

Mdluli Safari Lodge achieves AA+ investment grade rating

Mdluli Safari Lodge in the Kruger National Park has earned the highest-achievable ICA +Impact Sustainable Development Goal Investment Grade core rating of AA+.



Source: [Mdluli Safari Lodge](#)

Mdluli Safari Lodge is a sustainable tourism partnership between a community of land restitution beneficiaries and private investors. The project has an inspiring history that puts its achievements into greater perspective: in 1968, the people of the Mdluli Community were forcibly removed from their land near the Numbi gate of the Kruger National Park by the apartheid government, following a policy to expand the park's borders. After a long battle for land restitution, the community were granted freehold title of their land in 1998. The area is now known as the Mdluli Safari Reserve.

The Community subsequently reached an agreement with private investors to develop the Mdluli Safari Lodge within the reserve, using the local investment incentive in section 12J of the Income Tax Act. This ecotourism project is a great example of the power of the 12J incentive and has fulfilled the incentive's objectives of employment, economic growth and social transformation in rural areas.



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Today, 84% of the lodge's current staff are from the surrounding community and 61% of them are women. Our assessment shows that this tourism initiative has set a new South African standard for investment projects that optimise financial, social and environmental returns, also known as impact or ESG investing.

This is noteworthy at a time when investors are looking to ESG (environmental, social and governance) ratings to guide their decision making, to make sure their investments not only have a positive impact on the world around them but also offer sustainable returns in the long run.

Mdluli Safari Lodge achieved an 87% (AA+) grade on its selective, core SDG assessment, based on four SDGs:

- SDG 8: Decent Work and Economic Growth. At least 120 people from the Mdluli community directly benefit from employment at the lodge; this adds value to local economies.
- SDG 10: Reduced Inequalities. The Mdluli community have a 50% stake in the lodge, with the remaining half of shares being held by private investors; profit share thus accrues in substantial measure to staff from the community, significantly reducing inequality.
- SDG 11: Sustainable Communities. From the outset, the Lodge was designed with a vision to improve the economic and cultural well-being of the Mdluli community, including investment in clinics, schools, roads, accommodation and cultural institutions.
- SDG 15: Life on Land. The lodge is situated in the community-owned Mdluli Safari Reserve within the Kruger National Park, which is managed with a view to preserving and enhancing biodiversity. These measures include an anti-poaching programme, staffed by community members who, as part of the investment project, have been trained as anti-poaching rangers and conservationists.

Across the whole range of 17 SDGs, the Mdluli Safari Lodge achieved a 74% (AA) grade. This puts the lodge in an elite bracket of impactful projects with a highly significant ability to promote conservation through responsible ecotourism, protect the environmental and cultural heritage of South Africa's rural areas, and bring about deep and lasting socioeconomic change for poor communities.

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