading. Currently, only a 4x4 can traverse this road. From this point (-10.593583, 34.168684) to Livingstonia, the road needs to be levelled and graded.	15km	*Low Volume Sealed Roads/ Chip Seal (Cape Seal)*	US$ 3,750,000	Cost per km for Low volume sealed is US$ 250,000 (Same can be done on Cape Seal First Layer Chip seal and slurry finish)	Public Sector
18	Nyika-Vwaza - Livingstonia -Chiweta-Mlowe	Livingstonia Access Road upgrade	Upgrading of access roads from Chitimba – Livingstonia road to Bitumen level is required.	17km	*Low Volume Sealed Roads/ Chip Seal (Cape Seal)*	US$ 4,250,000	Cost per km for Low volume sealed is US$ 250,000 (Same can be done on Cape Seal First Layer Chip seal and slurry finish)	Public Sector
19	Nyika-Vwaza - Livingstonia -Chiweta-Mlowe	Livingstonia Access Road upgrade	Nyika to Livingstonia new road along the slopes is needed.	25km	*Low Volume Sealed Roads/ Chip Seal (Cape Seal)*	US$ 6,250,000	Cost per km for Low volume sealed is US$ 250,000 (Same can be done on Cape Seal First Layer Chip seal and slurry finish)	Public Sector
20	Nyika-Vwaza - Livingstonia -Chiweta-Mlowe	Vwaza Game Reserve fence area	Strengthening of about 42.5km of the Vwaza Game Reserve fence area to avoid human-wildlife conflict.	42.5km	*Electric Fence*	US$ 425,000	The cost of fencing is US$10,000 per kilometre, as provided by African Parks	Private Sector

S.No.	Node	Project	Project Description	Length	Desired Surface	Approx. Cost	Remarks	Mode of Investment
21	Likoma Island, Chizumulu Island - Nkhata-Bay - Mzuzu	Likoma Island road upgrade	Upgrade of Likoma Island roads - The Village road from the Island centre to coordinates (-12.041938, 34.731274) needs grading & levelling urgently. Form the Turn off for North Likoma, urgent road grading & levelling all the way to Ulisa Bay urgently needed (coordinates 12.058905, 34.739073). The Village road from the town centre needs urgent attention (coordinates (12.041100, 34.733495))	12km	*Low Volume Sealed Roads/ Chip Seal (Cape Seal)*	US$ 3,000,000	Cost per km for Low volume sealed is US$ 250,000 (Same can be done on Cape Seal First Layer Chip seal and slurry finish)	Public Sector
22	Likoma Island, Chizumulu Island - Nkhata-Bay - Mzuzu	Chizumulu Island Road upgrade	Upgrade of 6 km of dirt roads in Chizumulu island.	6km	*Low Volume Sealed Roads/ Chip Seal (Cape Seal)*	US$ 15,00,000	Cost per km for Low volume sealed is US$ 250,000 (Same can be done on Cape Seal First Layer Chip seal and slurry finish)	Public Sector
23	Likoma Island, Chizumulu Island - Nkhata-Bay - Mzuzu	Nkhata Bay to Usisya Road	The road to Usisya needs upgrading to improve connectivity to this area.	65.1km	*Low Volume Sealed Roads/ Chip Seal (Cape Seal)*	US$ 1,62,75,000	Cost per km for Low volume sealed is US$ 250,000 (Same can be done on Cape Seal First Layer Chip seal and slurry finish)	Public – Private Partnership
24	Likoma Island, Chizumulu Island - Nkhata-Bay - Mzuzu	Internal Nkhata Bay Road	The access road to Old	10km	*Low Volume Sealed Roads/ Chip Seal (Cape Seal)*	US$ 2,500,000	Cost per km for Low volume sealed is US$ 250,000 (Same can be done on Cape Seal First Layer Chip seal and slurry finish)	Public Sector
25	Nkhotakota – Kasungu Ntchisi	Kasungu-Lifupa road	The Kasungu - Lifupa road needs to be upgraded to a 70km all-weather road.	70km	Double layer of Chip Seal	US$ 17,500,000	This is partially outside the forest	Public – Private Partnership

S.No.	Node	Project	Project Description	Length	Desired Surface	Approx. Cost	Remarks	Mode of Investment
26	Nkhotakota – Kasungu Ntchisi	Grading of roads within the Nkhotakota Game Reserve.	Grading of roads within the Nkhotakota Game Reserve.	200km	Gravel Rehabilation	US$ 10,000,000	The cost per km for unpaved district road is US$ 50,000	Public Sector
27	Nkhotakota – Kasungu Ntchisi	Grading of roads within the Kasungu National Park	Grading of roads within the Kasungu NP.	200km	Gravel Rehabilation	US$ 10,000,000	The cost per km for unpaved district road is US$ 50,001	Public Sector
28	Nkhotakota – Kasungu Ntchisi	Bunda turn-off - Nkhotakota Wildlife Reserve access road	Bunda turn-off - Nkhotakota Wildlife Reserve access road needs to be upgraded to an all-weather road.	100km	Double layer of Chip Seal	US$ 25,000,000	The cost per km for Low /Chip Seal is US$ 250,000	Public Sector
29	Lilongwe-Dzalanyama-Mchinji	Cycling and Pedestrian walkways in Lilongwe city	6.3kms of Cycling and Pedestrian walkways are proposed in Lilongwe city.	6.3km	Cycling and pedestrian path construction	US$ 236,250	Concrete pavement blocks are US$ 25 per Sq. metre	Private Sector
30	Lilongwe-Dzalanyama-Mchinji	Upgradation of S-124, Lilongwe to Dzalanyama Forest	The road from Likuni to Dzalanyama Forest Gate needs upgradation.	23km	*Low Volume Sealed Roads/ Chip Seal (Cape Seal)*	US$ 5,750,000	Cost per km for Low volume Sealed is US$ 250,000 (Same can be done on Cape Seal First Layer Chip Seal and Slurry finish)	Public Sector
31	Lilongwe-Dzalanyama-Mchinji	Dzalanyama Forest Reserve	The internal Dzalanyama Forest Reserve roads are recommended to be upgraded to enable self-drive excursions and hiking. This includes up-gradation of 58km of D-195 within Dzalanyama Forest and 16km of Road 364 within the Dzalanyama Forest. Sections of these roads are	68km	Gravel Rehabilitation	US$ 3,400,000	The cost per km for Community Gravel Rehabilitation is US$ 50,000	Public Sector

S.No.	Node	Project	Project Description	Length	Desired Surface	Approx. Cost	Remarks	Mode of Investment
			impassable during rain at times, so improvement to the all-weather surface is required. Grading of all these roads is required.					
32	Lilongwe-Dzalanyama-Mchinji	Lilongwe to Dzalanyama Forest South	Upgradation of S-125 and Road 364 from Lilongwe to Dzalanyama Forest via Mitundu. This is also an important road for access to the Chongoni Forest.	60km	*Low Volume Sealed Roads/ Chip Seal (Cape Seal)*	US$ 15,000,000	Cost per km for Low volume Sealed is US$ 250,000 (Same can be done on Cape Seal First Layer Chip Seal and Slurry finish)	Public Sector
33	Lilongwe-Dzalanyama-Mchinji	Link road from M12 to Kamuzu Dam	Upgradation of T-364 connecting M-12. This is also an important link road connecting the access between M12 and Kamuzu Dam.	23km	*Low Volume Sealed Roads/ Chip Seal (Cape Seal)*	US$ 5,750,000	Cost per km for Low volume Sealed is US$ 250,000 (Same can be done on Cape Seal First Layer Chip Seal and Slurry finish)	Public Sector
34	Mulanje-Blantyre-Thyolo-Phalombe	Mount Mulanje internal and surrounding roads up-gradation	1. To upgrade 75kms of selected gravel roads to asphalt grade To upgrade 100kms of selected earth roads to gravel status.	1. 75 roads from gravel level to asphalt level 2. 100km of earth level to gravel level	Asphalt	US$ 1,137,500 and US$ 105,000	The cost per km for asphalt is US$ 650,000, Cost per km for Community Gravel Rehabilitation is US$ 50,000	Public-Private Partnership
35	Mulanje-Blantyre-Thyolo-Phalombe	To re-deck 25 timber bridges with concrete structures	To re-deck 25 timber bridges with concrete structures.	25 timber bridges to be upgraded to concrete structures	Concrete Bridges	US$ 750,000	The cost per bridge of 5m concrete span with masonry walls is US$ 20,000	Private Sector
36	Salima -Dowa-Kirk Range-Lilongwe	Senga Bay internal road upgradations	Within Salima, S122 connecting Senga Bay from Salima Town needs upgradation.	25km	Double layer of Chip Seal	US$ 6,250,000	The cost per km for Low / Chip Seal is US$ 250,000 The cost per km for Low /	Public Sector

S.No.	Node	Project	Project Description	Length	Desired Surface	Approx. Cost	Remarks	Mode of Investment
37	Salima-Dowa-Kirk Range-Lilongwe	Senga Bay internal road upgradations	Internal tertiary roads of Senga Bay, namely T357 and T358, also require upgradation. The road is currently a mud track.	40km	Double layer of Chip Seal	US$ 10,000,000	Chip Seal is US$ 250,000	Public Sector
38	Salima-Dowa-Kirk Range-Lilongwe	Senga Bay internal road upgradations	Internal tertiary roads of Senga Bay, namely T358 and T358 also require up-gradation. The road is currently a mud track.	25km	Double layer of Chip Seal	US$ 6,250,000	The cost per km for Low /Chip Seal is US$ 250,000	Public Sector
39	Salima-Dowa-Kirk Range-Lilongwe	Sunbird Livingstonia Road Upgradation	The approach road for Livingstonia hotel is very narrow and is difficult to traverse during the rainy season. The roads leading to the smaller cottages are not adequate. The road, hence, needs to be upgraded to an all-weather road.	3km	Double layer of Chip Seal	US$ 7,50,000	The cost per km for Low /Chip Seal is US$ 250,000	Public Sector
40	Salima-Dowa-Kirk Range-Lilongwe	Senga Bay Approach Road Upgradation	Nkhata Bay-Salima (M5) sections of the road are in poor condition (along Nkhotakota road), especially with frequent passing of overloaded trucks. The Salima – Senga- Maganga roads of 40km access road needs an urgent upgrade.	40km	Double layer of Chip Seal	US$ 10,000,000	The cost per km for Low /Chip Seal is US$ 250,000	Public Private Partnership
41	Salima-Dowa-Kirk Range-Lilongwe	Dowa approach road upgradations	Portions of M16 connecting Dowa towards Salima also require upgradation.	15km	Double layer of Chip Seal	US$ 3,750,000	The cost per km for Low /Chip Seal is US$ 250,000	Public Sector
42	Salima-Dowa-Kirk Range-Lilongwe	Mau Mission approach road upgradation	Road to Mau Mission (2 km) is not paved for 2-wheel drive vehicles; intervention is required. The road needs to be upgraded for appropriate navigability.	2km	Asphalt	US$ 1,300,000	The cost per km for asphalt is US$ 650,000	Public Sector
43	Salima-Dowa-Kirk Range-Lilongwe	Chongoni Rock Art area road upgradations	Approximately 12 km of road within the Chongoni Rock Art area are dirt roads and need to be upgraded to all-weather roads.	12km	Double layer of Chip Seal	US$ 3,000,000	Cost per km for Low /Chip Seal is US$ 250,000	Public Sector
44	Nankumba Peninsula - Mangochi	Upgrading of access roads - Cape Maclear and Kasankha Bay road	Immediate up-gradation of the approach road to Cape Maclear and National Park is required. The approach road was only built for 5 years and required completion and Up-gradation. 26km up-gradation to bitumen level required.	26km	Double layer of Chip Seal	US$ 6,500,000	Cost per km for Low /Chip Seal is US$ 250,000	Public Sector

S.No.	Node	Project	Project Description	Length	Desired Surface	Approx. Cost	Remarks	Mode of Investment
45	Nankumba Peninsula - Mangochi	Golden Sands Site Approach Road Upgradation	In addition, the 5km road stretch to the Golden Sands site is currently a non-all-weather road and requires up-gradation. This endeavour needs to proceed in coordination with District Authorities and the Chembe Village Development Committee.	5km	Double layer of Chip Seal	US$ 1,250,000	Cost per km for Low /Chip Seal is US$ 250,000	Public Sector
46	Nankumba Peninsula - Mangochi	Namizimu Forest Reserve Access Road	3km of the approach road to Namizimu Forest Reserve from East of Magochi is currently unpaved. It needs to be upgraded.	3km	Double layer of Chip Seal	US$ 750,000	Cost per km for Low /Chip Seal is US$ 250,000	Public Sector
47	Nankumba Peninsula - Mangochi	Fort Mangochi Access Road upgradation	Namwera to Fort Mangochi road needs to be upgraded to an all-weather road for a length of 15km.	15km	Double layer of Chip Seal	US$ 3,750,000	Cost per km for Low /Chip Seal is US$ 250,000	Public Sector
48	Liwonde Zomba	Liwonde National Park Access Roads	In total, about 50 km of the road is seasonal and requires up-gradation for all-season travel: 1. The M3 approach to Liwonde National Park is a stretch of 14km unpaved road. 2. The M8 approach to Liwonde National Park is a stretch of 30km unpaved road. 3. Upgradation of the access road to Liwonde National Park is required for to all-weather road at the location with coordinates (-15.050953, 35.249997). 4. The approach road to Liwonde National Park at the location with coordinates (-15.0464010, 35.2524750) is all-weather. However, some other approach roads, such as a location with coordinates (-15.050953, 35.249997), is not all weather.	50km	Gravel Rehabilitation	US$ 2,500,000	The cost per km for Community Gravel Rehabilitation is US$ 50,000	Public Private Partnership
49	Liwonde Zomba	Liwonde National Park Internal Roads Grading	Grading of all earth roads within the strategic protected area of the Liwonde National Park is required. Some roads can be prioritized for development. 1. A priority road that requires grading is the road from the gate to Mvuu Camp (28km). The road is currently difficult to traverse during the wet season and is proposed to be surfaced for	200km	Gravel Rehabilitation	US$ 10.000,000	The cost per km for Community Gravel Rehabilitation is US$ 50,000	Public Sector

S.No.	Node	Project	Project Description	Length	Desired Surface	Approx. Cost	Remarks	Mode of Investment
			all-season travel. Additional feasibility studies may be considered to expand the RoW of this road from the current 4-6 m to 9m.					
50	Liwonde Zomba	Rebuilding of bridges inside Liwonde National Park	Proposed reconstruction of 5 (assumed number) bridges to a concrete level.		5 concrete bridges	US$ 100,000	The cost per bridge of 5m concrete span with masonry walls is US$ 20,000	Private Sector
51	Liwonde Zomba	Upgradation of the road to Williams Falls, Chingwe Hole and Zomba Plateau	The Road to Williams Falls, Chingwe hole and Zomba Plateau at location coordinates (-15.360939, 35.303007) needs periodic spot gravelling and Chingwe hole and Zomba Plateau at location coordinates (-15.360939, 35.303007) needs periodic spot gravelling and maintenance. The gravel road leading up to the Mountain Forest office reserve (at location coordinates -15.351889, 35.290752) needs periodic spot gravelling and reshaping with drainage works maintenance.	23.5km	Gravel Rehabilitation	US$ 1,175,000	The cost per km for Community Gravel	Public Sector
52	Liwonde Zomba	Upgradation of bridges on Zomba Plateau	Two 30 tonne bridges.	N/A	Two 30 tonne bridges	US$ 60,000	The cost per bridge of 5m concrete span with masonry walls is US$ 20,000	Private Sector
53	Lower Shire Valley	Majete Wildlife Reserve to Chikwawa road upgrade	17km dirt road connecting M1 from Chikwawa to the park entrance gate of the Majete Wildlife Reserve to be upgraded considering the increase in tourist traffic.	17km	Double layer of Chip seal	US$ 4,250,000	The cost per km for Low / Chip seal is US$ 250,000	Public Sector
54	Lower Shire Valley	Mwanza – Majete access road	Mwanza also borders Majete, but there is currently no shortcut. A new road is proposed to be built here.	30km	Double layer of Chip Seal	US$ 7,500,000	The cost per km for Low / Chip seal is US$ 250,000	Public Sector

S.No.	Node	Project	Project Description	Length	Desired Surface	Approx. Cost	Remarks	Mode of Investment
55	Lower Shire Valley	Lengwe National Park – approach roads upgrade	The road connecting M1to Lengwe is on the west side of the highway, about 20km south of Chikwawa and 8km north of Nchalo. From the turn-off, it's a further 9km to the park entrance gate to be Improved to help facilitate the flow of visitors into the park.	9km	Double layer of Chip seal	US$ 2,250,000	Chip Seal is US$ 250,000	Public Sector
56	Lower Shire Valley	Lengwe National Park – Game Drives upgradation	Upgradation of Game Drive Route within Lengwe National Park: along Makhanga Drive for 1.3km, stopping at Main Hide en route and then returning via Mbawala Drive ii. route from the intersection of Makhanga and Mbawala drive entails continuing northwest for 2.5km to Njati Hide (overlooking New Jasi Pan), then following Makanga Drive in a southerly direction for 11km via Jasi Hide to Makanga Hide, then veering back north for about 8.5km along South Thicket Road and Caracal Link.	23.3km	Gravel Rehabilitation	US$ 1,165,000	The cost per km for unpaved district road is US$ 50,000	Public Sector
57	Lower Shire Valley	Mwabvi Wildlife Reserve Approach Road Upgradation	The turn-off to Mwabvi is signposted two times to the right of the M1 approaching the small town of Bangula, roughly 1km and 5km after you cross the bridge over the Thangadzi River. Both approach roads are currently earth roads. These tracks lead to the entrance gate of the reserve and need upgrading.	13km	Double layer of Chip seal	US$ 3,250,000	The cost per km for Low / Chip Seal is US$ 250,000	Public Sector
58	Lower Shire Valley	Mwabvi Wildlife Reserve Internal Road	Improvement of road D390 into and through Mwabvi Wildlife Reserve.	10km	Gravel Rehabilitation	US$ 500,000	The cost per km for unpaved district road is US$ 50,000	Public Sector
59	Lower Shire Valley	Thyolo to Nsanje road upgrade	The Thyolo to Nsanje road is a key component to establishing a circuit in the region. This road would allow visitors to travel south of Blantyre on the M1 to visit The attractions along this road and then circle back	95km	Double layer of Chip Seal	US$ 23,750,000	The cost per km for Low / Chip Seal is US$ 250000	Public-Private Partnership

S.No.	Node	Project	Project Description	Length	Desired Surface	Approx. Cost	Remarks	Mode of Investment
			past Mulanje Mountain Forest. This road will also cover the approach to Elephant Marsh from Thyolo. This road is proposed for tarmacking.					
60	Lower Shire Valley	Elephant Marsh – Concrete bridge for approach	Makhanga and Mchacha James used to be accessible by road from the M1 and Bangula, before 1998. The bridge was washed away during heavy flooding. It needs to be replaced with a concrete structure.	1 Concrete Bridge	1 Concrete Bridge (assume appropriate length)	US$ 60,000	The cost per bridge of 15m concrete span with masonry walls is US$ 60,000	Private Sector

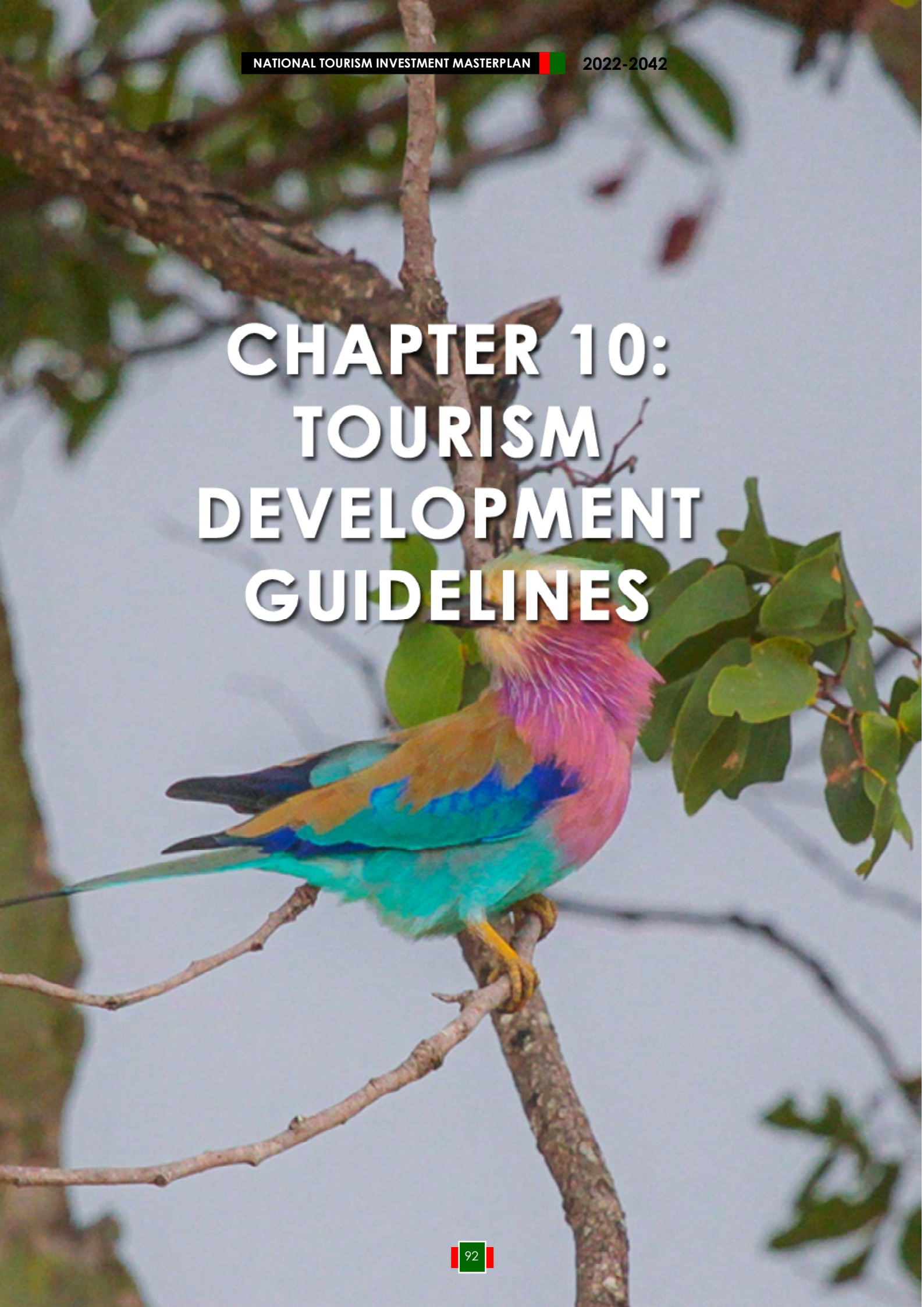
Table 20: Inland Water Transport Infrastructure

S. No	Node	Project	Project Description	Approx. Cost	Remarks	Mode of Investment
1	Likoma Island, Chizumulu Island -Nkhata-Bay - Mzuzu	A Private Jetty for speed boats in the region south of Kaya Mawa	A small private Jetty for speedboats is proposed. This should be built and operated by private hotel owners' association at Likoma Island. The coordinates of the location are (-12.095551, 34.721853). Assumption of dimensions: 50 m by 3m,	US$ 22,500	US$ 150 per Square metre of deck/jetty	Private Sector
2	Salima - Dowa-KirkRange-Lilongwe	Maleri Island Jetty	A 50x3m wide jetty to be constructed at Maleri island to support day trips by boat to the Wildlife Reserve on Maleri Island.	US$ 22,500	US$ 150 per Square metre of deck/jetty	Public Sector
3	Liwonde-Zomba	Upgrade of boat tour and jetty facility	Upgrade of boat tour and jetty facility is required for unbundled experiences for dayvisitors as well as guests ofaccommodation. There are two possible jetty locations. A feasibility study needs to be conducted for further development; (1) near the Hippo View lodge, Liwonde, and (2) near the Chinguni site at the banks of Shire River.	US$ 22,500	US$ 150 per Square metre of deck/jetty	Public Private Partnership
4	Nankumba Peninsula – Mangochi	LMNP Lake Activity Centre Decking	Assumption of dimensions: 50 m by 3m • Assumption of dimensions: 50 m by 3m. 300x5m wide decking, plus 200 m² floating decks to moor boats at required for the LMNP Lake Activity Centre.	US$ 255,000	US$ 150 per Square metre of deck/jetty	Public Private Partnership
5	Nkhotakota–Kasungu Ntchisi	Building a jetty at Nkhotakota	A 100m long jetty, 4 m wide, needs to be constructed at the Kariba Jetty location in order to support the Lake Activity Centre at Kariba Jetty.	US$ 60,000	US$ 150 per Square metre of deck/jetty	Public Sector

Table 21: Ten Priority Projects

#	Region	Node	Priority Project	Tourism Category
1	North	Karonga-Chitipa	Transit Facility outside Songwe Border Post	Tourism Facilitation
2	North	Nyika-Vwaza-Livingstonia-Chiweta-Mlowe	New Resort Livingstonia	Nature Tourism
3	North	Nkhata bay-Likoma-Mzuzu	Activity Centre, Likoma Island	Lake Tourism
4	North	Nkhata bay-Likoma-Mzuzu	Integrated Waterfront Development, Nkhata Bay	Lake Tourism
5	Central	Nkhotakota -Kasungu - Ntchisi	Tourism Resort & Houseboat Harbor, Nkhotakota Bay	Lake Tourism
6	Central	Lilongwe-Dzalanyama	Riverside Boardwalk in Lilongwe city	Nature Tourism
7	Central	Salima-Dowa-Kirk Range-Lilongwe	Integrated Tourism Resort in Salima	Lake Tourism
8	South	Nankumba Peninsula - Mangochi	Golden Sands Development at Cape Maclear	Lake Tourism
9	South	Mulanje-Blantyre-Thyolo-Phalombe	Integrated Cable Car Resort on Mount Mulanje	Nature Tourism
10	South	Mulanje-Blantyre-Thyolo-Phalombe	Waterfront Development on the Shire River	Lake Tourism

CHAPTER 10: TOURISM DEVELOPMENT GUIDELINES



10 TOURISM DEVELOPMENT GUIDELINES

The intention of the development guidelines for tourism assets is to guide and ensure planned development within and around the existing tourism assets.

The first guideline brief defines facilities to be provided at the entrance of a tourism asset along with the facilities that can come up within 250m, 500m and 1km radius of the tourism asset entrance. The minimum road width facing a tourism asset should be a minimum of 18m or 60 feet width for all the tourism assets except 12m or 40 feet for hilly terrain/ island-based tourism assets. This guideline can be applied to all the national wildlife parks and forests and the urban/ cultural tourist attractions. The facilities within the 500m band should face a road of a minimum of 18m or 60 feet width, while facilities within the 1km band should face a road of a minimum of 24m or 80 feet width.

Figure 20: Development guidelines wildlife/ Nature and Culture Tourism Assets

Lake Malawi stretches a length of 580km and has a total area of 29,600 km^2. It is important to protect and conserve the vast coastline and the fragile riparian edge of the lake. The second guideline brief defines facilities to be provided for the tourism assets along Lake Malawi. A 200m buffer is proposed for the lake, which will facilitate the existing livelihood activities such as fishing, farming etc. This 200m buffer is envisaged as a conservation zone with natural plantations and will form a natural edge along the lake. This can be used for walking/ cycling and even jogging by tourists and locals. The soft landscape is allowed (to be constructed out of non-permanent materials like thatch and laterite), such as beach beds and sports activities, among others. Between the 100m to 500m and the 1km to 2km band, a number of activities can be allowed, which are detailed in figure 22 and table 23 below. The facilities between the 500m - 1km band should face a road of a minimum of 18m or 60 feet width while facilities within the 1 km-2km band should face a road of minimum 24-30m or 80 feet-100 feet width. Further cross-sections have been prepared to articulate the same.

Lake Malawi stretches a length of 580km and has a total area of 29,600 km2. It is important to protect and conserve the vast coastline and the fragile riparian edge of the lake.

10.1 Tourism Asset Development Guidelines

This Masterplan also recommends accommodation prototypes in protected areas and mountaineous forests and along lake shores as well as other water bodies.

Table 22: Development Guidelines for Wildlife/ Nature and Culture Tourism Assets

Locational Character	Wildlife & Nature-Based Tourism Sites
At Entrance	Entrance Plaza/ Seating/ Landscape
	Ticketing Counter
	Dispensary/ First Aid
	Toilet Block
	Souvenir Shop
	Cloak Room
	Staff Restroom / Changing rooms
0-250m	Local Shopping
	Local Food Stalls/ Hawking Zones
	Café/ Restaurant
	ATM
	Parking
	Bus Stop
250-500m	Community Development Centre (Attached to the closest settlement/ village)
	Retail Commercial Space
	Petrol Bunk
500-1km	Dispensary/ Health Centres
	Backpackers/ Budget Hotels/ Motels
1 km-2km	Luxury Boutique Hotels

Figure 21: Development Guidelines for envisaged future development along Lake Malawi

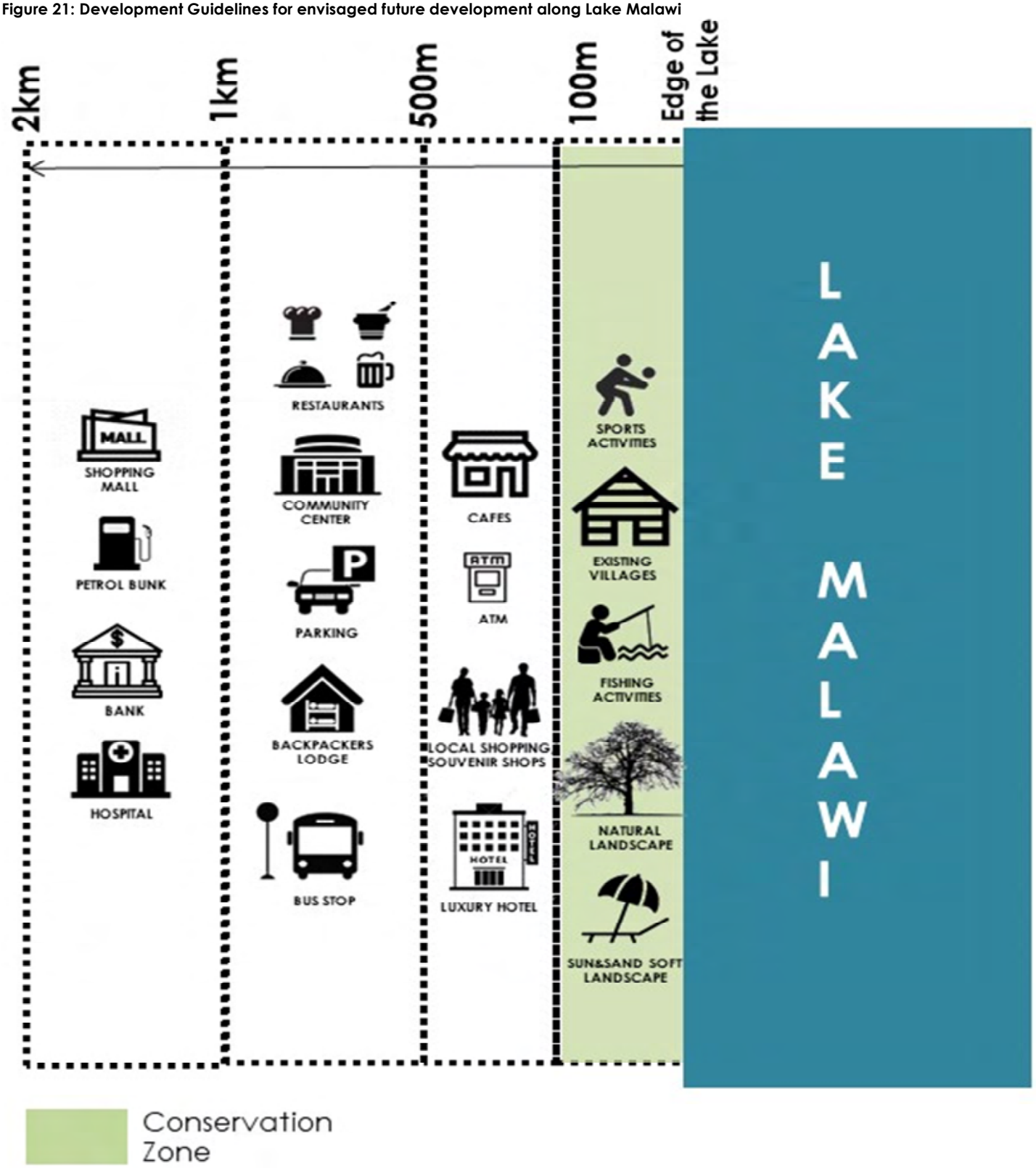
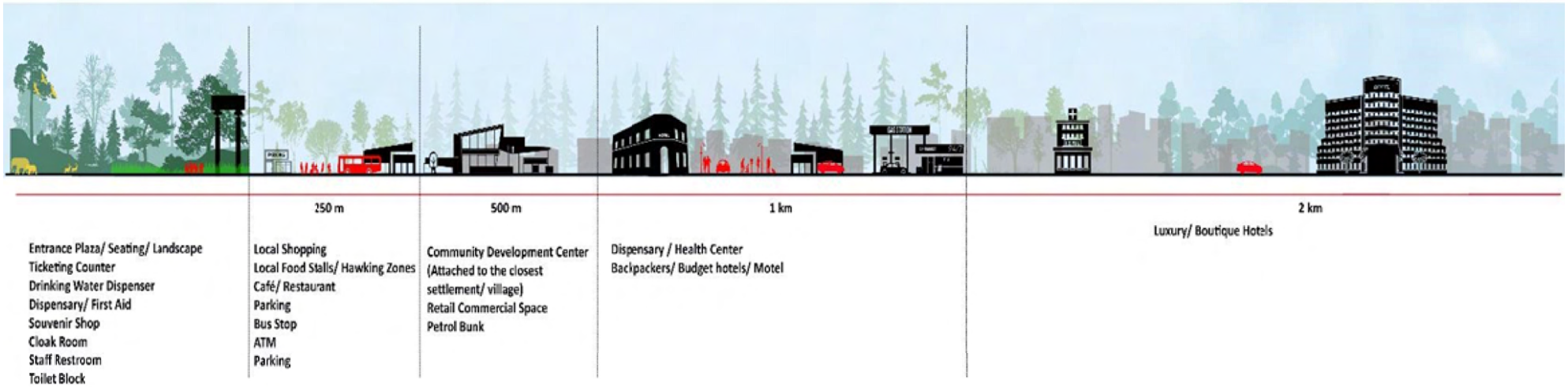


Table 23: Development Guidelines along Lake Malawi

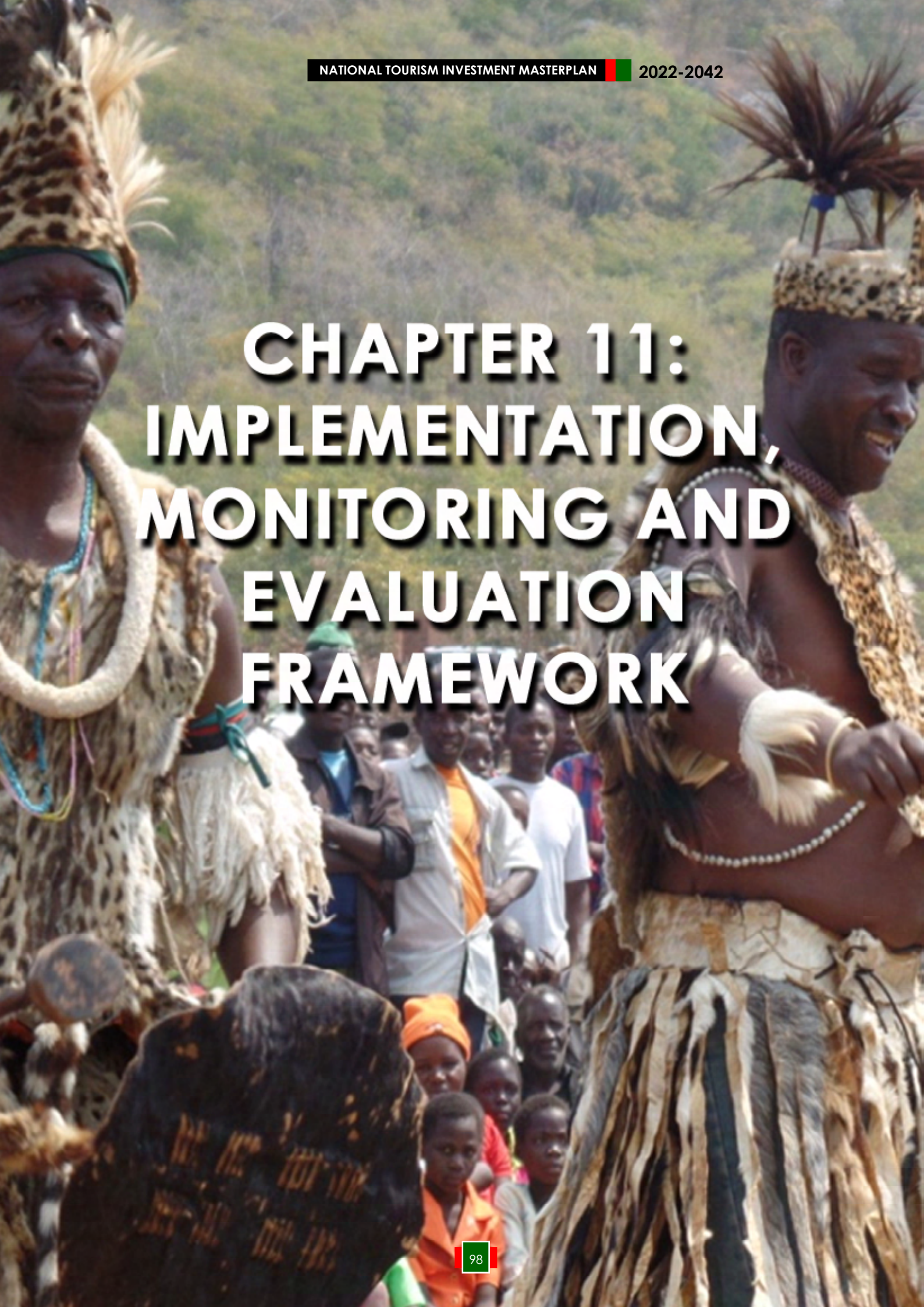
Locational Character	Lake-based Tourism Sites
100m from Lake Edge	Vegetation/ Landscape (local fishermen/ communities will not be restricted from using this space for their livelihood purposes)
100m to 500m	Café/ Shacks
	Souvenir Shop
	Local Shopping/ Hawking Zone
	ATM
	Luxury/ Boutique Hotels
500m to 1km	Backpackers/ Budget hotels/ Motel
	Luxury/ Boutique Hotels
	Restaurant
	Community Development Centre (Attached to the closest settlement/ village)
	Parking
	Bus Stop
1 km to 2km	Bank
	Hospital
	Petrol Bunk
	Shopping Mall

Figure 22: Cross sections detailing out development guidelines

Lake based Tourism Site



Nature, Culture and Urban Tourism Site

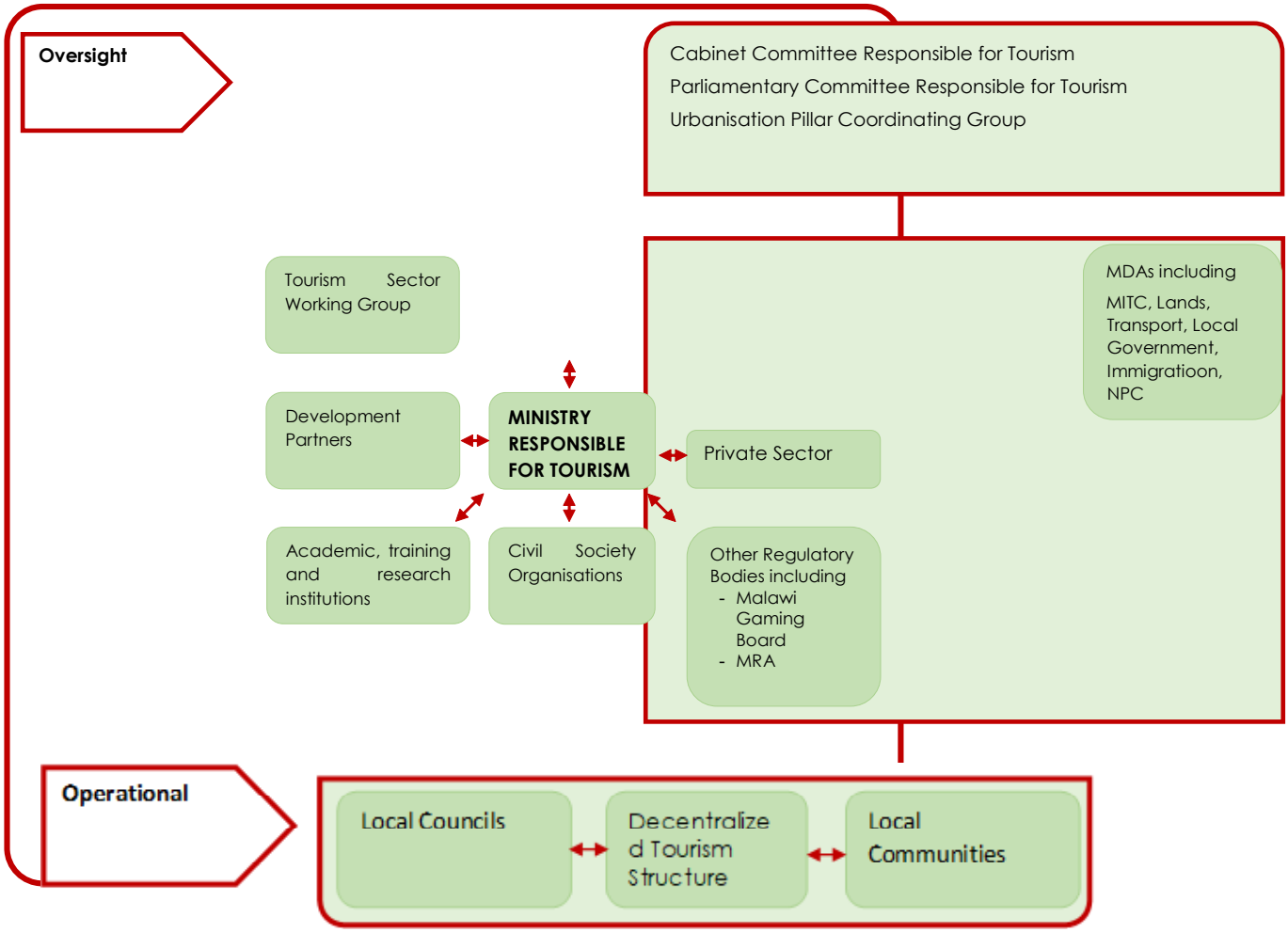


CHAPTER 11: IMPLEMENTATION, MONITORING AND EVALUATION FRAMEWORK

11. IMPLEMENTATION, MONITORING AND EVALUATION FRAMEWORK

The Malawi Tourism Investment Masterplan will be implemented in 20 years in accordance with the National Tourism Policy and the overall long-term government development agenda, the MW2063. Its implementation will be multi-sectoral to account for the diversity of stakeholders at local, regional and national levels. This will require strong partnership and collaboration of stakeholders in the implementation of the various programmes as outlined in the Master Plan. Figure 24 presents a summary of the institutional implementation framework.

Figure 23: Summary of Institutional Implementation Framework



The Ministry responsible for Tourism will have the primary responsibility of coordinating the implementation of the Masterplan. The Ministry will also serve as Chair and Secretariat for the Tourism Sector Working Group (TSWG). The TSWG will be a multi-stakeholder body that will provide a platform for national dialogue. Membership of the TSWG will include MDAs, private sector firms and associations, development partners, civil society organizations, academic and research institutions. At the district level, the District Executive Committee (DEC) and its local structures will be responsible for the coordination, implementation and reporting of tourism activities.

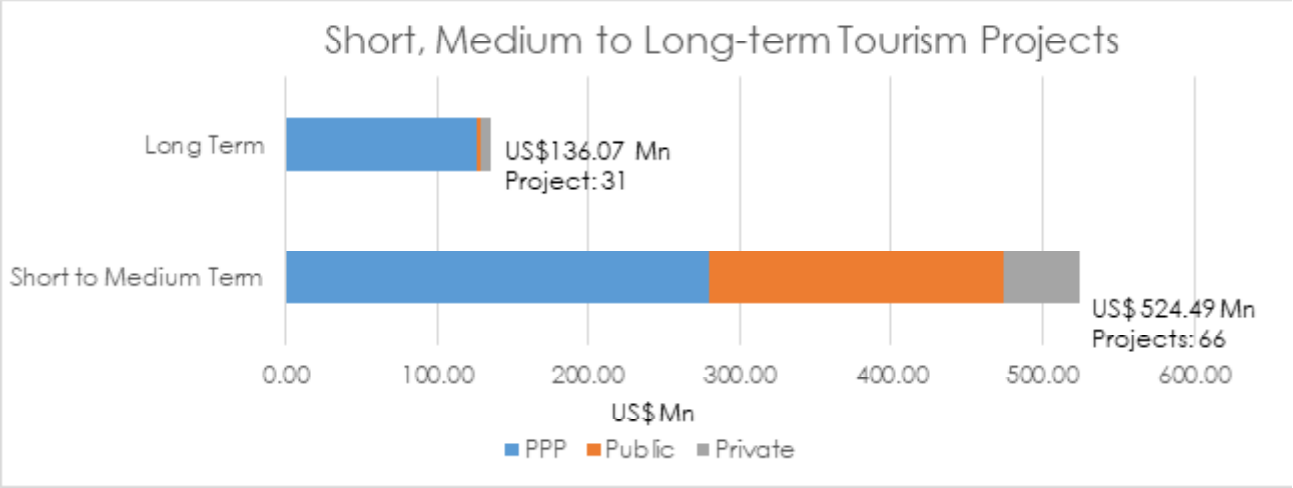
11.1 Investment Mode and Funding Arrangement

The investments associated with the identified tourism projects have been estimated and spread over 20 years. These opportunities have been structured keeping in mind the needs of a particular area, the level of development, expected demand in the near future, investments required, and the implementation time required to complete these projects. The suitable investment mode for these projects has been identified as public, private, or as a partnership between both public and private stakeholders.

The implementation of the Masterplan will be financed through public, private sources or a combination of

both. Assistance will also be sought from development partners. Total funding for the implementation of Masterplan is estimated at US$660.56 million. Refer to figure 25.

Figure 24: Investments Planned during Short-, Medium- and Long-term period



The infrastructure and tourism projects have been planned over a timeline of 20 years based on the amount of investment required, implementation timeline, and the development in the particular node needed to be attained for the successful execution of the project. The following depicts the roadmap for the projects sequenced as a short, medium and long term:

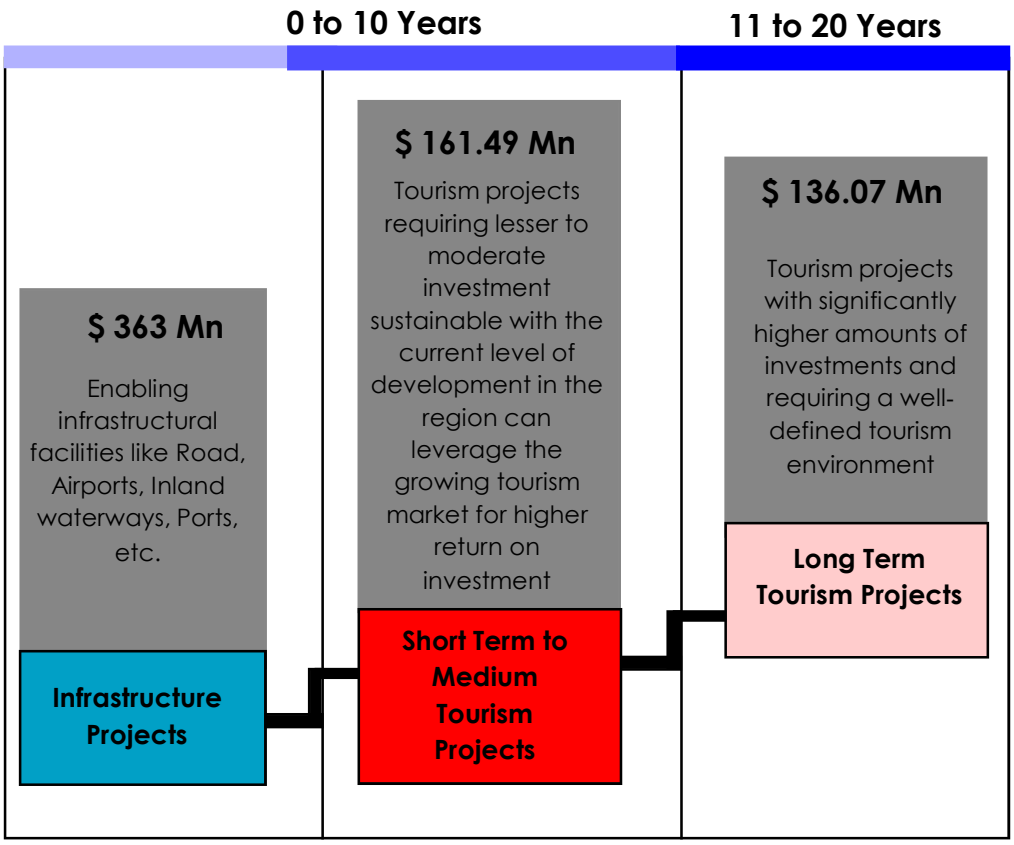


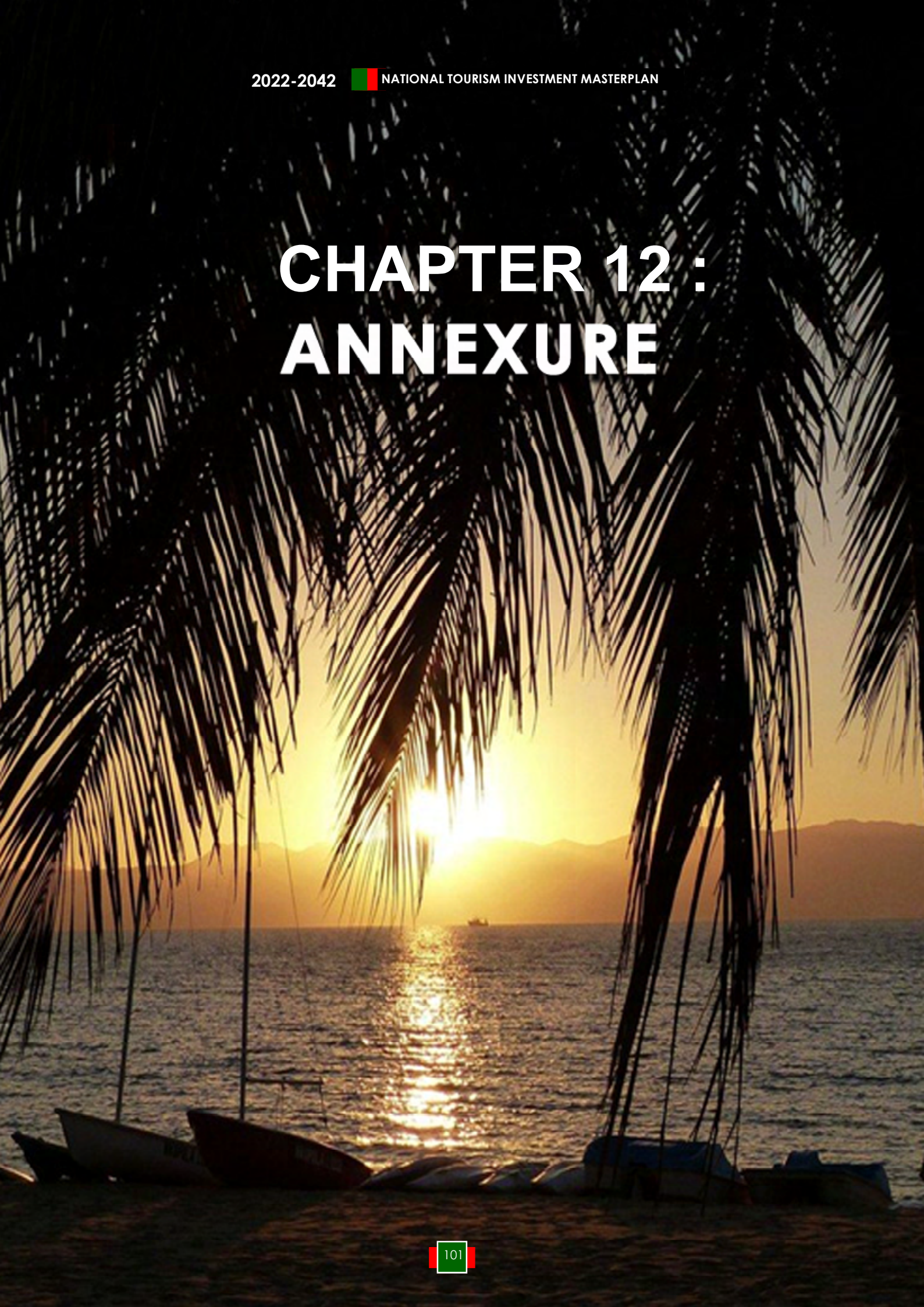
Figure 25: Investment Strategy for Short-, Medium- and Long-term period

Monitoring and Evaluation Plan

The monitoring and evaluation will be guided by the National Monitoring and Evaluation Framework as presented in Annex 13.3. The monitoring and evaluation system incorporates internal self-monitoring and evaluation activities to be carried out by the Ministry responsible for Tourism. Thus, the Ministry will be responsible for the collection and analysis of data necessary for the preparation of quarterly Monitoring and Evaluation reports. The reports will be submitted to the TSWG for review and adoption.

The implementation of the masterplan has been phased into short, medium and long-term. The masterplan will be reviewed every five years and at the end of its implementation.

CHAPTER 12 : ANNEXURE



12. ANNEXURE

12.1 Details of Major Road Network of Malawi

Name	Length (Kms)	Starting from	Ending at	Avg RoW
M1	1,108.70	Songwe International Boundary	Maka	12-24m
M2	113.2	Blantyre	Muloza International Boundary	12-15m
M3	237.2	Limbe	Chiponde International Boundary	12-24m
M4	70.2	Limbe	Mulanje	12-15m
M5	487.3	Mzuzu	Mulanje	6-15m
M6	70.5	M001-M006 Junction	Zobwe	9-12m
M7	78.8	Othambwe	Mbobo	12-15m
M8	24.9	Chingeni	Mimanga	12-15m
M9	429.7	Mkoma (Tanzanian Border)	Mzimba Boma	9-15m
M10	108	Njolo	Mangochi Boma	12-20m
M11	109.9	Chiweta	Timbiri	6-12m
M12	119.3	Lilongwe City	Mchinji International Boundary	15-25m
M14	92.7	Lilongwe City	M005-S122 Junction	9-15m
M18	216.1	Kamwendo	Nkhotakota Boma	12-25m
M20	63.7	Jenda	Luwawa	9-12m
M24	54.7	Njakwa	Chitanga	10-15m
M26	100.7	Chitipa Boma	Karonga Boma	12-15m

12.2 List of Tourism Assets

Lake Based Tourism Asset	
S.No.	**Name**
1	Lake Malombe
2	Lake Chilwa
3	Senga
4	Thumbi West Island
5	Cape Maclear
6	Monkey Bay
7	Nkhotakota Lakeshore
8	Nkhata Bay Lakeshore
9	Likoma Island
10	Mangochi
11	Mumbo Island
12	Domwe Island
13	Chintheche
14	Boadzulu Island
15	Chitimba Beach
16	Chiweta Mountain
17	Dwangwa Beach
18	Maleri Island

Wildlife Based Tourism Asset	
S.No.	**Name**
1	Mvuu Camp
2	Matipa Complex Forest
3	Nyika National Park
4	Kasungu National Park
5	Lake Malawi National Park
6	Liwonde National Park
7	Nkhotakota Wildlife Reserve
8	Kuti Wildlife Reserve
9	Nyika National Park
10	Vwaza Marsh
11	Majete Wildlife Reserve
12	Game Haven Lodge
13	Luwawa Dam
14	Kaning'ina Forest Reserve
15	Thambani Forest Reserve
16	Mulanje Mountain Forest Reserve
17	Lengwe National Park
18	Lilongwe Wildlife Centre
19	Mwabvi Wildlife Reserve
20	Elephant Marsh

Nature-Based Tourism Asset	
S.No.	**Name**
1	Misuku Hills
2	Nganda Peak
3	Chisanga Falls Viewpoint
4	Mulanje Massif
5	Likhubula Falls (Dziwe la Nkhalamba)
6	Lilongwe Wildlife Centre
7	Zikwimba Hill
8	Viphya Plateau
9	Dzalanyama Forest Reserve
10	Ntchisi Mountain
11	Kalali Hot Springs
12	Sapitwa peak
13	Zomba Plateau
14	Livingstonia
15	Manchewe Waterfalls
16	Kasaramba Hill
17	Nyika Juniper Forest Reserve
18	Chambe Hut (Mt. Mulanje)
19	Soche Hill
20	Williams Falls

Culture-Based Tourism Asset	
S.No.	**Name**
1	**Cultura**l & Museum Centre Karonga
2	Livingstonia Mission Church
3	Mua Mission Hospital
4	Chongoni Rock Art Area
5	Kungoni Centre Of Culture and Art
6	Mpale Cultural Village
7	Dedza Pottery and Lodge
8	Kungoni Centre Of Culture and Art
9	Njobvu cultural village lodge
10	St. Peters Cathedral, Likoma
11	Nkhotakota traditional Village
12	King's African Rifles war memorial
13	Lake Malawi Museum
14	St Michael and All Angels Church
15	Colonial Mandala House
16	Museum of Malawi
17	Mangochi Cultural Village
18	Hora (Ngoni) Cultural Village
19	Fort Johnstone Hotel
20	Zomba
21	Blantyre town
22	Livingstonia
23	Dedza Mountain
24	Fort Maguire
25	Military Museum

MICE Based Tourism Asset	
S.No.	**Name**
1	Riverside Hotel
2	Lingadzi Inn
3	Kambiri Beach by Serendib
4	Dalitso Resort
5	Kumbali Country Lodge
6	Bridge View Hotel & Conference
7	Wamkulu Palace Hotel
8	Kabumba Hotel
9	Blue Waters by Serendib
10	Game Haven Lodge
11	Annies Lodge
12	Boadzulu Lakeshore Resort
13	Kumbali Lake Retreat
14	Korea Garden Lodge
15	Ufulu Gardens Hotel
16	Chikho hotel
17	Mkulumadzi Lodge
18	Andrews Hotel
19	Crossroads Hotel- Lilongwe
20	Sunbird Mzuzu Hotel category 1
21	Grand Palace Hotel
22	Sunbird Lilongwe
23	Latitude 13
24	Platinum Hotels
25	Sunbird Livingstonia Beach Lodge
26	Silver Sand Holiday Resort
27	Dorvic Hotel
28	Cross Roads Hotel- Blantyre
29	Lotus Hotel by Serendib
30	Malawi Sun Hotel
31	Protea Hotel by Marriott
32	Serendib Suites Hotel
33	Sunbird Mount Soche Hotel
34	Hotel Victoria
35	Sunbird Ku Chawe Inn
36	Hippo View Lodge
37	Mvuu Camp and Lodge
38	Simama Hotel
39	Pumulani Lodge
40	Sun 'N' Sand Holiday Resort
41	Sunbird Nkopola Lodge
42	The Makokola Retreat
43	Sunbird Capital
44	Golden Peacock Lilongwe
45	President Hotel (Umodzi Park)
46	Amaryllis Hotel Blantyre
47	Mimosa Hotel
48	Mafumu
49	Madidi Lodge
50	Platinum Suite Hotel
51	Chintheche Inn
52	Lake Side Hotel and Conference Centre
53	Kara' O Mula Country Lodge
54	Pamadzi Beach Resort
55	Crown Hotel
56	Bingu International Conference Center

12.3 National Monitoring and Evaluation Framework

Node	Tourism projects/ Action	Output	Indicator	Target	Timeframe	Cost (USD)	Possible Investment Mode	Responsibility
Karonga-Chitipa	Upgrading of and additions to the Karonga Cultural and Museum Centre	Karonga Cultural and Museum Centre upgraded	Number of museums upgraded	1	Short term-medium term	250,000	Public/Private	Ministry responsible for museum and monuments
	Tourism Information Centres at Karonga and Chitipa	Tourism information centres established in Chitipa and Karonga	Number of tourism information centres established	2	Short term-medium term	150,000	Public/Private	Ministry responsible for tourism
	Transit Facility outside Songwe Border Post	Transit facility outside Songwe Border Post developed	Number of Transit facilities developed	1	Short to Medium-term	4,600,000	Public/Private	Ministry responsible for tourism
	Agri-tourism Venture in conjunction with Kaporo Smallholder Farmers Association (KASFA)	Agri-tourism venture developed	Number of agri-tourism ventures	1	Short-medium term	300,000	PPP	Ministries responsible for tourism & Agriculture
	New Spa and Wellness Centre at Mkungwe Hot Spring	Spa and Wellness Centre established	Number of Spa and Wellness Centres established	1	Long term	1,700,000	PPP	Ministry responsible for tourism
	Eco-lodge at Misuku Hills	Eco-lodge developed	Number of eco-lodges developed	1	Short-Medium term	780,000	Private	Ministry responsible for tourism
	Overlander Campsite on the North Rukuru river, north-western Karonga	Overlander campsite developed	Number of campsites developed	1	Short- Medium-term	200,000	Private	Ministry responsible for tourism
	New Mid-market Resort near Karonga	Mid-market resort developed	Number of resorts developed	1	Long term	3,500,000	PPP	Ministry responsible for tourism
	Slave Trade Museum in Mahimba Village at Karonga	Slave Trade Museum developed	Number of museums developed	1	Short to medium term	100,000	Public	Ministry responsible for museum and monuments

Node	Tourism projects/ Action	Output	Indicator	Target	Timeframe	Cost (USD)	Possible Investment Mode	Responsibility
Nyika-Vwaza-Livingstonia-Chiweta-Mlowe	New Day Visitors facilities in the Thazima Gate vicinity at Nyika National Park	Day visitors' facilities developed	Number of Day visitors' facilities in place	1	Short to medium term	270,000	Public/Private	Ministry responsible for tourism
	Dr Livingstone Museum and Heritage Route, Livingstonia	Dr Livingstone Museum developed	Number of museums developed	1	Short-Medium term	515,000	Public	Ministry responsible for museum and monuments
		Heritage route developed	Number of heritage routes developed	1			Public	Ministry responsible for museum and monuments
	New Resort Livingstonia	Resort Livingstonia developed	Number of resorts developed	1	Long term	3,100,000	Private	Ministries responsible for tourism and museum and monuments
	New Tented Lodge in Vwaza Marsh Wildlife Reserve	Tented lodge developed	Number of lodges developed	1	Short-medium term	700,000	Private	Ministries responsible for tourism & parks and wildlife
	New Mid-Market Resort at Dembo River Estuary, Chiweta	Mid-market resort developed	Number of resorts developed	1	Long term	4,500,000	PPP	Ministry responsible for tourism
	New Heritage and Cultural Centre at Kandewe	Heritage and cultural centres developed	Number of heritage and cultural centres developed	1	Short-Medium term	420,000	Public	Ministry responsible for museum and heritage
	New Resort on Rumphi Valley, Nyika National Park	Resort developed	Number of resorts developed	1	Short-medium term	2,000,000	PPP	Ministry responsible for tourism
	Campsite facilities in Vwaza Wildlife Reserve	Campsite facilities developed	Campsite facilities in place	1	Short-medium term	165,000	Public	Ministries responsible for tourism & for parks and wildlife

Node	Tourism projects/ Action	Output	Indicator	Target	Timeframe	Cost (USD)	Possible Investment Mode	Responsibility
	New Visitor Centre and Entrance Gate, Vwaza Wildlife Reserve	New Visitor Centre constructed	Number of visitors' facilities	1	Short-medium term	340,000	Public	Ministries responsible for parks and wildlife & tourism
		New entrance gate constructed	Number of entrance gates	1				Ministry responsible for parks and wildlife
	New Conference Lodge at Thazima, Nyika National Park	Conference lodge developed	Number of lodges developed	1	Short-Medium term	4,200,000	PPP	Ministries responsible for tourism & parks and wildlife
	Upgrading and additions to Chelinda Lodge, Nyika National Park	Chelinda Lodge upgraded	Chelinda Lodge upgraded	1	Long term	2,500,000	Public/Private	Ministries responsible for tourism & parks and wildlife
	New Lodge at Juniper Forest, Nyika National Park	Lodge constructed	Number of lodges constructed	1	Long term	2,150,000	PPP	Ministries responsible for tourism & parks and wildlife
	Cultural and Information Centre, Lake Kaulime - Nyika National Park	Cultural and information centre constructed	Number of information centres	1	Short-medium term	240000	Public/Private	Ministries responsible for tourism; parks and wildlife; & museums and monuments
Nkhata Bay-Likoma-Mzuzu	Activity Centre, Likoma Island	Activity centre constructed	Number of activity centres	1	Short-medium term	1,360,000	Public/Private	Ministry responsible for tourism
	Heritage Centre in Nkhata Bay	Heritage centre constructed	Number of heritage centres	1	Short-Medium term	750,000	Public/Private	Ministry responsible for museum and monuments
	Nature walks at Chilundu Point Sanctuary	Nature walks developed	Number of walkways developed	1	Short-medium term	200,000	Public/Private	Ministry responsible for tourism
	Mid-market Resort to the south of Nkhata Bay	Mid-market resort developed	Number of mid-market resorts developed	1	Long term	4,500,000	PPP	Ministry responsible for tourism

Node	Tourism projects/ Action	Output	Indicator	Target	Timeframe	Cost (USD)	Possible Investment Mode	Responsibility
	Overlander Campsite on the outskirts of Mzuzu	Overlander campsite developed	Number of overlander campsites developed	1	Short-medium term	200,000	Public/Private	Ministry responsible for tourism
	Rubber/Tea Plantation excursions in the surrounding agricultural areas	Plantation excursions introduced	Plantation excursions introduced	1	Short-medium term	50,000	Public/Private	Ministries responsible for tourism & Agriculture
	Luxury Lodge/s on Likoma and Chizumulu Islands	Luxury lodges developed	Number of Luxury Lodges developed	2	Short-Medium term	500,000	PPP	Ministry responsible for tourism
	Mid-market Resorts on the Islands	Mid-market Resort developed	Number of Mid-market Resorts	2	Long term	2,000,000	PPP	Ministry responsible for tourism
	New Eco-lodge in Usisya	Eco-lodge developed	Number of Eco-lodge developed	1	Long term	700,000	Private	Ministry responsible for tourism
	Spa and Roadside Inn at Nkhata Bay	Spa and roadside inn developed	Number of Spa and Roadside Inn developed	1	Long term	1,700,000	PPP	Ministry responsible for tourism
	Hot Spring Recreation Park, Mzuzu	Recreation Park established	Number of Recreation Parks	1	Short-medium term	3,000,000	Public/Private	Ministries responsible for tourism & Local Government
	Integrated Waterfront Development, Nkhata Bay	Waterfront facilities developed	Waterfront facilities developed	1	Long term	9,500,000	Public/Private	Ministries responsible for tourism, Transport & Local Government

Node	Tourism projects/ Action	Output	Indicator	Target	Timeframe	Cost (USD)	Possible Investment Mode	Responsibility
Kasungu-Ntchisi-Nkhotakota	Development of the Dr Livingstone Information Centre as part of the Malawi Slave Trade Heritage Route in Nkhotakota	Dr Livingstone Information Centre developed	Number of information centres developed	1	Short-Medium term	1,000,000	Public/Private	Ministry responsible for tourism & museum and monuments
	Campsite for backpackers in Nkhotakota Wildlife Reserve	Campsite for backpackers established	Number of the campsite for backpackers established	1	Short-Medium term	100,000	Private	Ministries responsible for tourism & parks and wildlife
	New Game Lodge to be developed in the Kasungu National Park near Kangwa and Wang'ombe Rumen	Game lodge developed	Number of game lodges developed	1	Short-medium term	1,500,000	PPP	Ministries responsible for tourism & parks and wildlife
	Basecamp for hikers and mountain bikers in Ntchisi Forest Reserve	Basecamp for hikers and mountain bikers established	Number of basecamps established	1	Short-Medium term	650,000	Private	Ministries responsible for tourism & forest
	Tourism Resort & Houseboat Harbor, Nkhotakota Bay	Houseboats harbour developed	Number of houseboats harbours developed	1		9,000,000	Private	Ministry responsible for tourism
		Tourism resort developed	Number of tourism resorts developed	1	Short-medium term			
	Spa and Wellness Resort at the Nkhotakota hot spring	Spa and Wellness Resort established	Number of Spa and Wellness Resorts	1	Long term	6,000,000	PPP	Ministry responsible for tourism
	Agritourism Venture, Dwangwa	Agritourism venture introduced	Number of agritourism ventures introduced	1	Short-medium term	300000	Public/private	Ministry responsible for tourism

Node	Tourism projects/ Action	Output	Indicator		Timeframe	Cost (USD)	Possible Investment Mode	Responsibility
	Interpretation Centre linking the rock paintings and iron smelting kilns in the Kasungu National Park.	Interpretation centre established	Number of Interpretation centres established	1	Short- Medium-term	240,000	Public	Ministries responsible for tourism; parks and wildlife; museum and monuments
	Lake Activity Centre at Kariba Jetty in Nkhotakota	Lake activity centre established	Number of lake activity centres established	1	Long term	1,400,000	PPP	Ministry responsible for tourism
	Angling and bird sighting spots at Chia Lagoon	Angling and bird sighting spots introduced	Angling and bird sighting spots	1		50,000	Public/Private	Ministry responsible for tourism
	Upmarket Lodge, Ntchisi Forest Reserve	Upmarket lodge developed	Number of upmarket lodges developed	1	Short-medium term	2,150,000	PPP	Ministries responsible for tourism & forest
Salima-Dowa-Kirk Range	Public beach Facilities, Senga Bay	Public beach Facilities developed	Public beach Facilities in place	1	Short-Medium term		Public/Private	Ministry responsible for tourism
	Wildlife Reserve on Maleri Island, with day trips by boat.	Day trips by boat introduced	Day trips by boat introduced	1	Long term	360,000	Public/Private	Ministry responsible for tourism & parks and wildlife
	Activity Centre/ Marina in Senga Bay.	Activity Centre/ Marina developed	Number of activity centres developed	1	Long term	1,400,000	PPP	Ministry responsible for tourism
	Integrated Tourism Facility at Salima, Maganga area	Integrated tourism facility developed	Number of integrated tourism facilities developed	1	Short-Medium term	23,000,000	PPP	Ministry responsible for tourism
	Campsite, mid-market lodge and hilltop café in the Dowa Highlands.	Campsite developed	Number of campsites developed	1	Short-Medium term	200000	PPP	Ministry responsible for tourism

Node	Tourism projects/ Action	Output	Indicator	Target	Timeframe	Cost (USD)	Possible Investment Mode	Responsibility
		Mid-market lodge established	Number of mid-market lodges developed	1	Short-Medium term	1500000	PPP	Ministry responsible for tourism
		Hilltop café established	Number of hilltop cafés developed	1	Short-Medium term	500000	PPP	Ministry responsible for tourism
	Bird aviary/ rehabilitation centre in or near Salima	Bird aviary/ rehabilitation centre established	Number of bird aviary/ rehabilitation centres developed	1	Short-medium term	850,000	Private	Ministry responsible for tourism
	Guesthouse/inn and tourist info centre at the Chongoni Rock Art site	Guesthouse/inn and info centre established	Number of guesthouses/ inns developed	1	Short-Medium term	1,200,000	Private	Ministry responsible for tourism
	High-end Eco-lodge in Thuma Forest Reserve	High-end Eco-lodge established	Number of high-end eco-lodge established	1	Long term	1,200,000	PPP	Ministries responsible for tourism & forest
	Dedza Mountain Tourist Information Centre and trails	Information centre and nature trails established	Number of information centres established	1	Short-medium term	100,000	Public	Ministries responsible for tourism & museum and monuments
	Development of Overlander campsites in various locations	Overlander campsites developed	Number of overlander campsites developed	1	Short-medium term	200,000	Private	Ministry responsible for tourism
Lilongwe-Dzalanyama	Gateway to Malawi mixed-use project near Lumbadzi International Airport	Gateway to Malawi mixed-use project implemented	Number of projects implemented	1	Long term	1,000,000	Public/Private	Ministries responsible for tourism & transport
	Cultural, Arts & Crafts Museum Complex in Lilongwe	Cultural, arts & crafts museum complex developed	Number of cultural, arts & crafts museum complexes developed	1	Short-Medium term	10,000,000	Public/Private	Ministry responsible for museum and monuments

Node	Tourism projects/ Action	Output	Indicator	Target	Timeframe	Cost (USD)	Possible Investment Mode	Responsibility
	River Boardwalk in Lilongwe City nature Sanctuary	River boardwalk developed	Number of boardwalks and support infrastructure developed	1	Short-medium term	2,750,000	PPP	Ministry responsible for parks and wildlife
	Nkhoma Mountain Tourism Centre & Trails	Nkhoma mountain tourism centre developed	Number of tourism centres developed	1	Short-medium term	100,000	Public	Ministry responsible for tourism
		Nkhoma mountain trails developed	Number of mountain trail networks	1	Short-Medium term			Ministry responsible for tourism
	New Cafeteria & Viewpoint in the Dzalanyama Rain Forest	Cafeteria developed	Number of cafeterias developed	1	Short-Medium term	250,000	Private	Ministry responsible for tourism & forest
		Viewpoint established	Number of Viewpoints established	1	Short-Medium term			Ministry responsible for tourism & forest
	Tourism Facilities at Kamuzu Dam	Tourism Facilities established	Number of Tourism Facilities established	1	Long term	1,050,000	Public/Private	Ministry responsible for tourism
	Upgrading of the Lilongwe Botanical Gardens	Botanical Gardens upgraded	Botanical Gardens upgraded	1	Short-medium term	150,000	Public/Private	Ministry responsible for tourism
	Riverside Boardwalk in Lilongwe City	Riverside Boardwalk developed	Number of Riverside Boardwalk developed	1	Short-Medium term	1,100,000	Public/Private	Ministries responsible for tourism & Local Government
	Family Getaways in Dzalanama Forest Reserve	Family getaways established	Number of family getaways developed	1	Long term	5,000,000	PPP	Ministries responsible for tourism & forest

Node	Tourism projects/ Action	Output	Indicator	Target	Timeframe	Cost (USD)	Possible Investment Mode	Responsibility
	New Entrance Gates for the Dzalanyama Forest Reserve	Entrance gates developed	Number of entrance gates developed	1	Short-Medium term	375,000	Public	Ministries responsible for tourism & forest
	New Mountain Inn & Campsite in the Mchinji part of the Dzalanyama Rain Forest	Mountain inn developed	Number of mountain inns developed	1	Short-medium term	750,000	Private	Ministries responsible for tourism & forest
		Campsite developed	Number of campsites developed	1				Ministries responsible for tourism & forest
Nankumba Peninsula - Mangochi	New Main Entrance Gate and related facilities for the Lake Malawi National Park	New main entrance gate and related facilities developed	The main entrance gate and related facilities developed	1	Short-medium term	580,000	Public	Ministries responsible for tourism & parks and wildlife
	Aquarium/ Environmental Educational Centre at Cape Maclear	Aquarium/ Environmental Educational Centre established	Number of Aquarium/ Environmental Educational Centres established	1	Long term	650,000	Private	Ministry responsible for tourism
	Fresh Water Theme Park in Monkey Bay	Water theme park developed	Number of water theme parks developed	1	Long term	6,000,000	PPP	Ministry responsible for tourism
	Information Centre on the M3 going through the Namizimu Forest Reserve	Information centre established	Number of information centres established	1	Short-Medium term	250,000	Public/Private	Ministries responsible for tourism & forest
	Nature walks along the Shire River in Mangochi	Nature walks developed	Number of nature walks developed	1	Long term	1,850,000	Public/Private	Ministry responsible for tourism
	Luxury Villas on Boadzulu Island	Luxury Villas developed	Number of luxury villas developed	5	Long term	2,800,000	PPP	Ministry responsible for tourism

Node	Tourism projects/ Action	Output	Indicator	Target	Timeframe	Cost (USD)	Possible Investment Mode	Responsibility
	Fort Mangochi Museum, near Mangochi	Fort Mangochi museum developed	Number of museums developed	1	Short-Medium term	500,000	Public	Ministry responsible for museum and monuments
	Day Visitors facilities at various spots in the Lake Malawi National Park.	Day visitors' facilities developed	Day visitors facilities in place	1	Short-medium term	150,000	Public	Ministries responsible for tourism & parks and wildlife
	Lake Activity Centre at Monkey Bay	Lake activity centre established	Number of lake activity centres established (What are they?)	1	Short-Medium term	3,000,000	PPP	Ministry responsible for tourism
	Birders/hikers Trail Camp in Namizimu Forest Reserve	Birders/hikers trails camp established	Number of birders/hikers trails camps established	1	Short-medium term	260,000	Public	Ministry responsible for tourism
	Houseboats and self-manned craft at various sites	Houseboats and self-manned craft were introduced at various sites	Houseboats and self-manned craft operational	1	Short-medium term	300,000	Private	Ministry responsible for tourism
	Mixed-use Tourism Centre in Mangochi	Mixed-use tourism centre established	Number of mixed-use tourism centres established	1	Long term	850,000	PPP	Ministry responsible for tourism
	Traditional Seafood Restaurant in Chembe Village	Traditional seafood restaurants developed	Number of traditional seafood restaurants developed	1	Short-medium term	100,000	Private	Ministry responsible for tourism
	Golden Sands Development at Cape Maclear	Golden Sands tourism facilities developed	Number of facilities developed	4	Short-Medium term	21,209,407	PPP	Ministries responsible for tourism & parks and wildlife

Node	Tourism projects/ Action	Output	Indicator	Target	Timeframe	Cost (USD)	Possible Investment Mode	Responsibility
Zomba-Liwonde	Upgrading of the Liwonde National Park Main Entrance gate	The main entrance gate upgraded	Number of entrance gates upgraded	1	Short-medium term	580,000	Public	Ministry responsible for parks and wildlife
	New Mid-market Conference Lodge on Lake Malombe	New Mid-market Conference Lodge developed	Number of New Mid-market Conference Lodge developed	1	Long term	4,000,000	PPP	Ministry responsible for tourism
	New Waterfront Development on the Shire River, upstream from the Liwonde Barrage	Waterfront facilities developed	Number of facilities developed	1	Long term	2,000,000	PPP	Ministry responsible for tourism
	New Hiking Base Camp for the Zomba Plateau Nature Reserve	Hiking base camp established	Number of hiking base camps established	1	Short-Medium term	650,000	Public	Ministry responsible for tourism
	New Medical Retreat in Zomba	Medical Retreat established	Number of medical retreats established	1	Long term	4,000,000	PPP	Ministry responsible for tourism
	New Tourism Information Centre in Zomba	Tourism information centre established	Number of tourism information centres established	1	Short-medium term	250,000	Public	Ministry responsible for tourism
	New Cable Car up to Zomba Mountain	Cable Car network developed	Number of cable car networks developed	1	Short-Medium term	20000000	Private	Ministry responsible for tourism
	New Birding Lodge on Chisi Island, Lake Chilwa	Birding lodge developed	Number of birding lodges developed	1	Short-Medium term	600,000	Private	Ministry responsible for tourism
	New Visitors Centre near Mulunguzi Dam	Visitors' centre established	Number of visitors' centres established	1	Short-medium term	300,000	Public	Ministry responsible for tourism
	New Game Lodge in Liwonde National Park	Game lodge developed	Number of game lodge developed	1	Short-Medium term	1,300,000	Private	Ministries responsible for tourism & parks and wildlife

Node	Tourism projects/ Action	Output	Indicator	Target	Timeframe	Cost (USD)	Possible Investment Mode	Responsibility
Mulanje-Blantyre-Thyolo	Integrated Cable Car Resort on Mount Mulanje	Cable Car network developed	Number of cable car networks developed	1	Long term	24,200,200	PPP	Ministry responsible for tourism
	Base Camp for hiking trails into Fort Lister area of Mulanje Mountain	Base Camp established	Number of base camps established	1	Short-Medium term	280,000	Public/Private	Ministry responsible for tourism
	Visitors Centre and Accommodation near Thyolo	Visitors' centre established	Number of visitors' centre established	1	Short-Medium term	1,500,000	Private	Ministry responsible for tourism
		Number of accommodation facilities developed	Number of accommodation facilities developed	1				Ministry responsible for tourism
	Conference Facility and Estate in Michiru Nature Sanctuary	Conference facility developed	Number of conference facilities developed	1	Long term	6,500,000	PPP	Ministry responsible for tourism & parks and wildlife
	Shire River Waterfront Development in Zalewa	Waterfront facility developed	Number of water of facilities developed	1	Short-Medium term	2,564,633	PPP	Ministry responsible for tourism
	Upgrading of the Hiking Huts on Mount Mulanje	Hiking Huts upgraded	Number of hiking huts upgraded	2	Short-medium term	200,000	Public	Ministry responsible for tourism
	Zoa Falls product	Tourism facilities established	Number of Tourism facilities established	1	Long term	3,000,000	PPP	Ministry responsible for tourism
	Nature Sanctuary in Blantyre (Project at the Dams)	Nature sanctuary developed	Number of nature sanctuaries developed	1	Short-medium Term	350,000	Public	Ministry responsible for tourism

Node	Tourism projects/ Action	Output	Indicator	Target	Timeframe	Cost (USD)	Possible Investment Mode	Responsibility
Lower Shire	New Game Lodge in Lengwe National Park	Game lodge developed	Number of game lodges developed	1	Short-Medium term	900,000	Private	Ministries responsible for tourism & parks and wildlife
	Visitor Stopover facility near Kamuzu Bridge	Visitor stopover facility developed	Number of visitor stopover facilities developed	1	Short-Medium Term	1500000	Public/Private	Ministry responsible for tourism and Local Government
	Exclusive Wilderness Camp/s in the Mwabvi Wildlife Reserve	Wilderness camps developed	Number of wilderness camps developed	3	Short-medium Term	900,000	Private	Ministries responsible for tourism & parks and wildlife
	Eco-lodge on Elephant Marsh bird watching Interpretative	Eco-lodge established	Number of eco-lodge established	1	Short-Medium term	600,000	Private	Ministries responsible for tourism & parks and wildlife
	Viewpoint at the Mwabvi Sandstone Gorge	Interpretative viewpoint developed	Number of interpretative viewpoints established	1	Short-Medium term	500,000	Public	Ministries responsible for tourism & parks and wildlife
	Curio and Craft Market/s on the main connection roads in Malawi	Curio and craft market established	Number of curio and craft markets established	1	Short-medium term	630,000	Private/Public	Ministry responsible for tourism
	Bird Aviary and Hide near Chikwawa, on the Shire riverbank	Bird Aviary and Hide Established	Number of Aviaries and Hides established	1	Long term	150,000	Public	Ministry responsible for tourism
	Overlander Campsite/s in Southern Malawi	Overlander campsite developed	Number of overlander campsites developed	1	Short-medium term	1200,000	Private	Ministry responsible for tourism

Node	Tourism projects/ Action	Output	Indicator	Target	Time frame	Cost (USD)	Possible Investment Mode	Responsibility
Infrastructure Development								
Karonga-Chitipa	Karonga Airport up-gradation	Karonga Airport asphalt runway upgraded	Length of runway upgraded	2.5km		US$ 1,625,000	Public	Ministries responsible for tourism & transport
Nkhatabay - Likoma - Mzuzu	Likoma airstrip runway expansion	Runway upgraded	Length of runway upgraded			13,00,000	PPP	Ministries responsible for tourism & transport
NyikaVwaza-Livingstonia	Nyika National Park airstrip upgrade	The airstrip at the Nyika National upgraded from grass airstrip to asphalt surface	Length of runway upgraded	1.2 km		US$ 780,00 0	PPP	Ministries responsible for tourism & transport
		Airstrip facility at the Nyika National converted into an international aerodrome with Customs and Immigration facilities	Customs and Immigration facilities established	Customs & immigration facilities operational				Ministries responsible for tourism & transport
Kasungu-Nkhotakota-Ntchisi	Nkhotakota Airstrip Upgradation	Nkhotakota Airstrip Upgraded from grass airstrip to asphalt surface	Length of runway upgraded	1.2kms		US$ 780,000	PPP	Ministries responsible for tourism & transport
Mulanje-Blantyre-Thyolo	CCAP Rest Hut has an airstrip Enhancement	The CCAP Rest Hut airstrip upgraded from grass airstrip to asphalt surface	Length of runway upgraded	1.2kms		US$ 780,000	PPP	Ministries responsible for tourism & transport
		Airstrip infrastructure rehabilitated/ constructed	An administration block rehabilitated/ constructed Waiting area constructed	1 1				Ministries responsible for tourism & transport

Node	Tourism projects/ Action	Output	Indicator	Target	Time frame	Cost (USD)	Possible Investment Mode	Responsibility
Liwonde-Zomba	Liwonde National Park airstrip	Liwonde National Park airstrip upgraded from grass airstrip to Asphalt surface	Length of runway upgraded	1.2kms		US$ 780,000	PPP	Ministries responsible for tourism & transport
Nankumba Peninsula - Mangochi	Monkey Bay Airport Expansion	Monkey Bay Airport grass airstrip expanded and upgraded to	Length of runway upgraded	2.5kms		US$ 1,625,000	PPP	Ministries responsible for tourism & transport
Lower Shire Valley	Nsanje Airstrip Upgrade	Asphalt surface Nsanje Airstrip upgraded asphalt runway	Length of runway upgraded	2.5kms		US$ 1,625,000	PPP	Ministries responsible for tourism & transport
Road Transport Infrastructure								
Karonga-Chitipa	Karonga Internal Roads	The road leading to tourism upgraded asphalt surface	Length of road upgraded	11km		US$2,750,000	Public	Ministries responsible for tourism and transport
	Karonga Airport vicinity roads upgrade	Road Number U from Karonga airport up-graded to tarmac	Length of road upgraded	5.1km		US$1,275,000	Public	Ministries responsible for tourism and transport
	Karonga vicinity roads upgrade	Road Number S100 from T301 junction to T303 junction upgraded to asphalt surface	Length of road upgraded	9.2km		US$2,300.000	Public	Ministries responsible for tourism and transport
	Karonga vicinity roads upgrade	Road number S100 from M26 turnoff to T301 junction upgraded to asphalt surface	Length of road upgraded	12.7km		US$3,175,000	Public	Ministries responsible for tourism and transport
	Chitipa vicinity roads upgrade	Road number M9 from Chendo to Chisenga upgraded to asphalt surface	Length of road upgraded	48.8km		US$12,200,000	Public	Ministries responsible for tourism and transport
	Karonga - Chitipa link road with Nyika upgrade	Road number S101 from M26 turnoff to Kopakopa upgraded to asphalt surface	Length of road upgraded	26.8km		US$6,700,000	PPP	Ministries responsible for tourism and transport

Node	Tourism projects/ Action	Output	Indicator	Target	Time frame	Cost (USD)	Possible Investment Mode	Responsibility
Nyika-Vwaza - Livingstonia - Chiweta - Mlowe	Misuku hills up-gradation	Dirt mountain track to Misuku Hills rehabilitated with gravel with concrete pads	Length of road rehabilitated	10km		US$ 520,000	PPP	Ministries responsible for tourism and transport
	Chitipa - Zambia link road up-gradation	M9 and D1 from Chitipa to Nakonde border of Zambia upgraded to asphalt surface	Length of road upgraded	60km		US$15,000,000	PPP	Ministries responsible for tourism and transport
	Chitipa - Zambia link road up-gradation	Road number D1 from Zambia border to M9 turn off upgraded to asphalt surface	Length of road upgraded	21.1km		US$5,275,000	Public	Ministries responsible for tourism and transport
	Grading of Internal roads within the Nyika National Park	Nyika National Park internal roads upgraded to all-weather roads	Length of roads upgraded	325km		US$16,250,000	PPP	Ministries responsible for tourism & parks and wildlife
	The main access road to Nyika National Park	Rumphi -Thazima Gate Road upgraded from unpaved to Sealed Roads	Length of road upgraded	40km		US$10,000,000	Public	Ministries responsible for tourism; transport; & parks, and wildlife
	Repair of the bridge in Lower Rumphi Valley	Burnt bridge in Lower Rumphi Valley upgraded to concrete	Number of bridges upgraded	1		US$ 30,000	Public	Ministries responsible for tourism & transport
	The Rumphi - Nyika - Chitipa - Misuku road	The Rumphi - Nyika - Chitipa - Misuku road upgraded to Low Volume Sealed Roads	Length of road upgraded	275km		US$68,750,000	PPP	Ministries responsible for tourism & transport
	Rumphi to Kazuni	Rumphi - Kazuni road upgraded to an all-weather gravel road.	Length of road upgraded	30km		US$ 1,500,000	Public	Ministries responsible for tourism & transport
	The Grading of Internal roads within the Vwaza Marsh Game Reserve needs to be done	The Vwaza Wildlife Reserve internal roads upgraded to all-weather	Length of roads upgraded	110km		US$ 5,500,000	Public	Ministries responsible for tourism & parks and wildlife

Node	Tourism projects/ Action	Output	Indicator	Target	Time frame	Cost (USD)	Possible Investment Mode	Responsibility
	Bridges and Culverts in Vwaza Reserve	Concrete bridges constructed	Number of bridges constructed	5		US$107,500.00	Private	Ministries responsible for tourism & parks and wildlife
	Livingstonia Access Road upgrade	Culverts constructed	Number of culverts constructed	5				
	Livingstonia Access Road upgrade	Livingstonia dirt track upgraded to Low Volume Sealed Road	Length of road upgraded	15km		US$ 3,750,000	Public	Ministries responsible for tourism & parks and wildlife
	Livingstonia Access Road upgrade	The access road from Chitimba to Livingstonia upgraded to bitumen level	Length of road upgraded	17km		US$ 4,250,000	Public	Ministries responsible for tourism & transport
			Length of road upgraded	25km		US$ 6,250,000	Public	Ministries responsible for tourism & transport
	Vwaza Game Reserve fence area	Nyika to Livingstonia road upgraded to low volume sealed Road Electric face installed to avoid human-wildlife conflict	Length of electric face installed	42.5km				Ministries responsible for tourism & transport
Likoma Island, Chizumulu Island - Nkhata-Bay - Mzuzu	Likoma Island Road upgrade	Likoma Island roads upgraded to low volume sealed roads	Length of road upgraded	12km		US$3,000,000	Public	Ministries responsible for tourism & transport
	Chizumulu Island	Dirt roads at Chizumulu Island upgraded	Length of road upgraded	6km		US$1,500,000	Public	Ministries responsible for tourism & transport
	Road upgrade Nkhata Bay to Usisya Road	Road to Usisya upgrade to low volume sealed roads	Length of road upgraded	65.1km		US$16,275,000	PPP	Ministries responsible for tourism & transport
	Internal Nkhata Bay Road	The access road to Old Bandawe Missions upgraded low volume sealed roads	Length of road upgraded	10km		US$2,500,000	Public	Ministries responsible for tourism & transport

Node	Tourism projects/ Action	Output	Indicator	Target	Time frame	Cost (USD)	Possible Investment Mode	Responsibility
Nkhotakota - Kasungu Ntchisi	Kasungu- Lifupa road	The Kasungu - Lifupa road upgraded to all-weather road	Length of road upgraded	70km		US$17,500,000	PPP	Ministries responsible for tourism & transport
	Grading of roads within the Nkhotakota Game Reserve	Roads within the Nkhotakota Game Reserve rehabilitated to gravel standard	Length of roads rehabilitated	200km		US$10,000,000	Public	Ministries responsible for tourism & parks and wildlife
	Grading of roads within the Kasungu National Park	Roads within the Kasungu National Park rehabilitated to gravel standard	Length of roads rehabilitated	200km		US$10,000,000	Public	Ministries responsible for tourism & parks and wildlife
	Bunda turn-off - Nkhotakota Wildlife Reserve access road	Bunda turn-off - Nkhotakota Wildlife Reserve access road upgraded to an all-weather road	Length of road upgraded	100km		US$25,000,000	Public	Ministries responsible for tourism & parks and wildlife
Lilongwe-Dzalanyama-Mchinji	Cycling and Pedestrian walkways in Lilongwe city	Cycling and Pedestrian walkways constructed in Lilongwe city	Length of cycling and pedestrian walkways constructed	6.3km		US$236,250.00	Private	Ministries responsible for tourism & local government
	Upgradation of S-124, Lilongwe to Dzalanyama Forest	Likuni - Dzalanyama Forest Gate road upgraded to low volume sealed road	Length of road upgraded	23km		US$ 5,750,000	Public	Ministries responsible for tourism & transport
	Dzalanyama Forest Reserve internal roads	Internal Dzalanyama Forest Reserve roads upgraded to gravel standard	Length of road upgraded	68km		US$ 3,400,000	Public	Ministries responsible for tourism & transport
	Lilongwe to Dzalanyama Forest South	S-125 and Road 364 from Lilongwe to Dzalanyama Forest via Mitundu upgraded to low volume sealed road	Length of road upgraded	60km		US$15,000,000	Public	Ministries responsible for tourism & Ministry responsible for transport
	Link road from M12 to Kamuzu Dam	T-364 road connecting M-12 upgrade to low volume sealed road	Length of road upgraded	23km		US$ 5,750,000	Public	Ministries responsible for tourism & transport

Node	Tourism projects/ Action	Output	Indicator	Target	Time frame	Cost (USD)	Possible Investment Mode	Responsibility
Mulanje - Blantyre- Thyolo- Phalombe	Mount Mulanje internal and surrounding roads up-gradation	Selected gravel roads upgraded to asphalt grade	Length of road upgraded	75 km		US$1,137,500 and	PPP	Ministries responsible for tourism & transport
		Selected earth roads upgraded to gravel status	Length of road upgraded	100km		US$ 105,000	PPP	Ministries responsible for tourism & transport
	To re-deck 25 timber bridges with concrete structures	Timber bridges upgraded to concrete structure	Number of bridges upgraded	25		US$750,000.00	Private	Ministries responsible for tourism & transport
Salima Dowa-Kirk RangeL ilongwe	Senga Bay internal road upgradations	S122 connecting Senga Bay from Salima Town upgraded with a double layer of chip seal	Number of bridges upgraded	25km		US$ 6,250,000	Public	Ministries responsible for tourism & transport
	Senga Bay internal road upgradations	Internal tertiary roads of Senga Bay (T357 and T358) upgraded to double layer of chip seal	Length of road upgraded	40km		US$10,000,000	Public	Ministries responsible for tourism & transport
	Senga Bay internal road upgradations	Internal tertiary roads of Senga Bay (T358 and T358) to double layer of chip seal	Length of road upgraded	25km		US$ 6,250,000	Public	Ministries responsible for tourism & transport
	Sunbird Livingstonia road up-gradation	The approach road for Livingstonia hotel upgraded to an all-weather road	Length of road upgraded	3km		US$ 750,000	Public	Ministries responsible for tourism & transport
	Senga Bay Approach road up-gradation	Salima - Senga-Maganga roads access road upgraded	Length of road upgraded	40km		US$10,000,000	PPP	Ministris responsible for tourism & transport
	Dowa approach road upgradations	Portions of M16 connecting Dowa towards Salima upgraded	Length of road upgraded	15km		US$ 3,750,000	Public	Ministries responsible for tourism & transport

Node	Tourism projects/ Action	Output	Indicator	Target	Time frame	Cost (USD)	Possible Investment Mode	Responsibility
	Mua Mission approach road up-gradation	Road to Mua Mission upgraded	Length of road upgraded	2km Asphalt		US$ 1,300,000	Public	Ministries responsible for tourism & transport
	Chongoni Rock Art area road upgradations	Dirt roads within the Chongoni Rock Art area upgraded to all-weather roads	Length of road upgraded	12km		US$3,000,000	Public	Ministries responsible for tourism & transport
Nankumba Peninsula - Mangochi	Upgrading of Maclear and Kasankha Bay access road	The approach road to Cape Maclear and Lake Malawi National Park upgraded to bitumen level	Length of road upgraded	26km		US$ 6,500,000	Public	Ministries responsible for tourism & transport
	Golden Sands Site Approach Road Upgradation	Golden Sands Site approach road upgraded to an all-weather road	Length of road upgraded	5km		US$ 1,250,000	Public	Ministries responsible for tourism & transport
	Namizimu Forest Reserve Access Road	The approach road to Namizimu Forest Reserve in Magochi upgraded to an all-weather road	Length of road upgraded	3km		US$ 750,000	Public	Ministries responsible for tourism & transport
	Fort Mangochi Access Road up-gradation	Namwera to Fort Mangochi road upgraded to an all-weather road	Length of road upgraded	15km		US$ 3,750,000	Public	Ministries responsible for tourism & transport
Liwonde Zomba	Liwonde National Park Access Roads	Liwonde National Park access roads upgraded from seasonal to all season roads	Length of road upgraded	50km		US$ 2,500,000	PPP	Ministries responsible for tourism & transport
	Liwonde National Park Internal Roads Grading	Earth roads within Liwonde National Park rehabilitated to gravel level	Length of road upgraded rehabilitated	200km		US$10,000,000	Public	Ministries responsible for tourism & parks and wildlife
	Rebuilding of bridges inside Liwonde National Park	Concrete bridges reconstructed in Liwonde National Park	Number of bridges constructed	5		US$ 100,000	Private	Ministries responsible for tourism & parks and wildlife

Node	Tourism projects/ Action	Output	Indicator	Target	Time frame	Cost (USD)	Possible Investment Mode	Responsibility
	Upgradation of the road to Williams Falls, Chingwe Hole and Zomba Plateau	The Road to Williams Falls, Chingwe hole and Zomba Plateau rehabilitated to gravel level	Length of road upgraded rehabilitated	23.5km		US$ 1,175,000	Public	Ministries responsible for tourism & transport
	Upgradation of bridges on Zomba Plateau	30 tonne bridges constructed	Number of bridges constructed	2		US$ 60,000.00	Private	Ministries responsible for tourism & transport
Lower Shire Valley	Majete Wildlife Reserve to Chikwawa road upgrade	Dirt road connecting M1 from Chikwawa to the park entrance gate of the Majete Wildlife Reserve upgraded to double layer of chip seal	Length of road upgraded	17km		US$ 4,250,000	Public	Ministries responsible for tourism & parks and wildlife
	Mwanza - Majete access road	Construct Mwanza - Majete access road	Length of road constructed	30km		US$ 7,500,000	Public	Ministries responsible for tourism & transport
	Lengwe National Park approach roads upgrade	Lengwe National Park approach roads from M1 upgraded to a double layer of chip seal	Length of road upgraded	9km		US$ 2,250,000	Public	Ministries responsible for tourism & transport
	Lengwe National Park- Game Drives up-gradation	Game Drive Route within Lengwe National Park rehabilitated to gravel level	Length of road upgraded	23.3km		US$ 1,165,000	Public	Ministries responsible for tourism & parks and wildlife
	Mwabvi Wildlife Reserve Approach Road Upgradation	Mwabvi Wildlife Reserve approach road upgraded to a double layer of chip seal	Length of road upgraded	13km		US$ 3,250,000	Public	Ministries responsible for tourism & parks and wildlife
	Mwabvi Wildlife Reserve Internal Road	D390 road into and through Mwabvi Wildlife Reserve rehabilitated to gravel level	Length of road rehabilitated	10km		US$ 500,000	Public	Ministries responsible for tourism; transport; & parks, and wildlife
	Thyolo to Nsanje road upgrade	Thyolo to Nsanje road upgraded to tarmac level	Length of road upgraded	95km		US$23,750,000	PPP	Ministries responsible for tourism & transport

Node	Tourism projects/ Action	Output	Indicator	Target	Time frame	Cost (USD)	Possible Investment Mode	Responsibility
	Elephant Marsh - Concrete bridge for approach	Concrete bridge constructed	Number of concrete bridges constructed	1		US$ 60,000	Private	Ministries responsible for tourism & transport
Inland Water Transport Infrastructure								
Likoma Island,	A Private Jetty for speedboats in the region south of Kaya Mawa	Small private Jetty for speedboats built and operational	Number of jetties built	1		US$ 22,500	Private	Ministries responsible for tourism & transport
Chizumulu Island - Nkhata-Bay - Mzuzu								
Salima - Dowa-Kirk Range-Lilongwe	Maleri Island Jetty	A jetty constructed at Maleri island	Number of jetties built	1		US$ 22,500	Public	Ministries responsible for tourism & transport
Liwonde-Zomba	Upgrade of boat tour and jetty facility	Boat tour and jetty facility upgraded	Number of jetties built	1		US$ 22,500	Private	Ministries responsible for tourism & transport
Nankumba Peninsula - Mangochi	Lake Malawi National Park lake activity centre decking	Floating decks put in place	Number of decks	2		US$ 255,000	PPP	Ministries responsible for tourism & transport
Nkhotakota - Kasungu Ntchisi	Building a jetty at Nkhotakota	Jetty constructed at the Kariba Jetty location	Number of jetties built	1		US$ 60,000	Public	Ministries responsible for tourism & transport

12.4 Pre-feasibility Assessment

Pre-feasibility analysis for 10 Priority Tourism Projects in Malawi

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Pre-feasibility Report 1

A new mid-market Resort south of Nkhata Bay, Northern Malawi

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1. Introduction

The Government of Malawi has identified tourism development as one of the major drivers of the country's economy. In line with this, Malawi has developed a National Tourism Investment Masterplan to identify potential areas for investment. Amongst the many investment opportunities identified in the Masterplan, ten priority projects have been singled out for prefeasibility analysis. This report therefore presents preliminary analysis of the **Integrated Waterfront Development** project to assist potential developers, investors, project promoters and funders in their decision-making process.

The project falls under Mzuzu-Likoma-Nkhata Bay node. This node is situated in the Northern Region and It comprises the following destinations: Likoma Island, Chizumulu Island, Nkhata-Bay District and Mzuzu City. This node as a tourist destination is rich in Natural, Cultural, and Historical Heritage. The node occupies an area of 4348 sq. kms and has a total population of 520,480 (NSO, MPHS 2018).

It is worth noting that several tourism projects were identified within this node **(Refer to Annexure A)**, but the integrated Waterfront Development was prioritised. This project will be done at Nkhata-Bay Boma.

Nkhata Bay, along Lake Malawi, is an important tourist centre. Nkhata bay is one the vibrant port in the north of Malawi. it is often referred to as the gateway to Likoma and Chizumulu Islands. The Illala Lake ferry stops in as part of its weekly schedule up and down Lake Malawi and connects to Likoma Island as well as other destinations along the lake. Nkhata Bay also acts as a good base for overnight excursions.

Nkhata Bay is historically known to have been visited by Dr. David Livingstone during his expeditions through Africa. It is also connecting with Mbamba Bay on the Tanzanian side of the lake, which is the most westerly point of the Mtwara Transport Corridor, linking up to the great North-South Transport Corridor.

In terms of Climate, Nkhata Bay is sub-tropical with the average yearly temperature between 25° and 31°C depending on the season and 10 degrees between daily maximum and minimum. The wet season is between November to May **(Refer to Annexure B).**

Figure 1 Map showing Nkhatabay-Likoma-Mzuzu

2. Objective

The purpose of this study is to investigate the opportunities and risks of integrated Waterfront Development at Nkhata Bay. This will help to determine whether a feasible operation of such an investment is viable, the various key factors of competitive business in this particular market will be analysed.

However, at this stage, this study does not include a detailed project report and an Environmental and Social Impact Assessment (ESIA). These will be conducted at later stage by the prospective investor(s).

This study aims to establish a neutral, professional and qualified opinion and a thorough analysis of the current project plan. A tentative statement of area has been drawn up as part of the pre-feasibility study **(Refer to Annexure C).**

3. Development Concept

This section provides an overview of the project, and a description of various elements that are part of the development concept. Broad guidelines are provided for the purpose of directing the development of the project. This concept is based on a best-case example of the V&A Waterfront in Cape Town, South Africa **(Refer to Annexure D).**

3.1 Project Objective

The main objective is to enhance Nkhata Bay tourism offering and cater to the broad tourism market – both domestic and international visitors. The Specific objectives for the Integrated Waterfront Development at Nkhata Bay include:

- Enhance tourists' experiences.
- Increase the visitor numbers to the destination
- Establish an Ecotourism Training Facility and -lodge at Chilundu Point.
- Maximize the commercial shipping potential

3.2 Project Description and Details

Nkhata Bay is unique lake shore district because of its topography overlooking the bay and the peninsula called Chilundu Point. It has an ambience not experienced elsewhere and offers great tourism development potential, supported by solid commercial activities with an excellent location.

It is envisaged that it can become a waterfront destination of world-class standards, like the Victoria and Alfred Waterfront in Cape Town, South Africa. However, it will be a tourist drawcard, especially for international arrivals travelling to Likoma Island, Nyika National Park, and other Southern African destinations such as Luangwa in Zambia and Cabo Delgado province in Mozambique. The development will be done in phases by a consortium of stakeholders in a Special Purpose Vehicle (SPV).

The Waterfront Development will consist of three areas: the Port and jetty, the commercial Bay, and Chilundu Point.

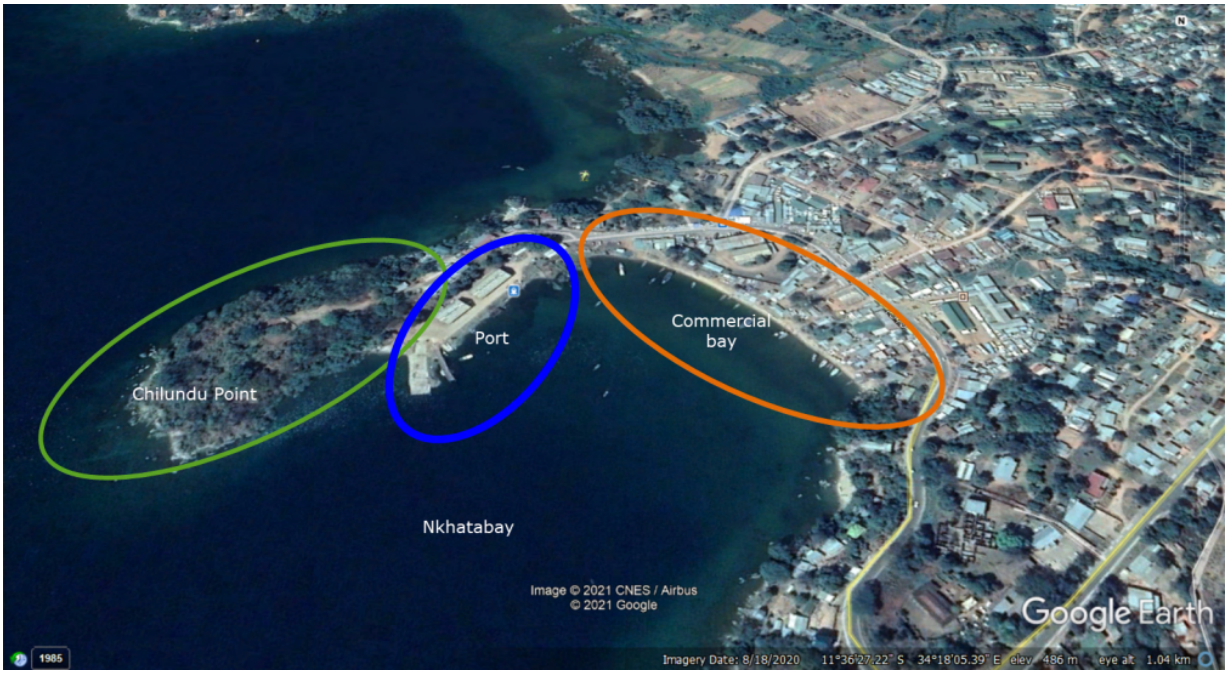


Figure 2 Aerial view of Chilundu Point, Port and Commercial Bay area

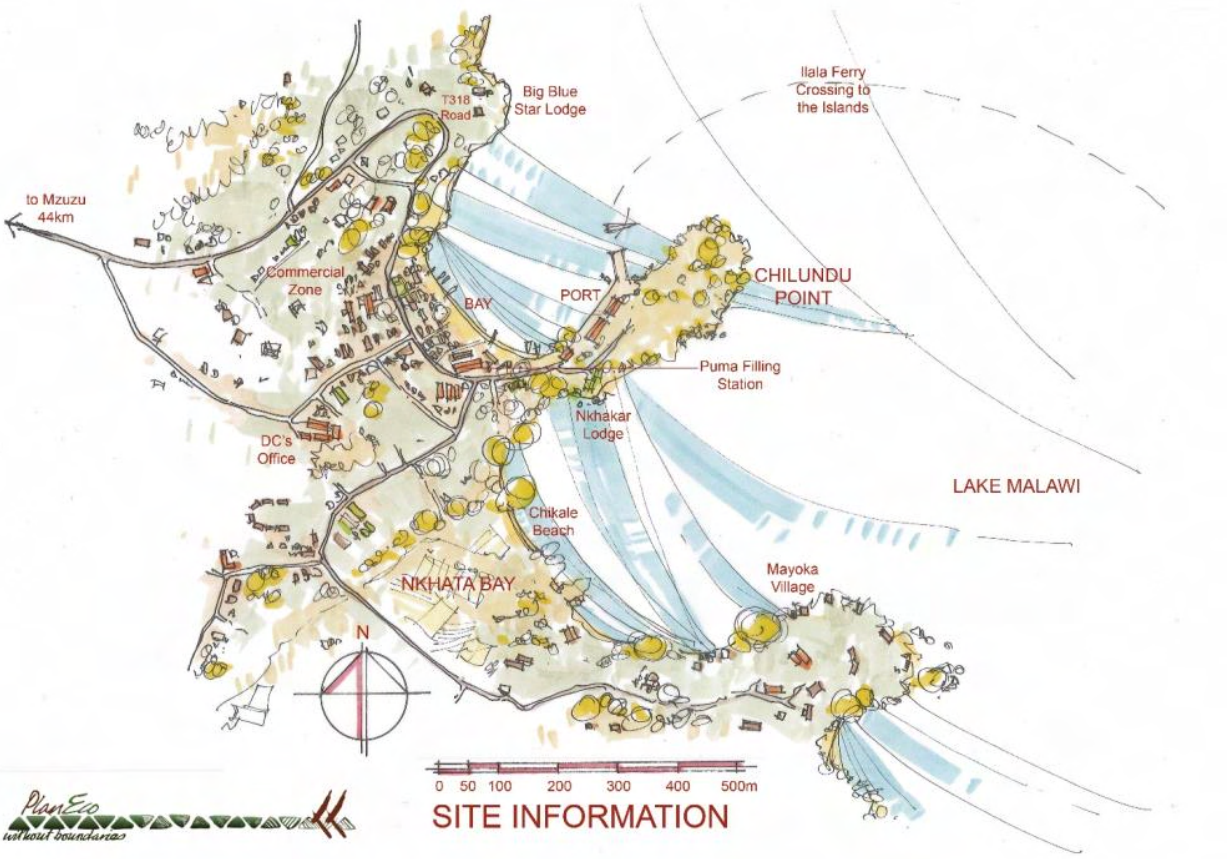


Figure 3 Site information of existing facilities and features

The Integrated Development concept will focus on three areas for development namely:

- **The existing port facilities and jetty**
  The jetty needs to be enlarged similarly to the one at Chilumba Port in Karonga. The existing buildings are under-utilized, and better cargo handling equipment and storage is required.

  Tourists and others going onto the ferries have no facilities in the Port itself except a roofed waiting area. A proper waiting area, public toilets, cafeteria, and small convenience store are required.

- **The Bay and its commercial activities**
  The local fishing industry uses the Bay to launch and berthing their boats and sell their wares. It all adds to the charm and vibrancy of shops and eateries catering to everyone's needs.

- **Chilundu point**
  In the old days, the peninsula was used for storing oil brought from Dar es Salaam. The oil was pumped up the hill and later transported by smaller boats to other destinations. This activity stopped and there is only evidence of remaining concrete structures. Most of the peninsula is undisturbed and inhabited by wildlife such as monkeys, boars, birds, and the like.

Very recently, ownership of Chilundu Point was transferred to Mzuzu University. They intend to develop penisular into an Ecotourism destination, with a small exclusive Ecolodge and training facilities. The university fully supports the Integrated Development proposal.

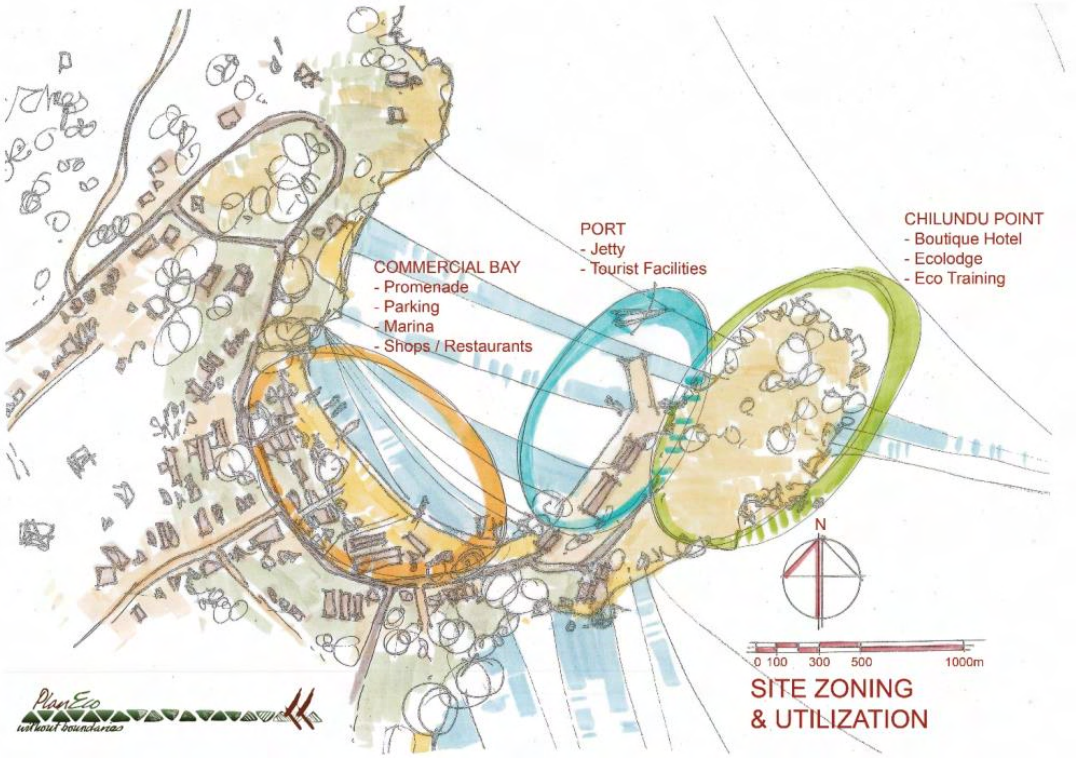


Figure 4 Site zoning and utilization

To unlock the development potential, the following model is proposed:

- Create an SPV (Special Purpose Vehicle) to act as the development authority. The DC's office, the Port Authorities, the University of Mzuzu and local business will be represented in this body
- Develop a detailed plan of the proposed Waterfront Development, with a detailed Feasibility Study highlighting development costs as well as potential income streams
- Appoint a Champion to steer the process
- Once funding has been secured, the SPV will appoint a private sector Property Developer to undertake the development.

The Integrated Waterfront Development will consist of the following elements:

- The **Port and jetty** will be upgraded to handle cargo vessels and ferries better. The jetty must be enlarged and cargo handling equipment and -storage provided.
- Tourist facilities such as proper ablutions and change rooms, food outlets and small retail opportunities can easily be installed in existing port buildings.
- Linking the Port to the Bay, a promenade consisting of a mix of decks and paved areas will provide visitors with safe passage past and into all the commercial activities of the

Bay. **This promenade,** lit at night and with security staff on duty, will be linked with safe and secure parking areas off the circular road into the Point, allowing arrivals by road access to the Bay and Port.

- The existing shop owners and commercial activities will be allowed to stay on. They will be encouraged to upgrade their facilities and wares. Some might be convinced to open other shops and eateries to support the growing numbers of visitors the Bay will experience.
- Proper berthing for boats taking tourists fishing, sailing, snorkeling, and diving will be provided. A **Marina** designed for houseboats will provide them with services such as water and electricity, allowing them to stay over for longer periods.
- Chilundu Point will be developed into an **Ecotourism destination**. A 20-30 room boutique hotel can be built on the clearing on top of the peninsula, close to the Port and commercial activities on offer in the Bay. A small Ecolodge at the point of the peninsula will offer guests exclusive views onto Lake Malawi and activities in the southern Bay and beyond. Guided walks on the peninsula will be on offer to day visitors.
- The University intends to develop an Ecotourism Teaching Facility on the peninsula as well, which will showcase the wildlife and educate visitors on the importance of preserving it.

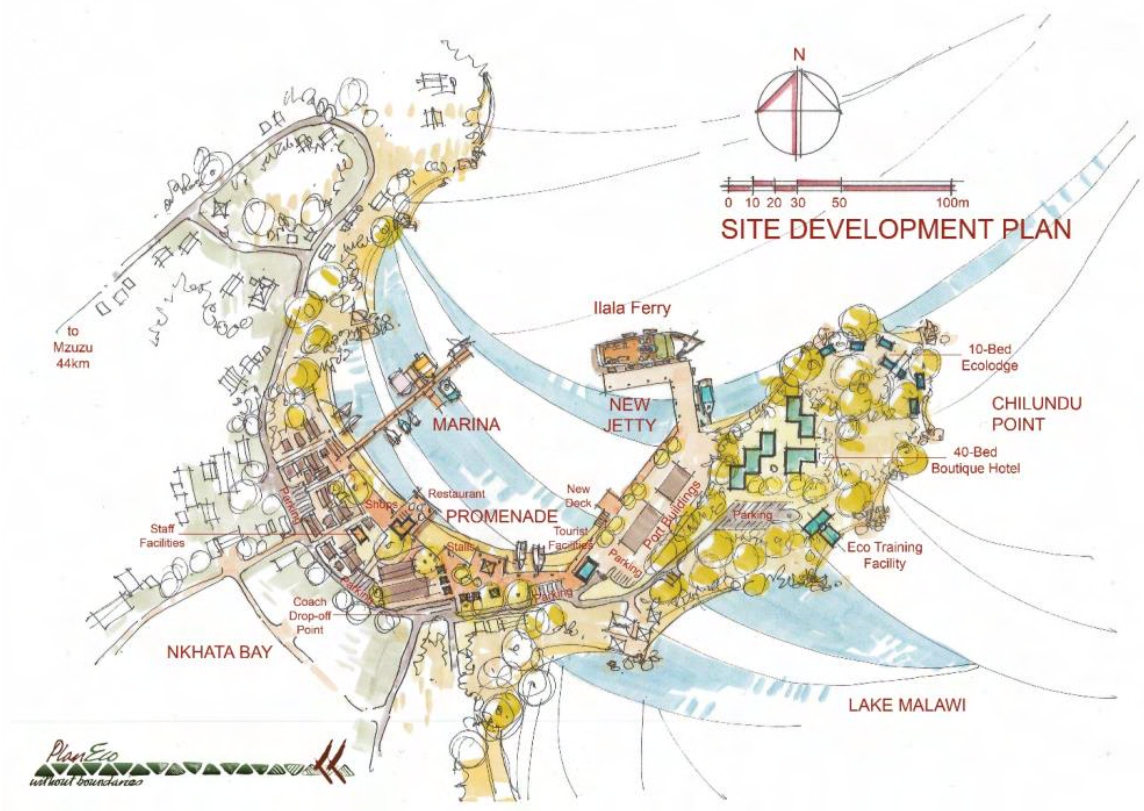


Figure 5 Site development plan

It is envisaged that the project is **developed in phases**. To start off, the Port and jetty should be upgraded to unlock the income potential of both cargo/commercial vessels as well as

the ferry trade to Likoma and other ports on Lake Malawi. The provision of tourist facilities in the Port will be part of this phase.

Secondly, the promenade development can be done, which will improve trading conditions in the Bay and offer visitors quality experiences.

As the last phase (which can also be done concurrently, should the University wish to proceed sooner), Chilundu Point can be developed.

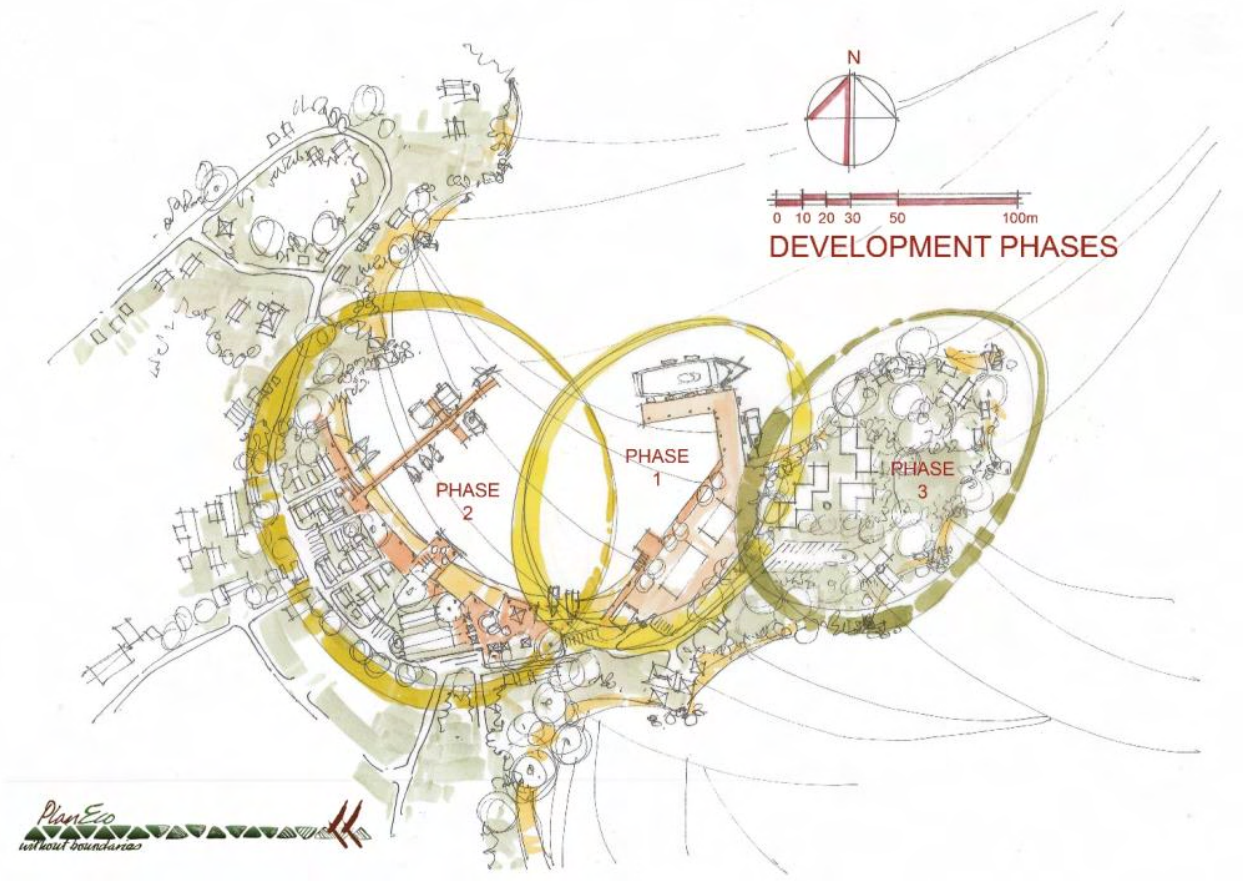


Figure 6 Site development in phases

In addition to the project facilities, certain other amenities are essential for operations and need to be developed to support the project. These include:

- Water filtration and storage facility to provide access to clean water
- Wastewater, Sewage and sanitation facility
- Waste disposal facilities to ensure zero pollution
- Steady connection to the electricity grid and alternative energy sources like solar panels, generators, etc.
- On site ATM, money exchange, and internet facilities for tourists
- Medical facilities to cater for accidents related to tourist activities and emergencies.
- Entry roads, streetlights and gateway to access the project site
- Ablutions, lockers and changing rooms within the premises

3.3 Development Guidelines

In order to achieve sustainable tourism development, the following guidelines should be considered:

- Ensure that environmental conservation is incorporated at every stage of the project
- Local communities should benefit from job creation facilities e.g. construction, craft production, fresh food supply and operation and management of tourism facilities wherever quality, quantity and consistency permits
- Development of partnerships between local communities and other stakeholders are imperative. Community members or representatives should be involved in development.
- As Corporate Social Responsibility, provide skills training to local people e.g. training of local guides, allow educational visits at considerable rates, building of curio stalls.
- Waste disposal facilities to ensure zero pollution.
- Use of sustainable sources of energy that will ensure environmental conservation

3.4 Site Location

Nkhata Bay is located in the northern region of Malawi on coordinates -11° 36'23.72" S; 34° 26.63" E . Mzuzu is the closest city to Nkhata Bay which is about 46km. It is also connects Likoma and Chizumulu Islands.

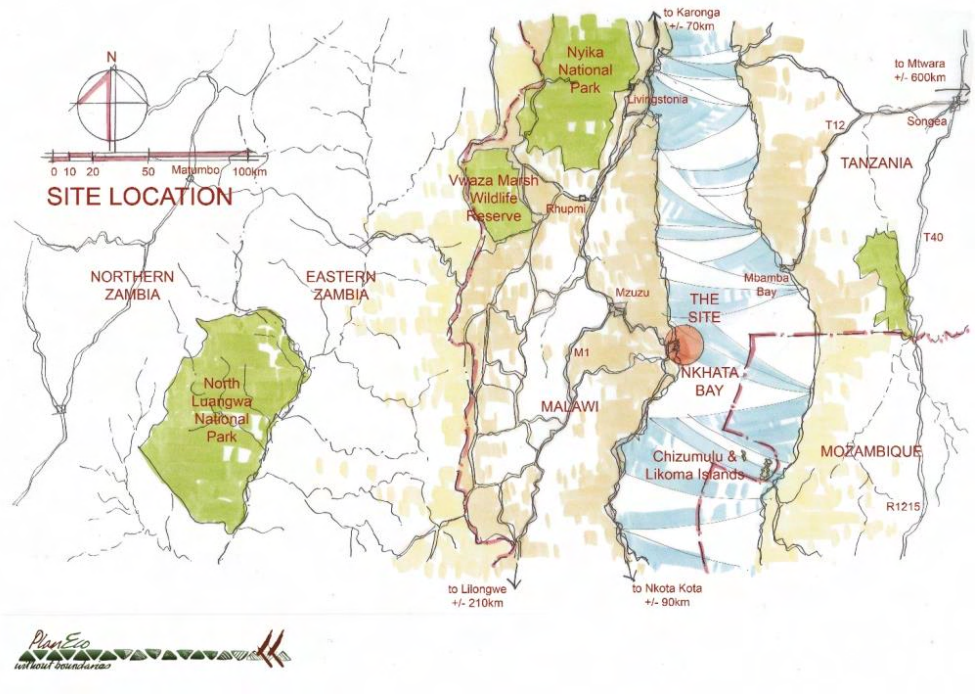


Figure 7 Site location

3.5 Accessibility

1. **Air Transport:** Nkhata Bay can be accessed by air via the closest airport which is Mzuzu Airport
2. **Road Transport:** Visitors can also travel to Nkhata Bay by road
3. **Water transport**: This mode of transport can also be used to access Nkhata Bay on Lake Malawi

3.6 Existing Support Infrastructure and Other Services

- **Electricity:** There is electricity at Nkhata Bay. However, backup power should be considered
- **Water:** Piped water is available at the site
- **Sewerage:** There is no Sewage system at Nkhata Bay
- **Communications Infrastructure**: Communications facilities are available comprising landline, mobile phone and internet
- **Medical facilities**: There is a district Hospital at Nkhata Bay and other private health facilities
- **Banking:** Banking and financial institutions are available in Nkhata Bay
- **Fuel:** Fuel Service stations are available
- **Restaurants**: there is a variety of restaurants, and others being operated as part of accommodation properties
- **Accommodation:** Accommodation for various type of markets are available
- **Safety and Security:** Nkhata Bay is safe destination. Security agencies are available at Nkhata Bay to intensify the security of the area

4 Market Analysis

4.1 Supply Analysis

The supply analysis gives an indication of the tourism assets and activities in the area under consideration.

The node offers a rich, wide range of touristic experiences at the forest reserves, hills and Lake Malawi. The possibility for agri-tourism can be encouraged, and cultural tourism should be exploited. Nkhata Bay is a bustling port situated just north of some of the most beautiful beaches and cliffs rising to the higher plateau. It provides access to and from the islands and the inland towns and routes. It is a potential water transport hub, and luxury ferry services and river cruise lines can be explored from there to neighbouring areas in the node.

Some of the tourism attractions and activities are highlighted below.

Water Sporting Activities

The major water sporting activities at Nkhata Bay include:

- kayaking,
- canoeing,
- snorkeling,
- diving
- Boat Riding/Safari

Figure 8 Water Sporting Activities

Horse Riding

Horse riding is also undertaken in Kande at Nkhata Bay. Visitors can go for horseback rides on the beach, farmland, and forests.

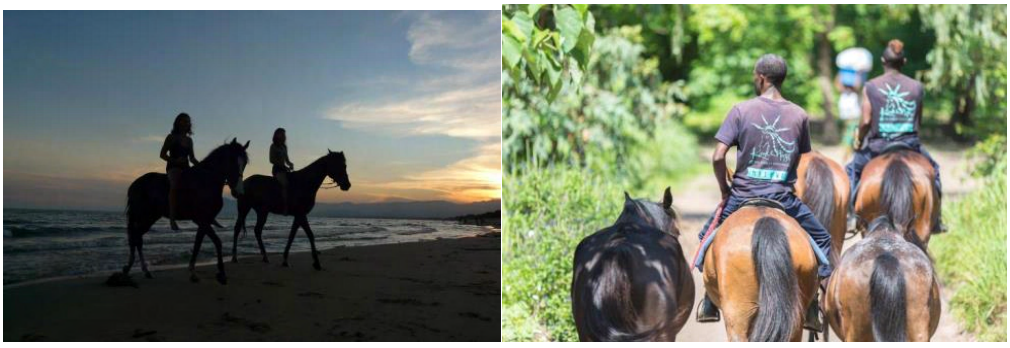


Figure 9 Horse Riding

Agri-tourism activities

Nkhata Bay is also famous for agri-tourism. The visitors at Nkhata Bay can visit Kawalazi Tea estate, Vizala Plantations and Rubber Factory.

Figure 10 Plantation sites

Forest Reserves

Nkhata Bay has attractive forest reserves that offer visitor memorable nature and wilderness experience. Some of these reserves include: Kaning'ina Forest Reserve, Nkwadzi Forest Reserve and Kalwe Forest Reserve.

Events and Festivals

There is an annual Tonga cultural performance which offers great cultural experience for the Tonga Culture in Nkhata Bay. One of the icon traditional dance which is performed is Malipenga dance.

Figure 11 Cultural events and festivals

Accommodation and Restaurants

Nkhata Bay has several accommodation properties and food and beverage service providers.

Some of the accommodation properties in the area include:

- Big Blue Backpackers
- Rebel Heart
- Njaya Lodge at Chikale Beach
- The Stables Guest House at Kande Horse
- Mayoka Village
- Kande Beach
- Butterfly lodge
- CBR Beach Resort

4.2 Demand Analysis

The tourism demand for Nkhata-Bay is classified based on the purpose and motivation for travel. These include:

- Authentic nature and Culture lovers
- Active and Thrill oriented adventurers
- Special interest and sensational seekers
- Curious and price sensitive digital agers
- Short and Intensive Holiday Makers

Authentic Nature and Culture Lovers: These travelers are interested in experience nature, the scenery and the Lake. Furthermore, travelers are more into cultural exchanges, interaction with local cultural groups and are eager to learn new cultural experiences. In particular, this group at Nkhata Bay include Beach Extenders including the Honeymooners and sometimes excursionists.

Active and Thrill oriented adventurers: The traveler seeks thrilling outdoor activities and is driven by challenging experiences. They love adventure and challenging water sporting activities such as diving.

Special interest and sensational seekers: These types of tourists visit the reserves and mountain/hills seeking to satisfy a special type of need. They include educationalists, Students on Education trips, researchers, academics and environmentalists. This group also include ovi-tourists who love bird watching.

Curious and price sensitive digital agers: These are young travelers, 35 years of age and below, and have a young and technical oriented mind. Most likely they combine work and travel and are keen to share their travel experiences on digital media platforms. Majority of these type of travelers mostly observed during weekends and they also include day visitors from Mzuzu City of which the lake at Nkhata Bay is closest.

Short stays and intensive holiday makers: The primary motivation for this segment is to take a break from everyday life, travel to nearby attractions but not for more than 3 days. It is

often characterized by staying in paid accommodation, relaxation and experiencing local attractions. It gives people space to unwind and release stress; opportunity to see parts of their country they have never seen before; and chance to meet new people and make new connections such as music festival patrons. This group also include the business travelers that take advantage of their purpose of visiting Nkhata bay for business or work.

Types of Tourists	**Range of their spending on daily basis**		
	Low	Medium	High
Authentic Nature and Culture Lovers			
Active and Thrill oriented adventurers			
Special interest and sensational seekers			
Curious and price sensitive digital agers			
Short stays and intensive holiday makers			

Table 1 Types of Tourists and their spending level

4.3 Target Market analysis

The target market for the Integrated Waterfront Development will be both Domestic and international. Specifically, the major target market will be the Authentic nature and Culture Lovers who will be interested to experience the Lake, the nature and culture.

The investment will also develop profound interest to day visitors as they will be a number of activities including the promenade which will offer memorable tourism experiences at Nkhata Bay.

4.4 Competition analysis

Currently there is no any player in the tourism industry and Malawi in general, who is offering similar product as the Integrated Waterfront Development in Nkhata Bay.

However, it is important to note that at regional level, The V&A Waterfront in Cape Town, South Africa will be its major competitor, although it has been used as a benchmark for this project. Unlike the V&A waterfront in South Africa, the integrated Waterfront Development in Nkhata bay will be unique as this tourist destination is untouched and unspoiled tourist destination. Furthermore, this development is special as it will embrace the ecotourism development principles to ensure the environment is not damaged and thus promote sustainable tourism development.

Nkhata Bay as one of the major tourist destinations in Malawi has great potential to be transformed into a tourist city. This development will therefore be ideal to achieve this aspiration and also to improve tourism development in Nkhata Bay as well as the surrounding tourist destinations within the Mzuzu-Likoma-Nkhata bay Node.

5 Risks and Mitigations

This part outlines the potential risks that can be encountered and its mitigation strategies as illustrated in the table below:

Potential Risk	Mitigation Strategy
Negative environmental impacts	○ Carrying capacity should not be exceeded. ○ Environmentally friendly practices should be implemented.
Tourism Industry is prone to different shocks and disasters	○ Risk Management plan ○ Insure the properties
Seasonality of international visitor flows	○ Develop marketing strategies that will counter the effects of the seasonality on the development
Negative social impacts	○ Continued awareness ○ Deliberate efforts to ensure that communities fully benefit from the operations ○ Corporate social responsibility
Safety and Security	○ Ensure enough security at the site location

Table 2 Potential risks and mitigation strategies

6 Potential Socio-Economic Benefits

The following are the potential benefits:

- Participation of locals in planning and management of the project including Job opportunities
- Tax Revenues and levies for the country
- Promotion of a sense of pride among citizens and residents
- Enhancement of the destination profile
- Infrastructural development
- Spill over benefits to other sectors

7 Financials

7.1 Estimated Capital Expenditure

Below a "guestimate" of development costs. Accurate estimates will need to be done in a full Feasibility Study to be undertaken by the developer interested in this opportunity.

EXECUTIVE SUMMARY

Item	Description	Budget US$
1	20 Room Hotel	$ 1 650 599,70
2	10 Bed Eco lodge	$ 405 598,24
3	Training Facility	$ 354 897,82
4	Port facility	$ 2 200 193,54
5	Commercial Facilities	$ 1 169 694,23
6	Bulk Services & Infrastructure: 20 Room hotel	$ 287 372,70
7	Bulk Services & Infrastructure: 10 Bed Ecolodge	$ 43 661,18
8	Bulk Services & Infrastructure: Training centre	$ 41 587,17
9	Bulk Services & Infrastructure: Port facilities	$ 26 427,63
10	Bulk Services & Infrastructure: Commercial bay	$ 2 965 590,79
11	Preliminaries & General @ 10%	$ 914 562,30
	SUB-TOTAL - Construction cost	**$ 10 060 185,31**
9	FF&E @ 18% of construction cost	$ 1 810 833,36
10	Contingency @ 5% of construction cost	$ 503 009,27
	TOTAL - Construction cost	**$ 12 374 027,93**
11	Professional fees - 12% of construction cost	$ 1 207 222,24
12	Additional costs, Budget at 27%: Vehicles, Marketing, Electronic equipment, Boats, EIA, etc.	$ 2 716 250,03
	TOTAL GUESTIMATE OF DEVELOPMENT COST	**$ 16 297 500,20**

7.2 Income potential

The financial forecast for the 1st year of operation is based on the following parameters:

- Positioning of the hotel & Ecolodge: Leisure
- Management: International luxury hotel brand

EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$
1	Revenue from Hotel	$ 1 022 000,00
2	Revenue from Ecolodge	$ 182 500,00
3	Revenue from Training Facility	$ 109 500,00
4	Revenue from Port Bay	$ 219 000,00
5	Revenue from Commercial Facility	$ 2 737 500,00
	TOTAL GUESTIMATE OF REVENUE	**$ 4 270 500,00**

7.3 Operational Expense

EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$	
1	Cost of Rooms	$	555 165,00
2	Cost of Food & Beverage	$	469 755,00
3	Fixed Charges	$	427 050,00
4	Cost of Administration	$	341 640,00
5	Cost of Operation & Maintenance	$	256 230,00
6	Sales and Marketing	$	213 525,00
7	Utilities and Other Costs	$	298 935,00
8	Interest and Taxes	$	277 582,50
9	Cost of Living Allowance	$	26 904,15
10	Cost of Leasing Land	$	286,00
	TOTAL GUESTIMATE OF EXPENSES	**$**	**2 867 072,65**

7.4 Summary of Financials

US$16.29 Mn
CAPEX

US$4.27 Mn
Revenue for 1st Year

US$29.45 Mn
Net Present Value

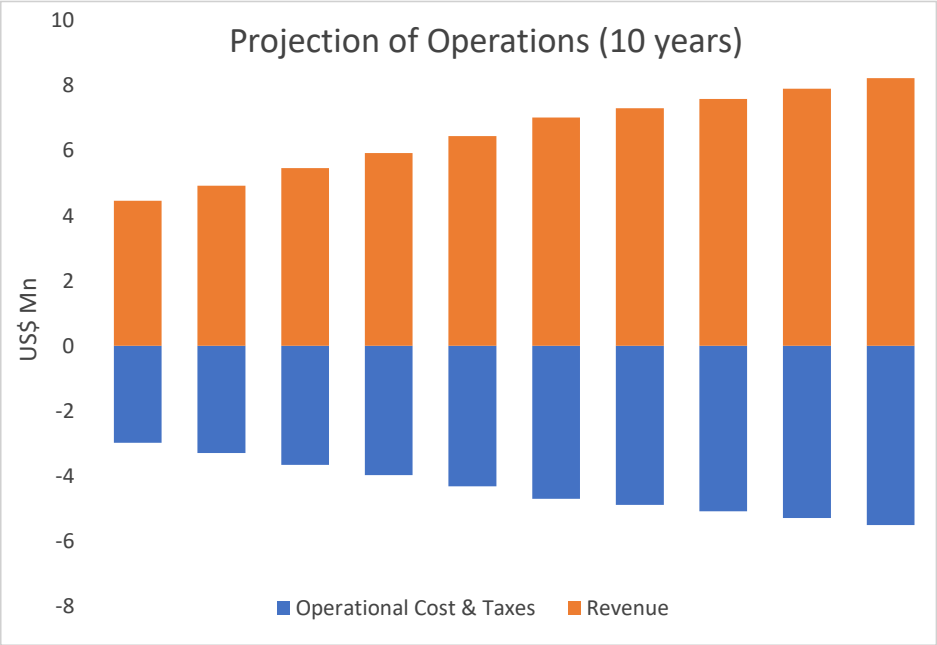
14.1%
Internal Rate of Return

US$1.12 Mn
EBIT for 1st Year

9 Years
Payback Period

Projection of operations for the Hotel and Ecolodge accommodation facilities are based on estimated initial occupancy of 40% for the first year, gradually increasing over to 48% in the next year. Revenue from commercial facilities is expected to have a steady growth of 5%. Similarly, the hotel rooms and Lodge bed tariffs are expected to increase by 2% on a YoY basis with overall market growth. NPV of the project is calculated based on a 9%

Discount rate and Cost of Living Allowance of 3% estimated for the period and other operational and fixed expenses.



Initial assessment of the project financials indicates a profitable investment, in the long run, considering the planned development in infrastructure as well as better promotion of trade and tourism over the next 15 years **(Refer to Annexure E).**

Annexure A: List of other Projects identified by Government

Project 1: Activity Centre, Likoma Island
DESCRIPTION An Activity Centre will enhance the tourism experience to be had on Likoma Island. Part of the experience can include a visit to an Aquarium, which will raise awareness of the importance of Lake Malawi fishes in the ecosystem. A 50m long jetty, 4m wide, will project into the lake in one of the protected bays on the island. Onshore, retail areas will allow operators to hire out fishing, snorkeling, and diving equipment. Boat charters can also operate from here, offering trips on sailing, fishing, and diving boats. Alternatively, boats can be launched from the proposed nearby speedboat jetty, which will accommodate larger craft for transporting visitors. Land-based activities such as mountain biking, quad bikes, and bicycling can also be launched from the Centre. A Restaurant (or two) will cater to visitors waiting to depart on activities or on their way back.

Project 2: Luxury Lodge/s on the Islands
DESCRIPTION The unique experience of both the islands is its remoteness and underdeveloped state – an away-from-it-all experience reserved for the privileged few. Therefore, upmarket facilities with a maximum of 50 beds will be well supported – they offer personal service and exclusivity. These facilities, located on pristine beaches, offer their activities or take visitors to other destinations on the islands.

Project 3: Mid-market Resorts on the Islands
DESCRIPTION There is a need for more affordable accommodation on the islands as well. These facilities could be aimed more at families and young travelers, with certain activities on offer at the resorts, making the destination an "all-in" product. 30 rooms, a poolside dining-and-lounge area, and a family bar are envisaged. The Activity Centre will provide guests with water sports equipment, volleyball, and beach activities.

Project 4: A Heritage Centre, NkhataBay
DESCRIPTION There is a real need amongst the people to revive and grow traditional dances, song, and languages. Coupled with this, the rich history of the area with the Martyrs' memorial

pillars and graves still in good condition justifies the development of a Heritage Centre. If designed correctly, this building can also function as a Community Centre and market serving the communities' needs in more ways than one. Regular functions celebrating heritage activities will not only preserve them but also interest visitors to the area.

Project 5: Nature walks in Chilundu Point,

DESCRIPTION

This product can be considered for development by the Public Sector, as it will serve the wider community of visitors to the islands. A small cafeteria, public ablutions, and curio stalls will be developed at the start of a nature trail into the Sanctuary. Information on the wide variety of trees and shrubs, mammals, birds, and marine species will enlighten visitors about the area's rich natural heritage.

Project 6: Mid-market Resort to the south of

DESCRIPTION

A self-contained Resort with different dining venues, private beach, and sports facilities is a popular tourism product that has been replicated worldwide. Depending on its location, these resorts normally accommodate 200-400 guests – on the northern shores of Lake Malawi, 50 rooms (100 beds) may be more appropriate. Generally associated with the charter market, self-drive or organized tour groups also support this mid-market product.

Project 7: Spa and Roadside Inn at the Hot Springs

DESCRIPTION

Although the hot spring's chemical and cultural values still need to be determined, a spa aimed at the domestic market will be supported by both (15km) and Mzuzu (35km away) residents. Both indoor and outdoor baths can be provided with amenities, such as restaurants, ablutions, and shops. Limited overnight facilities can be considered; a 40-bed mid-market inn is suggested, served by the restaurant and public facilities.

Project 8: Over-lander Campsite on the outskirts of Mzuzu

DESCRIPTION

The Overlander market, normally groups of 10-16 people from different age groups, travel to interesting and often remote destinations. The M1 road to Tanzania passes through Mzuzu and Karonga, and both places are ideal for developing overlander campsites.

Overlanders put up small dome tents for which a level area is required and enough space to park and manoeuvre a 10-ton truck. If covered facilities, where they can prepare

meals and dine, and their own male/female ablutions are provided, this market will happily support these facilities.

Project 9: New Ecolodge in Usisya

DESCRIPTION

The access road to Usisya is an adventure by itself: not always accessible in the rainy season, it winds down the face of steep mountains till it reaches sleepy villages strung out along Lake Malawi. This ruggedness is its USP, and a small ecolodge, built on the foothills of these mountains, is suggested. Interaction with local people, home-grown vegetables, and non-motorized transport will let guests share in the simple life to be found on these shores.

Project 10: Plantation Excursions in the surrounding agricultural areas

DESCRIPTION

The possibility of packaging daily excursions into the agricultural areas in Vizala, Kavuzi, and Limpasa should be investigated. Tour operators can take guests out in minivans and let them experience the tea, sugar, and rubber tree plantations and packaging facilities. At the same time, local produce can be sold at each destination. Existing plantation houses can be used for restaurants and lounges, while others might be converted to self-catering overnight accommodation.

Project 11: Public beach Facilities, Sanga Bay

DESCRIPTION

There is a need for public amenities along the lakeshore at Senga Bay. Although there are numerous accommodation options in the Bay, no provision has been made for day visitors or local people enjoying the lakeshore. Ablutions, change rooms, open-air stalls vendors can rent, and a few fast-food outlets are required at the most popular swimming beach.

Project 12: Recreation Park, Mzuzu

DESCRIPTION

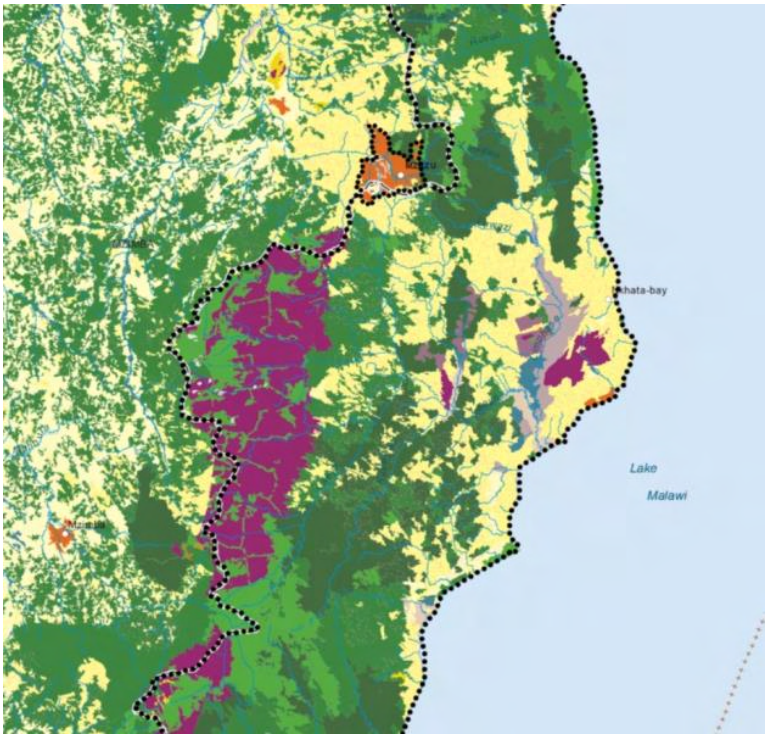
There is a need for activities in Mzuzu that will extend the stay of (mostly overnight) visitors to the town, at the same time benefiting the local population (or domestic tourism). A Recreation Park, which also serves as a Tourism Information Centre, is envisaged, offering various indoor- and outdoor activities, a choice of eateries, childcare facilities and activity desks selling destinations in the Northern Region. It can also be combined with a marketplace selling local crafts and cuisine.

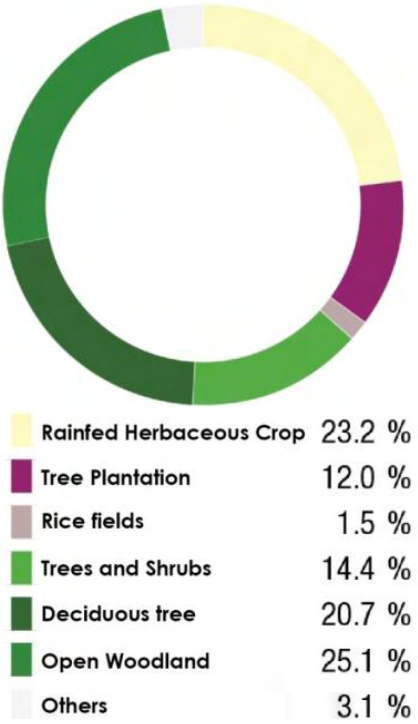
Annexure B: Geography and Climate

Nkhata Bay has an important natural harbour connecting islands and other lakeshore towns by ferry or other boats.

The locality's geography, monthly temperatures, rainfall, and the solar path over the location are all factors that inform the nature of the tourism product on offer and the proposed design of the facilities.

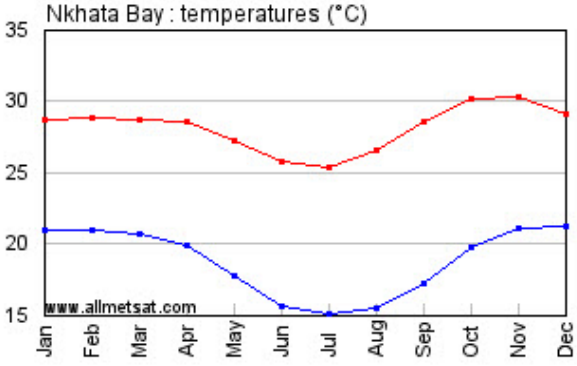
A majority (61,7%) of the land cover at Nkhata Bay is woodlands open with herbaceous layer. The majority of the area has a lush green cover. The area along the lake has portions of cultivated Dambo.





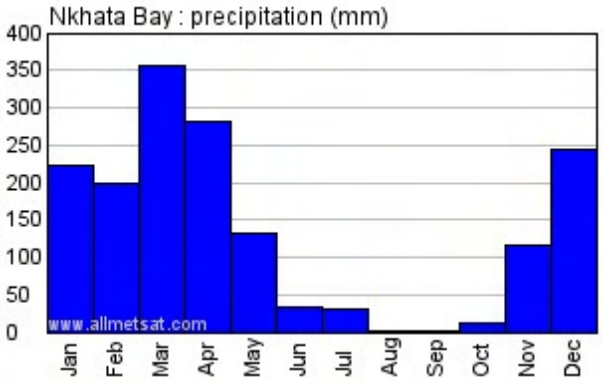
Land cover Map – Nkhata Bay area

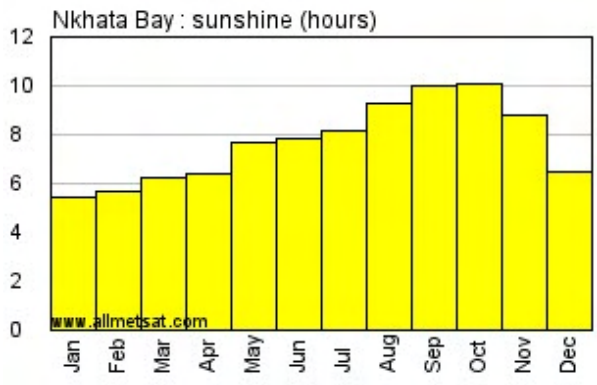
Nkhata Bay's climate is sub-tropical, with the average yearly temperature between 25° and 31°C depending on the season.



Average monthly temperature

The average yearly rainfall for Nkhata Bay is 1657mm, with most of the rain occurring in March (358mm) most years, which is part of the wet season of November to May. August & September receives almost no rain.

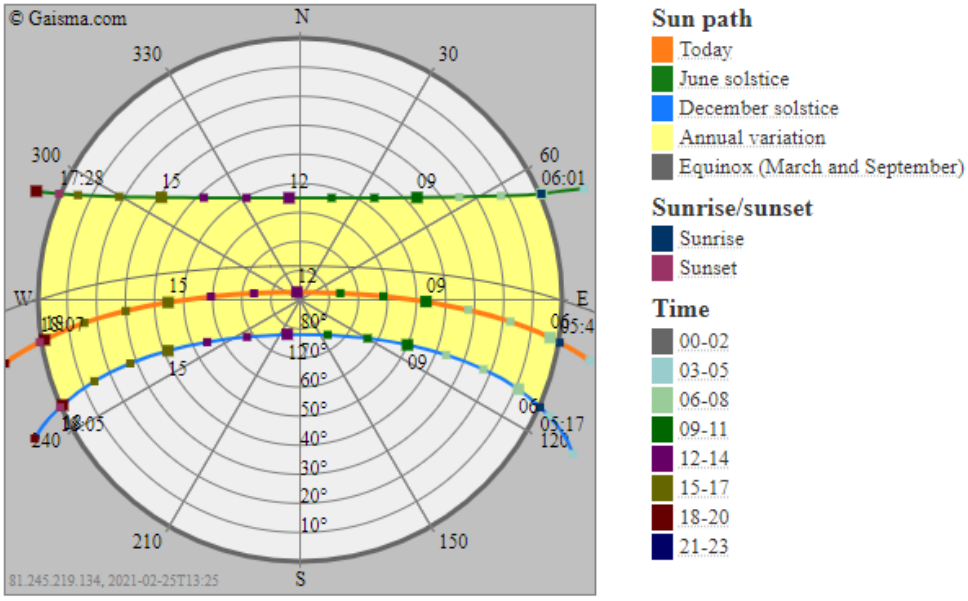




Hand in hand with precipitation are the average sunshine hours per day. The clearer part of the year starts beginning April to mid-November.

Wind – The average hourly wind speed changes significantly during the seasons, with the windiest period is from mid-June to the beginning of December. The wind direction is most often from the south for May to July and from the east from August to May.
Average wind speeds are between15 &19km/h during the windiest months and between 10 to 15km/h for the rest.

Sun path diagram for Nkhata Bay indicating degrees



Annexure C: Statement of Area

Integrated Waterfront Development,

Port Facilities

1) **Jetty**
   a. Construct a new jetty 50x10m wide 500m²
   b. Install services on jetty (water, electricity)
   c. Remove wreckage from old steel jetty

2) **Cargo handling**
   a. Provide and install cargo handling equipment, machinery, and services
   b. Upgrade storage facilities in the existing buildings 840m²

3) **Tourist facilities**
   a. Ticket office 30m²
   b. Waiting area 50m²
   c. Public toilets 40m²
   d. Curio shops 4x each 10; 40m²
   e. Cafeteria
      - Seating for 40 people 60m²
      - Kitchen/stores 80m²
      - Self-help Convenience shop 40m²
   f. Covered walkway to ferry boarding area 200x2m 400m²
   g. Covered boarding area 50m²

Commercial Bay

4) **Promenade**
   a. Timber decking – say 160x8m; 1 280m²
   b. Timber decking/walkway – say 80x3m; 240m²
   c. Concrete retaining walls and slabs – say 200x1,2m; 240m²
   d. Security staff facilities 20m²
   e. Maintenance stores/facilities 40m²
   f. General storage 20m²
   g. Restaurant
      - Seating 40m²
      - Kitchen 40m²
      - Stores 20m²

5) **Marina**
   a. Berths for 4 houseboats & 10 small craft at a 60x2m jetty; 120m²
   b. 2x Floating platforms each 30; 60m²
   c. Provide water, sewerage and electrical connections

6) **Parking**
   a. Shaded and secure parking for v20 cars and 4 coaches 800m²
   b. Upgrade tar roads leading to the Port and Chilundu Point
   c. Provide a further 10 parking bays at both the Boutique Hotel as well as the Training Facility, and parking for 4 coaches 800m²

Chilundu Point

20-room Boutique Hotel

Hotel rooms

- Standard room 38m² (patio included) x20 = 760m²
- Luxury room 45m² (patio included) x2 = 90m²
- Circulation space 160m²
- Public areas
  - Patio viewing onto lake 100m²
  - Foyer 151m²
  - Front desk 15
  - Porter 6
  - Admin offices 40
  - Shop 20
  - Reception/waiting 30
  - Public toilets 40
    - Lounge 50m²
    - Dining 60m²
    - Servery 20m²
    - Bar (on patio) 20m²
    - Circulation say 40m²
- Back of House
    - Kitchen 60m²
    - Stores 30m²
    - Maintenance 40m²
    - Laundry/linen 40m²
    - Staff facilities 50m²
    - Circulation 30m²

- **10-bed Ecolodge**
  - Lodge rooms
    - Freestanding chalets, each 35m² (patio included) x5 = 175m²
  - Public areas
    - Deck viewing onto lake 30m²
    - Admin/reception 20m²
    - Open-plan lounge/bar/dining 80m²
  - Back of House
    - Kitchen 15m²
    - Stores 12m²
    - Maintenance 40m²
    - Staff facilities 20m²
    - Circulation 10m²

- **Ecotourism Training Facility**
  - Reception/admin 30m²
  - Lecturer's offices x5 each 12; 60m²
  - Public toilets 20m²
  - Lecture halls 3x e3ach 40; 120m²
  - Auditorium for 50 people 80m²
  - Tea kitchen/server 20m²
  - Entertainment area 60m²
  - Circulation 120m²
  - Stores 20m²

Annexure D: Best Case Example

The V&A Waterfront at Cape Town in South Africa is a mixed-use waterfront development for residential and commercial use. It is situated on the Atlantic shore at the Table Bay harbour. The complex houses various retail outlets, offices, apartments, hotels, gym, museum, the Two Oceans aquarium, and access to the harbour utilized by the fishing boats, container ships, yacht moorings and berthing for the Robin Island ferry.

Aerial view of Cape Town harbour with the V&A situated towards the right side

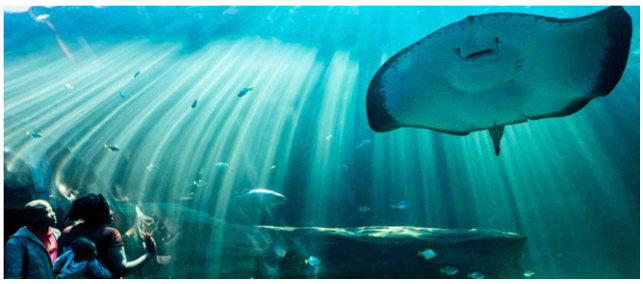
View towards the Ferris wheel with mountain scenery behind

View of restaurant seating decks and wharf access to boats

Restaurants on the wharf

Fishing boats at anchor

Robin Island ferry


Two Oceans Aquarium

Annexure E: Construction Cost Guestimate

Nkhata Bay Integrated Waterfront Development

Chilundu Point: 20 Room Boutique Hotel

		Quantity	Area m²	$/m²	Total
Rooms					
Standard rooms	38 m²	20	760 m²	$1 233,94	$937 794,00
Luxury room	45 m²	2	90 m²	$1 318,07	$118 626,45
Circulation space		1	160 m²	$514,14	$82 262,63
Public areas					
Patio viewing onto lake		1	100 m²	$174,81	$17 480,81
Foyer		1	151 m²	$869,37	$131 274,33
Lounge		1	50 m²	$1 131,11	$56 555,56
Dining		1	60 m²	$1 131,11	$67 866,67
Servery		1	20 m²	$1 196,55	$23 930,95
Bar		1	20 m²	$962,85	$19 256,93
Circulation		1	40 m²	$355,23	$14 209,00
BoH					
Kitchen		1	60 m²	$973,60	$58 415,82
Stores		1	30 m²	$553,40	$16 602,09
Maintenance		1	40 m²	$772,15	$30 885,88
Laundry/linen		1	40 m²	$654,36	$26 174,47
Staff facilities		1	50 m²	$772,15	$38 607,35
Circulation		1	30 m²	$355,23	$10 656,75
TOTAL			**1701 m²**		**$1 650 599,70**

Chilundu Point: 10 Bed Ecolodge

		Quantity	Area m²	$/m²	Total
Rooms					
Free standing chalet:	35 m²	5	175 m²	$1 233,94	$215 939,41
Public areas					
Deck viewing onto lake		1	30 m²	$355,23	$10 656,75
Admin/reception		1	20 m²	$869,37	$17 387,33
Lounge/bar/dining		1	80 m²	$1 131,11	$90 488,89
BoH					
Kitchen		1	15 m²	$973,60	$14 603,95
Stores		1	12 m²	$553,40	$6 640,84
Maintenance		1	40 m²	$772,15	$30 885,88
Staff facilities		1	20 m²	$772,15	$15 442,94
Circulation		1	10 m²	$355,23	$3 552,25
TOTAL			**402 m²**		**$405 598,24**

Chilundu Point: Ecotourism Training Facility

		Quantity	Area m²	$/m²	Total
Training facility					
Reception/admin		1	30 m²	$772,15	$23 164,41
Lecturer's offices	12 m²	5	60 m²	$772,15	$46 328,82
Public toilets		1	20 m²	$878,71	$17 574,29
Lecture halls	40 m²	3	120 m²	$728,68	$87 441,44
Auditorium for 50 people		1	80 m²	$728,68	$58 294,29
Tea kitchen / server		1	20 m²	$1 233,94	$24 678,79
Entertainment area		1	60 m²	$728,68	$43 720,72
Circulation		1	120 m²	$355,23	$42 627,00
Stores		1	20 m²	$553,40	$11 068,06
TOTAL			**530 m²**		**$354 897,82**

Port Facilities

		Quantity	Area m²	$/m²	Total
Jetty					
New jetty: 50m X 10m wide		1	500 m²	$1 373,69	$686 846,23
Services installation		1	500 m²	$21,97	$10 983,93
Remove old steel wreckage		1	0	$42 066,12	$42 066,12
TOTAL			**1000 m²**		**$739 896,28**
Cargo handling					
Provide & Install cargo handling					
Equipment, machinery,		1	0	$673 057,89	$673 057,89
Upgrade Storage facilities		1	840 m²	$383,27	$321 946,03
TOTAL			**840 m²**		**$995 003,92**
Tourists facilities					
Ticket Office		1	30 m²	$772,15	$23 164,41
Waiting area		3	50 m²	$728,68	$36 433,93
Public Toilets		1	40 m²	$878,71	$35 148,58
Curio shops	10 m²	4	40 m²	$869,37	$34 774,66
Cafeteria		1	180 m²	$977,34	$175 920,51
Covered walkway to ferry		1	400 m²	$355,23	$142 090,00
Covered boarding'		1	50 m²	$355,23	$17 761,25
TOTAL			**790 m²**		**$465 293,34**
					$2 200 193,54

Commercial Bay

	Quantity	Area m²	$/m²	Total
Promenade				
Timber decking: 160x8m	1	1280 m²	$514,14	$658 101,05
Timber decking: 80x3m	1	240 m²	$355,23	$85 254,00
Concrete retaining walls & slabs	1	240 m²	$364,57	$87 497,53
Security staff facilities	1	20 m²	$772,15	$15 442,94
Maintenance stores, facilities	1	40 m²	$572,10	$22 883,97
General storage	1	20 m²	$553,40	$11 068,06
Public toilets	1	40 m²	$878,71	$35 148,58
Restaurant (dining,kitchen, store)	1	100 m²	$977,34	$97 733,62
TOTAL		**1980 m²**		**$1 013 129,74**
Marina				
Berths for 4 houseboats & 10				
small crafts - jetty 60x2m	1	120 m²	$869,37	$104 323,97
floating platforms 30 m²	2	60 m²	$495,45	$29 726,72
Berth service connection units	4	1	$1 136,72	$4 546,88
TOTAL		**181 m²**		**$138 597,58**
Parking				
Shaded parking for cars	20	15 m²	$659,04	$13 180,72
Shaded parking for coach	4	36 m²	$1 196,55	$4 786,19
TOTAL		**51 m²**		**$17 966,91**
				$1 169 694,23

Chilundu Point: Training facility Services

	Quantity	Total	Item Total
Sewerage			$2 009,87
Sewer reticulation	1	$1 282,89	
Septic tanks & treatment plant	1	$726,97	
Water			$1 924,34
Water reticulation	1	$1 282,89	
Water storage	1	$641,45	
Power			$2 309,21
Electrical connection	1	$1 282,89	
Reticulation	1	$1 026,32	
Roads, Parking Areas			$35 343,75
Parking for 10 vehicles	10	$35 343,75	
TOTAL		**$41 587,17**	

Chilundu Point: 20 Room hotel - Services

	Quantity	Total	Item Total
Sewerage			$7 013,16
Sewer reticulation	1	$1 881,58	
Septic tanks & treatment plant	1	$2 736,84	
Irrigation system	1	$2 394,74	
Water			$21 809,21
Water connection	1	$3 848,68	
Water storage	1	$1 282,89	
Solar power connection with pump	1	$11 973,68	
Water treatment plant	1	$4 703,95	
Power			$10 006,58
Electrical connection	1	$5 131,58	
Back-up generator	1	$2 993,42	
Reticulation	1	$1 881,58	
Roads, Parking Areas			$207 918,75
Parking for 10 vehicles	10	$35 343,75	
Parking for 4 coach	4	$26 325,00	
Tarr road connection	1	$146 250,00	
Communications			$2 138,16
Cellphone repeater	1	$2 138,16	
Earthworks			$38 486,84
Landscaping	1	$38 486,84	
TOTAL		**$287 372,70**	

Chilundu Point: 10 Bed Ecolodge - Services

	Quantity	Total	Item Total
Sewerage			$6 328,95
Sewer reticulation	1	$4 276,32	
Septic tanks & treatment plant	1	$1 368,42	
Irrigation system	1	$684,21	
Water			$21 167,76
Water connection	1	$3 848,68	
Water storage	1	$641,45	
Solar power connection with pump	1	$11 973,68	
Water treatment plant	1	$4 703,95	
Power			$6 157,89
Electrical connection	1	$3 592,11	
Back-up generator	1	$1 539,47	
Reticulation	1	$1 026,32	
Roads, Parking Areas			$10 006,58
Golf cart pathway, 650m	1	$10 006,58	
TOTAL		**$43 661,18**	

Commercial bay : Services

	Quantity	Total	Item Total
Sewerage			$5 302,63
Sewer reticulation	1	$2 565,79	
Septic tanks & treatment plant	1	$2 736,84	
Water			$24 255,26
Water connection	1	$3 848,68	
Water storage	1	$1 282,89	
Solar power connection with pump	1	$11 973,68	
Water treatment plant	1	$4 703,95	
Water supply & reticulation	1	$2 446,05	
Power			$17 703,95
Electrical connection	1	$5 131,58	
Back-up generator	1	$2 993,42	
Reticulation	1	$9 578,95	
Roads, Parking Areas			$2 879 842,11
Parking for 20 vehicles & 4 coach	800 m^2	$78 000,00	
Ugrade tarr roads leading to the port & poin	2,8 km	$2 801 842,11	
Earthworks			$38 486,84
Landscaping	1	$38 486,84	
TOTAL		**$2 965 590,79**	

Port Facilities - Services

	Quantity	Total	Item Total
Sewerage			$2 009,87
Sewer reticulation	1	$1 282,89	
Septic tanks & treatment plant	1	$726,97	
Water			$9 322,37
Water connection	1	$3 848,68	
Water storage	1	$1 282,89	
Solar power connection with pump	1	$2 138,16	
Water treatment plant	1	$1 026,32	
Jetty water connection	1	$1 026,32	
Power			$6 320,39
Electrical connection	1	$1 282,89	
Back-up generator	1	$1 881,58	
Reticulation	1	$1 539,47	
Eletrical points on jetty	7	$1 616,45	
Roads, Parking Areas			$8 775,00
Parking for 4 vehicles	4	$8 775,00	
TOTAL		**$26 427,63**	

End of Pre-feasibility Report 1

Pre-feasibility Report 2

An Activity Centre at Likoma Island, Northern Malawi

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1. Introduction

The Government of Malawi has identified tourism development as one of the major drivers of the country's economy. With funding from the African Development Bank (AFDB), through the Promoting Investment and Competitiveness in the Tourism Sector (PICTS), developed a National Tourism Investment Masterplan. The Masterplan (of which this pre-feasibility analysis is part) identified ten priority projects.

One of the ten priority projects in the masterplan is the **Activity Centre** on Likoma Island that falls under the Likoma Island-Chizumulu Island-Nkhatabay-Mzuzu node. This node is situated in the Northern Region. It covers the districts of Likoma, Nkhatabay and Mzuzu City. As a tourist destination, the node is home to several tourism assets including the St. Peters Cathedral, Cultural, natural and Historical Heritage, and the Tea and Rubber plantations. The node occupies an area of 4348 sq.kms and has a total population of 520,480 (NSO, MPHS 2018).

The Activity Centre on Likoma Island is a priority project within the node (several tourism projects were identified as being suitable for this Node **– refer to annexure A**).

The islands of Likoma and Chizumulu lie in the eastern waters of lake Malawi and South-East of Nkhata Bay. Likoma is the larger of two inhabited islands. It is surrounded by crystal clear waters, sandy beaches, and an abundance of cichlids, some of which are endemic to the island area. Likoma was used in the early 1900's fight against slave trade. The Island is also renowned for Central Africa's third-largest cathedral, St. Peters built in the 1870's. The Island is 20 sq.km.

In terms of climate, its temperature changes between a high of 29°C in winter to 39°C during the summer months. Rainfall is quite high and also differs between the low lying areas and on the top of the massif. **Refer to Annexure B.**

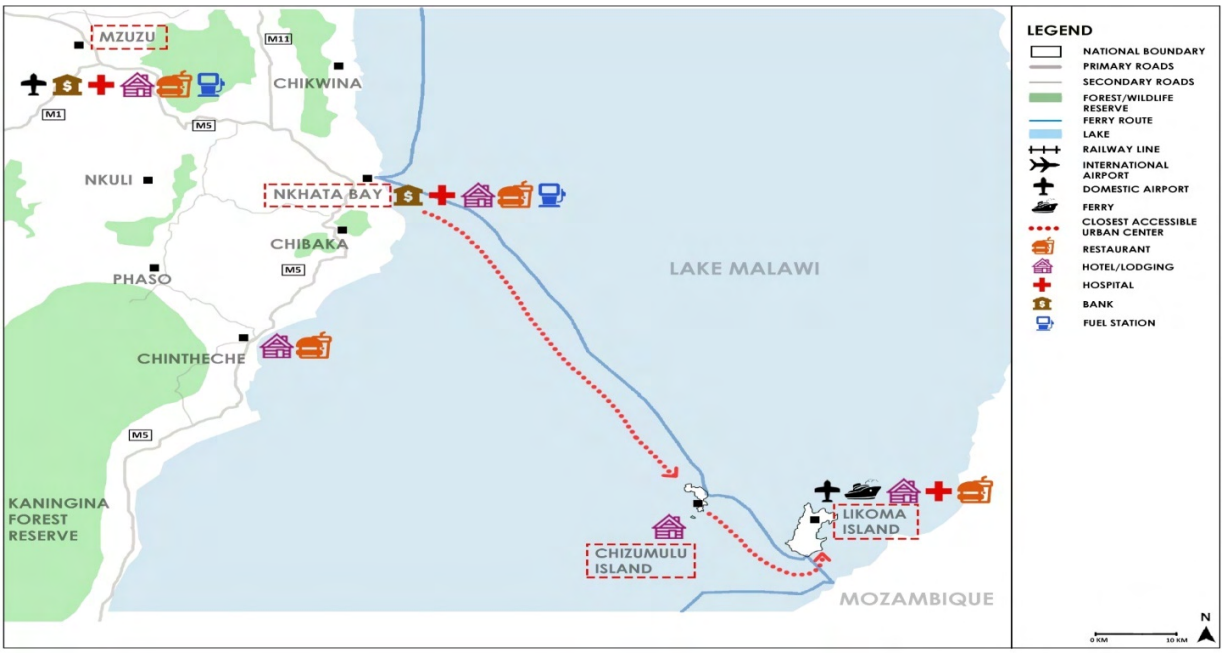


Figure 12 map of Likoma Island- Chizumullu

2. Objective

The purpose of this study is to investigate the opportunities and risks of an Activity Centre on Likoma Island. In order to determine whether a feasible operation of such an establishment is possible, the various key factors of competitive business in this particular market will be analysed.

However, at this stage, this study does not take environmental impact assessment. Subsequently, a detailed project report and an environmental and social impact assessment (ESIA) needs to be conducted by the prospective investor(s).

This study aims to establish a neutral, professional and qualified opinion and a thorough analysis of the current project plan. A tentative statement of area has been drawn up as part of the pre-feasibility study **(Refer to Annexure C).**

3. Development Concept

This section provides an overview of the project and a description of various elements that are part of the development concept. Broad guidelines are provided for the purpose of directing the development of the project. This concept is based on a best-case example of Knysna Quays Waterfront in South Africa **(Refer to Annex D).**

3.1. Project Objective

The main objective is to enhance tourism offering at Likoma district and cater to the broad tourism market – both domestic and international visitors. The Specific objectives for the Activity Centre at Likoma include:

- Enhance tourists' experiences.
- Increase the visitor numbers to the destination
- Establish an acquarium where visitors would be enlightened about the marine life around the Island.
- Maximize the commercial shopping potential at the Island

3.2. Project Description and Details

Several tourism projects were identified as being suitable for this Node. The Department of Tourism has selected the Activity Centre (project 1 hereunder) as a Priority Project for this Node. Refer to Annexure C for the list of projects identified by the Government.

Likoma Island is currently under-developed from a tourism point of view. Although there are a few places to stay (and more on the way), there is very little to do, apart from swimming in the lake, snorkelling, and visiting Likoma town. An Activity Centre intends to have all water- and land-based activities available in one place and provide a central point where local guides and artisans can offer their services or goods.

A 75m long jetty, 3m wide, needs to be constructed. On the shore, 6 shops each 20m² will allow operators to rent out equipment, with male and female toilets and change rooms close by. A 60-seat restaurant will sell fresh fish and other local dishes, while a small fast-food outlet will cater to those on their way somewhere. An aquarium will enlighten visitors about the marine life around the Island. Stalls, where local craftsmen can sell their wares, will be provided at the entrance to the centre.

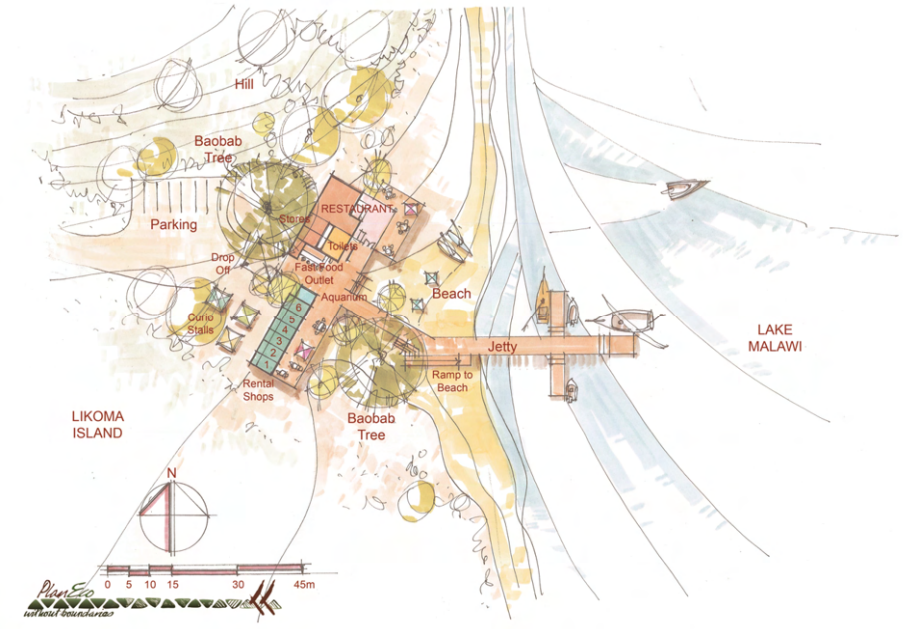


Figure 13 Site Development Plan

Figure 14 showing the site in 3D

3.3. Development Guidelines

In order to achieve sustainable tourism development, the following guidelines should be considered:

- Ensure that environmental conservation is incorporated at every stage of the project

- Local communities should benefit from job creation facilities e.g. construction, craft production, fresh food supply and operation and management of tourism facilities wherever quality, quantity and consistency permits
- Development of partnerships between local communities and other stakeholders are imperative. Community members or representatives should be involved in development.
- As Corporate Social Responsibility, provide skills training to local people e.g. training of local guides, allow educational visits at considerable rates, building of curio stalls.
- Waste disposal facilities to ensure zero pollution.
- Use of sustainable sources of energy that will ensure environmental conservation

3.4. Site Location

The site is on the south-eastern side of the Island, in Chiponde Village. It is about 2,5km from the Likoma Island Aerodrome and another 1,5km from the Likoma CBD and Ilala Ferry Port. There is a beautiful beach here and shallow, protected waters, ideal for a lake-based Activity Centre. The Village Headman supports the project and will make the land available for development.

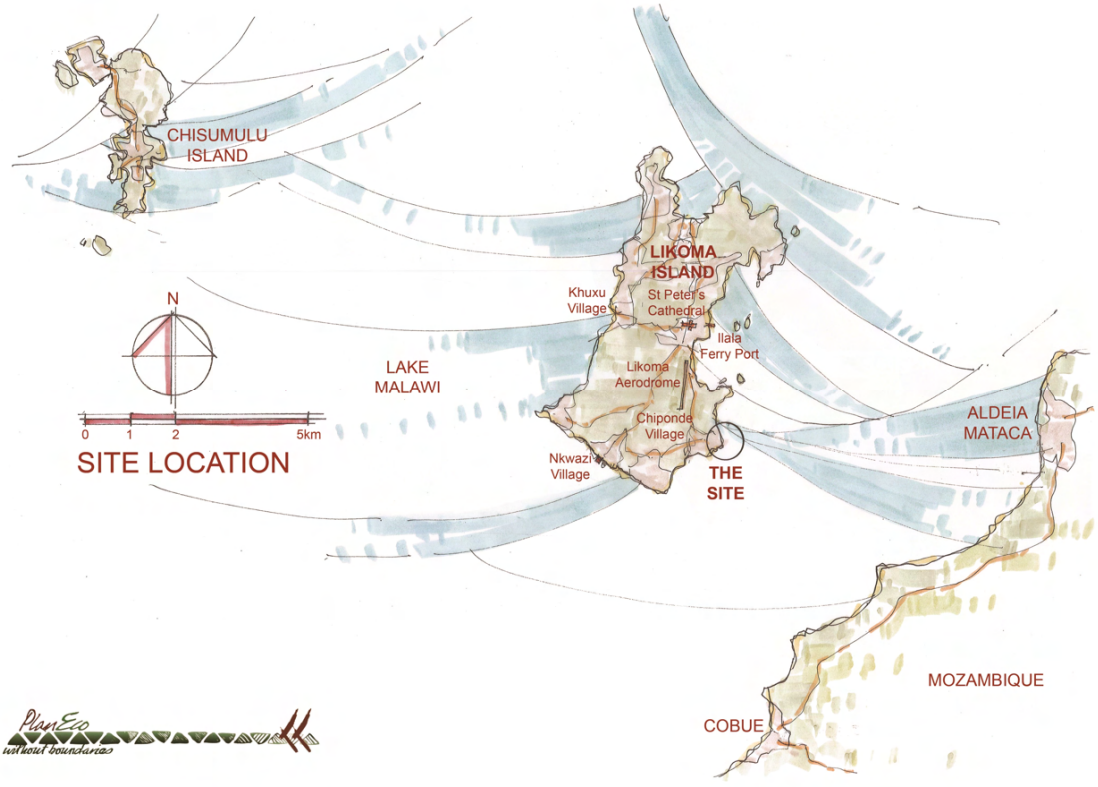


Figure 15 map of the site location

3.5. Accessibility

Transport links are as follows:

Air Transport: Likoma Airport has a bitumen surfaced runway that can accommodate small planes. The facilities are managed by Airport Development Limited and are currently used daily for flights between the Island and Lilongwe. The facilities have been cleared for international flights, which can be accommodated if pre-organized.
Co-ordinates are 12°04'33"S 34°44'14"E at 497m elevation. Length of runway: 1,130m (3,707ft)

Water transport: The main mode of transport connecting the Island to the mainland is water.

Road transport: Gravel roads connect the north to the south and the west of the Island. During the rainy season, the roads tend to be inaccessible. Travel is by cycle or quad bikes, and there are a few taxis available.

3.6. Existing Support Infrastructure and Other Services

Electricity: There is electricity supply at Likoma in addition to Solar power which is available at the island.

Water: Piped water is available at the site.

Sewerage: There is no treatment plant available and sewerage has to be treated on-site.

Communication: communication facilities are available on the Island.

Medical facilities: There is a mission hospital on the Island

Banking: Banking and finance services can be accessed at the mainland either NKhatabay or Mzuzu

Fuel: Fuel can be purchased at the mainland as the island does not have a fueling station.

Safety and Security: Likoma is a safe destination. Security agencies are available at the Island

4. Market Analysis

4.1. Supply analysis

The supply analysis gives an indication of the tourism assets and activities in the area under consideration.

Likoma Island has pristine beaches and cliffs overlooking the lake. The pristine natural beauty makes it a wonderful setting for beachside lodges and resorts. The lakeshore is varied, with rocky slopes, sandy bays, and swamps. The beaches also have spectacular views of the mountainous Mozambican shore. There are beautiful sand beaches, clear freshwaters, good mountains coupled with natural and exotic forests, and friendly people.

Some of the tourism attractions and activities are highlighted below:

Cultural and Historical Heritage

Likoma Island is renowned by the St. Peter's Cathedral. It is considered to be one of the largest churches in Africa and matches the size of the Winchester Cathedral in the UK. This building was built in 1905 with native granite and materials taken over to the island from the mainland. It has beautiful stained-glass windows, gold-leaf frescoes and carved soapstone features.

There is art gallery that offers paintings, moulding lessons, recycled art and fashion fabrics to tourists. The village of Chiponde on Likoma island is a model cultural village for cultural and forest conservation. Malipenga dancing competitions are frequently held on weekends.

Figure 16 the exterior of the cathedral

Figure 17 showing the interior of the St Peters Cathedral

Figure 18 Arts and Crafts

Figure 19 Malipenga dance

Nature experience

The Nkhaji Nature Park offers a trail to walk through the park.

Figure 20 walking trails on the Island

Water Sporting activities

Likoma Island offers a variety of water based activities including:

- Boat safaris
- Swimming
- Fishing
- Water skiing
- Snorkeling
- diving

Accommodation

Likoma has several accommodation properties and some of these include:

- Mango Drift
- Kaya Mawa Resort
- Ulisa Bay Lodge
- Khaiko Lodge
- Sunrise Inn
- Wakwenda retreat on Chizumulu
- Tenayu Lodge on Chizumulu

4.2. Demand Analysis

The tourism demand for Likoma Island is characterized by a number of types of travelers which can be divided based on the motivation for travel. These are:

- Authentic nature and Culture lovers
- Active and Thrill oriented adventurers
- Special interest and sensational seekers
- Short stays and intensive holiday makers

Authentic Nature and Culture Lovers

This traveler is more into cultural exchange, interaction with various cultural groups and is eager to learn new cultural experiences. On the part of nature, they have knowledge about conservation and have a sustainable oriented mindset and travel behavior. Whilst it may cut across all age brackets the majority will tend to be older and those in the mid to high income brackets.

Active and Thrill oriented adventurers

The traveler seeks thrilling outdoor activities and is driven by challenging experiences. They love adventure and extreme sports.

Special interest and sensational seekers

These types of tourists visit the Island seeking to satisfy a special type of need i.e. honey mooners.

Short stays and intensive holiday makers

The primary motivation for this segment is to take a break from everyday life, travel to nearby attractions but not for more than 3 days. It is often characterized by staying in paid accommodation, relaxation and experiencing local attractions. It gives people space to unwind and release stress; opportunity to see parts of their country they have never seen before; and chance to meet new people and make new connections such as music festival patrons.

Types of Tourists	**Range of their spending on daily basis**		
	Low	Medium	High
Active and Thrill oriented adventurers			
Special interest and sensational seekers			
Short stays and intensive holiday makers			
Authentic Nature and Culture Lovers			

4.3. Target Market analysis

The target market for the Activity Centre at Likoma Island will be Domestic and international. Specifically, major target market is the authentic nature and cultural lovers who would want to experience the tropical island /the lake, nature and culture.

4.4. Competition analysis

This section identifies the possible competitors to the proposed investment. The proposed tourism activities and products at the Activity Centre will be a unique product in Likoma district. Currently, there is no competition that will offer the same activities, structures and services as the Activity Centre. However, competition might arise from the surrounding restaurants especially that are housed within the accommodation properties.

The Activity Centre will have an added advantage due to the proposed aquarium which will be new in the market and of its kind in Malawi.

5 Risk and Mitigation Strategies

This part outlines the potential risks that can be encountered and its mitigation strategies as illustrated in the table below:

Potential Risk	Mitigation Strategy
Negative environmental impacts	○ Carrying capacity should not be exceeded. ○ Environmentally friendly practices should be implemented.
Tourism Industry is prone to different shocks and disasters	○ Risk Management plan ○ Insure the properties
Seasonality of international visitor flows	○ Develop marketing strategies that will counter the effects of the seasonality on the development
Negative social impacts	○ Continued awareness ○ Deliberate efforts to ensure that communities fully benefit from the operations ○ Corporate social responsibility
Safety and Security	○ Ensure enough security at the site location

Table 3 Potential risks and mitigation strategies

6 Potential Socio-Economic Benefits

The following are the potential benefits:

- Participation of locals in planning and management of the project including Job opportunities
- Tax Revenues and levies for the country
- Promotion of a sense of pride among citizens and residents
- Enhancement of the destination profile
- Infrastructural development
- Spill over benefits to other sectors

7 Financials

7.1. Estimated Capital Expenditure

A "guestimate" of development costs is provided here. Accurate estimates will need to be done in a full Feasibility Study to be undertaken by the developer interested in this opportunity.

EXECUTIVE SUMMARY

Item	Description	Budget US$
1	Jetty & floating platforms	$ 213 443,48
2	Promenade	$ 42 627,00
3	Shops, restaurants, bathrooms	$ 374 272,54
4	Aquarium	$ 10 813,80
5	Centre staff areas	$ 64 090,07
5	Bulk services & Infrastructure	$ 71 709,05
9	Preliminaries & General @ 10%	$ 7 769,56
	SUB-TOTAL - Construction cost	**$ 784 725,49**
9	FF&E @ 25% of construction cost	$ 196 181,37
10	Contingency @ 5% of construction cost	$ 39 236,27
	TOTAL - Construction cost	**$ 1 020 143,14**
11	Professional fees - 12% of construction cost	$ 122 417,18
12	Additional costs not included: Marketing, Electronic equipment, fish & equipment for Aquarium, EIA, etc. Budget at 27%	$ 211 875,88
	TOTAL GUESTIMATE OF DEVELOPMENT COST	**$ 1 354 436,20**

7.2. Income potential

The financial forecast for the 1st year of operation is based on the following parameters:

- Positioning of the Activity Centre: Leisure
- Management: Private Partner / Local Government

EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$	
1	Revenue from Shops & Restaurants	$	912 500,00
2	Revenue from Activity Centre	$	438 000,00
3	Revenue from Jetty trips	$	167 500,00
	TOTAL GUESTIMATE OF REVENUE	**$**	**1 518 000,00**

7.3. Operational Expense

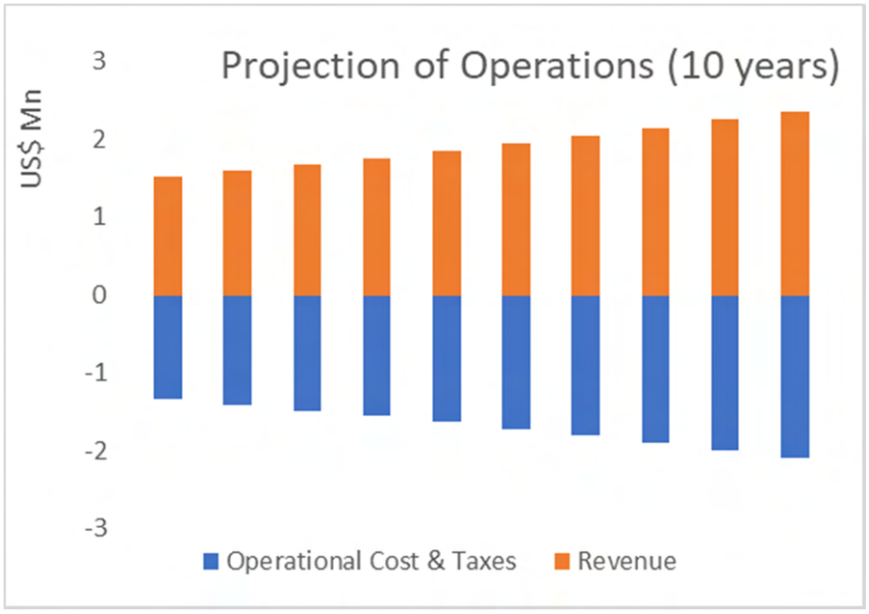
EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$	
2	Cost of Food & Beverage	$	303 600,00
3	Fixed Charges	$	151 800,00
4	Cost of Administration	$	227 700,00
5	Cost of Operation & Maintenance	$	303 600,00
6	Sales and Marketing	$	151 800,00
7	Utilities and Other Costs	$	106 260,00
8	Interest and Taxes	$	98 670,00
9	Cost of Living Allowance	$	6 831,00
10	Cost of Leasing Land	$	39,00
	TOTAL GUESTIMATE OF EXPENSES	**$**	**1 350 300,00**

7.4. Summary of Financials

US$1.35 Mn CAPEX	US$1.51 Mn Revenue for 1st Year	US$3.25 Mn Net Present Value
17.2% Internal Rate of Return	US$69.0 K EBIT for 1st Year	7 Years Payback Period

Projection of operations for the Activity Centre is based on a 9% Discount rate and Cost of Living Allowance of 3% estimated for the period and other operational and fixed expenses.



Initial assessment of the project financials indicates a profitable investment, in the long run, considering the planned development in infrastructure as well as promotion of Lake tourism over the next 10 years **Refer to annexure E.**

Annexure A: List of other Projects Identified by Government

Project 1: Activity Centre, Likoma Island
DESCRIPTION An Activity Centre will enhance the tourism experience to be had on Likoma Island. Part of the experience can include a visit to an Aquarium, which will raise awareness of the importance of Lake Malawi fishes in the ecosystem. A 75m long jetty, 3m wide, will project into the lake in one of the protected bays on the Island. Onshore, retail areas will allow operators to hire out fishing, snorkelling, and diving equipment. Boat charters can also operate from here, offering trips on sailing, fishing, and diving boats. Land-based activities such as mountain biking, quad bikes, and bicycling can also be launched from the Centre. A Restaurant will cater to visitors waiting to depart on activities or on their way back. **LOCATION** A site was selected in Chiponde Village, on the south-eastern side of the island.

Project 2: Luxury Lodge/s on the Islands
DESCRIPTION The unique experience of both the islands is its remoteness and underdeveloped state – an away-from-it-all experience reserved for the privileged few. Therefore, upmarket facilities with a maximum of 50 beds will be well supported – they offer personal service and exclusivity. These facilities, located on pristine beaches, offer their own activities or take visitors to other destinations on the islands.

Project 3: Mid-market Resorts on the Islands
DESCRIPTION There is a need for more affordable accommodation on the islands as well. These facilities could be aimed more at families and young travellers, with certain activities on offer at the resorts, making the destination an "all-in" product. 30 rooms, a poolside dining-and-lounge area, and a family bar are envisaged. The Activity Centre will provide guests with water sports equipment, volleyball, and beach activities.

Project 4: A Heritage Centre, Nkhata Bay
DESCRIPTION There is a real need amongst the Nkhata Bay people to revive and grow traditional dances, songs, and languages. Coupled with this, the rich history of the area with the Martyrs' memorial pillars and graves still in good condition justifies the development of a Heritage Centre. If designed correctly, this building can also function as a Community Centre and market serving the communities' needs in more ways than one. Regular

functions celebrating heritage activities will not only preserve them but also interest visitors to the area.

Project 5: Nature walks in Chilundu Point, Nkhata Bay

DESCRIPTION

This product can be considered for development by the Public Sector, as it will serve the wider community of Nkhata Bay and visitors to the islands. A small cafeteria, public ablutions, and curio stalls will be developed at the start of a nature trail into the Sanctuary. Information on the wide variety of trees and shrubs, mammals, birds, and marine species will enlighten visitors about the area's rich natural heritage.

Project 6: Mid-market Resort to the south of Nkhata Bay

DESCRIPTION

A self-contained Resort with different dining venues, private beaches, and sports facilities is a popular tourism product that has been replicated worldwide. Depending on its location, these resorts normally accommodate 200-400 guests – on the northern shores of Lake Malawi, 50 rooms (100 beds) may be more appropriate. Generally associated with the charter market, self-drive or organized tour groups also support this mid-market product.

Project 7: Spa and Roadside Inn at the Nkhata Bay Hot Springs

DESCRIPTION

Although the hot spring's chemical and cultural values still need to be determined, a spa aimed at the domestic market will be supported by Nkhata Bay (15km) and Mzuzu (35km away) residents. Both indoor and outdoor baths can be provided with amenities, such as restaurants, ablutions, and shops. Limited overnight facilities can be considered; a 40-bed mid-market inn is suggested, served by the restaurant and public facilities.

Project 8: Over-lander Campsite on the outskirts of Mzuzu

DESCRIPTION

The Overlander market, normally groups of 10-16 people from different age groups, travel to interesting and often remote destinations. The M1 road to Tanzania passes through Mzuzu and Karonga, and both places are ideal for developing overlander campsites.
Overlanders put up small dome tents for which a level area is required and enough space to park and manoeuvre a 10-ton truck. If covered facilities, where they can prepare meals and dine, and their own male/female ablutions are provided, this market will happily support these facilities.

Project 9: New Ecolodge in Usisya

DESCRIPTION

The access road to Usisya is an adventure by itself: not always accessible in the rainy season, it winds down the face of steep mountains till it reaches sleepy villages strung out along Lake Malawi. It is this ruggedness that is its USP, and a small ecolodge, built on the foothills of these mountains, is suggested. Interaction with local people, home-grown

vegetables, and non-motorized transport will let guests share in the simple life to be found on these shores.

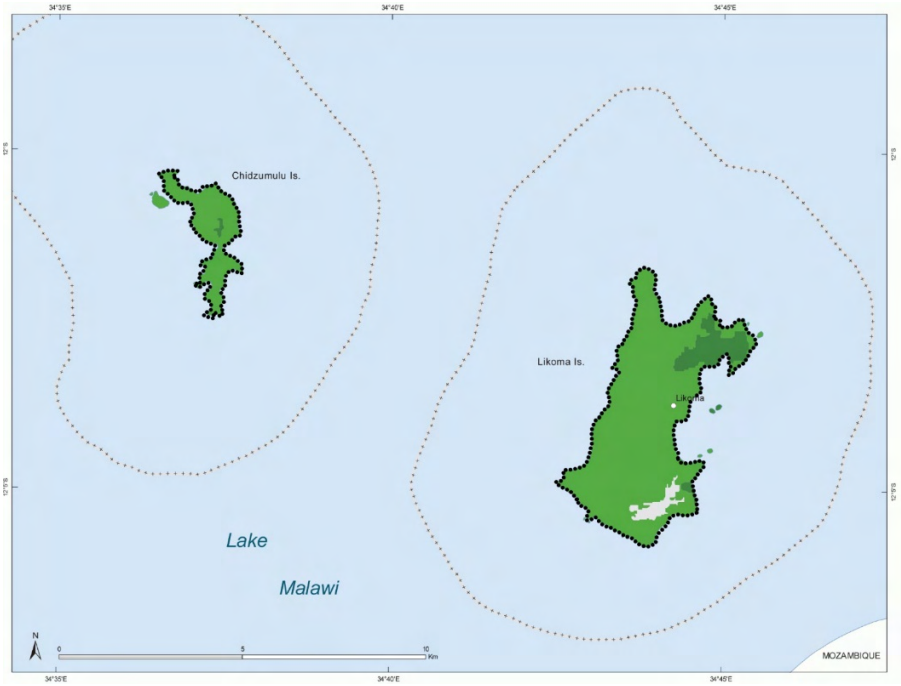
Project 10: Plantation Excursions in the surrounding agricultural areas
DESCRIPTION The possibility of packaging daily excursions into the agricultural areas in Vizala, Kavuzi, and Limpasa should be investigated. Tour operators can take guests out in minivans and let them experience the tea, sugar, and rubber tree plantations and packaging facilities. At the same time, local produce can be sold at each destination. Existing plantation houses can be used for restaurants and lounges, while others might be converted to self-catering overnight accommodation.

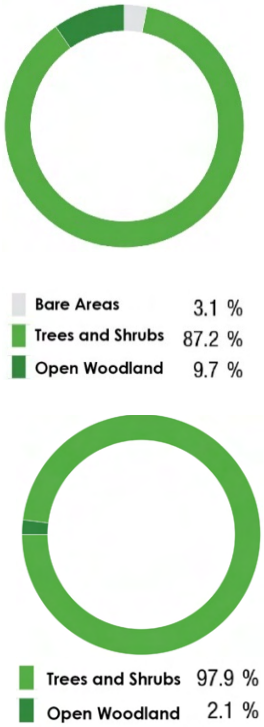
Project 11: Public beach Facilities, Senga Bay
DESCRIPTION There is a need for public amenities along the lakeshore at Senga Bay. Although there are numerous accommodation options in the Bay, no provision has been made for day visitors or local people enjoying the lakeshore. Ablutions, changerooms, open-air stalls vendors can rent, and a few fast-food outlets are required at the most popular swimming beach.

Project 12: Recreation Park, Mzuzu
DESCRIPTION There is a need for activities in Mzuzu that will extend the stay of (mostly overnight) visitors to the town, at the same time benefiting the local population (or domestic tourism). A Recreation Park, which also serves as a Tourism Information Centre, is envisaged, offering various indoor- and outdoor activities, a choice of eateries, childcare facilities and activity desks selling destinations in the Northern Region. It can also be combined with a marketplace selling local crafts and cuisine.

Annexure B: Geography and Climate

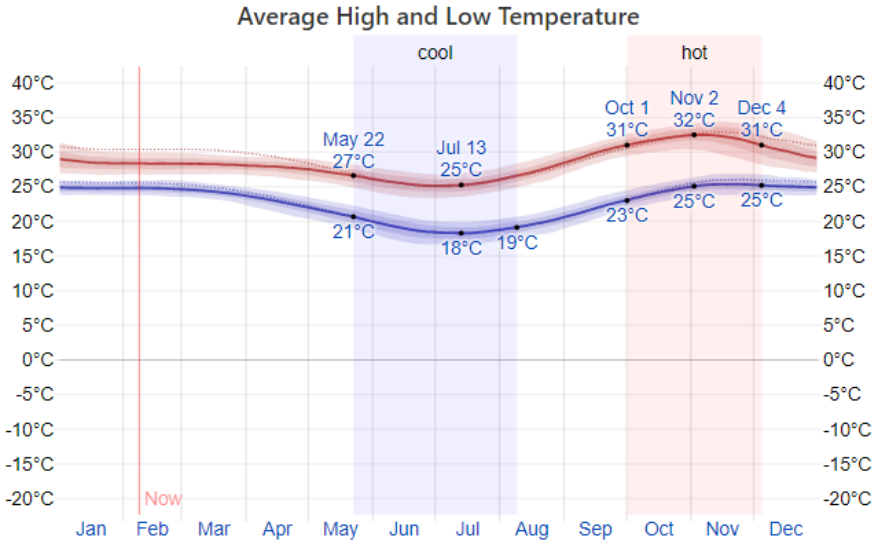
Likoma Island and Chizumulu Island have mostly trees and shrubs and small areas of open woodland, with a small area being bare on Likoma.



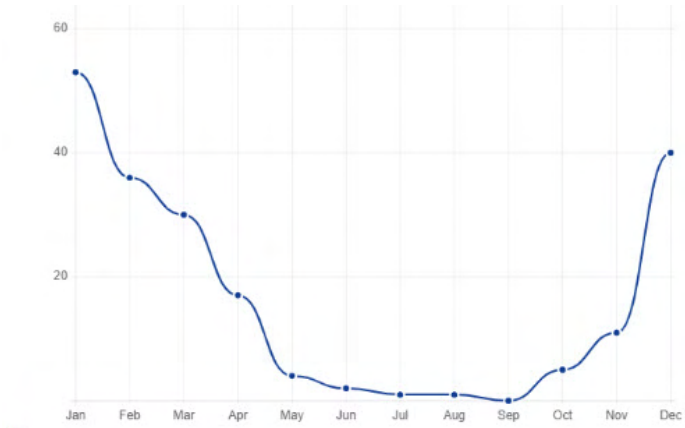


Land cover Map – Likoma & Chizumulu islands

The weather at Likoma Island is similar throughout the year, with temperatures fluctuating between 25° and 32° Celsius. During the dry season, it receives very little rain



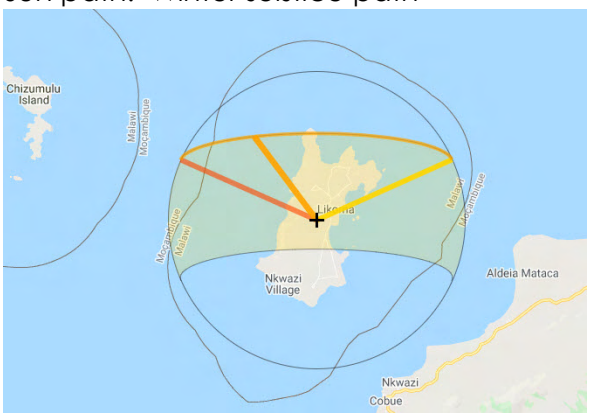
The average yearly rainfall for Likoma is 1300mm, with the wet season from November to April. The winter or dry months has hardly any rain, but humidity remains high throughout the year, with the lowest at 56% during October.



Key

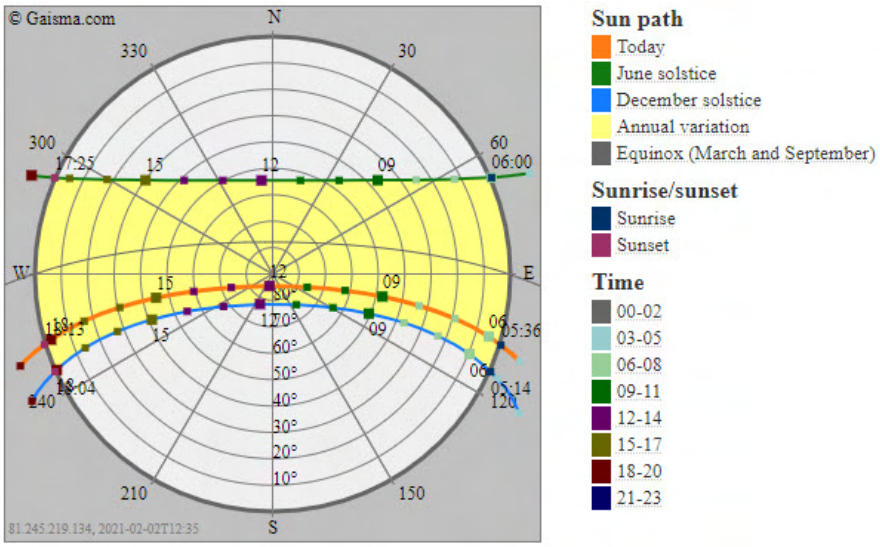
Days with precipitation

Sun path: Winter solstice path



Sun path: Winter solstice path

Sun path diagram for Likoma indicating degrees



Annexure C: Statement of Area

Activity Centre, Likoma Island

Jetty

d. 3m wide, 75m long with 3x floating platforms each 12m² - 261m²
e. A ramp and stairs of the jetty will allow access to the beach, allowing unhindered passage to the public
f. The jetty is an extension of the Activity Centre's promenade.

Rentals

g. 6x shops with stack-away doors opening onto a promenade 120m²
h. Each office will have a 6m² store inside

Restaurant

i. 60-seater serving A la Carte meals 80m²
j. Kitchen 80m²
k. Stores 30m²
l. Public toilets 20m²

Fast-food outlet

m. Close to entrance and jetty
n. Small sit-down area 12m²
o. Kitchen/store 16m²

Public toilets

p. Close to entrance and jetty
q. Toilets, basins, and shower 40m²
r. Adjoining change rooms 24m²

Aquarium

s. 4x2x2mhigh 8m²
t. Plantroom/store 4m²

Promenade

u. 4m wide in front of and connecting rentals, restaurant, aquarium, and toilets 120m²
v. Staff facilities for entire centre 40m²
w. Additional stores for bikes, quads, kayaks etc. 60m²

Annexure D: Best Case example

Photographs of a similar tourism product elsewhere in the world illustrate the "look and feel" of the development. This product will cater to the same market, offer the same amenities and activities, and explain the project better than words can do.

The Knysna Quays Waterfront in South Africa is a small harbour with berths for sailing boats & the lagoon ferry. It has various restaurants, decks, walkways, shops, kiosks, and accommodation.

View from moorings towards the quay

Restaurant deck and walkway onto harbour

Walkway & restaurant decks

Shops and walkway towards quay

paved walkway with stalls at the quay

Annexure E: Construction Cost Guestimate

Likoma Activity Centre

Jetty, Promenade, Shops, Restaurants, etc

		Quantity	Area m²	&/m²	Total	Item Total
Jetty						$213 443,48
Main jetty: 75m long X 3m wide		1	225 m²	$869,37	$195 607,45	
Floating platform	12 m²	3	36 m²	$495,45	$17 836,03	
Rentals						$92 949,30
Shops	14 m²	6	84 m²	$869,37	$73 026,78	
Stores	6 m²	6	36 m²	$553,40	$19 922,51	
Restaurant						$203 188,70
Dining area, ala Carte		1	80 m²	$878,71	$70 297,16	
Kitchen		1	80 m²	$1 233,94	$98 715,16	
Stores		1	30 m²	$553,40	$16 602,09	
Public toilets		1	20 m²	$878,71	$17 574,29	
Fast food outlet						$26 383,87
Kitchen, store		1	16 m²	$1 233,94	$19 743,03	
Sit-down area		1	12 m²	$553,40	$6 640,84	
Public toilets						$51 750,67
Ablutions - toilet, basin, shower		1	40 m²	$878,71	$35 148,58	
Change rooms		1	24 m²	$691,75	$16 602,09	
Aquarium						$10 813,80
Aquarium display		1	8 m²	$1 075,02	$8 600,18	
Plantroom, store		1	4 m²	$553,40	$2 213,61	
Promenade						$42 627,00
Walkway area		1	120 m²	$355,23	$42 627,00	
Centre facility areas						$64 090,07
Staff facilities		1	40 m²	$772,15	$30 885,88	
Stores		1	60 m²	$553,40	$33 204,19	
TOTAL			**915 m²**		**$705 246,89**	

Likoma Activity Centre

Services

	Quantity	$ Cost	Item Total
Sewerage			$5 815,79
Sewer reticulation	1	$1 539,47	
Septic tanks & treatment plant	1	$4 276,32	
Water			$8 296,05
Water connection	1	$3 848,68	
Water storage	1	$1 282,89	
Solar power connection with pump	1	$2 138,16	
Water treatment plant	1	$1 026,32	
Power			$3 848,68
Electrical connection	1	$684,21	
Back-up generator	1	$1 881,58	
Reticulation	1	$1 282,89	
Roads, Parking Areas			$32 366,94
Gravel road for site access, 600m	1	$30 000,00	
Site reticulation	1	$1 443,26	
Parking areas	1	$923,68	
Earthworks			$21 381,58
Landscaping, earthworks	1	$21 381,58	
TOTAL		**$71 709,05**	

Pre-feasibility Report 3

A Transit Facility outside Songwe Border Post, Northern Malawi

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1. Introduction

The Government of Malawi has identified tourism development as one of the major drivers of the country's economy. With funding from the African Development Bank (AFDB), through the Promoting Investment and Competitiveness in the Tourism Sector (PICTS), developed a National Tourism Investment Masterplan. The Masterplan (of which this pre-feasibility analysis is part) identified ten priority projects.

One of the ten priority projects in the masterplan is the **Transit facility** at Songwe border post that falls under the Karonga-Chitipa node. This node is situated in Northern region of Malawi. It covers the districts of Karonga and Chitipa. As a tourist destination, the node has archeological and historical attractions such as the Karonga Museum and nature attractions such as Misuku Hills (where there are two bigger forests, Mughese and Wilindi. The node occupies an area of 7,750 sq.km and has a total population of 599,955 (NSO, MPHS 2018).
The Transit facility on the Songwe Boarder (Karonga District) is a priority project within the node (several tourism projects were identified as being suitable for this Node – refer to annexure A). The Nyika National park close to this node is a key wildlife tourism destination of the country.

Karonga district lies on the western shore of Lake Malawi. It was a centre of slavery sometime before 1877, and also an important site of action during World War 1, making it historically important. Karonga is an important transport route for passengers travelling by road to Tanzania.

In terms of climate, its temperature changes between a high of in winter 15° to 35°C during the summer months. Rainfall is quite high and also differs between the low lying areas and on the top of the massif. Refer to Annexure B.

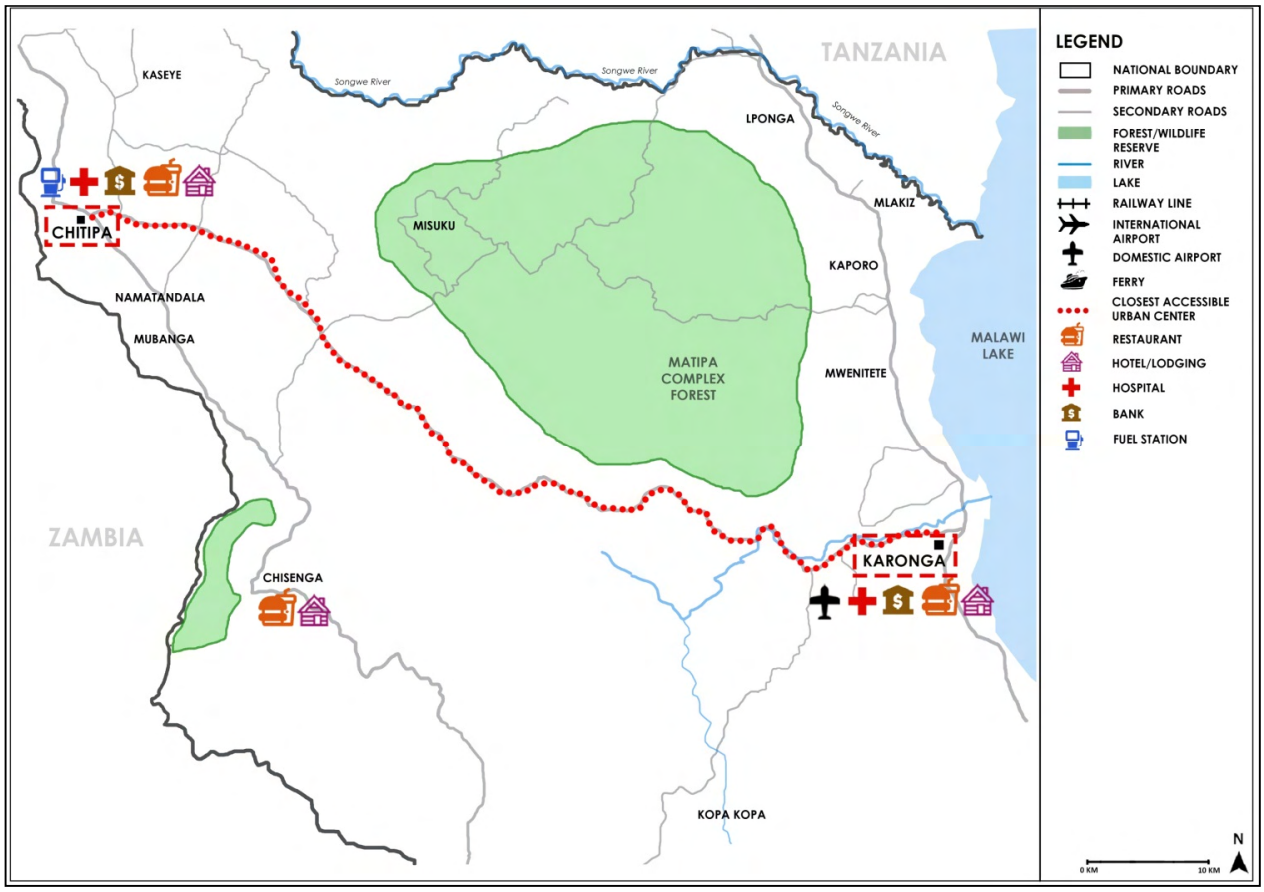


Figure 21 Map of Karonga-Chitipa Node

2. Objective

The purpose of this study is to investigate the opportunities and risks of Transit facility investment on Songwe Boarder. In order to determine whether a feasible operation of such an establishment is possible, the various key factors of competitive business in this particular market will be analysed.

However, at this stage, this study does not take environmental impact assessment. Subsequently, a detailed project report and an environmental and social impact assessment (ESIA) needs to be conducted by the prospective investor(s).

This study aims to establish a neutral, professional and qualified opinion and a thorough analysis of the current project plan. A tentative statement of area has been drawn up as part of the pre-feasibility study and is presented in Annexure-C.

3. Development Concept

This section provides an overview of the project and a description of various elements that are part of the development concept. Broad guidelines are provided for the purpose of directing the development of the project. This concept is based on a best case example of Alzu Petroport. Refer to Annex D

3.1 Project Objective

The objective is to develop a one stop shop facility with a motel so as to ease those in transit. A number of people use the boarder when travelling to and from Tanzania for business purposes, therefore a need for an accommodation and other support facility such as a one stop shop is very critical.

3.2 Project Description and Details

The Transit facility will comprise of A 40-seat restaurant with outside shaded seating and a children's playground. Public toilets, ATM facilities and a fast-food outlet will be part of the facility. The concept also proposes a fueling station on site to ensure the reliable availability of fuel to travelers.

There is a need for overnight accommodation close to the border. Currently, travelers between the two countries prefer to spend an overnight on the Tanzania side and cross the next morning. This trend can be reversed by developing a motel at the proposed facility. The proposed motel will have 24 rooms with supporting facilities.

Figure 22 site for the facility

As mentioned, the site falls towards the Songwe river, roughly 100m from the northern boundary of the site. There is also a drainage line on the eastern side of the site that will assist in draining storm water away from the large forecourt required at the filling station.

A 30m Road Reserve prevents any development close to the road. This is not a negative, as cars and trucks need distance to slow down in before getting to the filling station. It also provides an opportunity for them to pick up speed once they leave the station.

The northern part of the site is quieter, with a view of the Songwe river. This is ideal for placing the motel, with the public areas located on the boundary of the site.

An 11kVA electricity line runs along the road, approximately 20m from the side thereof. Water can be taken from the river, purified, reticulated, and stored on the highest part of the site.

Figure 23 show the development design for the Facility

In addition to the project facilities construction, certain other amenities are essential for operations and need to be developed to support the project. These include:

- Water filtration and storage facility to provide access to clean water
- Wastewater, Sewage and sanitation facility
- Waste disposal facilities to ensure zero pollution
- Medical facilities to cater to accidents related to tourist activities and emergency needs

Amenities like access to water, sewage, waste disposal, grid connection, etc. can be developed by the investors in coordination with the local municipality bodies. Other amenities, which are internal to the project, needs to be developed by the investors as per the requirements of the project. Information regarding the same can be provided by the DoT to the potential investors.

3.3 Development Guidelines

In order to achieve sustainable tourism development, the following guidelines should be considered:

- Ensure that environmental conservation is incorporated at every stage of the project to avoid polluting the Songwe river
- Local communities should benefit from job creation facilities e.g. construction, craft production, fresh food supply and management of tourism facilities wherever quality, quantity and consistency permits
- Development of partnerships between local communities and other stakeholders are imperative. Community members or representatives should be involved in development.
- As Corporate Social Responsibility, provide skills training to local people e.g. training of local guides, allow educational visits at considerable rates, building of curio stalls.
- Waste disposal facilities to ensure zero pollution

3.4 Site Location

The selected site lies along the M1 road, about 2km away from the Songwe border post. The site falls towards the Songwe river, which will offer a view from the facilities to be developed.

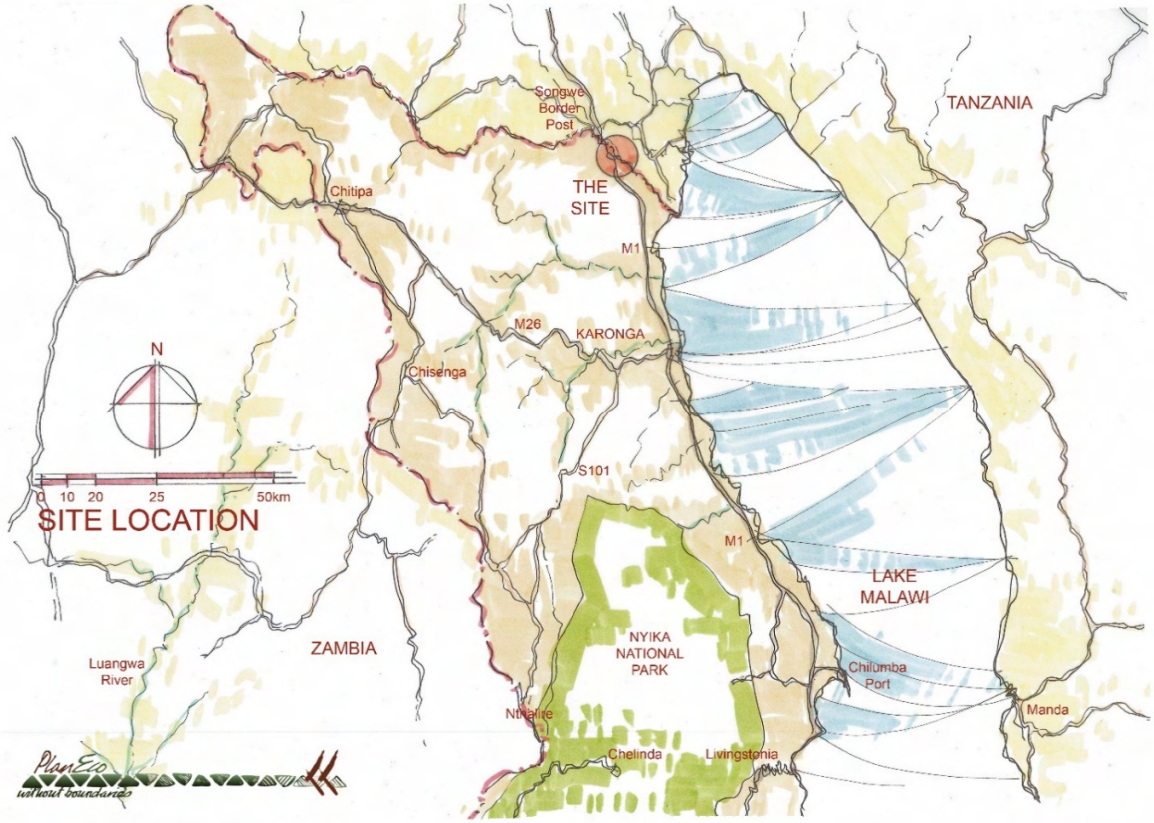


Figure 24 a sketch of site location

Figure 25 Site location

3.5 Accessibility

Air Transport: Karonga can be accessed by air with a runway of 1.5 km. It is operational during daytime hours.

Road Transport: The district can be accessed through the M1 road.

Water transport: Karonga can also be accessed by water through Chilumba Jetty

3.6 Existing Support Infrastructure and Other Services

Electricity: there is an existing power supply in Karonga and the site in particular

Water: Water can be tapped from the Songwe river nearby, treated, stored and Distributed.

Sewerage: No treatment plants are available and a sewerage treatment plant will have to be installed.

Communications: Landlines, mobile and internet services are available in the district. A branch of the Malawi Post Corporation office is operational.

Medical facilities: There is a district Hospital in Karonga and private health facilities.

Post office: A branch of the Malawi post office is operational in town.

Banking: There are banking and financial facilities in Karonga.

Fuel: There is a provision of fuel stations in the district.

Security: There is police services in the district.

4. Market Analysis

4.1 Supply Analysis

The supply analysis gives an indication of the tourism assets and activities in the area under consideration

The prefeasibility study has revealed that the area lacks proper and standard service providers ranging from accommodation, Food and beverage and Shopping. Alternatively, travellers need to travel 50 km from the boarder to Karonga Town to access these services. This proposed investment will fill in the gap in the supply chain.

Restaurants: There are a few restaurants/eateries in Karonga.

Accommodation: There are a few lodges on the lakeshore of Karonga. Some of the existing tourist accommodations are:

- Club Marina
- Kapata Lodge
- Safari Lodge

- Lovemore Lodge
- Simuka Inn
- Paradise Lodge

Historical and Cultural Heritage

Karonga has a **Cultural & Museum Centre** which is very popular with visitors passing through. It houses a display of a complete Malawisaurus skeleton and other fossils excavated nearby. It Also has an exhibition of the history of mankind as well as the cultural history of the area, including the slave trade, information on the WW1 battle and modern information on the Malawian freedom fighters.

The **Mlare Craft Centre** offers crafts made by the local community and have plans underway to offer more activities for tourism in the near future.

There are two **excavation sites** of pre-historic value in the area that can be further developed for tourism. The Malema site is where the oldest traces of humankind have been found and the Mwakashunguti site is where the dinosaur fossils have been found.

Agritourism

The low-lying areas between Kaporo and Lake Malawi are extensively cultivated by rice growers. Some of the finest **rice** in Malawi is produced here and visitors are currently taken to the paddies and mills where the rice grains are processed, polished, and graded. This form of tourism can be enhanced by providing overnight stays and other cultural interaction opportunities with the local farmers.

Other attractions in the Node

The **Luromo Peninsula in** Mwahimba Village is a potential tourism attraction, 70km from the town. It a beach with very clear sand that haven't been developed. Mwahimba village has several structures that relate to the slave history of the area that can be exploited, as well as a private beach that can be developed for tourism.

Mbande hills in the proximity of the town have a cemetery for Traditional Authority chiefs which could be developed for domestic tourists.

There are six mines in the vicinity that stakeholders are being negotiated with to offer tourist visits.

The **Chinongo Coffee Drying Station** can be visited by tourists and is situated between the Mughese forest and the Songwe river. Chitipa has the **Matipa Forest Complex** situated in a serene, dense and untouched forest area. The **Misuku Hills** are in the eastern belt of the forest and covers a large landmass between Chitipa & Karonga. The Kaseye River and valley bounds the western side of the hills. The area is perfect for exploration by nature-lovers. There are various **lookout points** over the Songwe river towards Tanzania and some offers hiking paths to the river from the road. Local guides are available for some of the trials.

4.2 Demand Analysis

The tourism demand for Songwe Boarder Post is characterized by a number of types of travelers which can be divided based on the motivation for travel. The table below Identifies types of Travelers and their level of spending.

Type of Travelers	Level of Spending		
	low	Medium	High
Business Travelers			
Transit travelers			
Holiday Makers			

4.3 Target Market analysis

The target market for the Transit facility are the cross-border business travelers, Holiday makers and excursionists.

4.4 Competition analysis

This section identifies the possible competitors to the proposed business. The closest competitors are the nearby facilities on the Tanzanian boarder. Currently, on the Tanzanian boarder there are well organized facilities offering high quality Eatery, accommodation services. There is an expectation that those facilities may react by improving their services in reaction to the coming in of the Songwe Transit facilities.

The uniqueness of the Malawian product is that it will be an integrated product with a one stop facilities ranging from Accommodation, fueling station, Children play ground and Convenient shops. Most of the surrounding area is a cultivating land with distinctive atmosphere. This is ideal for the envisaged product, where travelers can take a well-deserved break, rest and refresh themselves. Those intending to spend a night will be able to do so in a comfortable motel in a quit surrounding.

5. Risks And Mitigation Strategies

This part outlines the potential risks that can be encountered, and its mitigation strategies as illustrated in the table below:

Potential Risk	Mitigation Strategy
Intense competition from the Tanzanian Side.	• Intensify marketing strategies
Resistance the surrounding community	○ Ensure community involvement
Closure of boarders due to different factors such as pandemics	○ Diversify to excursionists market from with the districts
Negative social impacts	• Continued awareness • Deliberate efforts to ensure that demonstration impacts are reduced
Safety and Security	• Ensure enough security at the site location • Ensure a crisis management strategy is in place

6. Potential Socio-Economic Benefits

The following are the potential benefits:

- Participation of locals in planning and management of the project including Job opportunities
- Tax Revenues and levies for the country
- Promotion of a sense of pride among citizens and residents
- Enhancement of the destination profile
- Infrastructural development
- Spill over benefits to other sector

7. Financials

7.1. Estimated Capital Expenditure

A "guestimate" of development costs are provided here. Accurate estimates will need to be done in a full Feasibility Study, to be undertaken by the developer interested in this opportunity.

EXECUTIVE SUMMARY

Item	Description	Budget US$
1	24 Room Motel	$ 1 774 124,52
2	Refreshment Centre	$ 1 795 789,51
3	Filling Station	$ 852 988,71
4	Bulk Services & Infrastructure	$ 123 500,00
5	Preliminaries & General @ 10%	$ 454 640,27
	SUB-TOTAL - Construction cost	**$ 5 001 043,01**
6	FF&E @ 20% of construction cost	$ 1 250 260,75
7	Contingency @ 5% of construction cost	$ 250 052,15
	TOTAL - Construction cost	**$ 6 501 355,91**
8	Professional fees - 12% of construction cost	$ 780 162,71
9	Additional costs not included: Marketing, Electronic equipment, EIA, etc. Budget at 27%	$ 1 350 281,61
	TOTAL GUESTIMATE OF DEVELOPMENT COST	**$ 8 631 800,23**

7.2 Income potential

The financial forecast for the 1st year of operation is based on the following parameters:

- Positioning of the hotel: Transit Motel
- Management: Domestic Hotel / Motel brand

EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$	
1	Revenue from Motel Rooms	$	876 000,00
2	Revenue from Refreshment Centre	$	292 000,00
3	Revenue from Filling Station	$	45 625,00
	TOTAL GUESTIMATE OF REVENUE	**$**	**1 213 625,00**

7.2. Operational Expense

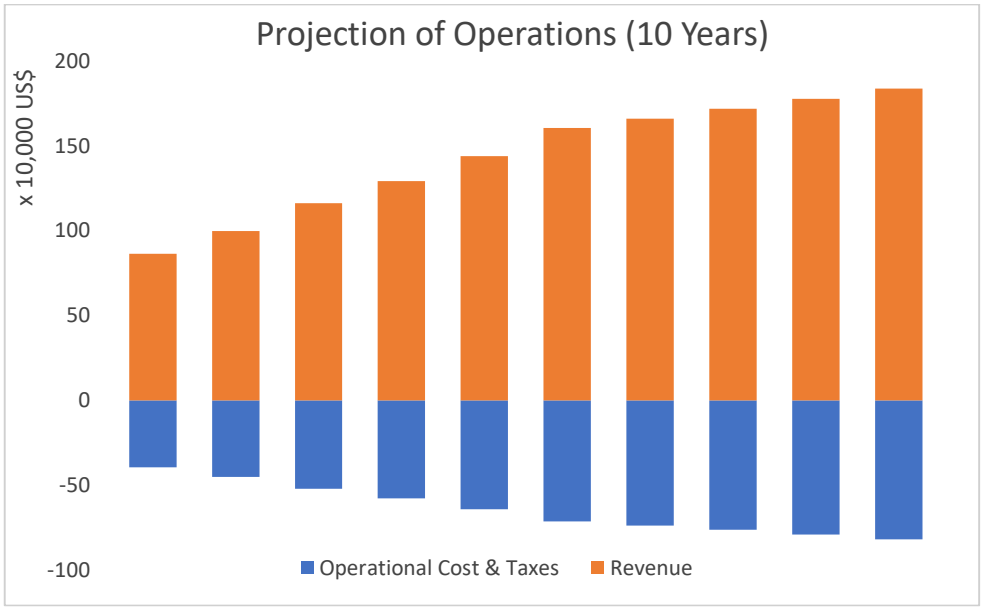
EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$	
1	Cost of Rooms	$	72 817,50
2	Cost of Food & Beverage	$	32 120,00
3	Fixed Charges	$	121 362,50
4	Cost of Administration	$	60 681,25
5	Cost of Operation & Maintenance	$	60 681,25
6	Sales and Marketing	$	24 272,50
7	Utilities and Other Costs	$	84 953,75
8	Interest and Taxes	$	78 885,63
9	Cost of Living Allowance	$	4 004,96
10	Cost of Leasing Land	$	429,00
	TOTAL GUESTIMATE OF EXPENSES	**$**	**540 208,34**

7.4 Summary of Financials

US$8.6 Mn CAPEX	US$863 K Revenue for 1st Year	US$10.8 Mn Net Present Value
10.8% Internal Rate of Return	US$413 K EBIT for 1st Year	8 Years Payback Period

Projection of operations for the Motel accommodation facilities are based on estimated initial occupancy of 40% for the first year, gradually increasing over to 48% in the next year. The estimated Net present value of the project is based on a 9% Discount rate and Cost of Living Allowance of 3% estimated for the period along with other operational and fixed expenses.



Initial assessment of the project financials indicates a profitable investment, in the long run, considering the planned development in transit infrastructure as well as growth in cross border trade and tourism over the next 20 years. Refer to Annexure E for further details.

Annexure A: List of other Projects identified by Government

Project 1: Upgrading of and Additions to the Karonga Cultural and Museum Centre
DESCRIPTION The Karonga Cultural and Museum Centre, although housed in a modern building and with some impressive fossil displays, does not receive many visitors. Consideration should be given to separating the two activities: enhancing the dinosaur displays (even adding intuitive audio-visual material) and cultural activities, which could be accommodated in more traditional Malawian facilities on the same premises. The human history displays could be accommodated separately in one of the two modern buildings.

Project 2: Slave Trade Museum in Mwahimba Village
DESCRIPTION Karonga, being the first proper town that travellers from Tanzania arrive at, has a few stories to tell. One of them is that of the slave trade which was particularly horrific in this part of Malawi. During the late nineteen-hundreds, an Arab slave trader called Mlozi decimated the Nkonde population who were hard at work tilling the fertile soils around Chitipa and Karonga. He declared himself Sultan of Nkondeland in 1887 but was captured by the British and condemned by the Nkonde elders in 1895. The idea is to renovate an old building in the Mwahimba village as a museum in which these and other stories can be displayed.

Project 3: Tourist Information Centres at Karonga and Chitipa
DESCRIPTION A Tourist Information Centre, on the main roads entering Malawi from Zambia and Tanzania, will serve the purpose of informing visitors to the country about its many tourism marvels. The idea is to develop small Information Centres along these roads, which will allow visitors to relax after the border crossing and at the same time, learn about the country.

Project 4: Transit Facility outside Songwe Border Post
DESCRIPTION There is a need for a "one-stop-shop" on the Malawi side of both the Songwe border post and the Chitipa border. A filling station, restaurant, public toilets, and other retail outlets should be provided, with ample parking for visitors. **LOCATION** Suitable spots should be identified on the M1 and M9 roads. **SPECIFICS** A 40-seat restaurant (60m²) with outside shaded seating and a children's playground is required. Public toilets (80m²), ATM facilities, and a take-away eatery will complete the facility to be erected by the private sector, while a filling station needs to be put up by one of the petrol companies.

Project 5: Agritourism Venture in conjunction with KASFA (Kaporo Smallholder Farmers Association)
DESCRIPTION The low-lying areas between Kaporo and Lake Malawi are extensively cultivated by rice growers. Some of the finest rice in Malawi is produced here and visitors are currently taken to the paddies and mills where the rice grains are processed, polished, and graded. It is envisaged that this form of agritourism can be enhanced by providing overnight stays and other cultural interaction opportunities with the local farmers.

Project 6: New Spa and Wellness Centre at Mkungwe Hot Spring
DESCRIPTION It is believed that domestic tourists will support this product. If not too out-of-the-way, even visitors to the country arriving from Tanzania might do so, as the first stop into Malawi and a welcome recovery opportunity after a long journey. Both indoor and outdoor baths can be provided with amenities, such as a restaurant, ablutions, and shop. Limited overnight facilities can be considered; a 40-bed mid-market inn is suggested, served by the restaurant and public facilities.

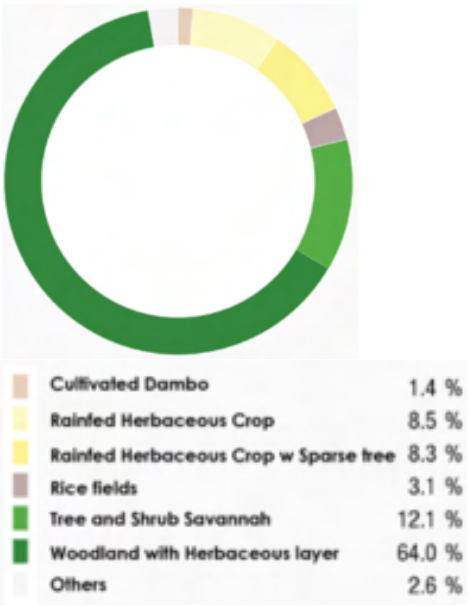
Project 7: Overlander Campsite on the North Rukuru river, north-western Karonga
DESCRIPTION The Overlander market is growing strongly in Africa. Groups normally consist of 10-16 people, from different age groups but mostly below 30 years old. These tours visit places of interest varying from natural beauty to beaches, and wildlife to cultural markets. Most of the time they put up small dome tents at campsites that can accommodate larger vehicles. Ideally, they should be provided with covered facilities where they can prepare meals and dine and their own male/female ablutions.

Project 8: New Mid-market Resort in Karonga
DESCRIPTION There are a few resorts and beach lodges on Karonga's lakeshore, but a mid-market facility will enhance its tourism offering. A mid-market resort is proposed for this destination, similar to the products found at Chintcheche and to the north of Mangochi. The resort, with different dining venues, and private beach and sports facilities, will be able to accommodate 100 guests in 50 en suite bedrooms.

Project 9: New Ecolodge in Misuku Hills
DESCRIPTION A 32-bed mid-market Mountain Inn, located in the Misuku hills part of the Forest Reserve, will be developed with shareholding reserved for the local communities surrounding the area. Development funding will be sourced from donors, part of which will be transferred to a structured community trust representative of community interests. A campsite with 20 stands and shared ablution facilities will be part of the development.

Annexure B: Geography and Climate

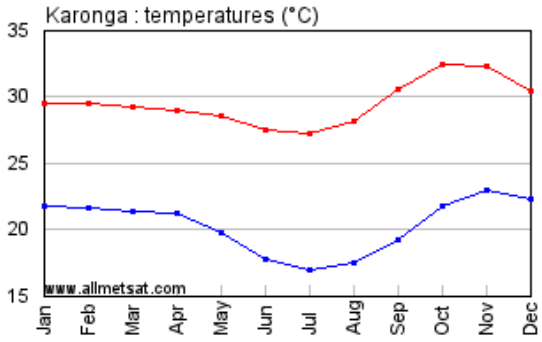
Both Karonga & Chitipa districts are largely characterized by woodlands with herbaceous flora as well as trees and shrubs savannah and rain-fed herbaceous cropped land with sparse and dense tree cover. Small areas are cultivated for agriculture.



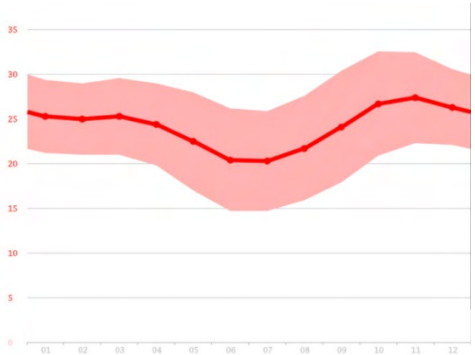
Map 3: Land Cover Map – Karonga

Land cover Map – Karonga areas

Karonga's climate is tropical with the average yearly temperature around 30°C with the cooler months being May to July and the hottest October to December.

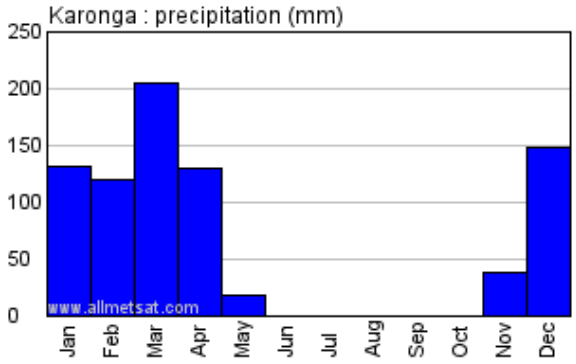


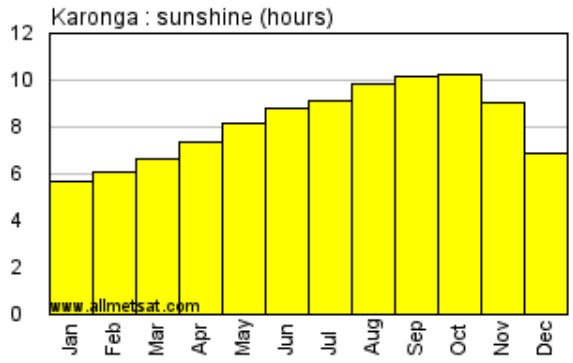
Average monthly temperature



Average yearly temperature

The average yearly rainfall for Karonga is 1300mm with the wet season from November to April. The winter or dry months has hardly any rain, but humidity remains high throughout the year with the lowest at 56% during October.



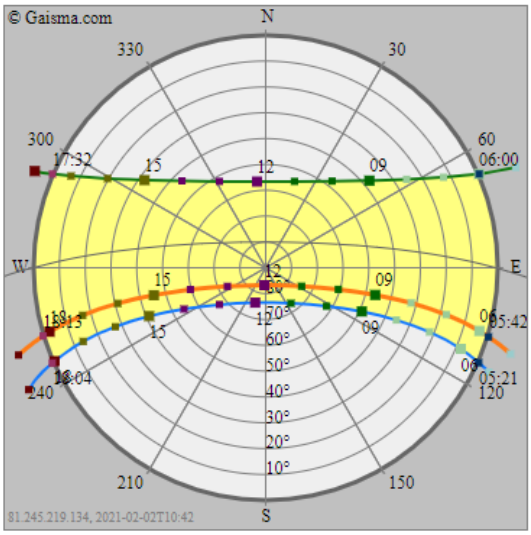


Hand in hand with precipitation, is the average sunshine hours per day with winter & spring months being the most hours, mostly due to being the dry months

Sun path: Winter solstice path

Sun path: Summer solstice path

Sun path diagram for Karonga indicating degrees



Sun path
- Today
- June solstice
- December solstice
- Annual variation
- Equinox (March and September)

Sunrise/sunset
- Sunrise
- Sunset

Time
- 00-02
- 03-05
- 06-08
- 09-11
- 12-14
- 15-17
- 18-20
- 21-23

Annexure C: Statement of Area

Transit Facility outside Songwe border post

Filling Station

- Forecourt with 4 pump islands (for cars) 24x18m = 432m²
- Forecourt with 2 pump islands (for trucks) 20x36m = 720m²
- Tank & pump installation funded by a petrol company
- Parking for 10 cars, 2 coaches and 4 trucks 600m²

Refreshment Centre

1. Public toilets 64m²
2. Restaurant for 40 people 270m²

- Dining area 60m²
- Outside seating, shaded 40m²
- Kitchen/stores 100m²
- Staff facilities 20m²
- Children's playground 50m²

- Take-away/fast food (2x70m²) = 140m²
  - Waiting/order area 24m²
  - Seating area 20m²
  - Kitchen/stores 26m²
- Convenience store 116m²
  - Tills 16m²
  - Display area 50m²
  - Stores 30m²
  - Staff 20m²
- ATM (2x 16m²) = 32m²

60-bed Motel

- 24 rooms each 50m², patios and the living area included 1 200m²
- Parking for each unit 20x24 + for staff 20x2 = 520m²
- Central facilities 410m²
  - Reception/admin 40m²
  - Waiting area 20m²
  - Business Centre 30m²
  - Porte-cochere 60m²
  - Public toilets 20m²
  - Breakfast area for 20 pax 50m²
  - Kitchen/stores 40m²
  - Bar 40m²
  - Circulation 40m²
  - Laundry/linen 30m²
  - Stores 20m²

- Maintenance 20m²

Annexure D: Best Case example

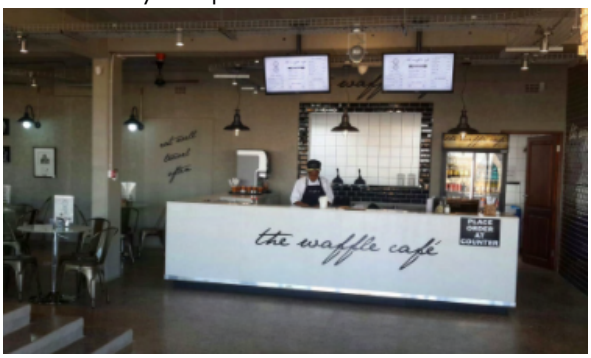
Photographs of a similar tourism product, elsewhere in the world, illustrates the "look and feel" of the development. This product will cater for the same market, offer the same amenities and activities, and will explain the project better than words can do.

The Alzu Petroport along the N4 in South Africa has facilities for fuel refuelling, a shop for selling general goods, various restaurants & take-aways, ablutions, a look-out point with seating towards the waterhole for animals and facilities for long-distance trucks.

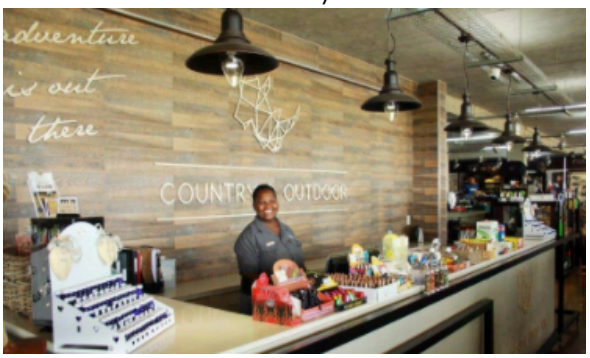
View towards facility from wildlife pen

Nighttime view from the road

Take-away shop access



Restaurant 7 take-away entrance



Take-away serving area

Shop

Curio shop

Children play area

Bathroom entrance

Bathroom interior

View of parking & forecourt from road

Annexure E: Construction Cost Guestimate

Transit Facility outside Songwe Border post

24 Room Motel

	Quantity	Area m²	$/m²	Total
Rooms				
Standard rooms 50 m²	24	1200 m²	$1 233,94	$1 480 727,37
Public areas				
Porte cochere	1	60 m²	$392,62	$23 557,03
Reception/admin	1	40 m²	$772,15	$30 885,88
Waiting area	1	20 m²	$772,15	$15 442,94
Business centre	1	30 m²	$772,15	$23 164,41
Public toilets	1	20 m²	$878,71	$17 574,29
Breakfast area	1	50 m²	$772,15	$38 607,35
Bar	1	40 m²	$962,85	$38 513,87
Circulation	1	40 m²	$514,14	$20 565,66
BoH				
Kitchen	1	40 m²	$973,60	$38 943,88
Stores	1	20 m²	$553,40	$11 068,06
Maintenance	1	20 m²	$772,15	$15 442,94
Laundry/linen	1	30 m²	$654,36	$19 630,86
TOTAL		**1610 m²**		**$1 774 124,52**

Filling Station

	Quantity	Area m²	$/m²	Total
Filling Station				
Forecourt with 4 pump islands for cars 18 x 24		432 m²	$607,62	$262 492,58
Forecourt with 2 pump islands for trucks 36 x 20		720 m²	$654,36	$471 140,53
Parking for 10 cars, 2 coaches & 4 trucks	1	600 m²	$106,57	$63 940,50
Motel parking				
Parking for each room 20 m²	24	480 m²	$106,57	$51 152,40
Staff parking 20 m²	2	40 m²	$106,57	$4 262,70
TOTAL		**2272 m²**		**$852 988,71**

Transit Facility outside Songwe Border post

Refreshment Centre

	Quantity	Area m²	$/m²	Total
Public toilets				
Public toilets	1	1500 m²	$878,71	$1 318 071,71
Restaurant for 40 people - 270m²				
Dining area	1	60 m²	$691,75	$41 505,24
Outside seating, shaded	1	40 m²	$728,68	$29 147,15
Kitchen/stores	1	100 m²	$1 290,03	$129 002,76
Staff facilities	4	20 m²	$772,15	$15 442,94
Childrens playground	1	50 m²	$355,23	$17 761,25
Take-away/fast food: 2 off - 140m²				
Waiting/order 24 m²	2	48 m²	$962,85	$46 216,64
Seating area 20 m²	2	40 m²	$691,75	$27 670,16
Kitchen/stores 26 m²	2	52 m²	$1 233,94	$64 164,85
Management				
Tills	1	16 m²	$772,15	$12 354,35
Display area	1	50 m²	$691,75	$34 587,70
Staff facilities	1	20 m²	$772,15	$15 442,94
Stores	1	30 m²	$553,40	$16 602,09
ATM				
ATM 16 m²	2	32 m²	$869,37	$27 819,73
TOTAL		**2058 m²**		**$1 795 789,51**

Transit Facility outside Songwe Border post

Services

	Quantity	$ Cost	Item Total
Sewerage			$30 361,84
Sewer reticulation	1	$20 098,68	
Septic tanks & treatment plant	1	$7 269,74	
Irrigation system	1	$2 993,42	
Water			$17 875,00
Water connection	1	$3 848,68	
Water storage	1	$4 618,42	
Solar power connection with pump	1	$6 842,11	
Water treatment plant	1	$2 565,79	
Power			$43 190,79
Electrical connection	1	$10 690,79	
Back-up generator	1	$11 973,68	
Reticulation	1	$20 526,32	
Communications			$2 138,16
Cellphone repeater	1	$2 138,16	
Earthworks			$29 934,21
Landscaping	1	$29 934,21	
TOTAL		**$123 500,00**	

End of Pre-feasibility Report 3

Pre-feasibility Report 4

A new mid-market Resort at Livingstonia, Northern Malawi

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1. Introduction

The Government of Malawi has identified tourism development as one of the major drivers of the country's economy. In line with this, Malawi has developed a National Tourism Investment Masterplan to identify potential areas for investment. Amongst the many investment opportunities identified in the Masterplan, ten priority projects have been singled out for prefeasibility analysis. This report, therefore, present preliminary analysis of a New Mid-Market Resort at Livingstonia in order to assist potential developers, investors, project promoters and funders in their decision-making process.

The New Mid-Market Resort at Livingstonia falls under the Nyika- Vwaza - Livingstonia - Chiweta – Mlowe tourism node which is situated in Rumphi in the Northern Region. The node occupies an area of 4560 sq. km and has a total population of 229,161 (NSO, MPHS 2018). The Nyika National Park and Vwaza Marsh Wildlife Reserve make up the primary destinations in this node.

The culturally important town of Livingstonia and Lakeshore destinations of Chiweta and Mlowe make up the secondary destinations in this node. Overall, the node provides a balanced offering in terms of Wildlife Tourism, Nature Tourism, Culture Tourism, as well as Lakeshore Tourism asset inventory. It is worth noting that several tourism projects were identified within this node **(Refer to Annexure A)**, but the Mid-Market Resort was prioritised. This project will be done at Livingstonia in Rumphi.

Livingstonia is a historic and cultural centre, the hub of the Scottish missionaries who settled in Malawi in the 1870s. The leading missionary Dr. Robert Laws established the best school in the region and wanted the town to develop into a university. Several structures of the Livingstonia mission still survive today, including many of its distinctive red-brick buildings, a church, and a small museum. On display, there are fascinating exhibits, including photographic glass slides, old photographic prints, wall displays, furniture, and equipment dating from the earliest times of the establishment of the mission.

Livingstonia Synod of the Church of Central Africa, Presbyterian (CCAP) renewed the vision and started Livingstonia University. Today, Livingstonia is renowned historic town located in the highlands and overlooking Lake Malawi.

Figure 26 Map of the Nyika- Vwaza - Livingstonia - Chiweta – Mlowe tourism node

The Rift Valley Mountains rise from the west of Lake Malawi to Nyika Plateau, with the town of Livingstonia lying 890m above the lake. It offers views across the lake towards Tanzania as well as to the north and south and onto the steep mountainside of the plateau. Due to the elevation of the town, temperatures are much cooler than in lower-lying areas. Similarly, rainfall is higher than in the surrounding areas. **(Refer to Annexure B).**

2. Objective

The purpose of this study is to investigate the opportunities and risks of developing a New Mid-Market Resort at Livingstonia in Rumphi. This will help to determine whether this investment is viable, the various key factors of competitive business in this particular market will be analysed.

However, at this stage, this study does not include a detailed project report and an Environmental and Social Impact Assessment (ESIA). These will be conducted at later stage by the prospective investor(s).

This study aims to establish a neutral, professional and qualified opinion and a thorough analysis of the current project plan. A tentative statement of area has been drawn up as part of the pre-feasibility study **(Refer to Annexure-C).**

3. Development Concept

This section provides an overview of the project and a description of various elements that are part of the development concept. Broad guidelines are provided for the purpose of

directing the development of the project. The **Crystal Springs Mountain Lodge** at Mpumalanga in South Africa is the best example that illustrates the proposed product at Livingstonia. Refer to Annexure D.

3.1. Project Objective

The main objectives is to build a 20 room Hotel, self-catering accommodation and leisure facilities that will provide an alternative mid-to high-level tourist product in Livingstonia enhancing tourists' experience.

3.2. Project Description and Details

The requirement exists for a mid-to-upmarket overnight facility, provide in a 20-room hotel, plus self-catering chalets. An Activity Centre will offer guests and day visitors indoor- and outdoor activities, such as tennis, putt-putt, swimming, and entertainment. Indoor activities can include a children's playground, squash courts, a gym, and a multi-purpose hall to accommodate indoor sports. A well-equipped Business Centre will allow clients to keep contact with their businesses while enjoying un-spoilt nature.

A family-orientated Resort, with diverse dining experiences and activities for young and old, is proposed. Due to its high location on the plateau, Livingstonia offers a mild climate, stunning views and is free of mosquitoes. The location also has many interesting historical buildings that can be visited on foot and hiking trails into surrounding areas.

A **20-room hotel** with dining for residents, a bar and a lounge overlooking Lake Malawi are planned, with the possibility of adding rooms in future. Nearby, a resort **Activity Centre** offers an indoor multi-purpose hall, gym, retail, and business centre. A pizzeria and refreshment stand overlooks the swimming pools and courtyard, connecting all the facilities. Two squash- and tennis courts, together with a putt-putt course, will be open to day visitors as well. **Self-catering chalets** (also with expansion opportunities) will provide both 2-bed and family units. In addition to the project facilities, certain other amenities are essential for operations and need to be developed to support the project. These include:

- Water filtration and storage facility to provide access to clean water
- Wastewater, Sewage and sanitation facility
- Waste disposal facilities to ensure zero pollution
- Steady connection to the electricity grid and alternative energy sources like solar panels, generators, etc.
- On site ATM, money exchange, and internet facilities for tourists
- Medical facilities to cater for accidents related to tourist activities and emergencies.
- Entry roads, streetlights and gateway to access the project site
- Ablutions, lockers and changing rooms within the premises

3.3. Development Guidelines

In order to achieve sustainable tourism development, the following guidelines should be considered:

- Ensure that environmental conservation is incorporated at every stage of the project
- Local communities should benefit from job creation facilities e.g. construction, craft production, fresh food supply and operation and management of tourism facilities wherever quality, quantity and consistency permits
- Development of partnerships between local communities and other stakeholders are imperative. Community members or representatives should be involved in development
- As Corporate Social Responsibility, provide skills training to local people e.g. training of local guides, allow educational visits at considerable rates, building of curio stalls
- Waste disposal facilities to ensure zero pollution
- Use of sustainable sources of energy that will ensure environmental conservation

3.4. Site Location

Livingstonia is located on coordinates 10.6096° S, 34.1124° E**. It is situated on the higher grounds between Lake Malawi and the Nyika Plateau.** The town is connected to the lake by the S103 road to the north connecting to the M1 towards Chitimba and the south with the T305 towards Rumphi & Mzuzu. The closest city is Mzuzu about 134 kilometers from the site and the closest towns are Rumphi (about 82 km) and Karonga (about 107 km)

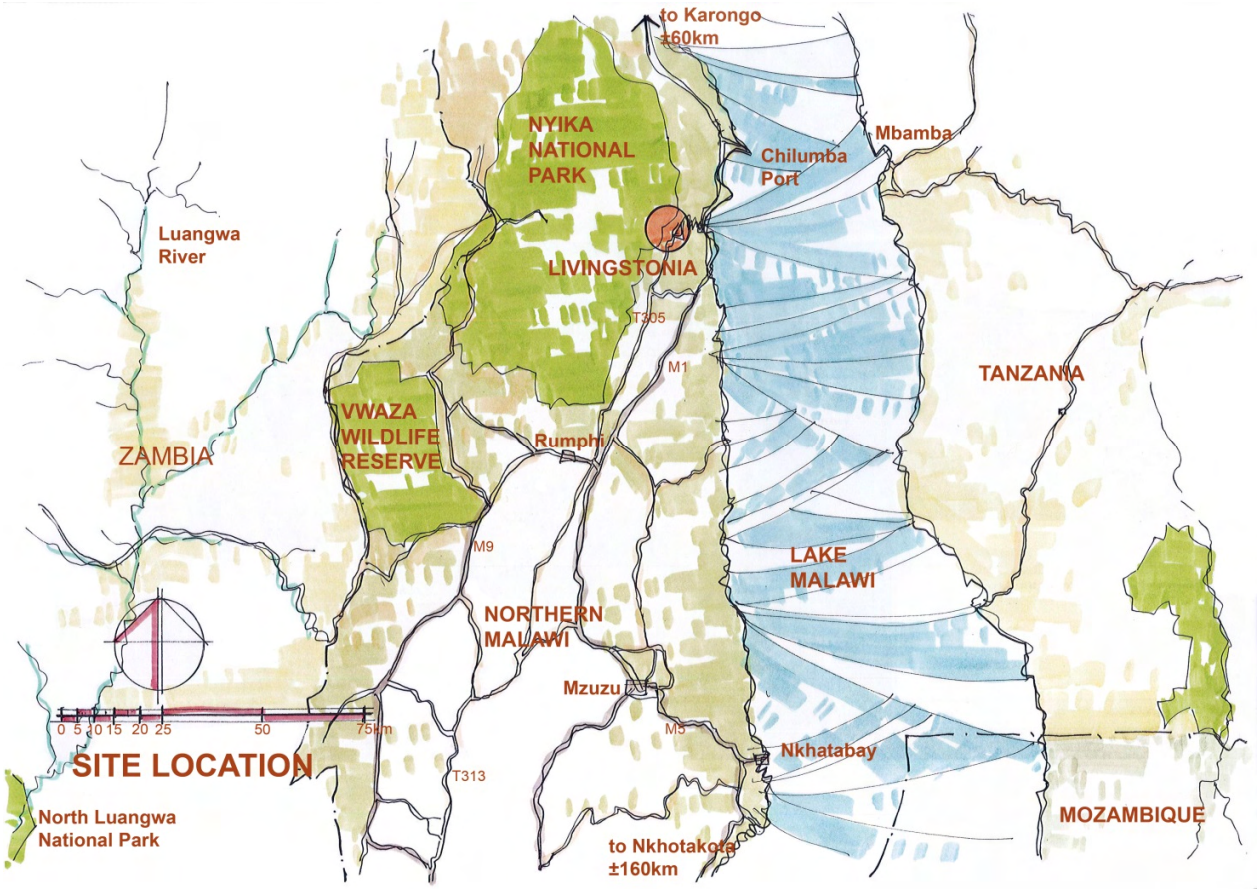


Figure 27 Map of the Site Lcation

3.5. Accessibility

Air Transport

There are no airport facilities in Livingstonia. The closest airport is at Mzuzu and an airstrip at Chelinda and Karonga. For international connections, the Kamuzu International Airport in Lilongwe is the closest.

Water transport

The Ilala Ferry stops at Chilumba on Sunday nights as part of its weekly round trip on the lake.

Road Transport

The S103 road to the north connects to the M1 towards Chitimba and the T305 to the south towards Rumphi & Mzuzu. Both these roads are gravel and steep with hairpin bends. There is a need to upgrade the street, and avenue roads on the plateau, including the road from Mantchewe via Chituzula and Thunda to Kajoni, turn off. These roads are gravel and steep with hairpin bends.

3.6. Existing Support Infrastructure and Other Services

Electricity

There is electricity available that can be connected to. However, it is recommended to provide backup power.

Water

Piped water is available for development, however there is a need for upgrading the system.

Sewerage

No connections are available, and alternative removal or treatment must be provided.

Communications Infrastructure

Communication facilities are available in the area

Medical facilities

The David Gordon Memorial Hospital is situated within the Area.

Banking

There are no banking facilities in Livingstonia. Nearest facility can be found at Uliwa, and Rumphi Boma.

Post office

The area has no postal facility

Fuel

No fuel station in the area, closest is at Uliwa (about 25km)

4. Market Analysis

4.1 Supply Analysis

The supply analysis gives an indication of the tourism assets and activities in the area under consideration

Wildlife and nature Experience

Nyika National Park: Nyika National park is the largest in Malawi covering 3200 sq km. The park has a wide range of Fauna and Flora with zebras being the most common wildlife. It is a wonderful place for Game drive, biking and trekking. The popular accomodatin in Nyika is the Chelinda Camp which provide for a very stunning and upmarket Experience.

Figure 28Zebras at Nyika National Park

Vwaza Marsh: Vwaza Marsh Wildlife Reserve is located closer to Nyika National park. It has a blend of forest, grassland and Marsh. The reserve has a wide range of animal such as elephants, Hippos and Birds. Lake Kazuni located within the reserve near the entrance provide an opportunity to view animals like the elephants and Hippos.

Figure 29 elephants around Lake Kazuni in Vwaza Marsh

Lake Malawi Resorts: The lakeshore towns have lodges, resorts & hotels that offer water-related activities for tourists.

Manchewe Waterfalls - Manchewe Waterfall is located 4 km from Livingstonia, and it takes about 1hr for a to-and-fro trek. It contains a small path behind the fall where a cave is found. Legend has it that people used the cave to hide from slave traders.

Figure 30 Manchewe Waterfalls

Lukwe EcoCamp & Organic Gardens - Located near the Manchewe Waterfall with a wooden design as its architecture, it offers an unusual setting overlooking the waterfall and the Nyika Plateau and Lake Malawi.

Figure 31 wooden Architecture at Lukwe EcoCamp and Organic Gardens

Mushroom Farm - Mushroom Farm & Livingstonia Lodge are two low-tier lodges, with Mushroom Farm quickly growing more popular due to its lofty setting.

Figure 32 A lounge at Marshroom Farm

Culture and Historical Heritage

The Old Stone House Museum - Old Stone House was the original house that Dr. Laws lived in. It has been turned into a museum exhibiting photographic glass slides, old photographic prints, wall displays, and furniture, all dating back to establishing the mission. There are also a few guest rooms and dining facilities available in the building.

Figure 33 Stone House located in Livingstonia

Kandewe Cultural Heritage Site - About 35 km past the junction for Rumphi, Kandewe is best known as the site of the Zuwurufu Hanging Bridge. This basket suspension bridge spans the South Rukuru River on the opposite side of the road. This bridge now forms the centerpiece of a government-sanctioned community project. Made almost entirely from woven reed and bamboo (supplemented more recently by two wire ropes), the bridge feels like a giant elongated basket dangling high above the water between two trees.

Figure 34 The Zuwurufu Hanging bridge

Florence Bay – at Chitimba: all goods came through boats at Florence bay before being transferred to the plateau. It is, therefore, a historic place worth recognizing.

Restaurants
The existing lodges have restaurant facilities.

Accommodation

There are a few Accommodation in Livingstonia, all budget-type (Stone House & Livingstonia Lodges, cabins & 2x eco-lodges). All are running at high occupancy levels. A need for more upmarket accommodation is evident, which can also cater to international tourists. Accommodation available in the area are as follows:

- Livingstonia Lodges
- Stone House
- Lukwe Eco-Camp
- Mushroom Farm
- Pineapple Guesthouse

4.2 Demand Analysis

The tourism demand for Mid – Market Resort at Livingstonia is characterized by a number of types of travelers which can be divided based on the motivation for travel. These are:

- Authentic nature and Culture lovers
- Curious and price sensitive digital agers
- Mainstream and Convenience – pursuing explorers

Authentic nature and culture lovers

This traveler is more into cultural exchanges, interaction with various cultural groups and is eager to learn new cultural experiences. On the part of nature, they have knowledge about conservation and have a sustainable oriented mindset and travel behavior. Whilst it may cut across all age brackets the majority will tend to be older and those in the mid to high income brackets.

Curious and price sensitive digital agers

These are young travelers, 35 years of age and below, and have a young and technical oriented mind. Most likely they combine work and travel and are keen to share their travel experiences on digital media platforms.

Mainstream and Convenience – pursuing explorers

The travelers comprising middle to upper class spenders both domestic and internationals seeking contrasting experience and are cross boarders for multi – destination experiences

Table 4 Types of Tourists and their spending level

Types of Tourists	**Range of their spending on daily basis**		
	Low	Medium	High
Authentic Nature and Culture Lovers			
Curious and price sensitive digital agers			
Mainstream and Convenience pursuing Explorers			

4.3 Target Market

The target market for the Mid – Market Resort will be both the Domestic and international market. Considering that the proposed facility is located within the node comprising wide range of attractions offering nature tourism experience, the target market segment will focus mainly the authentic nature lovers and the adventurous explorers.

4.4 Competition analysis

This section identifies the possible competitors to the proposed investment. The closest competitors are the nearby attractions and facilities within the closest nodes that are well established with strong market share and substitute products. However, the Mid – Market Resort will have competitive edge since is located within a node with a wide range of attraction offering authentic nature and cultural experiences.

5. Risks And Mitigations

This part outlines the potential risks that can be encountered and its mitigation strategies as illustrated in the table below

Table 5 Potential risks and mitigation strategies

Potential Risk	**Mitigation Strategy**
Intense competition from the Domestic and International market	○ Partnership with tour operators ○ Intensify marketing to the Domestic market ○ Enter into time contracts with University of Livingstonia
Resistance from environmental conservationists	○ Carrying capacity should not be exceeded. ○ Environmentally friendly practices should be implemented.

Tourism Industry is prone to different shocks and environmental disasters	○ Risk Management plan ○ Insure the properties
Seasonality of international visitor flows	○ Develop marketing strategies that will counter the effects of the seasonality on the development
Negative social impacts	○ Continued awareness ○ Deliberate efforts to ensure that communities fully benefit from the operations ○ Corporate social responsibility
Safety and Security	○ Ensure enough security at the site location ○ Corroboration with Community policing

6. Potential Environmental & Socio-Economic Benefits

The following are the potential benefits:

- Participation of locals in planning and management of the project including Job opportunities
- Tax Revenues and levies for the country
- Promotion of a sense of pride among citizens and residents
- Enhancement of the destination profile
- Infrastructural development
- Spill over benefits to other sectors
- Promotion and preservation of local Culture
- Enhancement and protection of Flora and fauna of the national park.

7. Financials

7.1. Estimated Capital Expenditure

Below a "guestimate" of the development costs. Accurate estimates will need to be done in a full Feasibility Study to be undertaken by the developer interested in this opportunity.

EXECUTIVE SUMMARY

Item	Description	Budget US$
1	20 Room Hotel	$ 1 449 710,62
2	Self-catering units	$ 619 549,79
3	Activities	$ 762 415,68
6	Bulk Services & Infrastructure: 20 Room hotel	$ 156 076,97
7	Bulk Services & Infrastructure: 10 Bed Eco lodge	$ 18 046,05
11	Preliminaries & General @ 10%	$ 300 579,91

	SUB-TOTAL - Construction cost	**$**	**3 306 379,03**
9	FF&E @ 25% of construction cost	$	826 594,76
10	Contingency @ 5% of construction cost	$	165 318,95
	TOTAL - Construction cost	**$**	**4 298 292,73**
11	Professional fees - 12% of construction cost	$	396 765,48
12	Additional costs, Budget at 25%: Vehicles, Marketing, Electronic equipment, EIA, etc.	$	826 594,76
	TOTAL GUESTIMATE OF DEVELOPMENT COST	**$**	**5 521 652,97**

7.2. Income potential

The financial forecast for the 1st year of operation is estimated as follows:

EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$	
1	Revenue from Hotel Rooms	$	1 022 000,00
2	Revenue from Self Catering Units	$	255 500,00
3	Revenue from Activities	$	438 000,00
	TOTAL GUESTIMATE OF REVENUE	**$**	**1 715 500,00**

7.3. Operational Expense

EXECUTIVE SUMMARY (YEAR 1)

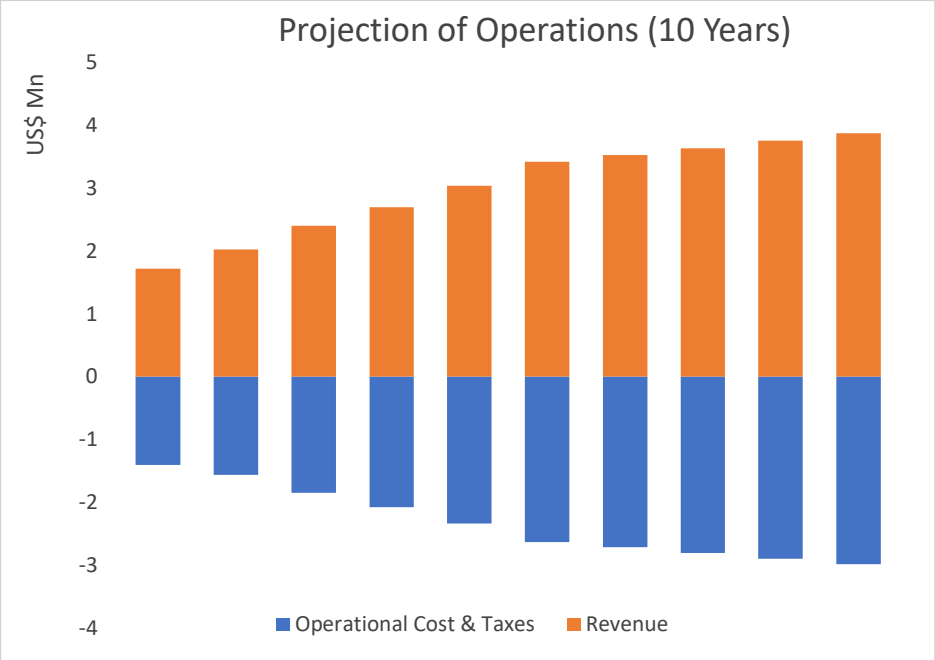
Item	Description	Budget US$	
1	Cost of Rooms	$	257 325,00
2	Cost of Food & Beverage	$	188 705,00
3	Fixed Charges	$	171 550,00
4	Cost of Administration	$	137 240,00
5	Cost of Operation & Maintenance	$	240 170,00
6	Sales and Marketing	$	171 550,00
7	Utilities and Other Costs	$	120 085,00
8	Interest and Taxes	$	111 507,50
9	Cost of Living Allowance	$	11 836,95
10	Cost of Leasing Land	$	1 638,00

TOTAL GUESTIMATE OF EXPENSES	$	1 411 607,45

7.4. Summary of Financials

US$5.52 Mn CAPEX	US$1.71 Mn Revenue for 1st Year	US$9.14 Mn Net Present Value
13.4% Internal Rate of Return	US$194 K EBIT for 1st Year	9 Years Payback Period

Projection of operations for the new resort is based on estimated initial occupancy of 40% for the first year, gradually increasing over to 48% in the next year. NPV of the project is based on a 9% Discount rate and Cost of Living Allowance of 3% estimated for the period and other operational and fixed expenses.



Initial assessment of the project financials indicates a profitable investment, in the long run, considering the planned development in infrastructure as well as promotion of tourism over the next 20 years. Refer to Annexure E

Annexure A: List of other Projects identified by Government

Project 1: New Lodge at Juniper Forest, Nyika NP
DESCRIPTION It is recommended that an exclusive game lodge be developed in a clearing next to the Juniper Forest. Unlike the existing Chelinda Lodge, this can be a typical African Bush Lodge constructed with natural materials that blend into nature. Chalets will be en-suite with private patios linked with a pathway to the public areas. The traditional bush fare will be served here, either in a cosy dining area or around an open fire in the boma. A 32-bed lodge specializing in game drives and guided walks are proposed.

Project 2: New Day Visitors facilities in the Thazima Gate vicinity, Nyika NP
DESCRIPTION There are very few facilities to accommodate the needs of day visitors. Apart from providing a few picnic spots with ablutions in the Park, it will be a good idea to develop a Day Visitor Centre not too far from the main entrance gate. This facility will provide visitors with an opportunity to enjoy nature while preparing food and freshening up. It needs to be located on the periphery of the Park to ensure that day visitors have easy access and limit additional traffic on the road system in the Park.

Project 3: New Resort in Livingstonia
DESCRIPTION The requirement exists for a mid-to-upmarket overnight facility, provide in a 20-room hotel, plus self-catering chalets. An Activity Centre will offer guests and day visitors indoor- and outdoor activities, such as tennis, putt-putt, swimming, and entertainment. Indoor activities can include a children's playground, squash courts, a gym, and a multi-purpose hall to accommodate indoor sports. A well-equipped Business Centre will allow clients to keep contact with their businesses while enjoying un-spoilt nature.

Project 4: Dr Livingstone Museum and Heritage Route, Livingstonia
DESCRIPTION The product entails developing an Information Centre, which includes a museum and library, supported by public amenities. The Centre will tell Dr. David Livingstone's story and Slave Trade, which he was instrumental in dismantling. Visitors will be able to stay over in existing accommodation in town. Additional beds can be made available through the construction of residential units operated as guesthouses, offering self-catering units and centralized dining facilities. As part of this project, all cultural sites in Livingstonia will be documented and linked to the Centre to complete the experience.

Project 5: Upgrading and Additions to Chelinda Lodge, Nyika NP
DESCRIPTION The existing Chelinda Lodge, although priced high, is mid-market in nature. 16 beds are on offer, all in self-catering cabins or chalets. Very few recreational facilities are available. It is suggested that the existing facilities be given a facelift and that the following be added: o 15 chalets/cabins, each with 4 beds and limited kitchen facilities. o A 60-seat restaurant on the water's edge, linked with decks to a tea kiosk and the other side of the lake, where the new chalets will be positioned. o A clubhouse offering indoor activities and a coffee shop. o Equipment for water-based activities (rowing, fishing) and forest walks.

Project 6: New Tented Lodge in Vwaza March Wildlife Reserve
DESCRIPTION A small exclusive tented lodge is proposed for the Vwaza Marsh Wildlife Reserve. Only 16 beds will be provided in 8 tented units, raised on poles, each en suite with a private deck overlooking Lake Kazuni. Public areas (dining, bar, and lounge) will also be under canvass. Guided walks, game drives, and birding expeditions will be offered.

Project 7: Campsite facilities in Vwaza Marsh Wildlife Reserve
DESCRIPTION Currently, the only overnight facilities in Vwaza are on Lake Kazuni – the Kazuni Chalets and Campsite offer rustic chalets and -cuisine. Furthermore, the MEOF Safari Lodge (1,5km outside the Reserve) recently opened 4 huts with basic facilities. It is proposed that the mid-market tourist be provided with a wider choice of campsites in the Reserve. Two levels of comfort can be offered – exclusive campsites, where a small group will be provided with their own facilities or the conventional campsite model where tourists share facilities in an ablution block.

Project 8: New Visitor Centre and Entrance Gate, Vwaza Marsh Wildlife Reserve
DESCRIPTION Providing conservation areas with a well-designed and equipped Entrance Gate and Visitors Centre sets the tone for a visitor's experience of the area. Remember – first impressions are lasting impressions. The gate facilities should comprise a reception area where entrance fees can be paid and information handed to visitors. Public toilets should be easily accessed from here (or should be located on the way in), and displays should

set the tone for the experience. Local crafts can be sold in either a formal or informal manner at the gate.

Project 9: New Conference Lodge at Thazima, Nyika NP

DESCRIPTION

With Mzuzu only two hours away, the development of a conference lodge in Nyika is justified. It will offer delegates and their spouses an opportunity to break from city life and enjoy unrivalled nature between work sessions. A 100-bed lodge and -conference facility is considered ideal in size for this destination. It will target the upmarket and incentive sector and will be easily accessible on the M9 inside the Park, approximately 6km from the Thazima Gate.

Project 10: New Mid-Market Resort at Denbo River estuary, Chiweta

DESCRIPTION

The area surrounding the Denbo River estuary is mostly cultivated land because it is low-lying ground around the river.

A mid-market resort is proposed for this destination, like the products found at Chintcheche 200km to the south. The resort, with different dining venues, private beach, and sports facilities, will be able to accommodate 100 guests in 50 en suite bedrooms.

Project 11: New Heritage and Cultural Centre at Kandewe

DESCRIPTION

Along with the M1, between the Rumphi turnoff and Chiweta, is a small village called Kandewe. It is best known for the Zuwurufu Hanging Bridge, built-in 1904 and still in use today. The area also offers other cultural and heritage activities and would be well served by a Heritage Centre on the main road. An open-air arena with supporting amenities would be ideal, where regular dancing displays, craft and curios, and a welcome stop can be enjoyed.

Project 12: Cultural and Information Centre, Lake Kaulime

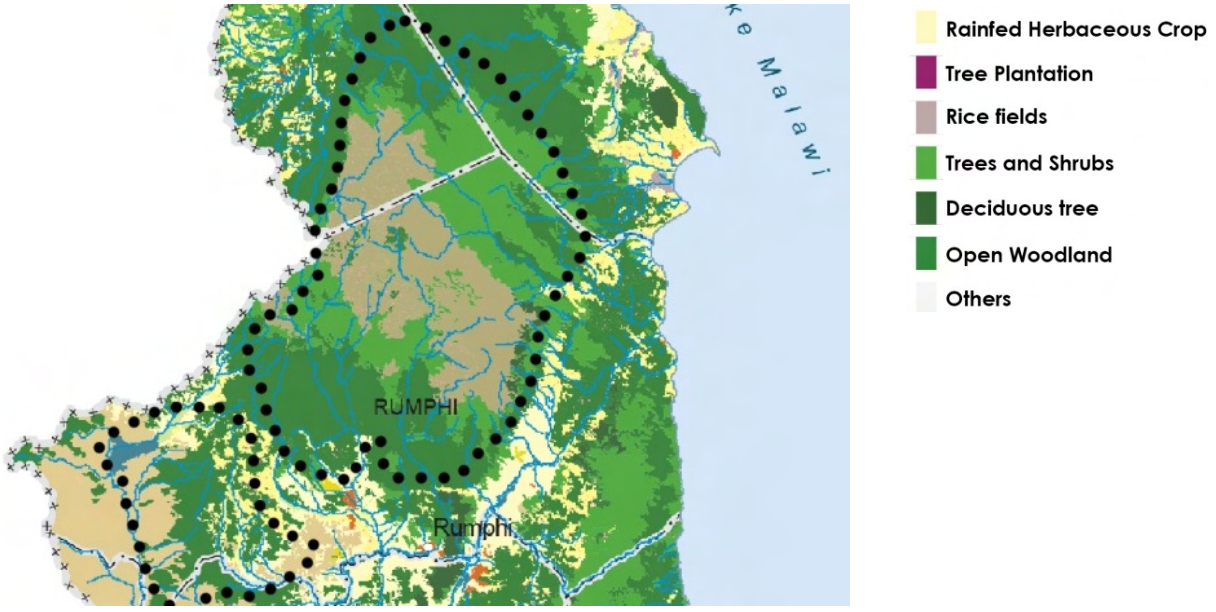
DESCRIPTION

Much of the Nyika Plateau history revolves around the migration of the Balowoka, an ancient African tribe that originated from Timbuktu in the 6th Century. Lake Kaulime, the only natural lake in Nyika, is surrounded by mystery and would be an excellent location for a Cultural Centre, especially if it can be combined with a public picnic- and birding spot. At the same time, information on the Park and its attractions can be made available to visitors here.100m²)

Annexure B: Geography & Climate

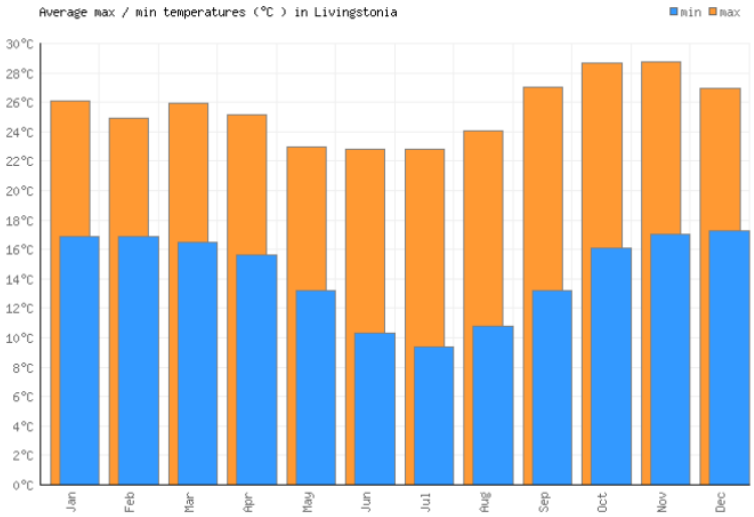
Livingstonia lies at 1350m above sea level with a large variation in elevation to the surrounding area with a drop of 660m towards the lake and a rise of ±325m to the Nyika Plateau to the west. It has excellent views over the lake to Tanzania and onto the steep mountainsides of the plateau.

The area around Livingstonia is trees (58%) and cropland (42%).



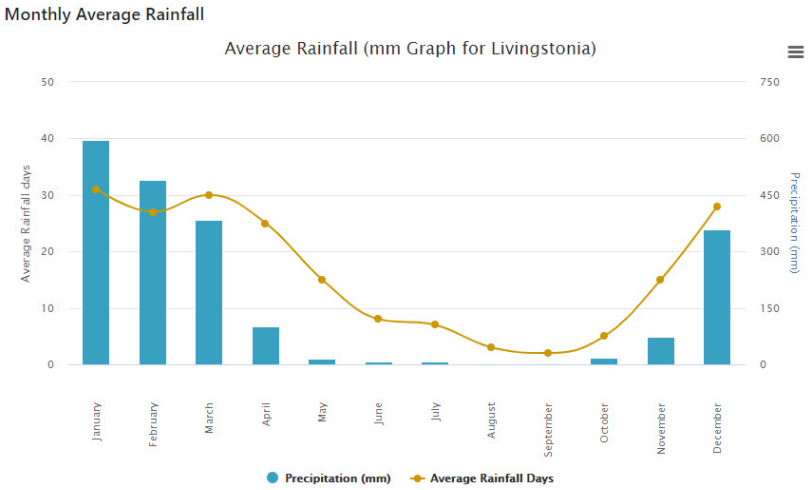
Land cover Map – Rumphi area

The warm season has an average high temperature of 27°C, whilst the cool season average high is 23°C.
Nighttime temperatures can be quite cool, especially between May to September.

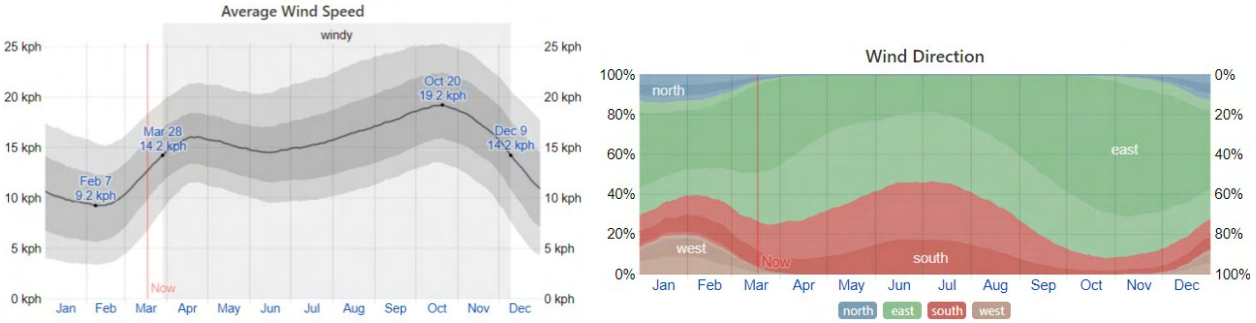


Average monthly temperature

The average yearly rainfall for Livingstonia is 0000mm, with very little rain during the dry season and most rain occurring between December and March.

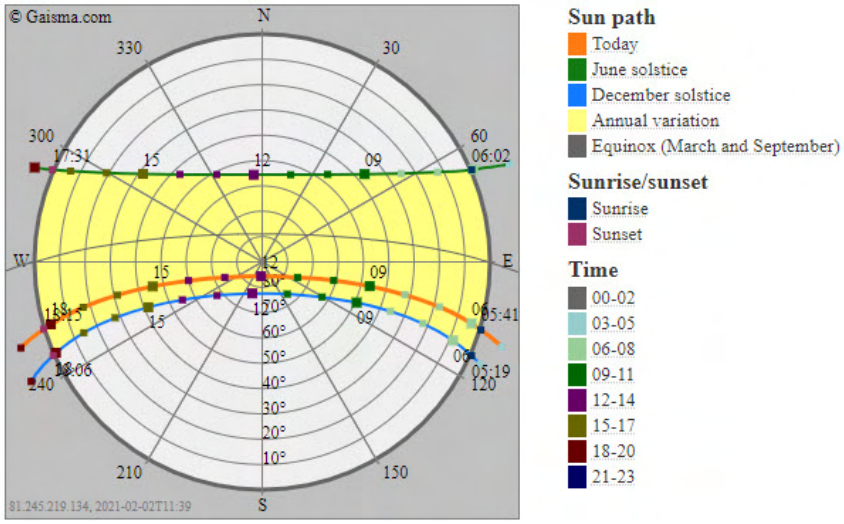


The calmer period for winds are during the rainy season and the windier months are during the dry season with wind speeds above 14km/h from March to November.



The sunrise and sunset hours do not vary much throughout the year, with less than an hour difference.

Sun path diagram for Rumphi indicated which lies 66km south of Livingstonia.



Annexure C: Statement of Area

New Resort in Livingstonia

7) 20-room Hotel

a. Hotel rooms

- Standard room 38m² (patio included) x20 = 760m²
- Circulation passages 160m²

b. Public areas

- Patio viewing onto mountains 100m²
- Foyer 151m²
- Front desk 15m²
- Porter 6m²
- Admin offices 40m²
- Shop 20m²
- Reception/waiting 30m²
- Public toilets 40m²
  - Lounge 50m²
  - Dining 60m²
  - Servery 20m²
  - Bar (on patio) 20m²
  - Circulation say 40m²

c. Back of House

- Kitchen 60m²
- Stores 30m²

- Maintenance 40m²
- Laundry/linen 40m²
- Staff facilities 50m²
- Circulation 30m²

8) Self-catering chalets

a. 5 one-bedroom chalets each 50m²; 250m²

- Living/kitchen 16m²
- Bedroom 14m²
- Bathroom 8m²
- Patio 12m²

b. 5x two-bedroom chalets 76; 380m²

- Living/kitchen 16m²
- Bedrooms each 14m²
- Bathrooms each 8m²
- Patio 16m²
- Connecting pathways with benches 400m²

9) Outside activities

- 2xSquash courts 150m²
- Swimming pool with kid's section 200m²
- 2x Tennis courts 24x11m² x2; 528m²
- Putt putt course 120m²
- Kiddies playground 40m²
- Paved areas 200m²

10) Resort activities

a. Multi-purpose Hall 200m²
b. Stores 40m²
c. Change rooms/ablutions 40m²
d. Gym 60m²
e. Business Centre 20m²
f. Hairdresser 15m²
g. Retail 3x shops each 15m² - 45m²
h. Pizzeria 150m²
i. Games arcade 60m²
j. Staff facilities 40m²
k. Courtyard 300m²

11) Parking

- Shaded parking for 40 cars and 4 coaches will be provided 700m²

Annexure D: Best Case Example

The **Crystal Springs Mountain Lodge** in Mpumalanga, South Africa, is an example that illustrates the proposed product. The resort is located in the Crystal Springs Nature Reserve, situated in the scenic area between Graskop, Pilgrims Rest & Ohrigstad.

The resort offers entertainment facilities for guests with hiking trails on the property, nature walks, bird watching, swimming pool, spa facilities, children's play area, tennis courts and indoor activities. Due to its location, easy access is to various tourist spots in the area, including the Kruger National Park, Blyderiver Canyon etc. It offers hotel accommodation as well as self-catering chalets.

Although built with thatched roofs, the setting and overall experience resemble what the Livingstonia Resort will offer. It overlooks magnificent scenery and is high lying, offering a mild climate conducive to hiking and outdoor sports in summer and indoor activities in winter.

Chalets viewing onto the mountains:

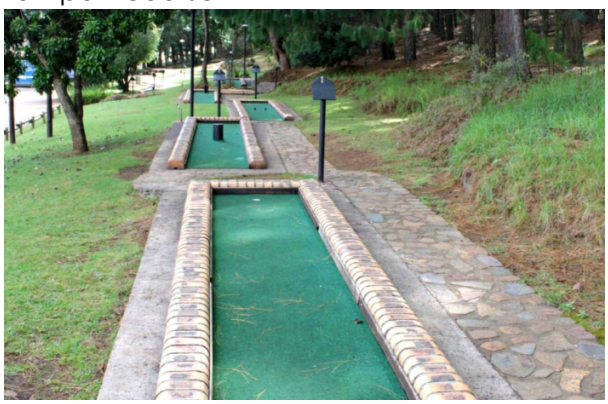
Aerial view towards chalets

Typical hotel bedroom

Typical self-catering lounge & kitchen

Pool & chess board

Putt putt course



Tennis courts

Gym facilities

Spa facility

Shop

Pub area

Dining area

Annexure E: Construction Cost Guestimate

New Resort in Livingstonia

20 Room Hotel

	Quantity	Area m²	$/m²	Total
Rooms				
Standard rooms 38 m²	20	760 m²	$1 233,94	$937 794,00
Public areas				
Patio viewing onto mountains	1	100 m²	$174,81	$17 480,81
Foyer	1	151 m²	$869,37	$131 274,33
Lounge	1	50 m²	$1 131,11	$56 555,56
Dining	1	60 m²	$1 131,11	$67 866,67
Servery	1	20 m²	$1 196,55	$23 930,95
Bar (on patio)	1	20 m²	$962,85	$19 256,93
Circulation	1	40 m²	$355,23	$14 209,00
BoH				
Kitchen	1	60 m²	$973,60	$58 415,82
Stores	1	30 m²	$553,40	$16 602,09
Maintenance	1	40 m²	$772,15	$30 885,88
Laundry/linen	1	40 m²	$654,36	$26 174,47
Staff facilities	1	50 m²	$772,15	$38 607,35
Circulation	1	30 m²	$355,23	$10 656,75
TOTAL		**1451 m²**		**$1 449 710,62**

Self-catering Chalets

	Quantity	Area m²	$/m²	Total
One-bedroom chalets: 5 off				
Living/kitchen 16 m²	5	80 m²	$1 233,94	$98 715,16
Bedroom 14 m²	5	70 m²	$772,15	$54 050,29
Bathroom 8 m²	5	40 m²	$878,71	$35 148,58
Patio 12 m²	5	60 m²	$88,81	$5 328,38
Two-bedroom chalets: 5 off				
Living/kitchen 16 m²	5	80 m²	$1 233,94	$98 715,16
Bedrooms 14 m²	10	140 m²	$772,15	$108 100,58
Bathrooms 8 m²	10	80 m²	$878,71	$70 297,16
Patio 16 m²	5	80 m²	$88,81	$7 104,50
Circulation - pathways with benches	1	400 m²	$355,23	$142 090,00
TOTAL		**1030 m²**		**$619 549,79**

New Resort in Livingstonia

Activities - indoor & outside

		Quantity	Area m²	$/m²	Total
Outside activities					
Squash Court	75 m²	2	150 m²	$743,17	$111 475,21
Swimming pool with kids section		1	200 m²	$21,50	$4 300,09
Tennis courts 24x11m	264 m²	2	528 m²	$84,13	$44 421,82
putt pitt course		1	120 m²	$32,72	$3 926,17
Kiddies playground		1	40 m²	$26,17	$1 046,98
Paved areas		1	200 m²	$28,04	$5 608,82
Resort Activities					
Multi-purpose Hall		1	200 m²	$728,68	$145 735,73
Stores		1	40 m²	$553,40	$22 136,13
Change rooms/ablutions		1	40 m²	$785,23	$31 409,37
Gym		1	60 m²	$603,88	$36 232,95
Games Arcade		1	60 m²	$860,02	$51 601,11
Business Centre		1	20 m²	$772,15	$15 442,94
Hairdresser		1	15 m²	$878,71	$13 180,72
Pizzeria		1	150 m²	$962,85	$144 427,01
Retail shops - 3 off	15 m²	3	45 m²	$553,40	$24 903,14
Coutyard		1	300 m²	$355,23	$106 567,50
TOTAL			**2168 m²**		**$762 415,68**

20 Room hotel - Services

	Quantity	Total	Item Total
Sewerage			$7 013,16
Sewer reticulation	1	$1 881,58	
Septic tanks & treatment plant	1	$2 736,84	
Irrigation system	1	$2 394,74	
Water			$22 450,66
Water connection	1	$3 848,68	
Water storage	1	$1 924,34	
Solar power connection with pump	1	$11 973,68	
Water treatment plant	1	$4 703,95	
Power			$10 690,79
Electrical connection	1	$5 131,58	
Back-up generator	1	$3 421,05	
Reticulation	1	$2 138,16	
Roads, Parking Areas			$75 297,37
Shaded Parking for 20 vehicles	360 m^2	$42 147,37	
Parking for 2 coach	72 m^2	$7 020,00	
Vehicle circulation & open parking	268 m^2	$26 130,00	
Communications			$2 138,16
Cellphone repeater	1	$2 138,16	
Earthworks			$38 486,84
Landscaping	1	$38 486,84	
TOTAL		**$156 076,97**	

New Resort in Livingstonia

Self-catering chalets Services

	Quantity	Total	Item Total
Sewerage			$6 328,95
Sewer reticulation	1	$4 276,32	
Septic tanks & treatment plant	1	$1 368,42	
Irrigation system	1	$684,21	
Water			$4 703,95
Water connection	1	$2 138,16	
Water storage	1	$2 565,79	
Power			$7 013,16
Electrical connection	1	$3 592,11	
Back-up generator	1	$2 052,63	
Reticulation	1	$1 368,42	
TOTAL		**$18 046,05**	

End of Pre-feasibility Report 4

Pre-feasibility Report 5

An Integrated Tourism Facility in Salima, Central Malawi

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1. Introduction

The Government of Malawi has identified tourism development as one of the major drivers of the country's economy. In line with this, Malawi has developed a National Tourism Investment Masterplan to identify potential areas for investment. Amongst the many investment opportunities identified in the Masterplan, ten priority projects have been singled out for prefeasibility analysis. This report therefore presents preliminary analysis of the **Salima Integrated Resort** project to assist potential developers, investors, project promoters and funders in their decision-making process.

The project falls under the Salima-Dowa-Kirk Range – Lilongwe node. This node is situated in the central region of Malawi. It covers the districts of Salima, Dowa, Ntcheu and Lilongwe District. As a tourist destination, the node is home to several tourism assets including the beautiful beaches of Lake Malawi in Salima, natural and cultural heritage of Dowa and Lilongwe, and the mountains and kirk Range of Ntcheu. The node occupies an area of 14,690 sq.kms and has a total population of 4,537,424 (NSO, MPHS 2018).

The Integrated Tourism Facility in Salima is a priority project within the node (several tourism projects were identified as being suitable for this Node – refer to annexure A). Salima poses as a primary destination in the node with Dowa and Kirk Range having roles as secondary destinations to form a triangular cluster with Lilongwe, making these destinations easily accessible from Salima.

Salima is the lakeshore District close to Lilongwe situated about 120 km to the east by road and is already established as a popular weekend retreat and conference venue for residents of the capital. It is a booming tourist location with potential of becoming a lakeshore city as it is also the primary destination area of the node for MICE, culture and nature niche markets. Currently all quality tourism activities within Salima sub destination addresses primarily upscale facilities, hence, need for facilities and activities that address a diverse activity potential including the day visitors and non-guests.

The proposed project entails the construction of a 100 room up-market hotel, a partitioned 1,000 capacity Convention Centre, sporting complex, shopping and entertainment complex, golf course, an underground aquarium, casino, and housing estate. In terms of climate, the District its climate is sub-tropical with an average yearly temperature of 24,1°C with the month of November be the hottest month of the year and June and July the coolest months. The wet season is from December to May with the most rain occurring in January. Refer to Annexure B

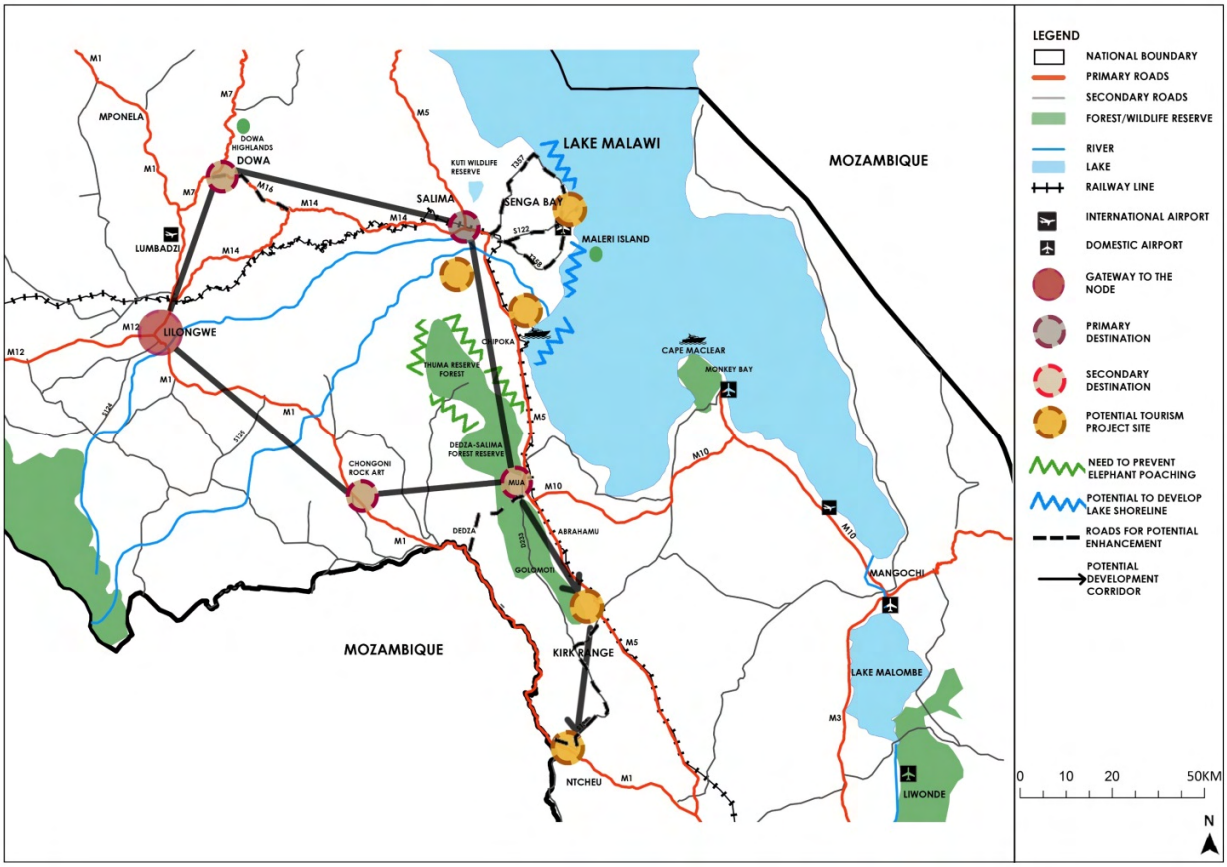


Figure 35 Map of Salima - Dowa - Kirk Range - Lilongwe Node

2. Objective

The purpose of this study is to investigate the opportunities and risks of an Integrated Tourism Facility(ITF) in Salima District. In order to determine whether a feasible operation of such an establishment is possible, the various key factors of competitive business in this particular market will be analysed.

However, this study does not take environmental impact assessment. Subsequently, a detailed project report and an environmental and social impact assessment (ESIA) needs to be conducted by the prospective investor(s).

This study aims to establish a neutral, professional and qualified opinion and a thorough analysis of the current project plan. A tentative statement of area has been drawn up as part of the pre-feasibility study and is presented in Annexure-C.

3. Development Concept

This section provides an overview of the project and a description of various elements that are part of the development concept. Broad guidelines are provided for the purpose of

directing the development of the project. This concept is based on a best case example of ***The New Crossroads integrated resort*** project in the Maldives. Refer to Annex D

3.1. Project Objective

The objective is to develop an inclusive tourism facility that provides relaxation, business, shopping and entertainment to guests and visitors. This will help to improve life and living standards for communities in and around Salima and help push for the development of Salima into a city.

3.2. Project Description and Details

The Integrated Tourism Resorts will comprise hotels, casinos (which is the drawcard for the development), convention centres, shopping- and sports complexes entertainment centers etc. The proposed project entails the construction of a 100-room Resort Hotel, a partitioned 1,000 capacity Conference Centre, a Sporting complex, Shopping complex, Casino and Entertainment Centre, a golf course with a residential estate, and an Aquarium.

The lake beaches are public land and open to all, and no development is allowed within the first 30m from the high-water mark. To accommodate the public users of the beach and for other recreation activities, the design concept calls for a construction of a multi – purpose swimming pool joined to the lake, around which the development will take place. There are other good reasons for taking this approach:

- Less developmental impact on the shores of Lake Malawi
- No obstruction on the beach for public users
- Better exposure and access to the "lakeshore"
- Better security
- Easier environmental management of the water body

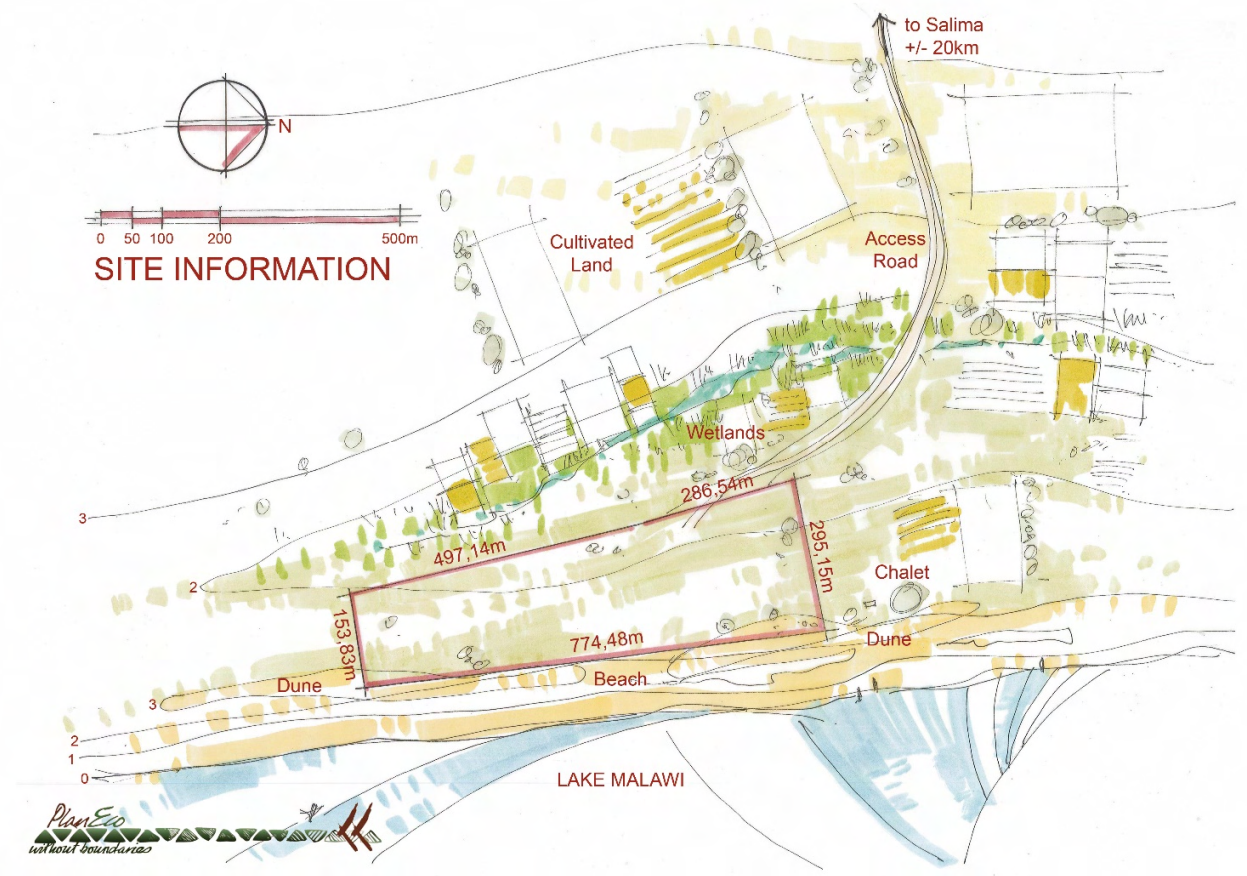


Figure 36Sketch map showing the Integrated Facility site

An Integrated Tourism Facility is quite a complex development. All facilities interact with and support each other, requiring well thought through the placement of each component.

A **zoning exercise** of the selected site investigates the pros and cons of each location. This is captured in a short description of each location, as indicated on the Zoning diagram below.

One needs to keep the development brief in mind when doing the zoning exercise, as the site needs to be zoned to accommodate all the proposed activities.

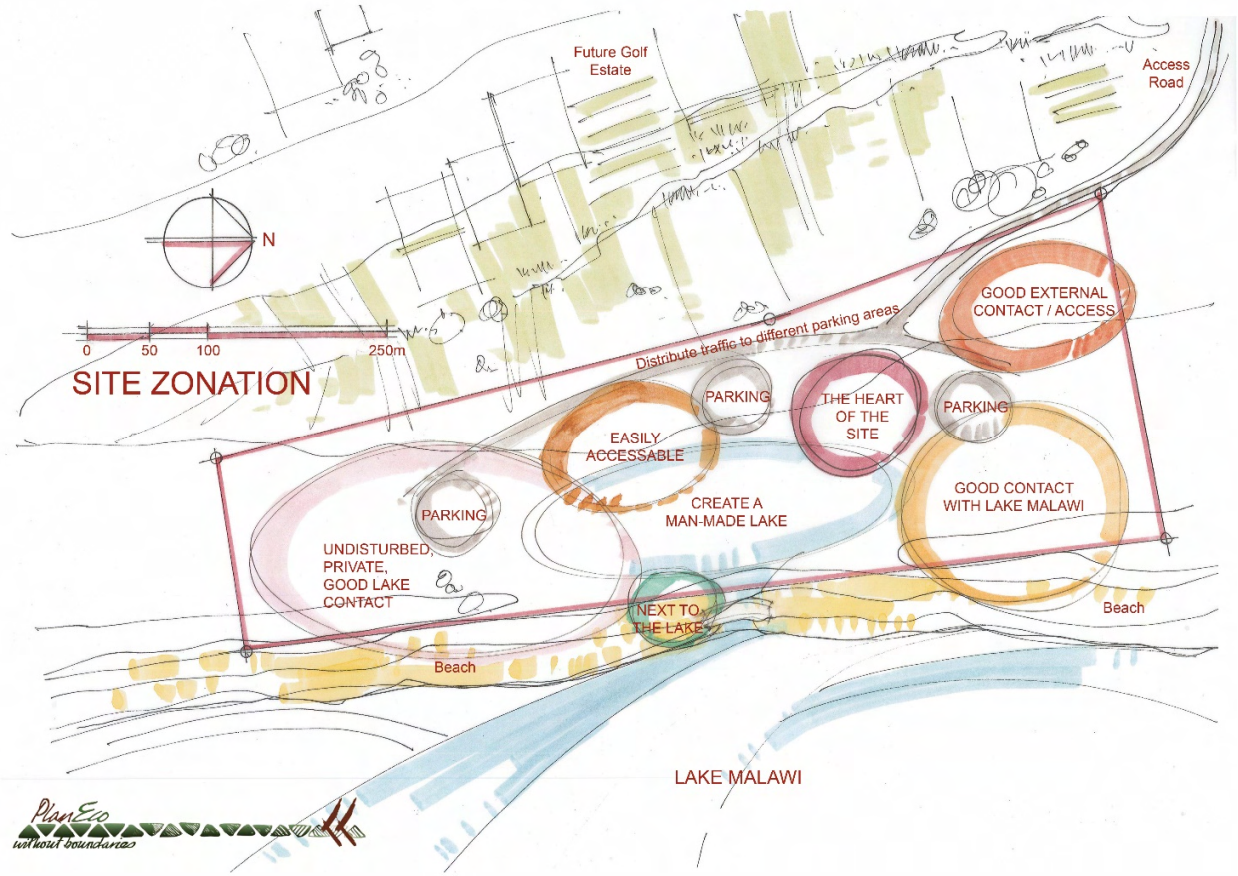


Figure 37 Sketch showing the proposed zoning site

The site zonation diagram informs the **Site Utilization plan**. The different components are placed where they will gain the most benefit from the location. At the same time, links are indicated between different components ensuring the proper functioning of the integrated experience on offer.

The Integrated Tourism Facility consists of 5 major components:

- 100-room Hotel
- Convention Centre
- Sporting Complex
- Shopping Complex
- Casino & Entertainment Centre

Smaller components requiring placement are the Aquarium, the Golf Estate (which is considered a specialist installation and can follow at a later stage) and access roads and parking.

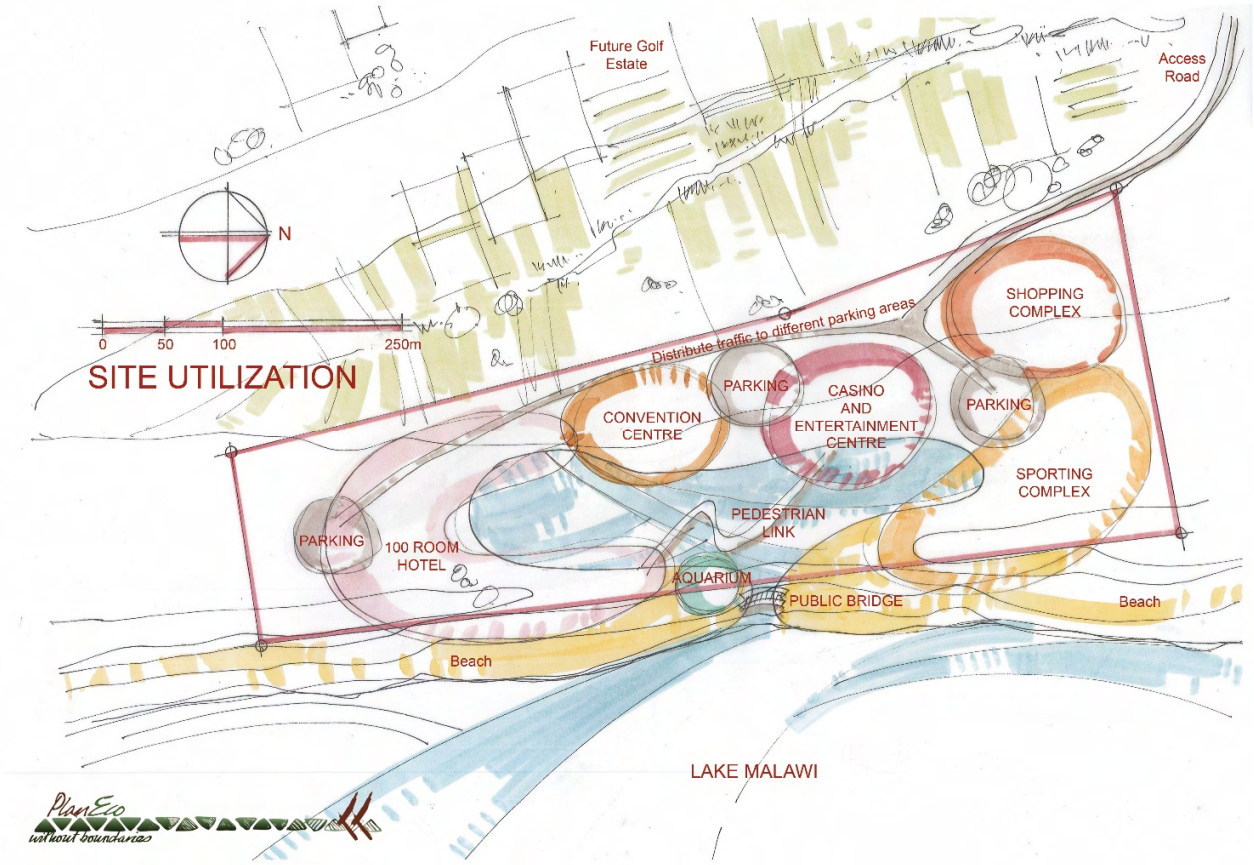


Figure 38 Sketch map showing utilization sites

The Golf Estate is not illustrated as it is an easily understood concept, done in many places in other countries. The design of the golf course is done in such a way that residential stands are created between the golf holes, which are sold to private individuals who build their homes on it. The developer of this facility normally provides an architectural envelope within which the houses must be designed. This creates a homogenous environment and provides the estate with its branding. A Clubhouse, staff facilities and controlled access also form part of the development.

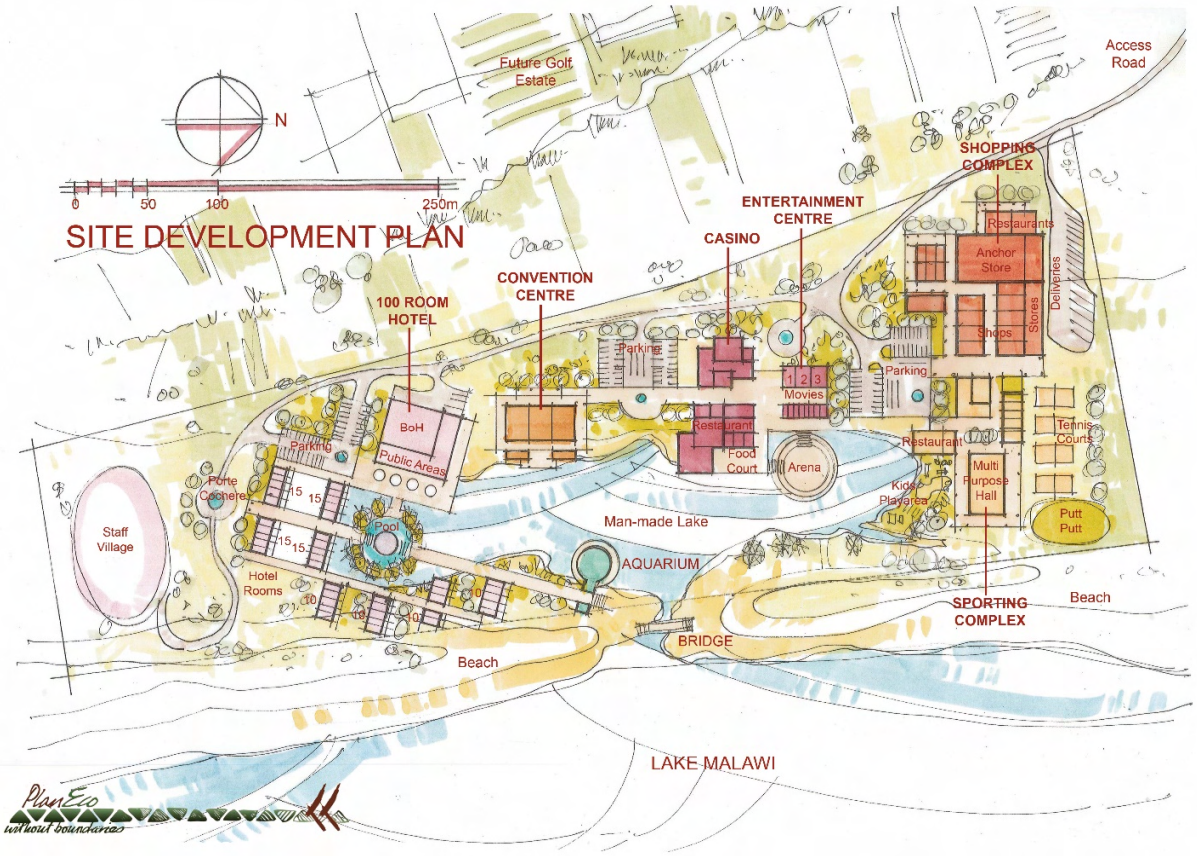


Figure 39 Sketch map for Site Developmental plans

In addition to the project facilities construction, certain other amenities are essential for operations and need to be developed to support the project. These include:

- Water filtration and storage facility to provide access to clean water
- Wastewater, Sewage and sanitation facility
- Waste disposal facilities to ensure zero pollution
- Steady connection to the electricity grid and alternative energy source like solar panels, generators, etc.
- On site banking services,
- Internet facilities for tourists
- Ablutions, lockers and changing rooms inside the premises

Amenities like access to water, sewage, waste disposal, grid connection, etc. can be developed by the investors in coordination with the local municipality bodies. Other amenities, which are internal to the project, needs to be developed by the investors as per the requirements of the project. Information regarding the same can be provided by the DoT to the potential investors.

3.3 Development Guidelines

In order to achieve sustainable tourism development, the following guidelines should be considered:

- Ensure that environmental conservation is incorporated at every stage of the project
- Local communities should benefit from job creation facilities e.g. construction, craft production, fresh food supply and management of tourism facilities wherever quality, quantity and consistency permits
- Development of partnerships between local communities and other stakeholders are imperative. Community members or representatives should be involved in development.
- As Corporate Social Responsibility, provide skills training to local people e.g. training of local guides, allow educational visits at considerable rates, building of curio stalls.
- Comply with Convention on International Trade on Endangered Species of Wild Flora and Fauna (CITES)
- Waste disposal facilities to ensure zero pollution.
- Use of sustainable sources of energy.

3.4 Site Location

The Integrated Tourism Facility(ITF) is located in Salima at -13°818´ South and 34°589.49 East. It is about 130km from Lilongwe city and 10Km East of Salima town.

Figure 40 Map showing Integrated Tourism Facility location

The proposed ITF is very well positioned close to Senga Bay with its selection of hotels resorts, and lake activities. It is connected to other district by all modes of transport the road, water and railway.

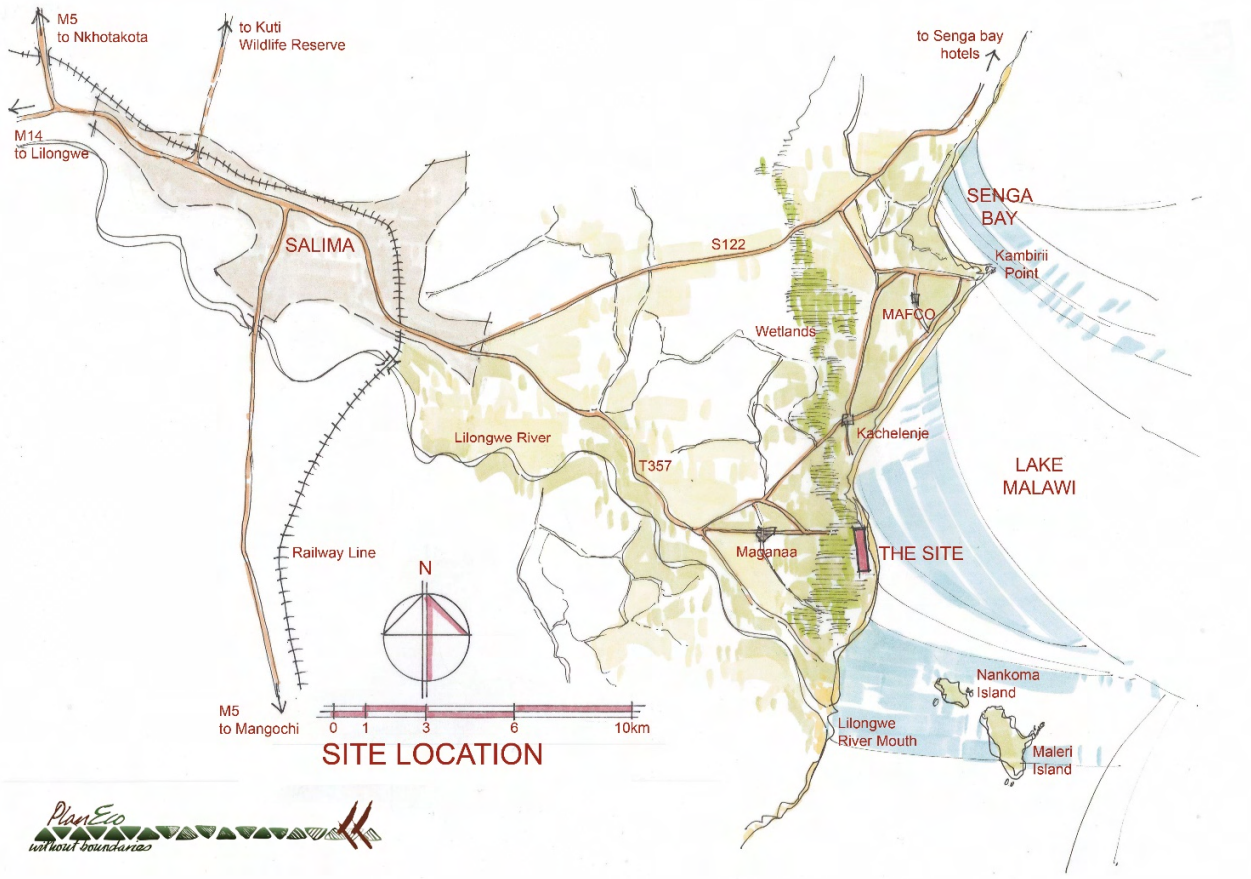


Figure 41 Sketch map showing the site location

3.5 Accessibility

Air transport

Salima has an aerodrome but currently the aerodrome is used by the MDF. The nearest international airport is Kamuzu International airport in Lilongwe

Railway

The railway line passes through the Salima town connects it to Lilongwe and Mchinji on Zambia border and south through Blantyre to Nsanje, with a link to Nayuchi into Mozambique. It is mainly used for logistical purposes and transferring cargo.

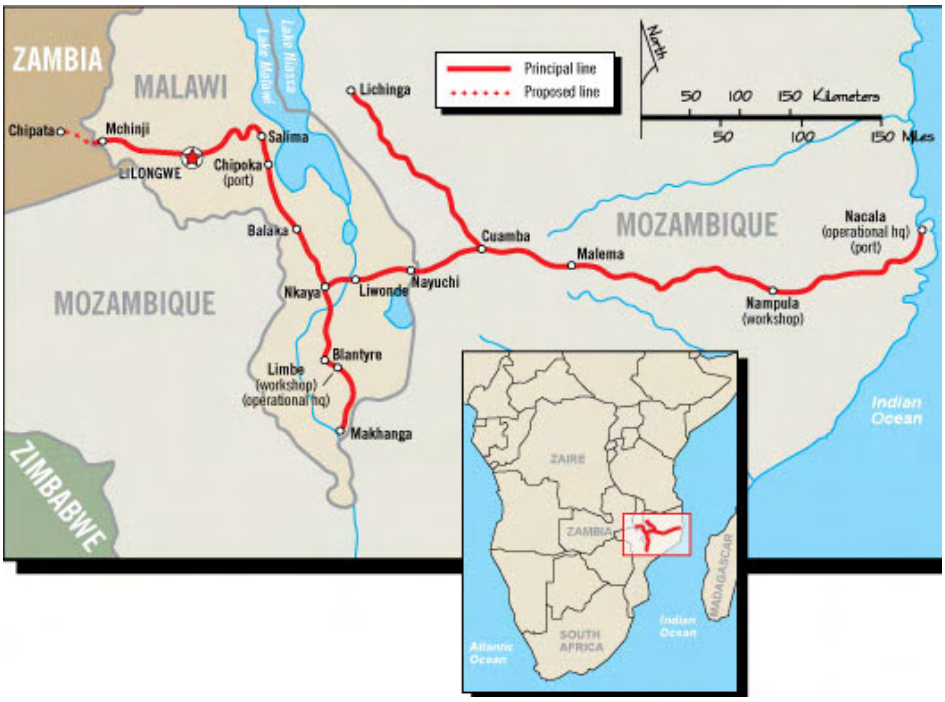


Figure 42 A photo showing Railway network

Water transport

There is jetty at nearby Chipoka that connects Salima to other lakeshore districts. The port of Chipoka had been designed to handle containers, general cargo and liquid bulk, but now has low utilization. It is managed under concession by the Malawi Lake Services

Road transport

The M5 is the main road that links the northern region and the southern region through Salima. The M14 road connects Salima and Lilongwe city.

3.6 Existing Support Infrastructure and Other Services

Electricity

There is existing of power supply near to the proposed development.

Water

There is piped water connection near the site supplied by Central Region Water Board, but it is recommended to provide an on-site treatment and storage plant.

Sewerage

A sewerage treatment plant needs to be provided on-site. This is also a requirement due to the close proximity to the lake.

Access road

There a gravel all weather road from Salima town to the proposed side.

Communications

Landlines, mobile and internet services are available in the district. A branch of the Malawi Post Corporation office is operational.

Medical facilities

There is a district hospital and other health facilities present in the district.

Banking

Banking and financial services are available

Security

There is provision of police services in the District.

Fuel

There is provision of fuel stations in the District

4. Market Analysis

4.1 Supply Analysis

The supply analysis gives an indication of the tourism assets and activities in the area under consideration.

Salima has a variety of tourist attractions including Lake Malawi, its beaches, the islands, the wildlife and forest reserves, plantations or estates as well as the people and their culture.

The Lake Malawi and the islands

Lake Malawi is the main tourist attraction feature in the District as it offers beautiful beaches. It covers the entire Eastern stretch of the District. The lake is good for swimming and other water sporting activities such as parasailing, wind surfing and scuba diving. The Islands forms a unique attractive feature of the lake.

The Wildlife and Forest Reserves

The District has privately owned Kuti Wildlife reserve and the Crocodile farm There is a Thuma forestry reserve found in South West and is good for game safaris, bird watching, bush accommodation and game viewing and harbours variety of flora and fauna.

Figure 43 Showing Game at Kuti Wildlife Reserve

Natural and Cultural Heritage

The District hosts a number of cultural festivals and event. The well known cultural events include the opening and closing of fishing season at Mbenji island on Lake Malawi. The other cultural activities and events can be experienced at community owned Gwirize Cultural Village.

Plantations and The Farm Estates

Salima District has farm estates and the plantations offering agro – tourism experience. It has estate that grows mango fruits and produces mango pulp. The spectacular Lifuwu Rice Scheme. These offers agro tourism experiences from day plantation tours and excursions, and learning opportunity as well

Accommodation

Accommodation for various types and markets are available, mostly on the lakeshore but also on the nearby islands and reserves

Restaurants

There are existing food outlets in the district offering a variety of continental and local cuisine.

Beach Entertainment and Events

A number of beach activities and events are happening on the beaches of Lake Malawi

Shopping

The District is also popular for its fresh fish selling and curio Markets

4.2 Demand Analysis

The tourism demand for Salima is characterized by a number of types of travelers which can be divided based on the motivation for travel. These are:

- Short and intensive holiday makers
- Active and Thrill oriented adventurers
- Special interest and sensational seekers

- Curious and price sensitive digital agers
- Public and Private Event Organizers

Curious and price sensitive digital agers

These are young travelers, 35 years of age and below, loving the lake beaches and have a young and technical oriented mind. Most likely they combine work and travel and are keen to share their travel experiences on digital media platforms.

Active and Thrill oriented adventurers

The traveler seeks thrilling outdoor activities and is driven by challenging experiences. They love adventure and extreme sports.

Special interest and sensational seekers

These types of tourists visit the lake and the wildlife reserves seeking to satisfy a special type of need. They include researchers, academics and environmentalist.

Short stays and intensive holiday makers

The primary motivation for this segment is to take a break from everyday life, travel to nearby attractions but not for more than 3 days. It is often characterized by staying in paid accommodation, relaxation and experiencing local attractions. It gives people space to unwind and release stress; opportunity to see parts of their country they have never seen before; and chance to meet new people and make new connections such as music festival patrons and the beach lover.

Public and Private Event Organisers

The category has business-oriented mindset or has a sociable and festive-oriented attitude. They look for locations with an appropriate atmosphere and most times demand customized solutions for the respective type of event. They expect high service quality and a professional performance.

Types of Tourists	**Range of their spending on daily basis**		
	Low	Medium	High
Active and Thrill oriented adventurers			
Special interest and sensational seekers			
Short stays and intensive holiday makers			
Curious and price sensitive digital agers			
Public and Private Event Organisers			

Table 6 Types of Tourists and their Spending Categories

4.3. Target Market analysis

The target market for the Integrated Tourism Facility(ITF) will be both the Domestic and international market. The proposed facility has a steady market segment since the destination already has well established MICE and leisure market segments. The target market segment will comprise the MICE and those in the business and leisure travel market segment. These demand accommodation that is of middle to upper class.

4.4. Competition analysis

This section identifies the possible competitors to the proposed business. The closest competitors are the nearby facilities that are well established with strong market share, complementary and other substitute products. However, the Integrated Tourism Facility will be unique as it will be a complex facility with 5 components: a Hotel, Convention Centre, Sporting complex, shopping complex, casino and the entertainment centre. This will be the major competitive edge. The investment is anticipated to create barriers of entry to new entrants, hence, the market leader.

5. Risks And Mitigation

This part outlines the potential risks that can be encountered and its mitigation strategies as illustrated in the table below

Table 7 Potential risks and mitigation strategies

Potential Risk	**Mitigation Strategy**
Intense competition from the region	o Partnership with tour operators to include the ITF when packaging the region
Resistance from environmental conservationists	o Carrying capacity should not be exceeded. o Environmentally friendly practices should be implemented.
Tourism Industry is prone to different shocks and environmental disasters	o Risk Management plan o Insure the complex properties
Seasonality of international visitor flows	o Develop marketing strategies that will counter the effects of the seasonality on the development
Negative social impacts	o Continued awareness o Deliberate efforts to ensure that communities fully benefit from the operations o Corporate social responsibility
Safety and Security	o Ensure enough security at the site location

6. Potential Social – Economic Benefits

The following are the potential benefits:

- Participation of locals in planning and management of the project including Job opportunities
- Tax Revenues and levies for the country
- Promotion of a sense of pride among citizens and residents
- Enhancement of the destination profile
- Infrastructural development
- Spill over benefits to other sectors

7. Financials

7.1. Estimated Capital Expenditure

EXECUTIVE SUMMARY

Item	Description	Budget US$	
1	100 Room Hotel	$	6 828 714,53
2	Convention Centre	$	1 870 455,93
3	Sporting Complex	$	2 188 008,39
4	Shopping Complex	$	7 961 508,36
5	Casino & Entertainment Centre	$	2 674 087,99
6	Aquarium	$	258 103,68
7	Golf Estate infrastructure	$	611 921,80
8	Bulk Services & Infrastructure	$	409 671,05
9	Preliminaries & General @ 10%	$	2 280 247,17
	SUB-TOTAL - Construction cost	**$**	**25 082 718,91**
9	FF&E @ 25% of construction cost	$	6 270 679,73
10	Contingency @ 5% of construction cost	$	1 254 135,95
	TOTAL - Construction cost	**$**	**32 607 534,58**
11	Professional fees - 12% of construction cost	$	3 912 904,15
12	Additional costs not included: Vehicles, Marketing, Electronic equipment, fish & equipment for Aquarium, EIA, etc. Budget at 27%	$	6 772 334,11
	TOTAL GUESTIMATE OF DEVELOPMENT COST	**$**	**43 292 772,84**

7.2. Income potential

The financial forecast for the 1st year of operation is based on the following parameters:

- Positioning of the hotel: Leisure
- Management: International luxury hotel brand

EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$	
1	Revenue from Hotel Room	$	5 110 000,00
2	Revenue from Convention Centre	$	1 168 000,00
3	Revenue from Sporting Complex	$	102 200,00
4	Revenue from Shopping Complex	$	1 226 400,00
5	Revenue from Casino & Entertainment Centre	$	613 200,00
6	Revenue from Golf Estate	$	73 000,00
	TOTAL GUESTIMATE OF REVENUE	**$**	**8 292 800,00**

7.3. Operational Expense

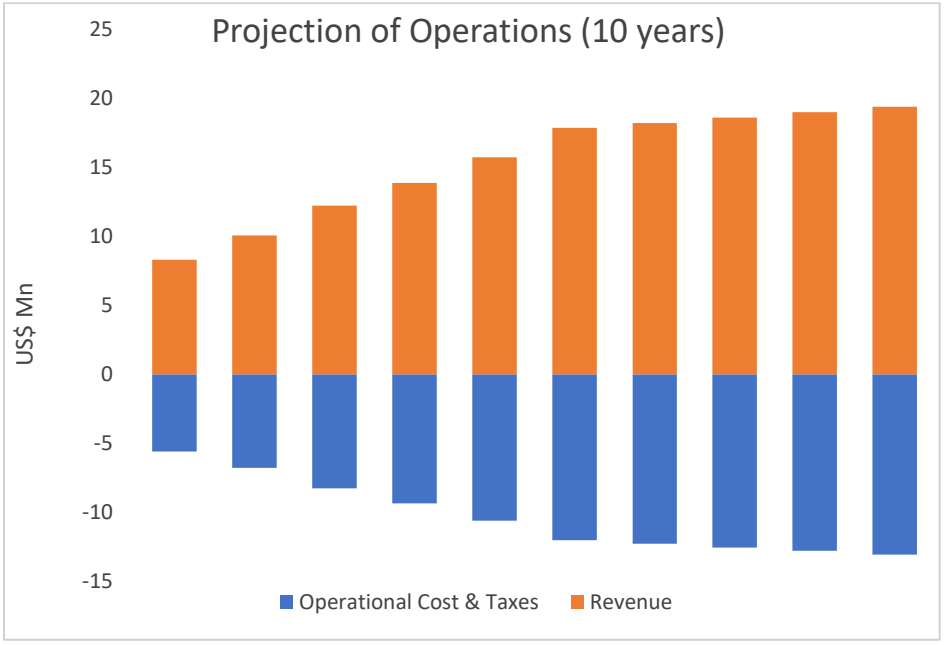
EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$	
1	Cost of Room Maintenance	$	1 078 064,00
2	Cost of Food & Beverage	$	912 208,00
3	Fixed Charges	$	829 280,00
4	Cost of Administration	$	663 424,00
5	Cost of Operation & Maintenance	$	497 568,00
6	Sales and Marketing	$	414 640,00
7	Utilities and Other Costs	$	580 496,00
8	Interest and Taxes	$	539 032,00
9	Cost of Living Allowance	$	52 244,64
10	Cost of Leasing Land	$	2 275,00
	TOTAL GUESTIMATE OF EXPENSES	**$**	**5 569 231,64**

7.4. Summary of Financials

US$43.29 Mn CAPEX	US$8.29 Mn Revenue for 1st Year	US$62.66 Mn Net Present Value
12.4% Internal Rate of Return	US$2.18 Mn EBIT for 1st Year	9 Years Payback Period

Projection of operations for the integrated resort is based on estimated initial occupancy of 40% for the first year, gradually increasing over to 48% in the next year. Similarly, the hotel rooms tariffs are expected to increase by 2% on a YoY basis with overall market growth. NPV of the project is calculated based on a 9% Discount rate and Cost of Living Allowance of 3% estimated for the period along with other operational and fixed expenses.



Initial assessment of the project financials indicates a profitable investment, in the long run, considering the planned development in infrastructure as well as better promotion of tourism over the next 20 years.

Annexure A: List of other Projects identified by Government

Project 1: Integrated Tourism Facility at Salima
DESCRIPTION Salima Town is a booming tourist location and has the potential to become a Lakeside City for several reasons. It is only 120 km from the Capital City of Lilongwe, it lies along very prime beaches, and it is well serviced with good roads and reticulation services. The proposed project entails the construction of a 200 room up-market hotel, a partitioned 1,500 capacity Convention Centre, sporting complex, shopping and entertainment complex, golf course, an underground aquarium, wildlife sanctuary, casino, and housing estate.

Project 2: Activity Centre/Marina in Senga Bay
DESCRIPTION A comprehensive Activity Centre will enhance the lakeshore experience on offer in Senga Bay. This development will comprise a small marina with berths for privately-owned local craft as well as boats staying over there from the other parts of Lake Malawi. The marina will also allow boats to drop off or pick up passengers from a pier, going on fishing, snorkelling, or birding excursions. Retail areas will allow operators to hire out boats and equipment. Several restaurants will serve fresh fish and other traditional fares, while local traders will be accommodated in craft and curio stalls on the pier.

Project 3: Bird aviary/rehabilitation centre in or near Salima
DESCRIPTION Bird aviaries and -rehabilitation centres are mostly dependant on donor funding. If correctly located, they can become viable tourism products while delivering a much-needed service to the environment. Large cages containing various bird species allow visitors to see birds in their natural environment while smaller cages might contain rare or rehabilitating specimens. A small restaurant, souvenir shop, and public toilets also form part of this facility, as do treatment facilities in the rehabilitation centre.

Project 4: Wildlife Reserve on Maleri Island, with day trips by boat
DESCRIPTION The Marelli Island Group consists of 3 islands, Maleri being the largest at 168ha. The intention is to enhance the nature experience by developing a small Interpretation Centre on the island, close to a jetty where boats ferrying visitors from Senga Bay or Chipoka can dock. Information on the wildlife and fish of the islands will be displayed in a walk-through piazza, with amenities such as a small restaurant/kiosk, public toilets, and

craft/souvenir shop close by. Part of the income generated will be put into conservation efforts in the island group.

Project 5: High-end Eco-lodge in the Thuma Forest Reserve

DESCRIPTION
A 20-bed exclusive eco-lodge, focussed on ecological education and research, is planned for this Reserve. Currently supported by several organisations and under the guidance of WAG (Wildlife Action Group Malawi), this high-lying Reserve (linked to the Dedza - Salima Forest Reserve) is currently being restored to its original pristine state.
Both high-end tourists and selected researchers will be able to contribute financially or intellectually towards the future preservation of this special place.

Project 6: Information Centre at the Chongoni Rock Art site

DESCRIPTION
This area constitutes one of the richest collections of rock art in Malawi and is a declared UNESCO World Heritage Site. The intention is to develop an Information Centre at the parking area close to the World Heritage site, which will provide visitors with a few basic amenities and allow for the collection of entrance fees to the site.

Project 7: Guesthouse/inn at the Chongoni Rock Art site

DESCRIPTION
Currently, there are no facilities in the Chongoni Rock Art area. Visitors are referred to the Dedza Pottery facility in town from where they then visit the site. Because of the art sites being spread out along the valley, Chongoni will benefit from a guest house or inn close to the proposed Information.
Centre. The intention is therefore to develop a 20-bed facility with supporting amenities as a first phase, allowing for future bedrooms to be added.

Project 8: Development of Overlander campsites in various locations

DESCRIPTION
The Overlander market is growing strongly in Africa. Groups normally consist of 10-16 people, from different age groups but mostly below 30 years old. These tours visit places of interest varying from natural beauty to beaches, wildlife, to cultural markets. Most of the time, they put up small dome tents at campsites that can accommodate larger vehicles. Ideally, they should be provided with covered facilities where they can prepare meals and dine and their own male/female ablutions.

Project 9: Campsite, mid-market lodge and hilltop café in the Dowa Highlands

DESCRIPTION

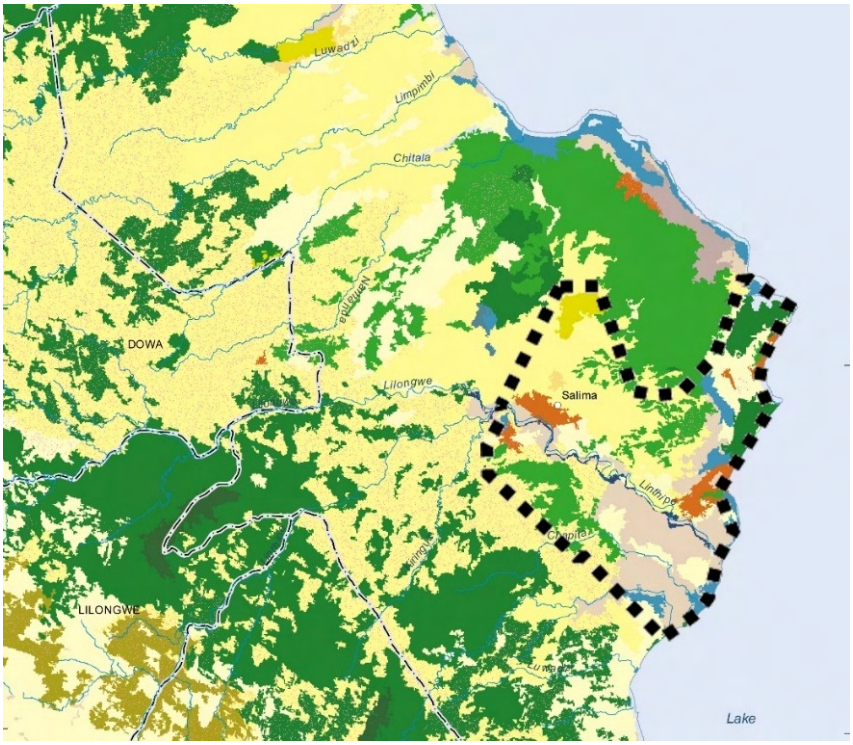
Dowa Highlands need to develop more attractive tourism infrastructure or products. It is believed that a mid-market facility will enhance its tourism offering. Therefore, a mid-market lodge and hilltop café is proposed for this destination.

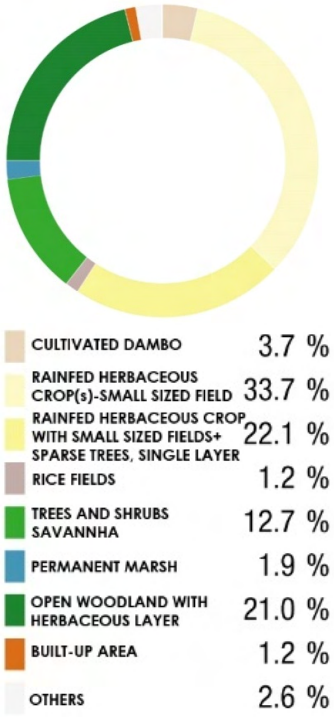
Annexure B: Geography & Climate

Salima is 540m above sea level and 72m above Lake Malawi level. The town has a population of ±30 000.

The locality's geography, monthly temperatures, rainfall, and the solar path over the location are all factors that inform the nature of the tourism product on offer as well as the proposed design of the facilities.

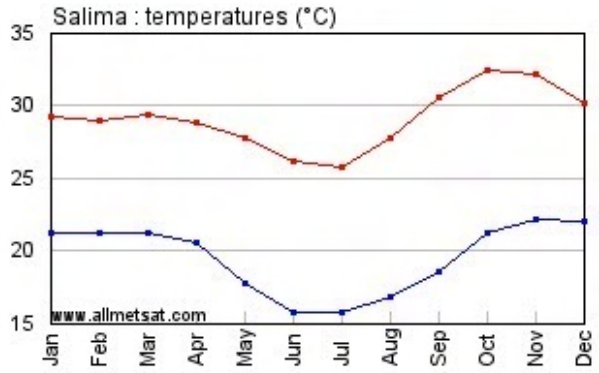
The majority (55.8%) of the land cover in the Salima district is characterised by rain-fed Herbaceous crops across small- and medium-sized fields. This is followed by Open Woodland with herbaceous layer (21%) and Trees and Shrubs Savannah (12.7%). Thus, the majority of the area in the district is characterised by the lush green cover. The other unique geographical characteristic seen along Lake Malawi is the presence of Permanent Marsh (1.9%) along with rice fields (1.2%). The built-up area just constitutes 1.2% within the district; this is evenly spread across Salima and Senga Bay in the form of numerous resorts and settlements.



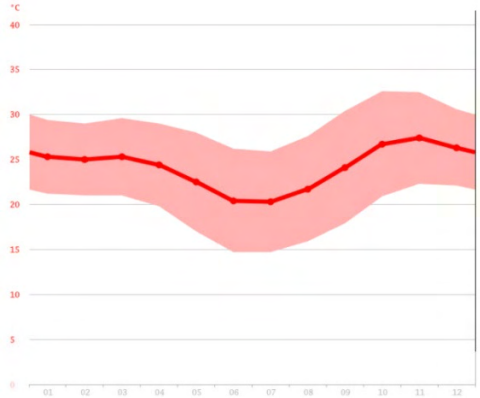


Land cover Map – Salima area

Salima's climate is sub-tropical with an average yearly temperature of 24,1°C with 27,4° for November, which is the warmest month and 20,3° for July which is the coolest month.



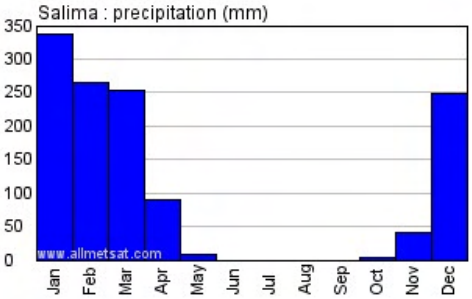
Average monthly temperature



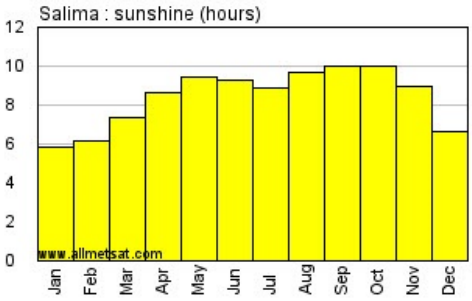
Average yearly temperature

The average yearly rainfall for Salima is 1059mm during the wet season of December to May. The dry season is from May to December with July being the driest month and January being the most wet with an average of 293mm.

Mid May to the end of July is also referred to as the windy season.
The sunshine hours relate directly to the precipitation chart with the most sunshine expected during the dry months of autumn, winter & spring.

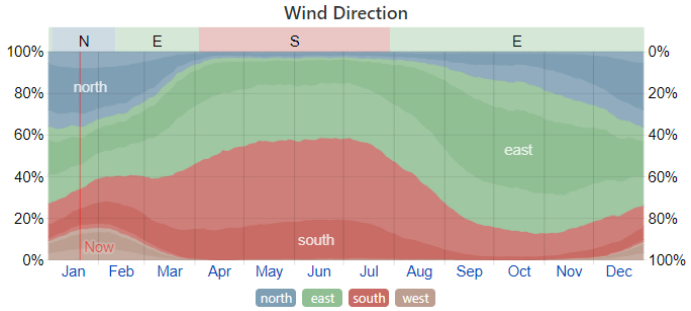


Yearly average Precipitation chart

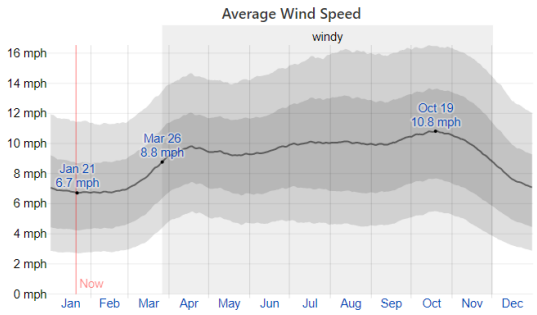


Yearly average sunshine hours chart

Wind – The predominant wind direction changes with the seasons. From January to mid-April, it is most often from the north; from mid-February to the end of March and again from August to December from the east; From April to July, the wind is predominantly from the south.



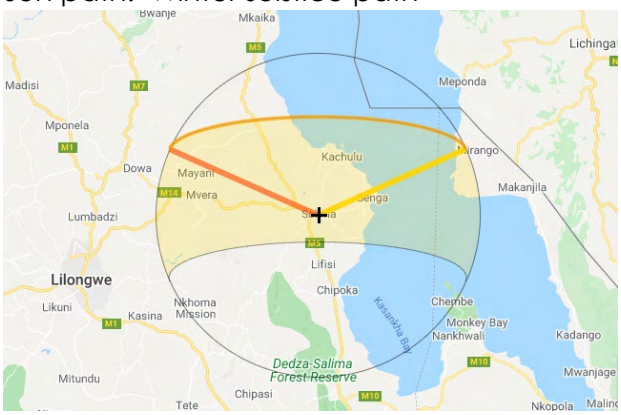
The percentage of hours in which the mean wind direction is from each of the four cardinal wind directions, excluding hours in which the mean wind speed is less than 1.0 mph. The lightly tinted areas at the boundaries are the percentage of hours spent in the implied intermediate directions (northeast, southeast, southwest, and northwest).



The average of mean hourly wind speeds (dark gray line), with 25th to 75th and 10th to 90th percentile bands.

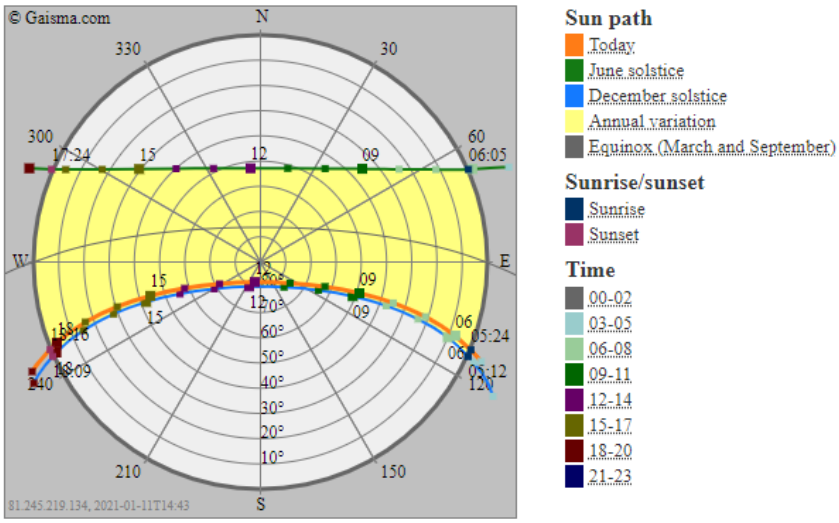
The wind speeds differs significantly with the seasons, with April to November being the windier months with wind speeds between 9 & 10,5 mph and December to March being calmer months and wind speeds average between 607 to 8 mph.

Sun path: Winter solstice path



Sun path: Summer solstice path

Sun path diagram for Salima indicating degrees



Annexure C: Statement of Area

Integrated Tourism Facility, Salima

1) 100 room Hotel

a. Hotel rooms

- Standard room 40m² (patio included) 75x = 3 000m²
- Luxury room 52m² (patio included) 24x = 1 248m²
- Presidential suite 65m² (patio included) 1x = 65m²
- Circulation space 1 000m²

b. Public areas

- Porte Cochere 70m²
- Foyer 135m²
    - Front desk 15m²
    - Porter 6m²
    - Admin offices 50m²
    - Shop 20m²
    - Reception/waiting 30m²
    - Public toilets 40m²
- Lounge 60m²
- Dining 80m²
- Servery 30m²
- Patio dining 70m²
- Bar 66m²
- Hairdresser, nail bar etc 36m²
- Circulation say 60m²
- Pool area, say 650m²

c. Back of House

- Kitchen 100m²
- Stores 60m²

- Maintenance 60m²
- Laundry/linen 80m²
- Staff facilities 100m²
- Circulation 80m²

2) Convention Centre

a. Public Areas

- Foyer 90m²
- Reception/registration 85m²
- Public toilets 80m²
- Main Hall (divisible into 3 parts each 400m²) 1 200m²
- Refreshment area 100m²
- Circulation 800m²

b. Back of House

- Stores (each 50m²) 150m²
- Satellite kitchen 130m²
- Plant room 200m²

3) Sporting Complex

a. Multi-purpose Hall

- 4-court size 880m²
- Spectator seating 480m²
- Change rooms 60m²
- Ablutions 120m²
- Stores 130m²

b. Indoor sports

- Squash courts (2x) 230m²
- Gym 120m²

c. Outdoor sports

- Athletics field
- Tennis courts (4x) 2 675m²
- Change rooms & ablutions 180m²
- Putt Putt course (mini-golf) 300m²

d. Public areas

- Reception/registration 100m²
- Admin offices 70m²
- Refreshment area 300m²
- Circulation space 200m²

4) Shopping Complex

a. Tenants

- Anchor tenant 1 500m²
- Liquor store 300m²
- Chemist 100m²
- Clothing megastores (2x) 1 000m²
- Boutique (15x) 3 000m²
- Restaurant (100pax) 300m²
- Restaurant (50 pax) 150m²
- Food court (4 outlets) 160m²
- Public toilets 80m²
- Circulation space 400m²

b. Management

- Admin offices 80m²
- Staff facilities 150m²
- Stores 200m²

5) Casino & Entertainment Centre

a. Casino

- Slots floor 00 machines) 350m²
- Tables 200m²
- Admin offices 50m²
- Strongroom 10m²
- Casino bar 100m²
- Restaurant (40 pax) 180m²
- Ablutions 80m²
- Staff facilities 80m²
- Circulation 100m²

b. Entertainment Center

- Cinema (3x) 375m²
  - Snack bar 35m²
  - Public toilets 80m²
  - Ticket counter (9x) 36m²
  - Circulation 200m²
- Games arcade 200m²
- Pinball Gallery 200m²
- Arena (200 pax) 300m²
- Activity stalls (10x) 100m²
- Food outlets (3x) 120m²

6) Aquarium

Positioned close to the Shopping or Entertainment Complexes.

a. Upper-level views onto the lake with shaded seating & snack bar 150m²
b. Lower-level views into the lake with seating and circulation space 150m²

7) Golf estate

18-hole pro-designed golf course around 100 residential stands to be developed by private owners, according to a specific set of architectural guidelines.

a. Clubhouse with restaurant & change rooms 400m²
b. Staff facilities 100m²
c. Controlled access to the estate

8) Parking

Sufficient parking will be provided, in different parking lots positioned to serve the various components of the Resort.

Annexure D: Best Case Example

Below are photographs of similar tourism products, developed elsewhere in the world, to illustrate the typical "look and feel" of the development. This product will cater for the same market, offer the same amenities and activities, and will explain the project better than words can do.

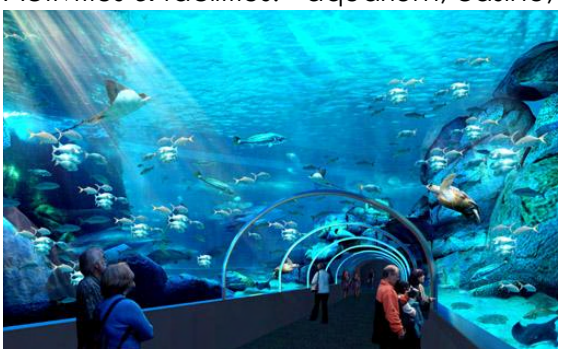
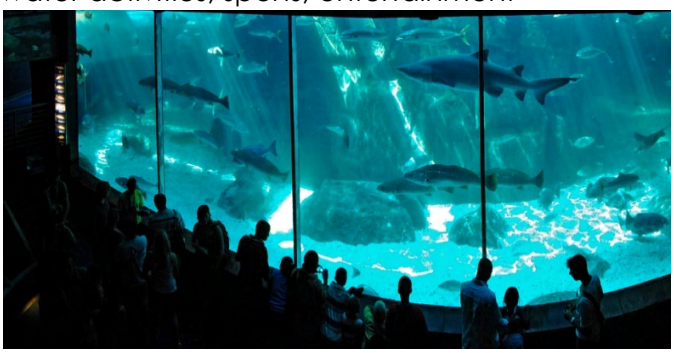
The new Crossroads integrated resort project in the Maldives reflects the envisaged development. The type of development allows for different types of design style and finishes to personalize each usage but still have a common theme to link the areas.

Aerial view of the planned layout indicating reclaimed islands and facilities.

Aerial view of the chalets on stilts with connecting boardwalk towards the island

Accommodation:

Activities & facilities: - aquarium, casino, water activities, sports, entertainment

Annexure E: Construction Cost Guestimate

SALIMA INTEGRATED RESORT

100 Room Hotel

		Quantity	Area m²	$/m²	Total
Rooms					
Standard rooms	40 m²	75	3000 m²	$1 233,94	$3 701 818,42
Luxury room	52 m²	24	1248 m²	$1 318,07	$1 644 953,49
Presidential suite	65 m²	1	65 m²	$1 645,25	$106 941,42
Circulation space		1	1000 m²	$514,14	$514 141,45
Public areas					
Porte cochere		1	70 m²	$392,62	$27 483,20
Foyer		1	135 m²	$869,37	$117 364,47
Lounge		1	60 m²	$1 131,11	$67 866,67
Dining		1	80 m²	$1 131,11	$90 488,89
Servery		1	30 m²	$1 196,55	$35 896,42
Patio dining		1	70 m²	$869,37	$60 855,65
Bar		1	66 m²	$962,85	$63 547,88
Hairdresser		1	36 m²	$878,71	$31 633,72
Circulation		1	60 m²	$514,14	$30 848,49
BoH					
Kitchen		1	100 m²	$973,60	$97 359,69
Stores		1	60 m²	$553,40	$33 204,19
Maintenance		1	60 m²	$772,15	$46 328,82
Laundry/linen		1	80 m²	$654,36	$52 348,95
Staff facilities		1	100 m²	$772,15	$77 214,70
Circulation		1	80 m²	$355,23	$28 418,00
TOTAL			**6400 m²**		**$6 828 714,53**

Convention Centre

	Quantity	Area m²	$/m²	Total
Public Areas				
Foyer	1	90 m²	$869,37	$78 242,98
Reception/Registration	1	85 m²	$772,15	$65 632,49
Public toilets	1	80 m²	$878,71	$70 297,16
Main hall	1	1200 m²	$728,68	$874 414,38
Refreshment area	1	100 m²	$1 233,94	$123 393,95
Circulation	1	800 m²	$355,23	$284 180,00
BoH				
Stores	1	150 m²	$553,40	$83 010,47
Satelite kitchen	1	130 m²	$1 233,94	$160 412,13
Plant room	1	200 m²	$654,36	$130 872,37
TOTAL		**2835 m²**		**$1 870 455,93**

SALIMA INTEGRATED RESORT

Sporting Complex

		Quantity	Area m²	$/m²	Total
Multi Purpose Hall					
4-Court		1	880 m²	$392,62	$345 503,05
Spectator seating		1	480 m²	$728,68	$349 765,75
Change rooms		1	60 m²	$691,75	$41 505,24
Ablutions		1	120 m²	$878,71	$105 445,74
Stores		1	130 m²	$553,40	$71 942,41
Indoor Sports					
Squash courts	115 m²	2	230 m²	$743,17	$170 928,66
Gym		1	120 m²	$603,88	$72 465,90
Outdoor Sports					
Athletics field		1	2000 m²	$30,38	$60 762,17
Tennis courts	668,75 m²	4	2675 m²	$84,13	$225 053,73
Change rooms & Ablutions		1	180 m²	$878,71	$158 168,61
Swimming pool		1	650 m²	$21,50	$13 975,30
Putt Putt (mini golf)		1	300 m²	$32,72	$9 815,43
Public Areas					
Reception/registration		1	100 m²	$772,15	$77 214,70
Admin offices		1	70 m²	$772,15	$54 050,29
Refreshment area		1	300 m²	$1 233,94	$370 181,84
Circulation		1	200 m²	$355,23	$71 045,00
TOTAL			**8495 m²**		**$2 197 823,82**

Shopping Complex

		Quantity	Area m²	$/m²	Total
Tenants					
Anchor Tenant		1	1500 m²	$869,37	$1 304 049,67
Liquor Store		1	300 m²	$869,37	$260 809,93
Chemist		1	100 m²	$869,37	$86 936,64
Clothing Megastore	500 m²	2	1000 m²	$869,37	$869 366,45
Boutique	200 m²	15	3000 m²	$1 392,86	$4 178 567,76
Restaurant (100 pax)		1	300 m²	$1 233,94	$370 181,84
Restaurant (50 pax)		1	150 m²	$1 290,03	$193 504,14
Food court	40 m²	4	160 m²	$1 233,94	$197 430,32
Public toilets		1	80 m²	$878,71	$70 297,16
Circulation space		1	400 m²	$355,23	$142 090,00
Management					
Admin Offices		1	80 m²	$772,15	$61 771,76
Staff facilities		1	150 m²	$772,15	$115 822,05
Stores		1	200 m²	$553,40	$110 680,63
TOTAL			**7420 m²**		**$7 961 508,36**

SALIMA INTEGRATED RESORT

Casino & Entertainment Centre

		Quantity	Area m²	$/m²	Total
Casino					
Slots floor		1	350 m²	$1 290,03	$451 509,67
Tables		1	200 m²	$1 318,07	$263 614,34
Admin Offices		1	50 m²	$772,15	$38 607,35
Strongroom		1	10 m²	$860,02	$8 600,18
Casino Bar		1	100 m²	$1 308,72	$130 872,37
Restaurant (40 pax)		1	180 m²	$1 290,03	$232 204,97
Ablutions		1	80 m²	$878,71	$70 297,16
Staff facilities		1	80 m²	$772,15	$61 771,76
Circulation space		1	100 m²	$514,14	$51 414,14
Entertainment Centre					
Cinema	125 m²	3	375 m²	$1 070,35	$401 380,88
Snack bar		1	35 m²	$962,85	$33 699,63
Public toilets		1	80 m²	$878,71	$70 297,16
Ticket counters - 9 off		1	36 m²	$772,15	$27 797,29
Circulation		1	200 m²	$355,23	$71 045,00
Games Arcade		1	200 m²	$860,02	$172 003,68
Pinball gallery		1	200 m²	$888,06	$177 612,50
Arena (200 pax)		1	300 m²	$728,68	$218 603,60
Activity stalls	10 m²	10	100 m²	$772,15	$77 214,70
Food outlets	40 m²	3	120 m²	$962,85	$115 541,61
TOTAL			**2796 m²**		**$2 674 087,99**

Aquarium & Golf Estate

	Quantity	Area m²	$/m²	Total
Aquarium				
Upper level	1	135 m²	$610,43	$82 407,53
snack bar	1	15 m²	$962,85	$14 442,70
Lower level	1	150 m²	$1 075,02	$161 253,45
TOTAL		**300 m²**		**$258 103,68**
Golf Estate				
Clubhouse	1	400 m²	$1 233,94	$493 575,79
Staff facilities	1	100 m²	$772,15	$77 214,70
Controlled access	1	80 m²	$514,14	$41 131,32
TOTAL		**580 m²**		**$611 921,80**

SALIMA INTEGRATED RESORT

Services

	Quantity	$ Cost	Item Total
Sewerage			$135 131,58
Sewer reticulation	1	$55 592,11	
Septic tanks & treatment plant	1	$75 263,16	
Irrigation system	1	$4 276,32	
Water			$31 217,11
Water connection	1	$3 848,68	
Water storage	1	$5 986,84	
Solar power connection with pump	1	$12 828,95	
Water treatment plant	1	$8 552,63	
Power			$56 875,00
Electrical connection	1	$10 690,79	
Back-up generator	1	$25 657,89	
Reticulation	1	$20 526,32	
Roads, Parking Areas			$91 940,79
Tarred road connection	1	$47 039,47	
Site reticulation	1	$34 210,53	
Parking areas	1	$10 690,79	
Communications			$2 138,16
Cellphone repeater	1	$2 138,16	
Earthworks			$23 947,37
Man made lake & connection	1	$23 947,37	
Landscaping	1	$68 421,05	
TOTAL		**$409 671,05**	

End of Pre-feasibility Report 5

Pre-feasibility Report 6

A new Tourism Resort and Houseboat Harbour, Nkhotakota, Central Malawi

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1. Introduction

The Government of Malawi has identified tourism development as one of the major drivers of the country's economy. In line with this, Malawi has developed a National Tourism Investment Masterplan to identify potential areas for investment. Amongst the many investment opportunities identified in the Masterplan, ten priority projects have been singled out for prefeasibility analysis. This report therefore presents preliminary analysis of the new Tourism Resort and Houseboat Harbour project to assist potential developers, investors, project promoters and funders in their decision-making process.

This project falls under the Nkhotakota-Kasungu-Ntchisi node. This node is situated in the Central Region. It covers the districts of Nkhotakota, Kasungu and Ntchisi. As a tourist destination, the node offers a unique tourism asset inventory that combines the lakeshore with a game reserve, a national park, and historical attraction. It also boasts a few unique features such as a rainforest and hot springs. Therefore, it offers a regionally unique blend of beach, nature, wildlife, and culture tourism, catering to four of the five tourism focus areas of the government. The node occupies an area of 14, 064 sq.kms and has a total population of 1, 553, 099 (NSO, MPHS 2018).

The new Resort and Houseboat Harbour in Nkhotakota is a priority project within the node (several tourism projects were identified as being suitable for this node-refer to annexure A). This was isolated out of the need for a modestly scaled Integrated Tourism Development, offering mid-to-upmarket accommodation, shopping and entertainment, and a marina that can accommodate houseboats. Centrally located along the Lake Malawi shores, Nkhotakota can become home to this new and exciting tourism addition.

Its climate is sub-tropical with an average yearly temperature between 25° and 32°C depending on the season. Rainfall is quite high during the summer months, also referred to as the wet season. Refer to Annexure B.

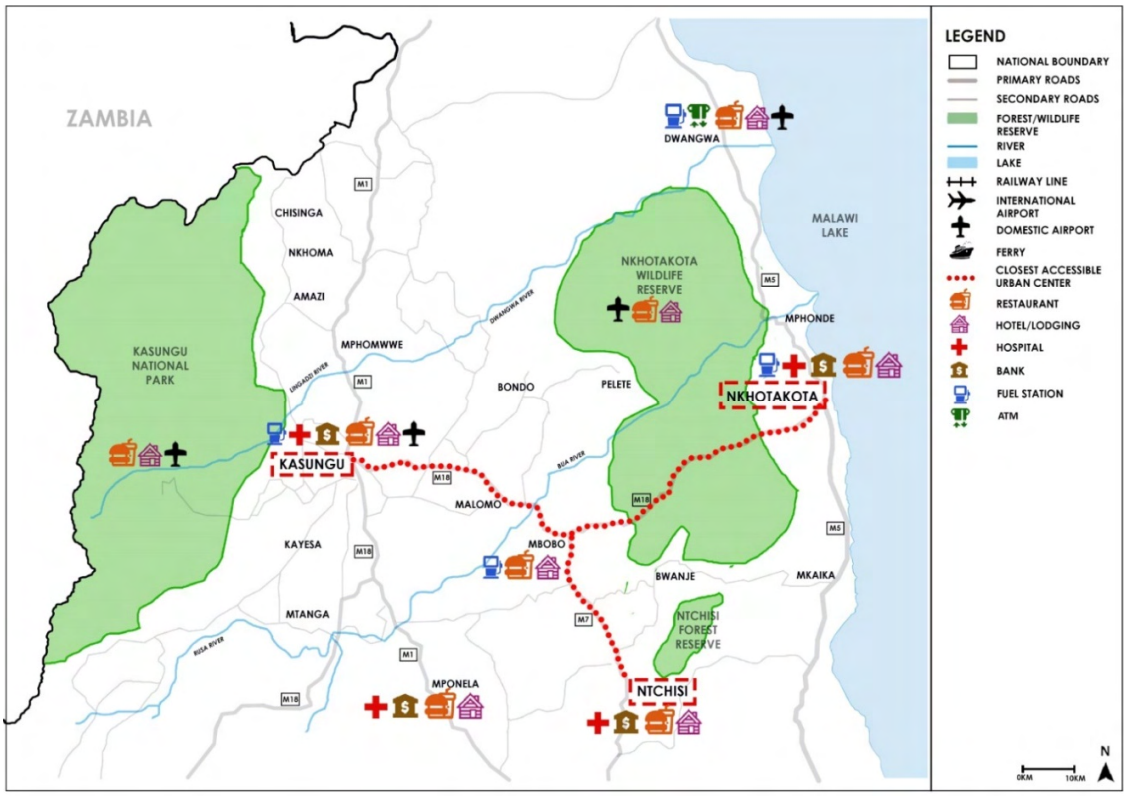


Figure 44 Map of Nkhotakota-Kasungu-Ntchisi Node

2. Objective

The purpose of this study is to investigate the opportunities and risks of a new resort and houseboat harbour in Nkhotakota. In order to determine whether a feasible operation of such an establishment is possible, the various key factors of competitive business in this particular market will be analysed.

However, at this stage, this study does not take environmental impact assessment. Subsequently, a detailed project report and an environmental and social impact assessment (ESIA) needs to be conducted by the prospective investor(s).

This study aims to establish a neutral, professional and qualified opinion and a thorough analysis of the current project plan. A tentative statement of area has been drawn up as part of the pre-feasibility study and is presented in Annexure-C.

3. Development Concept

This section provides an overview of the project and a description of various elements that are part of the development concept. Broad guidelines are provided for the purpose of directing the development of the project. This concept is based on a best case example of Tuzi-Gazi Waterfront at Richards Bay in South Africa which is situated to the mouth of a harbor. Refer to Annexure D.

3.1 Project Objective

The objective is to develop a mid to high-end tourism product that caters for the growing health-conscious market segment thereby diversifying and enhancing the existing tourism product offering in Nkhotakota.

3.2 Project Description and Details

This product will consist of a 78-room Hotel, a Shopping- and Entertainment Centre, a marina and a harbour which can accommodate and service houseboats.

The **Hotel** will provide standard and luxury rooms, catering to both the domestic as well as international market. A variety of dining experiences will be offered – a dining room reserved for hotel guests, a seafood restaurant easily accessible to hotel guests as well as day visitors, and a pizzeria. All public areas will overlook the marina and houseboat harbour.

An **Entertainment Centre**, also open to excursionists will be part of the facility and will have an indoor games area, swimming pools, activity desks and refreshment centre. Nearby, a **Shopping Centre** with a franchised departmental store, liquor store and shops will cater to the needs of Nkhotakota residents and visitors. This is where the pizzeria and a food court with fast food outlets will be located. A sufficient secure and shaded parking will be provided. The **Marina** will be able to accommodate 6 houseboats at anchor.

Figure 45 a 3D image showing the location of the concept

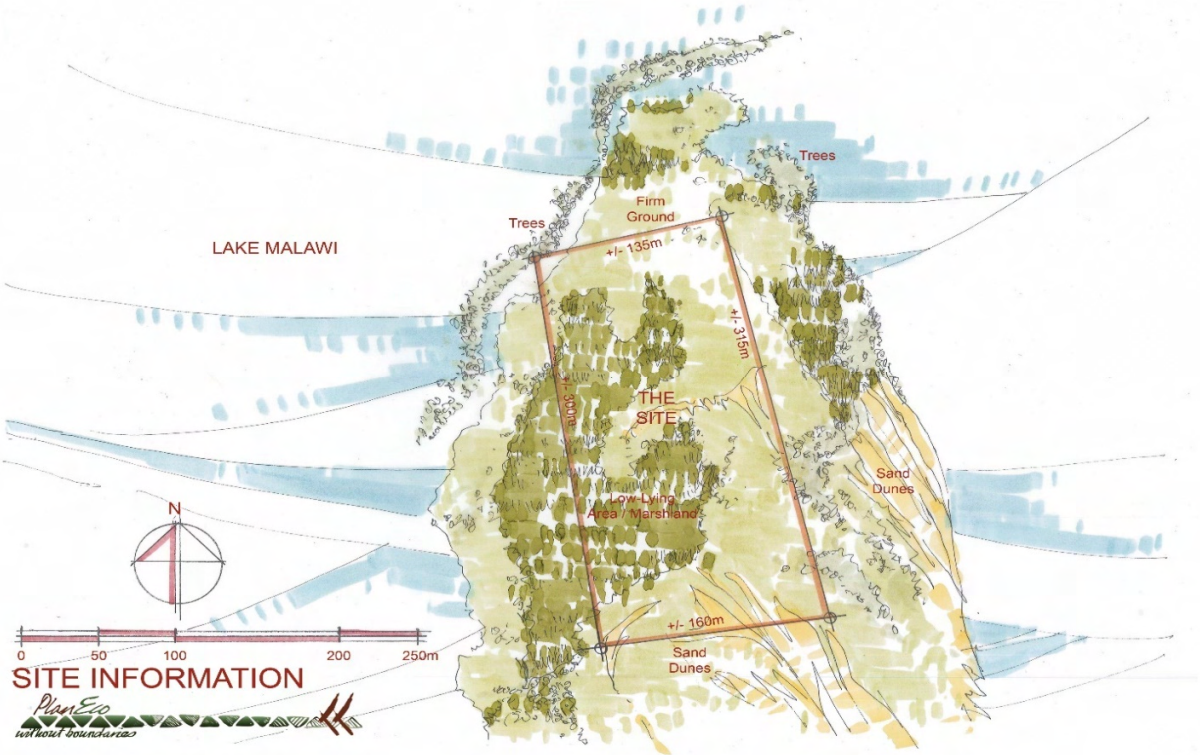


Figure 46 a sketch map for the proposed area

The **site development plan** below indicates, to scale, where the different facilities will be located. Keeping in the mind the objectives of an integrated resort, the design allows public access to the shopping centre, with lots of shaded parking bays close by. The access to the entertainment centre will be a little more private but the facilities still accessible to day visitors.

The hotel, which is more private, being reserved for guests only, will be reached by a separate road that takes hotel guests to the Porte-cochere, past parking reserved for hotel guests. The hotel's public areas (lounge, bar, dining room and foyer) will overlook the marina and joining up with the entertainment centre in a seamless way.

The hotel rooms are grouped together on the northern side of the site, overlooking the lake. It is slightly apart from the public areas, due to the marshland that has been converted into a houseboat harbour. The rooms are reached by timber decks over the water.

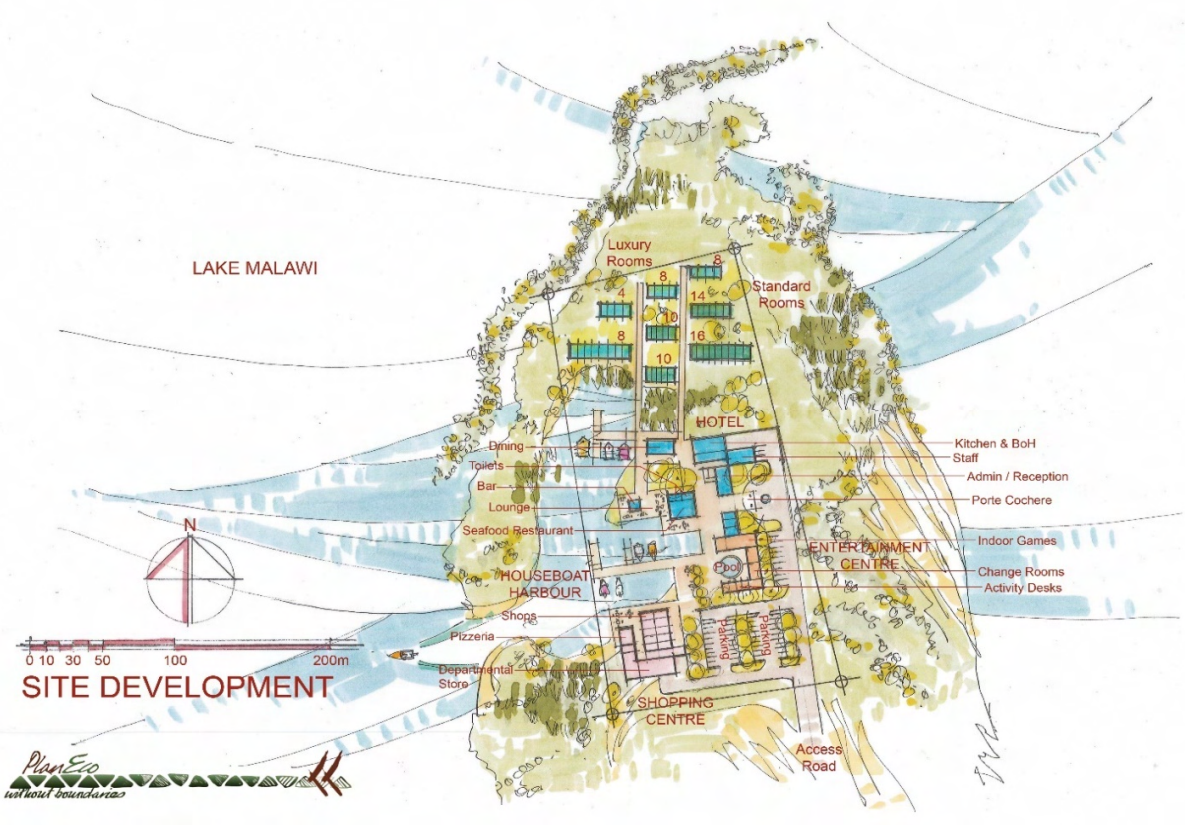


Figure 47 Site Development Plan

In addition to the project facilities construction, certain other amenities are essential for operations and need to be developed to support the project. These include:

- Water filtration and storage facility to provide access to clean water
- Wastewater, Sewage and sanitation facility
- Waste disposal facilities to ensure zero pollution

- Steady connection to the electricity grid and alternative energy source like solar panels, generators, etc.
- On site ATM and money exchange facilities
- Reliable connectivity for communication
- Medical facilities to cater for accidents related to tourist activities and emergency needs
- Entry roads, streetlights and gateway to access the project site
- Ablutions, lockers and changing rooms inside the premises

Amenities like access to water, sewage, waste disposal, grid connection, etc. can be developed by the investors in coordination with the local municipality bodies. Other amenities, which are internal to the project, need to be developed by the investors as per the requirements of the project. Information regarding the same can be provided by the DoT to the potential investors.

3.3 Development Guidelines

In order to achieve sustainable tourism development, the following guidelines should be considered:

- Ensure that environmental conservation is incorporated at every stage of the project
- Local communities should benefit from job creation facilities e.g. construction, craft production, fresh food supply and management of tourism facilities wherever quality, quantity and consistency permits
- Development of partnerships between local communities and other stakeholders are imperative. Community members or representatives should be involved in development.
- As Corporate Social Responsibility, provide skills training to local people e.g. training of local guides, allow educational visits at considerable rates, building of curio stalls and other local merchandise.
- Waste disposal facilities to ensure zero pollution.
- Use of sustainable sources of energy

3.4 Site Location

Nkhotakota is located 12°55´00 S and 34°18´00 E and lies on the shores of Lake Malawi at an elevation of 472m. The district has a population of 393, 077. It is well connected to Lilongwe, Salima, Kasungu, Ntchisi and Mzuzu.

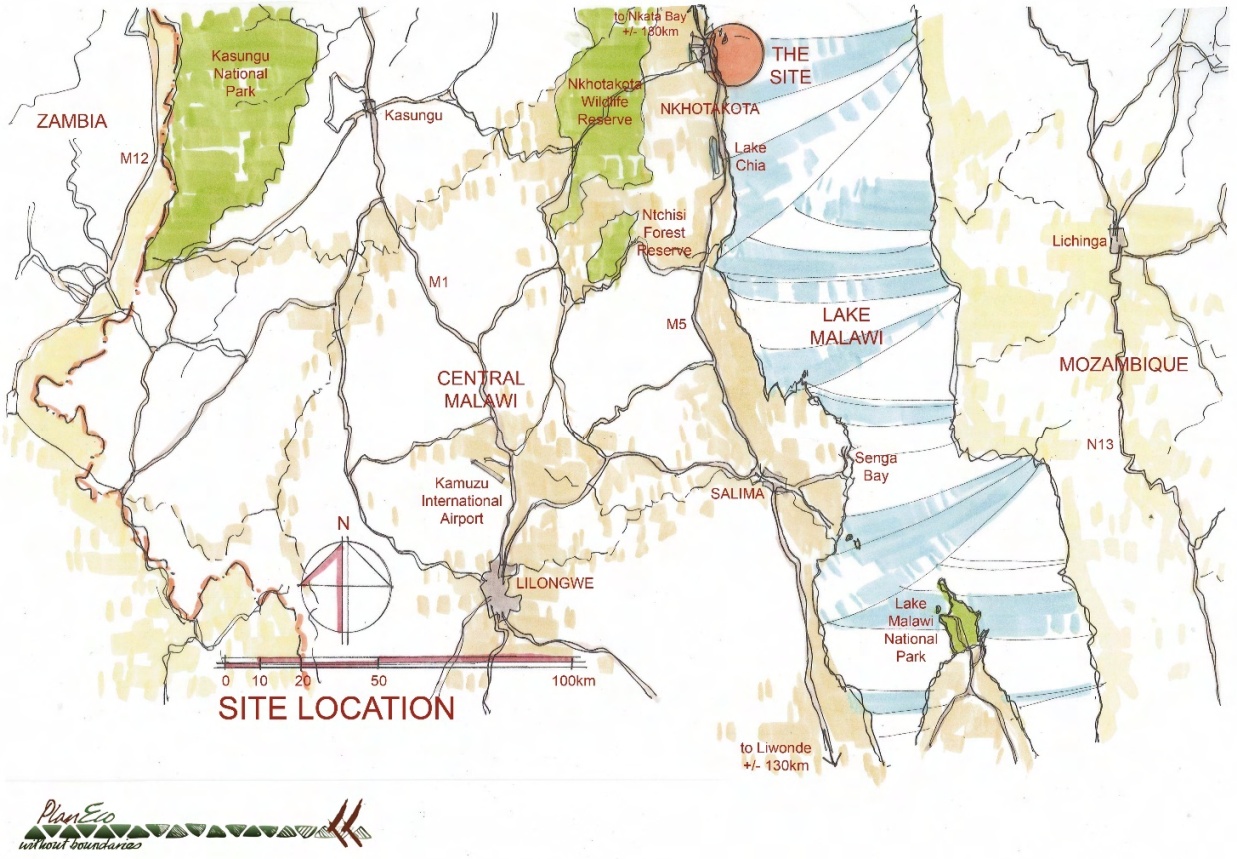


Figure 48 Site Location

The District Council has been very proactive when it comes to supporting tourism growth. Although there is no mid-to-upper market tourist accommodation in Nkhotakota town at present, they have earmarked two development sites on the lakeshore for this cause.

The second one in town at the Old Fisheries Office. Roughly a hectare in extent, it will be ideal for a boutique hotel offering water-based activities.

The other (site 2 on the drawing below) is on a peninsula, recently surveyed and called the **Malenga Mixed-Use Development**. A 4,5ha stand on the tip of the peninsula has been zoned for leisure/boating/hotel development and selected for this project.

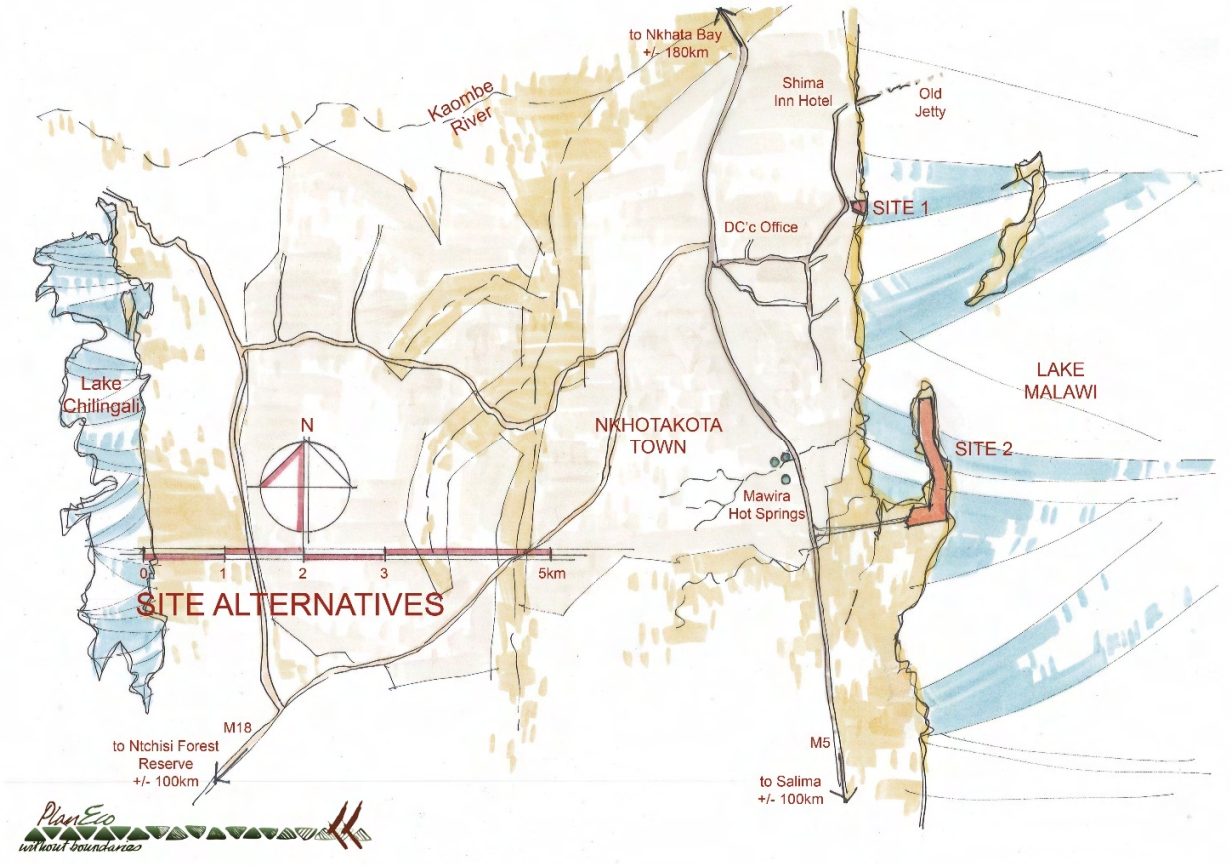


Figure 49 Site Alternatives

The **Malenga development** is aimed at creating an upmarket residential area, outside of town, with its own commercial and institutional facilities. Previously Tribal land, it is a beautiful, undeveloped, and well-located piece of land with views across a bay towards the mainland and town. The protected bay is ideal for a marina and harbour, with deep waters leading into Lake Malawi.

A 1km raised access road will be constructed for the development, which will continue along the centre of the development until it reaches the peninsula. From there, the road will split and follow the lakeshore on both sides, ending at the proposed Hotel and Harbour site.

The upmarket nature of this mixed-use development will assure local support of the proposed project. The shopping- and entertainment centres will be open to day visitors.

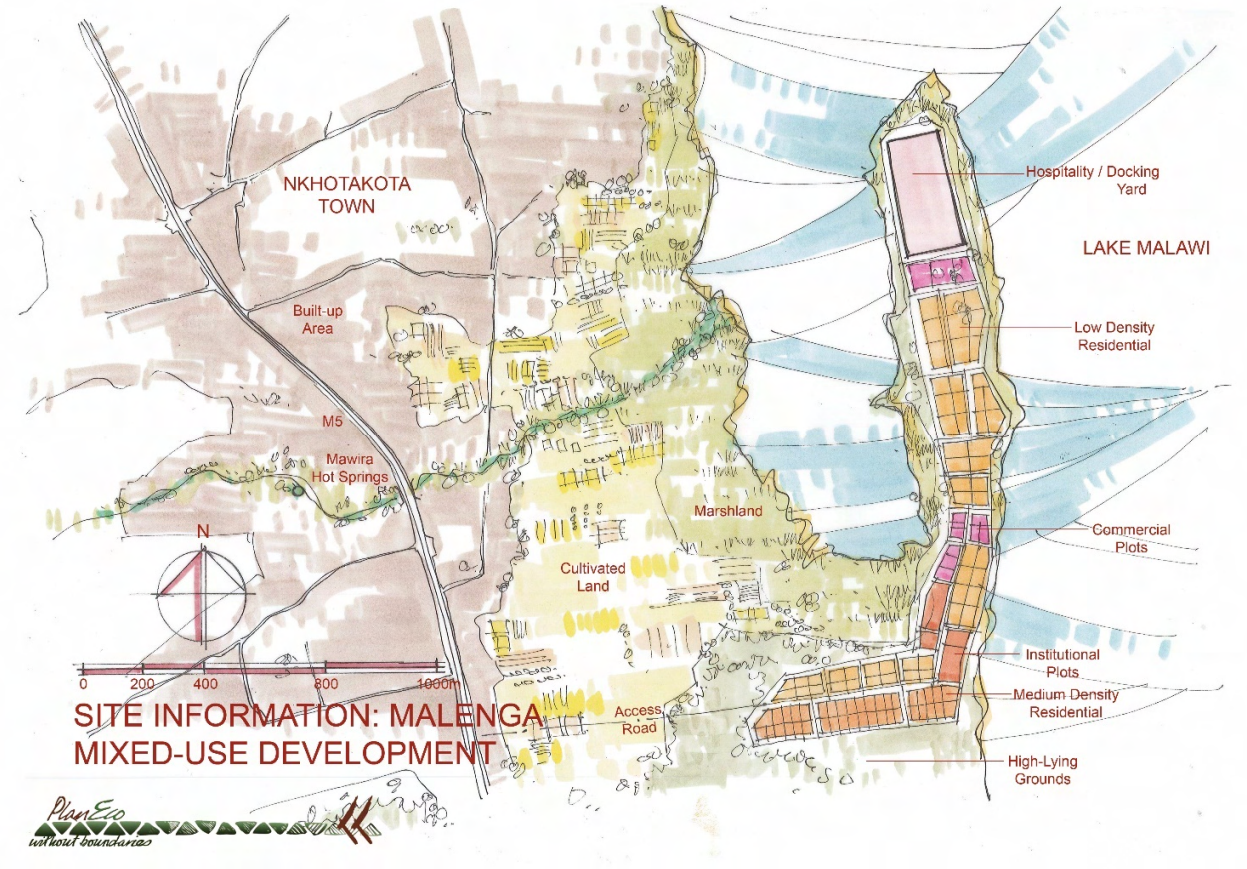


Figure 50Site Information: Malenga Mixed Use Development

The selected stand, rectangular in shape, measures approximately 150x300m. Parts of it are very low-lying and become marshland in the wet season. This area is ideal for the proposed marina and houseboat harbour, as very little dredging needs to be done to create a small inland lake. The harbour will be accessed from the bayside, where the peninsula protects the waters against wind-blown storms and high waves on Lake Malawi.

The tip of the peninsula is a pristine natural area and should be left undisturbed. The site development, therefore, focuses all human activities on the marina and harbour. No access will be given to the northern shores of the peninsula, which will be reachable by boats transporting guests to diving and birding sites.

3.5 Accessibility

Airport: – The closest international Airport is the Kamuzu International in Lilongwe located 143km from Nkhotakota. Another airstrip is within the Nkhotakota Game Reserve used for private operations.

Road transport: The M5 from Salima, the M18 road from Kasungu, and the M7 provide access to Nkhotakota.

Water transport: The district is accessible by various water vessels. The jetty was damaged in the early 1990s and is under consideration for renovation.

3.6 Existing Support Infrastructure and Other Services

Electricity: There is an existing power supply in the area.

Water: there is piped water in the town is supplied by Central Region Water Board. Consideration can be made to pumped from the lake and a water storage and treatment plant will have to be installed.

Sewerage: there is no treatment plant. A sewerage treatment plant needs to be provided on-site.

Communications Infrastructure: Landlines, mobile and internet services are available in the district. A branch of the Malawi Post Corporation office is operational.

Medical facilities: There is a district hospital as well as other healthcare facilities.

Banking: Banking and Financial services are available.

Fuel: There is a provision of fuel stations in the district.

Security: There is police services in the district.

4. Market Analysis

4.1 Supply Analysis

The supply analysis gives an indication of the tourism assets and activities in the area under consideration.

Nkhotakota is the largest traditional African town in Malawi and bears a strong Swahili-Arab influence offering rich cultural and historical tours and community experiences. Nkhotakota's beautiful and clear beaches on the shores of Lake Malawi offer sun sand and sea experiences. This makes Nkhotakota a unique destination for tourists. It has options for modern lodges and resorts. The district also offers a bush experience through the Nkhotakota wildlife reserve. The reserve is the oldest and largest in Malawi. It is a spectacular area of hills, valleys, and rivers on the steep western escarpment of the Great Rift Valley.

Nature and Wilderness

The Nkhotakota Wildlife Reserve bush experience offers eco-tourists the excitement of tracking a wide variety of game through the bushes of the Miombo woodlands. The reserve is on undulating and hilly land which drains to lake Malawi via major rivers, Dwangwa, Bua and Kaombe, and the forest is reported to be home to flora and fauna offering Some of the

activities include walking safaris, wilderness hiking and stalking expeditions. The Reserve is an ideal bird watching environment with 217 recorded bird species. The Bua River has a record of 35 species of fish and is also a spawning ground for Lake Salmon (Mpasa). The river thus offers white water rafting and angling.

Lake Malawi also offers activities such as kayaking, snorkelling, canoeing with locals and cruises.

Figure 51 Canoeing Experience at Sunset

Chia lagoon forms part of the shortest river – the Chia River.

Figure 52 Chia Lagoon

The **Mawira Hot Springs** which continuously gushes from time immemorial and a source for wellness tourism is currently not yet developed.

Cultural and Historical Heritage

Nkhotakota town has an interesting history with the **Livingstone tree** being an important symbol; the place where Dr. David Livingstone met with the slave traders to end the trade & where late President Ngwazi Hastings Kamuzu Banda held his convention in 1960.

Figure 53 Livingstone Tree

The Anglican **All Saints Church** built in 1894 by missionaries where the first bishop of Likoma is buried.

Nkhotakota Pottery offers pottery courses for tourists with the opportunity to work with traditional African potters.

Nkhotakota Cultural Centre promotes cultural activities, offers vocational training and manufacturing of items to generate income for the centre. It also organizes the yearly musical festival.

Accommodation

The area has a variety of hotels, lodges and guest houses, most of which have restaurants which are also open to outside guests. the accommodation facilities are mostly of medium to high end budget. They include:

- Sitima Inn
- Thokozire Lodge
- Rafiki Safari Lodge
- Fish Eagle Bay
- Nkhotakota Pottery & Lodge
- Nkhotakota Safari Lodge
- Kwathu Resort
- Kataya Lodge
- Tongole Wilderness Lodge – Nkhotakota Wildlife Reserve (NWR)
- Bua River Lodge– NWR
- Kachenga Bush Camp – NWR
- Lifupa is in Kasungu National Park

Restaurants

There are existing food outlets in the district most of which are attached to accommodation facilities but open to day visitors, offering a variety of continental and local food

4.2 Demand Analysis

The tourism demand for the new resort and houseboat harbor is characterized by a number of types of travelers which can be divided based on the motivation for travel. These are:

- Thrill oriented adventurers
- Special interest and sensational seekers
- Public and Private Event Organisers
- Curious Digital agers

Thrill oriented adventurers

The traveler seeks thrilling outdoor activities and is driven by challenging experiences. They love adventure as such they would want to explore the houseboats.

Special interest and sensational seekers

These type of tourists visit the Lakeshore seeking to satisfy a special type of need. They include honey mooners, researchers, academics and environmentalists. Those that enjoy wellness.

Curious digital agers

These are young travelers and have a young and technical oriented mind. Most likely they combine work and travel and are keen to share their travel experiences on digital media platforms.

Meetings, Incentives, Conferencing and Event (MICE) Participants

It covers those that travel for conferences and meetings including those that possibly stay at paid lodging. This is a valuable market that generates travel and visitor expenditure. It also increases the visibility of the industry to the local communities.

Public and Private Event Organisers

The category has business-oriented mindset or has a sociable and festive-oriented attitude. They look for locations with an appropriate atmosphere and most times demand customized solutions for the respective type of event. They expect high service quality and a professional performance.

Table 8 Types of Tourists and their spending level

Types of Tourists	**Range of their spending on daily basis**		
	Low	Medium	High
Thrill oriented adventurers			
Special interest and sensational seekers			
Curious digital agers			
Public and Private Event Organisers			

4.3 Target Market analysis

The new resort and houseboat harbour will accommodate and entertain domestic and international tourists looking for varied experiences. It will offer a variety of experiences not currently present and as such will create new markets in the MICE and Leisure segments. For those in MICE segment, accommodation demanded is usually middle to upper class.

4.4 Competition analysis

This section identifies the possible competitors for the proposed business. The closest competitors are the accommodation properties in the district. Currently, these properties service international and domestic visitors who mainly visit to have a bush and lake experience. As such they are well experienced in servicing the clientele. Further, their customers have the ability to remain loyal. There is an expectation that those facilities may react by improving their services to match the coming competitor.

The uniqueness of this product however, is that it has houseboats hence no competition within Malawi. Further,

- Integrated tourism developments in other parts of the world have proved that locating different amenities together, in a well-designed complex, ensures a higher rate of success than developing separate facilities.
- Houseboats will be constructed within the district, which is keen to become the first shipyard to construct and maintain houseboats as such will set an example to other lakeshore towns and villages will adapt their facilities to accommodate this new segment of the tourism market.

Regionally, the Tuzi-Gazi Waterfront at Richards Bay in South Africa is the main competitor. This has also been used as a best case example in this study. The Nkhotakota product will be unique however, because it will be along a fresh water body and will be in close proximity to a wildlife reserve currently managed under concession by African Parks which one of the best in the world.

5. Risks And Mitigations

This part outlines the potential risks that can be encountered and its mitigation strategies as illustrated in the table below

Table 9 Potential risks and mitigation strategies

Potential Risk	**Mitigation Strategy**
Intense competition from existing operators	o Partnership with tour operators to include in their packaging o Intensify marketing to the Domestic market
Tourism Industry is prone to different shocks and environmental disasters	o Develop Risk Management plan
Seasonality of international visitor flows	o Develop marketing strategies that will counter the effects of the seasonality on the development

Negative social impacts	o Continued awareness through a robust communication strategy o Deliberate efforts to ensure that communities fully benefit from the operations o Corporate social responsibility
Safety and Security	o Ensure enough security at the site location

6. Potential Socio-Economic Benefits

The following are the potential benefits:

- Participation of locals in planning and management of the project including Job opportunities
- Tax Revenues and levies for the country
- Promotion of a sense of pride among citizens and residents
- Enhancement of the destination profile
- Infrastructural development
- Spill over benefits to other sectors

7. Financials

7.1 Estimated Capital Expenditure

EXECUTIVE SUMMARY

Item	Description	Budget US$
1	78 Room Hotel	$ 6 059 400,01
2	Entertainment Centre	$ 357 618,09
3	Shopping Centre	$ 1 593 745,01
4	Houseboat harbour	$ 178 360,34
5	Bulk Services & Infrastructure: 78 Room hotel	$ 675 750,26
6	Bulk Services & Infrastructure: Shopping centre & Harbour	$ 39 887,76
8	Preliminaries & General @ 10%	$ 890 476,15
	SUB-TOTAL - Construction cost	**$ 9 795 237,62**
9	FF&E @ 25% of construction cost	$ 2 448 809,41
10	Contingency @ 5% of construction cost	$ 489 761,88
	TOTAL - Construction cost	**$ 12 733 808,91**
11	Professional fees - 12% of construction cost	$ 1 528 057,07

12	Additional costs, Budget at 27%: Vehicles, Marketing, Electronic equipment, Boats, EIA, etc.	$ 2 644 714,16
	TOTAL GUESTIMATE OF DEVELOPMENT COST	**$ 16 906 580,14**

7.2 Income potential

The financial forecast for the 1st year of operation is based on the following parameters:

- Positioning of the hotel: Leisure

EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$
1	Revenue from Hotel Rooms	$ 3 985 800,00
2	Revenue from Entertainment Centre	$ 854 100,00
3	Revenue from Shopping Complex	$ 956 592,00
4	Revenue from Houseboat Harbour	$ 219 000,00
	TOTAL GUESTIMATE OF REVENUE	**$ 6 015 492,00**

7.3 Operational Expense

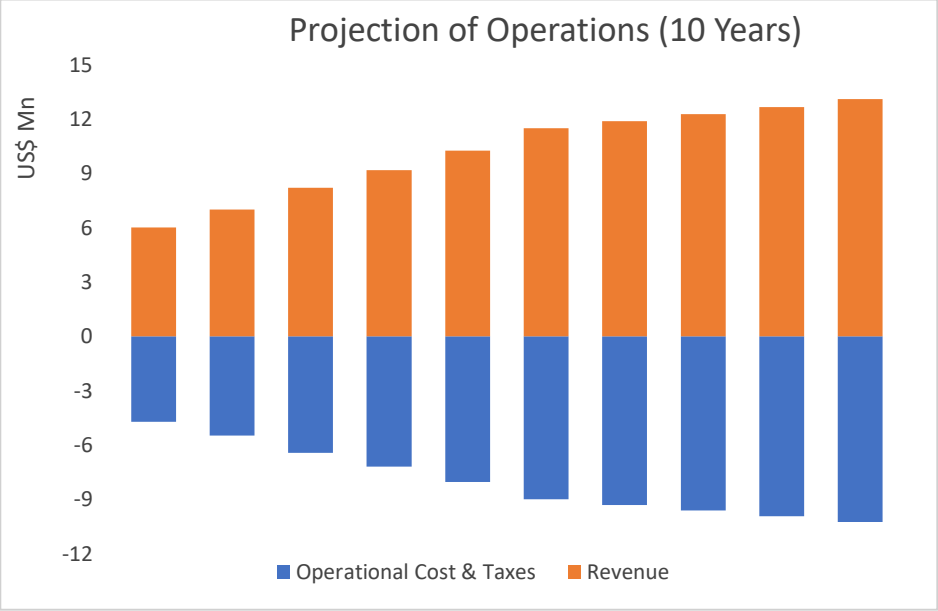
EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$
1	Cost of Room Maintenance	$ 782 013,96
2	Cost of Food & Beverage	$ 661 704,12
3	Fixed Charges	$ 601 549,20
4	Cost of Administration	$ 721 859,04
5	Cost of Operation & Maintenance	$ 601 549,20
6	Sales and Marketing	$ 481 239,36
7	Utilities and Other Costs	$ 421 084,44
8	Interest and Taxes	$ 391 006,98
9	Cost of Living Allowance	$ 45 116,19
10	Cost of Leasing Land	$ 1 248,00
	TOTAL GUESTIMATE OF EXPENSES	**$ 4 708 370,49**

7.4 Summary of Financials

US$16.90 Mn CAPEX	US$6.01 Mn Revenue for 1st Year	US$30.24 Mn Net Present Value
14.3% Internal Rate of Return	US$917 K EBIT for 1st Year	9 Years Payback Period

Projection of operations for the resort and houseboats is based on estimated initial occupancy of 40% for the first year, gradually increasing over to 48% in the next year. The NPV of the project is estimated based on a 9% Discount rate and Cost of Living Allowance of 3% estimated for the period along with other operational and fixed expenses.



Initial assessment of the project financials indicates a profitable investment, in the long run, considering the planned development in infrastructure as well as better promotion of tourism over the next 15 years.

Annexure A: List of other Projects Identified by Government

Project 1: Development of the Dr Livingstone Information Centre as part of the Malawi Slave Trade Heritage Route in Nkhotakota
DESCRIPTION The development of an Information Centre containing a museum and library supported by public amenities. The Centre will tell Dr David Livingstone's story as well as that of the Slave Trade, which he was instrumental in dismantling. Visitors will be able to stay over in a nearby lodge, newly built in the style of traditional Malawi houses of those days, called Livingstone Village. As part of this project, all cultural sites in Nkhotakota will be documented and linked to the Centre to complete the experience.

Project 2: Lake Activity Centre at the Kaliba Jetty
DESCRIPTION A small Activity Centre – a jetty with a few ancillary services will enhance the lakeshore experience in Nkhotakota. A 100m long jetty, 4m wide, will project into the lake. Close to the shore, retail areas will allow operators to hire out fishing, snorkelling, and diving equipment. Boat charters will also operate from here offering trips on sailing, fishing, and diving boats. In a nearby cove just south of the jetty, dhows can beach to take travellers on board. A small seafood restaurant will serve fresh fish and other traditional fares.

Project 3: Spa and Wellness Resort at the Nkhotakota hot spring
DESCRIPTION The spa will consist of a peaceful sanctuary with baths, treatment therapies, a salon, and a gym. Private rooms will offer reflexology treatment and relaxation areas. A nearby mini-Conference facility with a Business Centre and restaurants will support a 100-bed Boutique Hotel.

Project 4: Campsite in the Nkhotakota Wildlife Reserve
DESCRIPTION There is a shortage of camping facilities in the NWR. Currently, the tourism offering is aimed at the higher end of the market, with only one operator offering limited camping inside the Reserve. Providing both upmarket campsites (each stand with private ablution facilities) and traditional campsites, this market segment, well supported in Malawi, can ensure additional conservation fee income for the Reserve with limited capital expenditure.

Project 5: Interpretation Centre linking the rock paintings and iron smelting kilns in the Kasungu National Park.
DESCRIPTION This project will link and interpret some of the ancient iron smelting kilns to the rock art found in the Park. There are two cave sites in the Solonje Hills that contain well-preserved rock paintings, while the best-preserved kilns are to be found at the Miondwe Hill and

upper Dwangwa river. An open-air Interpretation Centre will be developed at a suitable location near the caves with information about both cultural sites. Public toilets and a small picnic area will also be provided.

Project 6: New Game Lodge to be developed in the Kasungu NP near Kangwa

DESCRIPTION

The traditional "game lodge" product consists of several free-standing chalets linked to the central dining- and-entertainment area. The number of beds is influenced by the exclusivity of the destination. Kasungu National Park is not considered a top wildlife destination at present but with the support of the IFAW and PPF, this might change for the better soon. A 32-bed lodge is proposed, offering morning and evening game drive in the northern section of the Park.

Project 7: Basecamp for hikers and mountain bikers in the Ntchisi Forest Reserve

DESCRIPTION

The adventure tourism market is growing worldwide with enthusiasts looking for new and exciting destinations. Such destinations are mostly utilized by domestic tourists and expats living in larger cities. Providing them with an affordable but classy facility, where they can start their outings, will be the start of a new market that can easily be expanded to surrounding areas offering natural beauty or cultural interests.

Project 8: Houseboats departing from Nkhotakota and other harbours along the lakeshore

DESCRIPTION

The houseboat experience is not well known in Malawi. However, it is a wonderful way to not only explore the Lake but also the many overnight accommodations to be found on the lakeshore. Full board is normally provided (all meals and drinks) with activities such as fishing, snorkelling, and birding on offer.

Project 9: Agritourism Venture, Dwangwa

DESCRIPTION

The huge Illovo sugar estates surrounding Dwangwa makes for scenic drives. The sugar mill can be opened to visitors who are keen to learn more about how sugar is obtained from sugar cane. The centrally located Kasasa Sports Club offers a 9-hole golf course, swimming pool and other amenities which could be utilized by visitors, staying in estate houses converted into guest houses in the nearby village. Local farmers can also be introduced into this agritourism venture in future, showing visitors their way of farming.

Project 10: Houseboat/barges Mooring, Chia Lagoon

DESCRIPTION

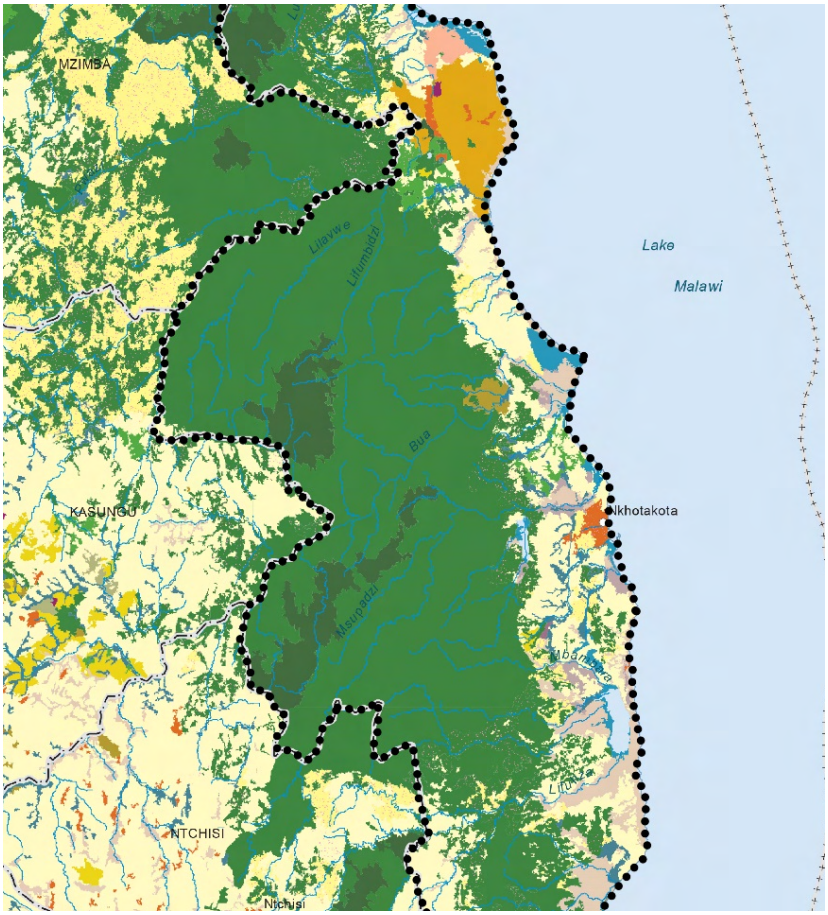
Another project envisaged for Lake Malawi entails the establishment of the houseboat and self-drive barge market. Nkhotakota is envisaged as one of the bases from where these boats can depart. Creating a mooring facility for them in the Chia Lagoon will allow interaction with residents who can provide them with fresh produce, guided fishing and -birding excursions and cultural interactions.

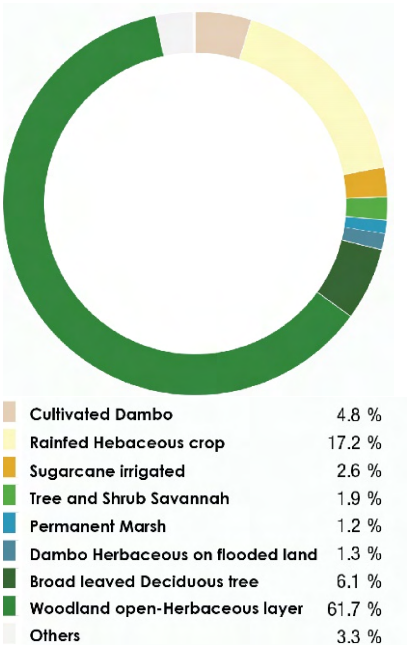
Annexure B: Geography & Climate

Nkhotakota is on the lakeshores of Lake Malawi at 472m elevation. The town has a population of ±29 000.

The locality's geography, monthly temperatures, rainfall, and the solar path over the location are all factors that inform the nature of the tourism product on offer as well as the proposed design of the facilities.

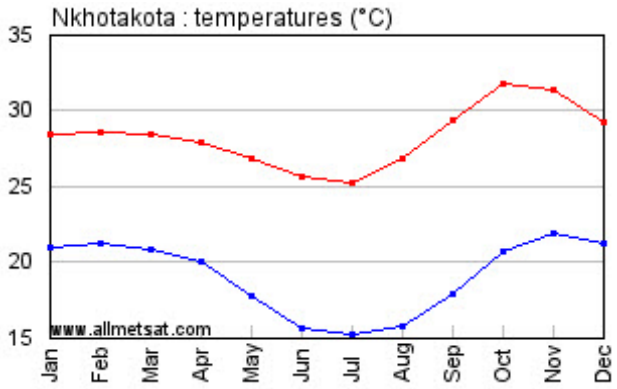
Majority (61,7%) of the land cover at Nkhotakota is woodlands open with herbaceous layer. The majority of the area has a lush green cover. The area along the lake has portions of cultivated Dambo.





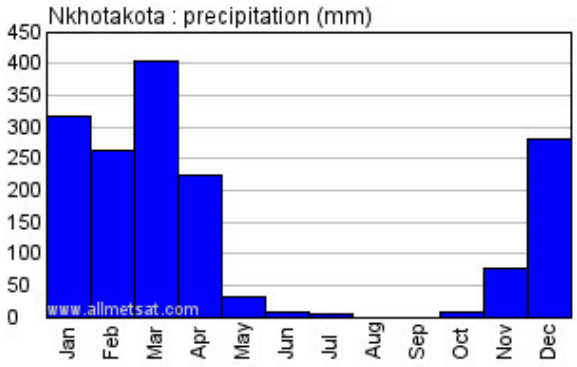
Land cover Map – Nkhotakota area

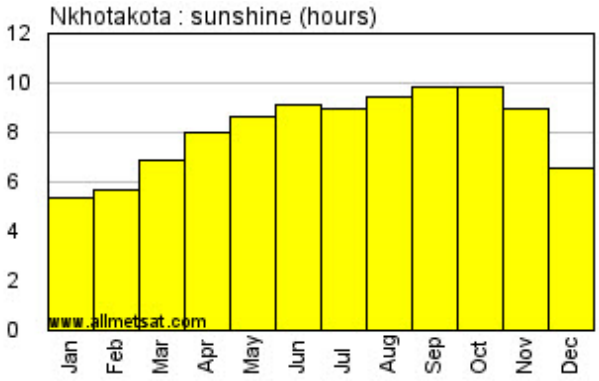
Nkhotakota's climate is sub-tropical with an average yearly temperature between 25° and 32°C depending on the season.



Average monthly temperature

The average yearly rainfall for Nkhotakota is 1649mm with most of the rain occurring in March (407mm) which is part of the wet season of December to April. August & September receives almost no rain.

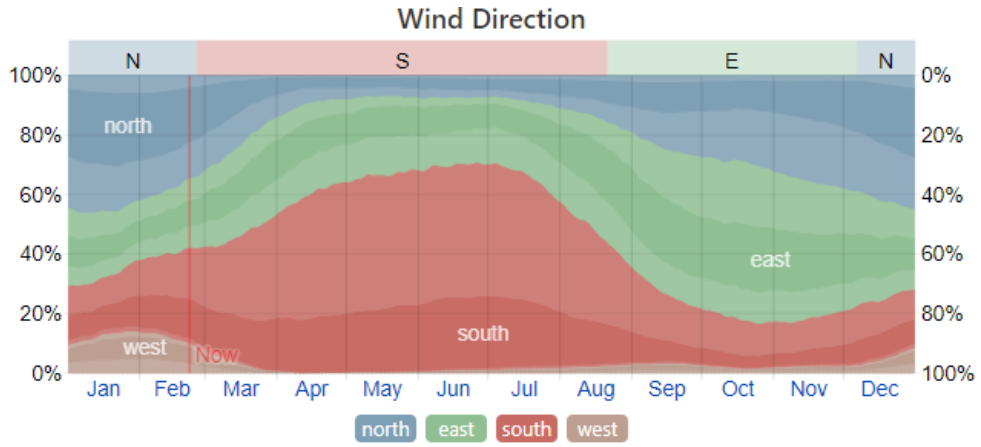




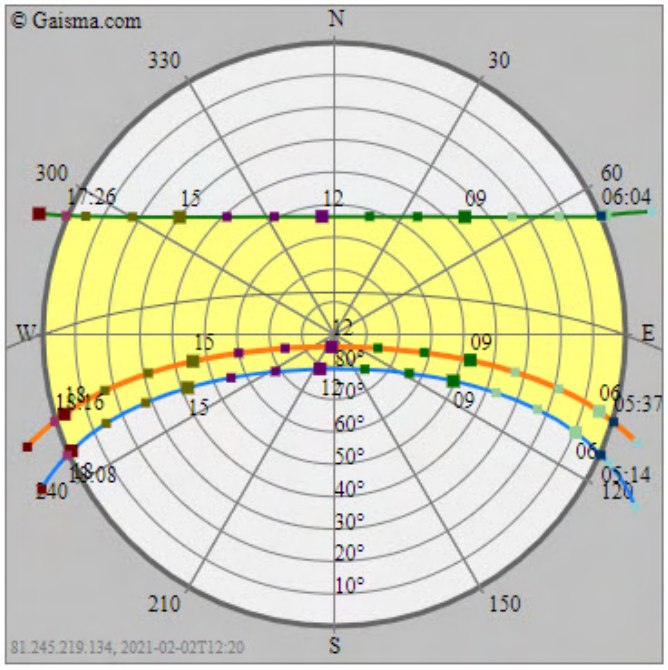
Hand in hand with precipitation is the average sunshine hours per day with the autumn, spring & winter months being the most hours.

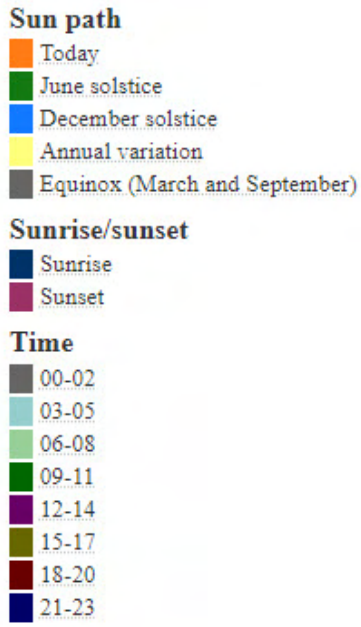
Wind – The predominant wind direction changes with the seasons. From January to mid-April, it is most often from the north; from mid-February to the end of March and again from August to December from the east; From April to July, the wind is predominantly from the south.

The wind is most often from the *south* for *5.9 months*, from *February 25* to *August 21*, with a peak percentage of *70%* on *June 26*. The wind is most often from the *east* for *3.5 months*, from *August 21* to *December 6*, with a peak percentage of *54%* on *October 18*. The wind is most often from the *north* for *2.7 months*, from *December 6* to *February 25*, with a peak percentage of *45%* on *January 1*. The average wind speed for the windier months is 15,1km/hour and for the calmer period, 11,5km/hour.



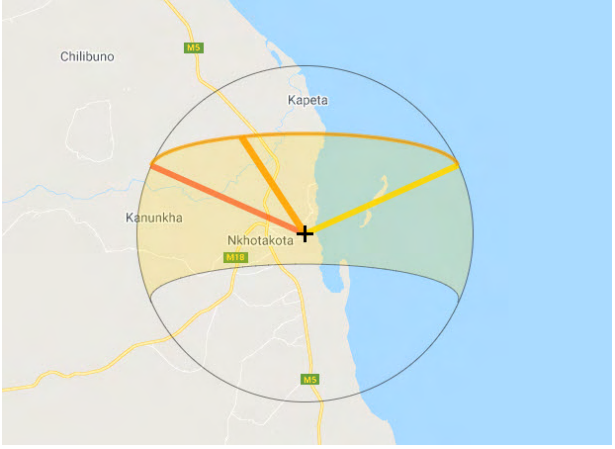
Sun path diagram for Salima indicating degrees





Nkhotakota summer solstice position

Winter solstice position



Annexure C: Statement of Area

Nkhotakota Resort & Houseboat Harbour

Resort and Entertainment Centre

78 room Hotel

a. Hotel rooms

- Standard room 40m² (patio included) x50 = 2 000m²
- Luxury room 50m² (patio included) x28 = 1 400m²
- Circulation space 700m²

b. Public areas

- Central arcade onto lake 200m²
- Foyer 280m²
- Front desk 30
- Reception 40
- Porter 10
- Admin offices 80
- Shops 3x each 15m² 45
- Hairdresser 15
- Public toilets 60
    - Lounge 150m²
    - Business Centre 60m²
    - Bar 80m²
    - Circulation say 60m²

c. Dining facilities

- Resort Dining Room for 120 people 180m²
- Servery 40m²
- Pizzeria 40 covers; open to day visitors 60m²
- Beach/seafood restaurant 40 covers; open to day visitors 60m²

d. Back of House

- Main Kitchen 180m²
- Satellite kitchens 2x each 30; 60m²
- Bar wash-up 15m²
- Stores 80m²
- Maintenance 80m²
- Laundry/linen 100m²
- Staff facilities (resort staff) 100m²
- Circulation 30m²

Entertainment Centre

a. Indoor Games area 150m²
b. Swimming Pool and patio 180m²
c. Kiddie's pool and play area 100m²
d. Ablutions and change rooms 60m²
e. Lake Activity Centre
   - Reception/4x activity desks 60m²
   - Stores 4x each 20; 80m²
   - Refreshment bar 50m²
   - Toilets 20m²

Shopping Centre and Harbour

Shopping Centre

a. Departmental store 250m²
b. Liquor store/wine merchant 100m²
c. Boutique shops 10x each 50; 500m²
d. Fast food Courtyard 4x each 50; 200m²
e. Public toilets 40m²
f. Open courtyard/garden 200m²
g. Circulation 300m²
h. Stores 200m²

Houseboat Harbour

a. Jetty 3m wide x 50m 150m²
b. 3x Floating platforms each 30; 90m²
c. Stone berm protecting the harbour 2x40m long
d. Piped water & sewerage connections as well as electrical outlets to platforms

Parking

Parking for 30 cars and 4 coaches to be provided.
A raised tarred road of 1km needs to be constructed off the M1 to provide access to the facility.

Annexure D: Best Case example

Below are photographs of a similar tourism product, developed elsewhere in the world, to illustrate the typical "look and feel" of this type of tourism product. The example chosen serves the same market, offers the same amenities and activities, and is similar in scale to the Nkhotakota Hotel and Harbour.

The **Tuzi-Gazi Waterfront** at Richards Bay in South Africa is situated close to the mouth of the harbour complex. The main harbour is for the shipping industry with the marina situated to the side with access to the yacht harbour with moorings, numerous shops, restaurants, pubs, and an office complex. Tourist accommodation – hotels, lodges, sport- & boat club, and beaches are situated close by with easy access to the area.

Aerial view of Richards Bay harbour.

View from the harbour to Bon hotel

View from Dros restaurant to Marina

Boardwalk from the Bon Hotel to marina

View of the harbour from Bon hotel

Bon Hotel from street entrance

Bon hotel viewed from the marina

View of the Marina & facilities

Shops at the wharf complex

Portuguese on the Bay restaurant

Cubana Havana Lounge

Restaurant on wharf

Bon Hotel Restaurant

View of the harbour from an office patio

View from mooring towards Tuzi-Gazi buildings

Annexure E: Construction Cost Guestimate

Nkhotakota Bay Resort & Houseboat Harbour

78 Room Hotel

		Quantity	Area	$/m²	Total
Rooms					
Standard rooms	40 m²	50	2000 m²	$1 233,94	$2 467 878,95
Luxury room	50 m²	28	1400 m²	$1 318,07	$1 845 300,39
Circulation space		1	700 m²	$514,14	$359 899,01
Public areas					
Central acade onto lake		1	200 m²	$174,81	$34 961,62
Foyer (front desk, reception, porte		1	160 m²	$772,15	$123 543,52
Shops	15 m²	3	45 m²	$869,37	$39 121,49
Hairdresser		1	15 m²	$878,71	$13 180,72
Public toilets		1	60 m²	$878,71	$52 722,87
Lounge		1	150 m²	$1 131,11	$169 666,68
Business Centre		1	60 m²	$772,15	$46 328,82
Bar		1	80 m²	$962,85	$77 027,74
Circulation		1	60 m²	$355,23	$21 313,50
Dining facilities					
Resort dining room		1	180 m²	$869,37	$156 485,96
Servery		1	40 m²	$869,37	$34 774,66
Pizzeria		1	60 m²	$973,60	$58 415,82
Beach/Seafood Restaurant		1	60 m²	$973,60	$58 415,82
BoH					
Main Kitchen		1	180 m²	$973,60	$175 247,45
Satellite Kitchen	30 m²	2	60 m²	$878,71	$52 722,87
Bar wash-up		1	15 m²	$869,37	$13 040,50
Stores		1	80 m²	$553,40	$44 272,25
Maintenance		1	80 m²	$772,15	$61 771,76
Laundry/linen		1	100 m²	$654,36	$65 436,18
Resort Staff facilities		1	100 m²	$772,15	$77 214,70
Circulation		1	30 m²	$355,23	$10 656,75
TOTAL			**5915 m²**		**$6 059 400,01**

Nkhotakota Bay Resort & Houseboat Harbour

Shopping Complex

			Quantity	Area		$/m²	Total
Shopping Centre							
Departmental Store			1	250	m²	$869,37	$217 341,61
Liquor Store/wine merchant			1	100	m²	$869,37	$86 936,64
Boutique shops	50	m²	10	500	m²	$1 392,86	$696 427,96
Fast food Courtyard	50	m²	4	200	m²	$1 149,81	$229 961,45
Public toilets			1	40	m²	$878,71	$35 148,58
Open Court/garden			1	200	m²	$553,40	$110 680,63
Circulation			1	300	m²	$355,23	$106 567,50
Stores			1	200	m²	$553,40	$110 680,63
TOTAL				**1790**	**m²**		**$1 593 745,01**
Houseboat Harbor							
Main jetty: 50m long X 3m wide			1	150	m²	$869,37	$130 404,97
Floating platforms, each 30m²			3	90	m²	$495,45	$44 590,09
Stone berm protecting the harbor - 40m			2	80	m	$42,07	$3 365,29
TOTAL				**2310**	**m²**		**$178 360,34**

Leisure facilities

			Quantity	Area		$/m²	Total
Entertainment Centre							
Indoor Games area			1	150	m²	$860,02	$129 002,76
Swimming Pool & patio			1	180	m²	$21,50	$3 870,08
Kiddies pool & play area			1	100	m²	$21,50	$2 150,05
Ablutions & Change rooms			1	60	m²	$878,71	$52 722,87
Lake Activity Centre:							
Reception - activity desks			1	60	m²	$772,15	$46 328,82
Stores	20	m²	4	80	m²	$553,40	$44 272,25
Refreshment Bar			1	50	m²	$1 233,94	$61 696,97
Toilets			1	20	m²	$878,71	$17 574,29
TOTAL				**700**	**m²**		**$357 618,09**

Nkhotakota Bay Resort & Houseboat Harbour

78 Bed hotel Services

	Quantity	Total	Item Total
Sewerage			$9 664,47
Sewer reticulation	1	$3 421,05	
Septic tanks & treatment plant	1	$3 848,68	
Irrigation system	1	$2 394,74	
Water			$23 092,11
Water connection	1	$3 848,68	
Water storage	1	$2 565,79	
Solar power connection with pump	1	$11 973,68	
Water treatment plant	1	$4 703,95	
Power			$13 427,63
Electrical connection	1	$5 131,58	
Back-up generator	1	$4 703,95	
Reticulation	1	$3 592,11	
Roads, Parking Areas			$601 770,00
Parking fo 30 vehicles + 4 coaches	1	$79 852,50	
Tarr road connection from M1, 1km	1	$521 917,50	
Communications			$2 138,16
Cellphone repeater	1	$2 138,16	
Earthworks			$25 657,89
Landscaping	1	$25 657,89	
TOTAL		**$675 750,26**	

Shopping centre & Harbour Services

	Quantity	Total	Item Total
Sewerage			$13 171,05
Sewer reticulation	1	$5 559,21	
Septic tanks & treatment plant	1	$2 223,68	
Houseboat sewerage connections	18	$5 388,16	
Water			$9 690,13
Water connection	1	$2 993,42	
Water storage	1	$1 924,34	
Houseboats Piped water & connections	18	$4 772,37	
Power			$17 026,58
Electrical connection	1	$3 592,11	
Back-up generator	1	$1 967,11	
Reticulation	1	$2 907,89	
Houseboats Electrical outlets	18	$8 559,47	
TOTAL		**$39 887,76**	

End of Pre-feasibility Report 6

Pre-feasibility Report 7

Lilongwe Riverwalk project, Lilongwe, Central Malawi

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1. Introduction

The Government of Malawi has identified tourism development as one of the major drivers of the country's economy. In line with this, Malawi has developed a National Tourism Investment Masterplan to identify potential areas for Investment. Amongst the many investment opportunities identified in the Masterplan, ten priority projects have been singled out for prefeasibility analysis. This report, therefore, presents preliminary analysis of **Lilongwe River Board Walk** project to assist potential developers, investors, project promoters and funders in their decision-making process **(Refer to annexure A)**.

Lilongwe River board walk project falls under the Lilongwe-Dzalanyama-Mchinji-node. This node occupies an area of 8,939 sq. kms and has a total population of 3, 229,206 (NSO, MPHS 2018). As a tourist destination, the node is home to several tourism assets including nature sanctuaries, a forest reserve, a World War memorial tower, cultural village, mountains and the old town.

The Lilongwe River board walk is a priority project within the node (several tourism projects were identified as being suitable for this Node **(Refer to annexure A).** It is named after the Lilongwe River that runs through it and is the Capital City of Malawi.

Lilongwe is one of the few cities in the world with a nature sanctuary at its core. It is situated in central Malawi and it became the Malawi's capital in 1975. The city is divided into two sections – Old Town and New Town. The old town has much in common with other 20th century urban developments around the world. Its gleaming modern shops within the city are complemented by the busy streets and walled markets of Old Town, open-air markets, and numerous small shops and other businesses. For those looking for souvenirs, this is the best place to buy one. New Town (also known as the city centre) came into existence after Lilongwe became the capital and has modern buildings, including the national legislative building, government ministries, embassies, hotels, banks, and office towers. The city centre also has Nature Sanctuaries, one that cares for rescued and injured wild animals (Lilongwe Wildlife Centre) and another one that accommodates free range wild animals.

In terms of climate, Lilongwe is 1050m above sea level. Temperatures do not vary a lot throughout the year and averaging around 26°C. Most of the rain for the area is during the summer months **(Refer to Annexure B)**

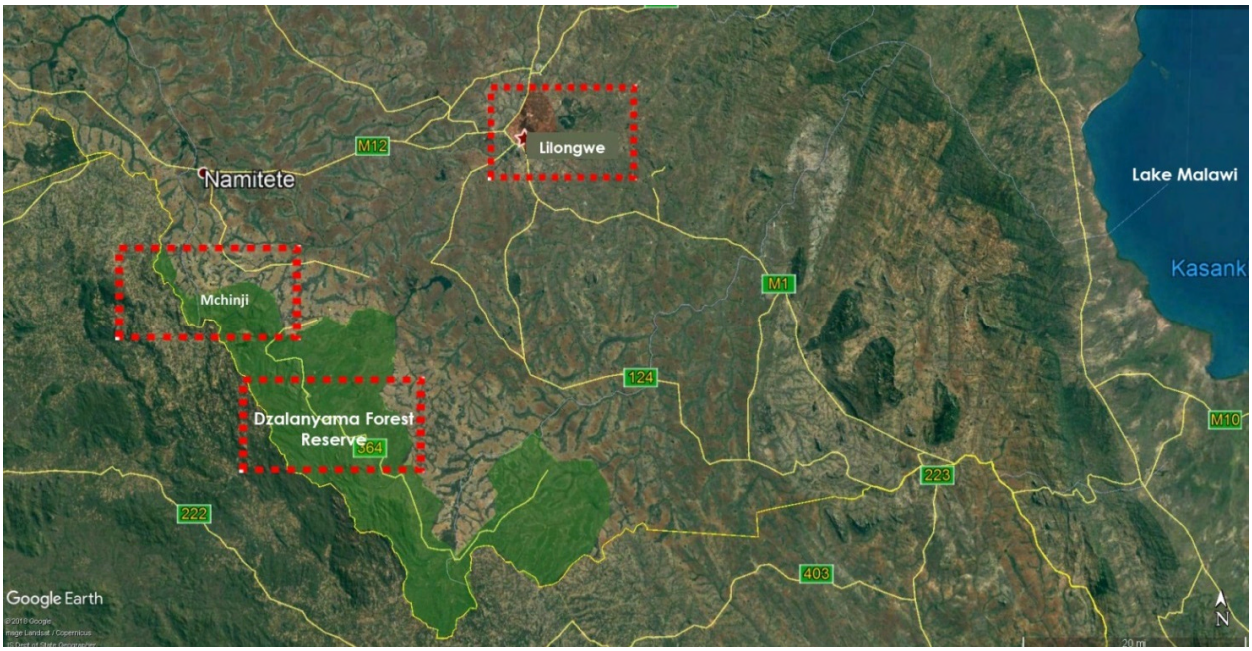


Figure 54 showing map of Lilongwe- Dzalanyama- Mchinji node

2. Objective

The purpose of this study is to investigate the opportunities and risks of a river board walk investment along Lingadzi River in the heart of Lilongwe. In order to determine whether a feasible operation of such an establishment is possible, the various key factors of competitive business in this particular market will be analysed.

However, at this stage, this study does not take environmental impact assessment. Subsequently, a detailed project report and an environmental and social impact assessment (ESIA) needs to be conducted by the prospective investor(s).

This study aims to establish a neutral, professional and qualified opinion and a thorough analysis of the current project plan. A tentative statement of area has been drawn up as part of the pre-feasibility study. **Refer to Annexure C.**

3. Development Concept

This section provides an overview of the project and a description of various elements that are part of the development concept. Broad guidelines are provided for the purpose of directing the development of the project. This concept is based on a best-case example of uMkuze Game Reserve in northern Kwazulu Natal, in South Africa **(Refer to Annexure D).**

3.1 Project Objective

The main objective of the proposed tourism project to provide city dwellers with an escape into nature, in the heart of Lilongwe that will enhance tourists' experience staying in hotels by offering them a wellness activity away from the hotel. The specific objectives of this project include the following:

- Support the MICE market in Lilongwe
- Boost visitor numbers to the Lilongwe Nature Sanctuary

3.2 Project description and details

Lilongwe is the gateway of most visitors in Malawi. It also hosts most government departments and many hotels- and conference venues. On average, the length of visitors to the Capital City is minimal due to the lack of activities and facilities supporting the MICE tourism sector – people need interesting things to do to lengthen their stay.

The proposed River Board walk project will support this market, not only for visitors but also for Lilongwe residents. A timber board walk, 1,7km in length, will take visitors from a parking area on the M1 through the Nature Sanctuary.

The Lilongwe City Council strategic plan for Lilongwe/Lingadzi Ecological Corridor System developed in 2020 to guide development along these rivers and green the inner city of Lilongwe. The ecological corridor will connect the Botanical Gardens and Nature Sanctuary by connecting green areas adjoining both rivers. The proposed river-walk fits in with this strategic plan and will make it possible for people to experience the green belt safely and enjoy nature in the middle of the city since visitors will be able to walk the full length of this part of the river on an elevated timber boardwalk, past bird hides and places of rest, and then enter the Sanctuary and continue walking on the existing trails within the sanctuary.

The board walk meanders down the Lingadzi river past two bird hides. Benches along the way will allow visitors to rest, relax, and enjoy nature. The board walk joins up to existing trails within both parts of the Nature Sanctuary and ends at a parking area on the eastern side of the Sanctuary, off Youth Drive.

At the Starting Point

- The trail will start from M1, just south of Presidential Way.
- A shaded and secure parking area for vehicles and bicycles will be provided
- There will be scheduled morning markets run by the community
- Fast-food outlet will be available
- There will also be public toilets

At the end of the trail

The excursion will take visitors onto existing trails within the Sanctuary and will end at a parking area adjacent to Youth Drive. Other facilities at the confluence of Lingadzi and Lilongwe rivers and the recreation park at area 13 city nursery will be developed by the Lilongwe City Council in conjunction with the investors or other developers. Information regarding the same can be provided by the DNPW and DOT to the potential investors.

Figure 55 Sketch for Lilongwe River Board walk

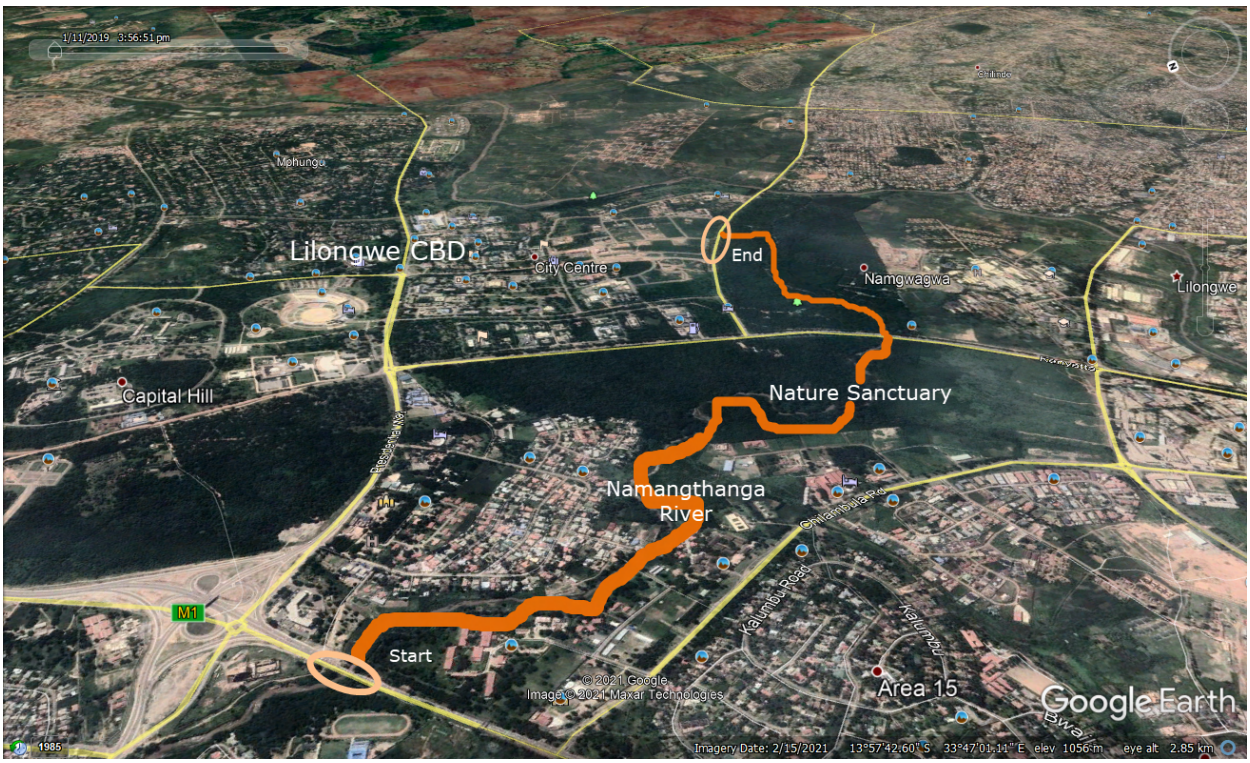


Figure 56 showing the entire concept

3.3 Development Guidelines

In order to achieve sustainable tourism development, the following guidelines should be considered:

- Ensure that environmental conservation is incorporated at every stage of the project
- Local communities should benefit from job creation facilities e.g., construction, craft production, fresh food supply and operation and management of tourism facilities wherever quality, quantity and consistency permit
- Development of partnerships between local communities and other stakeholders are imperative. Community members or representatives should be involved in development.
- As Corporate Social Responsibility, provide skills training to local people e.g., training of local guides, allow educational visits at considerable rates, building of curio stalls.
- Waste disposal facilities to ensure zero pollution
- Use of sustainable sources of energy that will ensure environmental conservation

3.4 Site location

The proposed site is located in Lilongwe city centre on coordinates -13.9621° South, 33.7937°East.

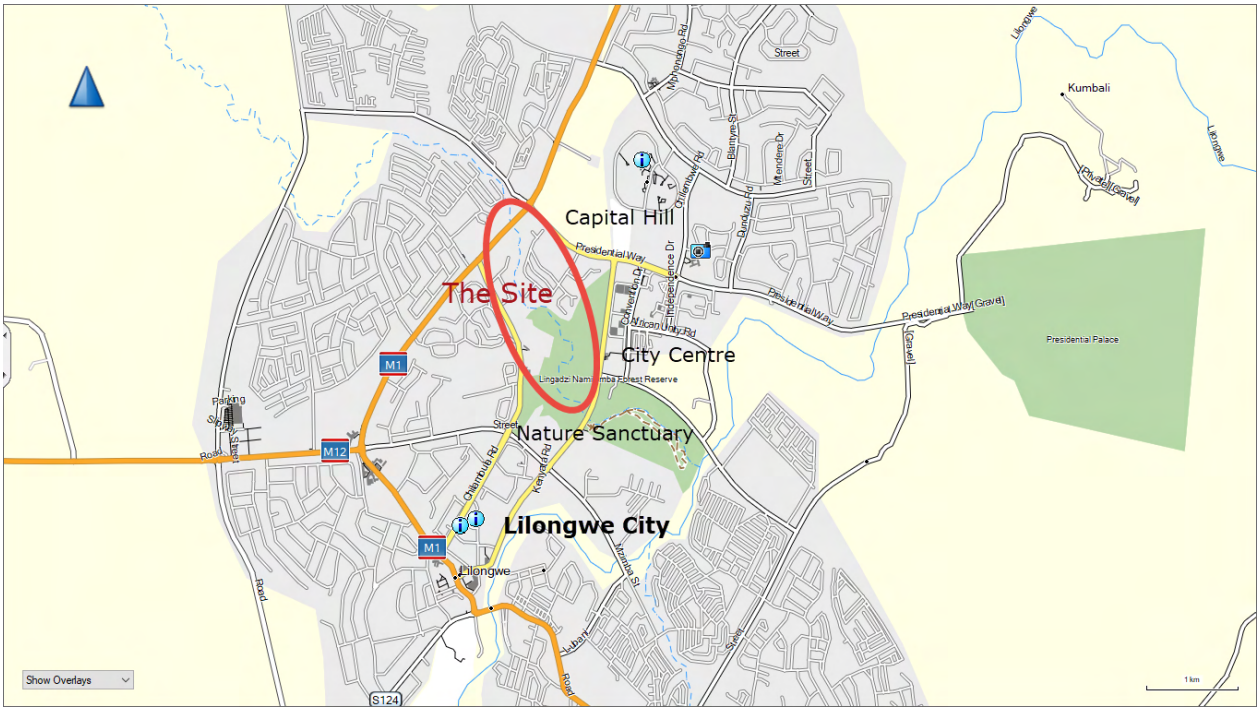


Figure 57 map showing site location

3.5 Accessibility

- **Air Transport:** The Kamuzu International Airport, is situated 26km from the city centre. It is one of Malawi's main airport for both international and domestic travel. It has a runway of 3540 x 45m. Possibilities exist for additional runways and expansion of the airport infrastructure.
- **Road Transport:** The district can be accessed through the M1 road. It is served by a number of car rentals and public transport within the city and to surrounding districts. M1 coming from Blantyre through Dedza proceeding to the Northern of Malawi, M12 coming from Mchinji which connects Malawi to Chipata in Zambia in the west; and the M14 which connects the lake district of Salima in the east to Lilongwe.
- **Water transport:** There is no water transport facility to Lilongwe. The nearest water transport is found in Salima district.
- **Railway:** The available railway line in Lilongwe is used for logistical purposes and transferring goods to the coastline.

3.6 Existing Support Infrastructure and Other Services:

- **Electricity:** Electricity connection is available to connect to the development site
- **Water:** There is a piped water connection near the site
- **Sewerage:** Connection to the City sewerage system is possible
- **Communications:** Landlines, mobile and internet services are available in the district
- **Medical facilities:** There are government health facilities as well as private clinics available around the area
- **Post office:** The Malawi Post Corporation (MPC) has various offices in town as well as the node with options for postage, delivery, bus service, money transfers, etc.
- **Fuel:** Fuel supplies are available in Lilongwe
- **Banking:** There are banking and financial facilities in Lilongwe
- **Security:** Police services are available in the district

4. Market Analysis

4.1 Supply Analysis

The supply analysis gives an indication of the tourism assets and activities in the area under consideration. There are several tourist assets located within Lilongwe that have the potential of offering varied experiences to visitors such as nature, wildlife, and MICE tourism. Lilongwe has the potential to attract higher footfalls for an extended period if these assets are further developed as it is a transit hub for people using airlines.

The prefeasibility study has revealed that this development will support existing tourism infrastructure in the city and contribute towards lengthening the stay of visitors to Lilongwe, as well as enhancing the livelihood of residents in the area.

Figure 58 Lilongwe River

Some tourism facilities or attractions are:

Restaurants: There are a number of upscale eateries in the area such as:

- Afribrands KFC
- Kip's restaurant, pizzeria and Ice cream Parlour
- Steers and Pizza Inn
- N1 Café and grill
- Sana food court
- Mama mia Restaurant
- Chicken Inn
- Fish Inn

Accommodation: There are a number of upmarket hotels in Lilongwe which also provide restaurants that are also open to walk-in guests such as:

- Sunbird capital hotel
- Sunbird Lilongwe hotel
- Walmont hotel (Umodzi Park)
- Latitude 13
- Crossroads Hotel
- Golden peacock
- Kumbali country lodge
- Kiboko town hotel

- Korea Garden hotel
- Madidi Lodge

Riverside Hotel

Shopping: Lilongwe is also popular for its flea market frequented mostly by locals with clothing, local food, general goods available and some souvenir shops and stalls.

Figure 59 showing Lilongwe Old Town

Figure 60 Lilongwe Craft market by the Post Office area 3

Tours and Sightseeing: Lilongwe is also famous of places of interest such as the Kamuzu Dam at Malingunde (Dzalanyama), Mountains, the Bingu National Stadium, Nature Sanctuaries (public and private) and a botanical garden. The Lilongwe Nature Sanctuary is operated by the government. It is a learning Centre that target students. It exhibits the evolution of man and environmental conservation lessons. In terms of animals, the sanctuary has few animals that are left free of range and can be rarely spotted. The Lilongwe Wildlife Centre is another private owned sanctuary in Lilongwe which is a home for rescued and injured animals. Animals are caged and fed twice a day.

Figure 61 An injured hyena caged at Lilongwe Wildlife Centre

Figure 62 Pathway in the Lilongwe Nature Sanctuary

Figure 63 Birds in the Lilongwe Nature Sanctuary

Figure 64 Kamuzu Dam at Malingunde, Lilongwe

Historical and Cultural Heritage: Lilongwe City is also popular for cultural and historical assets such as the World War 1 and 2 memorial tower and the late Dr. H Kamuzu Banda's mausoleum who was the first president of the country and cultural villages.

Figure 65 Late Dr. H. Kamuzu Banda Mausoleum

Figure 66 World War 1&2 Memorial tower

4.2 Demand Analysis

The tourism demand for Lilongwe River Board walk is characterized by a number of types of travelers which can be divided based on the motivation for travel. These include:

- Meetings, Incentives, Conferences and Exhibitions
- Special interest and sensational seekers
- Curious and price sensitive digital agers
- Authentic Nature and Culture Lovers
- Freethinking and sophisticated individuals
- Short and Intensive holiday makers

Meetings, Incentives, Conferences and Exhibitions (MICE): This product line aims at bringing together business professionals from every sector in an enhanced, tailor made hospitality setting. This is an ideal market for Lilongwe as it is centrally and strategically located. Travelers in this category are high spenders.

Authentic Nature and Culture Lovers: These travelers are more into cultural exchange, interaction with various cultural groups and are eager to learn new cultural experiences. On part of nature, they have knowledge about conservation and have a sustainable oriented mindset and travel behavior. Whilst it may cut across all age brackets the majority will tend to be older and those in the mid to high income brackets.

Curious and price sensitive digital agers: These are young travelers, 35 years of age and below, and have a young and technical oriented mind. Most likely they combine work and travel and are keen to share their travel experiences on digital media platforms.

Special interest and sensational seekers: These include researchers, academics and environmentalist. Bird watchers also fall under this category. They have long-stays hence they are cumulatively high spenders.

Short and Intensive holiday makers: They are time sensitive, and they have a target-oriented mindset. They prefer short drives, easily accessible location and good transport options. They expect attractive leisure offers according to their needs and interest.

Freethinking and sophisticated individuals: They are unconventional and materialistic oriented mindset and they like to stay in one destination and normally organize self-trips. They are image-conscious and opinion leaders within their peers and social groups. Price is not a major criterion for travel.

Types of Tourists	**Range of their spending on daily basis**		
	Low	Medium	High
Meetings, Incentives, conferences, Exhibitions			
Special interest and sensational seekers			
Curious and price sensitive digital agers			
Authentic Nature and Culture Lovers			
Short and Intensive holiday makers			
Freethinking and sophisticated individuals			

Table 10 Tourist Types and Spending Levels

4.3 Target Market analysis

The target market for the Lilongwe River board walk will be Domestic and international. This project will create a unique experience for Freethinking and sophisticated individuals, and the short and Intensive holiday makers type of tourists.

4.4 Competition analysis

This section identifies the possible competitors to the proposed investment. Currently, the proposed project has no competitor in the area, however, there would be competition among food outlets.

5 Risks and Mitigation Strategies

This part outlines the potential risks that can be encountered and its mitigation strategies as illustrated in the table 3 below.

Potential Risk	Mitigation Strategy
Intense competition from the region	o Partnership with tour operators to include the Lilongwe River boardwalk in their packaging o Intensify marketing to the Domestic market
Resistance from environmental conservationists	o Carrying capacity should not be exceeded. o Environmentally friendly practices should be implemented.
Tourism Industry is prone to different shocks and environmental disasters	o Risk Management plan
Seasonality of international visitor flows	o Develop marketing strategies that will counter the effects of the seasonality on the development
Negative social impacts	o Continued awareness o Deliberate efforts to ensure that communities fully benefit from the operations o Corporate social responsibility
Safety and Security	o Ensure enough security at the site location

Table 11 Potential Risks and Mitigation Strategies

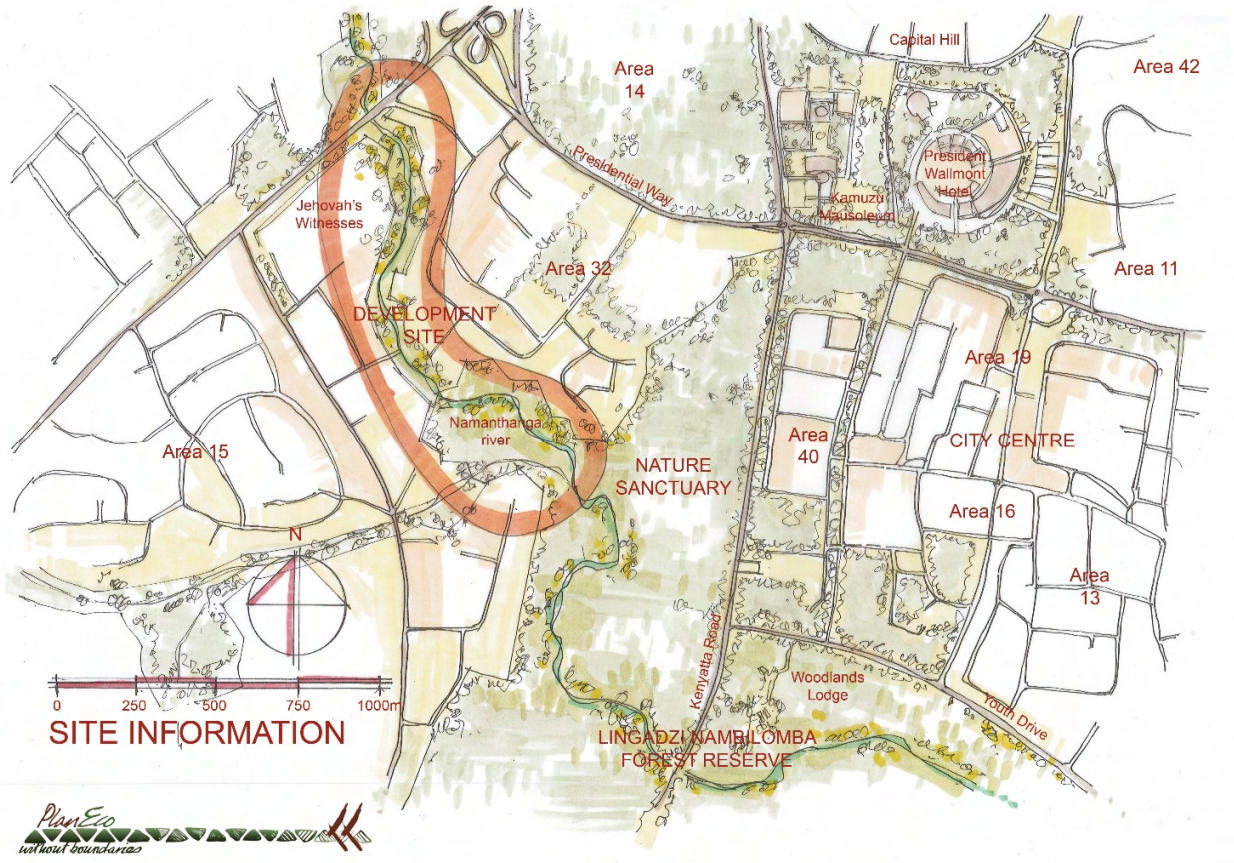


Figure 67 Map showing Development Site

6 Potential Socio-Economic Benefits

The following are the potential benefits:

- Participation of locals in planning and management of the project including Job opportunities
- Tax Revenues and levies for the country
- Promotion of a sense of pride among citizens and residents
- Enhancement of the destination profile
- Infrastructural development
- Spill over benefits to other sectors

7 Financials

8. Estimated Capital Expenditure

EXECUTIVE SUMMARY

Item	Description	Budget US$
1	Structures East	$ 100 051,93
2	Structures West	$ 132 368,05
3	Boardwalk	$ 661 930,00
4	Services	$ 8 621,05
5	Roads, Parking & Earthworks	$ 195 188,16
6	Preliminaries & General @ 10%	$ 109 815,92
	SUB-TOTAL - Construction cost	$ 1 207 975,11
7	FF&E @ 5% of construction cost	$ 60 398,76
8	Contingency @ 5% of construction cost	$ 60 398,76
	TOTAL - Construction cost	$ 1 328 772,62
9	Professional fees - 12% of construction cost	$ 159 452,71
10	Additional costs, Budget at 10%: Marketing, Electronic equipment, EIA, etc.	$ 120 797,51
	TOTAL GUESTIMATE OF DEVELOPMENT COST	**$ 1 609 022,85**

9. Income potential

The financial forecast for the 1st year of operation is estimated as follows:

EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$
1	Revenue from Shops and Restaurants	$ 292 000,00
	TOTAL GUESTIMATE OF REVENUE	**$ 292 000,00**

10. Operational Expense

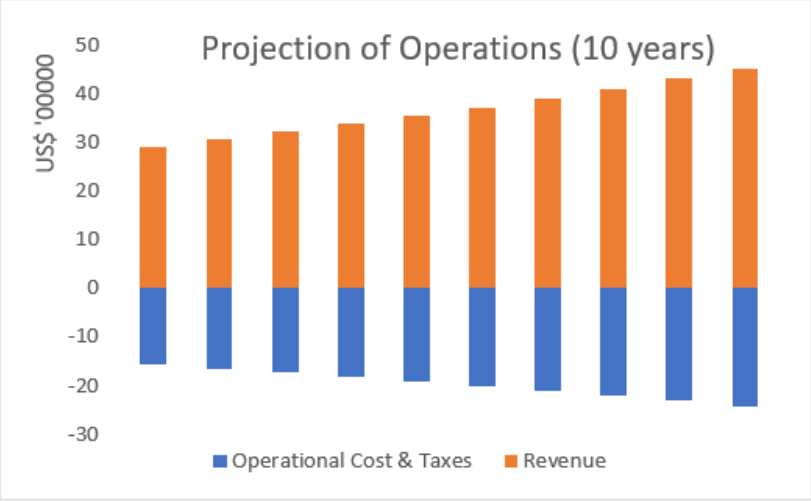
EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$	
1	Cost of Food & Beverage	$	43 800,00
2	Fixed Charges	$	29 200,00
3	Cost of Administration	$	17 520,00
4	Cost of Operation & Maintenance	$	11 680,00
5	Sales and Marketing	$	14 600,00
6	Utilities and Other Costs	$	20 440,00
7	Interest and Taxes	$	18 980,00
8	Cost of Living Allowance	$	525,60
9	Cost of Leasing Land	$	390,00
	TOTAL GUESTIMATE OF EXPENSES	**$**	**157 135, 60**

11. Summary of Financials

US$1.60 Mn CAPEX	US$292 K Revenue for 1st Year	US$2.62 Mn Net Present Value
12.9% Internal Rate of Return	US$116 K EBIT for 1st Year	10 Years Payback Period

The NPV of the project is estimated based on a 9% Discount rate and Cost of Living Allowance of 3% estimated for the period along with other operational and fixed expenses.



Initial assessment of the project financials indicates a profitable investment, in the long run, considering the planned development in infrastructure as well as better promotion of tourism over the next 15 years.

Annexure A: List of other Projects Identified by Government

Project 1: Purpose-Built Archival Building, Village Museum, and Antiquities Research and Art Centre in Lilongwe

DESCRIPTION

The project is aimed at revitalizing Malawi's cultural heritage for posterity and tourism purposes. This infrastructure will play a major role as educational institutions for the preservation of the cultural, natural, and documentary heritage of Malawi. It will enhance research, preservation, presentation, and promotion of Malawi's heritage through displays, performances, exhibitions, and provision of proper storage and retrieval conditions. It will also enhance and promote cultural tourism, while encouraging creativity by providing the means of producing and marketing authentic Malawian cultural material, in line with the Buy Malawi Strategy.

Project Readiness

- Museum and Monuments Research Centre
  - Architectural designs available
- Purpose Built Archival Building
  - Preliminary works to be done
- National Arts and Culture Centre
  - Preliminary works to be done
  - Profiles of bronze art foundries submitted to the OPC
  - The arts foundries were engaged for quotations for price estimates
- Village Museum
  - Preliminary works to be done

Project 2: UMODZI PARK DEVELOPMENT- Public Private Project

DESCRIPTION

The Umodzi City Masterplan has been developed in September 2016. The City Masterplan provides details of the following:

- Accommodation units/apartments
- Entertainment centre
- Eateries and shopping mall
- Office space
- Fitness and wellness centre
- Parking and green spaces

Project 3: "*Gateway to Malawi*" mixed-use project near the Kamuzu International Airport
DESCRIPTION The Gateway project was born in Lilongwe's Urban Structure Masterplan and is intended to kick-start an Aerotropolis development, close to the International Airport. Commercial developments positioned around an "eco lung" will comprise the following: • Parking for 100 cars and 10 coaches • 50-room upmarket hotel • 100-room mid-market/business hotel • Serviced apartments (in a later phase) • Mall with movie halls, food court, and retail for the international arrivals • Supervised children's playground • Sport facilities such as squash courts, indoor bowling, tennis courts, and putt-putt course All of this will be developed around an "eco lung" or green park, with an African flavour.

Project 4: Tourism product in the Lilongwe Nature Sanctuary
DESCRIPTION The Nature Sanctuary could provide concessions to the private sector who can manage the ecological as well as the commercial aspects of the property. Wildlife species can be increased and commercial activities such as nature walks, bird hides, and tourism accommodation/activities can be offered to private sector operators. These can either be as full concessions or lettable products. Existing players, such as the Lilongwe Wildlife Trust and Woodlands Lilongwe, should be accommodated in this plan. A new 50-bed "African Chic" lodge could be developed in the western sector of the Sanctuary. This modern lodge will offer guests an African bush experience in the city, with an open-air boma that serves dinner to resident guests as well as walk-ins. Guided walks on foot or by cart can be offered, and a Bird Aviary and Raptor Rehabilitation Centre should be considered. On the southern side of the western sector (opposite the Wildlife Centre), a Craft Market can be developed in which community craftsmen can rent retail space.

Project 5: Upgrading of the Lilongwe Botanic Gardens
DESCRIPTION The Lilongwe Botanic Gardens are well visited and enjoyed. To increase its contribution to Malawi's tourism industry, it is suggested that different routes are installed in the garden. Visitors can learn the different species of flora to be found along these routes, representative of the areas in Malawi they will be visiting. African savannah, rainforest,

riverine bush, and other biomes can all be shown either by replanting new routes or marking out colour-coded walks in the existing garden, which visitors can follow.

Guides can be trained to take visitors on the different routes as they will learn more that way than informative signboards.

A tea garden with a food outlet can be let out on concession to a private sector operator.

Project 6: Riverside Boardwalk in Lilongwe City

DESCRIPTION

This product will be welcomed by Lilongwe residents and will be well supported by tourists staying in city hotels. It will comprise walkways or boardwalks (depending on the terrain) meandering along the Namanthanga River, starting at the M1 (300m south of the intersection with the Presidential Way) and ending at the Lilongwe Nature Sanctuary, where it will join up with the walks inside the Sanctuary. Bird hides can be placed strategically along the way and public toilets should be provided at the start of the boardwalk, which will be only 1,5km long. The boardwalk can be extended towards the northeast if desired. A morning market at the entrance, selling fresh produce, homemade delicacies, and handicraft can be arranged on a bi-weekly/monthly basis. Secure covered parking should be provided.

Project 7: New Entrance Gates for the Dzalanyama Forest Reserve

DESCRIPTION

First impressions are important. Entering a conservation area through a well-designed and equipped Entrance Gate sets the tone for a visitor's experience of the Park or Reserve and will most probably create a lasting impression.
The gate facilities should consist of a reception area where entrance fees can be paid, and information handed to visitors. Public toilets should be easily accessed from here and displays should set the tone for the experience. Facilities either inside or close to the gate building can accommodate operators selling activities such as guided drives and walks or renting out equipment such as bikes and camping gear. Local crafts can be sold in either a formal or informal manner at the gate. The forest Entrance Gate on the Mozambican border will also be provided with an Immigration desk.

Project 8: New Mountain Inn & Campsite in the Mchinji part of the Dzalanyama Rain Forest

DESCRIPTION

A 32-bed mid-market Mountain Inn, located in the Mchinji part of the Forest Reserve, can be developed with shareholding reserved for the local communities surrounding the area. Development funding should be sourced from donors, part of which can be transferred to a structured community trust representative of community interests. A campsite with 20 stands and shared ablution facilities will be part of the development.

Project 9: New Cafeteria & Viewpoint in the Dzalanyama Rain Forest
DESCRIPTION A small cafeteria, developed by the private sector or community trust, will provide snacks and light meals to people seated in a 30-seat dining area overlooking the forest. Public toilets and a small information kiosk will be available. Short hikes into the forest can be set out with name plaques on prominent tree species.

Project 10: Family Getaways in the Dzalanyama Forest Reserve
DESCRIPTION This product is developed for the domestic market close to a major centre. It comprises different lodges (self-catering units) offering accommodation for couples or families, supported by shared dining and recreational facilities. Its focus is to provide city dwellers with a healthy outdoor venue and activities and is operated like a time-share product where 3-night weekend and 4-night weekday slots are sold. A full 7-day package is also available. International visitors will be welcomed as well.

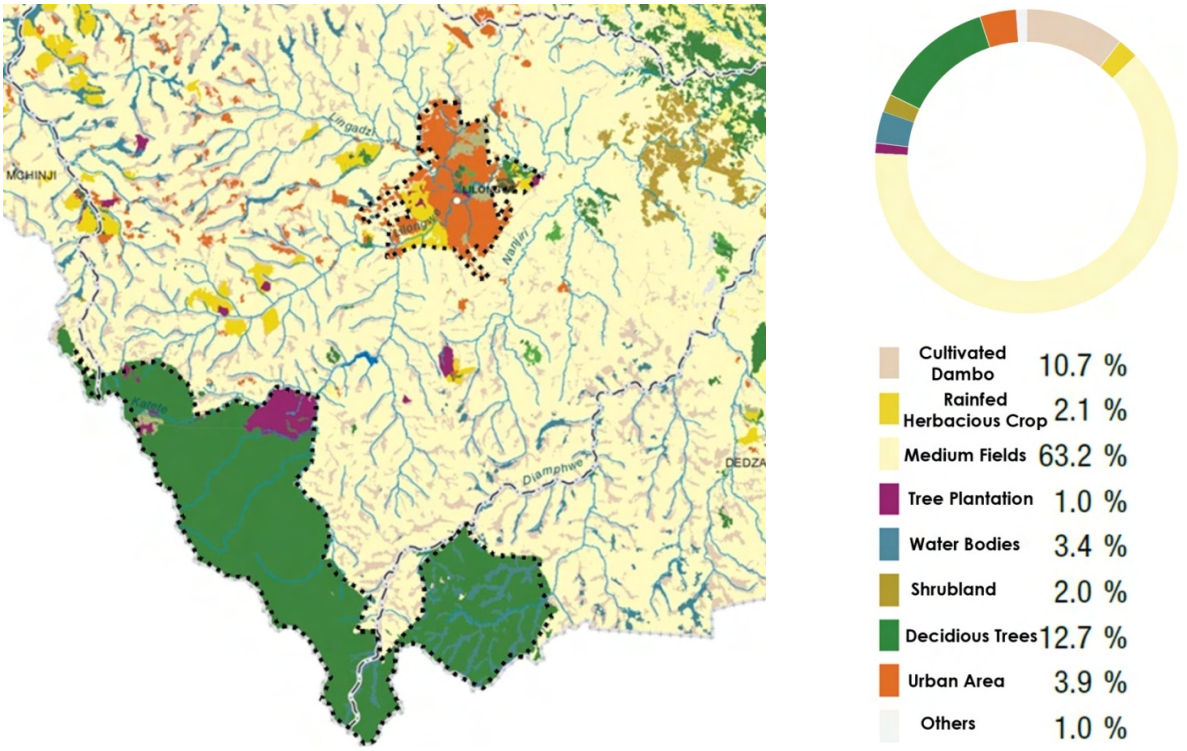
Project 11: Tourism Facilities at the Kamuzu Dam
DESCRIPTION The Kamuzu reservoir supplies Lilongwe (+-30km away) with its water. It is under-utilized from a recreational point of view, with only day visitor facilities provided at the dam wall. A small marina with berthing and storage facilities for 20 boat owners, a restaurant, and other facilities will enhance the destination. Activities such as fishing, sailing, and birding can be offered to visitors. Overnight facilities can also be considered in the future.
Project 12: Nkhoma Mountain Tourism Centre & Trails
DESCRIPTION The Nkhoma Mountain is only 50kms from Lilongwe and a popular escape from the city. Currently, only hikers benefit from the destination but by providing other adventure activities, more people will be able to enjoy the outing. By introducing mountain bike trails, geocache trails (where hidden artefacts must be found by hikers/bikers), pony rides, and a Zipline the mountainside can be utilized far better. A Tourism Centre with amenities will be at the start of all these activities. In the first phase, no overnight facilities are required as Lilongwe (its feeder market) is close by. Over time, these can be added.

Annexure B: Geographic & Climate

Lilongwe is 1050m above sea level with an area of 728,8km². The town has a population of 1,122,000.

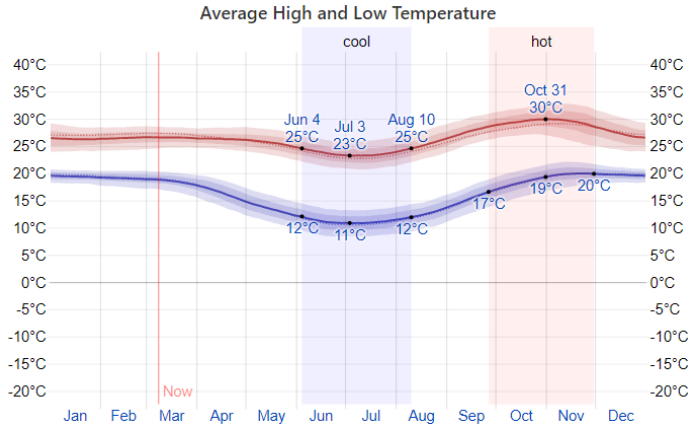
At the district level, the land is characterized by permanently cropped areas with medium- to small-sized agricultural lands, (63.2%) cultivating rain-fed crops. Other geographical features include deciduous trees (12.7%) located within the Dzalanyama Forest Reserve and water bodies (3.4%). At the district level, the urban area of Lilongwe constitutes 3.9%. The district is also characterized by cultivated dambo (10.7%), which are seasonal wetlands along which cultivation takes place

As per the existing land use and the Master Plan of Lilongwe 2030, 55% of the total land area in the city accounts for Agricultural land use shares 21,646 hand is virtually an open space comprising of agriculture, woodlands, and grasslands. Most of the open space is land used for seasonal agriculture, such as planting maize. The built-up area, comprising residential, industrial, commercial, government, and institutional complexes, constitutes 30% of the total land share. The residential area occupies 9,317 ha, which corresponds to 23.7%.

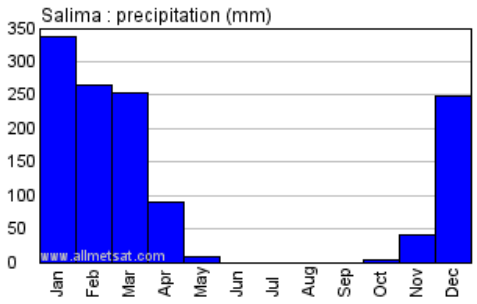


Land cover Map – Lilongwe Dzalanyama area

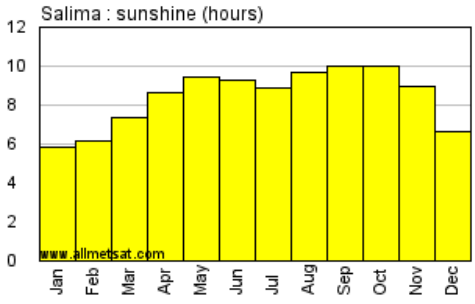
The hot months are September to November with an average high temperature of 29°C and the cool months are June to August with an average high of 25°C



The average yearly rainfall for Lilongwe is 869mm with December to march receiving most of the rain.

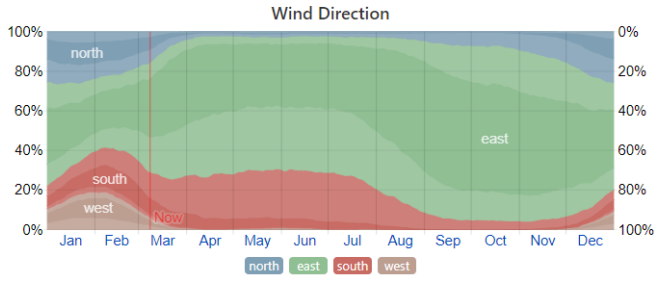


Yearly average Precipitation chart

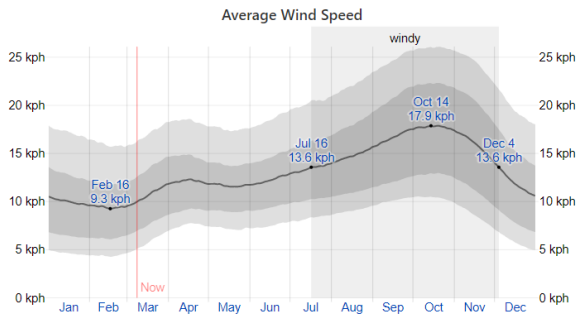


Yearly average sunshine hours chart

Wind – The predominant wind direction for Lilongwe is from the east throughout the year.

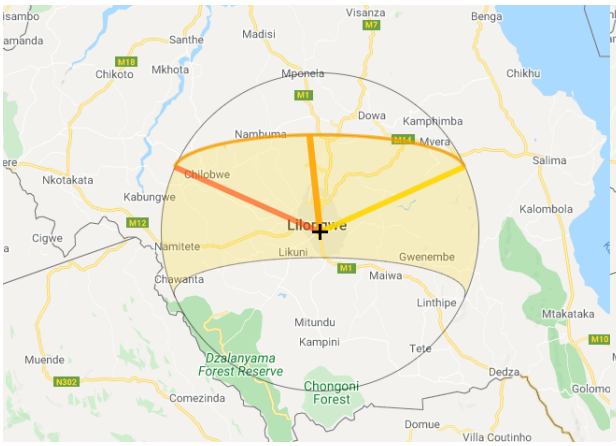


The percentage of hours in which the mean wind direction is from each of the four cardinal wind directions, excluding hours in which the mean wind speed is less than 1.6 kph. The lightly tinted areas at the boundaries are the percentage of hours spent in the implied intermediate directions (northeast, southeast, southwest, and northwest).

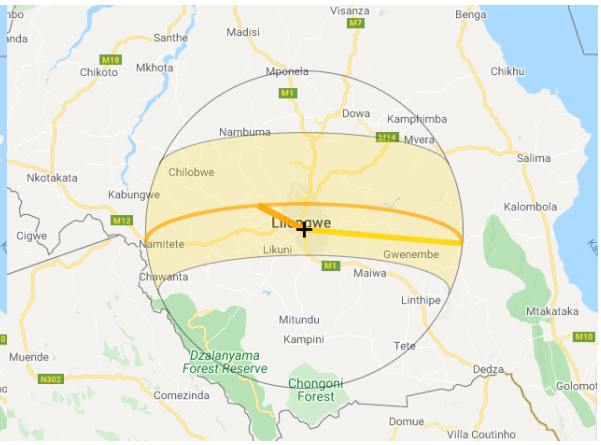


The average of mean hourly wind speeds (dark gray line), with 25th to 75th and 10th to 90th percentile bands.

The wind speed averages between 9.3 to 13,6km/h for most of the year, but picking up to 1709km for the spring period of August to November.

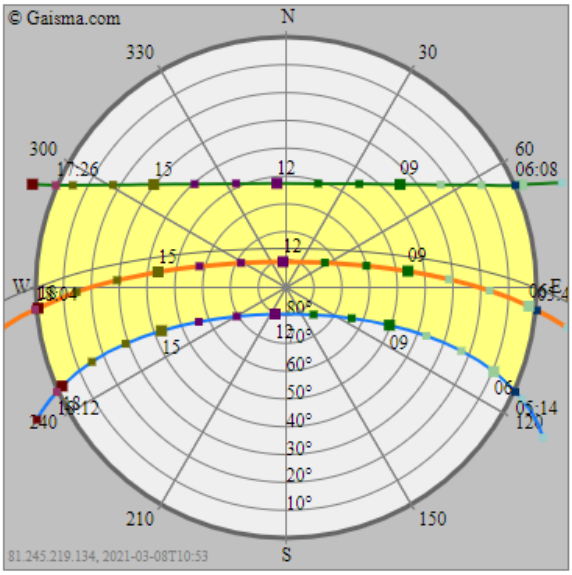


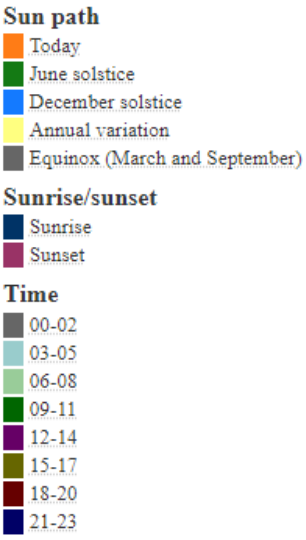
Sun path: Winter solstice path



Sun path: Summer solstice path

Sun path diagram for Lilongwe indicating degrees





Annexure C. Statement of Area

Riverside Boardwalk, Lilongwe City

Start of Walk: Western side (M1)

a. Parking area
   - Shaded parking for 20 cars and 4 coaches 750m²
   - Access road 120m²
   - Paved walkway to boardwalk m²
b. Public toilets 40m²
c. Morning market
   - Stalls 10x each 4m² 40m²
   - Stores 20m²
   - Paved area with benches and tables 100m²
   - Fast food outlet 20m²

Boardwalk

a. 1,7km timber boardwalk 2m wide 3 400mⁿ
b. 1km paved walkway 2m wide 2 000m²
c. 2x Bird hides each 24m² 48m²
d. Informative signage along the boardwalk
e. Dustbins along the boardwalk

End of Walk: Eastern side (Youth Drive)

a. Parking area
   - Shaded parking for 20 cars and 4 coaches 750m²
   - Access road 120m²
   - Paved walkway to boardwalk m²
b. Public toilets 40m²

Annexure D. Best case example

The **uMkuze Game Reserve** is a nature reserve in northern Kwazulu Natal, in South Africa. It has two tourist camps catering for various activities from game viewing, birding, guided trails etcetera. The park has a wide variety of fauna & flora including almost 400 bird species. Their boardwalks with hides are very popular, especially the bird hides in the wetland areas.

uMkhuze: kuMalibala Hide and Fig Forest Aerial Boardwalk

Kwaheleni Tower

Bird hide overlooking the Nsumo Pan in the Mkuze Game Reserve

View from inside the bird hide

Boardwalk along the wetlands in Mkuze

Boardwalk amongst fever trees

Enviroloo (waterless toilet) in a remote area

Modern ablutions at the picnic area on Nsumo Pan

Bird hide on Nsumo Pan

Annexure E. Construction Cost Guestimate

Lilongwe Riverwalk

Structures

	Quantity	Area	$/m²	Total
Start of Walkway - Western side at M1				**$100 051,93**
Public toilets	1	40 m²	$878,71	$35 148,58
Morning market: Stalls 4 m²	10	40 m²	$610,43	$24 417,04
Stores	1	20 m²	$553,40	$11 068,06
Paved area with seating	1	100 m²	$60,76	$6 076,22
Fast food outlet	1	20 m²	$638,47	$12 769,40
Shaded parking for 20 vehicles	1	360 m²	$26,64	$9 591,08
Paved walkway to boardwalk	1	30 m²	$32,72	$981,54
End of Walkway - Eastern side at Youth Drive				**$132 368,05**
Public toilets	1	40 m²	$878,71	$35 148,58
Shaded parking for 20 vehicles	1	3600 m²	$26,64	$95 910,75
Paved walkway to boardwalk	1	40 m²	$32,72	$1 308,72
Boardwalk				**$661 930,00**
1,7km timber walkway, 2m wide	1	1700 m²	$355,23	$603 882,50
1km paved walkway 2m wide	1	1000 m²	$32,72	$32 718,09
Birdhide, 24m² each	2	48 m²	$476,75	$22 883,97
Informative signage	1	1	$1 448,94	$1 448,94
Dustbins along the boardwalk	13	1	$76,65	$996,50
TOTAL		**7038 m²**		**$894 349,98**

Services

	Quantity		Total	Item Total
Sewerage				$5 388,16
Sewer reticulation	2		$2 565,79	
Septic tanks & treatment plant	2		$2 394,74	
Irrigation system	1		$427,63	
Water				$1 796,05
Water connection	2		$513,16	
Water storage	2		$1 282,89	
Power				$1 436,84
Electrical connection	1		$410,53	
Reticulation	1		$1 026,32	
Roads, Parking Areas				$195 188,16
West: Parking for 20 cars & 4 coaches	750	m^2	$86 595,39	
West: Access road	1		$8 432,89	
East: Parking for 20 cars & 4 coaches	750	m^2	$86 595,39	
East: Access road	1		$8 432,89	
Earthworks for roads	1		$5 131,58	
TOTAL			**$203 809,21**	

End of Pre-feasibility Report 7

Pre-feasibility Report 8

An Integrated Resort at Golden Sands, Cape Maclear, Southern Malawi

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1 Introduction

The Government of Malawi has identified tourism development as one of the major drivers of the country's economy. In line with this, Malawi has developed a National Tourism Investment Masterplan to identify potential areas for investment. Amongst the many investment opportunities identified in the Masterplan, ten priority projects have been singled out for prefeasibility analysis. This report therefore presents preliminary analysis of the **Integrated Resort at Golden Sands** project to assist potential developers, investors, project promoters and funders in their decision-making process.

The Integrated Resort at Golden Sands project is located in Cape Maclear and falls under Nankumba Peninsula-Mangochi node. This node is situated in the Southern region, along the shores of Lake Malawi. As a tourist destination, this node comprises of Monkey Bay, Cape Maclear, Lake Malawi National Park and Mangochi. It therefore offers a unique blend of lake, culture, nature, and wildlife tourism. The node occupies a total land area of 6,273 sq. kms and has a total population of 610,239 (NSO, MPHS 2018).

The Integrated Resort at Golden Sands at Cape Maclear is a priority project within the node (several tourism projects were identified as being suitable for this Node **(Refer to Annexure A)**. The existence of Lake Malawi National Park and its Golden Sands within this node are key potential assets for a sustainable tourism destination development.

In terms of climate Mangochi is subtropical with very little temperature difference throughout the year. The nighttime temperatures are between 5 to 8 degrees (°C) cooler than the daytime temperatures with a maximum average of 33.6°C and a daily maximum temperature range between 27°C-39.5°C. The wet season is between the months of October to April, with the month of January receiving the most rain **(Refer to Annexure B)**

Figure 68 Map of Node

2 Study Objective

The purpose of this study is to investigate the opportunities and risks of developing an **Integrated Resort at Golden Sands** at Cape Maclear. In order to determine whether a feasible operation of such an establishment is possible, various key factors of competitive business in this particular market will be analyzed.

However, at this stage, this study does not take into account environmental impact assessment. Subsequently, a detailed project report and an environmental and social impact assessment (ESIA) need to be conducted by the prospective investor(s).

This study aims to establish a neutral, professional, and qualified opinion and a thorough analysis of the current project plan. A tentative statement of area has been drawn up as part of the pre-feasibility study and is presented in Annexure-C.

3 Development Concept

This section provides an overview of the project and a description of various elements that are part of the development concept. Broad guidelines are provided for the purpose of directing the development of the project. This concept is based on a best-case example of the **Eclectic Beach Retreat** at Barra Beach in Mozambique **(Refer to Annexure D)**.

3.1 Project Objective

The objective of this project is to maximize the development potential of Lake Malawi National Park whilst enhancing the tourism offering at Cape Maclear.

3.2 Project Description and Details

The area known as Golden Sands is the focus of all the lake activities and is named after the old hotel called the Golden Sands Holiday Retreat. There are two (2) sites in Lake Malawi National Park where an integrated resort will be developed which are located to the south and north-west of Otters Point.

The integrated Tourism Resort will comprise of a 100-room facility (90 room hotel and 10 independent chalets) and a 10 room eco lodge as follows:

- 90 room hotel on the Old Golden Sands Holiday Resort site will be constructed of non-masonry materials except where the foundations of the old hotel are used. The hotel will have conference facilities
- 10 Chalets on the top of the mountain and shall overlook the lake
- 20-bed Eco Lodge, to be accessed only by boat or walking trail, located in Mfula Bay, south of Otter Point. The eco-lodge is to be constructed entirely of non-masonry materials.
- The site of Livingstonia Mission and graves will be retained in their present natural state, with the graves themselves and pathways maintained in good condition.

- The Education Centre and aquarium will be renovated and upgraded, as envisaged under the project heading: Aquarium/Environmental Education Centre.
- A Conference facility at the Education Centre will be constructed to carter for Meetings and conventions.
- As an added MICE offering, to cater to the nearby business visitors at the Aquarium and Educational Centre, guided excursions to Chembe Village can be introduced. These offerings will also support local enterprises. Local Tour guides will offer boat trips to other sites of interests.

The old Golden Sands Holiday Retreat benefitted from the un-spoilt view across the beach to Thumbi West Island for many years and was used to put up guests who were transported here by seaplanes between 1949 and 1950. At this old Golden Sands site, a proposed new hotel with standard and luxury rooms will overlook the bay and will offer water activities from the beach. A long patio, viewing onto the lake and leading down to the beach, will connect the dining room, bar, and lounge. The design concept will retain parts of these ruins to be turned into a tea garden and curio shop. A parking area will be able to accommodate 25 cars and 2 coaches. This will be reached via a new tarred access road.

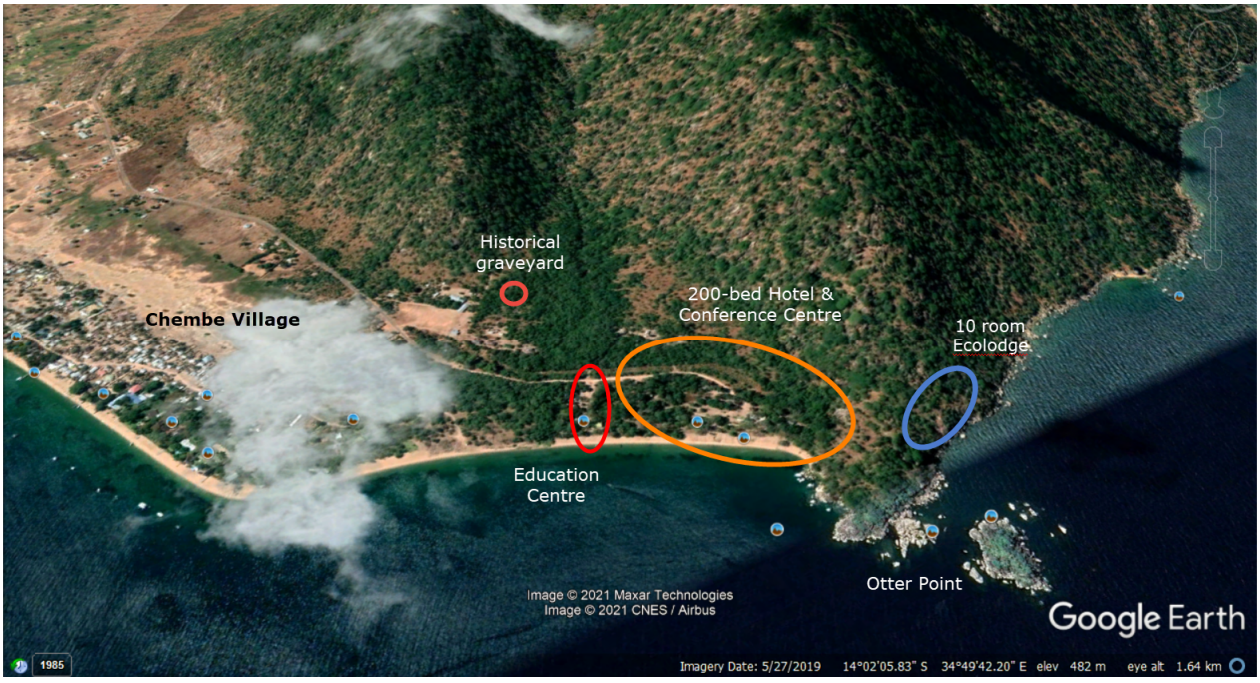


Figure 69 A 3D image of concept location

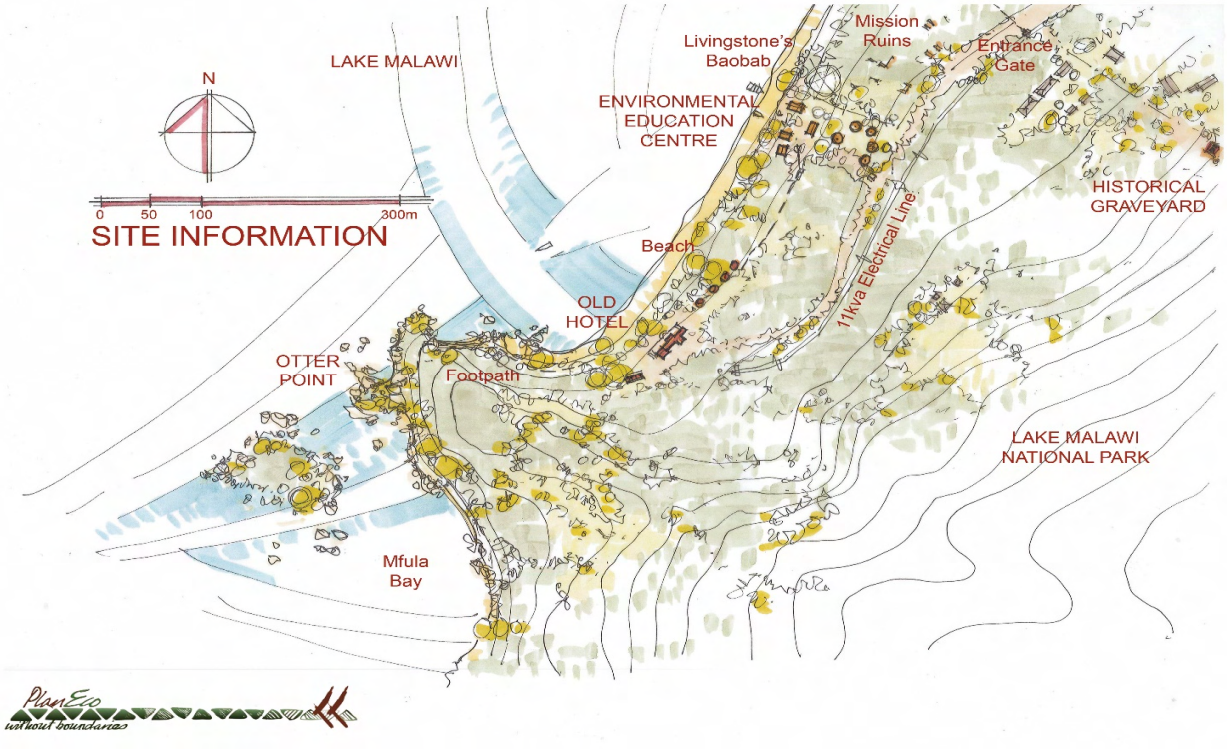


Figure 70 Site Information

Hikes along the slope of the mountain and excursions to the historical graveyard and Livingstone's baobab will also be on offer. In future, the graveyard will be accessed on a paved walkway, and interpretative signage will be provided. The same will apply to the baobab tree under which Dr. David Livingstone used to pitch his camp which is situated next to the Education Centre.

To the south of an old hotel site, there is a magnificent natural viewpoint called Otter Point. Birdlife and the incredible cichlid fishes can be viewed from enormous granite boulders scattered in the clear waters of Lake Malawi. The existing concrete bridges will be replaced by wooden decks and strategically placed viewing decks, more in touch with nature. Just around the corner is Mfula Bay, where an exclusive 10-bed eco-lodge can be developed. The lodge will only be accessible by boat or on foot. Luggage and elderly guests can be taken to the lodge by golf carts.

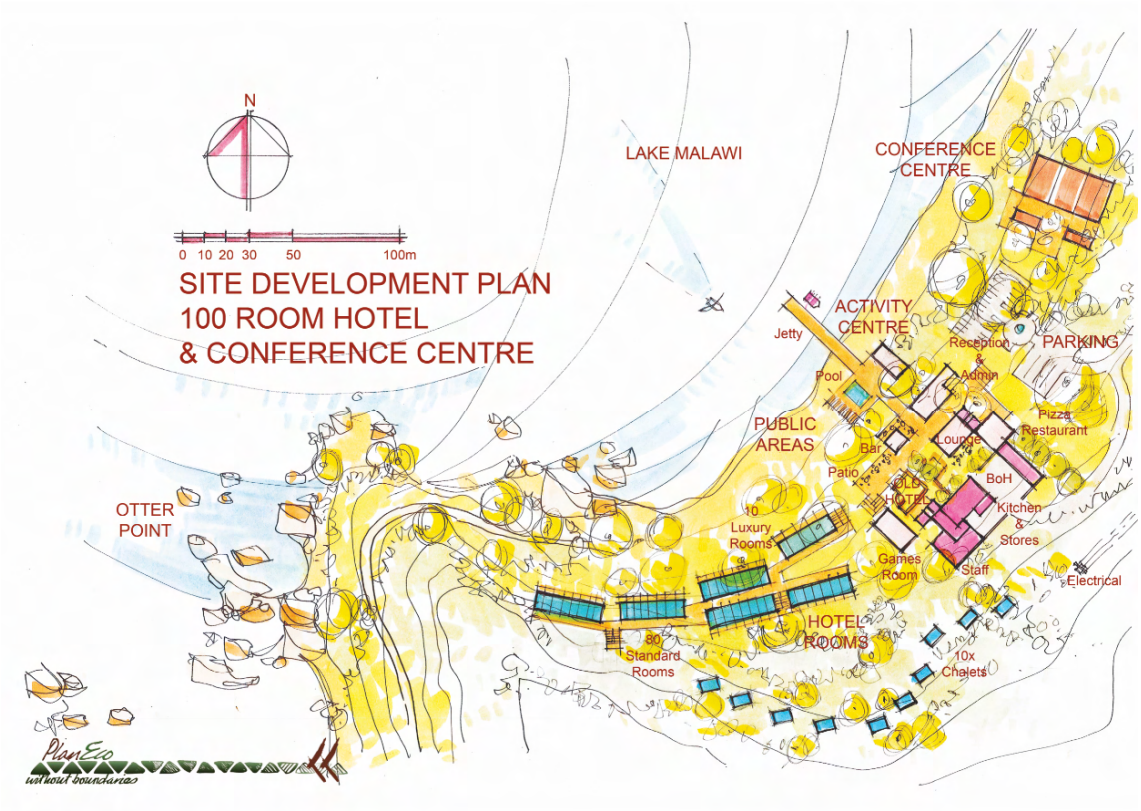


Figure 71 Site Plan for 100 room Hotel

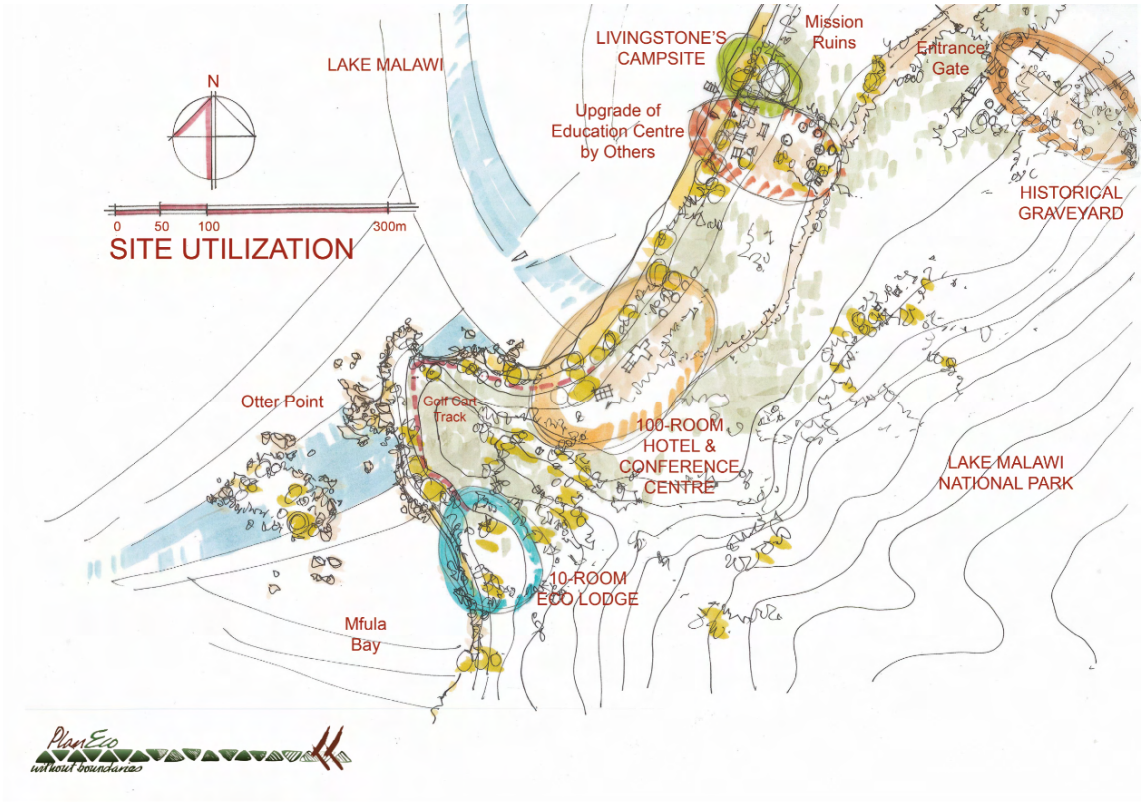


Figure 72 Site Utilization Map

The proposed **Ecolodge** will be a small, exclusive retreat, located on the hill at Mfula Bay. Guests will only be able to reach the lodge by boat, while a golf cart track will also be provided for the use of clients and transport of goods. Boats will depart from the jetty at the Education Centre where secure, shaded parking will be provided for their vehicles.

Due to the steep slope of the selected site, bedrooms will be narrow units accessed by a small bridge, with a viewing deck on the lake side – see sketches below.

A small lounge, dining room and shared bar will entertain guests while water-based activities will be offered from a private jetty on the lakeshore.

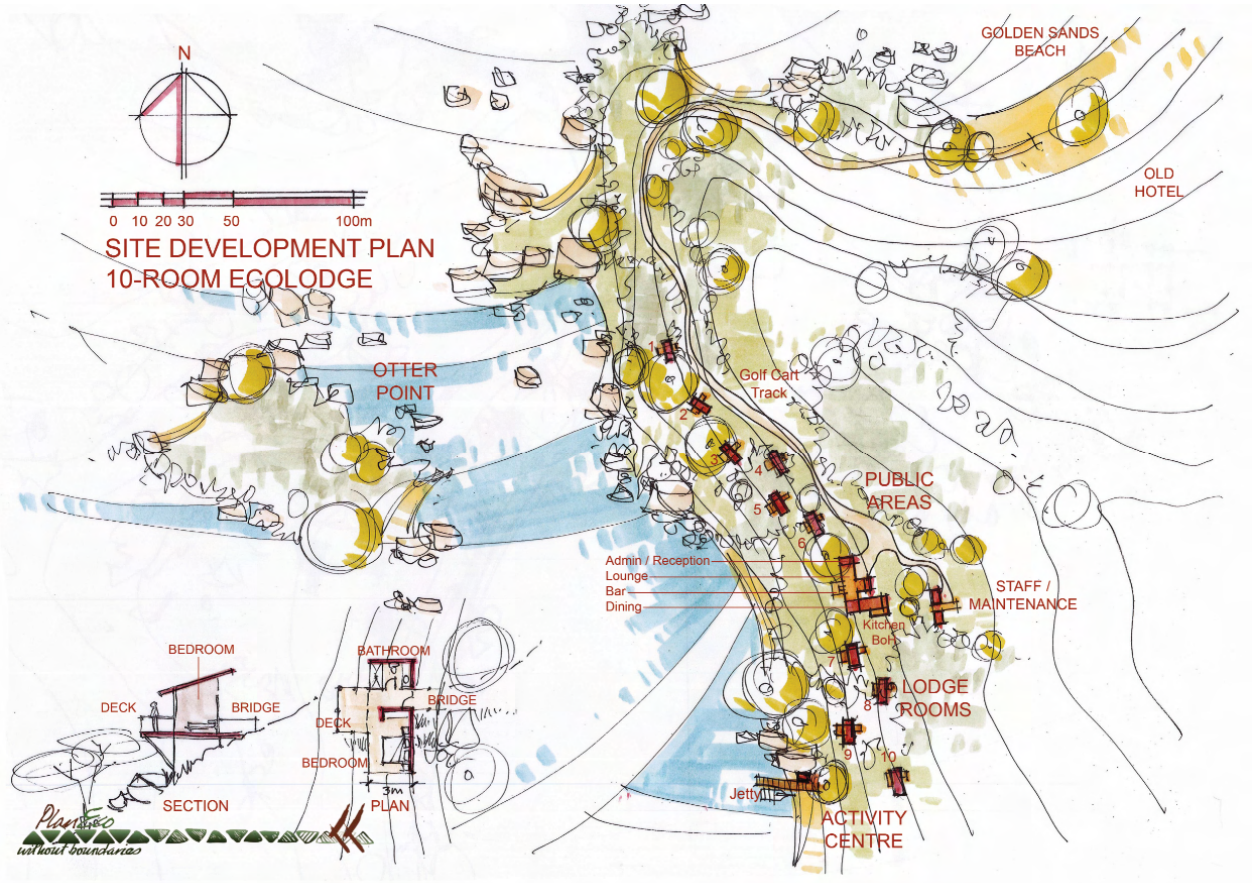


Figure 73 Site development Plan 10 beds

Figure 74 Site for Eco-Lodge

In addition to the project facilities construction, certain other amenities are essential for operations and need to be developed to support the project. These include:

- Water filtration and storage facility to provide access to clean water
- Wastewater, Sewage and sanitation facility
- Waste disposal facilities to ensure zero pollution
- Steady connection to the electricity grid and alternative energy source like solar panels, generators, etc.
- On site ATM, money exchange, and internet facilities for tourists
- Medical facilities to cater to accidents related to tourist activities and emergency needs
- Entry roads, streetlights and gateway to access the project site
- Ablutions, lockers and changing rooms inside the premises

Amenities like access to water, sewage, waste disposal, grid connection, etc. can be developed by the investors in coordination with the local municipality bodies. Other amenities, which are internal to the project, need to be developed by the investors as per the requirements of the project. Information regarding the same can be provided by the DoT to the potential investors.

3.3 Development Guidelines

In order to achieve sustainable tourism development, the following guidelines should be considered:

- Ensure that environmental conservation is incorporated at every stage of the project
- Local communities should benefit from job creation facilities e.g. construction, craft production, fresh food supply and management of tourism facilities wherever quality, quantity and consistency permits
- Development of partnerships between local communities and other stakeholders (Especially DNPW) are imperative. Community members or representatives should be involved in development
- As Corporate Social Responsibility, provide skills training to local people e.g., training of local tour guides, allow educational visits at considerable rates, building of curio stalls
- Comply with Convention on International Trade on Endangered Species of Wild Flora and Fauna (CITES)
- Waste disposal facilities to ensure zero pollution
- Use of sustainable sources of energy
- Construct VIP pit latrines for construction crew
- A dumping site shall be identified in conjunction with the council
- No dumping of wastes into the lake

3.4 Site location

The site under consideration is situated on the west tip of the Nankumba Peninsula in Cape Maclear. Cape Maclear is located approximately 35˚ east of Greenwich and 14˚ South of the equator and approximately 472m above sea level. It is approximately 17Km from Monkey Bay and 75 Km from Mangochi and 200km from Lilongwe.

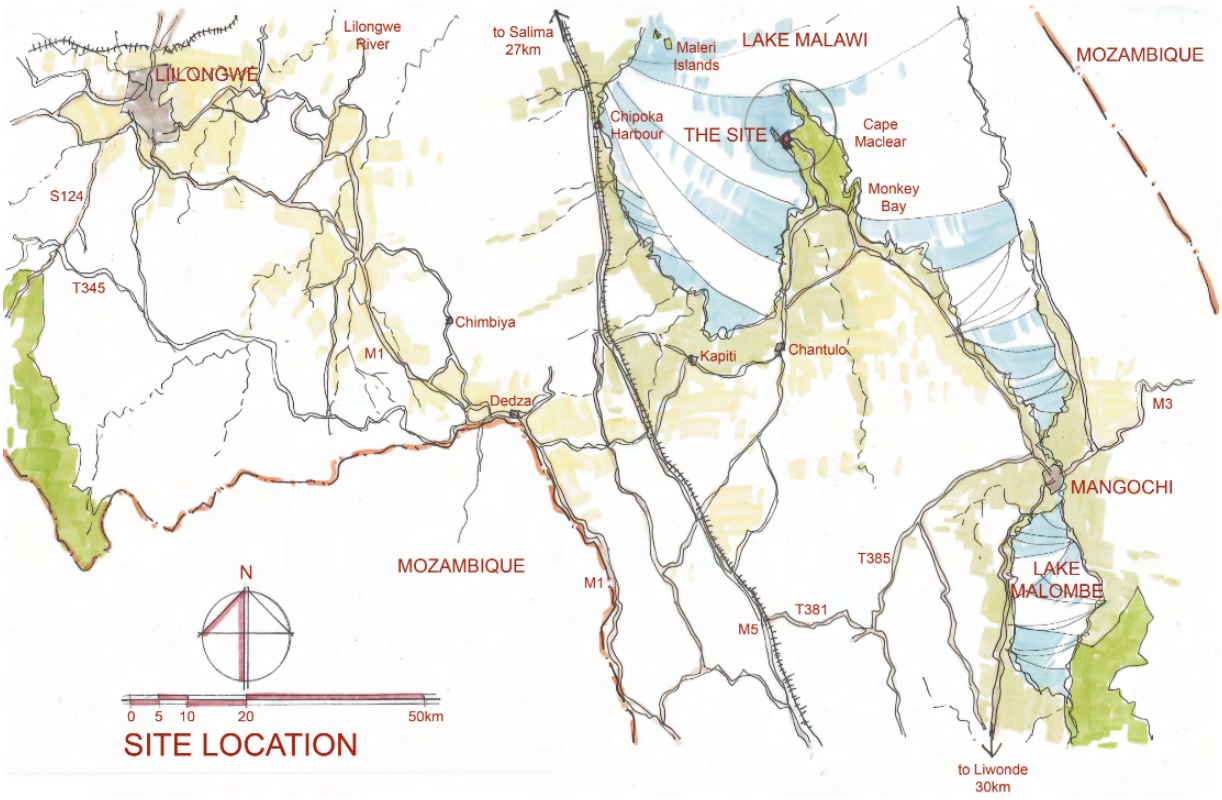


Figure 75 Site Location Map

3.5 Accessibility

- **Air transport:** - there is a 1,5km grass landing airstrip at Monkey Bay. The Makokola International airstrip is situated 34km away from Cape Maclear to the south, towards Mangochi boma. Both airstrips are for light aircrafts
- **Road transport:** The area is accessible. The primary roads include M10 and M3
- **Water transport:** The Ilala ferry stops at Monkey Bay weekly as part of its lake route

3.6 Existing Support Infrastructure and Other Services

- **Electricity:** Present power supply is by generator (currently non-functional) or a solar collector as the 33 Kv extends only to Monkey Bay
- **Water:** Water will be pumped from the Lake and stored in a treatment plant to be installed
- **Sewerage:** A sewerage treatment plant will have to be installed on-site
- **Communications Infrastructure**: mobile and internet services are available in the district. A branch of the Malawi Post Corporation is operational at Monkey Bay
- **Medical facilities**: There is a district hospital and other health facilities in the district
- **Banking:** There are no Banking services at Cape Maclear, but services can be accessed at Monkey Bay and Mangochi Town
- **Fuel:** There is a fuel pump at Cape Maclear, Monkey Bay and at Mangochi town

4 Market Analysis

4.1 Supply Analysis

The Supply analysis gives an overview of tourism assets and activities in the area under pre-feasibility.

Lake Malawi and its Islands: The main tourist attractions in the area are Lake Malawi and its three closest islands namely: Mumbo, Thumbi and Domwe. Activities include site seeing, Snorkeling, Scuba Diving, Swimming, sport fishing, sailing, paragliding, boat riding, kayaking, canoeing, Yachting and Water skiing, among others. It is also vital to note that cape Maclear provide a magnificent sunset spot as such it is regarded as one of the only lakeshore spots to get the sunset.

Figure 76 Scuba Diving experience, and views

Wildlife Experience: The Site is situated in a fresh water national park which is a UNESCO world heritage site. It was named world heritage site because of the colourful Mbuna (Cichlid) Fish which is endemic to this site. The area offers cichlid-watching trips to visitors.

Figure 77 Mbuna Fish in Lake Malawi National Park

Cultural and Historical Assets:

Chembe Village: Chembe is a charming village which is close to the historical Mission Station, graveyard, and old hotel. It is the largest of the five villages in the park where tourists are taken on village tours.

Figure 78 Craft and Curio Stalls

Mwala wa Mphini: This is a huge rock crisscrossed with loaded grooves resembling tribal, facial scars. It is 4km away from Cape Maclear and is a national monument.

Figure 79 Mwala wa Mphini

Missionary Graves: Situated within the park is the missionary grave site. Visitors to the park are taken to these historical graveyards with graves of British staff from the Livingstonia Mission. They were buried here in the late 19th Century.

Figure 80 Missionary Graveyard, Cape Maclear

Accommodation: There are various accommodation facilities available at Mangochi, Monkey Bay and Cape Maclear. Some of these include the following:

- Annie's Lodge
- Beach House Cottage
- Cape Mac Lodge
- Chembe Eagle's Nest
- Lujeri Cottage
- Pumulani Lodge
- Sunbird Nkopola
- Fat Monkeys Lodge
- Warm Heart Adventurers Lodge
- Mgoza Lodge
- Thumbi View Lodge
- Mumbo & Domwe Island
- Makokola Retreat

Restaurants: There are existing food outlets in the district offering a variety of continental and local cuisine.

Other Attractions in the Node: The following are some of the attractions within the node which attract travelers making them stay longer and spent more within the node, some of them being Namizimu forest reserve, Lake Malombe, Fort Mangochi, Fort Maguire at Makanjira, Phirilongwe forest reserve, Mangochi Museum, Yao culture, etc.

4.2 Demand Analysis

The tourism demand for Golden Sands Integrated Resort is characterized by a number of types of travelers which can be divided based on the motivation for travel. These are:

- Authentic nature and Culture lovers
- Active and thrill oriented adventurers
- Special interest and sensational seekers
- Curious and price sensitive digital agers
- Mainstream and Convenience Pursuing Explorers
- Meetings and Events Organizers

Authentic Nature and Culture Lovers: These travelers are more interested into cultural exchanges, interaction with various cultural groups and are eager to learn new cultural experiences. On nature, they have knowledge about conservation and have a sustainable oriented mindset and travel behavior. Whilst it may cut across all age brackets, the majority will tend to be older and those in the mid to high income brackets.

Active and Thrill oriented adventurers: This type of travelers seeks thrilling outdoor activities and is driven by challenging experiences. They love adventure and extreme sports.

Special interest and sensational seekers: These types of tourists visit the mountain seeking to satisfy a special type of need. They include researchers, academics and environmentalist. Bird watchers also fall under this category. They have long stays hence they are cumulatively high spenders.

Curious and price sensitive digital agers: These are young travelers, 35 years of age and below, and have a young and technical oriented mind. Most likely they combine work and travel and are keen to share their travel experiences on digital media platforms.

Mainstream and Convenience Pursuing Explorer: They have an entertainment and consumption-oriented mindset and travel behavior and most cases very experienced (international) travelers. Place high significance on contrasting experiences (i.e. different from their day-to-day lives), and hence critically balance benefits with costs.

Public and Private Event Organizers: The category has business-oriented mindset or has a sociable and festive-oriented attitude. They look for locations with an appropriate atmosphere and most times demand customized solutions for the respective type of event. They expect high service quality and a professional performance

Types of Tourists	**Range of their spending on daily basis**		
	Low	Medium	High
Active and Thrill oriented adventurers			
Special interest and sensational seekers			
Curious and price sensitive digital agers			
Authentic Nature and Culture Lovers			
Mainstream and Convenience Pursuing Explorer			
Public and Private Event Organisers			

Table 12 Types of Tourists and their spending level

4.3 Target Market analysis

Target market for the Resort will be Domestic and international travelers. Golden Sands Integrated Resort will target Mainstream and Convenience Pursuing Explorers, Authentic Nature and Culture Lovers, Special interest and sensational seekers and Meetings and Event Organizers.

4.4 Competition analysis

This section identifies and analyses possible competitors for the proposed Integrated Resort. Although this is the first integrated resort to be developed in the area, the surrounding accommodation operators within the node are likely to be possible competitors. This investment, however, is anticipated to create barriers to entry to new entrants.

5 Risks and Mitigations Strategies

This part outlines the potential risks that can be encountered and its mitigation strategies as illustrated in the table below

Potential Risk	Mitigation Strategy
Intense competition from both domestic and international	• Partnership with tour operators • Intensify marketing to the Domestic market
Resistance from environmental conservationists	• Carrying capacity should not be exceeded. • Environmentally friendly practices should be implemented.
Tourism Industry is prone to different shocks and environmental disasters	• Risk Management plan • Insure the properties
Seasonality of international visitor flows	• Develop marketing strategies that will counter the effects of the seasonality on the development
Negative social impacts	• Continued awareness • Deliberate efforts to ensure that communities fully benefit from the operations • Corporate social responsibility
Safety and Security	• Ensure enough security at the site location

Table 13 Potential risks and mitigation strategies

6 Potential Environmental & Socio-Economic Benefits

The following are the potential benefits:

- Participation of locals in planning and management of the project including Job opportunities
- Tax Revenues and levies for the country
- Promotion of a sense of pride among citizens and residents
- Enhancement of the destination profile
- Infrastructural development
- Spill over benefits to other sectors

7 Financials

7.1 Estimated Capital Expenditure

EXECUTIVE SUMMARY

Item	Description	Budget US$
1	100 Room Hotel	$ 8 107 113,21
2	Convention Centre	$ 1 870 455,93
3	Historical hotel & Activity Centre	$ 235 126,23
4	10 Room Eco Lodge	$ 746 130,95
5	Historical Graves	$ 13 437,79
6	Livingstone Campsite	$ 4 860,97
7	Bulk Services & Infrastructure: 100 Room hotel (200 bed)	$ 142 405,59
8	Bulk Services & Infrastructure: 10 Room Eco Lodge	$ 51 546,71
9	Preliminaries & General @ 10%	$ 1 117 107,74
	SUB-TOTAL - Construction cost	**$ 12 288 185,13**
10	FF&E @ 25% of construction cost	$ 3 072 046,28
11	Contingency @ 5% of construction cost	$ 614 409,26
	TOTAL - Construction cost	**$ 15 974 640,67**
12	Professional fees - 12% of construction cost	$ 1 916 956,88
13	Additional costs, Budget at 27%: Vehicles, Marketing, Electronic equipment, Boats, EIA, etc.	$ 3 317 809,99
	TOTAL GUESTIMATE OF DEVELOPMENT COST	**$ 21 209 407,54**

7.2 Income potential

The financial forecast for the 1st year of operation is based on the following parameters:

- Positioning of the hotel: Leisure
- Management: International / Domestic hotel brand

EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$
1	Revenue from Hotel Rooms	$ 5 110 000,00
2	Revenue from Convention Centre	$ 1 168 000,00

3	Revenue from Eco Lodge Rooms	$	365 000,00
4	Revenue from Jetty Trips	$	167 500,00
	TOTAL GUESTIMATE OF REVENUE	**$**	**6 810 500,00**

7.3 Operational Expense

EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$	
1	Cost of Rooms	$	885 365,00
2	Cost of Food & Beverage	$	749 155,00
3	Fixed Charges	$	681 050,00
4	Cost of Administration	$	544 840,00
5	Cost of Operation & Maintenance	$	408 630,00
6	Sales and Marketing	$	340 525,00
7	Utilities and Other Costs	$	476 735,00
8	Interest and Taxes	$	442 682,50
9	Cost of Living Allowance	$	42 906,15
10	Cost of Leasing Land	$	403,00
	TOTAL GUESTIMATE OF EXPENSES	**$**	**4 572 291,65**

7.4 Summary of Financials

US$21.2 Mn
CAPEX

US$6.81 Mn
Revenue for 1st Year

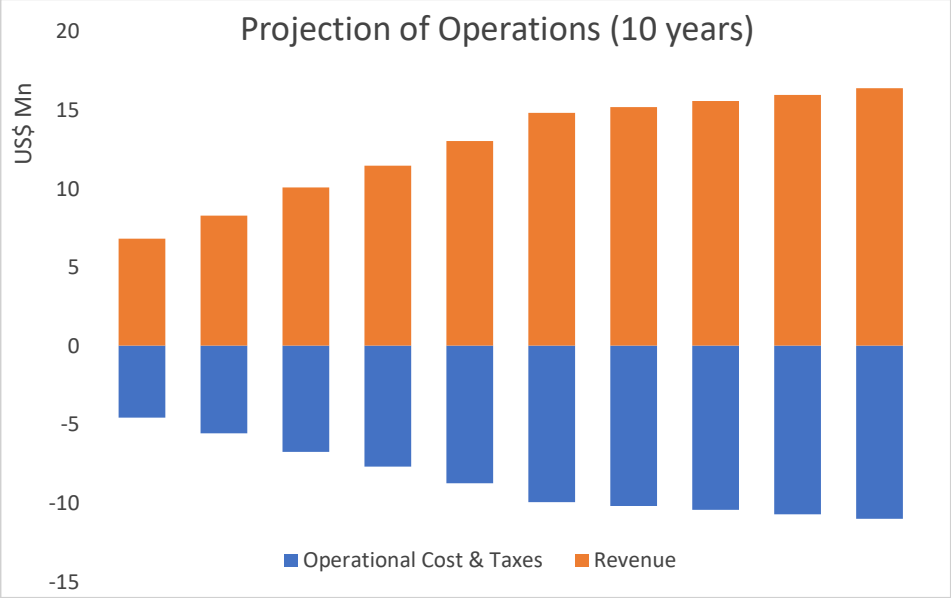
US$53.6 Mn
Net Present Value

19.2%
Internal Rate of Return

US$1.79 Mn
EBIT for 1st Year

7 Years
Payback Period

Projection of operations for the Hotel and Ecolodge accommodation facilities are based on estimated initial occupancy of 40% for the first year, gradually increasing over to 48% in the next year. The estimated Net present value of the project is based on a 9% Discount rate and Cost of Living Allowance of 3% estimated for the period and other operational and fixed expenses.



Initial assessment of the project financials indicates a profitable investment, in the long run, considering the planned development in infrastructure as well as promotion of tourism over the next 10 years.

Annexure A: List of other Projects identified by Government

Project 1: Golden Sands Development at Cape Maclear
DESCRIPTION Cape Maclear is the heart of Lake Malawi NP. The area to the south-west of Chembe Village is currently under-utilized, and several tourism products are envisaged to be developed here, in collaboration with the private sector: • One high-quality lodge with a capacity of 40 beds on the Old Golden Sands Holiday Resort site is constructed of non-masonry materials except where the foundations of the old hotel are used. • One high-quality eco-lodge with a capacity of 10 beds, to be accessed only by boat or walking trail, located in Mfula Bay, south of Otter Point. The eco-lodge is to be constructed entirely of non-masonry materials. • The site of Livingstonia Mission and graves will be retained in their present natural state, with the graves themselves and pathways maintained in good condition. • The Education Centre will be renovated and upgraded by others, as envisaged under the project heading: Aquarium/Environmental Education Centre. • As an added MICE offering, to cater to the nearby business visitors at the Aquarium and Educational Centre, guided excursions to Chembe Village can be introduced. These offerings will also support local enterprises. Other excursions can include glass-bottom boat trips to Thumbi Island West and around Otter Point, where guides can interpret the underwater world on the boats.

Project 2: New Main Entrance Gate and related facilities for the Lake Malawi National Park
DESCRIPTION First impressions are important. Entering a National Park through a well-designed and equipped Entrance Gate sets the tone for a visitor's experience of the Park and will most probably create a lasting impression. The gate facilities should consist of a reception area where entrance fees can be paid and information handed to visitors. Public toilets should be easily accessed from here (or be on the way in), and displays should set the tone for the experience. Activities such as guided drives and walks, boat trips, etc. and equipment for rentals such as bikes, camping gear, and diving equipment can be catered for in or close to the gate building. Local crafts can be sold in either a formal or informal manner at the gate.

Project 3: Aquarium/Environmental Educational Centre at Cape Maclear
DESCRIPTION

There is an Aquarium and Environmental Educational Centre at the lakeshore in the Lake Malawi National Park premises. However, the venue has recently received funding for upgrading and thus is taken out of this proposed project list.
Project 4: Day Visitors facilities at various spots in the LMNP
DESCRIPTION There is a need for small stopover spots in the Park and on the lakeshore. These will provide visitors with an opportunity to enjoy pre-made snacks, visit the toilet, and (in certain cases) buy curios or rent equipment.

Project 5: Fresh Water Theme Park in Monkey Bay
DESCRIPTION Theme parks normally cater to the *mass market* and recall memories of noisy family activities. However, there is enough tourism development at Cape Maclear and the lakeshore to Mangochi to justify such a product. If the development can utilize the lakeshore for some of its activities and build educational features into some of these activities, this can become a unique product in Malawi. Water features such as swimming pools, water slides, and paddle boats will supplement the more educational side of the offering, such as information displays, fish tanks, and an aquarium. Fast food outlets and picnicking areas will be available.

Project 6: Lake Activity Centre at Monkey Bay
DESCRIPTION A substantial Activity Centre will enhance the lakeshore experience to be had in the Nankumba peninsula. If developed next to the MV Ilala Ferry departure point, both products will benefit from the increased exposure and cross-pollination. A 300m long waterfront is visualized with docking bays for various boats, retail and rental outlets, a restaurant or two, and a craft market. Public toilets will be provided as well as covered secure parking for vehicles.

Project 7: Traditional Seafood Restaurant in Chembe Village
DESCRIPTION A 50-seat+ restaurant is proposed for the Chembe beach. The facilities will be rustic, possibly repurposing a house into the kitchen and back-of-house areas, with the dining area undercover, but on the beach with a sand floor. Palm trees can shade additional tables and enhance the beach atmosphere. The intention is that several local people can develop this product, where guests are taken on short fishing trips to show them where the fare comes from. Dilapidated boats can form part of the structure and décor.

Project 8: Houseboats and self-manned craft
DESCRIPTION

The houseboat experience is not well known in Malawi. However, it is a wonderful way to explore not only the Lake but also the many overnight accommodations to be found on the lakeshore. Full board service normally provides (all meals and drinks) with activities, such as fishing, snorkeling, and birding on offer. Houseboats can be constructed in local shipyards on Lake Malawi or from Lake Kariba in Zimbabwe.

Project 9: Luxury Villas on the Islands at the Lakeshore

DESCRIPTION

Boadzulu is a completely pristine island located 30km from Mangochi along the M10 road to Monkey Bay. It lies ±6km off-shore from Mtonda. The Government intends to make a concession available to develop a luxurious 30-bed Luxury Villa, catering to the upper end of the international tourist market. The development will be designed and operated as an environmentally friendly eco-lodge, using natural materials and with a minimal impact on Mother Nature. Activities offered by the lodge will include guided walks on the island, boat and kayak excursions, scuba diving instruction, and water activities, such as SUP's and windsurfing. The villas will be available either to couples or families who rent several units for their private use. Each villa will have its own plunge pool and fully equipped kitchen for self-catering or walk-in chefs. The public areas, where meals can be pre-booked, will have a sauna and small gym. A small business center will keep guests connected to the outside world.

Project 10: Information Centre on the M3 going through the Namizimu Forest Reserve

DESCRIPTION

The Namizimu Forest Reserve is huge, spanning all the way up to the Mozambican border for approximately 80kms to the northeast of Mangochi. This destination is known to few, and unlocking its potential will take time and exposure. The idea is to develop a small Information Centre along the M3 road, which will allow visitors to relax and simultaneously learn about this destination.

Project 11: Birders/hikers Trails camp in the Namizimu Forest Reserve

DESCRIPTION

The Namizimu Forest Reserve is expansive and completely under-utilised. This is partly because of its location and partly because wildlife is not as prolific or easy to see. Therefore, a Trails Camp is proposed, providing simple yet elegant accommodation to groups of up to 16 people. The visitors will be accompanied by a skilled guide who will not only introduce them to the hidden wonders of the Namizimu FR but also cater to them at the camp. The facilities will also be available to self-catering guests in smaller groups.

Project 12: Nature walks along the Shire River in Mangochi

DESCRIPTION

This product will be welcomed by the Mangochi residents and supported by tourists staying in city hotels. It will consist of walkways or boardwalks (depending on the terrain)

meandering along the Shire riverbanks, onto islands and viewing decks. Bird hides can be placed strategically along the way, and public toilets should be provided at selected spots. Over weekends, locally prepared food or fast foods can be served, and a morning market can be arranged on a bi-weekly/monthly basis.

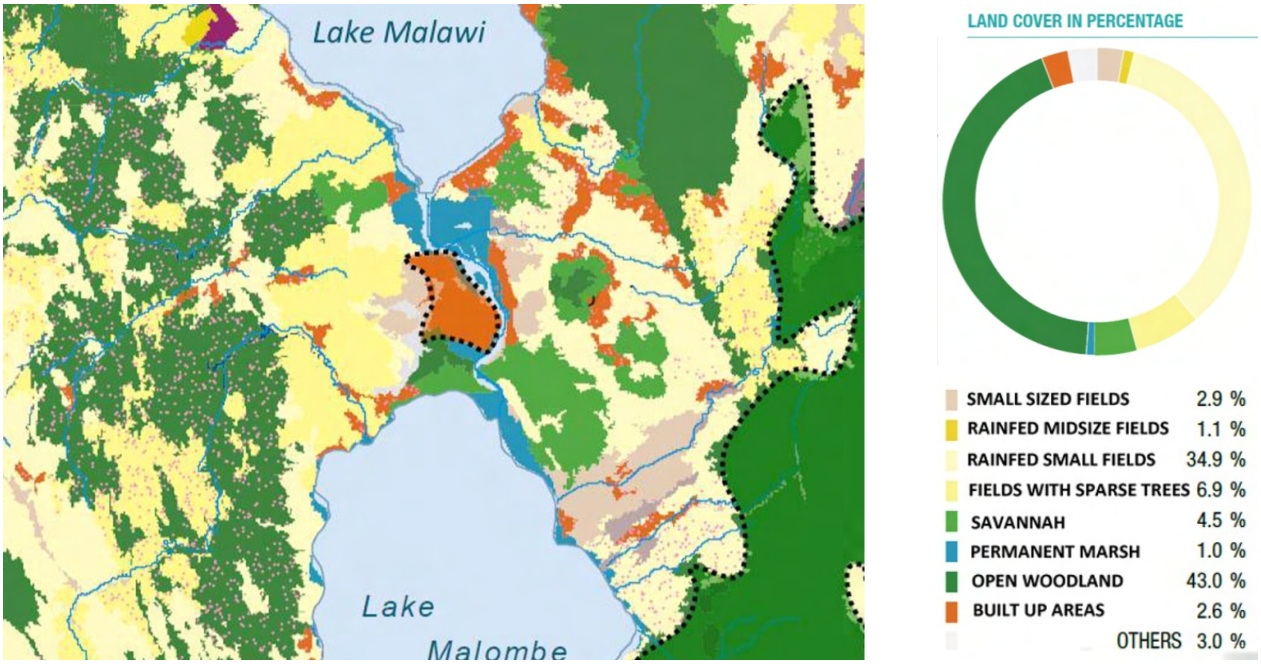
Project 13: Fort Mangochi Museum, near Mangochi
DESCRIPTION Situated close to the M3 road into Mozambique, almost halfway between Mangochi and the border post at Chiponde, this is an important historic site in Malawi and the world because of its contribution towards the abolition of slavery. The idea is to create a themed Visitors Centre, including the old Fort, built-in 1895, and recreate old slave routes in the area.

Project 14: Mixed-use Tourism Centre in Mangochi
DESCRIPTION A courtyard building is envisaged offering visitors a themed, quiet experience in the middle of the bustling city of Mangochi. Retail related to tourists' needs, crafts and curios, souvenirs, and a restaurant will cater mostly to international tourists. An art gallery, small business center, and open-air craft market (where artists manufacture their wares) will complement the tenant list. Secure parking needs to be provided.

Annexure B: Geography and Climate

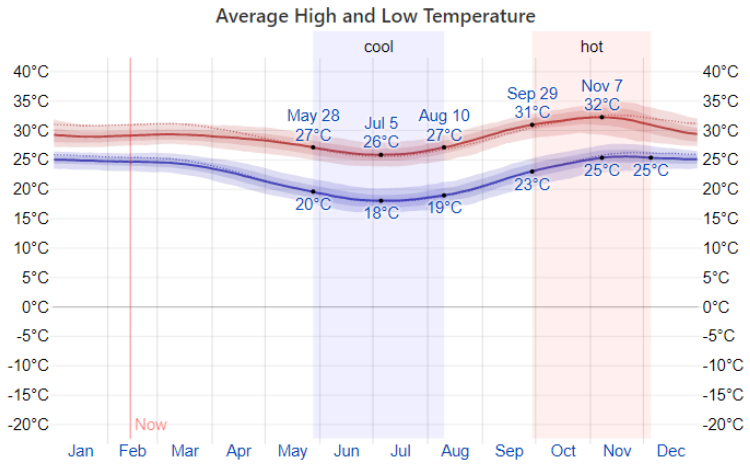
Nankumba Peninsula is a tapering sliver of mountainous land that protrudes northwards into the Lake towards Cape Maclear; it also includes the surrounding lake waters and nine rocky off-shore islands. The mountainous interior of Nankumba Peninsula is practically uninhabited, a rugged landscape of steep, densely vegetated slopes.

The reserve area is made up predominantly of Brachystegia woodland with some Combretum/Acacia woodland. Baobab trees define most of the terrestrial areas along the lakeshore. Candelabra tree, Euphorbia, is found all along the Lake in hot, dry areas

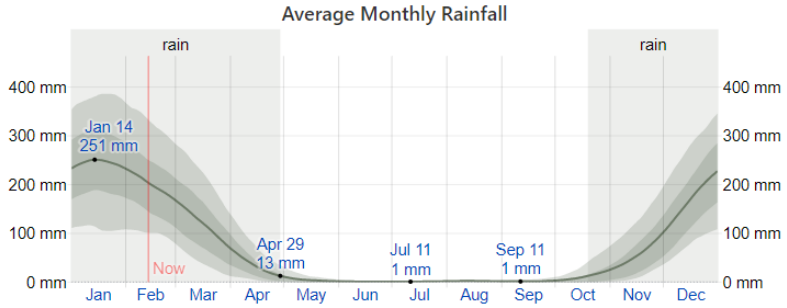


Land cover Map – Mangochi region

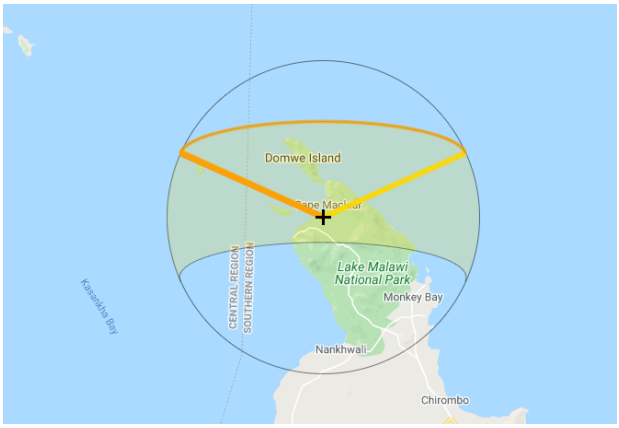
The temperature at the Cape Maclear area does not differ much throughout the year. The hottest period is October & November, with the coolest months being May to mid-August.



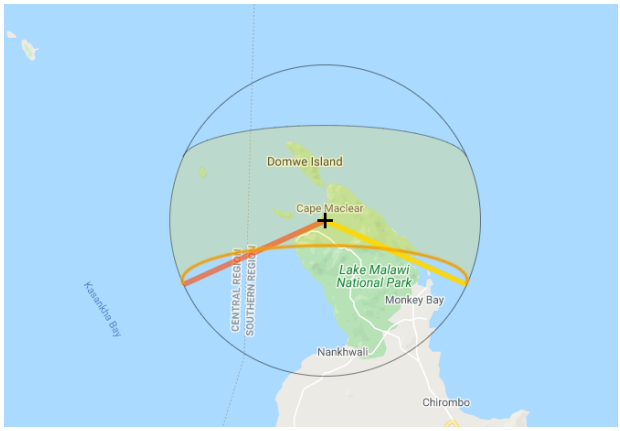
Rainfall for the area is over a six-month period between October to April, with hardly any rain for the rest of the months. January receives the most rain.



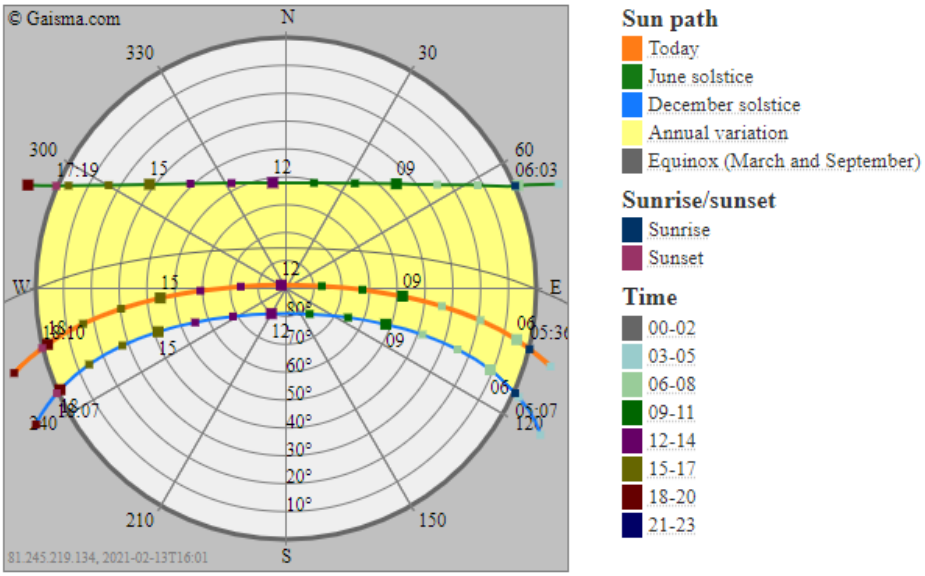
Sun path: Winter solstice path



Sun path: Summer solstice path



Sun path diagram for Mangochi area indicating degrees



Annexure C: Statement of Area

200-bed Hotel, on the old Golden Sands Hotel site

100 room Hotel

c. Hotel rooms
- Standard room 38m² (patio included) x80 = 3 040m²
- Luxury room 45m² (patio included) x10 = 450m²
- Circulation space 730m²
- Self-catering chalets 70m² x10 = 700m²

d. Public areas
- Patio viewing onto lake 200m²
- Foyer 395m²
- Front desk 25
- Porter 20
- Admin offices 80
- Shop x3 each 30 = 90
- Reception/waiting 100
- Public toilets 2x40 = 80
    - Lounge 180m²
    - Games room 200m²
    - Dining 2 venues each 120m² = 240m²
    - Servery 60m²
    - Bar (on patio) 60m²
    - Beach bar 40m²
    - Circulation say 250m²

e. Back of House
- Kitchen 240m²
- Stores 80m²
- Maintenance 80m²
- Laundry/linen 120m²
- Staff facilities 100m²
- Staff accommodation 1240m²
    - Management couple 60
    - Senior staff 8x 40
    - Mid-level staff 12x 30
    - Junior staff 25x 20
- Circulation 100m²

The utilization of old hotel

a. Open-air Tea Garden 150m²

b. Curio sales 50m²
c. Stores 50m²

Activity Centre

a. Office 40m²
b. Store 80m²
c. Change rooms/ablutions 60m²
d. Jetty, say 3x20m 60m²
e. Swimming pool (with kiddie pool) say 150m²
f. Decks 100m²

Convention Centre

a. Public Areas
   - Foyer 90m²
   - Reception/registration 85m²
   - Public toilets 80m²
   - Main Hall (divisible into 3 parts each 400m²) 1 200m²
   - Refreshment area 100m²
   - Circulation 800m²
b. Back of House
   - Stores (each 50m²) 150m²
   - Satellite kitchen 130m²
   - Plant room 200m²

Parking

Parking for 25 cars and 2 coaches will be provided where the staff bungalows are currently located. The road from the entrance gate to the parking area will be tarred.

20-bed Eco-lodge in Mfula Bay

10 room Eco-lodge

- Lodge rooms
  - Freestanding chalets, each 35m² (patio included) x10 = 350m²
- Public areas
  - Deck viewing onto lake 50m²
  - Admin/reception 30m²
  - Open-plan lounge/bar/dining 120m²
- Back of House
  - Kitchen 25m²

- Stores 18m²
- Maintenance 40m²
- Staff facilities 30m²
- Circulation 20m²

Jetty/arrivals

- Covered deck 12m²
- Toilet/basin 6m²
- Jetty, say 2x10m 20m²

Parking

Parking for 10 cars will be provided at the Educational Centre, where guests will be taken to the lodge by boat. A golf cart track will also be provided for land transfers.

Livingstone campsite and historical graves

Historical graves: Two gravestones were erected about 200m to the east of the entrance gate to the Education Centre. A paved walkway should be provided, 2m wide, and the graveyard upgraded.

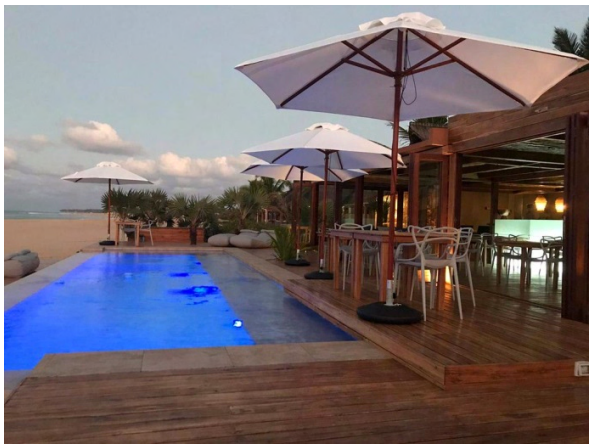
Livingstone campsite: Just to the north of the Education Centre, a very old Boabab tree marks the spot where Sir David Livingstone used to put up his camp when visiting the nearby Mission. Interpretative signage and a walkway should be provided. In future, a campsite with ablution facilities, tuck shop and electrical points at each stand should be considered.

Annexure D: Best Case Example

The best-case example for this development is the **Eclectic Beach Retreat** at Barra Beach, Mozambique. The lodge offers luxurious accommodation with a variety of activities on site, other activities close by, and access to the local town of Inhambane and its amenities.

View of central complex from beach

Pool deck view



Pool deck view at sunset

View towards main entrance

View from the dining area to pool & beach

Annexure E: Construction Cost Guestimate

100 Room Hotel

			Quantity	Area m²		$/m²	Total
Rooms							
Standard rooms	38	m²	80	3040	m²	$1 233,94	$3 751 176,00
Luxury room	45	m²	10	450	m²	$1 318,07	$593 132,27
Circulation space			1	730	m²	$514,14	$375 323,26
Self-catering chalets	70	m²	10	700	m²	$881,05	$616 736,04
Public areas							
Patio viewing onto lake			1	200	m²	$174,81	$34 961,62
Foyer			1	395	m²	$869,37	$343 399,75
Lounge			1	180	m²	$1 131,11	$203 600,01
Games room			1	200	m²	$860,02	$172 003,68
Dining	120	m²	2	240	m²	$1 131,11	$271 466,68
Servery			1	60	m²	$1 196,55	$71 792,84
Bar on patio			1	60	m²	$962,85	$57 770,80
Beach bar			1	40	m²	$962,85	$38 513,87
Circulation			1	250	m²	$355,23	$88 806,25
BoH							
Kitchen			1	240	m²	$973,60	$233 663,27
Stores			1	80	m²	$553,40	$44 272,25
Maintenance			1	80	m²	$772,15	$61 771,76
Laundry/linen			1	120	m²	$654,36	$78 523,42
Staff facilities			1	100	m²	$772,15	$77 214,70
Staff accommodation			1	1240	m²	$772,15	$957 462,25
Circulation			1	100	m²	$355,23	$35 522,50
TOTAL				**8505**	**m²**		**$8 107 113,21**

Convention Centre

	Quantity	Area m²		$/m²	Total
Public Areas					
Foyer	1	90	m²	$869,37	$78 242,98
Reception/Registration	1	85	m²	$772,15	$65 632,49
Public toilets	1	80	m²	$878,71	$70 297,16
Main hall	1	1200	m²	$728,68	$874 414,38
Refreshment area	1	100	m²	$1 233,94	$123 393,95
Circulation	1	800	m²	$355,23	$284 180,00
BoH					
Stores	1	150	m²	$553,40	$83 010,47
Satelite kitchen	1	130	m²	$1 233,94	$160 412,13
Plant room	1	200	m²	$654,36	$130 872,37
TOTAL		**2835**	**m²**		**$1 870 455,93**

Old hotel utilization & Activity Centre

	Quantity	Area m²	$/m²	Total
Utilization of old hotel				
Open Air tea Garden	1	150 m²	$11,69	$1 752,75
Curio sales	1	50 m²	$355,23	$17 761,25
Stores	1	50 m²	$553,40	$27 670,16
Activity Centre				
Office	1	40 m²	$772,15	$30 885,88
Stores	1	80 m²	$553,40	$44 272,25
Change rooms/ablutions	1	60 m²	$878,71	$52 722,87
Jetty	1	60 m²	$355,23	$21 313,50
Swimmming pool with kiddie pool	1	150 m²	$21,50	$3 225,07
Decks	1	100 m²	$355,23	$35 522,50
TOTAL		**740 m²**		**$235 126,23**

Historical Graves & Livingstone Campsite

Historical Graves				
New paved walkway	1	400 m²	$32,72	$13 087,24
Upgrade of graveyard	1	30 m²	$11,69	$350,55
Livingstone Campsite				
Interpretative Signage	1		$934,80	$934,80
New paved walkway	1	120 m²	$32,72	$3 926,17
TOTAL		**550 m²**		**$18 298,76**

10 Room Ecolodge

		Quantity	Area m²	$/m²	Total
Rooms					
Standard rooms	35 m²	10	350 m²	$1 233,94	$431 878,82
Pathways/decks		1	60 m²	$355,23	$21 313,50
Public areas					
Deck viewing onto lake		1	50 m²	$355,23	$17 761,25
Admin/reception		1	30 m²	$869,37	$26 080,99
Lounge/bar/dining		1	120 m²	$1 131,11	$135 733,34
BoH					
Kitchen		1	25 m²	$973,60	$24 339,92
Stores		1	18 m²	$553,40	$9 961,26
Maintenance		1	40 m²	$772,15	$30 885,88
Staff facilities		1	30 m²	$772,15	$23 164,41
Circulation		1	20 m²	$355,23	$7 104,50
Jetty/Arrivals					
Covered deck		1	12 m²	$514,14	$6 169,70
Toilet, basin		1	6 m²	$772,15	$4 632,88
Jetty		1	20 m²	$355,23	$7 104,50
TOTAL			**781 m²**		**$746 130,95**

100 Room Hotel Services

	Quantity	Total	Item Total
Sewerage			$16 848,68
Sewer reticulation	1	$5 644,74	
Septic tanks & treatment plant	1	$8 210,53	
Irrigation system	1	$2 993,42	
Water			$24 375,00
Water connection	1	$3 848,68	
Water storage	1	$3 848,68	
Solar power connection with pump	1	$11 973,68	
Water treatment plant	1	$4 703,95	
Power			$29 164,47
Electrical connection	1	$10 690,79	
Back-up generator	1	$12 828,95	
Reticulation	1	$5 644,74	
Roads, Parking Areas			$31 392,43
Parking fo 25 vehicles + 2x coach	1	$5 734,54	
Tarr road connection	1	$14 967,11	
gravel road to jetty	1	$10 690,79	
Communications			$2 138,16
Cellphone repeater	1	$2 138,16	
Earthworks			$38 486,84
Landscaping	1	$38 486,84	
TOTAL		**$142 405,59**	

10 Room Ecolodge - Services

	Quantity	Total	Item Total
Sewerage			$9 664,47
Sewer reticulation	1	$6 842,11	
Septic tanks & treatment plant	1	$2 138,16	
Irrigation system	1	$684,21	
Water			$21 809,21
Water connection	1	$3 848,68	
Water storage	1	$1 282,89	
Solar power connection with pump	1	$11 973,68	
Water treatment plant	1	$4 703,95	
Power			$6 756,58
Electrical connection	1	$3 592,11	
Back-up generator	1	$1 539,47	
Reticulation	1	$1 625,00	
Roads, Parking Areas			$1 924,34
Parking fo 5 vehicles at Educational centre	10	$1 924,34	
Golf cart pathway, 740m	1	$11 392,11	
TOTAL		**$51 546,71**	

Annexure F: Site Photographs

View across Lake Malawi. The beach is called Golden Sands

The intention is to retain part of the old hotel and convert it into a tea garden and curio sales area

Viewing the hotel site from the Lake Malawi

Terraced area in front of the old hotel

Existing Environmental Education Centre:

Accommodation huts at the Environmental Education Centre

Pathway down to Lake Malawi, where boats moor to pick up tourists

Signpost at the end of the pathway

Viewing the mooring place from the water

Site photographs relevant to the new Eco-lodge:

The walkways at Otter Point will be upgraded, and viewing decks provided in well-chosen positions

Approaching the eco-lodge site on Lake Malawi. The clearing above the prow of the boat is the selected site

Looking south from Otter Point, with Mfula Bay just around the corner

Viewing the site from the west. Otter Point is visible on the left, while the boulders in the water are part of a small island

End of Pre-feasibility Report 8

Pre-feasibility Report 9

An Integrated Cable Resort at Mount Mulanje, South Malawi

UNITY AND FREEDOM

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1. Introduction

The Government of Malawi has identified tourism development as one of the major drivers of the country's economy. With funding from the African Development Bank (AFDB), through the Promoting Investment and Competitiveness in the Tourism Sector (PICTS), developed a National Tourism Investment Masterplan. The Masterplan (of which this pre-feasibility analysis is part) identified ten priority projects.

One of the ten priority projects in the masterplan is the **Integrated Cable Car Resort** on Mulanje Mountain that falls under the Mulanje-Blantyre-Chiradzulu-Thyolo-Phalombe node. This node is situated in the shire highlands which form part of the southern region. It covers the districts of Blantyre, Chiradzulu, Thyolo, Mulanje and Phalombe. As a tourist destination, the node is home to several tourism assets including the Tea estates of Thyolo, the historic and cultural heritage of Blantyre and Chiradzulu, and the Mulanje Massif commonly known as the 'Island in the sky'. The node occupies an area of 7,944 sq.kms and has a total population of 2, 643,108 (NSO, MPHS 2018).
The Integrated Cable Car Resort on Mulanje Mountain is a priority project within the node (several tourism projects were identified as being suitable for this Node – refer to annexure A). During the middle of the 20th century, a 2-cable cargo system was constructed on the western slopes of Mulanje mountain, close to the forest station. Cedar trees were harvested on top of the mountain and transported down to the base station via cable trolleys.

The old cableway, called the Skyline, is still partially in place. It is proposed that the new cable car installation follows the same route. A Base Station will be constructed on the site of the old cable base, while the Top Station will also use the old site. The cableway will be built with one span thereby, negating unsightly pylons on the face of the mountain. This location also has an advantage that no facilities will be visible from the M2 road approaching to Mulanje, from Blantyre.

This granite inselberg, is located in Mulanje District, which is a popular tourist destination for hiking. It also has several waterfalls and natural pools including the Dziwe la Nkhalamba and mountain huts. The Mountains' most famous peaks are Sapitwa and Chambe. The highest peak, Sapitwa towers at 3001m above sea level. The tea plantations are another natural charm in the Mountains vicinity. The Mulanje Forest Reserve further extends into Phalombe district, which is to the North of Mulanje District.

In terms of climate, its temperature changes between a high of 23° in winter to 33°C during the summer months. Rainfall is quite high and also differs between the low lying areas and on the top of the massif. Refer to Annexure B.

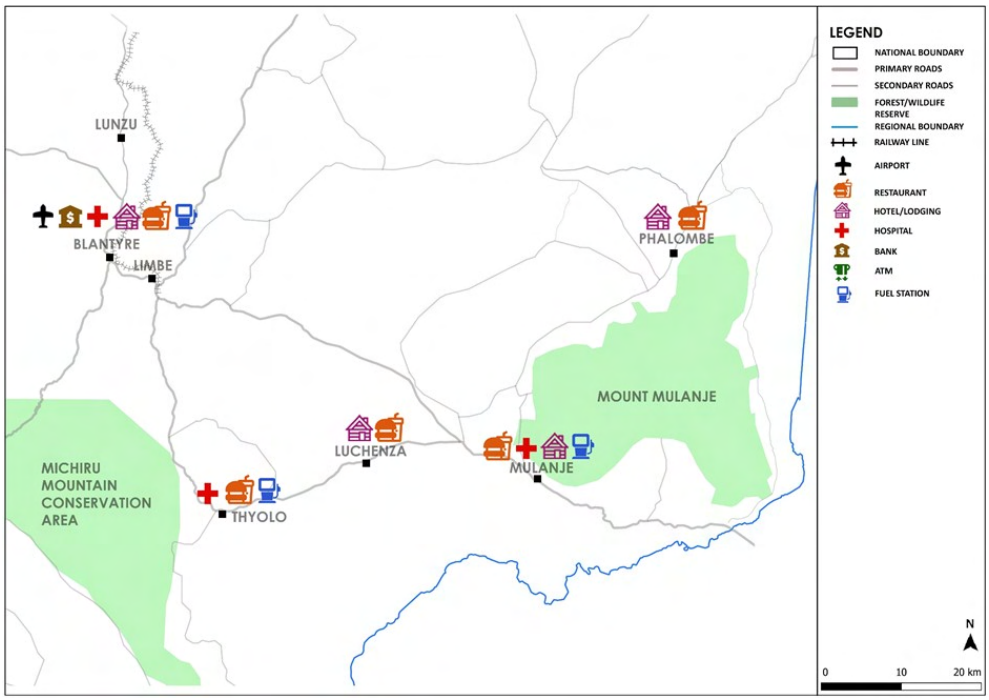


Figure 81 Map of Blantyre- Thyolo- Mulanje- Phalombe Node

2. Objective

The purpose of this study is to investigate the opportunities and risks of a cable car investment on Mulanje Mountain. In order to determine whether a feasible operation of such an establishment is possible, the various key factors of competitive business in this particular market will be analysed.

However, at this stage, this study does not take environmental impact assessment. Subsequently, a detailed project report and an environmental and social impact assessment (ESIA) needs to be conducted by the prospective investor(s).

This study aims to establish a neutral, professional and qualified opinion and a thorough analysis of the current project plan. A tentative statement of area has been drawn up as part of the pre-feasibility study and is presented in Annexure-D.

3. Development Concept

This section provides an overview of the project and a description of various elements that are part of the development concept. Broad guidelines are provided for the purpose of directing the development of the project. This concept is based on a best case example of Hartebeespoort Ariel cable way of South Africa. Refer to Annex C

3.1 Project Description and Details

The Integrated Cable Car Resort (ICCR) will consist of a Health and Wellness Centre, restaurant, and activity desks at the base station. A 16-room eco-lodge will be provided close by, while a 30-room Mountain Inn is proposed at the top station. The access to this development will be on the eastern slopes of the mountain, past Likhubula Forest station.

There will be a secure shaded parking for 20 cars and 4 coaches at the Likhubula Forest Station. Parking for overnight visitors to the Mountain Inn, and a drop-off point will also be provided at the Base Station.

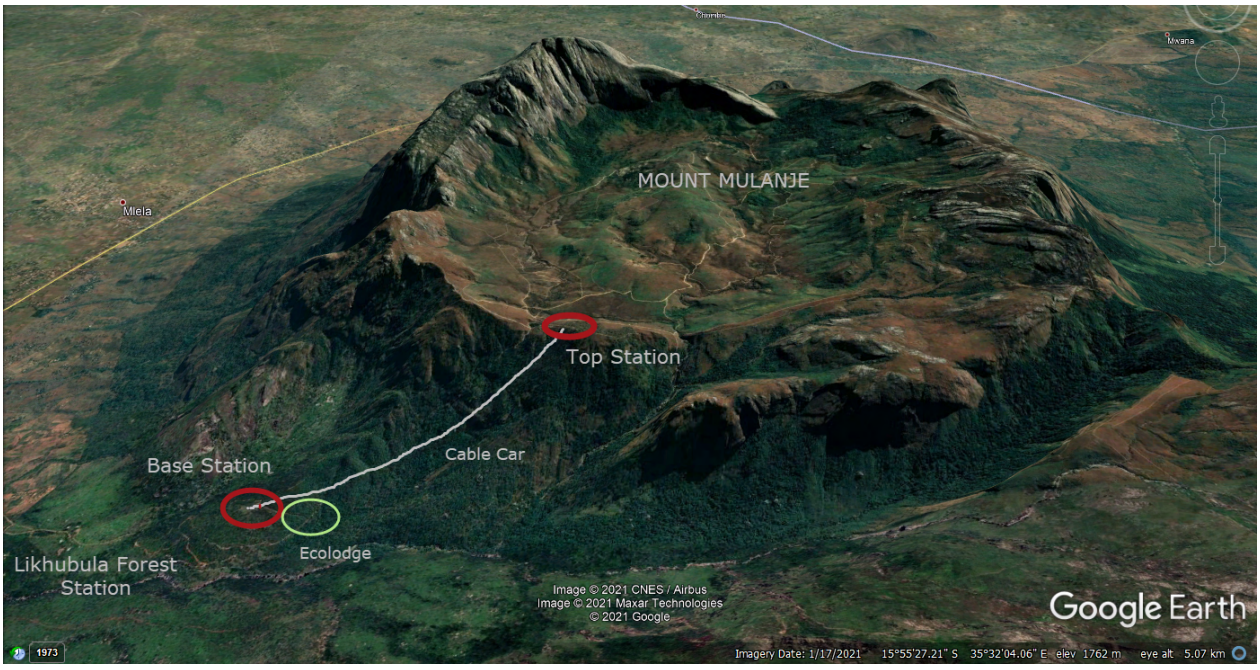


Figure 82 a 3D figure showing the entire concept

Figure 83 a sketch for the entire Integrated cable car resort

The following tourism products are envisaged at the bottom of the mountain:

- A cable car that will take visitors to a suitable spot on top of Mulanje Mountain. Cable car installations are done by specialist companies who will determine the feasibility and design of the installation.
- An Information Centre, hinting at the wonders of Mulanje Mountain's geology and history, of which the full story will be told in the interpretation centre on top of the mountain.
- Health Spa & Wellness Centre, containing 4 treatment rooms, an indoor swimming pool, gym, administration offices and reception, as well as change rooms and toilets.
- Themed Restaurant/s.
- A nearby 16 roomed Eco-lodge (32-bed facility) is proposed within walking distance of the base station and other amenities.

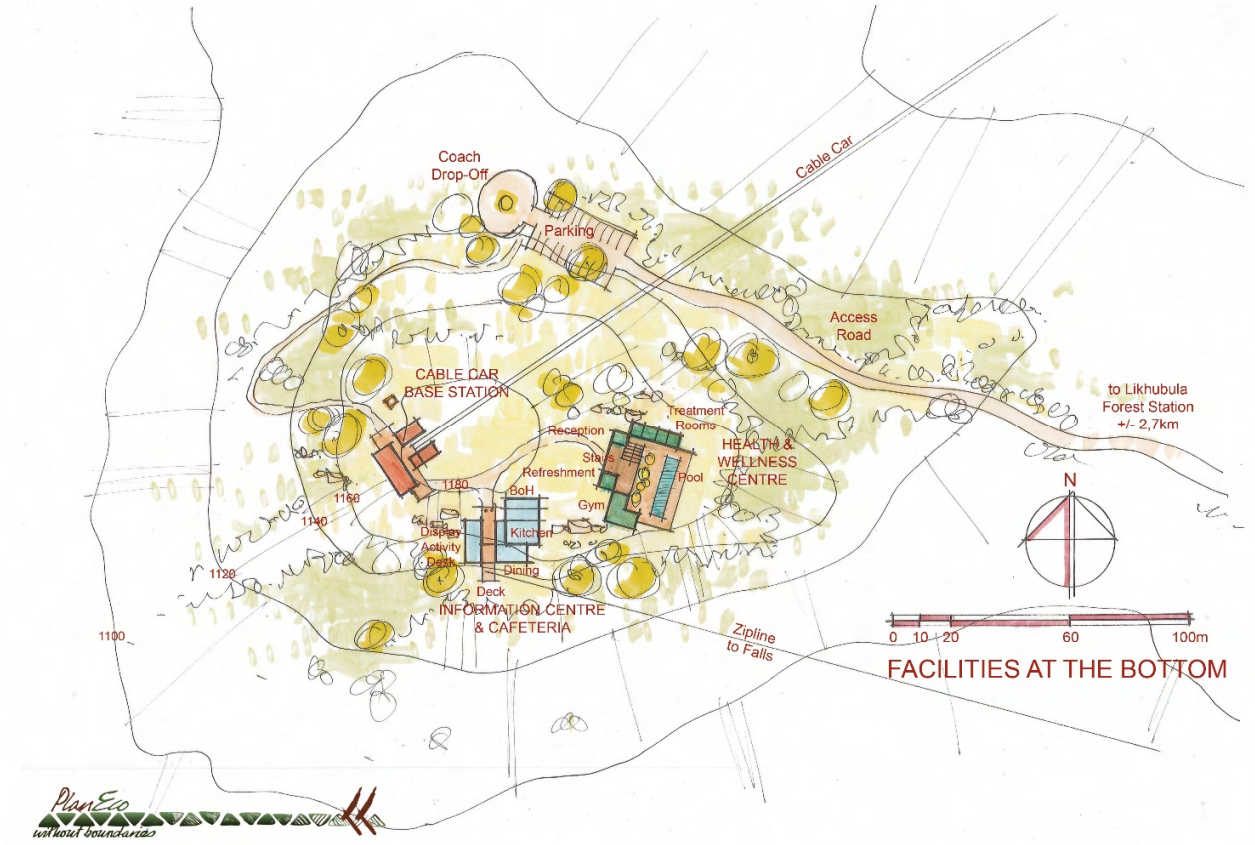


Figure 84 showing the sketch for the bottom concept of the Integrated cable car resort

On top of the mountain, the following products could be developed:

- A cafeteria/restaurant seating 60 people. The restaurant will offer a picturesque from outside decks and offer cozy indoor dining.
- An Interpretation Centre with display area, storage, workshop area, public toilets, administration, and reception. Curio and craft stalls could be part of or close to the museum. Activity desks and local guides will also be accommodated here.
- A 30 room Mountain Inn (approx.40-60 beds), with fireplaces in each room, offering guests a high-altitude holiday. Visitors will all gain access via cable car, while local transport can take guests to other destinations on top of the mountain. Entertainment and sports activities need to be provided. A phased development starting with 20 rooms is recommended.

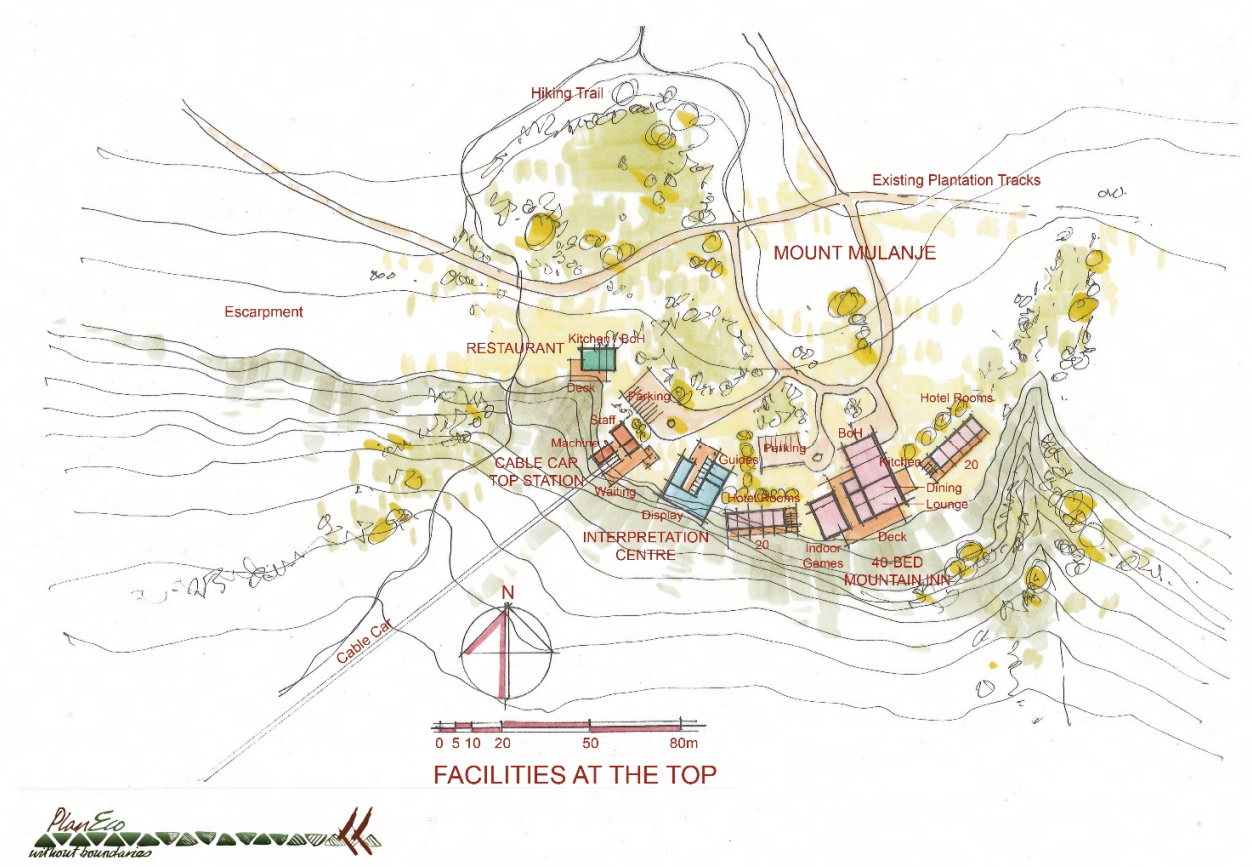


Figure 85 showing the sketch for the Top concept of the Integrated cable car resort

In addition to the project facilities construction, certain other amenities are essential for operations and need to be developed to support the project. These include:

- Water filtration and storage facility to provide access to clean water
- Wastewater, Sewage and sanitation facility
- Steady connection to the electricity grid and alternative energy source like solar panels, generators, etc.
- Medical facilities to cater to accidents related to tourist activities and emergency needs
- Entry roads, streetlights and gateway to access the project site
- Washrooms, lockers and changing rooms within the premises

Amenities like access to water, sewage, waste disposal, grid connection, etc. can be developed by the investors in coordination with the local municipality bodies. Other amenities, which are internal to the project, needs to be developed by the investors as per the requirements of the project. Information regarding the same can be provided by the DoT to the potential investors.

3.2 Project Objective

The objective is to develop a world-class tourism destination at Mulanje Mountain and to enhance the tourism offering in South Malawi. Mulanje Mountain being an integral part of the landscape and existing tourism activities inspire to link the top and bottom of the mountain to expand the accessibility for tourists. The fact that there are remnants of a cable car installation opens this idea for further exploration.

3.3 Development Guidelines

In order to achieve sustainable tourism development, the following guidelines should be considered:

- Ensure that environmental conservation is incorporated at every stage of the project
- Local communities should benefit from job creation facilities e.g. construction, craft production, fresh food supply and management of tourism facilities wherever quality, quantity and consistency permits
- Development of partnerships between local communities and other stakeholders are imperative. Community members or representatives should be involved in development.
- As Corporate Social Responsibility, provide skills training to local people e.g. training of local guides, allow educational visits at considerable rates, building of curio stalls.
- Comply with Convention on International Trade on Endangered Species of Wild Flora and Fauna (CITES)
- Waste disposal facilities to ensure zero pollution.
- Use of sustainable sources of energy that will ensure environmental conservation

3.4 Site Location

The Mulanje Mountain is located 15°55´0.12 South 35°34´9.84 East. It is about 94km from Blantyre. It can be viewed from the M2 highway from Thyolo to the west and the Mozambican border to the east. It is also connected by road to other districts, i.e. Zomba, Chiradzulu and Phalombe.

Figure 86 View of Mt. Mulanje from the M2 Road

The site is split into two positions, the first being on the low-level area at the old cable car station on the outskirts of Likhubula and the second on the high lying area in the area of the rock where the original cable was fastened.

It is also close to the Dziwe la Nkhalamba pool at the foot of the Likhubula falls. The original cable car system was installed in the 1950s and was primarily used for transportation of logs. The positions are suitable for the new base and top stations with facilities.

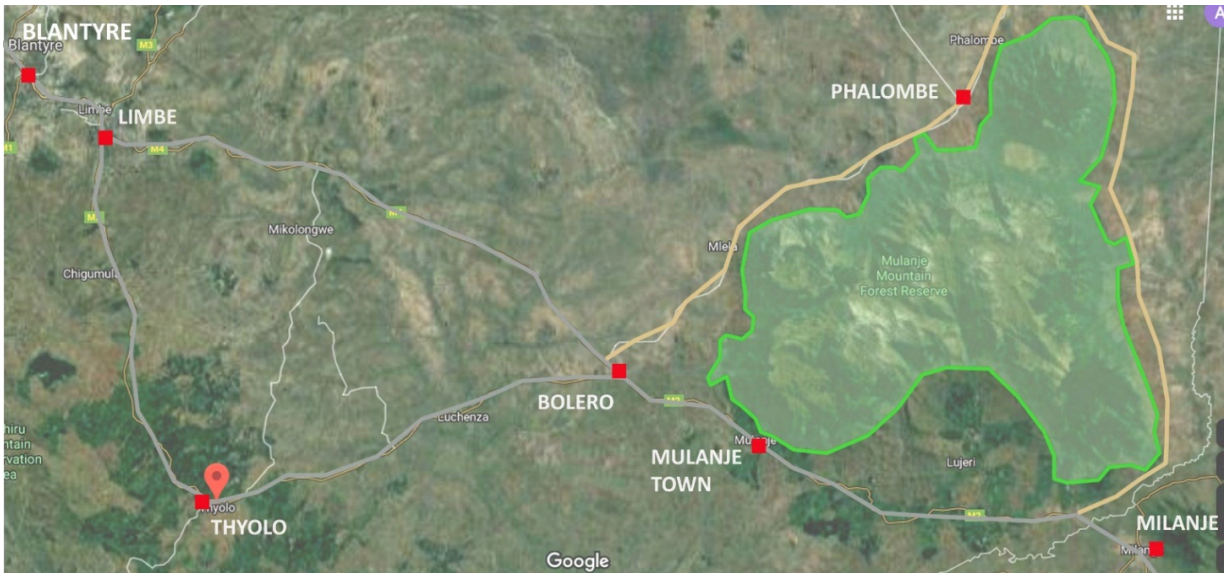


Figure 87 Map showing Mt. Mulanje Forest Reserve

3.5 Accessibility

Airport

The closest airport to Mulanje is Chileka International airport, situated northwest of Blantyre. It provides both domestic and international services. The airport was recently renovated and is operated by the Department of Civil Aviation.

Road transport

The M2 is the main access road for Mulanje that connects to Blantyre. There are, however, several development projects that have been underway for roads in the nodal area. A new road to be constructed, preferably tarred, to the base station as an upgrade to the current pathway.

Rail

The railway line from Limbe (Blantyre) to Sandama/Makhanga with the nearest station of Luchenza is roughly 25km away and currently used for freight only. The line to the Marka border is in the process of upgrade, and passenger use is being considered.

3.6 Existing Support Infrastructure and Other Services

Electricity: There is an existing power connection at the Forest station. Power in the district is supplied by Escom, some of which is generated by Mulanje Hydro.

Water: water is taken from the Likhubula river, downstream of the waterfall, for use in Mulanje. A high-level water reservoir needs to be constructed.

Sewerage: There is no treatment plant available and sewerage has to be treated on-site.

Communication: Landlines, mobile and internet services are available in the district. A branch of the Malawi Post Corporation office is operational.

Medical facilities: There is a district hospital and other health facilities present in the district.

Banking: Banking and financial services are available.

Fuel: There is a provision of fuel stations in the district.

Security: There is police services in the district.

4. Market Analysis

4.1 Supply Analysis

The supply analysis gives an indication of the tourism assets and activities in the area under consideration.

Mulanje Mountain is a spectacular 650 km^2 granite inselberg that rises in dramatic isolation above the Phalombe Plains southeast of Blantyre. The Mountain consists of a plateau of rolling grassland incised by several thickly wooded ravines and studded with 20 peaks of 2,500m or higher, including Sapitwa, the highest point in central Africa at 3,002m above sea level.

Figure 88 The Sapitwa Peak

The Mulanje Mountain area is awaiting designation as a world heritage site, with over 500 unique species of fauna & flora only found in the Mulanje Mountain area which include:

- Mulanje chameleon (*Nadzikambia mlanjensis*),
- Mulanje pygmy chameleon (Rham*pholeon patyceps*),
- Mulanje skink (*Trachylepis mlanjensis*),
- the Mulanje River Frog (*Amietia johnstoni*),
- the Mulanje Cedar tree (*Widdringtonia whytei*),
- the Mulanje Cycad (*Encephalartos gratus*),
- the Yellow-throated Aoakis bird (*Apalis flavigularis*),
- the Mulanje Tiger Moth (*Callioratis grandis*),

- the Mulanje Damselfly (*Oreocnemis phoenix*),
- some orchids, etcetera.
- The aqua life found in the Ruo River, is not found anywhere in the world, i.e. *Hippopotamyrus ansorgii, Barbus eutaenia, B. lineomaculatus and Opsaridium zambezense*.

Figure 89 King Dwarf Gecko

Figure 90 Mulanje Ceda

Extreme Sport

Mulanje has been the country's premier hiking and rock-climbing destination, Chambe Peak, of which the West Face is the longest rock climb in Africa. Other activities include trekking, abseiling (rappelling), paragliding, mountain marathon and off- road cycling, among others.

Figure 91 Participants at the Mulanje Porters race

Figure 92 Rock Climbing at Chambe peak

Adventure and Site Seeing

Various Natural water pools and tea plantations which offer breath-taking scenery, historic and photographic safaris.

Figure 93 Tea Plantations

Figure 94 Natural Pool

Bird watching

The area is home to at least 4 different bird species not found elsewhere in southern Africa, this makes the area popular for keen birding enthusiasts.

Figure 95 Thyolo Bird

Accommodation

There are well-organised and affordable hut accommodation on the mountain. Additionally, there are lodges, hotels, guest houses at the base of the mountain and in the district. The accommodation available in Mulanje is mostly low to medium budget. Below is a list of some of the facilities.

- Africa Wild Truck Eco Camp & Lodge
- Nalipiri Eco Resort
  Lichenya Hut
- Hapuwani Village Lodge
  Madzeka Hut
- Kara O'Mula Country Lodge
  Minunu Hut
- Mulanje View Hotel
  Sombani Hut
- CCAP Likhubula House
  Thuchila Hut
- Likhubula Forest Lodge
  Likhubula Hikers Rest
- Lujeri Lodge
  Kokotowa Executive Lodge
- CCAP Hope Rest Cottage
  Getway Lodge
- Chambe Hut
- Chinzama Hut
- Chisepo Hut

- France's Cottage

Figure 96 Hiking Huts

Restaurants

There are existing food outlets in the district offering a variety of continental and local cuisine.

Shopping

The area is also popular for its fresh fruit and curio Markets.

Annual Events

The Mulhakho wa Alhomwe Festival offers a cultural encounter with the Lhomwe People indigenous to the area.

The Mulanje Mountain Porters' Race provides extreme sporting experiences offered no-where else in Malawi.

4.2 Demand Analysis

The tourism demand for Mulanje mountain is characterized by a number of typos which can be divided based on the motivation for travel. These are:

- Authentic nature and Culture lovers
- Active and Thrill oriented adventurers
- Special interest and sensational seekers
- Curious and price sensitive digital agers

Authentic Nature and Culture Lovers

This traveler is more into cultural exchanges, interaction with various cultural groups and is eager to learn new cultural experiences. On the part of nature, they have knowledge about conservation and have a sustainable oriented mindset and travel behavior. Whilst it may

cut across all age brackets the majority will tend to be older and those in the mid to high income brackets.

Active and Thrill oriented adventurers

The traveler seeks thrilling outdoor activities and is driven by challenging experiences. They love adventure and extreme sports.

Special interest and sensational seekers

These type of tourists visit the mountain seeking to satisfy a special type of need. They include researchers, academics and environmentalist.

Bird watchers also fall under this category. They have long stays hence they are cumulatively high spenders.

Curious and price sensitive digital agers

These are young travelers, 35 years of age and below, and have a young and technical oriented mind. Most likely they combine work and travel and are keen to share their travel experiences on digital media platforms.

Table 14 Types of Tourists and their spending level

Types of Tourists	**Range of their spending on daily basis**		
	Low	Medium	High
Active and Thrill oriented adventurers			
Special interest and sensational seekers			
Curious and price sensitive digital agers			
Authentic Nature and Culture Lovers			

4.3 Target Market analysis

The target market for the ICCR will be Domestic and international. The ICCR will also create a new market that will be interested in visiting the top of the mountain because it will become universally accessible. Further to that, this development is anticipated to promote avitourism and target curious and price sensitive digital agers.

4.4 Competition analysis

The node has a number of tourists' attractions ranging from culture and historical heritage in the city of Blantyre and Chiradzuru District. Tea plantation in Thyolo offering agrotourism experiences and Mulanje offering nature and cultural heritage. The ICCR on the mulanje mountain will stand as a unique product in Malawi as a tourism destination because this is the first Cable Car resort. Therefore, the possible competitor will Hartebeespoort Cable Car Resorts in South Africa.

This part will use the Michael porters five forces model to determine the level of competition in the industry. The five forces are Suppliers Power, Customers Power, Ease of Entry, Threats substitutes products and Rivalry among existing players.

The Industrial Forces	**Observations**
Rivalry Among existing businesses	• No any player in the tourism industry which is currently doing a Cable car resort business, hence no competition within Malawi
Threats of new entrants	• There is an existence threat of new entrants from a neighboring node I.e. Zomba Plateau. Despite of this fact, the investment capital requirement is too heavy and that will be a barrier to new entrants
Threats of substitutes products	• Currently, there is no any closely related tourism product that can provide a similar experience to that of a cable car
Bargaining power of supplier	• The ICCR operator will be a very strong player in the industry that will be able to control other players due to the integrated
Bargaining power of customers	• In the absence of cable competitors the customers will have no power over the pricing of the cable car services but the customers will be able to influence the pricing of other services such as food and beverages and accommodation

5. Risks And Mitigations

This part outlines the potential risks that can be encountered and its mitigation strategies as illustrated in the table below

Table 15 Potential risks and mitigation strategies

Potential Risk	Mitigation Strategy
Intense competition from the region	• Partnership with tour operators to include the ICCR in their packaging • Intensify marketing to the Domestic market
Resistance from environmental conservationists	• Carrying capacity should not be exceeded. • Environmentally friendly practices should be implemented.
Tourism Industry is prone to different shocks and environmental disasters	• Risk Management plan • Insure the properties (cable cars)
Seasonality of international visitor flows	• Develop marketing strategies that will counter the effects of the seasonality on the development
Negative social impacts	• Continued awareness • Deliberate efforts to ensure that communities fully benefit from the operations • Corporate social responsibility
Safety and Security	• Ensure enough security at the site location

6. Potential Socio-Economic Benefits

The following are the potential benefits:

- Participation of locals in planning and management of the project including Job opportunities
- Tax Revenues and levies for the country
- Promotion of a sense of pride among citizens and residents
- Enhancement of the destination profile
- Infrastructural development
- Spill over benefits to other sectors

7. Financials

7.1 Estimated Capital Expenditure

EXECUTIVE SUMMARY

Item	Description	Budget US$
1	Bottom station facilities	$ 606 693,45
2	16 Room Ecolodge at bottom	$ 1 190 926,87
3	Top of mountain facilities	$ 477 171,87
4	20 Room Mountain Inn at top	$ 1 307 452,35
5	Services & Infrastructure at the bottom of the mountain	$ 2 409 798,55
6	Services & Infrastructure at the top of the mountain	$ 30 832,24
7	Cable Car installation - item. To be determined by a specialist installer	$ 18 200 000,00
8	Preliminaries & General @ 10%	$ 2 422 287,53
	SUB-TOTAL - Construction cost	**$ 26 645 162,87**
9	FF&E @ 25% of construction cost	$ 6 661 290,72
10	Contingency @ 5% of construction cost	$ 1 332 258,14
	TOTAL - Construction cost	**$ 34 638 711,73**
11	Professional fees - 12% of construction cost	$ 4 156 645,41
12	Additional costs, Budget at 27%: Golf carts, Marketing, Electronic equipment, EIA, etc.	$ 7 194 193,97
	TOTAL GUESTIMATE OF DEVELOPMENT COST	**$ 45 989 551,11**

7.2 Income potential

The financial forecast for the 1st year of operation is based on the following parameters:

- Positioning of the hotel: Leisure
- Management: International / Domestic hotel brand

EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$
1	Revenue from Mountain Inn Rooms	$ 1 022 000,00
2	Revenue from Eco Lodge Rooms	$ 700 800,00

3	Revenue from Cable Car Trips	$	9 045 000,00
4	Revenue from Restaurant & Services	$	164 250,00
5	Revenue from Wellness Centre	$	2 190 000,00
	TOTAL GUESTIMATE OF REVENUE	**$**	**10 932 050,00**

7.3 Operational Expense

EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$	
1	Cost of Rooms	$	1 421 166,50
2	Cost of Food & Beverage	$	1 202 525,50
3	Fixed Charges	$	1 093 205,00
4	Cost of Administration	$	874 564,00
5	Cost of Operation & Maintenance	$	655 923,00
6	Sales and Marketing	$	546 602,50
7	Utilities and Other Costs	$	765 243,50
8	Interest and Taxes	$	710 583,25
9	Cost of Living Allowance	$	68 871,92
10	Cost of Leasing Land	$	286,00
	TOTAL GUESTIMATE OF EXPENSES	**$**	**7 338 971,17**

7.4 Summary of Financials

US$45.9 Mn
CAPEX

US$10.9 Mn
Revenue for 1st Year

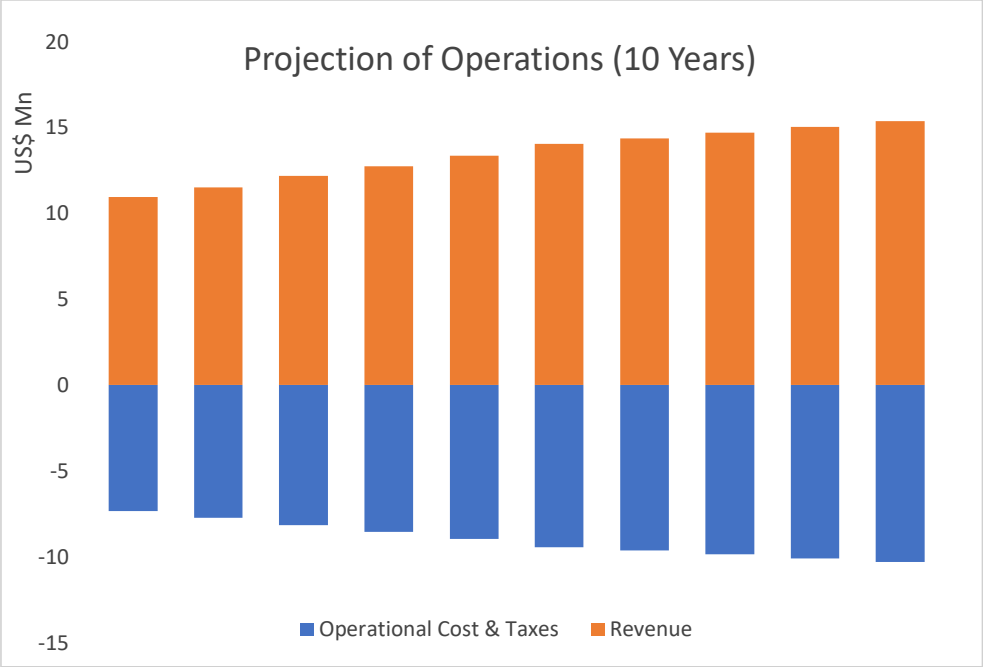
US$54.6 Mn
Net Present Value

10.5%
Internal Rate of Return

US$2.8 Mn
EBIT for 1st Year

11 Years
Payback Period

Projection of operations for the Mountain Inn and Ecolodge accommodation facilities are based on estimated initial occupancy of 40% for the first year, gradually increasing over to 48% in the next year. The estimated Net present value of the project is based on a 9% Discount rate and Cost of Living Allowance of 3% estimated for the period and other operational and fixed expenses.



Initial assessment of the project financials indicates a profitable investment, in the long run, considering the planned development in infrastructure as well as promotion of tourism over the next 20 years. Refer to Annexure E.

Annexure A: List of other Projects Identified by Government in the Node

Project 1: Operationalisation of the Blantyre Cultural Centre
DESCRIPTION A follow-up action to the rehabilitation of the Blantyre Cultural Centre, the Government has planned to engage a strategic partner who can operate BCC on their behalf using the Public-Private Partnership (PPP) Model. The PPP management of the BCC is one of the

solutions earmarked for public reforms by the Ministry of Civic Education, Culture, and Community Development.

Project 2: Development of an Integrated Cable Car Resort on Mount Mulanje

DESCRIPTION

The utilisation of Mount Mulanje from a tourism point of view should be enhanced. The intention is to develop an integrated tourism destination starting at the foothills of the Mulanje Mountain culminating on the mountain top by providing several tourism products which will together make the asset a fantasy adventure destination.

The following products are envisaged:

- A cable car that will take visitors to a suitable spot on top of Mulanje Mountain.
- A small museum interpreting the geology and history of Mulanje.
- Activity desks for the zipline and other adventure operators can be part of or close to the museum.
- Health Spa & Wellness Centre.
- Themed Restaurant/s.
- A nearby Eco-lodge.
- On top of the mountain, the following products could be developed:
  - A cafeteria/restaurant seating 60 people.
  - Activity desks for mountain biking and –hiking.
  - A 60-bed Mountain Inn.

Project 3: Base Camp for hiking trails into the Fort Lister area of Mulanje Mountain

DESCRIPTION

The northern side of Mulanje Mountain is less visited. However, the road connecting Phalombe on the west side of the gap between Mulanje and Mount Mchese, and Nkhulambe on the east, cross the saddle between the two mountains and offers the easiest access to the top of both these mountains. A Base Camp along this road is suggested.

Project 4: Upgrading of the Hiking Huts on Mount Mulanje

DESCRIPTION

There are several hiking huts located on different hiking trails on the mountain. They are all in need of upgrading, and additional amenities should be provided to meet the expected growth in visitor numbers and today's market needs.

Project 5: Visitors Centre and Accommodation near Thyolo

DESCRIPTION

The Thyolo district is well known for its sprawling tea estates, the most famous being the Satemwa Tea & Coffee Estate. Colonial-era plantation houses have been converted into luxury overnight facilities, leaving a gap in the market for more affordable

accommodation, as well as day visitor amenities. 10 self-catering chalets each sleeping 4 people is proposed, supported by a Visitors Centre nearby.

Project 6: Nature Sanctuary in Blantyre (Project at the Dams)

DESCRIPTION

There is a need for more day visitors' activities in and around Blantyre. One such opportunity may be creating a wildlife sanctuary in the middle of the city, utilising the +-600ha of open land towards the north of Mudi- and Hynde dams. By introducing the small game and enforcing anti-poaching measures, wildlife will return to this area. Interpretative footpaths, bird hides, and an Environmental Education Centre (EEC) will make this a wonderful opportunity for city dwellers to reconnect with nature right there at their doorsteps.

Project 7: Conference Facility and Estate in the Michiru Nature Sanctuary

DESCRIPTION

About halfway between the Chileka International Airport and Blantyre, the Michiru Nature Sanctuary is an ideal location for an upmarket out-of-town conference venue. The 50 rooms, in free-standing chalets, will be scattered around the venue in natural settings in the bush and together with the lodge-style restaurant and entertainment areas. This facility will offer delegates a unique experience close to the city.

Project 8: Shire River Waterfront Development in Zalewa

DESCRIPTION

Zalewa is about 50km north of Blantyre, on the M1, where it crosses the Shire River.
A Waterfront Development on the river will enable popular water activities to be launched: birding and fishing trips upstream and white-water rafting or canoeing downstream. Whitewater craft and crew can be picked up where the T396 road crosses the river about 10km downstream. Decks with floating platforms will connect the river to the facilities comprising retail and refreshment amenities.

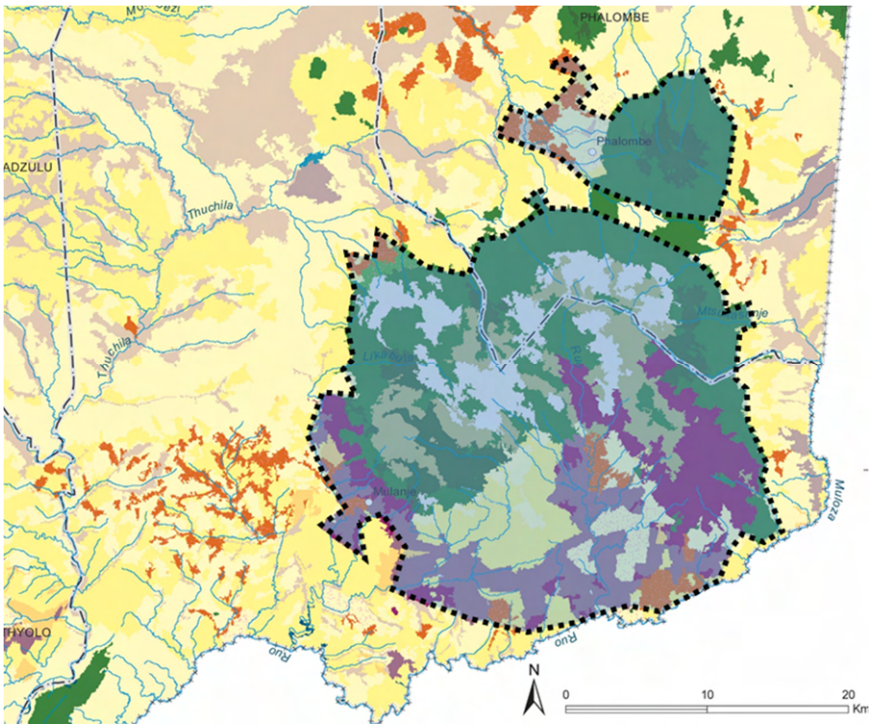
Project 9: Zoa Falls product

DESCRIPTION

The Zoa Falls is not well known and somewhat out of the way. The only way to get there is by train, which stops at Thekerani station 4km away. This makes it difficult for day visitors, so the proposal is to create an exciting outing by train, from Luchenza (or even Blantyre) to Thekerani, where visitors will be able to stay overnight in revamped train coaches. Meals will be served in a dining saloon coach, with a cigar lounge and bar in another coach. Transfers to the falls will depart from here at arranged times.

Annexure B: Geography & Climate

Mulanje massif is a huge mountain "island" arising from the surrounding planes. It has various mountain peaks and valleys, with the highest peak being Sapitwe Peak at 3002m. This peak is also the highest point in Malawi.

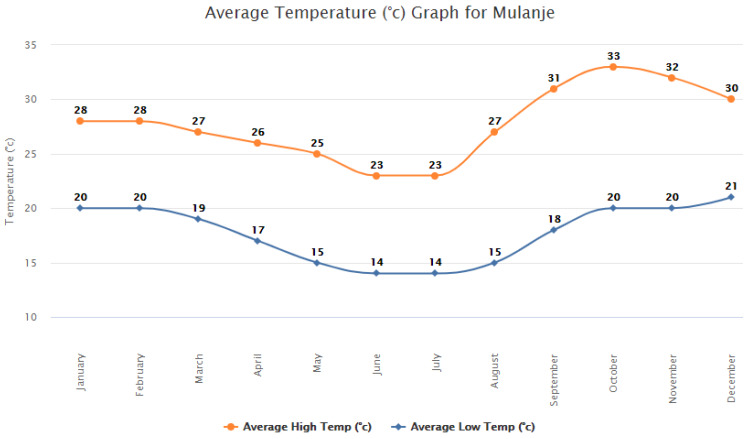


SMALL SIZE FEILDS	7.5 %
MEDIUM SIZE FEILDS	3.5 %
RAINFED FEILDS	35.7 %
TREE PLANTATION	3.5 %
SPARSE TREES	17.1 %
TEA PLANTATION	3.5 %
BARE ROCK	1.9 %
OPEN VEGITATION	2.5 %
FLOODED LAND	8.6 %
DECIDIOUS TREES	1.3 %
OPEN WOODLAND	10.7 %
URBAN AREA	2.3 %
OTHERS	1.7 %

Land cover Map – Mount Mulanje area

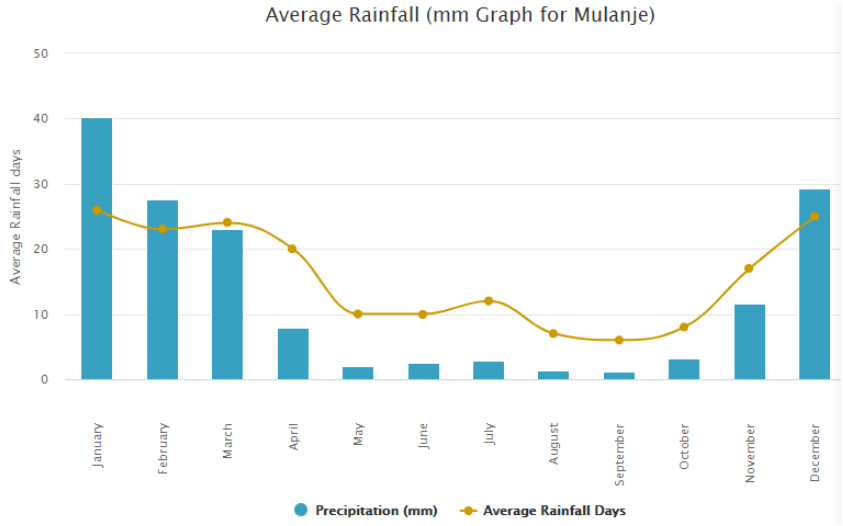
The temperature at Mulanje changes with the season, with the hot months during the summer and cooler temperatures during the winter. The temperature on the low lying areas at an average 650m altitude is also warmer than on the higher altitude terrain of the mountain and peaks.

Mountain temperatures tend to be an average maximum of 24°C for summer and 12°C in winter, and the minimum can be as low as -3°C in the winter.

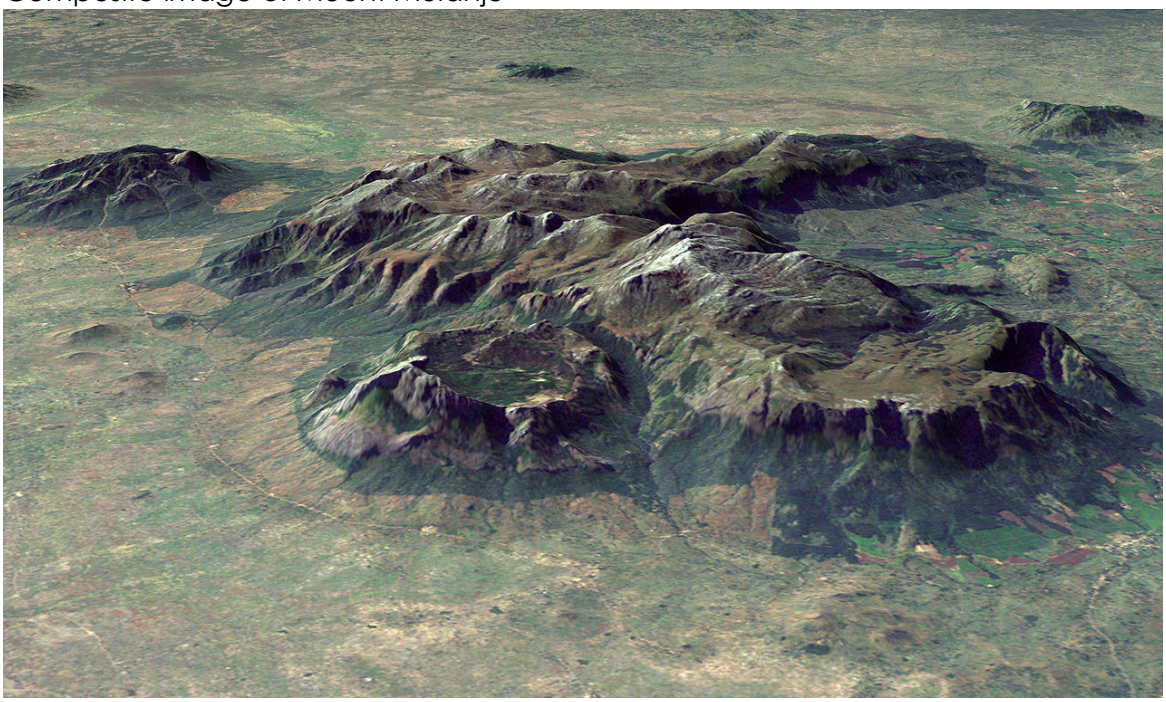


The average rainfall for Mulanje seems to have steadily increased with higher or lower averages measured in between. The rainfall also varies significantly from the high-level plateau area (2500mm) to the area around the base of the Mulanje massif (1626mm). Also, rainfall on the plateau tends to be year-round, but around the massif only in the rainy season of December to March. The south-west side also receives more rain than the north-west side.

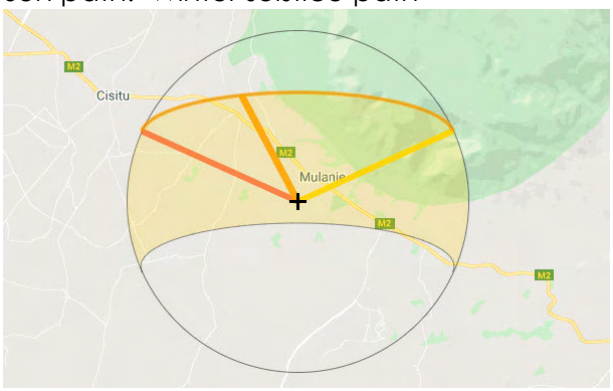
Snow is possible on the higher laying mountain peaks but is not very common.



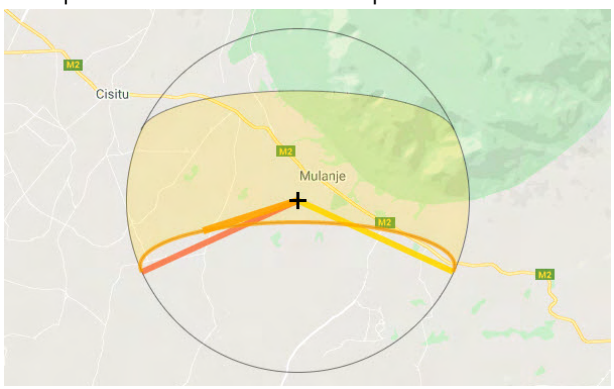
Composite image of Mount Mulanje



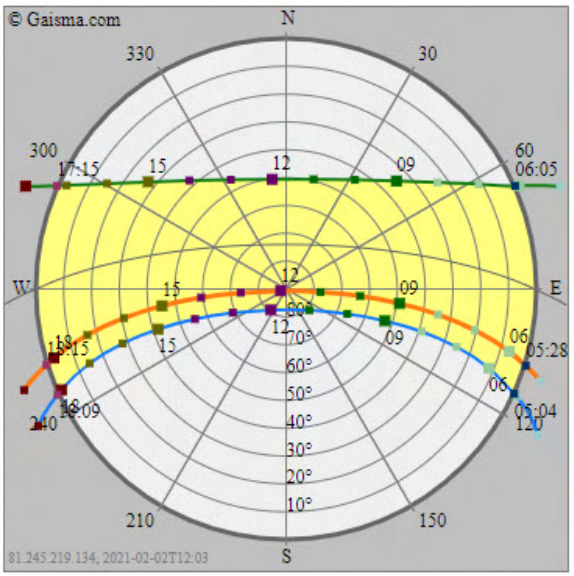
Sun path: Winter solstice path



Sun path: Summer solstice path



Sun path diagram for Mulanje indicating degrees



Sun path
- Today
- June solstice
- December solstice
- Annual variation
- Equinox (March and September)

Sunrise/sunset
- Sunrise
- Sunset

Time
- 00-02
- 03-05
- 06-08
- 09-11
- 12-14
- 15-17
- 18-20
- 21-23

Annexure C: Best Case example

Photographs of a similar tourism product elsewhere in the world illustrate the "look and feel" of the development. This product will cater to the same market, offer the same amenities and activities, and explain the project better than words can do.

The Hartebeespoort Aerial Cableway outside of Pretoria, South Africa, is an example of a small cable car installation with facilities at the base and top, similar to what is envisaged for Mulanje.

View of the top station with restaurant, viewing deck and surrounding scenery

Cable & pylons viewed from the top

Bottom station & carpark

Curio shop

Adventure booking office

Shop interior

Restaurant with seating on covered deck

Outside open seating on deck

Pathway at the top towards facilities

Access at bottom station

Arial view of facilities and pathway at the top

Annexure D: Statement of Area

Integrated Cable car resort, Mount Mulanje

1. Facilities at the bottom of Mt Mulanje

- **Cable Car bottom station**
  - The machine room, standby genset, etc. are specialist installations to be determined by the cable car installer
  - Waiting area for 40 pax 60m²
  - Ticket sales/admin 20m²
  - Public toilets 40m²

- **Information Centre/guides**
  - Information desk and display area 20m²
  - Activity desks 6x each 2x2, 24m²staff facilities
  - Staff facilities (also for guides) 100m²

- **Health & Wellness Centre**
  - Reception/admin 20m²
  - Waiting for area 16m²
  - Ablutions and change rooms 45m²
  - 4x Treatment rooms 64m²
  - Indoor swimming pool (heated) 105m²
  - Gym 30m²

- Refreshment patio 80m²
- Circulation 40m²
- Tea kitchen/server 20m²

- **Cafeteria**
  - Indoor/outdoor dining for 60 pax 100m²
  - Kitchen 80m²
  - Stores 40m²
  - Staff facilities 40m²
  - Circulation 10m²

- **16-room Ecolodge**
  - Bedrooms 8x self-catering, 50 m² each; 400m²
  - Bedrooms 8x full board, 40m² each; 320m²
  - Connecting pathways 250x2m
  - Dining/lounge/bar 120m²
  - Kitchen/stores 70m²
  - Reception/admin 30m²
  - Curio shop 20m²
  - Public toilets 20m²

- **Parking**
  - Parking will be provided at the Likhubula Forest station for 2 coaches and 20-day visitor's cars. Visitors will be dropped off at the base station with golf carts
  - 20 Parking s pots for overnight visitors' cars will be provided at the base station
  - 10 Parking spots for cars will be provided at the Ecolodge

2. Facilities at the top of Mt Mulanje

- **Cable Car top station**
  - The machine room, standby genset, etc. are specialist installations to be determined by the cable car installer
  - Waiting for area 20m²
  - Public toilets 20m²
  - Staff facilities 40m²

- **Interpretation Centre**
  - Reception/admin 40m²
  - Display area 100m²
  - Stores 20m²
  - Activity desks 16m²

- Guide shelter/facilities 40m²

- **A la Carte Restaurant**
  - Dining area for 60 pax 100m²
  - Public toilets 20m²
  - Viewing deck 60m²
  - Kitchen 80m²
  - Stores 40m²
  - Staff facilities 40m²

- **20-30 room Mountain Inn** (phased development)
  - 20 Bedrooms each 30m²; 600m²
  - Circulation 120m²
  - Reception/waiting 30m²
  - Admin offices 20m²
  - Shop 15m²
  - Hairdresser 15m²
  - Business Centre 25m²
  - Indoor Games area 120m²
  - Public toilets 40m²
  - Bar/lounge 70m²
  - Dining for 40 pax 60m²
  - Kitchen 60m²
  - Stores 40m²
  - Maintenance 40m²
  - Staff facilities 60m²

Annexure E: Construction Cost Guestimate

Mount Mulanje - Cable Car Resort

Bottom station facilities

	Quantity	Area	$/m²	Total
Cable Car bottom station				
Waiting area	1	60 m²	$553,40	$33 204,19
Ticket sales	1	20 m²	$553,40	$11 068,06
Public Toilets	1	40 m²	$878,71	$35 148,58
Information Centre / guides				
Information desk & display	1	10 m²	$772,15	$7 721,47
Activity desks	1	30 m²	$553,40	$16 602,09
Staff facilities	1	40 m²	$878,71	$35 148,58
Health & Wellness Centre				
Reception & admin	1	20 m²	$772,15	$15 442,94
Waiting area	1	16 m²	$553,40	$8 854,45
Ablutions and change rooms	1	45 m²	$878,71	$39 542,15
Treatment rooms	4	16 m²	$878,71	$14 059,43
Indoor swimming pool (heated	1	105 m²	$586,12	$61 542,73
Gym	1	30 m²	$603,88	$18 116,48
Refreshment patio	1	80 m²	$553,40	$44 272,25
Circulation	1	40 m²	$355,23	$14 209,00
Tea kitchen/server	1	20 m²	$962,85	$19 256,93
Cafeteria				
Indoor/outdoor dining	1	100 m²	$772,15	$77 214,70
Kitchen	1	80 m²	$1 233,94	$98 715,16
Stores	1	40 m²	$553,40	$22 136,13
Staff facilities	1	40 m²	$772,15	$30 885,88
Circulation	1	10 m²	$355,23	$3 552,25
TOTAL		**842 m²**		**$606 693,45**

Bottom station: 32 Bed Ecolodge (16 room)

	Quantity	Area	$/m²	Total
Rooms				
Self catering 50 m²	8	400 m²	$1 318,07	$527 228,68
Rooms - Full board 40 m²	8	320 m²	$1 233,94	$394 860,63
Pathways 250 m²	2	500 m²	$32,72	$16 359,05
Public areas				
Admin/reception	1	30 m²	$869,37	$26 080,99
Lounge/bar/dining	1	120 m²	$1 131,11	$135 733,34
Kitchen	1	45 m²	$973,60	$43 811,86
Stores	1	25 m²	$553,40	$13 835,08
Curio shop	1	20 m²	$772,15	$15 442,94
Public toilets	1	20 m²	$878,71	$17 574,29
TOTAL		**1480 m²**		**$1 190 926,87**

Mount Mulanje - Cable Car Resort

Top station facilities

	Quantity	Area	$/m²	Total
Cable Car top station				
Waiting area	1	20 m²	$553,40	$11 068,06
Staff facilities	1	40 m²	$878,71	$35 148,58
Public Toilets	1	20 m²	$878,71	$17 574,29
Interpretation Centre				
Reception, admin	1	40 m²	$772,15	$30 885,88
Display area	1	100 m²	$553,40	$55 340,32
Stores	1	20 m²	$553,40	$11 068,06
Activity desks	1	16 m²	$553,40	$8 854,45
Guide shelter/facilities	1	40 m²	$878,71	$35 148,58
A la Carte Restaurant				
Dining area	1	100 m²	$1 131,11	$113 111,12
Public toilets	1	20 m²	$878,71	$17 574,29
Viewing deck	1	60 m²	$174,81	$10 488,49
Kitchen	1	80 m²	$973,60	$77 887,76
Stores	1	40 m²	$553,40	$22 136,13
Staff facilities	1	40 m²	$772,15	$30 885,88
TOTAL		**636 m²**		**$477 171,87**

Top station: 20 Room Mountain Inn

		Quantity	Area	$/m²	Total
Rooms					
Standard rooms	30 m²	20	600 m²	$1 233,94	$740 363,68
Circulation space		1	120 m²	$514,14	$61 696,97
Public areas					
Reception/waiting		1	30 m²	$772,15	$23 164,41
Admin offices		1	20 m²	$772,15	$15 442,94
Shop		1	15 m²	$869,37	$13 040,50
Hairdresser		1	15 m²	$906,76	$13 601,38
Business Centre		1	25 m²	$772,15	$19 303,67
Indoor Games area		1	120 m²	$772,15	$92 657,64
Public toilets		1	40 m²	$878,71	$35 148,58
Bar, lounge		1	70 m²	$962,85	$67 399,27
Dining		1	60 m²	$1 131,11	$67 866,67
BoH					
Kitchen		1	60 m²	$973,60	$58 415,82
Stores		1	40 m²	$553,40	$22 136,13
Maintenance		1	40 m²	$772,15	$30 885,88
Staff facilities		1	60 m²	$772,15	$46 328,82
TOTAL			**1315 m²**		**$1 307 452,35**

Mount Mulanje - Cable Car Resort

Services at bottom of mountain

	Quantity	Total	Item Total
Cable car installation			$18 200 000,00
Machine room, standby genset	1	$9 750 000,00	
Cables, cars, equipment, etc	1	$8 450 000,00	
Sewerage			$5 430,92
Sewer reticulation	1	$1 881,58	
Septic tanks & treatment plant	1	$2 736,84	
Irrigation system	1	$812,50	
Water			$5 388,16
Water connection	1	$3 848,68	
Water reticulation	1	$1 539,47	
Power			$10 861,84
Electrical connection	1	$5 131,58	
Back-up generator	1	$2 993,42	
Reticulation	1	$2 736,84	
Roads, Parking Areas			$2 381 703,16
Parking fo 20 vehicles + 2x coach	1	$39 287,37	
Parking for overnight visitors	20	$31 610,53	
Parking at Ecolodge	10	$15 805,26	
Tarr road connection	1	$2 295 000,00	
Communications			$2 138,16
Cellphone repeater	1	$2 138,16	
Earthworks			$4 276,32
Landscaping	1	$4 276,32	
TOTAL		**$2 409 798,55**	**$20 609 798,55**

Services at top of mountain

	Quantity	Total	Item Total
Sewerage			$4 618,42
Sewer reticulation	1	$2 565,79	
Septic tanks & treatment plant	1	$1 368,42	
Irrigation system	1	$684,21	
Water			$21 167,76
Water connection	1	$1 282,89	
Water storage	1	$3 207,24	
Solar power connection with pump	1	$11 973,68	
Water treatment plant	1	$4 703,95	
Power			$2 907,89
Electrical connection	1	$1 111,84	
Reticulation	1	$1 796,05	
Communications			$2 138,16
Cellphone repeater	1	$2 138,16	
TOTAL		**$30 832,24**	

End of Pre-feasibility Report 9

Pre-feasibility Report 10

Waterfront Development on the Shire River, South Malawi

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1. Introduction

The Government of Malawi has identified tourism development as one of the major drivers of the country's economy. In line with this, Malawi has developed a National Tourism Investment Masterplan to identify potential areas for investment. Amongst the many investment opportunities identified in the Masterplan, ten priority projects have been singled out for prefeasibility analysis. This report therefore presents preliminary analysis of the **Shire River Waterfront** project to assist potential developers, investors, project promoters and funders in their decision-making process.

The **Shire River Waterfront** is along the Shire River in Liwonde that falls under the Zomba-Machinga- Balaka Node. This node is situated in the upper shire which forms part of the Southern region. It covers the districts of Zomba, Machinga and Balaka. As a tourist destination, the node is home to several tourism assets including historical architecture of the old Capital city and Zomba plateau in Zomba, Liwonde National Park and Malate Pillar in Machinga. The node occupies an area of 8,327 sq. kms and has a total population of 2, 025,554 (NSO, MPHS 2018).

The Shire River Waterfront is a priority project within the Node (several tourism projects were identified as being suitable for this Node – **Refer to Annexure A**). This node holds enormous potential for supporting robust tourism development. It boasts of an inventory of tourist resources that combine the National Park in Liwonde (one of the largest varieties of nature and wildlife properties in Malawi) with cultural sites and a unique Plateau, offering a globally diverse blend of nature, lake, culture, wildlife, and MICE tourism.

Liwonde is in Machinga district along the banks of the Shire River and is connected with other major urban centers of southern Malawi, namely Zomba and Blantyre. Liwonde is an important crossroad linking the four districts in the area, namely- Balaka, Machinga, Mangochi, and Zomba. Two highways M8 and M3 as well as a rail line to Mozambique pass through the town.

In terms of climate, its temperature changes between a high of 23° in winter to 33°C during the summer months. Rainfall is quite high and also differs between the low-lying areas and on the top of the Zomba Plateau **(Refer to Annexure B)**.

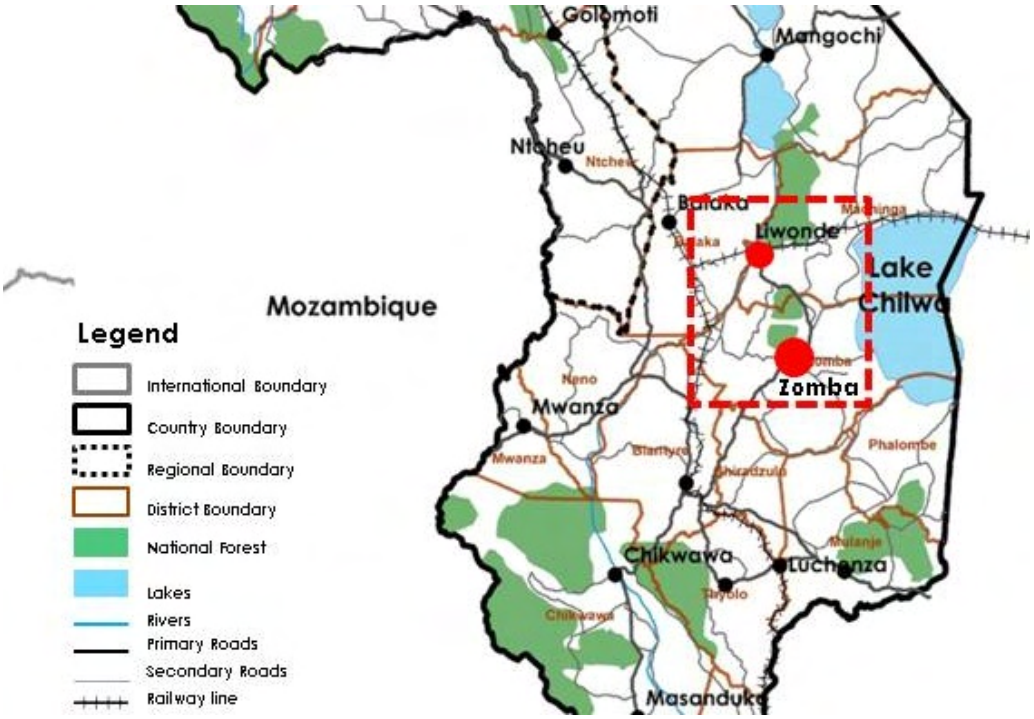


Figure 1 map of the Zomba-Machinga-Balaka Node

2. Objective

The purpose of this study is to investigate the opportunities and risks of a Waterfront investment along the Shire River. In order to determine whether a feasible operation of such an establishment is possible, the various key factors of competitive business in this particular market will be analyzed.

However, at this stage, this study does not take environmental impact assessment into consideration. Subsequently, a detailed project report and an environmental and social impact assessment (ESIA) needs to be conducted by the prospective investor(s).

This study aims to establish a neutral, professional and qualified opinion and a thorough analysis of the current project plan. A tentative statement of area has been drawn up as part of the pre-feasibility study and is presented in Annexure-B.

3. Development Concept

This section provides an overview of the project and a description of various elements that are part of the development concept. Broad guidelines are provided for the purpose of directing the development of the project. This concept is based on a best-case example of The Wharf Mooloolaba of Australia **(Refer to Annexure C)**

3.1. Project Objective

The objective is to develop a world-class Waterfront along the Shire River that will enhance the tourism offering in the Node. The shire river being an integral part of a water experience and the existing water activities inspires an integrated facility along the river that will expand tourist experience.

3.2. Project Description and Details

The project comprises of a combination of leisure, retail, dining, and water-based activities.

Being located centrally in town, with secure and shaded parking for 20 cars and 4 coaches, this facility will become the place to meet in Liwonde. A Back-of-House building will handle deliveries to the site, provide staff with facilities and accommodate the maintenance team.

Visitors will walk past several shops and stalls selling local crafts, curios, collector's items, and fresh produce. This paved promenade then turns into wooden decking which ramps down to the main deck 1,5m lower. This deck connects the 100-seater restaurant, public toilets, fast food outlets and arena, and provides access to the floating platforms on the river another meter or so lower than the deck. The arena can seat up to 100 people and will stage live music, dancing and local productions depicting Malawian culture and folklore. Change rooms will be provided underneath the ramp, close to the circular stage in the middle of the arena. Parts of the development site is prone to flooding, so all facilities except the Back of House areas, parking and retail components will be lifted off the ground and built on stilts.

The access road to this will also be utilized for deliveries to the restaurant, fast-food outlets and retail, with additional storage spaces for all provided at the delivery yard. A maintenance store and -workshop will also be located here, on the high-lying ground.

Floating platforms, hinged to accommodate the changing levels of the water, will provide berthing for a variety of game viewing- and adventure craft.

Figure 2 Development site in 3D

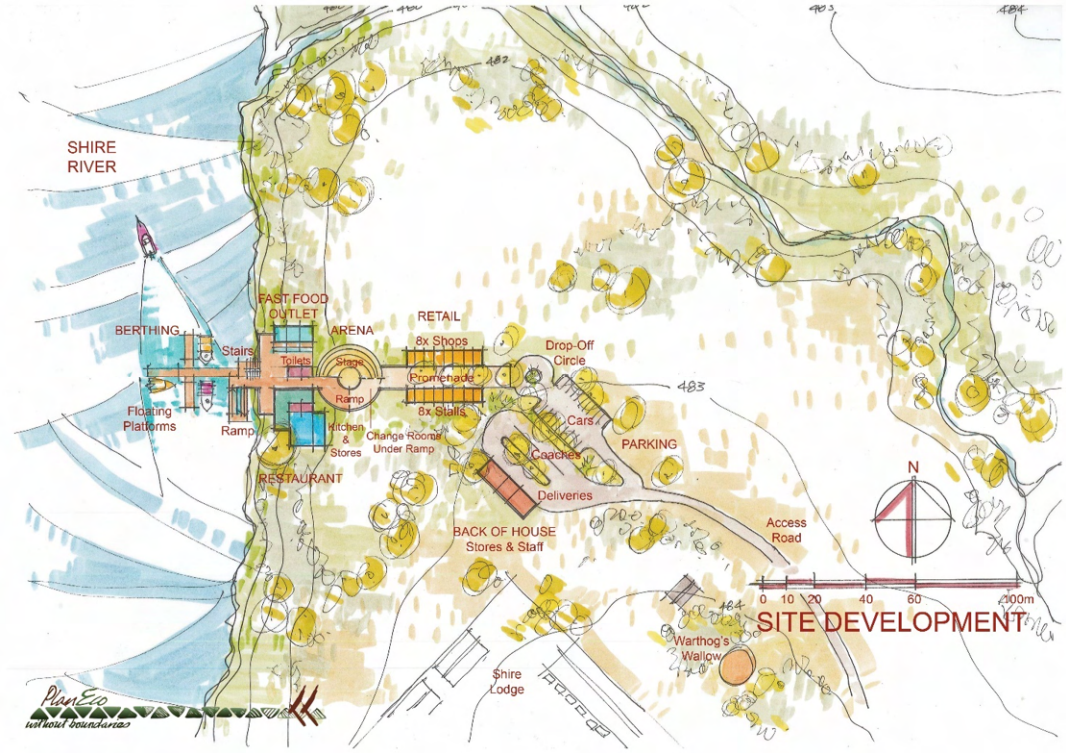


Figure 3 site development design

In addition to the project facilities construction, certain other amenities are essential for operations and need to be developed to support the project. These include:

- Water filtration and storage facility to provide access to clean water
- Wastewater, Sewage and sanitation facility
- Waste disposal facilities to ensure zero pollution
- Steady connection to the electricity grid and alternative energy source like solar panels, generators, etc.
- On site ATM, money exchange, and internet facilities for tourists
- Medical facilities to cater to accidents related to tourist activities and emergency needs
- Entry roads, streetlights and gateway to access the project site
- Ablutions,

Amenities like access to water, sewage, waste disposal, grid connection, etc. can be developed by the investors in coordination with the local municipality bodies. Other amenities, which are internal to the project, needs to be developed by the investors as per the requirements of the project. Information regarding the same can be provided by the DoT to the potential investors.

3.3. Site Location

Liwonde Township is located on coordinates 15.0695° S, 35.2313° E. It situated at three major crossroads in the southern part of Malawi. It is on the route for the main rail towards the south as well as the connection to Mozambique in the east. Liwonde town is the closest to Liwonde National Park. The Shire River runs through the town from the north to join with the Zambezi River further south.

The exact site is located on the river Shire, to the north of the Shire Lodge. It comprises of mostly low-lying land with a high portion on its eastern side. This portion will accommodate the parking areas and back-of-house facilities, where deliveries will be stored. The low-lying area will be developed with light-weight structures lifted off the ground.

The site is easily accessed by road from Liwonde town, and will create a water-based link to Lake Malombe and the Liwonde National Park

Figure 4 showing site information

3.4. Accessibility

- **Air Transport:** There are two closest airfields to the site. The one in Liwonde National Park and the other in Zomba. Additionally, Chileka international Airport in Blantyre is one hour drive to Liwonde
- **Road transport:** The M3 is the main access road to Liwonde from Blantyre and Zomba Districts

- **Railway:** The railway line runs through the town of Liwonde towards the Mozambican border to the port of Nacala. It is majorly used for logistical purposes and transferring goods to the coastline
- **Water transport:** There is no current connection for a port at Liwonde but the National Transport Master Plan of Malawi includes long-term plans for intermodal (rial to/from water) services between Liwonde, Nacala & Beira

3.5. Existing Support Infrastructure and Other Services

- **Electricity:** Electricity connection is available to connect to on-site

- **Water:** There is piped water supplied by Southern Region Water Board
- **Sewerage:** Sewerage treatment system to be provided to allow for re-use of wastewater
- **Communications Infrastructure:** Communication facilities in the town are good for mobile, data and landlines
- **Medical facilities:** There is a District Hospital and other Health facilities in Liwonde
- **Banking:** All major commercial banks have significant banking operations in Liwonde town
- **Post office:** The Malawi Post Corporation (MPC) has an office in Liwonde
- **Fuel:** There is a provision of fuel stations in the district
- **Security:** There are police services at Liwonde Township

4. Market Analysis

4.1. Supply Analysis

The supply analysis gives an indication of the tourism assets and activities in the area under consideration

Wildlife and nature Experience

- **Liwonde National Park** has a diverse range of wildlife and birdlife and one of the popular of all Malawian game parks for wildlife viewing. The national Park is home to the big five animals and provide an opportunity for Boat Safari and game drives. One can also do a walking Safari with a professional Guide and helicopter rides to see the animals from the above.

Figure 5 Wildlife in Nyika National Park

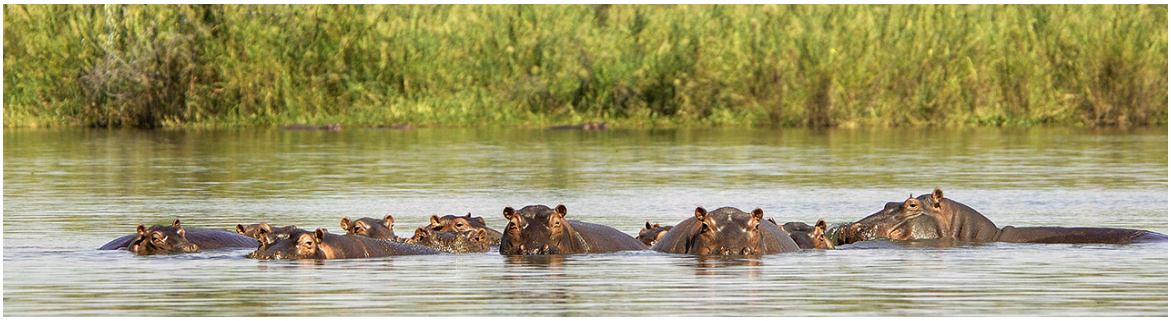
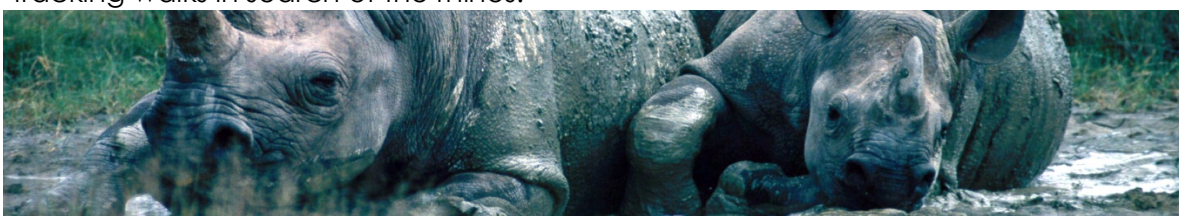


Figure 6 photo of Hippos in Shire River

- **Chinguni Hill** overlooking the Chinguni lagoon and floodplains is situated inside Liwonde NP and popular for nature tourism.

Figure 7 Chiguni Hill take from a far distance

- **Liwonde Rhino Sanctuary** has been integrated with Liwonde NP and offers guided tracking walks in search of the rhinos.



- **Malape pillars** are situated 5 Km away from Liwonde are mysterious sand pillars on Chikala Hills. It is becoming a popular attraction in the Node. Most Tourists who visit Liwonde are likely to visit this spectacular attraction

Figure 8 Malape Pillars

- **Liwonde Barrage** regulates the flow of water in the Shire River to ensure a sustainable surge for hydropower generation, irrigation, water supply and other uses. It also controls flooding in the Shire Valley. It has recently been upgraded and recommissioned in 2019.

Figure 9 The Kamuzu Barrage

Cultural Experience

- **Njobvu Cultural Village** situated 3km before the Makanga Gate into Liwonde NP offers visitors to experience the traditional Malawi life. Visitors are accommodated in

Traditional mud huts and enjoy traditional dances. One can also enjoy local delicacies such as nsima

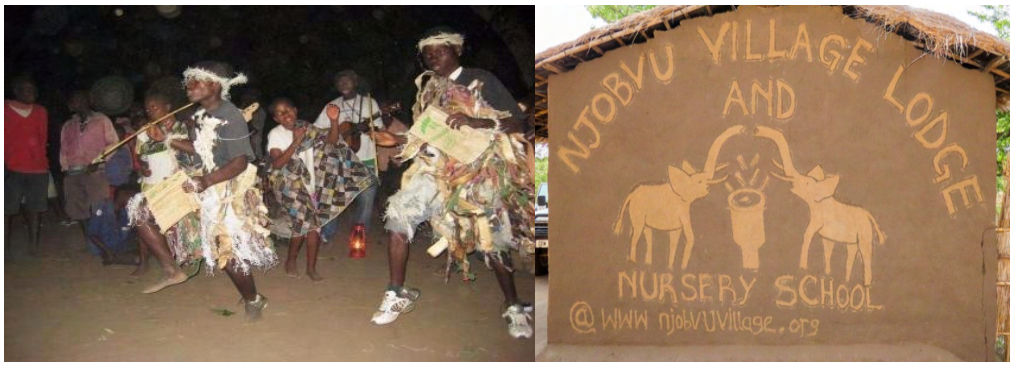


Figure 10 Njobvu village

- **The Craft Market** is popular for searching for a variety of handmade local goods.

Figure 12 some of the handmade local curios

Restaurants: A variety of restaurants, pubs and takeaways are located in town.

Accommodation: Accommodation for various types and markets are available in town as well as in Liwonde NP:

- Hippo View Lodge
- Shire Lodge
- Villa Liwonde
- Liwonde Park Motel
- Kuthengo Camp (LNP)
- Mvuu Wilderness Lodge (LNP)
- Mvuu Wilderness Camp (LNP)
- Bushman's Baobabs (LNP)
- Kutchire Lodge (LNP)
- Liwonde Safari Camp (LNP)
- Mvuu Campsite (LNP)

- Njobvu Cultural Village Lodge (LNP)
- Shire Eco Safari Camp (LNP)
- Further accommodation is also available in Zomba.

4.2. Demand Analysis

Tourism Demand for Liwonde as destination is characterized by a number of types which can be divided based on the motivation for travel. These are:

- Authentic nature and Culture lovers
- Active and thrill oriented adventurers
- Special interest and sensational seekers
- Curious and price sensitive digital agers

- **Authentic Nature and Culture Lovers:** This traveler is more into cultural exchanges, interaction with various cultural groups and is eager to learn new cultural experiences. On the part of nature, they have knowledge about conservation and have a sustainable oriented mindset and travel behavior. Whilst it may cut across all age brackets the majority will tend to be older and those in the mid to high income brackets.

- **Active and thrill oriented adventurers:** The traveler seeks thrilling outdoor activities and is driven by challenging experiences. They love adventure and extreme sports.

- **Special interest and sensational seekers:** These types of tourists visit Liwonde seeking to satisfy a special type of need. They include researchers, academics and environmentalist. Bird watchers also fall under this category. They have longer-stays hence they are cumulatively high spenders.

- **Curious and price sensitive digital agers:** These are young travelers, 35 years of age and below, and have a young and technical oriented mind. Most likely they combine work and travel and are keen to share their travel experiences on digital media platforms.

Types of Tourists	**Range of their spending on daily basis**		
	Low	Medium	High
Active and thrill oriented adventurers			
Special interest and sensational seekers			
Curious and price sensitive digital agers			
Authentic Nature and Culture Lovers			

Table 1 Types of Tourists and their spending level

4.3. Target Market analysis

The target market for the Shire River can be divided into two categories. The first one is the Domestic market who will be coming in the Node for holidays and others within the Node who may be looking for a time away from home. Most of these domestic travelers will be in the age of 25 to 45 and in the middle-income category who will be coming with families or in groups. The second group is the International Travelers who will be coming to the waterfront as part of their tour or on transit to other destination.

4.4. Competition analysis

There are a number of facilities in Liwonde that are situated along the Shire River that provide services similar to those proposed in this project. Among the service providers the following are expected to be in competition with Waterfront Facility.

The First one is the Hippo View Lodge: This facility is located along the river and have perfected their structures facing the river. It provides a perfect spot for viewing and relaxing while enjoying the view of the Shire River. They provide Food and Beverage and Boat safaris on the river but not much of water sporting activities. The weakness with Hippo View Lodge is that the place is not primarily for leisure but up market Accommodation and Conferences which makes it look like not very open to the public.

The second potential competitor is African Parks and their various Tourism service providers within the Liwonde National Park. These tourism operators have access to the river and do provide water safaris and Food and Beverages. These facilities might be very organized, but they are not a very strong competitors especially for the Domestic market because they are situated in the National park which most of the Tourist go for the Wildlife experience.

The Shire River Waterfront will be able to excel in the competition despite the presence of the said Competitors because its concept consists of a very unique blend of structures, services and activities that are primarily designed for a waterfront. It will also add an arena on site for stage performances that will be an addition package to the Water experience.

5. Risks and Mitigation Strategy

This part outlines the potential risks that can be encountered and its mitigation strategies as illustrated in the table below

Potential Risk	**Mitigation Strategy**
Intense competition	• Intensify marketing to the Domestic market
Resistance from environmental conservationists	• Carrying capacity should not be exceeded. • Environmentally friendly practices should be implemented.

Tourism Industry is prone to different shocks and environmental disasters	• Risk Management plan
Seasonality	• Develop marketing strategies that will counter the effects of the seasonality on the development like introducing small events in offseason
Negative social impacts	• Continued awareness • Deliberate efforts to ensure that communities fully benefit from the operations • Corporate social responsibility
Safety and Security	• Ensure enough security at the site location

Table 2 Potential risks and mitigation strategies

6. Potential Socio-Economic Benefits

The following are the potential benefits:

- Participation of locals in planning and management of the project including Job opportunities
- Tax Revenues and levies for the country
- Promotion of a sense of pride among citizens and residents
- Enhancement of the destination profile
- Infrastructural development
- Spill over benefits to other sectors

7. Financials

7.1. Estimated Capital Expenditure

EXECUTIVE SUMMARY

Item	Description	Budget US$
1	Retail, Restaurant, Fast food outlets	$ 641 389,59
2	Arena, BoH	$ 293 612,16
3	Deck, Berthing	$ 229 849,27
4	Parking	$ 13 180,72
5	Bulk Services & Infrastructure	$ 284 631,58
6	Preliminaries & General @ 10%	$ 146 266,33
	SUB-TOTAL - Construction cost	**$ 1 608 929,64**

7	FF&E @ 15% of construction cost	$	241 339,45
8	Contingency @ 5% of construction cost	$	80 446,48
	TOTAL - Construction cost	**$**	**1 930 715,57**
9	Professional fees - 12% of construction cost	$	231 685,87
10	Additional costs, Budget at 25%: Vehicles, Marketing, Electronic equipment, Boats, EIA, etc.	$	402 232,41
	TOTAL GUESTIMATE OF DEVELOPMENT COST	**$**	**2 564 633,85**

7.2. Income potential

The financial forecast for the 1st year of operation is estimated as follows:

EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$	
1	Revenue from Shops & Restaurants	$	116 800,00
2	Revenue from Arena	$	120 000,00
3	Revenue from Activities	$	87 600,00
	TOTAL GUESTIMATE OF REVENUE	**$**	**324 400,00**

7.3. Operational Expense

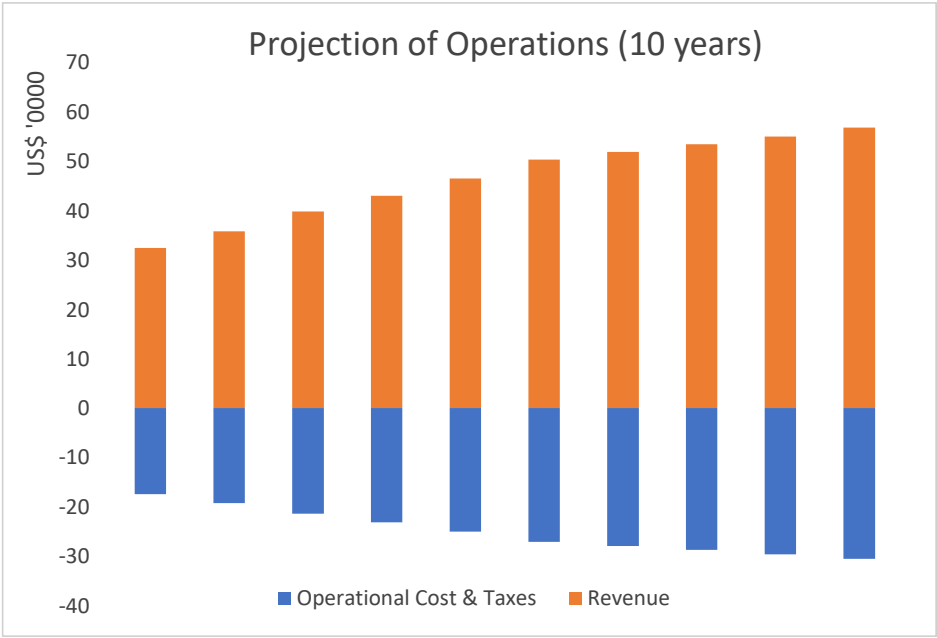
EXECUTIVE SUMMARY (YEAR 1)

Item	Description	Budget US$	
1	Cost of Food & Beverage	$	48 660,00
2	Fixed Charges	$	32 440,00
3	Cost of Administration	$	19 464,00
4	Cost of Operation & Maintenance	$	12 976,00
5	Sales and Marketing	$	16 220,00
6	Utilities and Other Costs	$	22 708,00
7	Interest and Taxes	$	21 086,00
8	Cost of Living Allowance	$	583,92
9	Cost of Leasing Land	$	260,00
	TOTAL GUESTIMATE OF EXPENSES	**$**	**174 397,92**

7.4. Summary of Financials

US$2.56 Mn CAPEX	US$324 K Revenue for 1st Year	US$2.93 Mn Net Present Value
10.0% Internal Rate of Return	US$129 K EBIT for 1st Year	12 Years Payback Period

The projected NPV of the waterfront project is based on a 9% Discount rate and Cost of Living Allowance of 3% estimated for the period along with other operational and fixed expenses.



Initial assessment of the project financials indicates a profitable investment, in the long run, considering the planned development in infrastructure as well as promotion of tourism over the next 25 years **(Refer to Annexure E)**.

Annexure A: List of other Projects Identified by Government

Project 1: Upgrading of the Liwonde NP Main Entrance gate
DESCRIPTION First impressions are important. Entering a National Park through a well-designed and equipped Entrance Gate sets the tone for a visitor's experience of the park and will most probably create a lasting impression. The gate facilities should comprise a reception area where entrance fees can be paid, and information handed to visitors. Public toilets should be easily accessed from here (or be on the way in) and displays should set the tone for the experience. Activities such as guided drives and walks, boat trips etc. can be booked at activity desks, and helicopter rides over the park may become available from here. Local crafts and produce can be sold in either a formal or informal manner at the gate.

Project 2: New Game Lodge in the Liwonde NP
DESCRIPTION The traditional "game lodge" product comprises several free-standing chalets linked to a central dining and entertainment area. A 32-bed lodge is proposed, offering game drives in 8-seater open viewing vehicles (in the case of the Chinguni site) as well as guided walks, one of them to the Chikalogwe Floodplain nearby. At the Mvera Lodge, boat trips on Lake Malombe can be offered as well.

Project 3: New Mid-market Conference Lodge on Lake Malombe
DESCRIPTION Lake Malombe is close to Mangochi and the southern part of the lake is bounded by the Liwonde NP, on the eastern shores. A mid-market Lodge and Conference Centre, developed in the traditional Africa Bush Lodge style, will offer city-goers a venue less than an hour's drive out of Mangochi. 40 chalets, in blocks of 4 units, will be strung out along the lakeshore. Close by, a thatched main building will offer dining and conference facilities to 100 delegates.

Project 4: New Waterfront Development on the Shire River, downstream from the Liwonde Barrage
DESCRIPTION There are several lodges and villas just downstream from the Barrage that would benefit from lively retail, restaurant, and entertainment center close by. A wide deck elevated over the river flood line will offer views both upstream and downstream, served by a restaurant, take-away, and small retail offerings. Boat trips down the Shire River will depart from here and take guests for game viewing in the Liwonde NP. Cultural events can be staged over lunchtime or at night.

Project 5: New Hiking Base Camp for the Zomba Plateau Nature Reserve
DESCRIPTION

There are many hiking trails and forest roads in the Nature Reserve, well frequented by people from Zomba city, less than 5km away. Providing overnight accommodation to out-of-town visitors will increase the visitor number and income and motivate more people to visit the historical town as well.
Providing them with an affordable but classy facility where they can start their outings will be the start of a new market that can easily be expanded to surrounding areas offering natural beauty or cultural interests.

Project 6: New Visitors Centre near the Mulunguzi Dam

DESCRIPTION

Day visitors to the dam are only provided with a picnic site near the Mandala Falls. A proper facility is envisaged at this site, or where the Plateau Stables are currently operating. The Centre will provide visitors with amenities such as an art gallery, souvenir shop, a tea garden, and ablution facilities. Activities such as canoeing, paddleboats, birding trips, and fishing can be launched from here, and information about the area and its attractions made available.

Project 7: New Tourist Information Centre in Zomba

DESCRIPTION

The erstwhile capital city boasts an array of heritage buildings and sites from the British era, which offers the potential for a tourism circuit based on culture and heritage, starting at the Tourist Information Centre. Visitors will be taken through the History Museum, old, renovated heritage buildings, as well as the local art and craft market. These heritage buildings include the State House, War Memorial to the King's African Rifles, Catholic Church, and Chancellor College.

Project 8: New Medical Retreat in Zomba

DESCRIPTION

Zomba, being blessed with a temperate climate, is an ideal destination for a medical retreat and recovery venue. It will accommodate patients well-recovered but in need of fresh air, quietness, and healthy exercise. This 100-bed facility will be staffed by highly trained personnel who will assist patients in recovery rooms, indoor activities, and excursions into Zomba city. Examination rooms and a few hospital beds and equipment will be available in case of need.

Project 9: New Cable Car up to the Zomba Mountain

DESCRIPTION

Mount Zomba, which motivated the creation of the Zomba Nature Reserve, is well-utilized by locals, as well as regional and international tourists. The intention is to develop an alternative way of accessing the Reserve and to assist visitors to get to existing and planned tourism facilities on top of the mountain. This activity can be linked to the proposed Information Centre in town, which could be the starting point of this excursion.

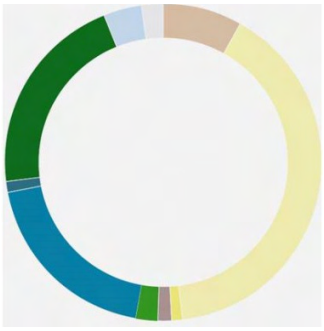
Project 10: New Birding Lodge on Chisi Island, Lake Chilwa

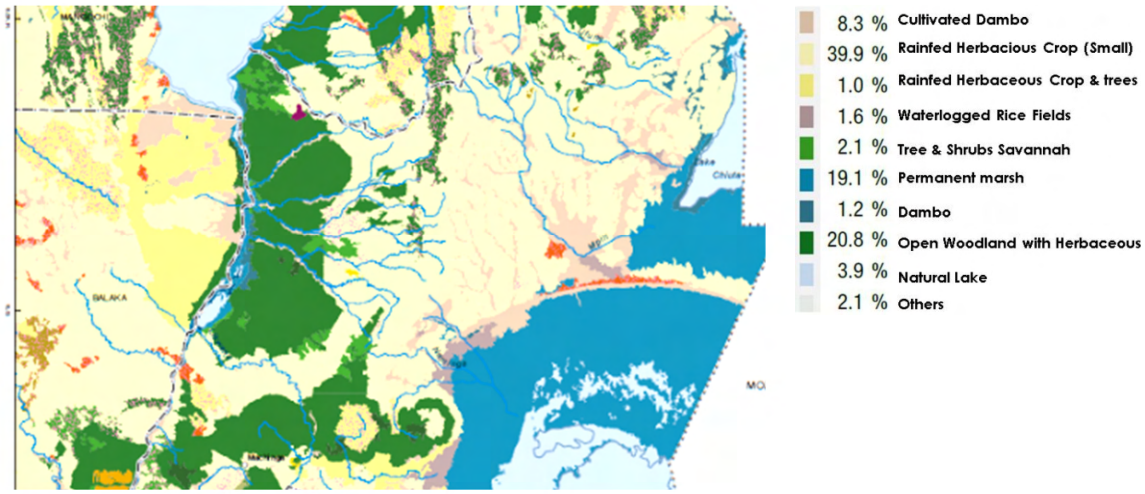
DESCRIPTION
An exclusive eco-lodge catering to tourists interested in canoeing, birding, and nature photography can be developed on one of the islands in Lake Chilwa. Raised on stilts 1m above the wetlands surrounding the island, this facility can only be reached by flat-bottomed boats departing from the jetty at the end of the S143 road into Mchenga. The lodge will comprise 8 chalets linked with boardwalks to the dining, lounge, and bar areas. Excursions by canoe or airboats can be made to the lakeshore and other wetlands.

Annexure B: Geography & Climate

The southern part of the region constitutes highlands at an altitude of around 1800 m from sea level, primarily formed by the Zomba plateau. The plateau has a unique high altitude tropical micro-climate and the views from the top are so magnificent that it was once described as 'the best in the British Empire'. The top of the plateau is crisscrossed by streams and is dotted with waterfalls and still lakes. From the top of the plateau, it is possible to see a spectacular aerial view of Lake Chilwa to the north, Mount Mulanje to the southeast and Shire River to the west. The Mulunguzi River springs from the plateau and flows through the town.

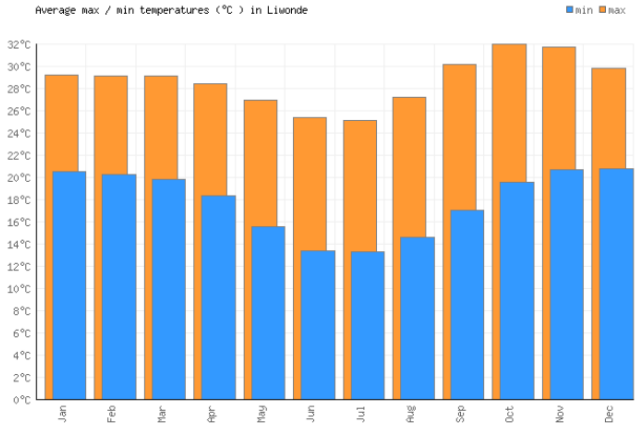
As the land cover map suggests, the district is largely characterized by cropped areas with medium- to small-sized agricultural lands cultivating rain-fed crops. Other geographical features include deciduous trees (12.7%) located within Liwonde – Mangochi National Park as well as the Zomba and Malosa Forest reserves. The region constitutes large water bodies in the form of rivers and lakes. At the district level, the urban area of Liwonde and Zomba constitute the urban areas.



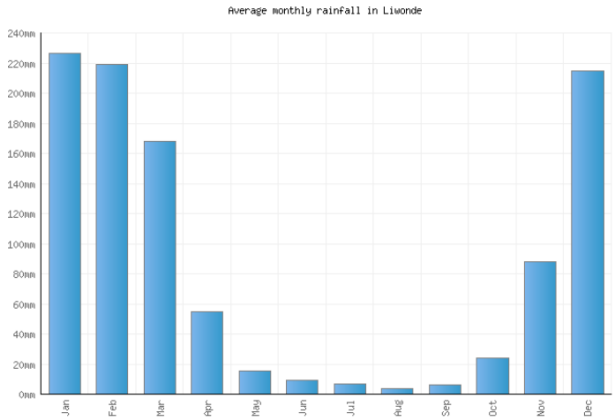


Land cover Map – Lilwonde region

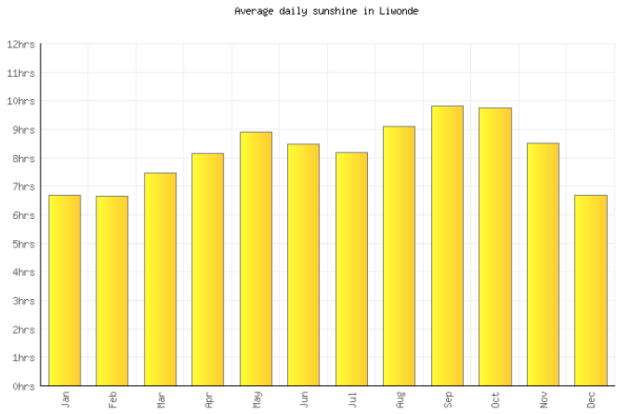
The hot months are September to January with October & November averaging temperatures of 33°C. The cooler winter months average 25 to 27°C during daytime with nighttime down to 15°C.



Rainfall is scarce during the dry season with the wet season starting in November to April. The average yearly rainfall for Liwonde is 1073mm.

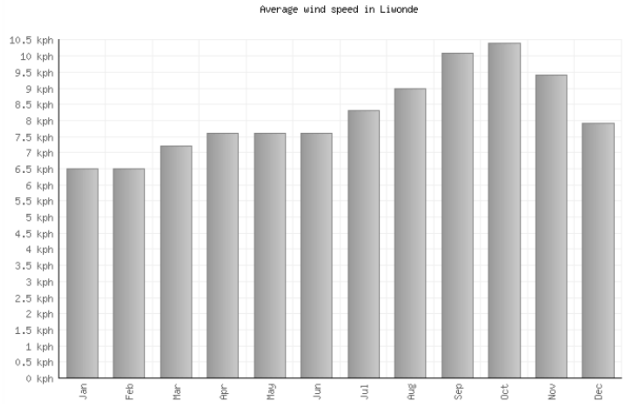


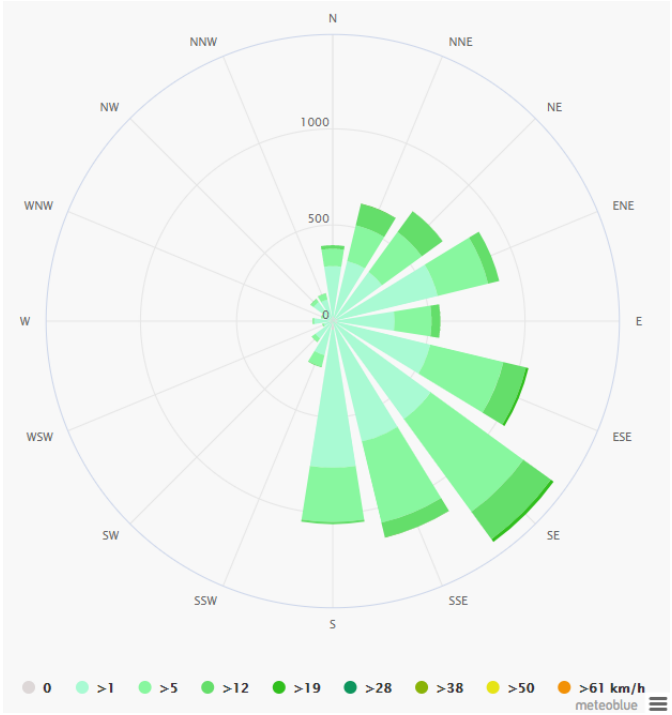
Yearly average Rainfall chart



Yearly average sunshine hours chart

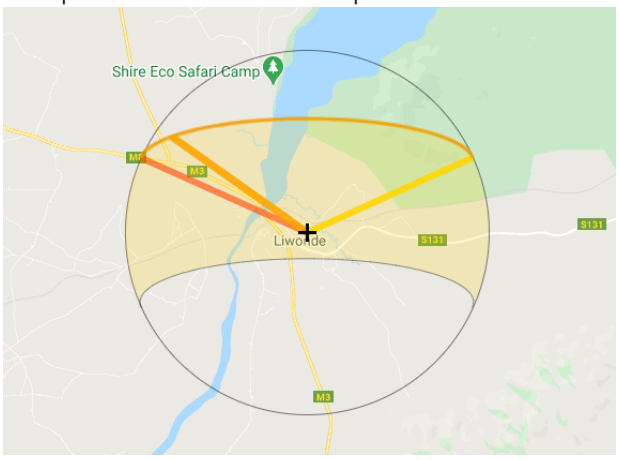
Wind – The predominant wind direction for Lilongwe is from the east throughout the year.



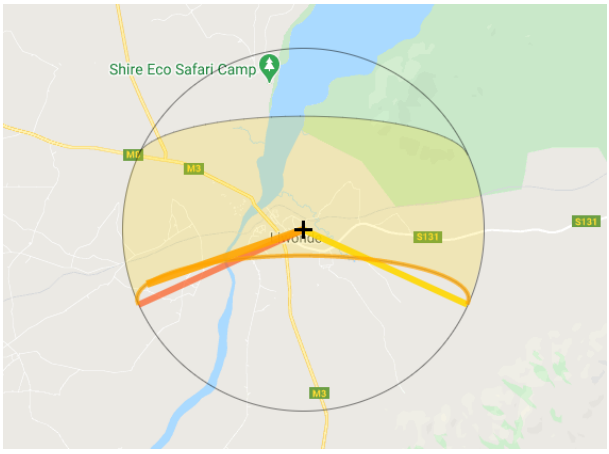


Liwonde has mild wind with the strongest during from August to November and rarely reaching a wind speed of 10km/h. The average wind direction is from the South-East.

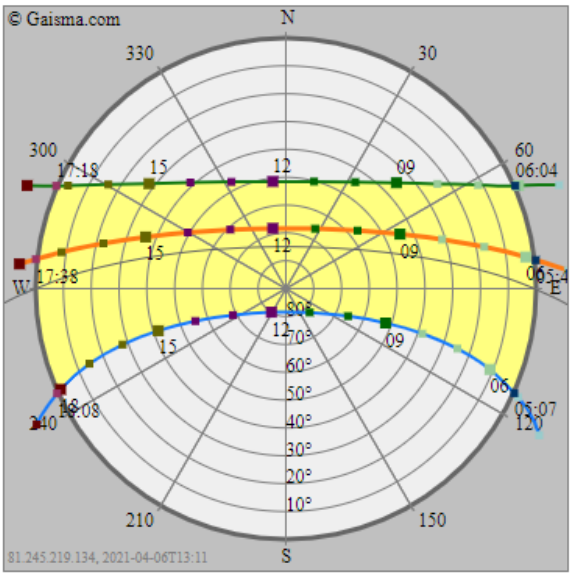
Sun path: Winter solstice path



Sun path: Summer solstice path



Sun path diagram for Liwonde indicating degrees



Sun path
- Today
- June solstice
- December solstice
- Annual variation
- Equinox (March and September)

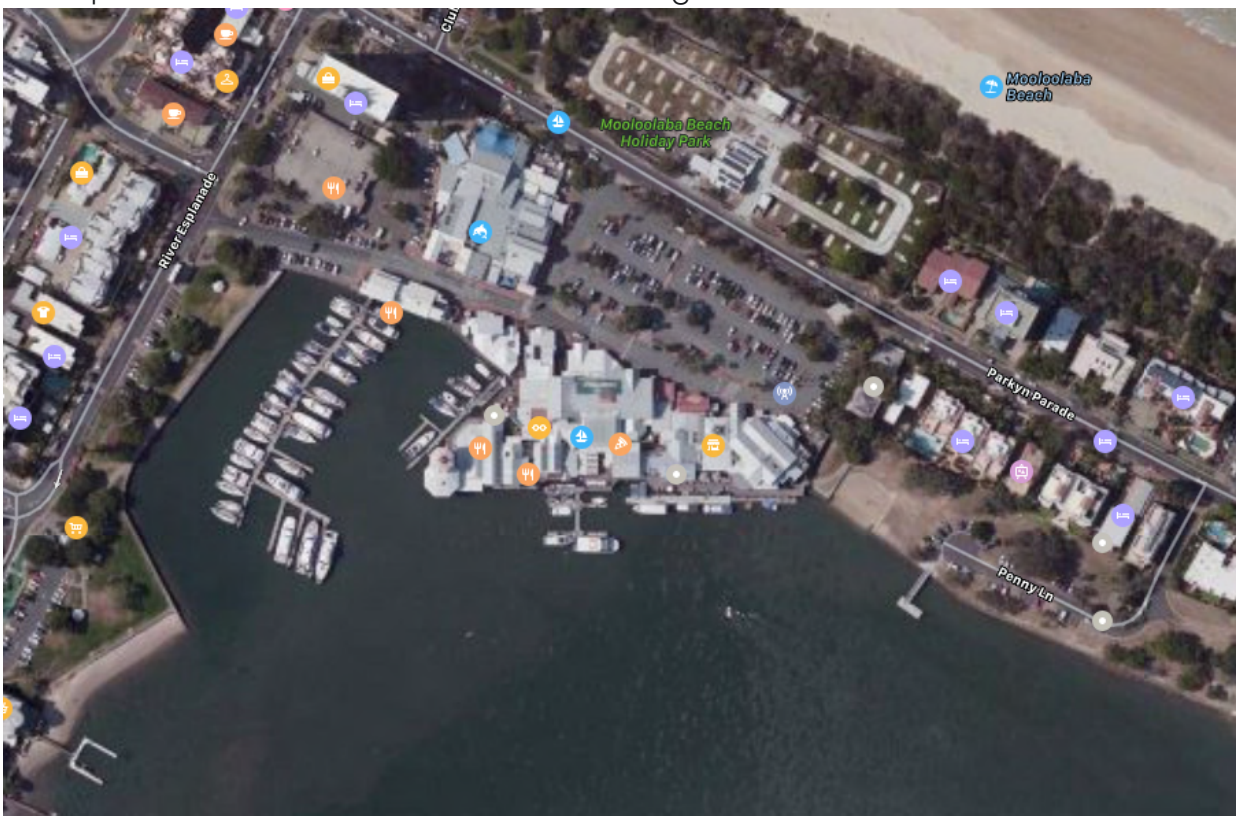
Sunrise/sunset
- Sunrise
- Sunset

Time
- 00-02
- 03-05
- 06-08
- 09-11
- 12-14
- 15-17
- 18-20
- 21-23

Annexure C: Best Case Example

The Wharf Mooloolaba is situated on the Australian Sunshine Coast in the town of Mooloolaba on the east coast of Australia, 97km north of the Queensland province capital of Brisbane. The town has a wide variety of accommodation and entertainment of which a lot centers around the beach and the river. The wharf is situated on the river to the back of Mooloolaba beach.

Aerial photo of the Wharf area with boat moorings:



Decks with seating for the restaurants overlooking the water:

View of the access and floating platforms

View from the harbour towards the Wharf

Welcome feature at seating bench

Walkway with restaurant seating:

Annexure D: Statement of Area

Waterfront Development on the Shire River

1. **Deck/Berthing**
   - 5m wide, 60m long overhanging the river 300m²
   - Steps and ramp down to berths 3x20 = 60m²
   - Floating platforms each 3x10m 90m²

2. **Retail**
   - 8x Shops with small stores each 20 160m²
   - 8x Stalls for selling fresh produce each 12 96m²

3. **Restaurant**
   - 100-seater serving A la Carte meals 160m²
   - Public toilets 20m²
   - Kitchen 160m²
   - Stores 40m²
   - Staff facilities 40m²
   - Circulation 50m²

4. **Fast food outlets**
   - 3 grouped together on the deck
   - Small sit-down areas each 20 60m²
   - Order/collect counters each 20 60m²
   - Kitchen/store each 30 90m²

5. **Arena**
   - Close to entrance and connected to the deck
   - Seating for 100 pax 150m²
   - Stage 100m²
   - Change rooms 80m²
   - Public toilets 60m²

6. **Parking**
   - Covered secure parking for 20 cars and 4 coaches 900m²
   - Access road 300m long 1 800m²

7. **Back of House areas**
   - On dry land next to the parking
   - Staff facilities for entire center 60m²
   - Maintenance workshop/stores 60m²
   - Additional stores for restaurant/food outlets/shops 80m²

Annexure E: Construction Cost Guestimate

Shire River Waterfront

Activities

		Quantity	Area	$/m²	Total
Retail					
Shops with stores	20 m²	8	160 m²	$869,37	$139 098,63
Stalls for fresh produce vend	12 m²	8	96 m²	$553,40	$53 126,70
TOTAL			**256 m²**		**$192 225,33**
Fast Food outlets					
Fast food seating	20 m²	3	60 m²	$495,45	$29 726,72
Order/collect counters	20 m²	3	60 m²	$772,15	$46 328,82
Kitchens	18 m²	3	54 m²	$1 290,03	$69 661,49
Stores	12 m²	3	36 m²	$553,40	$19 922,51
TOTAL			**210 m²**		**$165 639,55**
Restaurant					
100 seater		1	160 m²	$869,37	$139 098,63
Public toilets		1	20 m²	$878,71	$17 574,29
Kitchen		1	160 m²	$973,60	$155 775,51
Stores		1	40 m²	$553,40	$22 136,13
Staff facilities		1	40 m²	$772,15	$30 885,88
Circulation		1	50 m²	$355,23	$17 761,25
TOTAL			**470 m²**		**$383 231,69**
Arena					
Seating for 100 pax		1	150 m²	$728,68	$109 301,80
Stage		1	100 m²	$772,15	$77 214,70
Change rooms		1	80 m²	$691,75	$55 340,32
Public Toilets		1	60 m²	$878,71	$52 722,87
TOTAL			**390 m²**		**$294 579,68**
Back of House					
Development Staff facilities		1	60 m²	$772,15	$46 328,82
Maintenance		1	60 m²	$654,36	$39 261,71
Additional Stores		1	80 m²	$553,40	$44 272,25
TOTAL			**200 m²**		**$129 862,78**
Deck/Berthing					
Main jetty/deck: 60m long X 5m wide		1	300 m²	$869,37	$260 809,93
Steps & Ramps to berths, 3 x 20m²		1	60 m²	$610,43	$36 625,57
Floating platforms, each 30m²		3	90 m²	$495,45	$44 590,09
TOTAL			**450 m²**		**$342 025,59**
Parking					
Shaded parking for cars		20	15 m²	$659,04	$13 180,72
Shaded parking for coach		4	36 m²	$1 196,55	$4 786,19
TOTAL			**51 m²**		**$17 966,91**

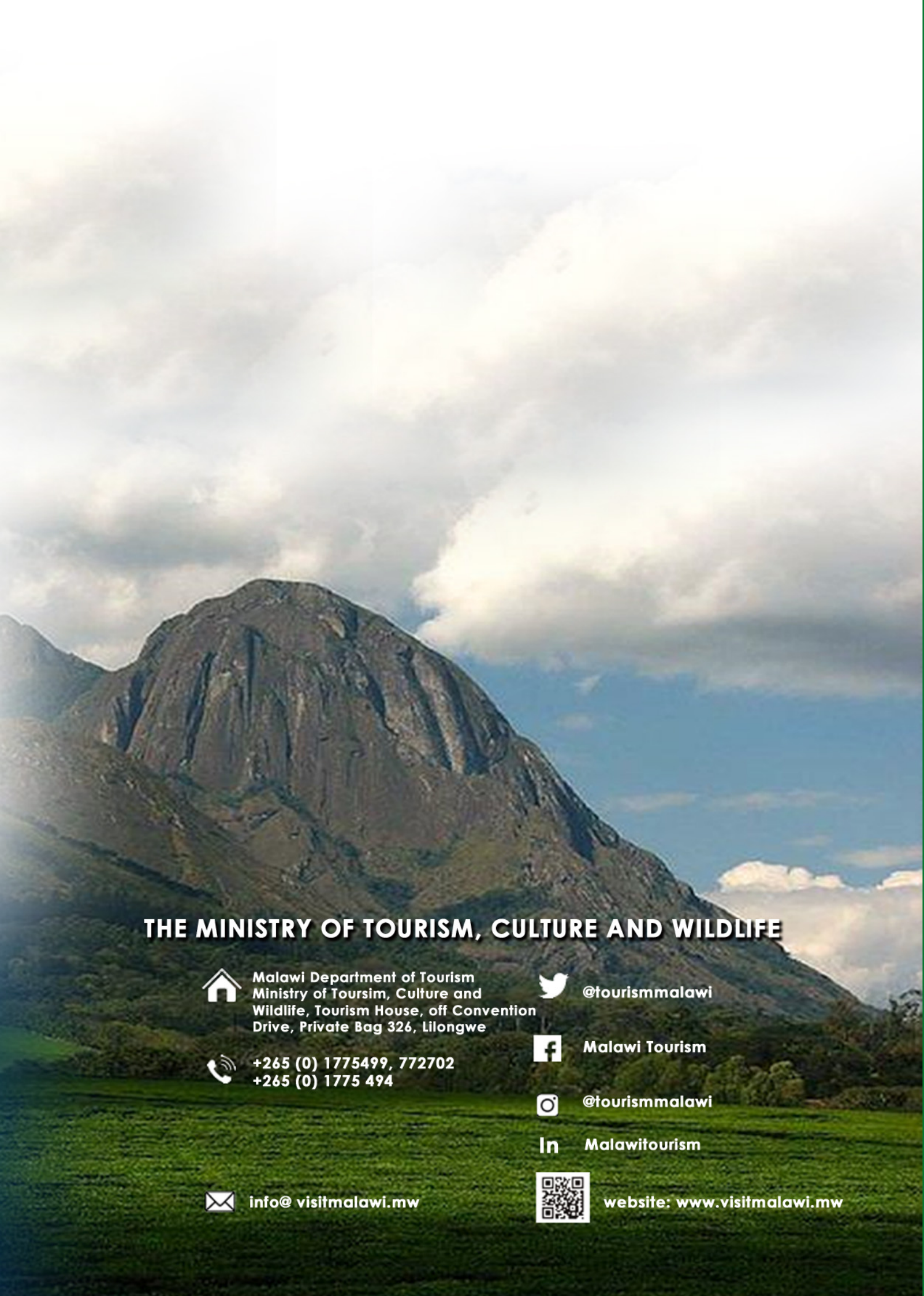
Shire River Waterfront

Services

	Quantity	Total	Item Total
Sewerage			$12 059,21
Sewer reticulation	1	$3 421,05	
Septic tanks & treatment plant	1	$3 848,68	
Boat connections	4	$4 789,47	
Water			$22 844,08
Water connection	1	$2 138,16	
Water storage	1	$1 924,34	
Solar power connection with pump	1	$11 973,68	
Water treatment plant	1	$2 565,79	
Boat connections	4	$4 242,11	
Power			$13 427,63
Electrical connection	1	$5 131,58	
Back-up generator	1	$4 703,95	
Reticulation	1	$3 592,11	
Roads, Parking Areas			$263 250,00
Parking fo 20 vehicles + 4 coaches	1	$87 750,00	
Access road connection 300m	1	$175 500,00	
Communications			$2 138,16
Cellphone repeater	1	$2 138,16	
Earthworks			$2 565,79
Landscaping, earth stabilizing	1	$2 565,79	
TOTAL		**$316 284,87**	

End of Pre-feasibility Repor

LayOut & Design: Peter Gwagwani



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