

Business Planning for Natural World Heritage Sites – A Toolkit



in partnership with UNESCO's
World Heritage Centre



An on-line version of this publication can be found at: <http://whc.unesco.org/en/businessplanningtoolkit/>

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Business Planning for Natural World Heritage Sites

A Toolkit

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FOREWORD

World Heritage site managers are called upon to deal with a wide range of challenges in carrying out of their duties. Wildlife incursions into agricultural areas, forest fires, introduced species, tourism pressures, poaching and community relations are just some of the issues they are required to manage on a regular basis. Most natural site managers are trained biologists with several years of field experience – giving them a solid grounding from which they can respond to these challenges.

However, effectively managing a protected area requires additional skill sets that are not always part of traditional staff training. Management challenges go beyond those related to ecosystem health and also include those related to running the protected area management organization. After all, if the organization is dysfunctional, the effectiveness of its staff, no matter how good, will be compromised and their ability to deliver on management objectives will be affected.

It is this gap in available capacity building support for World Heritage site managers that we hope to address with this toolkit. Commonly referred to as 'business planning', this term, originating from the private sector, refers to those processes common to assuring the effective operations of any organization, be it a large corporation, a small shop, or a protected area.

In this context, the World Heritage Centre is pleased to have been involved in developing this Business Planning toolkit for World Heritage site managers. Developed in the field with the participation of World Heritage site managers and Shell International staff with knowledge in the area of business planning, the toolkit provides a very practical and ground-truthed tool designed to help managers acquire or strengthen

essential business planning skills. Applying these tools should help the management organization position itself to make better use of available resources, identify prepare responses to potential risks, develop the foundations for sustainable financing of activities, and more.

This toolkit is a valuable addition to the growing number of manuals, courses and workbooks produced either directly by the World Heritage Centre, or with the Centre's support, including by IUCN, which is responsible for the World Heritage global training strategy for natural and mixed sites. We trust it will be used by World Heritage site managers and managers of other protected areas alike, in their continual efforts to improve management and better conserve their sites.

Kishore Rao
Deputy Director
UNESCO World Heritage Centre

Business Planning for Natural World Heritage Sites – A Toolkit

PREFACE

The effective management of any organization requires a blend of skills, access to finance and linkages to a range of value-adding partners. Historically, the focus was upon developing the conservation skills and income-generating abilities of managers of protected areas. Today, there is increasing recognition of the need to develop wider business planning competencies as a means to enhancing the effective management of these critical sites and biodiversity 'assets'.

There is already a vast amount of advice on business planning. But most of this is written for enterprises aimed primarily at making money. Yet the fundamentals and practice of good 'business planning' – marketing to clients, setting budgets and managing finances, assessing and managing risk, staff training and development – are of equal relevance to organizations whose prime purpose is not necessarily to make money.

The need to develop business planning advice of relevance to managers of World Heritage sites and protected areas was recognized as an important addition to the 'Enhancing our Heritage' project – supported jointly by UNESCO and the UN Foundation - to develop generic tools, training materials and guidance for World Heritage managers.

The best place of course to source business advice is from people in business. As an independent charity with a focus on business-based approaches to tackling development challenges - as well as close links to a 'big' business, the Shell Foundation was ideally placed to pilot such a skills-sharing initiative. Through building on the 'Enhancing our Heritage' project, experienced business managers from both the Shell Foundation and Shell provided pro bono guidance to the managers of four natural World Heritage sites.

As with any genuine partnership, there was mutual sharing of experience. In addition to the specific business planning support provided to the managers of the natural World Heritage sites, business managers from Shell Foundation and Shell – with little previous knowledge or experience of conservation – gained hugely valuable insights about the management of areas of rich biological diversity.

The outcome of this pilot skills-sharing project is the production of this generic business planning toolkit. Every effort has been taken to ensure that it is simple, easily applicable, and can be used by people with no previous business experience or knowledge. I am sure it will be improved and updated through further use by practitioners.

Although the toolkit is one tangible outcome of this pilot project, for me the greatest benefit has been to demonstrate that through working together, conservation organizations and businesses have much to gain from sharing skills, tools and practice. I therefore hope this initiative serves as a springboard for greater skills-sharing partnerships between the worlds of conservation and business.

Dr Chris West
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The Business Planning Toolkit for World Heritage Site managers was developed over a period of three years with the support of a wide range of individuals and institutions. The initiative was first conceived by Marc Hockings (IUCN World Commission on Protected Areas vice-chair for Science, Knowledge and Management) and Sachin Kapila (Group Biodiversity Adviser, Shell International Ltd.) and received constant guidance from them, with additional valuable advice provided by Sue Stolton of Equilibrium Research. Chris West of the Shell Foundation was personally engaged, providing valuable insights and advice throughout the process. With the financial and technical support of the Shell Foundation, the World Heritage Centre was able to facilitate the participation of several Shell International Ltd business planning experts in field level development and application of the toolkit. Charlie Falzon helped translate a private sector terminology and examples used by Shell International into a language more commonly used by protected area managers, resulting in a toolkit better reflecting their experience. Finally, and critically, representatives of four World Heritage site management agencies agreed to participate and contribute to this process. Without their active involvement, the development of this practical field tested toolkit would not have been possible. In particular:

Seychelles Island Foundation (Vallée de Mai, and Aldabra Atoll)

Lyndsay Chong Seng, Frauke Fleischer-Dogley, Ronny Renaud and the SIF Board of Directors

Uganda Wildlife Authority (Bwindi Impenetrable National Park)

Edgar Buhanga, Richard Kapere, John Makombo, Moses Mapesa

Tubbataha Reef Marine Park (Philippines)

Angelique Songco

Puerto Princesa Subterranean River National Park

James Albert Mendoza

Shell International

Judith Pollock, Sharna Jarvis, Karin Agabin, Paul van der Harten, Halima Besisira and Ioannis Topsakalidis

UNESCO World Heritage Centre

Yvette Kaboza, Leila Maziz, Marc Patry, Ron Van Oers

Business Planning for Natural World Heritage Sites

INTRODUCTION

Sources of World Heritage site finance are frequently diverse, often combining government grants with international aid, trust funds and direct income from resource users. But whatever the source, without good business planning skills it is unlikely that access to financial resources or use of available resources will be totally effective. A cursory evaluation of a typical site manager's training background will often reveal a gap in terms of overall business planning capacity; several of the World Heritage sites taking part in the 'Enhancing our Heritage (EoH)*' project identified business and financial planning as a weakness in their initial assessment.

Most of the existing advice on business planning is written for enterprises aimed solely at making money; in contrast the primary objective of World Heritage sites is to achieve effective in-situ conservation and income generation is instead a means to that end. In these conditions, the concept of business planning becomes less about generating income and more about overall effective management of financial resources. Rather than showing increased profits and growth margins, the site manager's business is to achieve maximum effectiveness in attaining the site's overall objectives and conserving the major values. World Heritage sites are nonetheless 'big business' in terms of annual turnover and employees and assets/infrastructure, most national agencies having turnovers of millions of dollars a year. Given that much of this is in the form of state funding, there is a strong political imperative to demonstrate that funds are being used as efficiently as possible.

The need to develop World Heritage/protected area focused business planning advice was thus seen as an important addition to the overall aim of the EoH project in terms of improving management effectiveness of World Heritage sites. The opportunity to link protected area and World Heritage expertise with big business presented itself through the memorandum of agreement between Shell and UNESCO and the development of the 'Shell Foundation – UNESCO/WHC Business Planning Skills' pilot project.

The objective of the project was to develop a generic business planning toolkit to assist World Heritage site managers to build capacity in developing 3-year business plans. Shell Foundation, with support from Shell International business consultants, developed a draft Business Planning which aims to provide:

- Guidance on completing the main elements of a business plan
- Development of capacity to realize the plan (finance and people)
- Implementation of activities needed to achieve the planned goals.

Three pilot training projects were completed with the Seychelles Island Foundation (SIF), Uganda Wildlife Authority (UWA) and Tubbataha Reef Marine Park (Philippines), the aim of which was to transfer business planning skills to the management authorities of Vallée de Mai and Aldabra Atoll in the Seychelles, Bwindi Impenetrable Forest National Park in Uganda and to the Tubbataha Reef Marine Park managers. Each organization received support in developing a business plan through two in-country training visits and additional mentoring support during the project period. Following field testing, the Business Planning Toolkit was updated to fill identified gaps and improve the clarity of the language and was finalized by a protected area training specialist to ensure maximum applicability to World Heritage site managers.

Lastly, this toolkit contains 48 appendices. These are the products of actual site-level exercises carried out in the context of developing this toolkit and for this reason, vary significantly in style and approach. They are intended to give the users of this toolkit actual examples of how its application by World Heritage site managers on the ground.

The 48 appendices are provided in electronic format only and can be found on the CD provided with this document. This toolkit, along with all appendices, can also be found online at the following address: <http://whc.unesco.org/en/businessplanningtoolkit/>

** The 'Enhancing Our Heritage' project, supported by the United Nations Foundation, aims to improve monitoring and evaluation in natural World Heritage sites. The project team worked with staff in nine World Heritage sites in Africa, Asia and Latin America to develop and test assessment methods looking at management systems and processes as well as social and ecological impacts.*

The Enhancing our Heritage Toolkit (which partners this publication) builds on the IUCN World Commission on Protected Areas Framework for Assessment of Protected Area Management Effectiveness, which is based around analysis of the whole management cycle, including context (importance and threats), planning, inputs, processes, outputs and outcomes.

The toolkit provides technical guidance on developing a monitoring system and a set of tools for carrying out a detailed assessment of management effectiveness. It was designed in collaboration with World Heritage site managers to complement existing monitoring undertaken at sites and to identify and fill any gaps to provide a comprehensive assessment.

Tools and accompanying material can be downloaded from <http://whc.unesco.org/en/eoh/>

This toolkit is aimed primarily at users with no business knowledge or experience. All business concepts are introduced at a basic level and no previous knowledge of business planning is required. All the templates and frameworks used in the toolkit are designed to be simple to use and easily applicable.

The toolkit is structured to enable different World Heritage site managers to implement the elements they need most urgently (according to time and cost limitations). It is thus built in distinct parts following the structure of a standard business plan, as reflected in the following contents pages.

It offers:

- *Ideas on content and formats that you can adapt*
- *Specific topics that you can focus on*
- *Tips to help you unblock your thinking.*

This logo links you to real examples that might help you compare with your own experiences. It refers to appendices found on the CD included with this toolkit, or available on-line at:

<http://whc.unesco.org/en/businessplanningtoolkit/>



This logo indicates exercises and templates that you might use to help think through issues.



THIS TOOLKIT IS AVAILABLE ON-LINE, TO BE DOWNLOADED, PRINTED OR USED AS AN INTERACTIVE INSTRUMENT:

<http://whc.unesco.org/en/businessplanningtoolkit/>

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Introduction to the Business Plan

What is the 'business' of natural World Heritage Site management?

It is arguable that as with many businesses, the values of a protected area are its products and its services. These are what the managers 'sell', for instance, the uniqueness and rarity of a habitat or a species, their breathtaking beauty, the lessons that they have to teach us about our evolution, or their critical importance as water catchments, carbon sinks and sources of nourishment to humanity – both spiritual and physical.

A critical difference between World Heritage site management and mainstream business is that whatever enterprises are undertaken, they must not undermine the values for which the site has been notified, and should in fact seek to enhance them.

So any business plan must recognize these values, and also other important values associated with the site, even where not specified in the nomination. Tool 1 in the *Enhancing our Heritage Toolkit* is especially useful in identifying these values.

We need to remember that in the World Heritage context, your business is literally *to guarantee the long-term integrity of the site and to conserve those components that contribute to its outstanding universal value.*

Why should business planning matter?

The business world has developed many skills at analysing its markets, its products and services. It is also increasingly adept at talking the language of conservation. On the other hand, conservationists are expert in their field but generally poor at talking the language of the business sector. In an increasingly competitive world, it is important that the economic, social and environmental sectors learn to talk a common language.

In any case, what is essential is adopting a business planning approach to conservation – a systematic way of identifying what are the **assets** of your site and what they are worth – in other words, their **values**. This is important, because many managers, communities and even governments take these things for granted, and can find it difficult to state exactly why they are so important.

The most important assets of an organization are its **staff** and **resources**. It is critical that these are used in the best ways possible, and that they are sustained and enhanced.

Businesses are very good at analysing these things – they have to be because they operate in a competitive world.

A central part of the World Heritage Site Manager's job is to convince donors, governments and citizens (in the language of business) to 'buy' its products and services in an appropriate way, and then to demonstrate that their 'investment' is worth it. At the same time managers need to ensure that in 'consuming' our sites, nature's capital assets are not diminished, but can be sustained.

In the effort to secure sustainable financing for protected areas, in general, a manager who can demonstrate that existing resources are already being effectively allocated through systematic business planning processes, may more likely succeed in convincing national authorities and/or external donors that an increase in their financial support will be a good investment.

The business plan is central to this endeavour. It should not be seen as a radical departure from existing best practice. This is simply a way of setting out systematically what good managers should be doing in any case.

It is worth distinguishing between a **business plan** and **business planning** as a process. Some of the activities described in this toolkit reflect good practice in business planning – for instance carrying out gap analysis or training needs analysis. However, much of the processes described are not presented in most business plans (although their results might be).

Finally, it might be useful to look at the extracts taken from **IUCN's guidelines 'Financing Protected Areas** (Appendix 10.2), which provides further insights into the issues discussed in this toolkit.

What is the purpose of the plan?

You might be forgiven for thinking that too much time is being devoted to strategy at the expense of what organizations are really here to do – to conserve species, and to help rural indigenous people. And in a few cases, you would be right.

This is why it is vital to see any plan as a flexible tool, not a straitjacket; and the organization as the maker and manipulator of that tool, not its slave.

It is important to know what the plan is for. In some cases, it may be for an organization to plot its future course. In other cases, it may be to help an organization get funds and to demonstrate how it will spend them – these may be capital funds, to inject money into building business infrastructure and/or revenue funds to provide an income until the organization is self-supporting. In many cases a business plan has to be written for a specific programme or project, and has to show how the funding for that programme or project will be managed.

In many cases a business plan encapsulates the spirit of the organization and where it wants to go, while at the same time mapping out a clear and realistic route of how it will get there. It provides the route from A to B and on to C, and ensures that progress is constantly under review and goals adjusted accordingly.

As such, a business plan has often been described as a journey, not a destination.

A business plan helps managers and stakeholders to understand how business will be managed in the most effective way, and to ensure that the organization is properly accountable for the use of any funds it receives.

For managers of protected areas, the primary reasons for writing a plan will be to:

- Provide a clear, realistic, and practical blueprint for an organization's future development
- Enable everyone in the organization, including its board or management committee, to agree upon and share common goals
- Ensure the participation of key stakeholders (such as donors, politicians, bankers, sponsors, and other groups with which an organization is likely to work)

- Ensure that the organization's goals can be achieved with the resources available to it
- Identify any key risks that could prevent an organization meeting its goals and put plans in place to mitigate these
- And achieve a smooth handover at times of staff change.

Additional reasons might be to:

- Support applications for financial support, for example to the World Bank, UNDP, government departments, sponsors and charities
- Inform strategies for particular capital or revenue initiatives
- Review organizational structure, approaches to training and personnel management, technological resources or monitoring procedures.

How does a business plan differ from a management plan?

There are a number of similarities, and the same information should be used to develop and inform both types of plan. So where a business plan relates to a particular protected area, it

should use information from the management plan, such as vision and mission. However, the business plan might relate to an agency's corporate strategy rather than to a site's management plan, and clear vision and mission statements (and other useful information found in a management plan) might not exist.

While the **management plan** is about setting out the actions needed to deliver the purposes for which a protected area has been designated, the **business plan** focuses on the financial and organizational dimension – in other words, **how to resource the delivery of the management plan**. It is critical therefore to recognize that the business plan ensures that the management plan's actions are being achieved, and that its goals can be monitored on an ongoing basis.

The business plan aims to answer such questions as – *'How do we know whether we have enough well-trained and motivated people?' 'How do we know that they are safe, and that they have the right equipment?'* ' *Does the money we have available match the work we need to do?'* ' *How much money do we need to negotiate in order to continue our work?'* *'Why do we need it anyway?'* *'How much should we be investing for future programmes?'* *'Is there a more efficient and effective way of using our resources?'*

Obviously, some of the information you need to answer these questions will be used in the production of the management

plan – you need some clarity about the 'product' you are 'selling', as well as the actions you need to take, who you will work with etc.

It is worth pointing out that a business plan does not need to **replicate** areas already covered in a management plan, but it can cross-reference them and act as a complementary document. The diagram at the end of Appendix 10.2 (Financing Protected Areas) will help you to think of their relationship.

Scope and content

The scope and complexity of such documents varies greatly from one organization to another. Having too much information is as bad as not including enough. It can be time-consuming and wasteful to provide surplus information. It goes without saying then that a business plan is likely to be read by a wide range of audiences, and it should be capable of being understood by them all. However, you will need to think about who your plan is aimed at, and ensure that it attracts them. It is important to know what the plan is for, and who its intended users are – this will help define its scope and content.

Most plans cover a 3-5 year period, and provide considerable detail for Year 1, with outline forecasts for future years. Each year, forecasts are updated in the light of the realities experienced. The mission and overall aim should remain the

same, but financial factors, law and politics; staff changes, unanticipated opportunities and threats, market and other external trends will all influence changes.

At its most simple, an organizational and business plan contains **7 key sections**:

1. An overview of your organization, its Mission and Aims
2. A clear statement of objectives
3. An assessment of the context and market in which an organization is operating
4. Budgets and financial forecasts to show how objectives will be reached, and assessment of risks along the way
5. Implications for management structure and staffing
6. Timescales and Activity Plan
7. Milestones and Monitoring.

This toolkit addresses these issues, as well as operational and safety matters.

As a rule, technical information should be presented as an appendix rather than within the text of the plan itself.

Some advice

Getting down to it

Writing a plan can take a considerable amount of time, and it can be difficult to sustain the effort required. Give the process momentum by agreeing deadlines.

As much as three to four months should be allowed, depending on the size, purposes and complexity of the organization.

Solid blocks of time need to be allocated to this process. It is not something that can be undertaken in the occasional five minutes.

A few tips to help you start

- Agree who will collect all the relevant information, and who will coordinate the writing of the plan
- Decide on a logical deadline for the production of the final document: for example, it may need to be produced to support a funding application on a specific date. Many plans need to be finalized by a particular date in order to inform budgetary rounds
- Agree a schedule to enable that deadline to be achieved, and agree interim reporting dates.

Five things to do if you get blocked

There are many reasons why it may be difficult to get started, and there may also be stumbling blocks along the way. Here are a few tips to help overcome them:

- **Analyse the problem:**

- Is it because the timescale is unrealistic and needs adjusting?
- Is it because you do not feel equipped to start/continue?
- Perhaps you need to ask for outside help?
- Perhaps you do not have enough information and need to spend more time collecting it?
- Is it that some sections need to be developed by someone other than you?
- Would a different working environment (a library, or perhaps home) be more productive?
- **Remember you are not working on this alone**
It is a team effort (or should be if it is going to be worthwhile). Ask for help from specialist colleagues and advisors. That is what they are there for.
- **Start with the easier parts**
You do not have to write the plan in the exact order in which it will finally appear, so begin with the parts you are confident about.

- **Look at some examples**

No two business plans will be the same, but looking at plans that similar organizations have completed can give you ideas and confidence.

- **Learn for free**

When you have been through this process once it will never be as difficult again, and it is a major asset to your range of skills. See it as an opportunity to broaden your knowledge base, and one, which develops your personal expertise. This approach can serve to motivate you even when the going gets tough.

Section 1: Executive Summary

The **Executive Summary** is a **critical part** of the business plan – because of pressures, this may be the only section that the evaluator of the plan will read. This is especially important when the plan is subject to an approval decision by the board or to a funding decision by a financial institution.

It summarizes the most important points from the whole plan (and thus demonstrates the authors' ability to pick out the important information from the details), and provides a perfect opportunity for the author to 'sell' the plan to the stakeholders.

The role of the Executive Summary is two-fold.

- It should demonstrate to the reader that you have an accurate understanding of the business
- It must encourage the reader to continue reading in order to obtain a fuller picture of the organization.

Remember...

Write it last. Although it is the first thing a reader will see in your plan the Executive Summary should be written last.

Keep it short. Your purpose is to try to 'sell' your plan to someone that is working to tight time pressures – you need to 'hook' their interest.

An Executive Summary is typically structured in way that includes:



Here is a business plan executive summary for the **Seychelles Islands Foundation**, a public trust established by the government to manage a World Heritage Site. The purpose of its business plan is **to identify tourist markets for its products**. Note that the type of executive summary should reflect the nature and purposes of the organization presenting it.



**Appendix 10.3: SEYCHELLES
ISLANDS BUSINESS PLAN
EXECUTIVE SUMMARY**

You may want to use the accompanying executive summary worksheet to check that you have presented the key elements in your business plan.



**Appendix 10.4 EXECUTIVE
SUMMARY WORKSHEET**

Section 2: Institutional Analysis

The institutional analysis 'sets the stage' for your business plan. It:

- Provides important information about your organization, its vision, its products and its people
- Assesses the organization's strengths and weaknesses, and provides an insight into the future
- Sets goals and objectives upfront so that the reader can see how these are to be accomplished through the business plan.

Typically, some of the topics that should be included in this section are: **Profile, Vision and Mission, Situation Analysis, Stakeholder analysis, SWOC** (Strengths, Weaknesses, Opportunities and Challenges) **Analysis** and **Goals**.

The following pages will take you through these parts of this section.

2.1: Profile – What kind of organization are we?

Profile

The purpose of this subsection is to provide a 'snapshot' of the organization and quickly help the reader understand some basic facts about it.

The main areas that have to be discussed in this subsection are the organization's legal structure, its capital and organizational structure and a brief description of its products and services.

The information that will be included in this section depends on a number of factors, including the type and size of organization that the plan relates to, the nature of the organization's work, and the source and scale of budget.

For example, a small site, close to major population centres and subject to heavy visitor pressure, may be managed by a departmental body with a strong visitor management priority (an example might be Keoladeo Bird Sanctuary in India). Its resource requirements are likely to be different, say, from an extensive, rugged and remote site subject to poaching and cross border incursions (many such examples exist in Central and South East Asia and in parts of Africa). In the latter case, significant human and material resources will be used in patrolling and enforcing and vehicle, accommodation and

communication budgets may be much higher, while interpretation costs, sales of park-related products etc are unlikely to feature heavily.

Many protected areas are managed by national or local government agencies, others by NGOs expressly established for the purpose. Some of these will be 100% dependent on government support; others may be required to generate income from other sources including trading. Some are fortunate enough to have been left large legacies, and may be able to use only the interest.

So there is really no such thing as the definitive business plan – the only rule is that it **must be fit for its purpose**.

Basically, a business plan for a protected area and its organization might refer to the following:

Its structure and constitution

Name of organization
Head office address

Legal context – international, national

What was it set up to do?

What is its authority?

What kind of an organization is it?

What is the status of the site or area it manages?

What are the site's values?

Its people

Management role and function

What are its institutional values?

How is the organization steered or directed?

Is there a board? How is it selected?

Number of employees and roles

Summary description

Policy on health and safety and human rights issues

Organogram

Its finances

Budget performance

How does the organization derive its funds? Grant aid, trading activities, reserves of funding?

Statement on financial control systems

How is money accounted for?

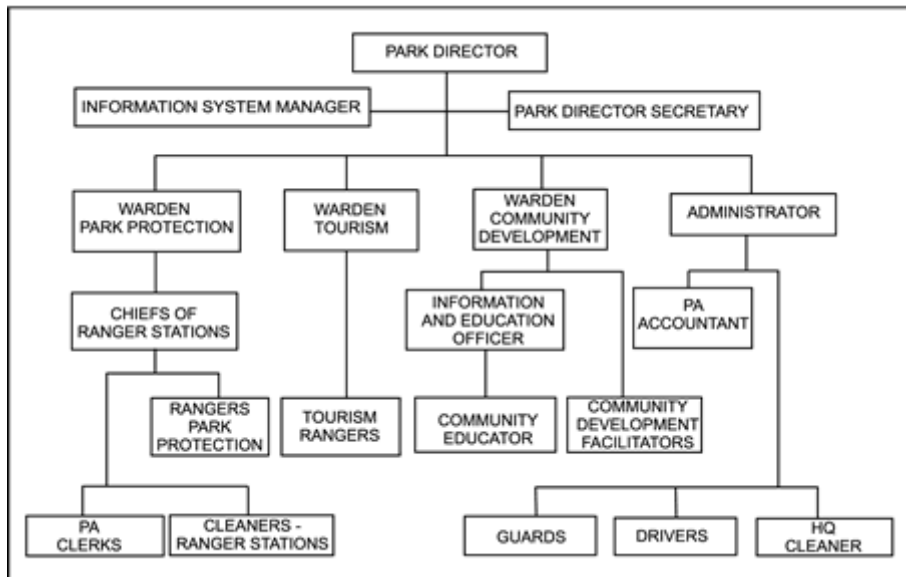
Capital assets – built assets, equipment etc.

What items does the organization own, and what are they worth? What is the turnover of e.g. vehicles, radios, uniforms?

Financial table – proposed net expenditure against statutory headings

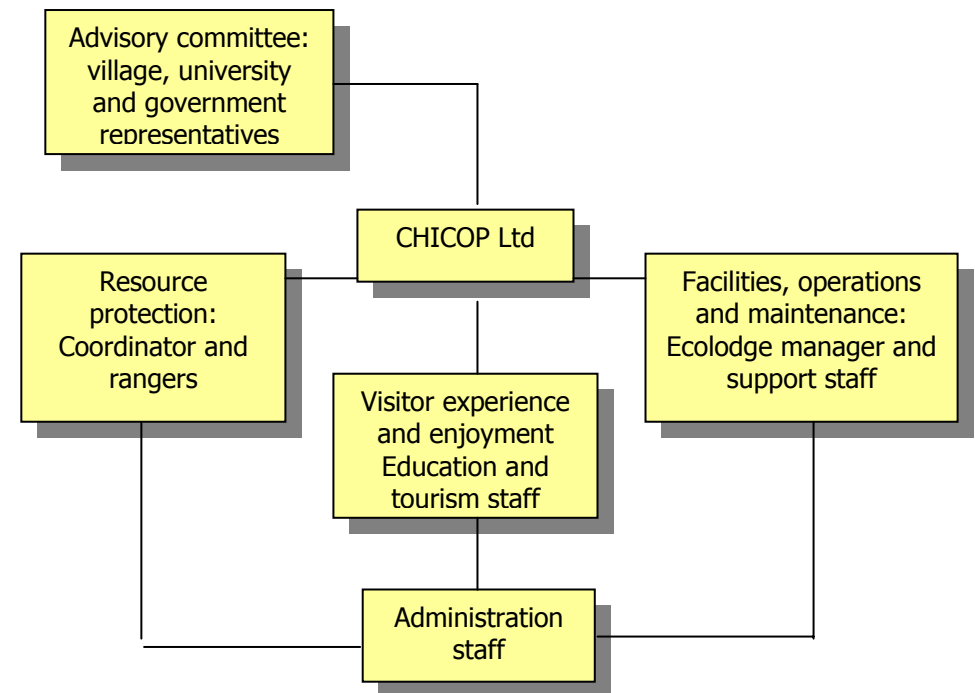
Summary of accounts

An organogram is simply a visual representation of an organization's departmental structure and lines of responsibility. The one shown here is taken from Virachey National Park in Cambodia.



You can see immediately that this is a hierarchical organization in which the lines of command and accountability are clear. Everybody is identified, which may not always be necessary for the purpose of the business plan.

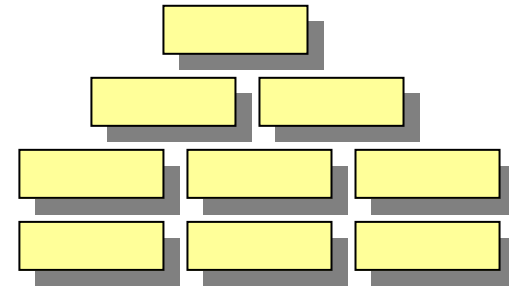
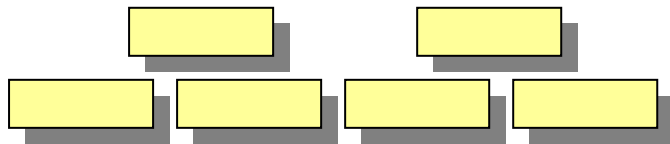
Here is another, this time relating to the management of Chumbe Island by a world-renowned private ecotourism enterprise, linked to the World Heritage site of Zanzibar:



The company in this case is at the centre of the structure, directing the three key sections, each of which is supported by the administrative team. Interestingly, the committee is an **advisory**, rather than a **steering** committee. Given the brevity of such visual presentations, the appropriate selection of words is critical in projecting the correct impression of the kind of organization represented.

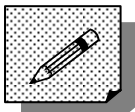
WORKING OUT YOUR ORGANIZATION'S ORGANOGRAM

There are a number of ways in which you can do this. For a small NGO it may be a simple and relatively 'flat' organogram, or it may be very hierarchical. If your organization is part of a larger group (which is likely in the case of World Heritage site management) you may want to show how it links into the larger institution.



In any case, the most important thing is for it to be clear.

1. Identify all the sections and/or individuals in the organization.
2. Using cards or stickers, write each section or job title down on a separate card.
3. Arrange them in different ways on a larger sheet (say a flipchart) until you are satisfied that the arrangement you have is the most appropriate, and agree upon why it is the best arrangement.
4. Link the cards up using either _____ or _____ → or even ← _____ to show lines of responsibility or communication.
5. Draw it up as your definitive organogram. You might want to use different colours or shapes to distinguish between different parts of the organization.



2.2: Vision and Mission - What are our values and aspirations?

The **Vision** is simply a picture of a desired condition of the 'environment' that an organization has been established to improve or manage. It is aspirational, and is based on realistic long-term projections of the present state of the 'world'.

Depending on the nature and size of the organization and local, national and global factors (such as politics, funding, environmental factors, demographics etc), the vision could stretch from a few years into the future up to ten/twenty years' time.

Since the vision will influence a wide range of stakeholders, it needs to be communicated widely, needs to be understood by a wide range of people (including internal office and field staff, professionals, politicians, civil leaders and citizens, private developers and international tourism interests), and needs to be acceptable to them all.

The vision needs to avoid abstract and meaningless statements, and must relate to the organization's role in protecting and enhancing natural and cultural values, and/or working with people.

Some examples of vision statements:

'Our vision is of a world of which all people have access to safe water and sanitation'

'A just world that values and conserves nature'

'A world in which every person enjoys all of the human rights enshrined in the Universal Declaration of Human Rights and other international human rights standards'

The organizations are WaterAid (an NGO that promotes clean water for all); Amnesty International (a human rights organization); and IUCN, the World Conservation Union. It should be obvious which statement belongs to which organization.

Not all vision statements are as brief as these. Here is an example from a UK protected landscape authority (the Peak District National Park), whose function is to conserve biodiversity whilst promoting the economic and social interests of the people who live there:

'Our vision is for:

A conserved and enhanced Peak District where the natural beauty and quality of its landscapes, its biodiversity, tranquility, cultural heritage and the settlements within it continue to be valued for their diversity and richness.

A welcoming Peak District where people from all parts of our diverse society have the opportunity to visit, appreciate, understand and enjoy the National Park's special qualities.

A living, modern and innovative Peak District that contributes positively to vibrant communities for both residents and people in neighbouring urban areas, and demonstrates a high quality of life whilst conserving and enhancing the special qualities of the National Park.

A viable and thriving Peak District economy that capitalises on its special qualities and promotes a strong sense of identity.'

Another example comes from WWF China, and refers to the Yangtze River:

'A region where a living river links the Tibetan Plateau and the Pacific; where people thrive in harmony with nature, pandas play in the forests, children swim with dolphins and fish in the clear water, pheasants dance among the rhododendrons, and the cranes sing at sunrise. A region where natural cycles sustain a rich and ancient culture.'

Obviously, the more complex the context, the more challenging it will be to develop a vision that everyone can subscribe to. Note that the vision is for *the resource that is being managed*, rather than for the organization.

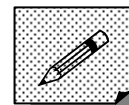
The **mission statement**, on the other hand, is a broad statement about how the organization itself plans to realize this condition – its **aim**. For example, the three organizations mentioned earlier have the following mission statements. Again, it should be obvious which organization is which:

'To influence, encourage and assist societies throughout the world to conserve the integrity and diversity of nature and to ensure that any use of natural resources is equitable and ecologically sustainable'

'... aims to work through partner organizations to help poor people in developing countries achieve sustainable improvements in the quality of their life by improving domestic water supply, sanitation and associated hygiene practises'

'...to undertake research and action focused on preventing and ending grave abuses of the rights to physical and mental integrity, freedom of conscience and expression, and freedom from discrimination, within the context of its work to promote all human rights.'

Ideally, the mission statement should describe exactly what you will be doing for the next 3-5 years and what you want to achieve. The formulation of these statements is a team process, so it will be helpful to bring a representative group of interests together in a series of workshops to formulate your vision and mission.



YOUR VISION AND MISSION

This will require a team effort, with discussions in smaller groups and plenty of feedback, so that everyone understands and agrees.

1. The first task is to get agreement on what the organization has been set up to do – what is it here for? This can be brainstormed in small groups and then discussed together. By asking questions and clarifying, it should be possible to reduce the number of words to a few sentences – or even one.
2. Next, get everyone to consider what needs to be done by the organization in order to achieve this. Again by a process of small group discussions, feedback, questioning and clarifying, a simple statement can be agreed upon.
3. If necessary, test the statements out to see if others can understand and agree upon them.
4. The important point is – are they clear? Are they agreeable to all? Can they be achieved?

These are your vision and mission statements.

OUR VISION IS:

OUR MISSION IS:

2.3: Present Situation - What is the state of our organization?

The purpose of this subsection is to provide a brief overview of the current position of the organization.

For managers of protected areas, the questions here really relate to the link they have with government and its agencies in the application of policy, and with national and international laws and conventions – their **context**. The questions also concern the **functions** (as opposed to the role) of the organization (in effect a summary of all the job descriptions of its members).

An important consideration relates to the **state of** assets – the ‘goods’ you are selling. Most importantly, they help to **position** your organization in relation to others. If you are an NGO or small business related to protected areas, it will help you to think of the scope and scale of your organization.

Bringing together this information will allow for further analysis of the organization’s strengths and weaknesses.

Refer to the *Enhancing our Heritage Toolkit*, Tool 4 for guidelines on aspects of this subsection.

Depending on your function, analyse your situation according to these criteria:



CRITERIA	PROTECTED AREA MANAGEMENT	NGO/SMALL ENTERPRISE
CONTEXT	International treaties/obligations National laws Statutory requirements	National and local regulations
POSITION	Department/agency line Other related Government departments/agencies Competing interests in Government Relative strengths/weaknesses of departments/agencies Stated support of Government Similar organizations carrying out similar functions	Similar organizations competing
ASSETS	Values for WH purposes Other values	Products on offer; values to whom? What is the value of the operation? Who is it selling to?
FUNCTION	Scope and scale of operations – managerial, technical, estate, interpersonal etc – what is everyone actually doing?	How does the organization function – purchasing, adding value, selling, distribution, marketing etc.

2.4: Stakeholder Analysis - Who are our 'customers'?

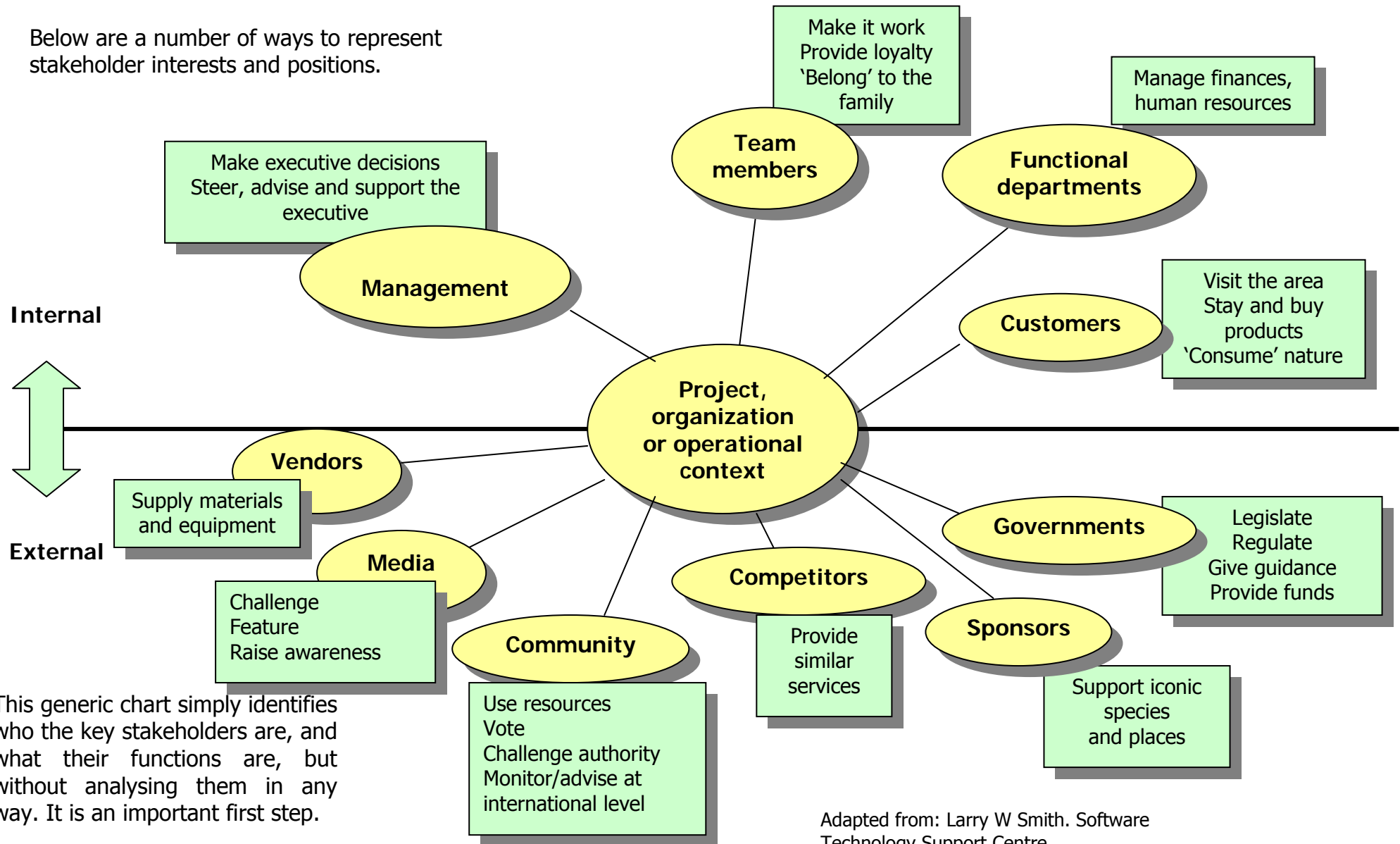
This subsection analyses those institutions and individuals who have an interest in the organization and the work that it does. These will include its own internal staff and the board or committee that steers its activities, the politicians that decide on its role and on its budget, the wide range of 'customers' that rely on the natural resources under the stewardship of the organization (which may be located close by or a long way away), and a broader stakeholder interest that may include academics, researchers, tourism interests, and the global partnerships that raise awareness in its values (such as WWF, IUCN etc).

Since the operations of the organization are likely to influence a considerable range of interests in various ways, it is important for it to consider how these interests are affected, how able they are to engage with it, and how powerful they are in facilitating or preventing the organization's effectiveness.

In carrying out such an analysis, it is worth bearing in mind that stakeholder relationships with each other and with the organization are dynamic – they might be hostile or supportive depending on the management context.

It is worth also referring to the *Enhancing Our Heritage Toolkit*, Tool 3 in connection with this section.

Below are a number of ways to represent stakeholder interests and positions.



This generic chart simply identifies who the key stakeholders are, and what their functions are, but without analysing them in any way. It is an important first step.

Adapted from: Larry W Smith. Software Technology Support Centre.

Stakeholders represent a variable range of powers and interests in an organization and its work. It is important to remember that these change, and that stakeholders form different alliances, according to the context. You may receive different levels of support according to the issue or strategy you are trying to address.

As a general rule, this matrix provides a useful way of relating to stakeholders:

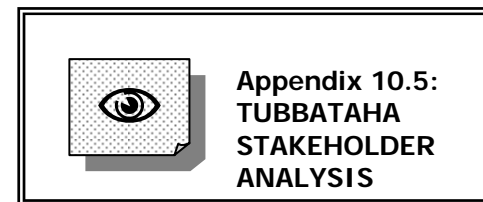
Power	High	Keep satisfied	Engage closely, and influence actively
	Low	Monitor (minimum effort)	Keep informed
		Low	Interest High

Source: DFID

Using this approach it is possible to produce a picture of the relationships between stakeholders and the organization and between stakeholders themselves.

Stakeholder Type	Expectation and Objectives	Power and Influence	Commonality and Conflict
Staff			
Communities			
Tourists			
Local politicians			
Local NGOs			
International NGOs			
Sponsors			
Charitable donors			
International donors			
Regulators			
Government			

Before doing the exercise, look at the example from the Tubbatha Management Office in the Philippines:





Stakeholder	Expectation and Objectives	Power and Influence	Commonality and Conflict

2.5: Analysis of Strengths, Weaknesses, Opportunities and Challenges (SWOC)

A SWOC (or SWOT - strengths, weaknesses, opportunities, threats) analysis is found in almost all business plans and provides very useful insights into the organization's current and potential functioning.

It is simple in concept (usually presented in a matrix no more than a page or two in length), and gives the management an outline of the perceivable major issues affecting its organization and its 'competitors' (i.e. as providers of conservation and rural development activities, tourism opportunities and political priorities) and provides a basis for developing strategies.

Some factors will be more important than others, and it may be difficult to assess just how critical one factor might be, so ranking them according to an agreed criteria (such as financial or institutional capacity, institutional knowledge) is a useful exercise.

If an organization is complex, it is important to carry out such an exercise with a multi-disciplinary team, as, for example, what the conservation group may perceive as an important weakness or threat, may not be seen as a major concern by the financial department and vice-versa.

Often, the authors of such plans are unable to make clear distinctions between the strengths/weaknesses and opportunities/challenges sections. In general:

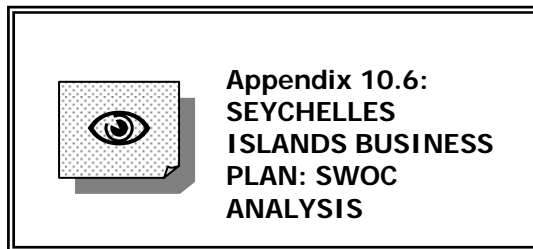
- Strengths and Weaknesses are **internal factors** that describe the **present** over which you have some level of control or influence
- Opportunities and Challenges are usually **external issues** that describe a **potential** that you may not be in a position to control.

The elements in the SWOC are almost always interlinked. For example, an organization's **strength**, such as excellent communications skills, will relate to an **opportunity** to use that skill to raise awareness about the work of the organization. Likewise, a **weakness**, such as a lack of up-to-date field equipment, may present a **challenge** when it comes to monitoring poaching or encroachment activities.

SWOCs can be expressed according to a range of themes, such as management, equipment, visitor facilities etc. Here is an example from the private sector. Note how the opportunities and challenges are externally driven:

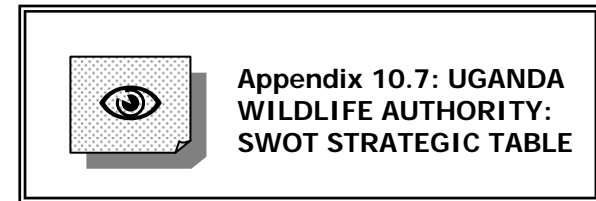
Theme	Strengths	Weaknesses
Processes	High productivity	Slow time to market
Management	Good at acquisitions	Poor staff management
Marketing and sales	Good at direct sales	Poor market research
Other skills	Excellent R&D	Poor maintenance
Experiences	Success overseas	Health and safety problems
Intellectual property	Branding, trade secrets	Expiring patent
Premises	Excellent location	Unwanted lease
Plant and machinery	Specialist equipment	Worn-out plant
Information technology	Good management information	Poor automation
Finance	Healthy cash flow	Burden of debts
Theme	Opportunities	Challenges
Market	Market growing rapidly	Market reaching maturity
Industry	Competition fragmented	Competitors have strong R&D
Industry association	Compliance with standards	Meeting standards = increased costs
Labour market	Locally available skills	Disruptive strikes
Financial markets	Low-cost funds	Higher borrowing costs = reduced customer spending power
Exchange rates	Cheaper imported raw materials	Cheaper competing products
Green (environmental) lobby	Sell more eco-friendly products	Cost of anti-pollution legislation
Economic trends	Economic expansion = boost demand	Growing unemployment = reduced demand
Government policies	Tax holiday	Incentives for rival companies
Natural disasters	Sell specialized equipment	Loss of production or data

Some of these are highly relevant to natural World Heritage site management. However, the SWOC should also relate to the values of the site, and of course any threats that might undermine the integrity of the site should be seen as challenges. So a SWOC for a natural World Heritage site should identify the strengths and weaknesses of both the **organization** and the **site**.

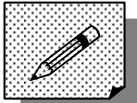


Having completed a SWOC analysis, the key question for your organization should be 'What do we do to optimize on our strengths and the opportunities that may present themselves, and how do we address our weaknesses and any external challenges or threats that may occur?' It is important to determine the **actions you need to take** in order to meet the implications of your analysis.

The following example from Uganda shows how, having considered its position, the organization identified some key actions that need to be prioritized.



SWOC ANALYSIS TEMPLATE



Internal forces	External forces
Strengths	Opportunities
Weaknesses	Challenges

SWOC Strategic Table

Assess your SWOC Analysis and evaluate potential short-term and long-term organizational responses.



	Major opportunities	Major challenges
Primary strengths	Invest: Clear matches of strengths and opportunities lead to comparative advantage.	Defend: Areas of threat matched by areas of strength indicate a need to mobilize resources either alone or with others.
Primary weaknesses	Decide: Areas of opportunity matched by areas of weakness require a judgment call: invest or divest; collaborate.	Damage Control: Areas of threat matched by areas of weakness indicate a need for damage control.

2.6: Objectives - What do we intend to achieve?

This element of the business plan translates the broader thinking behind the vision and mission, and the analysis of the organization's present position, into action. These should link into the objectives found in the relevant management plan or corporate strategy. It is important to check for consistency, and where conflicts arise, to ensure that these are resolved bearing in mind the **key values and purposes** for which the site is protected and designated, or for which the organization was established.

When formulating a set of objectives, it is important to ensure that they are **SMART**:

- Are your objectives **specific**? In other words are they clear and relate to a range of activities that can be carried out?
- Can the effects of these activities be **measured**?
- Are they capable of being **achieved** within the plan's lifetime?
- Do they **relate** to the resource and to the role of the organization – the vision and the mission?
- Have the objectives been given a **timeframe** within which to operate?

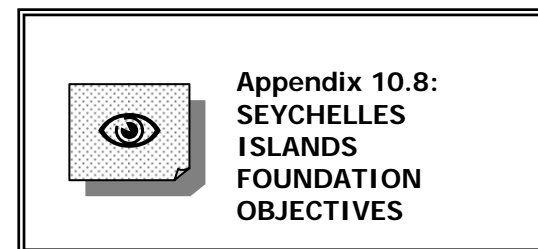
In private and profit-making companies, a key objective is to sustain a level of profit for shareholders and in order to

reinvest in activities. Non-profit making organizations must show that they will carry out their functions effectively and efficiently using the investment that they are given. In some cases, such organizations are required to generate a certain amount of their operating costs. Business planning in such circumstances is particularly complicated since it must combine a 'good works' element that deserves the support of government and donors with a sharp business acumen that can identify enterprise opportunities and gain income.

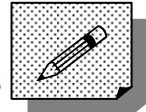
The objectives identified in this section will need to be capable of being translated into a set of activities to be detailed in the **action plan** section.

At this point it is worth pointing out that activities must be allocated to specific people and must be costed and time-scaled.

It would be useful to look at the *Enhancing Our Heritage Toolkit*, Tool 1.

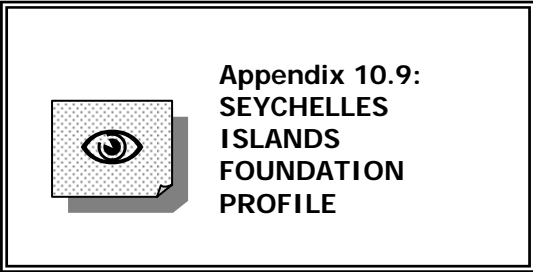


When producing a set of objectives, you will need to ensure that they are compatible with the aim of the your organization, and that they are also not in conflict with each other. If, for example, one of your objectives is to maximize the numbers of visitors to your site, you will need to ensure that this will not conflict with the need to conserve values. Likewise, if you have an objective to work with communities, you will need to ensure that the rigorous enforcement of regulations does not conflict with this.



Mission/Aim	Compatible?	Objectives		
	←→?	Objective 1	C O M P A T I B L E ?	
	←→?	Objective 2		
	←→?	Objective 3		
	←→?	Objective 4		
	←→?	Objective 5		

A summary of the main elements of this section can be seen in the Seychelles Islands Foundation profile.



Section 3: Market Analysis

3.1: Overview

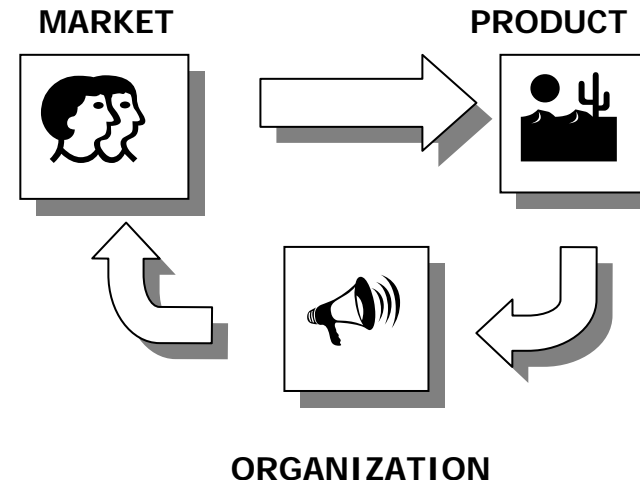
The purpose of this part of your plan is to analyse to whom you are 'selling' your organization and its 'products'. This of course depends on what these products are, and section 4 will examine this in more detail. At this stage you can safely assume that there will be a range of markets for the different products that a protected area offers.

Control over these markets can vary over a period of time. Markets can be:

- **Stable** – for instance a community that has a long relationship with a natural site and uses its resources sustainably (whether in close proximity, or 'downstream'); or in the case of a globally iconic site, a stream of visitors that (provided all other conditions are stable) continues to visit the site.
- **Dynamic** – for instance in the case of newly-emerging tourism opportunities in hitherto restricted regions, or new markets for natural products traditionally traded locally and informally.
- **Turbulent** – for instance where other factors have disrupted stable relationships between providers and 'consumers' – civil war, natural disaster, terrorism, fuel costs and cheaper alternatives have often created instability in tourism markets. Climate change may

have a profound effect on the 'natural goods and services' that an area provides. Political decisions on transport or economy can also generate instability in the market in which protected areas work.

It is clear that the extent to which stability can be sustained depends on the relationship between:



A key purpose for business planning is to ensure that:

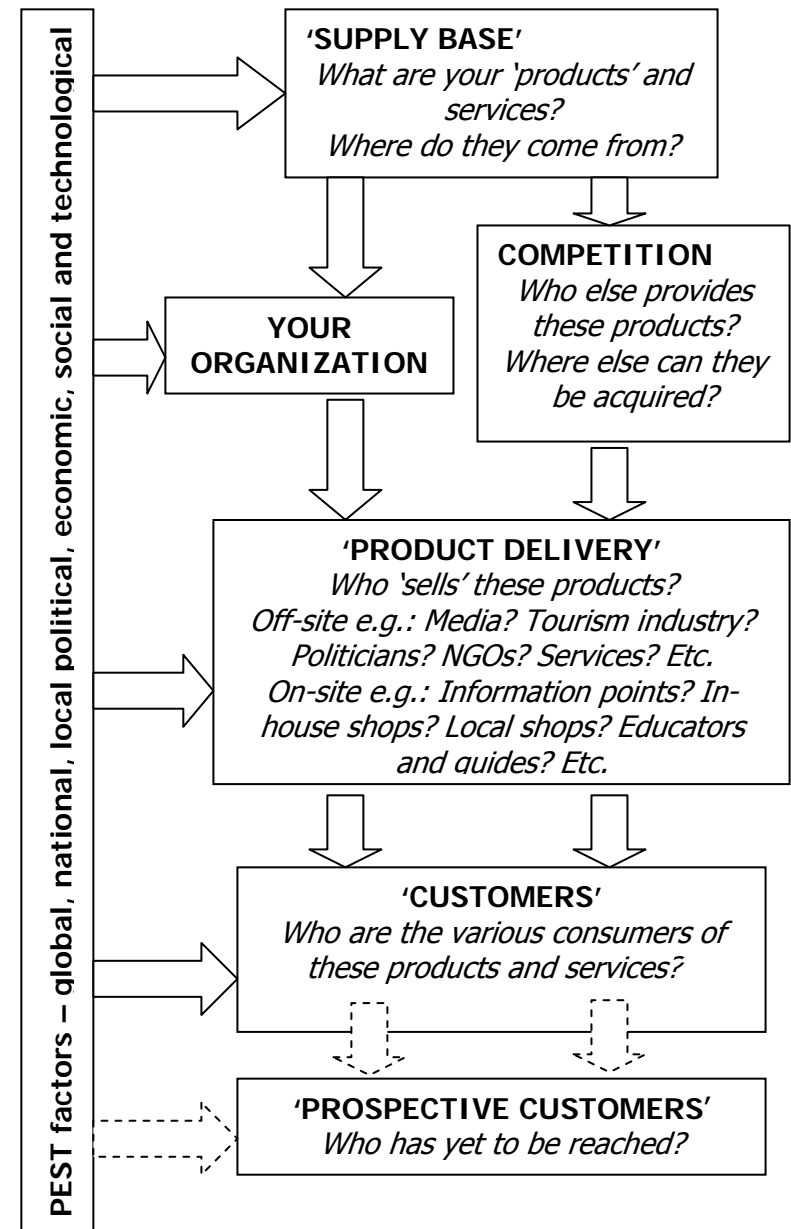
- The product can continue to be provided
- The market can continue demand the product
- The organization can maintain its capacity to provide the product **and** to reach the market.

An overview of the market environment can be illustrated by the adjoining chart, which will be discussed in more detail later. Each of the components needs careful analysis, and the external factors are critical – changes in social and economic circumstances (such as demographic shifts, affluence, currency crises) and in politics (such as liberal fiscal policies, changes in policy priorities etc.) may reinforce or threaten the market for protected area products.

For a protected area organization, **products** are of three sorts:

- Natural values that the market wants to buy (environmental services, natural products, recreational experiences)
- Specialist knowledge and expertise that the organization possesses and can sell (such as guided walks and treks, lectures, live interpretation, school programmes etc)
- Materials and goods related to the protected area that can be sold (publications, clothing, DVDs, posters, associated foods etc).

These will be discussed in section 4, but need to be understood in the context of this section as well.



3.2: Market Definition

This is an important part of this section, and includes information on:

- Type of market
- Market size
- Market segments
- Market share
- Growth
- Trends



This subsection describes these in the context of the above chart.

Information for this can be gained from a wide range of sources, including annual reports, government data including economic returns, academic papers, magazines and websites.

3.3: Analysis of Political, Economic, Social and Technological (PEST) Factors

These are the external factors that may affect the way any organization operates. A PEST analysis provides a useful tool for working out your organization's relationship with trends in politics, population growths, movements and demands, and

with the costs of products such as foods, water, fuels and minerals, as well as the spread of information, awareness and choice-making. Issues that may emerge in a PEST analysis include:

Political (and legal)

Direct and indirect taxes, corporate taxation, public spending, regional, environmental, tourism and industrial policy, monetary policy and interest rates, changes in international trade, competition law, deregulation/regulation issues, bureaucracy, corruption, biodiversity and human rights issues, international obligations.

Economic

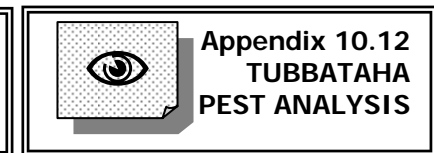
Business cycle, employment levels, preferences, opportunities and restrictions, inflation and exchange rates.

Social

Population growth, age structure, rural to urban migration, social and cultural shifts, pressure groups, race and gender issues, trends in education levels etc.




Technological

Improved research and development methodologies, increased awareness and accessibility of 'clients', monitoring and other equipment for PA management, communication etc.



PEST ANALYSIS



This will need a good brainstorming session – it is recommended that you do this in smaller groups, allocating a factor to each small group, with feedback and plenty of discussion. Some of the examples may be indirect, so be creative in thinking this through. As well as describing the implications, you might want to use symbols to show whether these are positive , neutral , or negative . Remember also, that the factors and issues are often highly interlinked, rather than separate as shown in this table. For instance, the **political** context may encourage a dynamic **economic** climate that encourages enterprise, and may promote investment in new **technology**. The table will help to identify the key influencing factors on your organization.

Factor	Issues	Implications for our organization		
		Past ←	Present ↓	Future →
Political				
Economic				
Social				
Technological				

3.4: Customer Profile

It is critical to any business planning process to know who your market is, in terms of your 'customers'.

In the business world these are basically the people or organizations that buy a product. For example, for someone who makes and sells bicycles, it is important to know that the demand will be there. The seller would need to know that people will want to cycle, that there are enough people who can cycle, that they can afford to do so (or cannot afford to do otherwise), that different sorts of people will want different cycling experiences, and so on.

For the protected area manager, the 'customers' are not always (or even mainly) paying customers, and it is important to identify those who rely on the natural and cultural services that protected areas provide.

However, almost all protected areas have to generate a part of their income from sales, so it is also important to identify those who are willing to pay for what a protected area provides and produces.

Each of these customer types can be profiled. This can be achieved by reference to such criteria and attributes as:

DEMOGRAPHICS	Age Sex Marital status Education Profession
ECONOMIC FACTORS	High/medium/low income Personal debt Tax burden Savings tendency
CONSUMER ADOPTION PROCESS	Innovators Early adopters Early majority Late majority Laggards
PSYCHOGRAPHICS	Customer demand Lifestyle Motives Interests

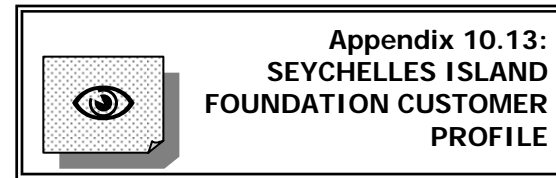
For instance, in some high-profile protected areas, an important source of income is affluent, retired western tourists, who are on a package of 'must see' places along with their 'late majority' friends. There are as likely to be as many females as males, and they may be widowed or in stable relationships.

Other areas have yet 'to be discovered' by this group, but may be explored by younger, relatively wealthy, professionals (or their adventurous offspring) in search of new experiences. They are likely to be active and willing to take risks. They might be described as innovators or early adopters. Both the above groups have purchasing power, but whilst the former seeks comfort, the latter may not.

Other customers might include economically impoverished people who depend on forest products for subsistence or low trading livelihoods. They may lack formal education but will be rich in traditional knowledge and skills. Carrying out the exercise in the *Enhancing Our Heritage Toolkit*, Tool 3, the information will help identify such people for this plan.

Further afield, customers might include major settlements that rely on the water sourced from protected areas, and on the foods sustained by their soils and pollinated by their wildlife.

The challenge for a protected area organization is to factor all these types of customers into its business planning. How much is the protected area worth?



It should be noted that trying to understand the motivations and tastes of these potential markets is difficult because of the distinctive cultural and economic contexts that may promote certain attitudes towards host countries, and also because fashions change over a period of time. Therefore tourists and other consumers may not value what the host area may see as a desirable commodity – this may include food products, items of clothing, craft ware, guided tours, publications etc.

Support may be needed to provide the necessary insights required to 'understand' the market you are trying to attract.

CUSTOMER PROFILE



If your organization generates its income through sales of products and/or services, this is an important exercise, and it would be perfectly reasonable to use the criteria listed here. However, if you manage an area whose income depends largely on donor or government funding, and whose function is conserving biodiversity and providing services to communities at a cost, your 'customers' need to be identified according to other factors and examples, which will emerge in your stakeholder analysis.

FACTOR	EXAMPLES	DESCRIPTION
DEMOGRAPHICS	Age Sex Marital status Education Profession	
ECONOMIC FACTORS	High/medium/low income Personal debt Tax burden Savings tendency	
CONSUMER ADOPTION PROCESS	Innovators Early adopters Early majority Late majority Laggards	
PSYCHOGRAPHICS	Customer demand Lifestyle Motives Interests	

3.5: Competition

The 'competition' needs to be viewed in two ways. Firstly, in a strict business sense, you need to examine how other places are providing (or might be able to provide) tradable products similar to yours – are tourists visiting other areas rather than yours? Are the products associated with your area failing to compete with similar products sold to consumers?

Who are these competitors? What are they doing that challenges your business development? What 'products' do they offer, and what are their strengths and weaknesses?

You need to identify them, but this can be a difficult task, because the 'competition' may be another protected area in another country, or a tourism venture that offers similar experiences to yours, but in a safer, cheaper or more comfortable and less crowded environment. The internet can be a valuable source of information in this area.

Another way of considering the competition is to analyse **competing interests**. This is critical for organizations that are using a business plan to secure or increase funding in competition with other organizations or, in the case of government funding, other departmental demands.

In this case, the challenge is to show why your organization should be supported when there are demands, for instance, for roads, schools, hospitals etc. Other competing interests

might also include economic drivers such as energy, timber and minerals, water sequestration and tourism development, which may have a direct impact on your area.

Hence, it is as critical to be as aware of the **non-tradable values** of your area as the tradable ones, especially in the case of world heritage. You might refer to the *Enhancing our Heritage Toolkit*, Tool 1, for further explanation of this point.

A 'competitor' analysis is important, and if possible you should attempt to develop a profile for each competitor or competing interest.

In a strictly business sense, the following aspects are worth focusing on:

- How do you define the competing service or product?
- How does it compare to yours?
- How flexible is the competitor? Can it adapt, does it specialize?
- What are its main SWOCs?
- Which of these can you do anything about?
- What do customers think of it?
- How profitably does it operate? Is it cheaper? Is it a higher quality product or service?
- Where is the competition located?
- How does it reach its customers? Does its marketing work? Why?

Some of these questions also relate to potentially competing interests, such as tourism developers, producers of branded products etc.

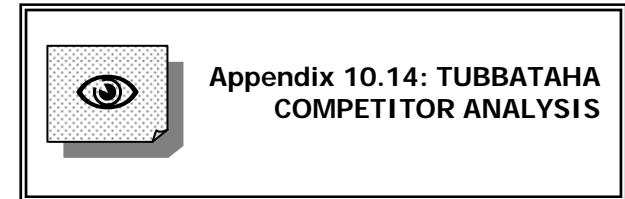
In cases where you need to compete for funds, you might need to ask questions such as:

- What is the role of the competing department or agency?
- Does it have to reach set targets?
- How powerful is it compared to the department that manages your area, or the board that steers it?
- What do the citizens think about issues such as conservation and sustainable development?
- How do competing interests relate to citizens in your country?
- How successful are they in communicating their interests?
- What are the strategies of other protected area managers, NGOs and other bodies for securing funds?

Your PEST analysis will be useful in helping you to consider the main competition and/or competing interests.

Who is your competition, and what is their motivation? How do they compare to your organization, what are their strengths and weaknesses in relation to yours? The competitor analysis shown here is taken from the Tubbatha

Managing Organization, which is responsible for managing the reef ecosystem in the middle of the Sulu Sea in the Philippines. They also offer scuba diving and other water-based sports, so their competitors are obviously in the same market.



3.6: Strategic Options

Having profiled your organization and considered its 'products', its relationship with its 'customers', and the various competing interests, you are now in a position to consider your options.

Remember, a critical part of your business plan is to sustain your capacity to **'guarantee the long-term integrity of the site and to conserve those components that contribute to its outstanding universal value'**, against competing interests.

Another is to identify opportunities to generate income to contribute to your work, to provide benefits to stakeholders etc.

Business planning in the context of protected area management throws up some odd features:

- The motivation is rarely simply to generate profits
- It is never at the expense of the values that justify designation of your area
- Identifying the competition may provide an opportunity to form partnerships rather competing.

Nonetheless, there is nothing 'soft' about business planning for protected area management – it is a tough business

Some important points for assessing your options:

- They must be well-defined and presented simply and clearly
- They should reflect the vision and mission identified in 2.2
- Previous strategies need to be taken into account, and you need to show reasons for change or continuation.
- The reasoning behind the choice of options must be transparent and logical
- They should emerge from the company and market analysis (2.1, 2.5, 2.6, 3.2, 3.3, 3.4, 3.5) - in other words, they should be based on evidence, not opinion.

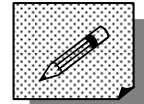
You will need to consult with stakeholders when developing options, perhaps in a series of workshops, or through questionnaires and interviews.

As part of the process you will need to consider the criteria by which you will collectively make your decisions. These might include feasibility, risk, cost, capacity, time taken to adopt, etc. It would be helpful to develop a matrix to help you.



**Appendix 10.15:
TUBBATAHA STRATEGIC
OPTIONS**

CONSIDERING YOUR STRATEGIC OPTIONS



Any strategic challenge may have a number of possible options. It is important that in developing this chart you discuss the issues widely with the relevant decision-makers, and ensure that there is no conflict between the options you adopt. For example, if one of your strategic challenges is to increase income, you will need to ensure that the options you adopt do not conflict with the strategic challenge of ensuring the long-term viability of a site's natural values, and can therefore allow for income generation activities.

Strategic challenge	Strategic options	Assumptions, facts, and values that support this proposed strategy?	What possible obstacles are there to implementing this strategy?	What triggers might encourage re-evaluation of this strategy?	Preferred option(s)
1	a.				
	b.				
2	a.				
	b.				
3	a.				
	b.				
4	a.				
	b.				

Section 4: Marketing Plan

The marketing plan is a key focused element of any business plan that aims to promote products, and forms the output of the analysis in section 3. It aims to:

- Present detailed information on the customers you aim to target (including all those who rely on your protected area goods and services)
- Describe in detail the products you are providing
- Describe how you will reach these customers (communication is likely to be a key tool)
- Describe any promotional programmes you will undertake, and the costs associated with them
- Predict your financial state and organizational capacity.

4.1: Marketing Strategy

You will need to agree what your marketing objectives will be. In pure business terms, these might include increasing the sales of goods overall, or expanding sales into new markets.

For protected area managers, an objective set by their department might be the generation of 20% of their running costs by charging for park services, or by increasing gate takings. This might require them to make a small charge for education programmes, or to increase charges for guided walks or treks, or provide refreshments or accommodation at

an increased cost. Whatever these are, they must, as we saw in subsection 2.6, be **SMART**.

If an objective is to increase sales, what percentage increase do you aim to achieve? Can it be achieved? If increased sales mean increased costs, can they be reconciled? If the objective is to reach new customers, how many do you expect to reach, and what will it cost to reach them?

Remember also that marketing objectives should be in line with overall site management objectives. If their purpose is to conserve biodiversity, then marketing objectives will have to show that any trading activities do not conflict with this, but actually support it.

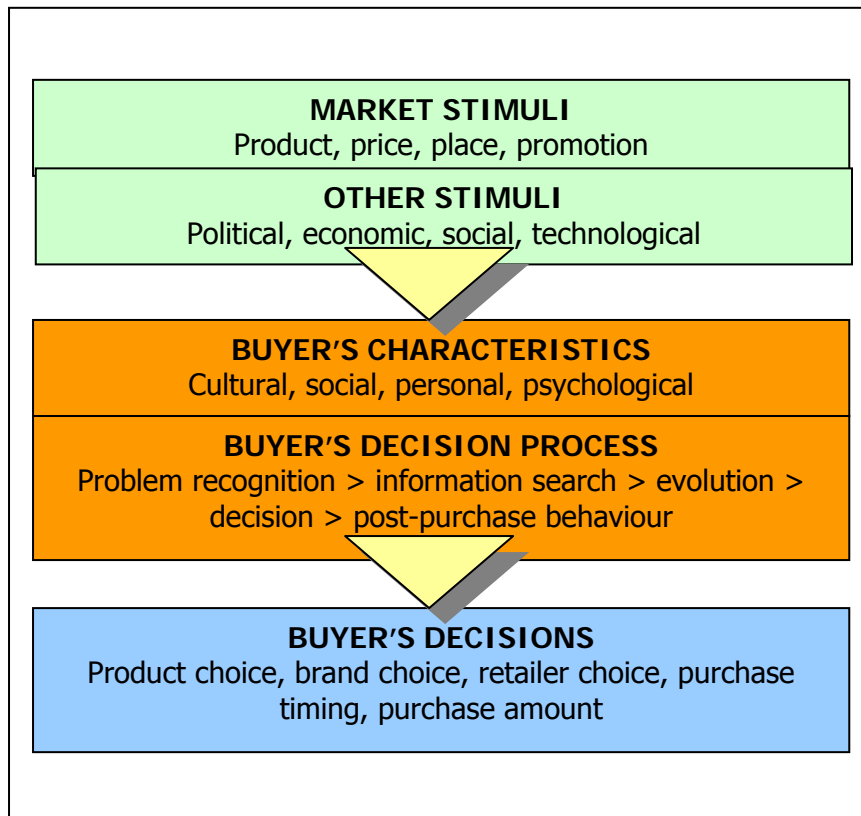
You have already profiled your customers above (3.4), but in your strategy you have to show that you understand these questions:

- What are the needs addressed by the products associated with your protected area?
- What are the products that serve those needs?
- Who 'buys' those products?
- Why do they 'buy' them?
- Where do they 'buy' them and how?

People are both fickle and conservative. It can be difficult in some cases to persuade them to change the purchasing

habits of a lifetime. On the other hand, when it comes to tourism preferences, they can be extremely capricious, and may make choices for the most spurious personal reasons. Understanding their behaviour can be difficult, but having an insight is crucial to successful marketing. The following model is helpful:

(After Porter 1992, Kotler 2000, Engel 1995, Sheth 1999)



Basically, it begins by referring to the factors that motivate the provision of products, ensuring quality and affordability, and the methods of bringing them to the attention of people. These include the external factors described above.

However, the extent to which one product is chosen over another depends on the characteristics of the person, group or institution. This includes their 'culture' and the social context in which they live, the lifestyle choices they make as a result of this, and their life needs (including water, food, shelter and spiritual refreshment).

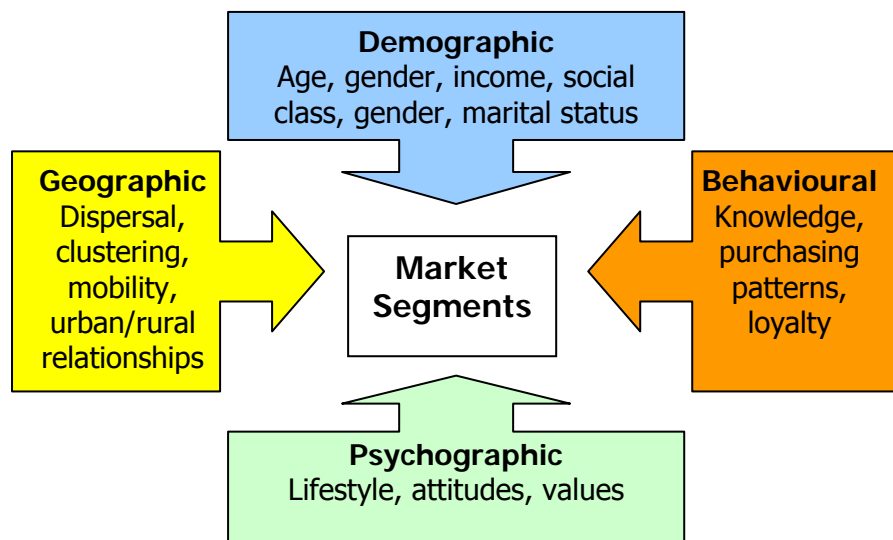
It has been said that the decision to purchase often depends on the psychological need to address those needs – which is why 'problem recognition' is a feature – this may be subconscious, or may be stimulated by advertising. The model asserts that the process of buying can be described as recognizing this need or desire, finding out about products, working towards a choice, making the decision, and reflecting (again subconsciously in some cases) on the efficacy of the purchase. The basis of decisions has to do with timing, accessibility, cost, quality, vendor support, etc.

The extent to which a purchaser continues to buy depends on whether they believe that the purchase was worth it, in other words, whether it has satisfied their needs and reinforced their beliefs.

In order to operate efficiently and effectively, an organization needs to group its 'customers' into clusters or segments that share similar profiles. These segments are likely to exercise the same purchasing decisions. They may make similar demands (for example, in the context of ecotourism, food, accommodation and experiences).

The task for the business planner is to 'segment' its market, to identify the segments that it is likely to attract, and to 'differentiate' the range of products to match the demands of these different segments.

It is possible to segment the customers for park goods and services in a number of ways. The following diagram might be a useful way of thinking about this if you plan to 'sell' direct:

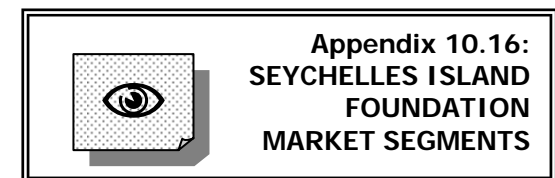


Having understood these things and considered the different parts or segments, it is important to think about how you are going to reach them.

For instance, if you have identified young, active, affluent people from Western countries as a tourist opportunity, you will need to consider which media they use – probably the internet, adventure magazines, and certain TV programmes – and decide whether you can then afford the costs of reaching them via these media.

On the other hand, if one of your segments is relatively local, you may want to consider other outlets, such as local radio, newspapers, TV and high-quality leaflets.

If part of your business plan entails the use of natural products, you will need to consider whether your market consists of various companies who will add value to the product and sell it on, or whether you want to reach purchasers of your product directly, or work through distributors. The relationship between each of these three is different, and you will need to consider the costs and benefit associated with each of them.

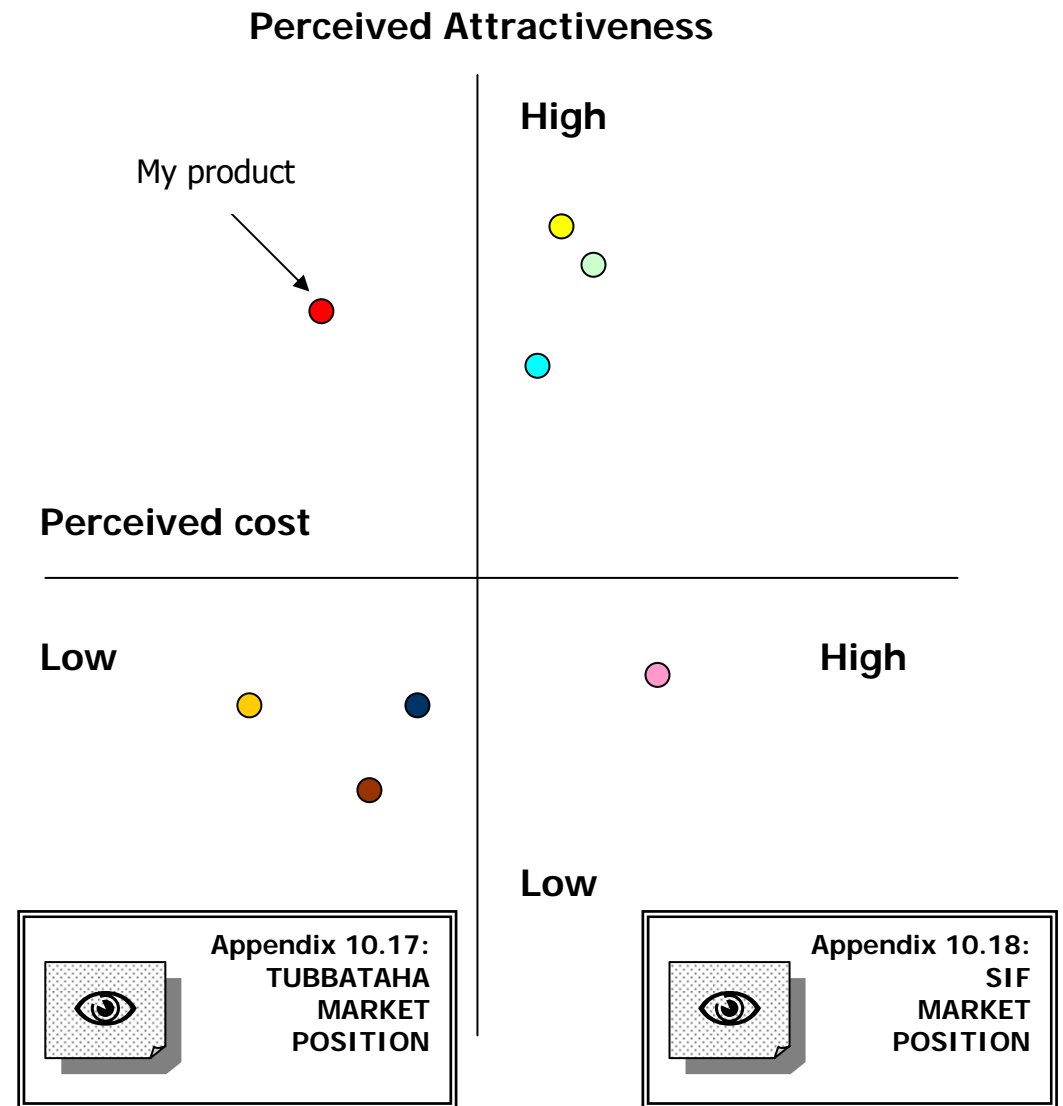


In subsection 3.5 we referred to the competition, which in the case of protected areas can refer to competing interests, and also to other providers who might offer something similar. For example, a number of small enterprises associated with protected areas in the South Pacific offer products based on coconut oils. Throughout Africa and Asia, others might offer spices or exotic foods, carved products, sightseeing, and wildlife or adventure experiences.

An important factor in developing a business plan is to consider your **position** in relation to similar organizations. This will help you to think about the way potential customers might view the 'product' on offer, work on your strengths and weaknesses, and strive to improve. It also helps you to think about the way you are communicating – does your message reinforce people's perceptions, or do you need to change either the message or the perceptions?

This needs some research – for example, you should ask visitors and other users of your site what they think about it, how they discovered it, etc.

You might want to consider your position in terms of this diagram. It is based on any two relevant criteria – in this case 'attractiveness' against 'cost' (these might refer to a food product associated with a protected area). Others might be 'adventurous' and 'safe', or 'remote' and 'accessible', which might refer to tourism experiences.



The diagram concerns the production of herb-based soaps by an NGO associated with a protected area. It sells its soaps in the city, and the main purchasers are visiting tourists. A market survey has discovered that its product is seen as attractive (though not quite as much as two of its competitors) and not expensive (only one competitor) is cheaper. This raises a number of questions:

- Should the producer increase the price of its soaps?
- Can it reduce attractiveness (and therefore some costs) to reflect its relative cheapness?
- Is it reaching the 'right' client?
- Should it use its advertising more assertively to reflect this perception of high quality and low cost?

These are the sorts of questions that a marketing strategy should aim to answer. You should also look at the SIF and Tubbatha examples.

It is clear that marketing is a critical tool in achieving the aims of any organization. For the private sector it is the means of reaching the optimal market at least cost in order to maximize profit. For protected area organizations, it is the means to ensure that their profiles are maintained, as well as reaching customers for their products in order to secure funds for management purposes.

4.2: Product

The business sector often refers to a 'marketing mix'. This simply consists of balancing four key elements.

The first of the four elements is to clearly understand the nature of what it is you are 'selling'. This is critical. It may seem simple, but in fact any product has intangible features, especially **feelings**.

People choose products because they have feelings that the products reinforce. For example, a tourism experience is exactly that – people feel spiritually refreshed, excited, perhaps slightly frightened. They have a sense of achievement, a feeling that they have been somewhere special and seen something rare. When they buy mementoes they are not simply buying products, they will be making a statement – 'I have been there and experienced this'.

The same applies to the private sector – when people buy cars they are not simply buying a moving heap of metal and rubber – they are buying speed, luxury, comfort, status, reliability and fuel economy. The product thus reinforces the way they feel about things.

In this subsection, the planner will list and describe all the products – tangible and intangible – that are provided. This should include the range of services under the organization's stewardship.

4.3: Pricing

Another key aspect of the marketing mix is the price that is attached to the product.

If the sale of goods is a part of protected area activity, it perhaps goes without saying that price is of central importance. The price:

- **Reinforces your image.** (high quality, special place, natural product, hand-produced, benefits rural communities, caring organization, protects nature, etc). People will pay more for special products 'that can only be bought at the park'.
- **Affects demand.** The higher the price, the narrower the demand – unless an experience or product is so 'must have' that many people will pay high prices in large numbers. This is an approach often used by the fashion industry – the 'must have' label being a prime example.
- **Relates to your market segment.** If your customers are affluent and value your product or services they will pay a premium. If they are relatively poor, they will not pay for a highly-priced quality product but will seek cheaper alternatives in terms of travel, accommodation, food and experiences. Some airline and holiday companies promote cheap experiences in bulk, and compete fiercely on price.

There are a number of ways of looking at pricing:

- **Mark up/margin**
Any profit is a percentage of the cost price or the sale price. In the former case, it is known as the 'mark-up' – branded outdoor clothing often has a significant mark-up. A profit on sales is the 'margin'. In either case it is the difference between your costs and your returns.
- **Break even**
The break-even point is where your fixed and variable costs are equal to your sales. Remember that production costs increase with output and with quality, and that these may overtake your sales if you cannot sell enough. You can base a profit on a percentage above the break-even point.
- **Perception**
This is simply a price based on what you think your customers will pay. Interestingly this is a technique frequently used in evaluating the costs and benefits of the environment – how much is anyone willing to pay to save a forest for instance? Of course this depends on the customer's relative wealth, but the contribution that people make to good causes and to NGOs is a form of 'willingness to pay' on the basis of perception. For the protected area manager, this is a useful approach in negotiating with funding bodies and other departments (but see below 4.6).

4.4: Place (Distribution)

This element is about getting your product to your customers (or them to it).

There are a number of factors that influence 'place', including:

- **Customer profile** – what do they do, read, watch, think?
- **Geography** – where do they live relative to the 'product'? Are they widely dispersed or concentrated? Local or far away? Can they be reached easily?
- **Product type** – is this a 'one-off' experience for some customers, a 'return again' experience for others? Is it a service for some? Can they take it away? Can it be sent?
- **Buying behaviour** – where do customers go to buy? The internet? Travel agencies? Importers of exotic products? At the location they visit?
- **Seasonal variations** – is your product subject to times when it is best to 'sell', for example, at times of migration, nesting, breeding, etc? Is your product weather dependent, so that roads and flights become impossible? Is your production based on flowering or seeding periods?
- **Funds** – what is the most efficient of using the funds you have for marketing and distribution purposes? Can you use existing channels used by others?

4.5: Promotion

This is about the methods for reaching customers and alerting them to the availability and desirability or importance of the product.

You will need to consider whom you are attempting to reach. For the protected area organization this may be wide-ranging, depending on what you are 'selling'. As a straight business process, this may include other outlets such as travel agents, guiding/trekking companies, educational organizations or distributors of natural products grown and processed in its area.

Other 'customers' might include government agencies, politicians, international NGOs and community leaders and groups.

Promotion is seen as a cost to the organization, but is an important element, as it may increase sales on the one hand, and secure future funding on the other.

You will therefore need to carefully consider how to promote the interests (as well as the products) of your organization – different 'customers' will need different promotional methods.

The role of the media is central to this. What is the image that you wish to convey - caring for nature; dependable, committed, professional, good value organization; once-in-a-lifetime tourism experiences; natural products; supporting wildlife and people?

What is your brand? Many companies and organizations try to distil their values and mission into a single image – a 'logo'. Some are known globally and have stood the test of time, even though they may not literally illustrate their product. Others reflect their 'product' strongly and simply, either through associated colour or through simple imagery.



4.6: Market Forecasting

It is crucial to forecast possible trends that might affect your organization's future viability. This may relate to the income generated from sales (which will enable you to reinvest in product development and resourcing your conservation efforts), or to funding over the forthcoming years.

- Define what it is you need to forecast
- Define the monitoring and review intervals, and the horizon (which should normally be the lifetime of the plan)
- Ensure that you have sufficient time, human resources and budget to carry out the forecast
- Decide on the technique you will use to forecast
- Gather the necessary data
- Consider your assumptions
- Identify the criteria and indicators that will tell you how your forecast is being met
- Develop and present your forecast
- Remember that this (like any planning process) is iterative – new information will require you to revisit your previous assumptions and figures
- Use graphics as well as descriptions.

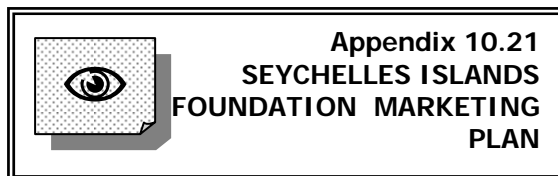
An important part of forecasting is to try to anticipate **demand**. This is the readiness of people to buy a product, which is not the same as a willingness to pay. People may

have the means to buy a product, but may not be willing, or may not be aware. At the same time people may be willing to pay but may not have the means to do so. It is only when people are willing and able to buy a product that the demand is genuinely there.

Finally, it is important to state clearly the **assumptions** on which you are basing your forecast, and their robustness or sensitivity. You will be confident about some of these assumptions, and less confident about others, so it is important to distinguish between them.

Remember that there are many sources of market information available, including your stakeholders, the park staff themselves, volunteers, tourist operators, visitors and users, hotel managers, local residents, and the various agencies and government departments that relate to your site.

It is important to know why people come to your site, what they particularly like or dislike about it, improvements that they think would make them more likely to re-visit or use your facilities more often, and how they can support you.



Section 5: Operational Plan

5.1: Overview

The operational plan includes day-to-day processes; it is business planning and management in action. It is not an integral part of the business plan, but it demonstrates that the organization operates to high standards, and gives your organization confidence that it actually has **systems** (not only policies) in place. It is important to cross-reference the sections in the business plan that link to specific operational documents, including those that implement the site's management plan.

It is typically a high-level document that incorporates other documents and systems, such as environmental management and emergency response systems, preventative maintenance and health and safety procedures and procurement systems and standards.

You should note that not all the sections apply to all organizations, therefore you should think critically about which ones are relevant, and avoid using time unproductively on documents that may not apply.

5.2: Procurement

Procurement is the system by which you manage suppliers, purchase, inventories, transportation, and the monitoring of goods and services received.

In all cases, it is important to **delegate clear procurement responsibilities**, such as:

- Who will manage the procurement process?
- Who will receive and inspect any goods received both at HQ and at outlying sites?
- Who will manage the organization's inventory?
- Who will monitor any tendering processes?

Organizations rely heavily on suppliers. However, high the standards of an organization, poor supplier relationships will negatively affect its effectiveness and reliability. This is particularly important, for instance in the case of equipment used for adventurous activities, or for providing accommodation or refreshments.

Organizations need to think strategically and tactically. In the first case, they need to consider the supply base in general – volume and type, whilst in the latter case, they need to relate to specific suppliers to meet their immediate requirements –

suppliers for protected areas can include contractors carrying out major infrastructure works, research and consultancy, printing, IT systems, and so on.

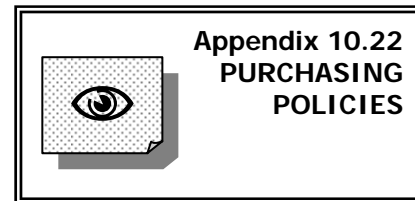
Generally, the rule is to **reduce the supplier base to the minimum necessary to operate effectively.**

Relationships with suppliers can be basic, with a minimum of concern, provided the supply is a basic commodity such as office materials, which can be ordered in regular quantities, cheaply and on time.

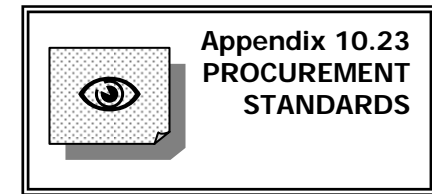
Relationships can also be complex and may require extensive discussions for clarity, regular briefings and thorough review processes - and are likely to be one-off scenarios. These can, for example, include research consultancies, or specific services at a specific point, such as the design of a visitor centre in a sensitive area.

A key issue is environmental and other standards (such as fair trade, human rights and health and safety). Increasingly it has become important to recognize that as leaders in conservation, World Heritage site and other managers should try to ensure that the organizations they deal with should have policies for environmental management systems of their own. For example, in some countries, infrastructure contractors are required to keep to ISO 14001 standards to work in protected areas and other sensitive sites.

Any procurement policy should include these issues. The reading on purchasing policies provides useful information on the **mechanics** of purchasing processes, but says nothing about key principles such as human rights and environmental standards.



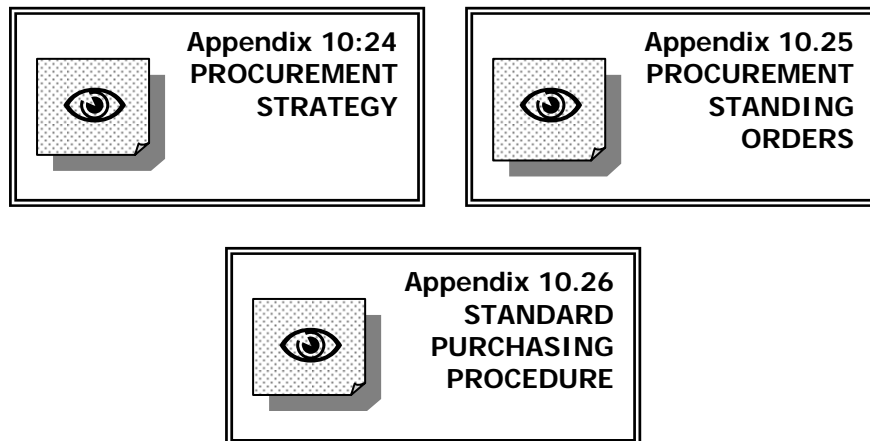
The reading on procurement standards provides an example that asserts the application of such standards.



It would be useful to show how these standards will be applied by ensuring that organizational or departmental standing orders include references to these standards, and by developing a strategy that promotes them.

In Europe and the United States, protected area management works within the public sector, therefore individual managers must operate within a regulatory framework that is defined by government. In Europe, procurement is, furthermore, regulated by European Union regulations, to which all public bodies must adhere.

The following three readings show how strategies, procedures and standing orders include environmental human rights standards, and how they relate to each other. The first of these is a broad procurement strategy written for a UK protected area's management; the second relates to standard orders that define the contractual obligations for another UK protected area, whilst the third summarizes purchasing procedural thresholds in two regions.



Internally, it is also important for the sake of efficiency and transparency to develop a **clear system for purchasing supplies and services**.

This part of the operational plan should include references to:

- Process for selection of suitable suppliers for specific requirements
- Preparation and issue of enquiries
- Administration of bids
- Commercial and technical evaluation
- Environmental and human rights standards
- Process for negotiating with suppliers
- Preparation and issue of purchase orders
- Negotiation of variations and claims
- Monitoring and reporting of purchasing activities
- Concluding orders.

Some organizations may be carrying a significant amount of stock, which might include anything from office furniture and equipment to educational and promotional materials, vehicles and safety equipment. Tradable stock is unlikely to form a significant part of a protected area's stock.

It is important to have in place an **inventory system for managing the flow and status of all your stock**. This should include a procedure for ensuring that new stock items are subject to proper scrutiny and authorization, and that determines when and in what quantities certain items need to be renewed or replenished.

Many protected area organizations rely heavily on systems of transport for moving people and equipment, for carrying out maintenance, and for monitoring wildlife. These may include

staff vehicles, earth-moving equipment, boats and light aircraft.

There are **two issues that require a clear policy**:

- The need to minimize costs
- The need to ensure that the use of vehicles is both necessary and also the most efficient mode.

This includes, for example, determining whether it is more efficient and better value to purchase vehicles in-house or to lease them; whether to have an in-house maintenance team or to contract that service out, and which vehicles to buy or lease for what purposes.

It also includes the need to keep down costs by minimizing use for necessary purposes, which should be logged, and by adopting alternative modes if this is both efficient and cost effective.

5.3: Contractual Agreements

In the interests of transparency, it is important to signal your contractual arrangements clearly both internally and to external contractors. A contracting policy should address the following matters:

- Nature and extent of to be carried out
- Role and responsibilities of Tender Board

- Single point responsibility for managing each contract (and contractor/partner)
- Awarding process based on the lowest 'lifetime' cost to the organization, taking into account best value and other relevant criteria
- Qualification and policies (environmental, human rights and health and safety) of contractors, suppliers and tenderers
- Governing law for (international) contracts, and the need for legal advice for any deviation from policy
- Types of contract to be preferred for given circumstances
- Facilities and services that the contractor is expected to provide
- Incentives/bonuses system for encouragement/reward of contractors (rather than penalties/guarantees to prevent under-performance).

The **type** of contract depends on the service or goods you wish to procure. For instance, you may wish to retain the services of a university department or an NGO for monitoring and reporting on the state of biodiversity, or you may require cleaning or maintenance services at your properties – in other words, regular intervention by people to maintain standards, whether to keep places (or say equipment) running, or to maintain a systematic flow of data.

On the other hand, you may want a one-off piece of work by a consultant, such as improving a system, raising awareness

among staff and stakeholders, or carrying out some kind of baseline work.

Alternatively, you may wish to maintain a contract with a specialist to provide technical advice when required, but not specified. Contracts may also be for the procurement of equipment on a one-off basis, or for materials on a regular basis, or as required.

These require different ways of presenting contracts, some of which may be technical, and might require specialist support. What is important is to ensure that contracts are appropriate to their purpose to ensure a good quality of service at reasonable cost to the organization.

Normal practice is to provide a standard set of terms and conditions separately from the specific contract being tendered.

In some cases it would be acceptable to use a standardized contract – these are for routine, minor operations or services. The conditions for using standards contracts need to be specified.

Contracts that are subject to tender should be open to scrutiny. A Tender Committee should ensure that the agreed tendering processes are adhered to, including:

- Tenders are genuinely competitive
- That reasons for not accepting the lowest or any bid are stated explicitly
- That contractors invited to tender have the necessary qualifications and operate to appropriate standards
- That there is a fair and impartial procedure for fielding enquiries, providing discrete information to contractors who have not succeeded, and responding to complaints
- That contracts are properly supervised, monitored and evaluated by the relevant person.

5.4: Sustainable Financing

Generating sustainable funds is often a central part of protected area management, whether for projects, or for core funding. Whether the management is an authority within a government department or an NGO, the process of bidding for funds is effectively the same activity.

Protected area managers bidding against other departmental or government interests face the same challenge as NGOs and others bidding for funds from trusts and donor agencies, so the principles are the same.

Some organizations undertake activities such as appeals to raise funds for species or species conservation, or to build education or other centres. Whether applying for funds from

donor agencies, or running appeals, fundraising is extremely time-consuming, and many efforts may not be successful. This represents a double blow, since time lost on unsuccessful endeavours is a time cost to the organization.

If generating funds is a significant activity, it is important to plan carefully, and to have a strategy for this within the business plan. It goes without saying that a well-thought out business plan is a crucial tool for sustainable financing.

You will need to ask yourself:

- Do you have to make bids to government? Do you have to justify your costs, and do you have to fight your corner for a finite budget?
- If you rely entirely on donations, how much time is spent on fundraising as against conservation or other work?
- How much time is available to carry out fundraising activities?
- What resources are available to you?
- Do you have to bid in your own right, or can you collaborate with other organizations in a joint bid?
- Is it worth the cost of calling in specialist advice?
- What accounting systems do you have in place?

Donors (including government) will want to know:

- How much is needed?
- Why is it needed?
- How will it be used?

- How will you account for it?
- What do you hope to achieve and how will this address **their** objectives as well as yours?
- How will you measure success?
- How do they know they can trust you to manage it?

What will you actually **do** with the funds? Donors, governments and the public will need to be satisfied that you are worth the investment.

5.5: Health and Safety Issues

Every organization has a legal duty to ensure the health and safety of its employees and others who visit its sites, and to protect the environment, and there should be a corporate policy stating the way in which it will manage these matters.

Such a policy should set out the organization's legal duties and its commitment to ensure safety and to operate to high environmental standards.

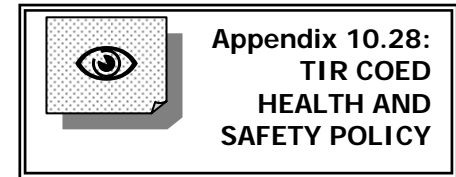
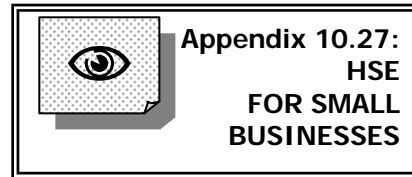
It should set out the organization's safety and environmental management systems, explaining the responsibilities of specific staff in regard to these, and the lines of communication and procedures for dealing with and reporting accidents and negative environmental impacts as a result of operations.

An integral part of developing such systems is a **risk assessment**, in other words anticipating what might happen under certain conditions, the extent of the risk, and what will be done to minimize that risk.

In some cases, this may require an assessment of all the structures on a site that the public visits, or the conditions underfoot. It may need an assessment of the conditions under which field staff operate. Responses should include repairs, warning notices and advice, redirecting visitors away from risky areas, ensuring that they are accompanied at all times, ensuring that first aid kits or protective clothing are worn, etc.

This obviously comes at a cost, but it is a crucial element of good management practice, ensures efficient working by avoiding accidents, and also avoids the potential for litigation. In many circumstances, such assessments are a legal requirement. However, this is often a minimum requirement, and good practice should also provide guidelines, for example, for working alone in demanding areas such as forests, mountains, rivers or other areas exposed to the weather; for working at height (such as trees) or on high and unstable structures (in the case of cultural edifices); for working with electrics and machinery; and for working with visitors.

In the UK, the Health and Safety Executive offers advice on workplace safety issues. Tir Coed is a small woodland conservation NGO in Wales, UK.



5.6: Preventative Maintenance

The best way to avoid mechanical breakdown is to apply a rigorous system of preventative maintenance. All too often, large amounts of money are spent on vehicles and equipment with little consideration given to managing breakdowns, or to investing in replacement parts.

There is nothing worse than a vehicle breakdown in hostile country, an ineffective radio at a time of emergency, or outdated firearms in a situation where enforcement rangers have to confront well-armed and violent poaching parties.

Ineffective and outdated equipment places a large burden on protected area organizations and presents a danger to its users, so it is critical to ensure that it is maintained to the standards and at the frequency recommended by the

manufacturer – this is as much a health, safety and environmental issue as it is a business one.

All equipment should carry a maintenance log that can be accessed both by the user and by the persons managing records.

Section 6: Human Resources

6.1. Overview

The role of the Human Resources section is twofold:

- It describes the current state of the human resources in the organization
- It identifies gaps in capacity, linked to the strategies identified in the business plan, and how the organization plans to address these gaps.

An organization's **human capital** is probably its best resource, especially when that capital contains the wealth of knowledge, skills and experience retained by its people.

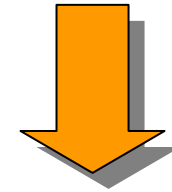
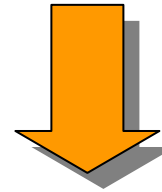
Supporting and nurturing their development should be seen as an investment in them and in the organization itself.

This section will include issues such as organizational structure (including the organogram referred to at the beginning of this toolkit); current staff profile, future organizational needs and gaps, training needs and performance appraisal.

This diagram demonstrates some of these elements and their impacts:

ELEMENTS OF HUMAN RESOURCE AUDIT

- Recruitment
- Skill set
- Structures
- Salaries
- Staff Turnover
- Staff size
- Leaders
- Labour relations
- Training



ORGANIZATIONAL IMPACT

- Leadership
- Productivity
- Generation of new ideas
- Organizational change
- Know-how
- Dependency
- Culture

6.2. Organizational Structure

Understanding the way in which the organization is built and managed will help to identify which of its parts does what, and who is responsible and answerable to whom.

It also provides a rapid insight into the 'metrics' (numbers, functions, roles) of the organization.

If your organization is planning to seek funds in ways that will expand (perhaps temporarily) its numbers, it is important to present a proposed structure for the management of people in a proposed project. In the case of an organization seeking funds to continue and improve its operations, it is important to illustrate gaps in capacity, and how any increases in funds will address those gaps.

As we saw in the first section, an organogram is a key tool in summarizing structure. This should be accompanied by a description of the organization and roles, functions and costs of its staff.

The following list summarizes what might be included in such a description:

BASIC INFORMATION

- Number of employees
- Brief description of main divisions/ departments within the organization

SUPPLEMENTARY INFORMATION

- Detailed description of Steering or Advisory Board/Committee
- Detailed description of the Management Team (executive)
- Detailed description of committee roles and functions
- Detailed description of other key roles within the organization
- Information on levels of authority with regard to funding/costs
- Detailed departmental organograms
- Information on staff by department

6.3. Staff Profile

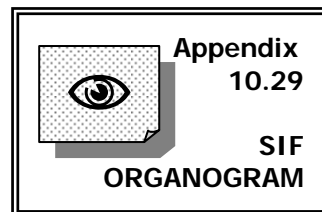
Business plans usually contain a summary description of an organization's skill set. Its importance lies in helping to analyse the specific skills needed to achieve the objectives. This can best be described as an **organizational needs analysis**.

Analysing the skill set of an organization requires two elements:

- A 'position-oriented' element, describing what it is that a position should deliver in terms of strategies and objectives
- An 'employee-oriented' element, focusing on the skills that the employee possesses.

Analysing the gap between the position's requirements and the skills will raise questions about the capacity of the organization to operate effectively.

It perhaps goes without saying that as well as an organogram, any proposed project for which a business plan is being written should also include detailed job descriptions and roles for staff to be recruited to deliver.



6.4. Gap/Organizational Needs Analysis

Ensuring that an organization will satisfy its needs (in terms of staff capacities) is a dynamic process, constantly changing and creating new challenges.

It is useful to make an explicit statement about the **organizational change** that is required and the processes that are needed for that change to happen. This should be produced according to key criteria (linked to the strategy) such as the need to improve communications, to develop an environmental ethic, to move into new spheres of competence, to work more collaboratively, etc.

It is important to analyse gaps both at individual staff levels and at the organizational level (in other words, a gap analysis should be done not just on an individual by individual basis, but across an entire group of employees or department, for example, what are the **collective skills** required across the Park Rangers?). Remember that training individuals should have a knock-on effect throughout the organization, so the impact of training (and of recruiting new staff) should permeate across the organization.

Gap analysis helps to address challenges, by comparing current and future states and identifying skills gaps. The response (assuming that the strategy and objectives are achievable) is to recruit new staff and/or train existing members.

This should be based on an agreed procedure that explicitly states the **existing** and the **required** skills of each member of staff, and carrying out an appraisal of the gap, in order to improve competence and effectiveness.

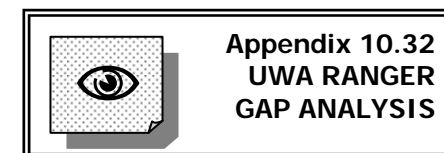
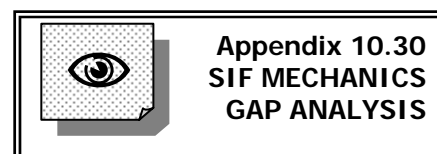
For example, a mechanic may have the skills to repair and maintain the existing range of equipment, but may need to expand those skills, to improve record keeping, or to develop better communication skills in order to train young recruits, etc. The existing and required skills should be discussed and negotiated between the staff and managers.

Since it would not be possible (and may not be desirable) to try to address all requirements, they should be prioritized and assigned importance. This might be based on a number of factors, such as long-term viability of the job, expense of training, urgency, speed with which skills can be acquired, etc.

The existing and desired skill set might then be given a score according to confidence, expertise, knowledge, etc. Such a template can be used to update the skill set of staff on a regular basis, to draw up training schedules, and to identify gaps that may require additional recruitment, merging of posts, etc.

In our other example from Uganda, the ranger's role description identifies the important responsibilities and

attributes that are required. The accompanying gap analysis has the effect of weighting each of the skills (so as to focus on the critical skills first), provides an **actual** performance score, and charts the gap between existing and desired skills.



6.5. Training

Organizations should have a policy on training, and should include an element of funding for that purpose. Business plans should make reference to this policy and should summarize the organization's position on training.

It should be remembered that training can be carried out in a number of ways, as well as in formal training courses. Shadowing, reading up to date references, in-house presentations and discussion groups are all useful and should be recognized.

Training at a personal level has three aspects: it builds knowledge, improves skills and develops attitude. Training programmes should demonstrate how they will do these things, and how in achieving them, an individual will benefit professionally and will benefit the organization.

Such training should clearly address the gaps identified. It is important that the person responsible for human resources engages actively in any training programme, by ensuring that trainees are supported before and after any events, and by carrying out a pre- and post-event appraisal.

Section 7: Risk Analysis

7.1. Identifying and Evaluating Risks

In section 5.5 we referred to risk analysis associated with health and safety. It is worth saying that risk is a fact of life, and that the unforeseen will sooner or later happen.

The purpose of this section is to demonstrate to the reader that the organization has carefully considered the risks, and has taken steps to address them as far as it reasonably can.

First, it must understand the nature of these risks. These can include 'macro' issues such as:

- Natural disasters
- Civil conflicts
- Isolated cases of robbery, rape or murder
- Changes in government leading to changes in land use/conservation policies
- Privatization of publicly-owned or managed enterprises, or nationalization of private ones
- Global policies that influence purchasing/holiday choices.

These risks have an external, often international dimension that can be devastating to the interests of organizations attempting to build enterprises.

Internal risks can include:

- Unanticipated losses of key staff, and their skills
- Collapse of structures leading to multiple deaths or injuries
- Injuries or deaths arising out of everyday work accidents
- Corruption or incompetence
- Loss of critical supplies or services such as water, electricity, etc
- Loss of key species or habitats associated with a site.

These incidents too can have significant consequences for management. All have occurred, sometimes with alarming frequency.

Other risks may be associated with project management, and contractors (see the section on procurement) should be asked about the risks attached to the delivery of their proposal. The same applies in the case of donor agencies and other donors – protected area organizations are asked to define any risks to the success of a project for which they are seeking funds.

It is critical to work through a systematic process of risk identification, analysis, management and communication, which should involve all members of staff, and should encompass external and internal risks.

Be aware that it is not possible to consider every possible contingency. It is important to weigh likelihood, and to focus on the risks most likely to be those that will prevent the organization from reaching its goals. The assessment should work to a reasonable horizon – normally the plan lifetime - between 3-5 years. The risk should reflect the likelihood that a damaging event will occur **within that period**.

- Identify and describe the risk
- Agree on its implications in terms of a range of criteria – the environment, people, reputations, performance, finance, etc
- Evaluate the scale and scope of each risk – some risks may impact on a wider range of interests than others. Some might be unlikely to occur, but could be devastating if they do occur, whilst others might be more likely to occur but might be less damaging
- Use a 'what if...?' approach to determine what might occur in a range of scenarios, and what the response should be.

In carrying out a risk analysis, you should begin by reviewing your earlier SWOC, as this enables consideration of organizational assets that might be damaged or lost. The 'challenges' or 'threats' element represents some of the risks. In the Uganda example, for example, the gorilla population is a major asset. The identified threats present a risk. It is important to describe the risk – is it environmental, does it impact on the human or material assets, is it financial? You need to be both clear and concise.

ASSET	RISK
50% global gorilla population in World Heritage site	Migration/break-up of habituated gorilla groups
	Poaching and illegal trade
	Physical threats to PA (fire, over-development)
	Disease outbreak
	Reduction in tourism due to global or political threats
	Poor roads to parks
	Perception of poor security due to foreign embassy travel advice

We now need to evaluate how vulnerable the asset is to each of the threats. We need to define this in two ways:

- How likely is each of them to happen?
- How damaging might each be?

The result in the case of the gorilla asset might be:

ASSET	RISK DESCRIPTION		LEVEL	
50% global gorilla population in World Heritage site	1	Migration/break-up of habituated gorilla groups	L	H
	2	Poaching and illegal trade	H	H
	3	Physical threats to PA (fire, over-development)	M	H
	4	Disease outbreak	L	H
	5	Reduction in tourism due to global or political threats	L	M
	6	Poor roads to parks	M	M
	7	Perception of poor security due to foreign embassy travel advice	H	M

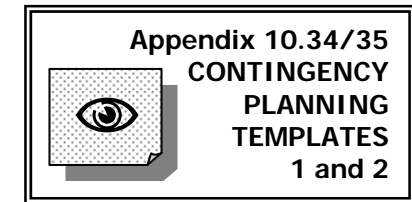
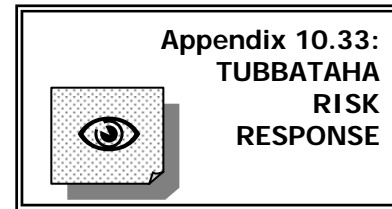
Under the 'level' heading, the left-hand column represents the **likelihood** of the risk occurring. The right hand one the **impact** of the event. It can be scored L (low), M (medium) or H (high), or it might be possible to assign percentages or a score out of ten.

This exercise should be carried out across the organization's operations, and should explore beyond the SWOC analysis. There are a number of ways to tabulate the results, depending on the scale of organization and the scope of its risks. What is important is that this is meaningful to the person reading it. It might be possible, for instance, to aggregate the table above in order to arrive at an overall score or colour, but this then needs to be capable of being disaggregated back to reveal the detail.

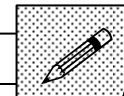
The next stage is to develop a risk management programme, which should be commensurate with the risk – overcompensating can be as problematic as failing to acknowledge the risk. It should be reviewed annually.

Risk management plans should identify the channels through which decisions are made about the level of risk avoidance and response.

Look at the following examples, which show how the Seychelles Islands Foundation has approached this exercise.



Some risk management is met through regulatory compliance.



EVALUATING RISK

Using this table, decide on a key strength or asset linked to your organization. Identify the range of risks to which it might be vulnerable, and describe them in the first column.

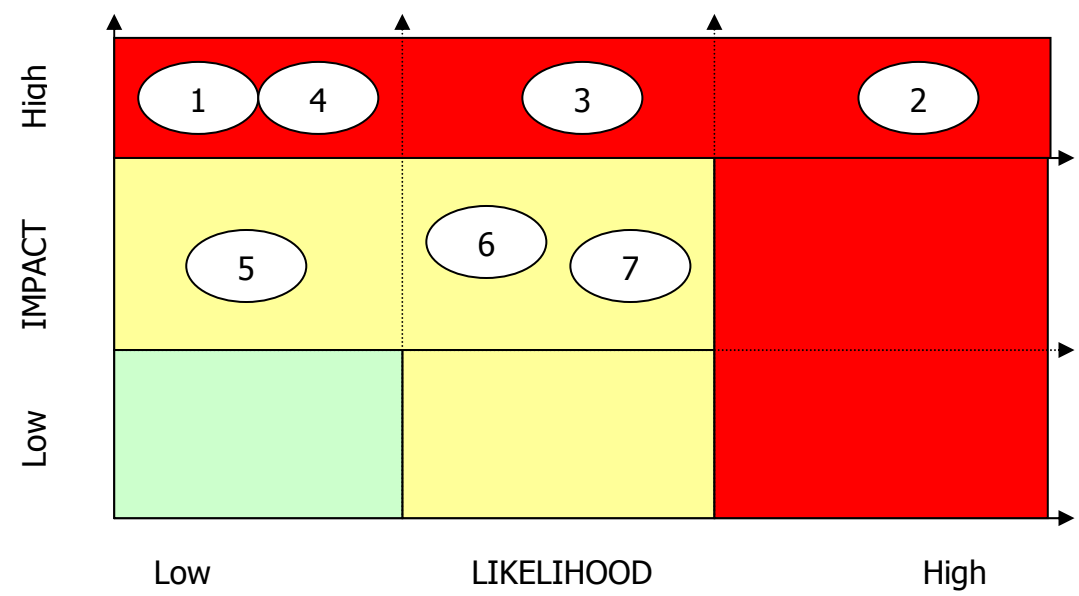
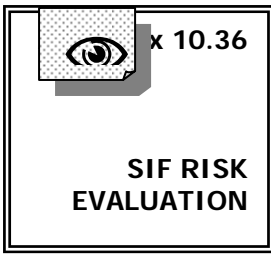
Decide how likely each risk is to occur, and put a circle around the appropriate box. Repeat the exercise for the potential impact of the risk.

Key asset, strength or operation:

	Identified Risk	Probability of occurrence (please circle)			Risk impact (please circle)		
		Low	Medium	High	Low	Medium	High
1		Low	Medium	High	Low	Medium	High
2		Low	Medium	High	Low	Medium	High
3		Low	Medium	High	Low	Medium	High
4		Low	Medium	High	Low	Medium	High
5		Low	Medium	High	Low	Medium	High
6		Low	Medium	High	Low	Medium	High
7		Low	Medium	High	Low	Medium	High
8		Low	Medium	High	Low	Medium	High
9		Low	Medium	High	Low	Medium	High

You might present your results by plotting them on a graph. In the above example, the graph might look like this:

Another way of showing has been presented by the Seychelles Islands Foundation.



Section 8: Financial Plan

8.1. Overview

The Financial Plan section will help the reader of the Business Plan understand the organization or site's financial situation and funding requirements. It shows the financial impact of strategies and activities identified earlier in the plan that are key to achieving its conservation objectives.

For a potential donor (whether it is your government, an investor, or a donor agency), this is a particularly important section, since it provides the financial focus of the business plan. It should therefore be presented clearly and succinctly.

The financial section of the Business Plan typically includes:

- A summary of your institution or site's financial history
- The current financial situation including a detailed budget statement
- Your future financial projections including
 - Your projected expenditure and capital requirements
 - Your projected income and funding needs
- A summary of important conclusions from the Financial Plan.

The level of complexity and detail of a financial plan depends on the purpose of the business plan. Is its purpose:

- Requesting funds from a donor for a new project?
- Requesting money for particular elements of the organization's work, such as new equipment, accommodation, visitor services, conservation work or research?
- Presenting a total picture of the organization's role, operations and capacity in order to secure and increase core and project funding from the Government or international funding agency?

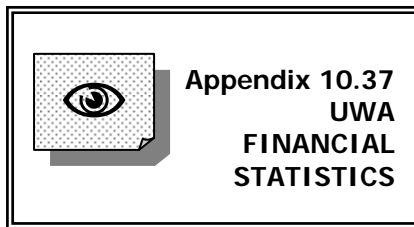
Whatever its purpose, this section will need to show statements to demonstrate good financial management. These will include profit and loss accounts, balance sheets, core and programme budgets and an analysis of cash flow.

This part of the plan can be one of the most difficult to write and must be written after considering all the previous sections. The strategic goals and actions discussed in the earlier chapters must be taken into account in the Financial Plan to show a consistent and well thought through story.

8.2. Financial History

This section is a brief summary of the organization's financial history, focusing on its main sources of income in recent years and also its main expenditures. It puts into context for potential donors where money has recently been spent in achieving the site's conservation objectives and what sources of funding have been used.

It can be very useful to present this information with simple statistics or to illustrate it graphically for the reader.



If you have specific financial goals, for example, achieving financial sustainability for a Protected Area site, then it may be helpful to comment on progress towards achieving your goals here.

8.3. Budget

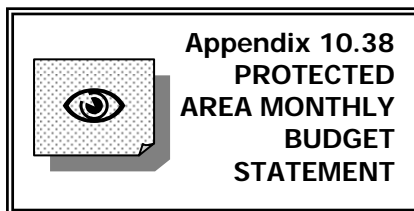
This section of the financial plan summarizes the organization's financial plans and budget for the current year. It usually refers to a detailed budget statement, which is a

month-by-month expression of the revenues and expenses over the year. The budget statement can be included in the business plan, but is more often referenced in a separate document.

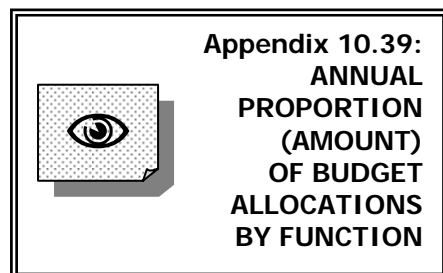
It is an important tool for managing internal financial systems and for tracking the way in which money is spent, for what, and by whom, since it presents detailed expenses arranged according to functional groups or categories.

These categories reflect the nature of the organization. If its operation entails trading it is likely to include the following categories:

- **Sales**
- **Cost of goods sold**
 - Material
 - Labour
 - Fixed costs of goods sold
- **Gross Profit**
- **Operating expenses**
 - Sales and marketing
 - Research and development
 - General and administrative
- **Income from operations**
- **Other income and expenses**
- **Income before taxes**
- **Income tax and other taxes**
- **Net income after taxes**

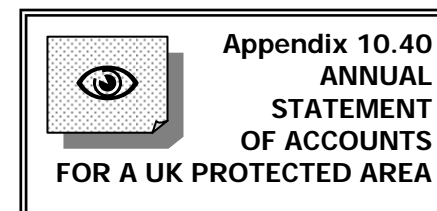


The work of many protected areas will include conservation activities, visitor management, managing human/wildlife conflicts, enforcement of wildlife laws, etc. Whatever their activities, they will need to demonstrate that the purposes for which their areas were designated are being promoted, and the operational categories should reflect those purposes. For instance, if it is a requirement in law that a protected area *'protects and enhances the special qualities that led to its designation'*, the budget will need to show how the monies spent on the organization's activities are directed towards not only protecting, but also **enhancing** those qualities.



In Europe, protected area management often entails an integrated approach, with a complex budgetary system. An

example Annual Statement of Accounts for a UK PA is given here as an illustration.



8.4. Financial Statements

An organization's financial plans both for the current year (see 8.2) or projected plans for future years (see 8.4 below) can be represented in a variety of different formats or financial statements.

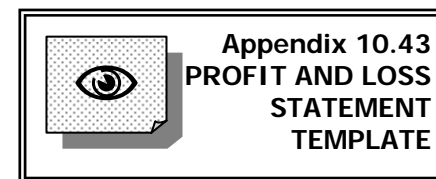
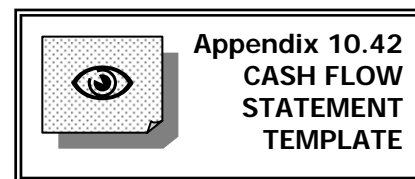
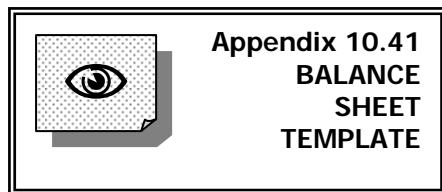
These are basically standardized forms developed by accountants and financial managers to record a business's financial information. They are designed to reflect standard accounting principles and assure uniformity and comparability. The budget statement is the simplest of these. Other formats include a profit/loss account, a balance sheet and a cash flow statement.

Clearly, these statements often relate to trading companies, but with donors becoming more financially sophisticated it is increasingly common for conservation organizations to need to present their financial information in these formats. The

different financial statements are largely designed to address similar concerns, namely that the organization can show that it is successfully tracking its income and expenditure, that it can competently account for its budget, and that it is operating viably and in line with its objectives and the purposes for which it has been established.

There are no rules as to how to illustrate an organization's financial operations. It is for the management to determine the best way to present this – the most important points, however, are that the reader should quickly be able to assess the financial condition (through, say, an annual profit and loss summary) and the dynamics (through, say, a cash-flow or monthly budget) of an organization and that the formats presented meet any specific requirements of the intended audience, for example, donor organizations.

Examples of the main types of financial statements are presented here. However, in order to prepare the financial statements the author of the Financial Plan should be familiar with basic accounting principles. Use of external help for this section is very common (and on many occasions advisable).



8.5. Future Financial Projections

This is the key section of any Financial Plan, showing all the financial aspects of how an organization plans to achieve its objectives in the future. The two areas it should focus on are

- a) projected capital requirements and operating expenses
- b) planned sources of income and funding.

Usually information is presented for the next 3-5 years however a longer period could be chosen depending on the purpose of the plan.

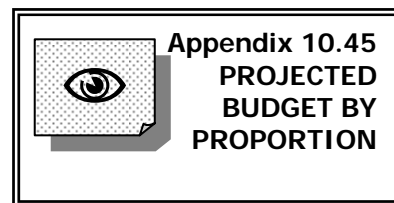
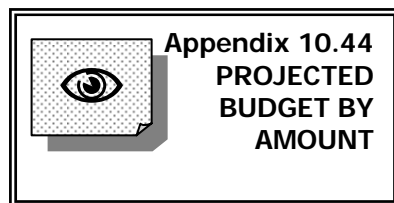
a) These are projections of funds required to achieve the various elements of your plan. These will constitute the statements of amounts, the timeframe over which they will be required, and the purpose for which they will be used. Additional information should also be given on how they will

be disbursed and the method of reporting at agreed points in time.

Whilst a statement of projected capital needs can be developed alongside the strategic elements in the previous sections, it should be written last, and must be checked against the objectives, organizational structure and profile, and the marketing and operational elements, to ensure that it reflects the needs identified in those sections. Any mismatch will leave the entire plan open to criticism.

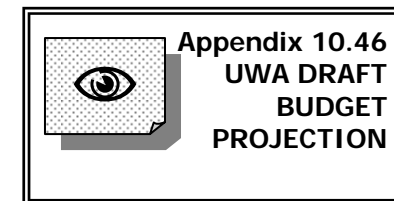
Such projections should carry a statement of risk in completing each element, and an acknowledgement that unused sums will be returned, with a statement as to how this will happen.

Often the most difficult aspect of preparing forecasts of spending is how to estimate the costs for items that will be bought or services that will be paid for in the future. There are a number of ways of approaching this, examples of Protected Area budget forecasts where budget has been allocated as a proportion of total spend to different areas, by forecasting forward from current spending and by allocating monies to projects in order of priority are shown here.



Another way of approaching this is to look at different types of costs: those which are fixed, those which can be based on historical spending, or those which are proportional to other factors, for example, salary forecasts will be proportional to the number of staff forecast in the HR section; money spent on souvenir items for sale will be proportional to the number of visitors forecast in the marketing plan.

An example is given where a PA shows how they will forecast each of the line items in their budget plan.



b) There are a number of potential sources of income which can be used to fund an organization's planned outgoings such as income from own trading activities, for example, sale of merchandise, government funding, donor funding for specific projects or ongoing donor funding, interest from investments, and so on.

These too should be identified and projected forward in the budget. Particular attention should be given to identifying which sources of funding are certain and which have yet to be secured. Also, it should be clear to the readers which sources

of funding are under the control of the site manager and which are under external control. Any risks related to funding not being secured or being withdrawn should be described, as should any potential new sources of funding which are being pursued.

As for the current budget statement above, once a projected budget has been prepared it can then be presented in additional formats such as a projected cash flow statement or a projected Profit/Loss statement if required.

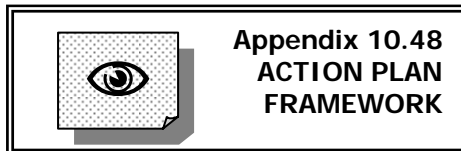
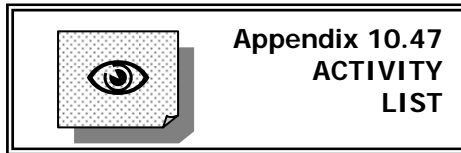
8.6. Conclusions

It is important to summarize at the end of the Financial Plan any key conclusion. This is particularly the case if there are funding gaps that the organization needs to fill to achieve its plans or if the current plans have excluded certain projects due to lack of funding. This section can be used to summarize key financial messages to the reader.

Section 9: Action Plan

The purpose of the action plan is to show precisely how the organization plans to implement the objectives, projections and assumptions stated the business plan.

Although there are no strict rules, an action plan should make sure that all activities are linked to a person and have a specific timeframe. Two examples of a possible framework are given – use whichever appears more appropriate in your circumstances.



Section 10: Appendices

The 48 appendices are provided in electronic format only and can be found, along with the full text of the toolkit, on the CD originally provided with this document. They can also be found online at the following address:

<http://whc.unesco.org/en/businessplanningtoolkit/>

Several of the appendices consist of actual examples from the World Heritage Sites that participated in the development of the toolkit. Information contained in these documents is presented exclusively for the purpose of providing the user of the toolkit with some actual field-level samples of how the various tools have been used. The content of appendices should be considered as 'works in progress'. Information contained therein does not reflect official policy, nor can be applied for any purpose other than help the user better understand how to use the toolkit.

APPENDIX 10.1

GLOSSARY OF ACRONYMS AND TERMS

DFID	Department for International Development
EOH	Enhancing Our Heritage
IUCN	World Conservation Union
NGO	Non-Governmental Organisation
PEST	Political, Economic, Social and Technical
UNF	United Nations Foundation
SIF	Seychelles Islands Foundation
SMART	Specific, Measurable, Achievable, Realistic and Timescaled
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organisation
WWF	World-wide Fund for Nature/World Wildlife Fund

Audit

Financial audit -an examination of a client's accounting records by an independent certified public accountant to formulate an audit opinion. The auditor must follow Generally Accepted Accounting Principles (GAAP) Source documents are examined to substantiate legitimacy of transactions. A careful evaluation of internal control is necessary.

Internal audit - investigation of the company's procedures and operations by the internal auditor to assure that they conform to corporate policy.

Management audit - evaluation of management's efficiency

Compliance audit - ascertainment of the firm's compliance with specified rules and regulations.

Balance sheet

A condensed financial statement showing the nature and amount of a company's assets, liabilities, and capital on a given date.

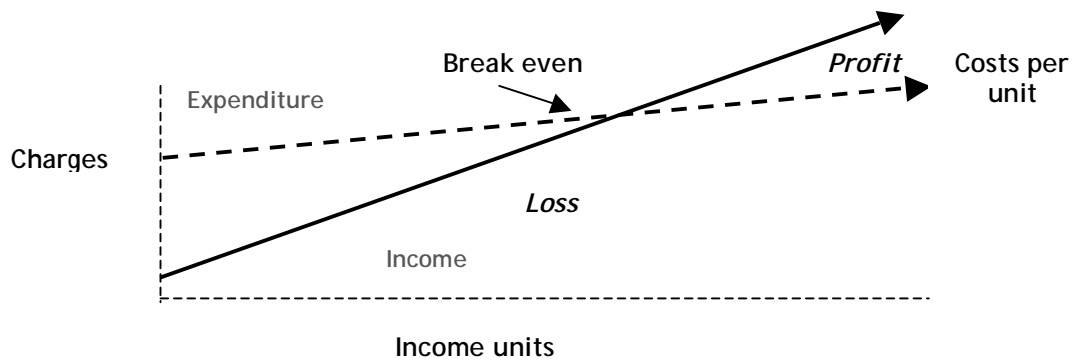
Brand

Your brand is everything about you and includes your name, design, your staff, communication, how you act, and a combination of all of these that are used to uniquely identify your goods and services to differentiate you from your competitors.

Break-even analysis

Break-even analysis is a technique used to assess the expected profitability of a company or a single product. The process determines at what point revenues are the same as all costs. As fixed costs don't change by their very nature, this analysis will show how many units of sales are required so that the direct profit from those additional sales is equal to your fixed

costs. The results usually show the sales level needed to cover both fixed and variable costs.



Break-even point

The point at which costs and income balance. Above that point the organisation is in profit, below it in deficit.

Budget

Estimate of revenue and expenditure over a given period. A cash budget shows cash flows, a capital budget shows anticipated capital outlays, and an expense budget shows projected expenditures.

Business Plan

A comprehensive analysis of all aspects of an enterprise relevant to its viability, including its history, management, competitive position, market, activities, products, policies, finances and projected finances. Its purpose is usually to attract finance or capital.

Capital

Refers to an organisation's worth after all the liabilities are deducted. This is also known as equity or net worth.

Cash flow

Cash receipts minus cash outlays for a given period. Refers to sources of cash minus uses of cash.

Concession

The right to use property for business purposes. Granted through competitive tendering often by public bodies.

Cost-benefit analysis

Manner of determining whether the favourable results of an alternative are sufficient to justify the cost of taking that alternative.

Economic value

The value of a good expressed as its exchangeability for other goods, taking into account all relevant costs of the good and the social benefits provided by it.

Human Resources Management

A term that is replacing personnel management, implying that managers should handle merely recruitment, pay and discharge but should aim to maximise the potential of all their people.

In kind

Benefits, payments or costs equivalent to a financial transaction. Volunteers provide in-kind contributions to an organisation's activities, namely the equivalent costs of paid labour.

Market segment

A sub-set of a larger identifiable group of people. Segmentation is the act of dividing the market into different sub-sets according to criteria such as behaviour or demography, in order to target their specific needs or aspirations.

Marketing

Marketing is the process of identifying and satisfying customer needs.

Marketing plan

A marketing plan is a written document containing an organization's or a product's core marketing strategies, tactics and action programmes for a planning period, often one year.

Net Income

The net earnings of an organisation after deducting all costs of selling, depreciation, interest expense and taxes. Where this is a surplus it is a **net profit**.

Organogram

A diagrammatic representation of an organisation, showing the relationship between its different functions.

Public goods

Products that the public sector is best positioned to utilise, as opposed to the private marketplace.

Risk

Measurable possibility of losing viability or value. Risk is different to uncertainty, which is not measurable.

SWOC Analysis

Sometimes known as a SWOT analysis, this is the summary of a company's opportunities for growth. SWOC stands for strengths, weaknesses, opportunities and challenges - the T stands for threats.

APPENDIX 10.2

IUCN Financing Protected Areas

1.2 What is financial planning and why is it important for protected areas?

A financial plan is a tool that helps to determine the protected areas funding requirements (including the amount and timing of that funding) and to match income sources with those needs. Financial planning differs from financial budgeting in that it not only identifies how much money is needed for different types of activities, but also locates the most appropriate funding sources for short, medium, and long-term needs.

Different sources of funding have different characteristics. Some are more reliable than others, some sources are easier to raise than others, and some can be used freely according to management priorities while others come with strings attached. Some funding mechanisms take a long time and a lot of effort to establish; they therefore do not provide a short-term return, but over the longer term they offer the possibility of steady, reliable financing to meet recurrent costs. Some sources of funding have short-term time horizons (such as a bank overdraft) and others have longer-term horizons (such as a mortgage). A good financial plan identifies these characteristics, and builds a revenue stream which matches both the short and long-term requirements of the protected area, or protected area system.

Ensuring effective management and securing sufficient financial resources are vital if protected areas are to continue to provide benefits and fulfil their role in biodiversity conservation. However, financial resources are often a constraining factor in the effective management of protected areas, falling well short of needs. Protected areas have to compete with pressing demands from other sectors, such as education, defence and health. For various reasons, these other demands often prove more effective than protected areas at capturing government revenue. The result is that the proportion of public funding going into investment in protected areas is in decline in many countries.

For example, following the economic crisis in South East Asia, budget cuts resulted in significant reductions in funding for the environment e.g. in the Philippines, the Department of Environment's budget was cut by 25% in 1999 (World Bank, 1999).

Traditionally, protected areas have been managed by government agencies and have thus tended to rely almost exclusively on government coffers. In some places, however, these arrangements are changing. New models are emerging, such as protected area parastatals in Africa, private protected areas in Southern Africa and elsewhere, NGO-managed protected areas especially in Latin America, and the growing band of volunteers assisting with protected areas management in Australia. Such new institutional

arrangements may provide greater flexibility and be more innovative in securing financial resources from public and private sources.

1.3 Guiding principles

These guidelines build on lessons from all types of protected areas, developed under a variety of management structures. They are intended to highlight the range of financial options available and encourage protected area managers to explore ways of diversifying their portfolios of investors so that they consider capturing resources from all possible sources.

The guidelines are based upon a number of principles:

- That business plans should be developed within the overall context of the protected area management plans and legal frameworks, thus ensuring that generating revenue remains a means towards the end of more effective biodiversity conservation and does not become an end in itself;
- That a business approach should be adopted towards financing protected areas, which entails defining relevant consumers and identifying ways of capturing a fair return from them; and
- That both public and private revenue streams are important, with public revenue streams linked to public goods and private revenues to private goods.

Within this context, this document introduces the concept of a business approach to protected areas. This leads logically to a discussion on the development and financing of business plans for protected areas.

2. A business approach to protected areas

In this section, we use quite deliberately, the language of business, talking of product, customer and marketing. The idea here is to encourage protected area managers to see their job, in part, as running a business. But it is essential that in so doing they do not lose sight of the basic values represented by protected areas. **The business approach is a means to an end: a better, more sustainable protected area.**

Achieving sustainable financing of protected areas requires protected area managers to identify financial sources and opportunities and to match these with the financial requirements of the protected area or protected area system. To spur such thinking, this section uses economic valuation tools to give protected area managers a structured approach to identifying existing and potential customers.

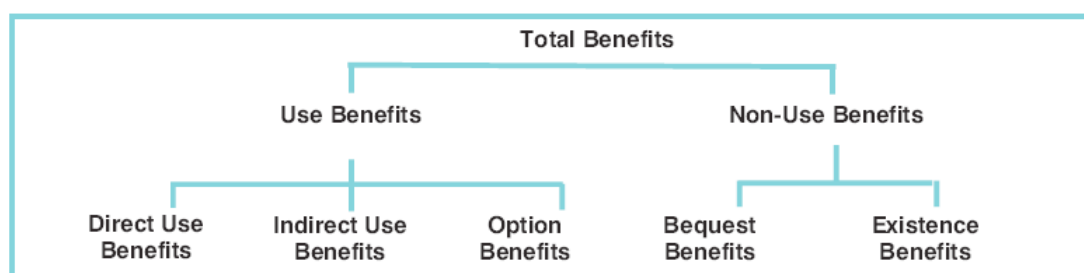
The business approach adopted in these guidelines starts by outlining the array of benefits which protected areas provide to individuals and society as a whole (Section 2.1). These benefits are then linked to customer groups, with a discussion on the nature of goods and services flowing from the protected area and the implications of these for the financial plan (Section 2.2). Finally,

there is a discussion of how protected area managers can recover costs from customers for the benefits derived from the protected area. (Sections 2.3 and 2.4).

2.1 Benefits from protected areas

Viewed from the perspective of a financial planner, a protected area can be seen as a business operation. An analogy might be a department store. A department store offers its customers a number of goods and services such as clothes, shoes, cosmetics, toys, meals and entertainment. The goods from a protected area include recreational opportunities, basic food items and genetic materials, while the services are such things as biodiversity conservation, crop pollination, water purification and game

Figure 1 Protected area benefits



viewing. Such goods and services provide people with a stream of benefits from the existence of the protected area. These benefits can be divided into use and non-use benefits that in turn can be sub-divided into direct, indirect, option, bequest and existence benefits. Figure 1 represents this in diagrammatic form.

The various goods and services of a protected area fall into one or more of these categories. For instance, fishing is of direct use to a person who actually visits the protected area and fishes its streams and lakes. Fishing may also be an option benefit for a person who may one day wish to visit the protected area to fish, but has not yet done so, or a bequest benefit for a person who would like future generations to have the chance to fish the stream or lake. Table 1 demonstrates the types of benefits generated by a number of protected area goods and services.

2.2 Protected area customers

Each of the benefits demonstrated in Table 1 can be associated with a customer base or beneficiary group, such as locals, tourists, downstream beneficiaries and global customers.

Different types of protected areas may cater to different sets of beneficiaries, depending on the types of goods and services offered by the protected area.

Table 1 Indicative benefits of protected areas

Use			Non-use	
Direct use	Indirect use	Option	Bequest	Existence
Recreation	Ecosystem services	Future information	Use and non-use values for legacy	Biodiversity
Sustainable harvesting	Climate stabilisation	Future uses (indirect & direct)		Ritual or spiritual values
Wildlife harvesting	Flood control			Culture, heritage
Fuelwood	Groundwater recharge			Community values
Grazing	Carbon sequestering			Landscape
Agriculture	Habitat			
Gene harvesting	Nutrient retention			
Education	Natural disaster prevention			
Research	Watershed protection			
	Natural services			

The array of benefits flowing from a protected area will largely be determined by the ecological character of the area but are also affected by how accessible it is to stakeholders and customer bases, and by the institutional structure and policy environment of the protected area. For instance, a marine protected area in the vicinity of a cruise ship route will be more likely to provide direct recreational use benefits than an isolated marine protected area. It is the task of the manager to identify the relevant beneficiaries and to build these stakeholders into the financial plan for the protected area in a way which is compatible with the conservation objectives of the area as well as with the other customers and with the overall context and features of the area.

Compatibility among customers is as important to the success of a financial plan as it is to the effective management of the protected area. Incompatible customer groups can lead to conflict and loss of potential support and investment. For instance, a bird watcher may not wish to mix company with a trophy hunter and may indeed be prevented by the presence of hunters from undertaking his or her activities. In such cases a protected area manager must either choose between customer groups or identify ways to ensure that the two customers do not cross paths.

In drawing up the financial plan, and considering the financial options, the protected area manager should also take account of the following:

- The size of the protected area;
- Zoning regulations within the protected area; management responsibility including legal mandates;
- Ownership of land and associated resources and features;
- Regional variations;
- Multiple classifications;

- External zoning regulations including buffer zones; and
- International designations (e.g. World Heritage and Ramsar).

These factors influence how the protected area can and should be managed, the various uses and customers which a protected area manager could develop for financing the protected area, and the opportunities for channeling finances back into the protected area. For instance, a protected area that has a densely populated buffer zone may be able to capture more financial resources from the local community than one situated in a sparsely populated, remote area. Or again, a Category V protected landscape will often include within it a range of tourism and land use activities that can be financial partners in the management of the area. The use of multiple classifications for a protected area may enable a manager to capture revenues from a zoned set of activities while minimising their impact on more sensitive parts of the protected area.

Related to these factors is the importance of the social and cultural context of the protected area. Social norms may play a significant role in determining which activities or uses are appropriate and which are not. For instance, hunting in the Australian context of protected areas is generally not acceptable, but it is a revenue generator for some protected areas in Africa. Likewise, gate fees for local users may be socially inappropriate in the context of some countries, but may provide a major source of income in others. For example, relative to incomes, gate fees for protected areas are much higher in East Africa than they are in North America.

To summarise, the purpose of developing a customer base for the protected area is to provide sustainable income flows that can underpin the long-term viability of the protected area. Having customers is not an end in itself. Therefore, it is necessary to ensure that the customer base is appropriate for the protected area. This can be done by ensuring uses are:

- Compatible with the objectives of the protected area;
- Compatible with other users of the protected area; and
- Compatible with the social, cultural, legal, institutional and geographic context of the protected area.

2.3 Getting customers to pay

Having identified the potential uses of the protected area, the relevant customers and how appropriate these uses and customers are, the next step is to identify ways of ensuring that the customers pay for the services and goods they derive from the protected area. Keeping in mind that protected areas supply a range of goods and services, these guidelines encourage protected area managers to explore all public and private options for finance. Protected area managers need to service both their public customers and their private customers, and receive a fair return from both through appropriate financial mechanisms.

When considering the array of uses and beneficiaries of a protected area, it is useful to determine the nature of these in terms of whether they are public or private in nature, or indeed are a hybrid of public and private. A public good is any good or service whose provision is non-excludable and non-divisible, meaning that once it is provided it is available to the general public. A private good, on the other hand, *is* excludable *and* divisible, meaning that once it is provided to someone, it is only available to that individual. Examples of public goods generated by protected areas are watershed services, carbon sequestration and critical habitat protection. Examples of private goods are trophy hunting, fishing, camping and non-timber forest products. Once an animal is hunted, a fish is caught, a camping permit allocated, or a non-timber forest product harvested, no one else can use them.

Certain private goods, such as controlled entry to protected areas, may be excludable but not divisible. These are called toll goods because they are similar to roads that charge tolls to users.

A fourth possibility is common pool goods which are divisible but not excludable, meaning that once they are used, no one else can use them, but access to them is open to anyone. An example of a common pool good could be mushrooms from a forest. Access to the mushrooms is open to anyone walking through the forest, but once they are harvested by an individual, they are not available for others.

Understanding the nature of goods and services provided by protected areas will guide protected area managers in determining how they can be managed to generate revenues.

The public good aspects of a protected area usually require grant funding, whether in the form of government allocations, overseas development assistance or foundation support. The private aspects of protected areas, on the other hand, are more easily commercialised and therefore funded by private sources of finance, such as tourism charges, hunting fees and licensing arrangements. Toll goods are also accessible to private financing through mechanisms such as gate fees and licences. Combined public and private financing may be needed for common pool goods. For instance, in the example of the mushrooms above, forest managers could try to access private financing by charging a mushroom hunting fee but may supplement this with public funding from, for instance, mushroom hunting clubs for the maintenance of the area.

As protected areas provide all types of goods and services, from public to private, it is clear that the protected area manager should look to secure revenue sources from a mix of public and private sources. In so doing, the financial plan will also generate an incentive to conserve both the public and private features of the protected area.

Protected areas around the world have historically been managed primarily for their public goods aspects. The result is that all too often the survival of

protected area systems depends on sometimes volatile public sector funding and philanthropic grants.

It is, of course, very important for governments and philanthropic bodies to continue to fund protected areas as a societal payment for the public benefits they provide, but declining grant finance for protected areas suggests that public funding alone may not be sufficient to assure their effective management in future. To rely on public funds alone may put the long-term viability of the protected area at risk. In short, protected area managers need to broaden their customer base and look to widening access to funding sources.

2.4 Managing customer groups

This section groups the array of protected area customers into four categories:

- Neighbours and residents;
- Commercial customers (including visitors);
- Bio-regional customers; and
- Global customers.

It also examines opportunities for capturing revenues from the various goods and services these groups derive from the protected area. Few single protected areas can provide goods and services to all these groups. But it is important for the protected area manager, first to examine the potential customer groups, and then to identify a relevant set that can be effectively mobilised to ensure sustainable funding for the protected area.

2.4.1 Neighbours and residents as customers

A protected area has a host of neighbours or residents who may value the protected area both for its direct and indirect benefits. These neighbours include both local communities and local businesses. (Of course, as described below, some neighbours may place a negative value on the protected area!)

Local communities potentially derive a number of benefits from protected areas. Where they are allowed to harvest products from the protected area, they can benefit from these either through direct consumption or through the sale of these goods. Products that local communities may harvest from protected areas include meat, fish, plants, fuelwood, building poles, thatch, products of cultural or religious significance, and medicines. In cases where local communities use such goods and the activity is legal, the protected area may be able to charge for harvesting rights.

Additionally, neighbours and residents may value the protected area for recreational uses, as pasture land, for transport linkages or for freshwater this is especially the case with lived-in landscapes, such as Category V protected areas. In such cases, it may be appropriate to charge the communities concerned for access rights.

Where the property market around a protected area is significantly developed, neighbouring property prices may rise with the establishment and successful management of the protected area. For example, the establishment of the Las Baulas Marine National Park in Costa Rica has resulted in a significant rise in property prices in neighbouring Playa Grande. These residents, when they choose to sell their property, will derive some very real benefits from the increased value. Similarly, in some Category V areas, landscape protection provides a boost to property values within the protected area. The protected area may be able to capture some of this value in the form of a regional or boundary area property tax.

Local residents may also benefit from employment opportunities related to the protected area. These can be in the form of direct employment from the protected area as rangers, instructors, managers, gate keepers or book keepers. Or they may benefit from jobs in businesses dependent on the protected area, such as hotels, restaurants, gift shops, craft stores or research organisations. In some countries, government support may be available to farmers who manage the land in a way that is compatible with the protected area. It is unlikely that the protected area manager could capture these benefits directly through charges, though they may be able to share in the revenues of business operations near or within a protected area.

Also, support can be raised from volunteers and supporters through friends of the park schemes, donation drives and charity events, which provide ways for neighbours and residents to support the protected area. Local businesses, such as hotels, restaurants, gift shops and craft stores, benefit from sales resulting from their geographic and commercial relationship to protected areas.

This is particularly the case for protected areas managed for tourism opportunities. These businesses may be interested in investing in the protected area to improve the natural base of their operations. There are a number of mechanisms for capturing such potential investment. A protected area manager may allow certain tourism businesses to operate within the protected area, and could charge these for the privilege; some arrange a voluntary donation from tourists so-called visitor pay-back schemes.

The protected area may capture even more revenue from operators if they open the opportunity up to bids from a number of companies, thereby using competition to drive up the prices of concessions. These issues are difficult to address, as is demonstrated in the case of the US National Parks System (Box 3).

Another option available to protected area managers is to develop associated products to be sold in local businesses or in an on-site store. A portion of the profits from such sales could then be returned to the protected area. These product lines can be associated with the characteristics and natural products of the protected area such as honey and other traditional foods, traditional medicines, native seed packets, herbal foods or local crafts. They could also

be educational materials such as nature guides, picture books or videos. They might be a range of nature-based products such as bird houses and feeders, or garden supplies.

Box 3 Some concerns with concessionaire fees

In a 1998 report on the United States National Park System, the National Parks Conservation Association (NPCA) pointed out that concessionaire fees in the system were too low. Citing several examples, the NPCA identified more than US\$49 billion in subsidies which are wasteful or harm national parks. The NPCA argued that in 1995 concessionaires took in US \$662, while paying only US\$15 million in fees. The NPCA also noted that concessionaires in national parks paid an average of only 2.2 percent of their gross revenues, while businesses operating in state parks are charged 10–12 percent.

In an effort to resolve some of the problems, the report calls for the US National Park Service to be given the authority to collect and retain fees from commercial film makers. The report also criticises a 30-year-old law that favours concession companies working in national parks.

This illustrates the difficulty of effectively managing concession agreements, especially when these are arrived at within the larger legal and institutional contexts in which protected area interests are secondary.

Source: Environmental News Network (<http://www.enn.com>)

2.4.2 Commercial customers

Commercial customers of a protected area are those customers who derive direct use benefits from the area. Examples include tour operators, bio-prospectors and commercial filming companies. Innovation is often required to capture the values that these types of customers derive from the protected area. Gate fees and user fees are two of the more traditional means of capturing such values, but donation boxes, equipment rental and specialised tours are among many of the other appropriate ways in which visitor-generated funds can be captured.

Initially, a protected area manager may need to invest time and resources in identifying and developing markets for the protected area. This may require market surveys similar to those conducted for tourist destinations. Whatever means are used to identify the market for the protected area, the process needs to be based on a clear and stated understanding of the goal and objectives of the protected area. Without first identifying these, the manager risks developing a customer base which is incompatible with the protected area and thus undermining the very resource he or she is trying to conserve.

Furthermore, having a clear idea of the goals and objectives of the area will assist in focusing the surveys. For instance, if the objectives of the protected area include public education, a market survey could look into schools or universities as well as the market for more informal educational experiences such as guided tours or specially designed courses. Some tips on marketing are provided in Box 4.

Box 4 Off to market – adding value to protected areas

WCPA has identified the following key issues related to marketing protected areas :

1. Marketing is essential for protected areas. Every area should have a management plan, and, where appropriate, a marketing strategy.
2. Protected areas should be regarded as areas of enterprise with two marketing aims: first to market core values; then to adopt an adaptive commercial approach which responds to market demands.
3. Local populations would value protected areas more if they recognised their economic value. There is a need to explain what the protected area can do for them.
4. Tourism is often understood as the most obvious target for marketing strategies but other opportunities should be taken into consideration. A wider geographical area should also be considered when creating marketing strategies.

Cont...

Box 4 Off to market – adding value to protected areas (cont.)

5. Marketing is not just about products. There are opportunities to sell ideas and values, and a chance to change attitudes.
6. Protected area managers must listen to the customers when developing marketing strategies and recognise where they are starting from. Lecturing people on environmental responsibilities is unlikely to be the basis of a successful strategy. Rather a dialogue should be established between the managers and the customers so as to identify the positive opportunities and products that protected areas can offer.
7. Marketing strategies should have measurable objectives. Evaluation of objectives should be included as part of the strategy. Findings should be networked to encourage good practice.
8. The internet is important. It is an increasingly effective tool for marketing protected areas and should be part of any marketing mix. The WCPA and other IUCN websites could be developed to provide opportunities for developing and sharing strategies.

Source: WCPA Marketing Meeting 19–21 Nov 99 Trento, Italy.

Once the range of markets for potential commercial consumers is identified, the next step is to choose the most appropriate products to develop. This entails understanding the niche of the protected area and defining its competitive edge. The protected area manager needs at this stage to consider compatibility of various uses, both between the various commercial customer groups and between commercial customers and other customer groups. Further considerations when determining which markets to pursue may include the particular strengths or limitations of the staff, the interests of the local community, and the possible secondary benefits flowing to that community.

Developing and marketing products may also involve something of a campaign to raise interest in, and awareness of, the protected area. This could be done by using traditional communication tools, such as leaflets and brochures, or through newer, electronic means such as the Internet and interactive CD ROMs. In specialised cases, where the market is at the high-end and is exclusive, it may be more appropriate to invest in personal communications with key individuals. For instance, should a protected area manager wish to establish a service for the film industry, or develop a niche market of protected area products, he or she will need sophisticated marketing. Such an approach is demonstrated in the case of Brazil nuts in Box 5.

A note of caution, however, is needed. Commercial markets are subject to shifts due to events beyond the control of the manager. Relatively small changes in taste or fashion or more fundamental changes in circumstances (for instance, the decline of the Asian economies or war in the Balkans) could lead to significant impacts on the protected area's customer base. As far as possible, this vulnerability should be acknowledged and planned for by diversifying the customer base so as to include a range of customers.

2.4.3 Bio-regional customers

The bio-regional customer base of a protected area can include downstream beneficiaries of watersheds and other ecosystem services, those benefiting from flood control or storm protection, and beneficiaries of nutrient retention or micro-climate benefits. The indirect nature of such goods and services often requires innovative ways of identifying and capturing revenues. The first step, of course, is to identify the customers and the benefits they derive. This requires an initial identification of the indirect goods and services of the protected area. Some bioregional customers are trans-national, making it harder to assess their received benefits and to capture revenues related to these benefits.

High transaction costs often make it difficult to capture such indirect benefits through market mechanisms. An alternative is to capture increased public funding by demonstrating these benefits in monetary terms to potential donors. This may involve lobbying government agencies and, in some cases,

overseas development agencies, or multilateral donors to acknowledge the values of protected areas through increased support.

Capturing the bioregional values that people hold for a protected area can pose some interesting challenges. Indirect uses, such as watershed services and storm protection, are often non-excludable goods, meaning that they are, by and large, public goods. That is not to say that their values cannot be captured through market mechanisms. It may, however, take some innovative thinking and restructuring of regional governmental cooperation. The now classic example of the Catskills Mountains watershed and New York City provides an interesting example where residents of the Catskills Mountains are paid by New York City residents for the water purification services of their ecosystem. The Costa Rican example in Box 6, and the case study from that country in Part C, also provide demonstrations of payments for ecosystem services.

Box 5 Cause-related marketing – forest products financing forests

In 1998, Conservation International and Candela-Peru, a Peruvian trade organisation, teamed up with Subway Sandwich Shops, a popular North American food-chain, to introduce a cookie that benefits rain forest communities.

Subway Sandwich Shops began selling a chocolate chip cookie made with Brazil nuts from a threatened forest region in Peru. The money from the Brazil nuts goes back to forest communities, offering a return on the investment of protecting the ecologically important trees.

In a similar vein, Community Products, Inc., a company founded by the makers of Ben and Jerry's ice cream, sells a butter crunch candy made from nuts imported from rain forests. At the same time the company is buying nuts which support forest conservation, it is returning 60% of its profits to environmental and peace organisations.

These two examples illustrate the unique and profitable enterprise of cause-related marketing. The distribution companies and customers get a social benefit from buying these products while the financial returns are used as a valuable tool for rain forest protection.

Sources: Conservation International (<http://www.conservation.org>) and World Resources Institute (<http://www.wri.org>)

2.4.4 Global customers

The interdependence of natural systems means that both present and future generations stand to gain from conservation efforts. In this context, it is the global customer who receives these intangible benefits, often without having to provide due compensation.

It may help to view global customers in their different institutional groupings such as intergovernmental organisations, donors or nature advocacy organisations. A protected area financial plan should identify the values these global customers hold as well as the benefits provided to them.

Natural areas, and their related biophysical components, are vital to our survival. They are truly a global resource. This has been recognised by the majority of countries as exemplified by six global conventions, all of which deal with some aspect of biodiversity conservation. Protected areas play a vital role in the Convention on Biological Diversity (CBD), the Convention on Migratory Species (CMS), the Convention on the International Trade in Endangered Species (CITES), the World Heritage Convention (WHC), the Ramsar Convention on Wetlands and the Framework Convention on Climate Change (FCCC). Two of these agreements, the World Heritage and the Ramsar Conventions, create a specific requirement to protect certain areas that meet international criteria, and all of them encourage the establishment and maintenance of protected areas.

Box 6 Taxes – watershed protection services in Costa Rica

In 1998 Inversiones La Manguera Sociedad Anonima (INMAN), a Costa Rican hydro-electric company, signed a contract with the Monteverde Conservation League (MCL) to pay for ecological services provided by the protected area managed by MCL.

The Bosque Eterno de los Niños (Children’s Eternal Rain Forest) is a 22,000ha private reserve managed by MCL. Approximately 3,000 ha of the protected forest is part of a watershed that is used by INMAN for generating electric power. Recognising the benefits they receive from protection of this watershed, INMAN entered into an agreement with MCL to pay for the protection of the ecological services provided by Bosque Eterno de los Niños.

The contract recognises services such as “stabilization of land, soil protection, humidity and nutrient retention, water protection, protection of species biodiversity” and more. INMAN pays MCL \$10 per hectare (a negotiated price) x (a factor that accounts for the amount of energy generated and sold by the hydro-electric plant) x 3,000 (for the hectares in the watershed). The money from this tax is used directly to pay for reserve protection programmes. Although this is an excellent example of a private organisation recognising and paying for environmental services, the process in developing a binding legal agreement took much effort on the part of both parties.

Source: Janzen, Daniel. “Gardenification of tropical conserved wildlands: multitasking, multicropping, and multiusers.” *Proceedings of the National Academy of Sciences of the United States of America* 96(11):5987–5994

The World Heritage Convention

This convention provides special designation for natural and cultural sites considered to be of outstanding universal value to humanity. The World Heritage Convention has a funding mechanism to assist in preparing management plans or training for protected area managers of World Heritage sites (more information about this fund is available in the directory on the Internet at <http://economics.iucn.org>). Also, by affirming the international importance of these sites, the convention enhances the prospect of international funding, e.g. from intergovernmental donors (including the GEF),

bilateral donors, the United Nations Fund (which has decided to focus some of its support on World Heritage sites) and philanthropic sources. It also increases the prospects of funding from commercial sources, and notably from tourism.

Box 7 Carbon offset projects – paying for forests in Costa Rica

Article 12 of the Kyoto Protocol establishes a Clean Development Mechanism for the offset of carbon pollution from industrialised nations. The CAM aims to subsidise the protection of tropical forests, which act as carbon sinks for carbon dioxide (CO₂) emissions.

One of the first countries to take advantage of this mechanism was Costa Rica. In 1998, its government started selling US\$300 million worth of “carbon bonds”, called Certified Tradable Offsets (CTOs). The bonds are sold to industrialised nations and the money is then given to protected areas and private landowners as an economic incentive to protect rain forest. In Costa Rica, the money from the bonds will be used to help pay for the management of 20 national parks and 80 other protected sites.

So far \$4 million USD bonds have been sold, providing a US\$10–\$40 per hectare/per year subsidy. Although the CTOs are not an answer to deforestation and carbon emissions, they financially recognise one important ecological aspect of protecting forests.

Source: Christian Science Monitor, May 27,1998

2.4.5 Identifying and understanding customers

A financial plan requires the protected area manager to know who the customers of his or her protected area are, and how their interests might be captured so as to provide financial support to the area. The framework provided seeks to divide customers into discernible groups based on the types of benefits they receive from a protected area.

Every protected area will provide some benefits to such customer groups: the size of such benefits to each group will be determined by the management objectives of the protected area. To capture the financial resources from these customers, the financial plan needs to consider: (a) the goods and services which a protected area provides (based on management objectives), (b) the customer base, and (c) a system for capturing benefits (see Box 8). The concept of the financial plan is developed in section 3.7.

Box 8 Some key questions for thinking about the business of protected areas

- What are the current sources of funding? Can these be relied on indefinitely? What can be done to increase, extend, or strengthen each one of them?
- Who are the protected area's constituents? Sightseers? Hikers? Campers? Boaters? Fishermen? Tourism service operators (shops, hotels, restaurants, guides) in the area? What do they currently contribute to the costs of managing the area? Could they do more?
- What services are currently provided, such as parking, trails and campsites? Picnic areas? Boat launching, anchorage, or mooring? Do the users pay for these services? Are the fees what they should be? Would the users pay more?
- What new services might be provided? What is the likelihood of their profitability?
- What organisations are interested in the conservation of this area? Can the manager form a partnership with them to launch and share the costs of a fundraising campaign? Can the manager get campaign services *pro bono* from local companies (radio/TV, newspaper, advertising agency, celebrity appearances, site/food/music for a special event, etc.)?
- What donors, on a global or regional scale, have supported activities similar to what is included in the conservation plan here? Have they been made aware of the area and plans, to sound out their interest?
- Has the government considered special taxes or levies? What are the pros and cons of such programmes in the area/country? Can a case be made for establishing such a programme, and can the necessary coalition be built to support it? Are there one or two key leaders who might be instrumental in establishing a "conservation sales tax" or some other type of surcharge or levy? Who could enlist them in the campaign?

Source: UNEP 1999

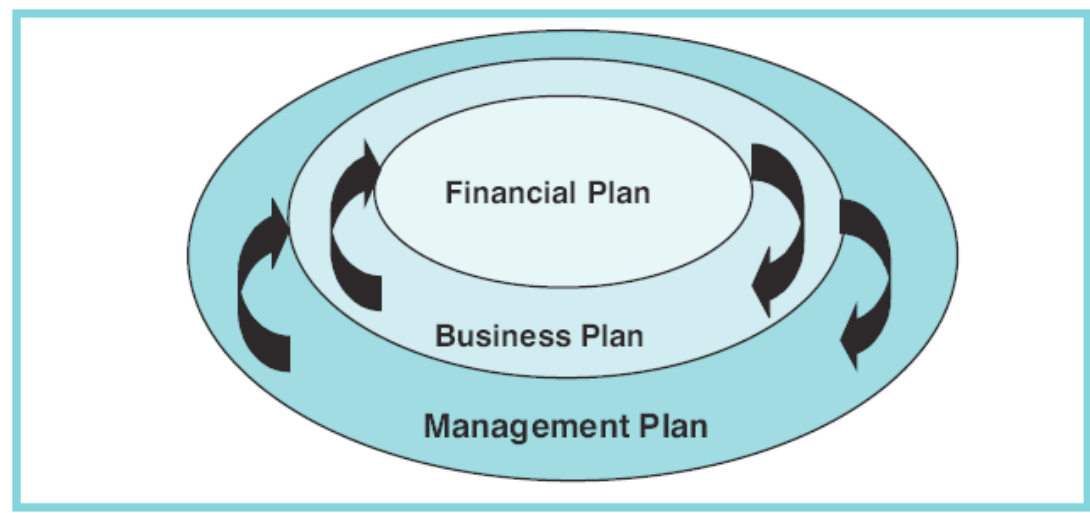
3. Developing and financing a business

A financial plan is a component of an overall business plan, which in turn is one element of a management plan for the protected area. This layering of plans and strategies is depicted by three concentric circles in Figure 3. At first sight, this may seem likely to lead to death by planning but, on closer examination, it is clear that each of these planning circles is critically important to the success of the protected area. The protected area *management plan* provides the essential policy framework for the business and financial plans, by clarifying the management objectives of the protected area, the relevant users, the financial needs of the protected area and the resources available to the protected area. This information feeds into the *business plan* for the protected area, which examines in more detail the customer base, goods and services, marketing strategy and implementation

strategy for the protected area. This information in turn contributes to the *financial plan* for the protected area, which further details key assumptions and provides a break-even analysis (which identifies when the business is expected to turn in its first profit) and profit and loss projections. As Figure 3 also shows, the information flows should, of course, be two-way. Profit and loss projections and other information in the financial plan feed back into both the business and management plans, while information from the business plan feeds back into the management plan.

This guide develops the concept of customer bases for protected areas to encourage protected area managers to think innovatively about sources of revenue for their protected area. The business plan needs to be developed around this customer base. A clearly thought-out business plan provides a structured approach to building a customer base and achieving a sustainable income flow for the protected area.

Figure 3 A planning hierarchy for protected areas



APPENDIX 10.3

Seychelles Islands Foundation

Section 1: Executive Summary

The SIF Business Plan is divided into ten sections that address the business philosophy and policies of the SIF in the management of the Seychelles two World Heritage sites of Vallee De Mai and Aldabra.

The Business Plan is intended to cover a period of three years (2005-2008) and should be reviewed annually to monitor performance and progress.

The Business Plan is the result of a pilot project involving Consultants of Shell and Shell Foundation, the executive management staff of the SIF and the participation of UNESCO World Heritage Centre. It is one of a number of plans that are referenced by SIF, including a Management Plan and Operations Plan. This Business Plan differs to other plans that have been developed for SIF in that it deliberately looks at the more business side to their organisation, and not the conservation side which is much more familiar to them. This 'business' management of SIF is the area that has been identified for some time as lacking a strategic plan.

Vision / Mission

The Seychelles Island Foundation is a public trust established by government under the Seychelles Island Foundation Decree of 1979. The Foundation was created to manage and protect the World Heritage Sites of Aldabra and Vallee de Mai.

Overall, the Foundation can be characterized as a leading environmental organization dedicated to ensuring that Seychelles World Heritage sites are well-managed protected areas where conservation, research, education and nature appreciative and protective tourism are sustainably balanced and financially viable.

Company & Market Overview

The Foundation operates two business units at the Vallee De Mai on Praslin and Aldabra Research Station on Aldabra atoll. The Foundation's Head Office is based in Victoria, Mahé.

The SIF revenue for 2003 was SR4,650,000 and the revenue from Jan – Oct 2004 stood at SR4,600,000 (USD836,364). The revenue is expected to grow by 37% with the full operation of the new shop at Vallee de Mai, but then a drop in revenue of approximately 6% is expected when Fond Ferdinand is fully operational and attracting visitors.

The SIF main revenue stream is the tourists visiting the Vallee De Mai providing some 70% of the Foundation's income. Over the past 5 years the

visitor market at the Vallee De Mai averaged some 50,000 visitors representing some 45% of the national tourism market.

During the same period the tourism services market has remained volatile marked by a constant annual ups and downs in the tourist arrival figures. However the overall trend showed a steady rate. The overall tourist market for 2002 amounted to some \$150 million in early 2002, which is an increase of 13% from 1997.

Despite its volatility, the overall potential of the Vallee De Mai tourist market is yet to be determined, although all indications are that it has the capacity to generate more revenue for Vallee De Mai. The area of greatest potential in this market is in the area of souvenir sales.

The major market segments are:

For Vallee De Mai: This is mass tourist market consisting of general tourist visiting Seychelles, cruise ship travellers, nature lovers, couples and family groups, professional photographers and journalists, promotion agency representatives, palm enthusiasts and scientists/researchers.

Aldabra: This is a niche market of selective cruise ship travellers, nature enthusiasts, specialist divers, professional photographers and journalists, rich personalities, scientists/researchers

To accomplish this goal we have developed a comprehensive plan to intensify and accelerate our marketing and sales activities, product development, services expansion, distribution and customer service.

Product Strategy & Marketing Plan

The SIF marketing strategy is to aggressively enhance, promote and support the fact that our products are the only 2 UNESCO declared World Heritage sites of Seychelles.

The Vallee De Mai will be marketed for its unique natural beauty and the mystical palm forest that is easily accessible and has a reputation for being the Garden of Eden and one of the few sites in the world where you can see the Coco de Mai palm and the Black Parrot.

The Aldabra will be marketed as the world's largest raised coral atoll of extreme unique and pristine ness with diverse wildlife such as the world's largest giant tortoise population.

The Foundation currently offers the following products:

- Nature access for tourists.
- Photographic license to professional groups.
- Sale of coco de mer nut as souvenir
- Access to scientists and researchers
- Sale of souvenir.

To implement the business plan our advertising and promotion strategy is to position the Foundation as the market leader in eco-tourism

For the purpose of implementing the new business plan for the SIF, the following promotion strategy shall be pursued:

The SIF will tender out the design and production of poster and in flight magazine advertisements.

The SIF's marketing strategy incorporates plans to sell its products through several channels that include destination management companies, hotel desk representatives, and SIF's own outlets.

The top two business risks that SIF faces are the drop in tourism level in Seychelles in general and competition from Fond Ferdinand.

Risk Management

The biggest risk facing SIF in the short to medium term is competition from Fond Ferdinand which could significantly reduce the number of visitors to Vallee de Mai and, hence, the main revenue stream of SIF. This in turn could undermine SIF's ability to meet its conservation objectives at Aldabra. In order to mitigate against this risk, one of the initiatives proposed is to build a world class visitor centre and shop at Vallee de Mai which will offer a better educational and tourist experience to all visitors, and will sell merchandise which will improve the financial sustainability of SIF.

Finances

Entry fee to Vallee de Mai accounts for 70% of all revenue for SIF, whilst Aldabra accounted for 50% of all costs. The aim over the next three years is to increase the revenue generated from Vallee de Mai and decrease the costs of running Aldabra. In the first instance, SIF will develop yearly budgets that will be monitored through out the year by SIF and the board.

Conclusion

The SIF enjoys an established track record of excellent support and respect from our customers; however, the threat of competition by Fond Ferdinand is a risk that needs to be planned for as it is highly likely that we will lose some customers to this competition. The proposed new visitor centre/shop is a critical aspect to mitigate against the competition risk.

Whilst the first business plan for SIF has been completed, its success is dependant on its implementation. It is recognised that there is a large amount of work is required to implement all the actions from the business plan and this cannot be done with the current resource levels. A new Project Manager is required by SIF to help implement many of the required actions, as well as freeing up current SIF employees to complete the day to day operations and to address some of the other risks and issues facing SIF which

are not fully covered in this business plan, as they were not the highest priorities.

This business plan is a living document that will change over time and as a result of significant changes to SIF and its operating environment. Therefore, it is planned to review the business plan annually. In addition, there needs to be further work in monitoring the implementation of this business plan, and whether or not UNESCO can assist with this as part of the Enhancing our Heritage Management Effectiveness project.

APPENDIX 10.4

EXECUTIVE SUMMARY WORKSHEET	
Sections	Possible elements
Introduction	Hook the reader – why does your organisation matter? How will this business plan help you to perform better?
Vision/mission	
Organisation profile	Key milestones; legal context;

Organogram

How is your organisation structured? Is it hierarchical or 'flat'? Who is responsible for what? Does everyone need to be included? Brief description of titles/responsibilities.

Context/market

Strategy

How will you move forward?

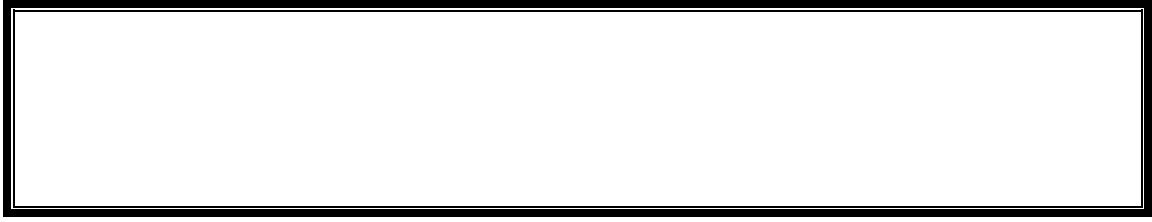
Finance

What will the strategy cost?

Risks

What could go wrong? Internal/external risks

Conclusion



APPENDIX 10.5

TUBBATAHA STAKEHOLDER ANALYSIS

Stakeholder Type	Expectations and Objectives	Power and Influence	Commonality and Conflict
National Govt . (DA, DND, DENR, DOT DBM, PCSD)	Maintain the ecological condition of TRNP	Regulation, policies, taxation, funding	Increase tourism, biodiversity conservation,
Provincial Govt	Maintain the ecological condition of TRNP	Regulation, policies, taxation, funding	Increase tourism, biodiversity conservation,
Municipal Govt	Increase share from tourism revenues; community devt and CRM support	Policy-making, compliance with regulations	Increase tourism, biodiversity conservation, increase networking
Non-Government	Maintain the ecological condition of TRNP; maximize educational opportunities;	Funding, technical support, networks	biodiversity conservation, increase networking, secured funding
Donors	Maintain the ecological condition of TRNP	Funding, technical and professional support, networks	biodiversity conservation, increase tourism
Fishing Operators	Increase income, benefit from the ecological condition	Source of info for research, participate in conservation activities	Exploit TRNP Resources
Dive Operators	Increase income, Maintain the ecological condition of TRNP	IEC, policy-making, regulations and enforcement, influence behaviour of tourists	biodiversity conservation, increase visitations, enforcement, education
Tourist	Visitor satisfaction	Provide revenues, IEC, enforcement, feedback, advocacy, market information	biodiversity conservation, bad diving practices and bio-souvenirs
PPC Tourism Sector	Increase income, Maintain the ecological condition of TRNP	IEC, linkages, tourism exposures	Increase visitations
Researchers	Maintain the ecological condition of TRNP, gather	Provide sound science for decision-making,	biodiversity conservation

	data for own study		
Staff	Maintain the ecological condition of TRNP; salary, job satisfaction and security	Effective management, policy	biodiversity conservation, secured funding
Non-users	Maintain the ecological condition of TRNP	Provide addl funds for conservation, educational opportunities, advocacy	maintenance of the bequest values of TRNP

APPENDIX 10.6

SWOC Analysis – Seychelles Islands Foundation

Internal Forces	External Forces
Strengths	Opportunities
<ul style="list-style-type: none"> • Two very good products: Vallee de Mai known globally by tourists and Aldabra globally known by scientists/conservation/environmentalist • Large market share of Seychelles tourist at Vallee de Mai • Good relationship with government and NGO's: Good international contacts, e.g. Shell, Smithsonian, Royal Society • Good reputation internationally • Work force has a balanced skill set and an expert in the key locations of Aldabra and Vallee de Mai • Good employee – good first appeal and good remuneration • Currently financially viable – in the 'black'. Have Foreign Exchange account • Small, flexible and autonomous • Accepting of change and new technology 	<ul style="list-style-type: none"> • Increase revenue from tourists who visit Vallee de Mai by selling merchandising, food, etc • Networking/co-operation with other organizations, e.g. exchange programme • Large potential global funding opportunities, e.g. EU, World Bank, Private sector • Large market of scientists/environmentalists/education visits that could increase revenue by fees, selling research, grants. (This applies for Aldabra and Vallee de Mai) • Improve HR skill base through training • Chance to reduce costs (e.g. communication: V sat, exchange) • Extend World Heritage site territory with local/regional org. • Increase revenue from tourists who visit Aldabra by selling merchandising, food, ect • Increase revenue from online sales and fundraising campaigns • Obtain revenue from global community or general visitors to Seychelles

Weaknesses	Challenges
<ul style="list-style-type: none"> • Only one main revenue stream: Heavy subsidy to Aldabra which is a large cost centre • Operations not efficient or optimal: inventory management, selling/marketing skills, procurement • Lack of Key Performance Indicators (KPI's), targets and assessments for SIF and individuals (work plan) • No business/marketing plan: no objective structure for long term. Skills important aspect • Little experience in budgeting or budget vs actual tracking • Do not have control of logistics to Aldabra as 3rd operates boat • No experience in project proposal writing for funding • Small: Lack of resources to exploit opportunities • No human resources policy • Lack of office space 	<ul style="list-style-type: none"> • Tourism reducing in the Seychelles • Competition from Fon Ferdinand • Natural disasters (e.g. fire, global warming, cyclone) • Negative government intervention and change, e.g. lease arrangement, splitting two sites • Boat logistics supplier outsources or closes • Damage relationship with Preslin population • Poaching increases at both sites

APPENDIX 10.7

UWA : SWOT Strategy Table

	Major Opportunities <ul style="list-style-type: none"> • Strong support and cooperation from government, donors and communities • Improved security, infrastructure and political environment • Increasing interest in Gorilla conservation and nature tourism • Well organised tour operators for Uganda and E.Africa • Queen's visit to Uganda 2007 	Major Threats <ul style="list-style-type: none"> • Migration/break-up of habituated gorilla groups • Poaching and illegal trade • Physical threats to PA (fire, over-development) • Disease outbreak • Reduction in tourism due to global or political threats <p>Poor roads to parks</p> <p>Perception of poor security due to foreign embassy travel advice</p>
Primary Strengths <ul style="list-style-type: none"> • Excellent staff and guides • 50% of world's gorillas in World Heritage site • Wide product offering • Good partner cooperation <p>Bwindi large revenue generator</p> <ul style="list-style-type: none"> • High level of security 	<p><i>Develop range of diverse products in addition to gorilla tracking (e.g. bird watching)</i></p> <p><i>Work with communities to develop cultural tours + additional craft products</i></p> <p><i>Market BINP-MGNP to new customer segments</i></p> <p><i>Use Queen's visit as marketing opportunity</i></p>	<p><i>Habituate new gorilla group(s) in BINP</i></p> <p><i>Work with SWIFT and rangers to combat poaching and enhance security</i></p> <p><i>Sensitise communities to threats (e.g. fire, disease) and develop joint plans</i></p> <p><i>Lobby local government for better roads</i></p>
Primary Weaknesses <ul style="list-style-type: none"> • Over reliance on gorilla tourism • Limited number of habituated groups constrain visitor numbers • Inadequate facilities and signage <p>Seasonality</p> <ul style="list-style-type: none"> • Inadequate marketing of products • Guides lack specialised skills 	<p><i>Improve facilities, signage and accomodation</i></p> <p><i>Train guides in specialised skills</i></p> <p><i>Develop products to encourage more visitors in low seasons (e.g. special tariffs)</i></p>	<p><i>Develop contingency plans for major disruptions due to fire and disease</i></p> <p><i>Develop plan for MGNP in case that gorilla group do not return including alternative products</i></p> <p><i>UWA to develop plan for ensuring accurate foreign embassy travel advice</i></p>

APPENDIX 10.8

Heading	Objective Description
<p>Seychelle Islands Foundation Objectives</p>	<p>1. Improve protection and conservation of SIF managed protected sites</p> <ul style="list-style-type: none"> • Develop a monitoring program to review all research activities • Increase research activities • Improvement in knowledge capital (attract more people with Masters and PhDs) • Reduction in the number of alien species in both sites • Restore damaged areas • Review policies and procedures for boats and visitors in Aldabra (to ensure minimum impact of human factor) <p>2. Improve financial and business management of SIF</p> <ul style="list-style-type: none"> • Setting Budgets and track them for all sites / operations • Reducing “unnecessary costs” • Increase revenues in Vallee de Mai • Using new technologies to reduce cost • Reduce maintenance cost • Reduce inventory • Reduce purchasing cost • Improve staff skills • Reduce number of job descriptions (more generic roles) • Move to own building <p>3. Maintain Vallee de Mai in the position of being the most popular tourist site in the Seychelles Keep attracting 50% of the tourists in Seychelles</p> <p>4. Develop strategic partnerships</p> <ul style="list-style-type: none"> • Investigate scientific or environmental partners who will attract more research undertaken in Aldabra • Develop skill sharing/ exchange programs with other NGOs

Heading	Objective Description
<p>Individual Objectives</p> <p>Name: Executive Director</p>	<p>1. Improve scientific/research monitoring</p> <ul style="list-style-type: none"> • Identify quality & use of research data. Get summaries from sources using Aldabra data commenting on the way the used the data and their quality • Get periodical samples of research to assess quality • Prepare workshop (for Aldabra) with various scientists to facilitate monitoring and knowledge exchange (get sponsorship, select people, prepare structure, prepare presentations etc) <p>Owner: Lindsay Chong Seng Delivery Date: End of March 2005 Progress Review: February 2005 by Chairman of SIF</p> <p>2. Increase Volumes of Research Scientists by 6 in Aldabra</p> <ul style="list-style-type: none"> • Conduct a Review on refurbishing the facilities in Aldabra (plan, budget, order) to allow greater inflow of scientists in the site • Evaluate the possibility of scheduled group visit if scientists (one or two big group visits every year with a significant planning period • Ensure one of the visiting scientists is conducting research that is of interest to SIF • Include market for visiting scientists in SIF marketing plan <p>Owner: Lindsay Chong Seng Delivery Date: End of January 2005 Progress Review: December 2005 by Ronny Ranaud</p>

	<p>3. Decrease Operating Cost in Aldabra by 10%</p> <ul style="list-style-type: none"> • Focus on cost of fuel and energy • Preventative Maintenance • Use budget to track cost • Review transport of goods (bulk etc) • Cut on wastage • Inspect quality of goods before sending supply boat • Track stock levels <p>Owner: Lindsay Chong Seng Delivery Date: December 2005 Progress Review: July 2005 by Ronny Renaud</p>
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Heading	Objective Description
<p>Individual Objectives</p> <p>Name: Executive Officer</p>	<p>1. Budget Tracking</p> <ul style="list-style-type: none"> • Gather Historical Cost Information • Identify and use cost information which is still applicable • Review Marketing & Operations Plan predictions of investments and forecasts • Record Assumptions • Itemise structure • Identify tracking periods • Compose Budget • Review Budget • Put Budget forward for Approval <p>Owner: Ronny Renaud Delivery Date: End of January 2005 Progress Review: November 2004 by Lindsey Chong Seng</p>

2. Increase SIF Revenues by 5%

- Review outsourcing of ticket sales in VDM
- Evaluate possibilities of private sector funding
- Discount Bulk sales of coco-de-mer
- Review bulk sales of merchandise products
- Encourage animal adoption scheme
- Donation Box in VDM

Owner: Ronny Renaud

Delivery Date: End of April 2006 (12 months duration)

Progress Review: October 2005 by Lindsey Chong Seng

3. Increase Skills of key personnel

- Select Partners of exchange program by end of February 2005
- Compose MoU
- Initiate Exchange Skill-Sharing Program. Target to have 2 people done the exchange program by end of 2005
- Send one HQ and one VDM employee to an external training course
- Evaluate possibilities for internal job rotation between Aldabra and Vallee de Mai employees ("Ranger Swap")
- Develop at least one on the job training scheme at any site (i.e. first aid, computer skills, negotiating skills, service delivery)

Owner: Ronny Renaud

Delivery Date: December 2005

Progress Review: -

APPENDIX 10.9

SEYCHELLE ISLANDS FOUNDATION ORGANISATIONAL PROFILE

Introduction

The Seychelles Island Foundation, (herein referred as the 'Foundation' or 'SIF') is a public trust established by government under the Seychelles Island Foundation Decree of 1979. The Foundation manages and protects the World Heritage Sites of Aldabra and Vallee de Mai and has the President of Seychelles as patron. The Board of trustees, appointed by the President, has 14 members, including not less than five representing organizations concerned with the conservation of wildlife and natural history or national academics of science.

The Vision

The SIF is a leading environmental organization dedicated to ensuring that Seychelles World Heritage sites are well-managed protected areas where conservation, research, education and nature appreciative and protective tourism are sustainably balanced and financially viable.

The Mission

The mission of the Foundation is to manage and conserve the natural life and to initiate and instigate scientific research into such natural life at the two Seychelles World Heritage sites of Vallee De Mai and Aldabra.

Key goals and Objectives

- Improve protection and conservation of SIF managed protected sites
- Develop a monitoring program to review all research activities
- Increase research activities
- Improvement in knowledge capital (attract more people with Masters and PhDs)
- Reduction in the number of alien species in both sites
- Restore damaged areas
- Review policies and procedures for boats and visitors in Aldabra (to ensure minimum impact of human factor)
- Improve financial and business management of SIF
- Setting Budgets and track them for all sites / operations
- Reducing "unnecessary costs"
- Increase revenues in Vallee de Mai
- Using new technologies to reduce cost
- Reduce maintenance cost
- Reduce inventory
- Reduce purchasing cost
- Improve staff skills
- Reduce number of job descriptions (more generic roles)
- Move to own building
- Maintain Vallee de Mai in the position of being the most popular tourist site in the Seychelles
- Keep attracting 50% of the tourists in Seychelles
- Develop strategic partnerships
- Investigate scientific or environmental partners who will attract more research undertaken in Aldabra
- Develop skill sharing / exchange programs with other NGOs
- Improve communications with the community and stakeholders
- Improve community participation in conservation efforts of the SIF

The management

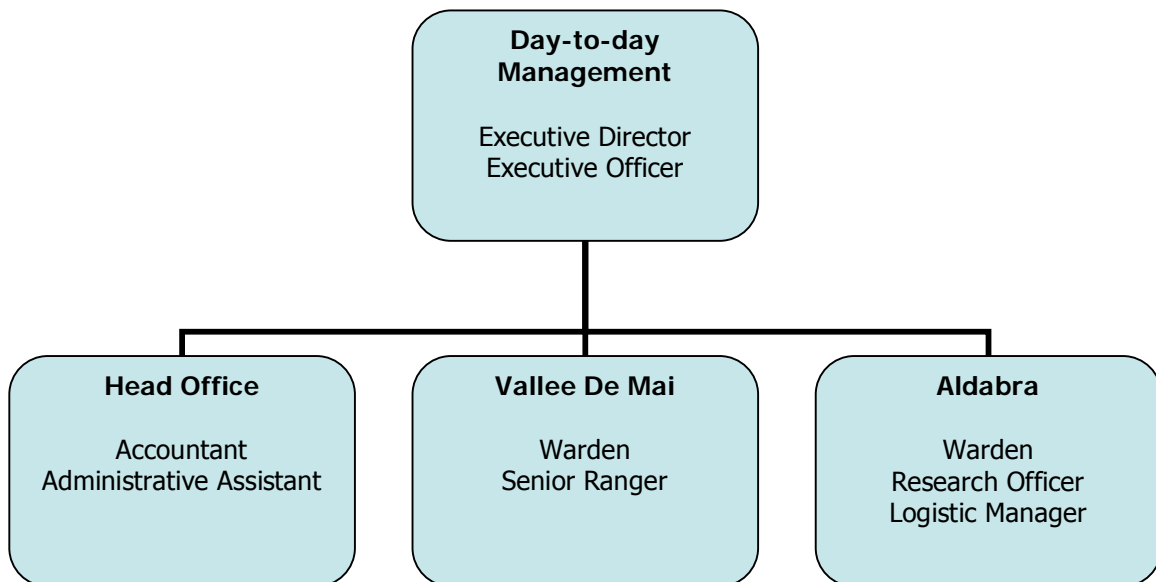
The Foundation is managed by a Board of Trustees, appointed by the Patron (President of the Republic) and responsible for administering the Foundation and provides advisory service to the Patron. They consist of a Chairman and 14 other members of whom 11 are men and 3 women.

The Foundation operates two business units at the Vallee De Mai on Praslin and Aldabra Research Station on Aldabra atoll. The Foundation's Head Office is based in Victoria, Mahe.

For day-to-day running of the Foundation's affairs, responsibilities and powers of the Board are delegated to the Executive Director and Executive Officer. Both are responsible for the preparation, implementation, and supervision and monitoring of the daily operations through staff of the Foundation and collaborative activities with other agencies and the community.

Their backgrounds consist of more than 20 years experience in environmental conservation for the Executive Director, and an Executive Officer with 13 years of public and business administration experience.

The Executive Director and Executive Officer are supported by the Day-to-day Management Operations Group consisting of the:



SIF SWOC Analysis and potential short-term and long-term organisational responses

Primary Strengths	Primary Weaknesses
<p>Two very good products: Vallee de Mai known globally by tourists and Aldabra globally known by scientists, conservationists & environmentalists</p> <p>Large market share of Seychelles tourist at Vallee de Mai</p> <p>Good relationship with government and NGO's: Good international contacts, e.g. Shell, Smithsonians, Royal Society</p> <p>Good reputation internationally</p> <p>Work force has a balanced skill set and an expert in the key locations of Aldabra and Vallee de Mai</p> <p>Good employee – good first appeal and good remuneration</p> <p>Currently financially viable – in the 'black'.</p> <p>Have Foreign Exchange account</p> <p>Small, flexible and autonomous</p> <p>Accepting of change and new technology</p>	<p>Only one main revenue stream: Heavy subsidy to Aldabra which is a large cost centre</p> <p>Operations not efficient or optimal: inventory management, selling/marketing skills, procurement</p> <p>Lack of KPI's, targets and assessments for SIF and individuals (work plan)</p> <p>No business/marketing plan: no objective structure for long term. Skills important aspect</p> <p>Little experience in budgeting or budget vs actual tracking</p> <p>Do not have control of logistics to Aldabra as 3rd operates boat</p> <p>No experience in project proposal writing for funding</p> <p>Small organization implies lack of resources to exploit opportunities</p> <p>No HR policy</p> <p>Lack of office space</p>
Major Opportunities	Major Challenges
<p>Increase revenue from tourists who visit Vallee de Mai by selling merchandising, food, ect</p> <p>Networking/co-operation with other organizations, e.g. exchange programme</p> <p>Large potential global funding opportunities, e.g. EU, World Bank, Private sector</p> <p>Large market of scientists/environmentalists/education visits which could increase revenue by fees, selling research, grants. This applies for Aldabra and Vallee de Mai</p> <p>Improve HR skill base through training</p> <p>Chance to reduce costs (e.g. communication: V sat, exchange)</p> <p>Extend World Heritage site territory with local/regional org.</p> <p>Increase revenue from tourists who visit Aldabra by selling merchandising, food, etc.</p> <p>Increase revenue from online sales and fundraising campaigns</p> <p>Obtain revenue from global community or general visitors to Seychelles</p>	<p>Tourism reducing in the Seychelles</p> <p>Competition from Fon Ferdinand</p> <p>Natural disasters (e.g. fire, global warming, cyclone)</p> <p>Negative government intervention and change, e.g. lease arrangement, splitting two sites</p> <p>Boat logistics supplier outsources or closes</p> <p>Damage relationship with Preslin population</p> <p>Poaching increases at both sites</p>

Strategic choices:

Invest: Clear matches of strengths and opportunities lead to comparative advantage.

Defend: Areas of threat matched by areas of strength indicate a need to mobilize resources either alone or with others

Decide: Areas of opportunity matched by areas of weakness require a judgment call: invest or divest; collaborate.

Damage Control: Areas of threat matched by areas of weakness indicate need for damage control.

Current situation

The projected revenue for SIF for the year 2004 stands at SR4,600,000 (USD836,364) showing a growth around 6% over 2003. Over the next 2 years a forecast of 5% annual increase in revenue collection is being projected.

The tourists visitor market at the Vallee De Mai has shown a steady rate of decline over the past 4 years (4.5%) reflecting the country-wide trend. However, over the same period the an average 50,000 visitors visited the Vallee De Mai which represents some 40% of the national tourism market.

This market has brought in an annual revenue of approximate SR5 million in foreign exchange earnings. Despite concern of marginal drop in the national tourism market and possible competition from other eco-tourism site on Praslin, SIF remains confident in being able to maintain the same market share over the next 2 years.

SIF is however concerned about the escalating cost of providing logistical support to its operations on Aldabra. This outpost is costing the Foundation some SR 2.5 million annually and generating only about SR 1.0 million. As one of its main priority for the next 2 years the Foundations aims to decrease the operational costs on Aldabra and improve revenue collection through maximizing the use of the scientific facilities on the atoll.

APPENDIX 10.10

Seychelles Islands Foundation Market Analysis

Market Definition

The market in which the SIF operates could be defined as a **matured tourism services market**.

Over the past 5 years the tourism services market has remained volatile marked by a constant annual ups and downs in the tourist arrival figures. However the overall trend showed a steady rate. The overall tourist market for 2002 amounted to some \$150 million in early 2002, which is an increase of 13% from 1997.

The SIF operates in a natural sites management portfolio providing access to tourists visiting these two distinct tourism locations of the Vallee De Mai palm forest and the Aldabra atoll. The market characteristic of the Vallee De Mai is that of a mass market, whilst that of the Aldabra is a niche market for specialist groups of nature lovers, researchers and scientists.

The overall size of the mass tourism market is approximately 125,000 visitors with Vallee De Mai capturing some 40% of the market. This market is also volatile with its overall potential yet to be determined, although all indications are that it has the capacity to generate more revenue for Vallee De Mai. The area of greatest potential in this market is in the area of souvenir sales.

The stability of these market segments is viewed as fairly solid and continuously expanding marked by an increased level of tourists enhancing their visitor experience by visiting different islands in the granitic group of the Seychelles.

Industry forecasters predict for the next two years this market will continue to grow as more visitors take on the trend in island hopping.

Below are the key points in defining the market segments:

	Vallee De Mai Aldabra SIF HQ	Aldabra	SIF Head Office
Product features	Nature access for tourist Photographic license Lease of shop	Nature access for tourist Photographic license Merchandising Animal adoption scheme Research reports	Coco de Mer Merchandising of t-shirts, books etc..
Lifestyle of customers	Tourists to Seychelles Couples and families between 30 to 50 years	Mostly rich personalities Nature enthusiasts Seasoned divers	Scientists and researchers Coco de mer dealers Tour operator
Geographical location	Mostly Europeans <5% Local residents	Mostly Europeans and Americans	Local and international
Seasonality	Visits are daily	Periodic visit –	Visits are daily

		November to April	
--	--	-------------------	--

The major market segments are:

For Vallee De Mai: mass tourist market and

Aldabra: Niche market of selective eco-tourist, researchers and scientists.

Below is a list of customers of the SIF group:

Vallee De Mai

Vallee De Mai handles an average 50,000 visitors per year. The existing and potential customers of Vallee De Mai include general tourist visiting Seychelles, cruise ship travellers, nature lovers, couples and family groups, professional photographers and journalists, promotion agency representatives, palm enthusiasts and scientists/researchers.

The market is distributed as followed:

General tourists: 70%
 Couples & family groups: 15%
 Cruise ship travellers: 5%
 Profession groups: 3%
 Others: 7%

Aldabra

Aldabra receives an average of 600 visitors per year. The existing and potential customers of Aldabra include cruise ship travellers, nature enthusiasts, specialist divers, professional photographers and journalists, rich personalities, scientists/researchers.

The market is distributed as followed:

Cruise ship travellers: 85%
 Specialist divers: 10%
 Others: 5%

SIF Head Office

SIF Head Office handles different group of customers namely those selling SIF products to tourists. The existing and potential customers of SIF Head Office include tour operators, cruise ship agents, coco de mer dealers, and science and research organizations.

The market is distributed as followed:

Coco de mer dealers: 45%
 Tour operators: 25%
 Cruise ship agents: 10%
 Research organizations & individuals: 15%
 Others: 5%

APPENDIX 10.11

PEST ANALYSIS

<p>Political</p> <ul style="list-style-type: none">• Ecological/environmental issues• Current legislation home market• Future legislation• European/international legislation• Regulatory bodies and processes• Government policies• Government term and change• Trading policies• Funding, grants and initiatives• Home market lobbying/pressure groups• International pressure groups• Wars and conflict	<p>Economic</p> <ul style="list-style-type: none">• Home economy situation• Home economy trends• Overseas economies and trends• General taxation issues• Taxation specific to product/services• Seasonality/weather issues• Market and trade cycles• Specific industry factors• Market routes and distribution trends• Customer/end-user drivers• Interest and exchange rates• International trade/monetary issues
<p>Social</p> <ul style="list-style-type: none">• Lifestyle trends• Demographics• Consumer attitudes and opinions• Media views• Law changes affecting social factors• Brand, company, technology image• Consumer buying patterns• Fashion and role models• Major events and influences• Buying access and trends• Ethnic/religious factors• Advertising and publicity• Ethical issues	<p>Technological</p> <ul style="list-style-type: none">• Competing technology development• Research funding• Associated/dependent technologies• Replacement technology/solutions• Maturity of technology• Manufacturing maturity and capacity• Information and communications• Consumer buying mechanisms/technology• Technology legislation• Innovation potential• Technology access, licensing, patents• Intellectual property issues• Global communications

SIF PEST analysis

Factor	Examples	Own business
Political	Taxation policy Environmental protection laws Government stability	Favourable tax conditions for SIF: exempted from paying trade tax on imports; duty free fuel; no business tax Favourable environmental laws backed by political commitment Seychelles has political stability
Economic	GDP trends Unemployment Business cycles	Seychelles has a high per capita income # USD8,000 Low unemployment Seychelles has an expanding economy Seychelles has forex shortage
Social	Population demographics Lifestyle changes Levels of education Social mobility	Fairly young population Enjoys good lifestyles adapted to western countries More than 90% literacy rate Seychellois travels a lot to different countries for holidays and shopping
Technological	New technologies Industry focus on technological effort Speed of technology transfer	Adapts well to new technology Industries applies technology very quickly Technology is easily accepted and applied

Analysis of macro-economic environment for SIF

The PEST Analysis provides the SIF with the tool to assess the Political, Economic, Social and Technological external factors that may affect its business performance over the period of the plan.

Some of the main features of the PEST Analysis that are applicable to the SIF are:

- Political (& Legal): The SIF is by status of a public trust set up under an act of law; SIF enjoys customs and trade tax exemptions from government against all imports by the Foundation and duty free fuel; SIF is also exempted from paying Business Tax; It is backed up by various environmental laws for protections of bio-diversity and a strong political commitment from government.
- Economic: Seychelles enjoys a per capita income, low unemployment level and an ever expanding economy which contributes to the foreign exchange shortages
- Social (& Environmental): Seychelles has a fairly young population who enjoys good lifestyles marked by a taste for fashion and keeping up with international trend. Seychelles enjoys 90% literacy rate with most people being tri-lingual (English, French and Kreol).n Seychellois also enjoys traveling overseas for holidays and shopping. The civil society enjoys support of government and there are a number of environmental pressure groups dedicated to environmental protection and conservation.
- Technological: The introduction and use of new technology in industries is reasonably fast and easily accepted.

APPENDIX 10.12

Tubbataha PEST analysis

Factor	Examples	Own business
Political	<ul style="list-style-type: none"> ○ Taxation policy ○ Environmental protection laws ○ Government stability 	<ul style="list-style-type: none"> ○ Political stability : Philippines generally stable but corruption rife, Palawan seen as peaceful and highly environmentally conscious ○ Unrest in Mindanao/Sulu has given rise to travel advisories ○ Numerous environmental laws but unenforced ○ Tax laws poorly enforced, taxes and duties variable and subject to individual interpretation
Economic	<ul style="list-style-type: none"> ○ GDP trends ○ Unemployment ○ Business cycles 	<ul style="list-style-type: none"> ○ Philippines has an expanding economy ○ Large discrepancy in per capita incomes between rich and poor (average : \$) ○ High unemployment and underemployment ○ Economy tied to US\$ ○ Local economy (Palawan) fisheries based
Social	<ul style="list-style-type: none"> ○ Population demographics ○ Lifestyle changes ○ Levels of education ○ Social mobility 	<ul style="list-style-type: none"> ○ Fairly young population ○ Local Palawan population largely migrant ○ Filipinos resilient to misfortune ○ More than 90% literacy rate, English commonly spoken
Technological	<ul style="list-style-type: none"> ○ New technologies ○ Industry focus on technological effort ○ Speed of technology transfer 	<ul style="list-style-type: none"> ○ People adapt well and quickly to new technology ○ Industries applies technology very quickly ○ Technology is easily accepted and applied when affordable

APPENDIX 10.13

SIF Customer Profile

CUSTOMER TYPE (OR NAME): Visiting tourist to Vallee De Mai and Aldabra		
Factor	Examples	Please provide a brief description of key client characteristics
Demographics	Age Sex Marital Status Education Profession	Average age 30 to 50 years (VDM) Average age 40 to 65 years (Aldabra) Large % are couples and family groups Most are fairly educated on the environment Mostly western Europeans (VDM) Mostly Americans and western Europeans (Aldabra)
Economic Factors	High-Medium-Low Income Personal Debt Taxes Savings Tendency	Most come from medium to high income bracket Occasionally some are rich personalities (Aldabra)
Consumer Adoption Process	Please identify category: Innovators Early Adaptors Early Majority Late majority Laggards	Most want to visit VDM on their first to Seychelles
Psychographics	Customer demand Lifestyle Motives Interests	Most are motivated by need to visit renowned tourist site Some are nature enthusiasts

APPENDIX 10.14

Tubbataha Competitor Analysis

Factors	Tubbataha Reefs	Competitors				
		Palawan		Philippines		Outside Philippines
		Coron/Busuanga	El Nido	Apo Reef	Anilao	Palau
Product features	<ul style="list-style-type: none"> • Scuba diving • Snorkeling - May include bird watching and dolphin watching 	<ul style="list-style-type: none"> • Scuba diving • Snorkeling • Island hopping • Kayaking • Other water sports • Cave & other land-based activities 	<ul style="list-style-type: none"> • Scuba diving • Snorkeling • Island hopping • Kayaking • Island hopping • Other water sports • Land-based activities 	<ul style="list-style-type: none"> • Scuba diving • Snorkeling • Land-based activities 	<ul style="list-style-type: none"> • Scuba diving • Snorkeling • Island hopping • Kayaking • Other water sports • Land-based activities 	<ul style="list-style-type: none"> • Scuba diving • Snorkeling • Island hopping • Kayaking • Water sports • Land-based activities
	<ul style="list-style-type: none"> • At least 16 dive sites 	<ul style="list-style-type: none"> • 13dive sites 	<ul style="list-style-type: none"> • 24 dive sites 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • At least 9 dive sites 	<ul style="list-style-type: none"> • At least 12 dive sites
	<ul style="list-style-type: none"> • Liveaboard 	<ul style="list-style-type: none"> • Liveaboard or • Land-based 	<ul style="list-style-type: none"> • Liveaboard or • Land-based 	<ul style="list-style-type: none"> • Liveaboard or • Land-based 	<ul style="list-style-type: none"> • Liveaboard • Land-based 	<ul style="list-style-type: none"> • Liveaboard or • Land-based
	<ul style="list-style-type: none"> • Products are sold in package by dive boats operators 	<ul style="list-style-type: none"> • Products are sold either in packages or per activity by either dive operators or resorts 	<ul style="list-style-type: none"> • Products are sold per activity or in packages by resorts and inns 	<ul style="list-style-type: none"> • Products are sold in a package by dive boats or resorts 	<ul style="list-style-type: none"> • Products are sold either in a package or per activity by either dive operators or resorts 	<ul style="list-style-type: none"> • Products are sold either in a package or per activity by either dive operators or resorts
Services facilities & at sites	<ul style="list-style-type: none"> • Security • Others provided by dive boats 	<ul style="list-style-type: none"> • Security • Accommodations, communication, dive equipment and paraphernalia, shops, café, spa etc. 	<ul style="list-style-type: none"> • Security • Accommodations, communication, dive equipments and paraphernalia, shops, café, spa etc. 	<ul style="list-style-type: none"> • Security • Others provided by dive boats • Accommodations , communication 	<ul style="list-style-type: none"> • Security Accommodations, communication, dive equipments and paraphernalia, shops, café, spa etc. 	<ul style="list-style-type: none"> • Security Accommodations, communication, dive equipments and paraphernalia, shops, café, spa etc.
Operation	<ul style="list-style-type: none"> • Early March to June 	<ul style="list-style-type: none"> • Year Round 	<ul style="list-style-type: none"> • Year Round 	<ul style="list-style-type: none"> • Year Round 	<ul style="list-style-type: none"> • Year Round 	<ul style="list-style-type: none"> • Year Round

Accessibility	<ul style="list-style-type: none"> • Via boat 	<ul style="list-style-type: none"> • Via air, boat or land or combination depending on the place of origin 	<ul style="list-style-type: none"> • Via air, boat or land or combination depending on the place of origin 	<ul style="list-style-type: none"> • Via air, boat or land or combination depending on the place of origin 	<ul style="list-style-type: none"> • Via air, boat or land or combination depending on the place of origin 	<ul style="list-style-type: none"> • Via air or boat
Pricing Strategy	<ul style="list-style-type: none"> • Liveaboard package offered by dive operators • USD 790 – 1500/pax/trip • Dive entry fee USD 70/pax 	<ul style="list-style-type: none"> • Package offered by resorts/tour operators • USD 100/pax/day • Liveaboard package USD 1,300/pax/ trip 	<ul style="list-style-type: none"> • Tour/ resort package 	<ul style="list-style-type: none"> • Shorebased package: USD45-560/day • Liveaboard: USD 870/pax/cruise • Dive/Entry fee: USD35/pax 	<ul style="list-style-type: none"> • Tour/resort package, walk-in rates • USD50-200/day depending on the package 	<ul style="list-style-type: none"> • Liveaboard package offered by dive operators • USD2,500/pax/trip • Shorebased: USD1,250/pax • Dive/Entry fee: USD35/pax
Promotion Strategy	<ul style="list-style-type: none"> • Multi-media: internet • tour agencies' websites • DOT promotion 	<ul style="list-style-type: none"> • Multi-media: internet, newspaper advertising, tour agencies • Aggressive advertising • DOT promotion 	<ul style="list-style-type: none"> • Multi-media: internet, newspaper advertising, agencies • Aggressive advertising • DOT promotion 	<ul style="list-style-type: none"> • Multi-media: internet, newspaper advertising, tour agencies • Aggressive advertising • DOT promotion 	<ul style="list-style-type: none"> • Multi-media: internet, newspaper advertising, tour agencies • Aggressive advertising 	<ul style="list-style-type: none"> • Multi-media: internet, newspaper advertising, tour agencies • Aggressive advertising
Brief Competitors' SWOT Analysis	Strengths			Opportunities		
	Diversified products, relatively lower rates, accessible via all modes of transportation, availability of land-based facilities: accommodations, communications, shops, café,			Expansion of market, further diversification of products at more affordable rates		
	Weaknesses			Threats		
	Limited biodiversity, not World Heritage Site, crowded, mass-market, lack of tranquility, poor/absence of monitoring activities, profit-driven, weaker conservation efforts.			Harassment of marine creatures and potential decline in biodiversity due to overcrowding of tourists; tourists may surpass carrying capacity of the area		

APPENDIX 10.15

3.5 TUBBATAHA'S STRATEGIC OPTIONS

The marketing for TRNP is entrusted to the dive operators that operate in the Park. The TPAMB, therefore, has no defined marketing plans for TRNP. Tourism management is kept within the scope of regulating activities in the Park as part of its management objectives. It has been dependent upon dive operators in formulating strategies to expand the market. Identified weaknesses such, the narrow window for tourism operations, and the Park's remoteness have affected visitations. However, the TPAMB was able to provide some collateral to boost the market's interest in the Park. And, in spite of the challenges encountered in implementing the Park's regulations, the TPAMB and TMO are able to maintain a good relationship with the dive operators. Understandably, scuba diving companies operating in TRNP focus their marketing efforts only on scuba divers.

In order to increase visitations and generate more revenue, two strategic options were identified. First: to increase the non-diver visits by penetrating this potential niche market through improved promotions. The response to pilot non-diver expeditions in 2007 was good. However, the limited marketing expertise was a major weakness. Second: revenues from scuba diving tourism must be increased expanding the market. It is believed that by improving the present infrastructure condition in the Park like the mooring system, an increase in the number of dive boat operators and visitors can be expected.

The Department of Tourism has the expertise and mechanism to promote the only purely marine World Heritage Site in Southeast Asia, but for the past many years there appears to be little interest. A much wider market can be reached if the DOT includes TRNP in its marketing initiatives. Among the other identified strategies is to participate in marketing events, to reconstruct the current website to make it more appealing to the market, and to be more aggressive in merchandising souvenir items. The establishment of a membership club for TRNP is also considered as a means of securing, not only the market segment, but revenues as well. Limited funds, expertise, and human resources are some of the obstacles effecting the implementation of these strategies.

APPENDIX 10.16

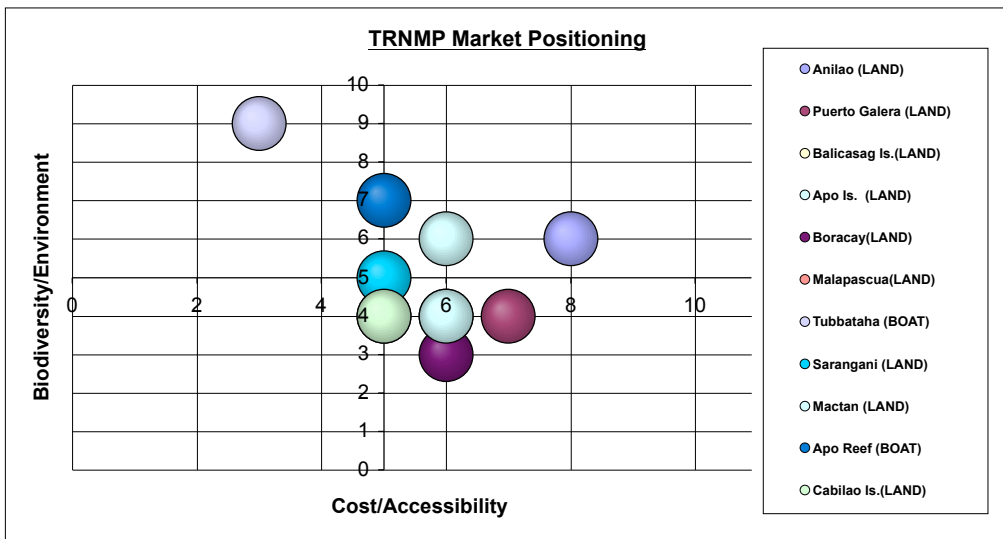
Below are the key points in defining the market segments for SIF:

	Vallee De Mai	Aldabra	SIF Head Office
Product features	<ul style="list-style-type: none"> • Nature access for tourist • Photographic license • Lease of shop 	<ul style="list-style-type: none"> • Nature access for tourist • Photographic license • Merchandising • Animal adoption scheme • Research reports 	<ul style="list-style-type: none"> • Coco de mer • Merchandising of t-shirts, books etc.
Lifestyle of customers	<ul style="list-style-type: none"> • Tourists to Seychelles • Couples and families between 30 to 50 years 	<ul style="list-style-type: none"> • Mostly rich personalities • Nature enthusiasts • Seasoned divers 	<ul style="list-style-type: none"> • Scientists and researchers • Coco de mer dealers • Tour operator
Geographical location	<ul style="list-style-type: none"> • Mostly Europeans • <5% Local residents 	<ul style="list-style-type: none"> • Mostly Europeans and Americans 	<ul style="list-style-type: none"> • Local and international
Seasonality	<ul style="list-style-type: none"> • Visits are daily 	<ul style="list-style-type: none"> • Periodic visit – November to April 	<ul style="list-style-type: none"> • Visits are daily

The major market segments are:

- A. For Vallee De Mai: mass tourist market and
- B. Aldabra: Niche market of selective eco-tourist, researchers and scientists.

	1=low, 10=high		
	Biodiversity/ Environment	Cost/ Accessibility	Bubble Size
Anilao (LAND)	6.0	8.0	2.0
Puerto Galera (LAND)	4.0	7.0	2.0
Balicasag Is.(LAND)	4.0	6.0	2.0
Apo Is. (LAND)	6.0	6.0	2.0
Apo Reef (BOAT)	7.0	5.0	2.0
Boracay(LAND)	3.0	6.0	2.0
Malapascua(LAND)	4.0	5.0	2.0
Cabilao Is.(LAND)	4.0	5.0	2.0
Tubbataha (BOAT)	9.0	3.0	2.0
Sarangani (LAND)	5.0	5.0	2.0
Mactan (LAND)	4.0	6.0	2.0



APPENDIX 10.18

SEYCHELLES ISLAND FOUNDATION BOARD – POSITIONING EXERCISE

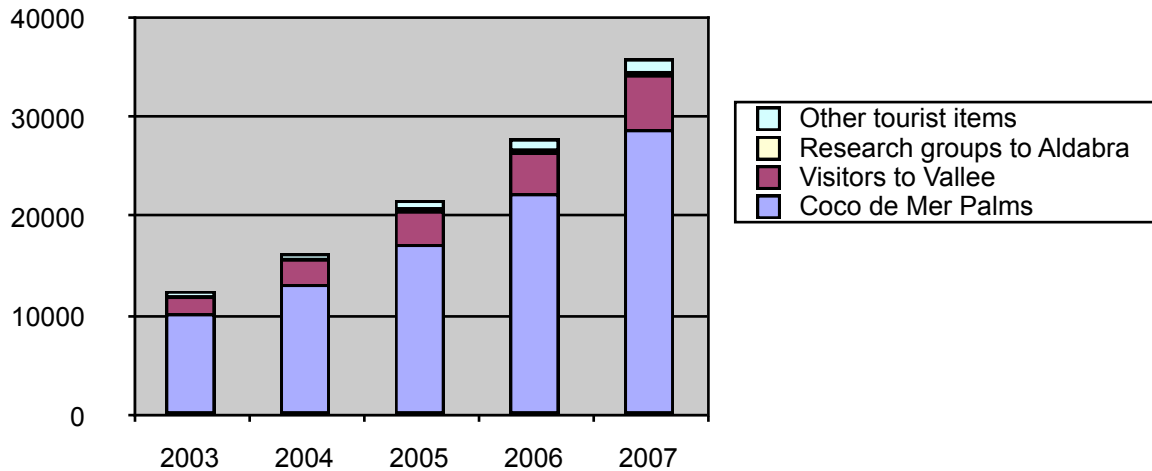
	Key Questions	SIF (corporate level)	Aldabra	Valle de Mai
Customers	<p>Who are the key customers?</p> <p>What criteria used to separate them (demographics, economics, lifestyle etc)?</p>	<p>Dealers/tour guides Palm enthusiasts Grant givers Scientists/researches</p>	<p>Cruise ships: couples >50, European/USA, very wealthy. Uni research orgs Film Makers Rich nature enthusiasts Divers, single 30-50</p>	<p>Tourists to Seych: couples >30, wanting a quieter holiday, Europeans, high income. Professional photo Cruise ship visitors</p>
Positioning	<p>What is the competition?</p> <p>Positioning in terms of service delivery and product?</p> <p>Why should the customer buy you and not competition?</p>	<p>Other global and local nature based NGO's,</p> <p>Manage two WHS sites, good international reputation, largest dist coco de Mai, extensive stakeholder network.</p>	<p>Galapagos, Madagascar, Top dive locations</p> <p>Unique, Global significant, WHS, Giant Tortoises, pristine, extreme remoteness</p>	<p>All excursion operators and Fond Ferdinand</p> <p>Market leader Unique, accessible, serene, natural mystical, WHS</p>

APPENDIX 10.19

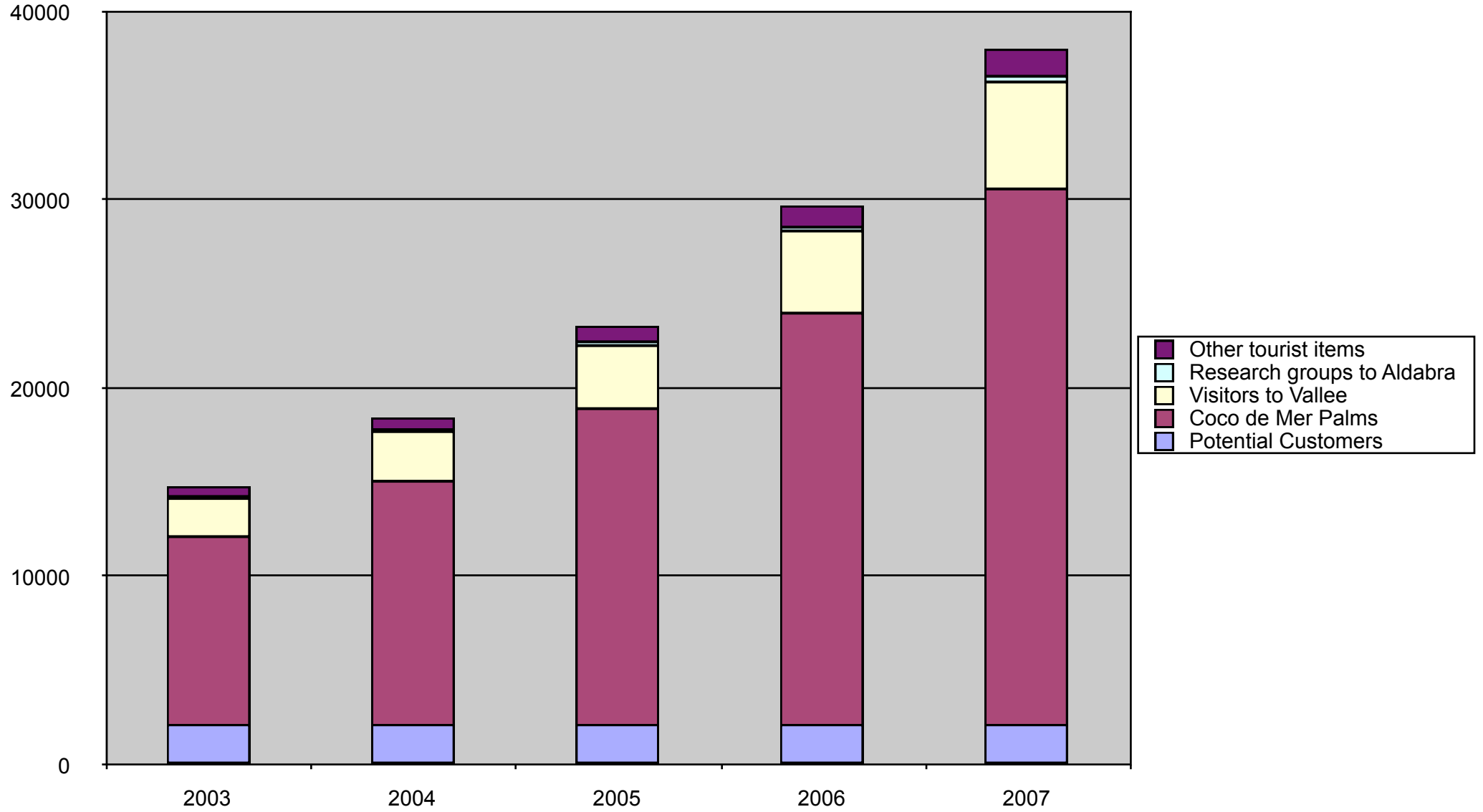
example of simple forecasting template (using SIF products)

Market Forecast						
Potential Customers	Growth	2003	2004	2005	2006	2007
Coco de Mer Palms	30%	10000	13000	16900	21970	28561
Visitors to Vallee	20%	2000	2600	3380	4394	5712,2
Research groups to Aldabra	10%	100	130	169	219,7	285,61
Other tourist items	50%	500	650	845	1098,5	1428,05

Market Forecast



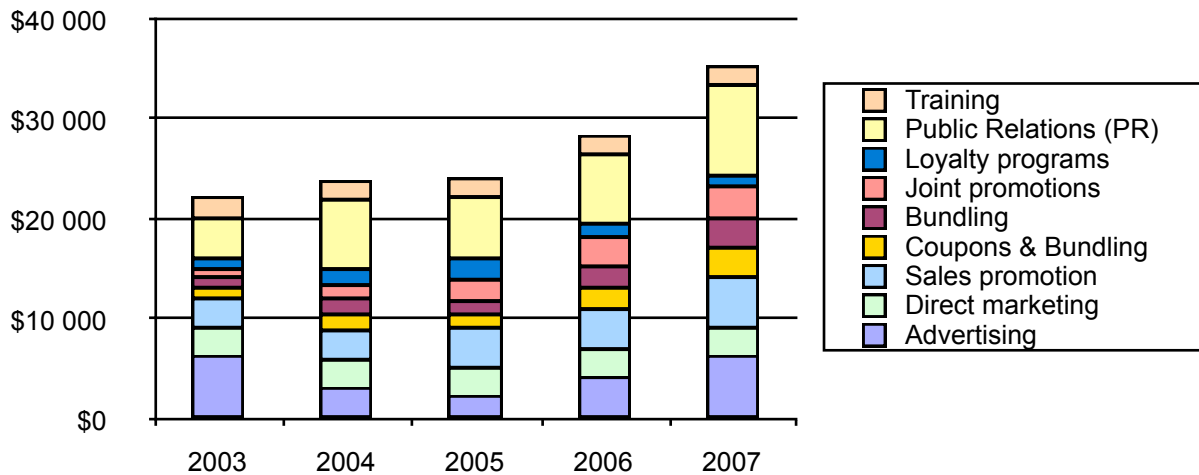
Market Forecast



APPENDIX 10.20

Marketing Budget					
	2003	2004	2005	2006	2007
Advertising	6 000 \$	3 000 \$	2 000 \$	4 000 \$	6 000 \$
Direct marketing	3 000 \$	3 000 \$	3 000 \$	3 000 \$	3 000 \$
Sales promotion	3 000 \$	3 000 \$	4 000 \$	4 000 \$	5 000 \$
Coupons & Bundling	1 000 \$	1 500 \$	1 400 \$	2 000 \$	3 000 \$
Bundling	1 000 \$	1 500 \$	1 400 \$	2 000 \$	3 000 \$
Joint promotions	800 \$	1 400 \$	2 000 \$	3 000 \$	3 200 \$
Loyalty programs	1 000 \$	1 500 \$	2 000 \$	1 300 \$	1 000 \$
Public Relations (PR)	4 000 \$	7 000 \$	6 000 \$	7 000 \$	9 000 \$
Training	2 000 \$	1 800 \$	1 800 \$	1 800 \$	1 800 \$
total	21 800 \$	23 700 \$	23 600 \$	28 100 \$	35 000 \$

Marketing Costs By Year



APPENDIX 10.21 SIF Marketing Plan:

B. 1 Basic marketing elements

B.1.1. The Products

One of the four elements of the marketing mix is the Product section. It is considered an important part of the Marketing Plan and it describes the goods and services that the SIF is offering to its customers.

This Plan provides a list of the unique features of your goods and services and their benefits to our customers.

Vallee De Mai

- a. Nature access for tourists: This offers access to a unique endemic palm forest of extreme natural beauty and for enjoying its wildlife. All adult tourists pay an entrance fee of USD 15. Locals do not pay to visit the Vallee De Mai.
- b. Photographic license: Professional photographers and journalists are required to pay a filming fee of USD 1,000 to undertake documentary filming and take photographic pictures of the Vallee De Mai.
- c. Sale of coco de mer nuts: Some coco de mer palm nuts are collected by the SIF in the Vallee De Mai and sold to tourists and locals as a unique souvenir product. The natural beauty of the coco de mer nut, through its resemblance of the female reproductive part, provides a rare and unique product to be bought as a souvenir. The nut cost is approximately USD 200.
- d. Shop rental: The Vallee De Mai has a small tourist gift shop offering a range of tourist items and refreshments to customers. The shop is leased to a private operator at a monthly fee of approximately USD 1,200.

Aldabra

- a. Nature access for tourists: This offers opportunity of access to environmental enthusiasts and nature lovers to this unique atoll of extremely diverse wildlife. All visiting tourists pay a landing fee of USD 100 per day and have access to visit a limited number of areas on the atoll demarcated as tourist access zones.
- b. Photographic license: Professional photographers and journalists are required to pay a filming fee of USD 5,000 to undertake documentary filming and take photographic pictures of the Aldabra atoll.
- c. Access for research: Aldabra offers a vast arena of opportunity for research of unique species and unspoiled eco-systems. The SIF offers the scientific potential of the Aldabra atoll to scientists and researchers to undertake research projects on the atoll. A fee of USD 350 per day is required for payment for accommodation and logistical support of the SIF.

- d. Sale of souvenir: The research station on Aldabra holds souvenir sales to cruise-ship and other visitors to on a limited product line of Aldabra t-shirts, videos, coffee table books, and post cards, etc.

B. 1.2. SIFs' customers

Vallee De Mai

In 2002 the Vallee De Mai received 55,000 visiting tourists. The figure dropped to some 52300 in 2003 (5 % reduction) and 47,600 in 2004. Of these visitors 80% are from Europeans, from France, United Kingdom, Italy and Germany. Most visitors are between the ages of 30 to 55 years, with children under the age of 12 years old amounting to an average of 3000 for the past 3 years.

It is estimated that a fairly large proportion of the visitors (40%) come either in family group or as couples.

Of the total visitors into the Vallee De Mai some 33% of these undertake their visit through a tour operator, with the other 67% coming either by bus, taxi or in rented vehicles.

In view of the cost involve for tourists visiting Seychelles we estimate that visitors to Vallee De Mai are from the middle to high-income bracket.

Feedbacks from the "Visitors Book" indicate that most visitors visit the site because of its reputation for its uniqueness and the fact that the Vallee De Mai is a renowned tourist site.

Aldabra

Aldabra on average receives between 400 and 600 visiting tourists per year in view of the difficulties associated with accessing the atoll. Most visitors are from small to medium size ships that visit the atoll from November to April each year.

The visitors are mostly Americans and Europeans between the age of 40 to 65 years and enjoys visiting islands and destinations renowned for their richness in biodiversity.

More than 80% of the visitors come either in family group or as couples and book their trips through expedition agencies.

Aldabra is always considered in the cruise package for its uniqueness and pristine environment and is recommended to these expedition agencies by local shipping agencies.

Most cruise-ship visitors to Aldabra are from the high-income bracket and like to visit various sites on the atoll to appreciate the sight of the giant land tortoise, large frigate bird colony and extreme natural beauty of the undersea world.

B.2. Marketing Strategy

This section of the plan aims to provide an insight of the SIF market strategy by describing the Foundation's market positioning, marketing targets, pricing and promotion strategies.

B.2.1. SIF's market positioning

The SIF's market Positioning refers to the way which customers perceive the organization and its' products, relative to the competition by answering the following questions:

- Who is the brand for (i.e. the Target Group)
- What is the competition (i.e. the Competitive Frame)
- Why should the customer prefer this brand instead of the competition

Valle de Mai

Valle de Mai is a World Heritage site providing leisure and excursion facilities for people visiting the Seychelles. The site has a nature walk and examples of the rare coco de mer palm. The Vallee De Mai shall be positioned as the market leader in nature reserves.

The site will be marketed for its unique natural beauty and the mystical palm forest and is conveniently located to cater for a short 40 minute visit and fascinating enough to stay for half a day.

Valle de Mai will be portrayed for its reputation as being the Garden of Eden and is one of the few sites in the world where you can see the Coco de Mai palm and the Black Parrot.

Attention will be given to the competition from excursion operators, Fond Ferdinand and Curieuse nature reserve.

Aldabra

Aldabra is the world's largest raised coral atoll. It is home the world's largest giant tortoise population as well as a range of unique wild life such as the Aldabra Drongo, the last flightless bird in the Indian Ocean, the rail, and the Aldabra lily. It is considered a living laboratory for scientists and researchers who wish to observe an untouched, complete ecosystem.

Aldabra's competition includes top dive locations within the Indian Ocean and Galapagos.

The atoll will be positioned as a special destination for niche eco-tourism market with the reasons for customer preference marketed as a unique and pristine atoll with diverse wildlife and a world heritage site.

With regards to the scientific community, universities will be targeted and the atoll will be positioned as an unspoilt living laboratory with a lot of untapped

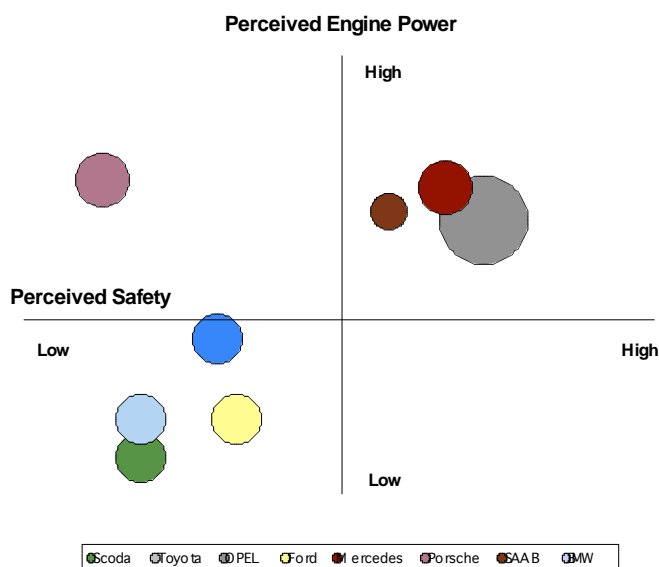
potential especially on the marine ecosystem. Aldabra will be presented as being a place where post-graduate research can be undertaken where human impact variable is virtual non-existent.

SIF

SIF is the organisation responsible for the management of the two World Heritage Sites, Aldabra and Valle de Mai. SIF Head Office looks after the day to day running of the sites as well as the development of merchandising, and the promotion and selling of the Coco de Mer from the Valle de Mai. SIF also sell the wholesale tickets to Valle de Mai. In terms of the merchandising, the main customers are Seychelles tourists, dealers and book shops. For Coco de Mer, the main customers are dealers, tour guides and tourists to the Seychelles.

The SIF Head Office will be positioned as a reputable organization of high international prestige with extensive network. It will also be marketed as one offering the widest selection of coco de mer at the lowest price and is the only seller of Aldabra specific merchandise.

Product Positional Matrix - Example



B.2.2 Marketing Objectives:

The SIF had proposed the following as its main business objectives for implementation during the next 3 years.

Valle de Mai

- Maintain 40% of visitors to the Seychelles visiting Valle de Mai and have them spend on average \$10 each on merchandise or food at SIF shop.

- Have 4 specific research activities at Valle de Mai per year with results being published by end 2005
- Double the number of local school children visiting Valle de Mai by end of 2005

Aldabra

- Increase to 6 per year the number of research activities resulting in publication

SIF

- Obtain \$20 million for a Trust Fund for SIF

With this marketing plan the SIF aims to primarily maintain its market share, especially with regards to tourists visiting the Vallee De Mai. The plan also aims to improve SIF sales at the Valle De Mai by improving the range and quality of merchandise sold to tourists. This would enable the shop to achieve its business objective of getting an added value of USD10 on each item of merchandise sold in the shop.

The SIF also recognise that other market segments like the scientific and research group can be potentially in view of its attractiveness to enhance the reputation of the two World Heritage sites among the scientific community and help the SIF achieve its scientific objectives for species and resource conservation and protection.

Both Vallee De Mai and Aldabra are sites that with potential for further scientific research to be undertaken in view of the richness of its bio-diversity and the potential benefits of science to generate more publicity and interest from both scientific institutions and general public.

B.2.3 Promotion

The SIF presently does very little locally and international to actively promote its products and services. Promotion activities are restricted to the occasional publishing of a newsletter, or an exhibition on Vallee De Mai and Aldabra and a few press releases associated with some special events relating to the SIF.

For the purpose of implementing the new business plan for the SIF, the following promotion strategy shall be pursued:

Valle de Mai

The SIF will tender out the design and production of poster and in flight magazine advertisements. The scope shall cover the need to attract couples 30-50 and present the following features of the mystical Valle de Mai:

- Unspoilt,
- Natural,
- Once in a life time excursion,
- Safe,
- Unique,
- Original Garden of Eden,
- Grand setting and Cathedral like,
- Serene,

- Easy to get to and
- Not out of the way.

Magazines: Air Seychelles (first priority); Qatar Airways; and, Emirates Airline.
Poster Placement: Airports (Mahe & Praslin); All hotels; inter-island ferries; Museums; Tourist information bureau.

Articles for in flight magazine: Lindsay Chong Seng and Katy Beaver will write the articles and submit to magazine publishers.

Hotel Greeting nights: SIF representative will talk to hotel managers with the aim of developing a suitable power point presentation with movies and audio. The presentation can be played to hotel guests with no SIF staff present. Rotate visits to hotels by small team of promoters who will take examples of Coco de Mers.

Hotels graded 3 stars and above will be targeted.

Maps: SIF will place advertisement in free maps that are given to tourists. Use the advertisement (or part of) that is developed for in flight magazine.

Aldabra

Organise and promote a fully 2 week visit to Aldabra for multi discipline researches with the aim of encouraging follow up research visits. Trip to be organised by SIF but paid for by attendees.

Science committee shall develop a letter for e-mailing/ mailing to universities that explains the trip and options for research. Send letters to SIF contacts at university, as well as 20 other per country after finding out contact details. Include in mail out an example of a published research document.

This will be a trial and at large cost but potentially generating a large scientific interest. SIF are willing to take a loss of 150,000 Rupees if the trip is not filled but all efforts will be made to break even.

SIF

A sub committee has been established to set up a trust fund for SIF. The sub committee has appointed a person with experience in managing a Foundation to raise \$20 million to establish the fund. SIF will monitor the progress of this sub committee but will not be involved in its operation.

Effectiveness

The SIF intends to judge the effectiveness of your promotion in terms of cost effectiveness. We will use the Seychelles Tourist Bureau airport questionnaire to ask basic questions about Valle de Mai:

- Did you visit the Valle de Mai?
- Why did you visit the Valle de Mai?
- Where did you hear about the Valle de Mai?

SIF also intends to implement the promotions one by one and look at visitor numbers.

Pricing

The pricing policy of the SIF can be classified as followed:

VDM:

Access into the Vallee De Mai by tourists is priced at USD15 or €15 as Entrance Fee. The rate for the Entrance Fee was introduced in April 2003 and represented an increase from USD10. The decision for an increase in the Entrance Fee was decided by the Board of Trustees in 2002 in order to maximize revenue for the SIF in anticipation of the declining tourism industry. Our competitors from Curieuse Island Nature Reserve and Cousin Island Nature Reserve charge USD15 and USD25 respectively, as land fee.

As a producer of Coco de mer nuts SIF sells the nut at USD200 for a fully shaped nut and USD100 for a 'misshaped' nut. Government under an Act of Law regulates the price for coco de mer nuts. Our competitors from Praslin Development Fund and Environment Trust Fund sell their nuts at the same price. Retailers in the art and craft business sell the shaped nuts to tourist for a price of between USD300 to 450.

The Filming fee USD 1,000 is charged to for journalists and professional photographers undertaking documentaries and other filming or photographic project inside the Vallee De Mai. The SIF may give discounted price to filming groups that agree to provide a promotional slot on the organization as part of the documentary.

Aldabra:

Access to Aldabra by tourists is priced as a Landing Fee of USD100 per day. The rate for the Landing Fee was introduced in April 2001 and remains to date. Our competitor the Island development Company charges USD20 or €20 per person as land fee for any tourists visiting the outer islands managed by the company.

The Filming fee USD 5,000 is charged to for journalists and professional photographers undertaking documentaries and other filming or photographic project on Aldabra. The SIF may give discounted price to filming groups that agree to provide a promotional slot on the organization as part of the documentary.

PURCHASING POLICIES

It is important for an operating company to develop a clear purchasing *policy* in order to manage effectively the resources that it devotes to its purchasing activities. This policy should be made known to all staff. Certain parts of it could be made available to suppliers, for instance in cases where there is a strong policy to develop the local market. In all cases it is recommended that suppliers be made aware of those parts of the company's purchasing policy, which relate to business ethics. As purchasing activities are not restricted to a single department and can make a significant contribution to the company's profitability, corporate management rather than the purchasing organisation alone should approve the purchasing policy.

The principal elements of any contract policy should cover:

- ▶ Nature and extent of the work to be contracted out
- ▶ The critical or non-critical nature of the activity considered for contracting out in relation to the key objectives of the Company
- ▶ The role and responsibilities of the Tender Board
- ▶ Single point responsibility for managing each contract (and contractor or partner)
- ▶ Contract award to the technically acceptable tender yielding the lowest "life time" cost to the Company
- ▶ Qualification of contractors, suppliers, and tenderers
- ▶ Governing law for (international) contracts, and the need for legal advice for any deviation from the Company policy

- ▶ Types of contracts to be preferred for given circumstances
- ▶ Facilities and services, which may be provided by the Company to contractors
- ▶ Reference to Shell Group "Business Principles" and "HSE standards"
- ▶ Prevention of undue influence on the contracting process by Information Brokers
- ▶ A preference for incentives and bonuses to encourage and reward contractors, rather than guarantees and penalties to prevent under-performance

- ▶ The extent to which the Company endorses the "Total Procurement" concept
- ▶ Each contract entered into should be justified commercially in its own right

Furthermore, contract policies usually set out that:

- ▶ Contractors should be self sufficient and independent; the Company should manage the contract, not the contractor
- ▶ Contracts for the pure supply of manpower effort on an indefinite basis, working alongside Company staff, should be avoided
- ▶ International standards, such as ISO 9000, and EEC regulations, will be adhered to, but with minimum distraction to the Principal Company contracting objectives

▶ Regular and consistent contractor and supplier performance monitoring is required

Contractor/supplier strategies.

The advantages and disadvantages of multiple sourcing versus single sourcing are:

Multiple sourcing

Advantages:

- If, for any reason one contractor or supplier fails to perform, the business can readily be placed elsewhere
- Competition can usually be maintained
- The Company is protected against exploitation by a single source supplier or contractor
- There will be greater flexibility to meet sudden fluctuations in requirements

Disadvantages:

- Close working relationships with contractors and suppliers will be much harder to establish and maintain
- Standardisation will be harder to maintain; varieties will tend to proliferate
- Economies of scale may not accrue
- There will be increased costs of tendering and evaluation of bids, administration costs of multiple suppliers may be higher
- Unsuccessful tenderers may become dissatisfied
- HSE standards are difficult to maintain

Single sourcing

Advantages:

- Close relationships can be established with contractors and suppliers, leading to effective communication and mutual understanding of needs
- The administrative and technical work of repeatedly seeking and evaluating tenders can be avoided
- Scheduling can be simplified
- Quality appraisal and control costs are reduced
- Price reductions may become possible through economies of scale
- It may become possible to embark upon long-term cooperative activity, such as quality improvement and process re-engineering, which can bring major long-term benefits in terms of quality, cost reduction and security
- HSE standards are relatively easy to enforce

Disadvantages:

- A single contractor or supplier may be able to use the position to derive undue commercial advantage
- The contractor or supplier may become over-dependent on Group business

- Technical developments which take place in other parts of the market may be missed
- The Company will be vulnerable to major changes in the supplier's business, such as take-over or liquidation

Sustainable and Ethical Procurement Policy Standard CAG/STAN/AZ2

Issue Date:

1st June 2006

Authority:

Chief Executive, Serco Group

Applicability:

Suppliers to Serco Group covering all business divisions, operating companies and business units throughout the world and within their own supply chain.

Executive Summary

Serco expects its staff and suppliers to have a natural respect for our sustainability and ethical standards in the context of their own particular culture. The relationships with our suppliers are based on the principle of sustainability and fair and honest dealings at all times and in all ways. Serco specifically expects its suppliers to extend the same principles to all others with whom they do business, including employees, sub-contractors and communities.

This document sets out Serco's standards which we would urge our suppliers to adopt, and which we would encourage them to promote within their own supply chains.

I Introduction

At Serco we take social and environmental factors into consideration alongside financial factors in making decisions on the purchase of goods and the commissioning of services. Our purchasing decisions should where practicable consider whole life cost and the associated risks and implications for society and the environment. Procurement can make a significant contribution to our goals of sustainable economic development and resource minimisation by ensuring that the goods and services we buy consider optimum environmental performance. Procurement has an additional role to play in minimising any risk of social exploitation within the supply chain. We believe that this not only makes business sense, it also has the potential to improve the living and working standards of people around the world.

This policy standard sets out the detailed requirements and minimum expectations of our policy of sustainable and ethical procurement. Specifically, it addresses the expectation that our staff and suppliers have a natural respect for our ethical standards in the context of their own particular culture and that relationships with our suppliers are based on the principle of fair and honest dealings at all times. The same principle of fair and honest dealings must be extended to all others with whom our suppliers do business, including employees, sub-contractors and other third parties and their local communities.

Economic growth, social cohesion and environmental protection go hand in hand.

2 Objectives

Sustainable Procurement

Our sustainability objective is to ensure a continuous improvement in procurement decisions measured against delivering sustainable and ethical trading. More specifically, Serco seeks to avoid adverse social and environmental impact in the supply-chain, the reduction of environmental impact from service operations and the purchase of products that meet recognised environmental standards.

Ethical Procurement

Our ethical objective is to ensure that people in the supply-chain are treated with respect and have rights with regard to employment including the rights to freely choose employment, freedom of association, payment of a living wage, working hours that comply with national laws, equal opportunities, recognised employment relationship, freedom from intimidation and to a safe and healthy working environment.

3 Our Commitment

3.1 Sustainable Procurement Standard

3.1.1 Working in partnership

- We will seek out organisations that share our commitment to sound environmental performance and improvement. Where applicable, we will offer assistance to our suppliers in raising their environmental awareness. We will develop partnerships with our

suppliers and contractors and work together to minimise the environmental and social impacts of our supply chain.

- Sustainability requirements will be considered and where appropriate will be specified in initial tender documentation for both suppliers and contractors, to ensure suppliers and contractors are aware of our environmental and social criteria at an early stage in the tender process.
- Small firms, voluntary and community organisations, social enterprises and ethnic minority businesses are considered members of Serco's supply chain as they play an important role in the local economy and contribute to social cohesion.

3.1.2 Environmental impact

- Where practicable, we will purchase goods that have a minimal impact upon the environment, both local and global. Factors taken into consideration will include sustainability of resource production, transportation, full life energy/raw material consumption and waste production and percentage recycled content.
- Wherever possible we will consume and purchase less by identifying and eradicating, wasteful practices within our own operation and those operations where we have influence.
- Serco will re-cycle goods at the end of their life, where this is possible and where it is not possible ensure disposal in the most environmentally sound manner.
- We will purchase products and services that meet minimum environmental standards.
- To promote and embed the adoption of sustainable services, Serco will develop and support through appropriate awareness programmes, new methodologies for identifying needs; appraising options; agreeing design and specification; supplier selection; tender evaluation; contract management and supplier development.

3.1.3 Procurement process

- Company buyers should use their purchasing power, where practicable, to influence and encourage suppliers in order to create a more reliable market for environmentally and ethically produced products and services.
- Environmental and social factors shall be considered in the purchasing process. Specifically this includes considering what the product is made from, the product durability, where it is made and by whom, the efficiency of the product during use and the processes involved in its production and distribution, what the disposal requirements are and if it can be reused or recycled.
- We will add sustainability into the procurement cycle: identifying needs; appraising options; design and specification; supplier selection; tender evaluation; contract management and supplier development.
- Sustainable development concepts will be embedded into purchasing functions through training programmes.

3.1.4 Monitoring and measuring

- We will seek to establish key performance indicators for sustainable procurement where appropriate and monitor and measure the performance of our supply chain against them.
- Where applicable, environmental law is given effect through procurement decisions including international obligations on climate change and sustainable development. We will support national policy and legislation to reduce CO₂ emissions, ban ozone-depleting substances and protect biodiversity.
- We will ensure the security of supply of vital goods and services through the early identification of environmental pressures that pose threats to existing supplies, for example, from the elimination of certain substances (such as hazardous chemicals) through regulation.

3.2 Ethical Procurement Standard

Serco expects its suppliers to comply with legal requirements and to adopt the following moral principles:

3.2.1 Regulatory compliance

- Suppliers shall comply with all national and other applicable law and regulations. Where the national law and this Standard are in conflict, the highest standards consistent with national law should be applied.
- Where the provisions of law and this Standard are not in conflict but address the same subject, the provision, which affords the greatest protection to people and the environment, should be applied.

3.2.2 Employment

- There is no forced, bonded or involuntary prison labour.
- Workers are not required to lodge 'deposits' or their identity papers with their employer and are free to leave their employer after reasonable notice.
- Workers, without distinction, have the right to join or form trade unions of their own choosing and, where a significant proportion of the workforce agree, to bargain collectively. Where the right to freedom of association and collective bargaining is restricted under law, the employer should consider facilitating, and not hindering, the development of legal parallel means for independent and free association and bargaining.
- Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.

3.2.3 Elimination of child labour

- The long-term elimination of child labour should take place in a manner consistent with the best interests of the children concerned.

- Suppliers should develop or participate in and contribute to policies and programmes that provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.
- Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- In any event, the course of action taken shall be in the best interests of the child, conform to the provisions of the International Labour Organisation (ILO) Convention 138 and be consistent with the United Nations Convention on the Rights of the Child.

3.2.4 Right to a living wage

- Wages paid for a standard working week meet or exceed national (or, where applicable, local) legal standards.
- In any event, wages should not be paid in kind and should be enough to meet basic needs.
- All workers should be provided with written and comprehensible information about their employment conditions in respect to wages before they enter employment and the particulars of their wages for the pay period concerned each time that they are paid.
- Deductions from wages as a disciplinary measure should not be permitted. Deductions from wages not provided for by national law should only be permitted with the expressed permission (without duress) of the worker concerned. All disciplinary measures should be recorded.

3.2.5 Avoidance of excessive working hours

- Standard working hours must comply with national laws and national benchmark industry standards; whichever affords greater protection to the employee.
- Workers should not on a regular basis be required to work in excess of 48 hours per week and should be provided with at least one day off for every 7-day period on average. Overtime requested by the employer must be voluntary and must not be requested on a regular basis.
- As provided for by ILO Convention 1, these provisions are intended to cover non-supervisory and non-management functions.

3.2.6 No discrimination

- A policy of equality for all should be in place and there should be no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, religious beliefs, union membership or political affiliation.

3.2.7 Provision of regular employment

- To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

- Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship should not be avoided.
- Examples include the abuse of labour-only contracting, sub-contracting, or home-working arrangements, through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, or the excessive use of fixed-term contracts of employment.

3.2.8 No harsh or inhumane treatment

- Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

3.3 Safe and Healthy Working Conditions

Serco expects its suppliers:

- To provide a safe and healthy working environment bearing in mind international standards, the prevailing knowledge of the industry and of any specific hazards.
- To take adequate steps to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working practice and environment.
- Provide workers with suitable and sufficient health and safety training, in order that they fully understand the hazards associated with the work activity and environment and the correct practices required to minimise the risks.
- Provide suitable and adequate welfare facilities including toilet facilities, drinking water and food storage where required. Accommodation, where provided, shall be clean, safe and meet the basic needs of the workers.
- To assign responsibility for health and safety to a senior management representative.

3.4 Environment

Serco expects its suppliers:

- To have an effective environmental policy, to implement the policy at all levels throughout the company and to include a commitment to continual improvement in environmental performance and prevention of pollution.
- To comply with all environmental legislation, regulations and all local laws which relate to the organisations environmental aspects to facilitate the protection of the environment.
- To have a process that ensures conformity to local regulations, including those relating to the reduction, reuse and recycling of waste and the elimination and safe disposal of dangerous materials.
- To identify a person within its business who has responsibility for environmental compliance issues and to be able to demonstrate that responsible personnel are adequately trained in environmental matters.
- To routinely identify risks of adverse environmental impact associated with their operations and where operations with identified risks are planned to ensure they are

carried out under controlled conditions with the objective of minimising potential adverse impact upon the environment.

4 Principles

We will use the following best practice principles to guide the implementation of our policy:

4.1 Principle 1: Working together

We will:

- work collaboratively with suppliers in pursuit of this standard;
- guide relationships by the principle of continual improvement;
- welcome rather than penalise suppliers identifying activities that fall below this standard (undertaken by themselves or sub-contractors) and who agree to pursue their aspirations;
- consider a similar ethical trading standard as a reasonable alternative where suppliers are already working towards sustainability.

4.2 Principle 2: Making a difference

We will, and we expect our suppliers to:

- use an environmental and social risk-based approach to the implementation of this standard;
- focus attention on those parts of the supply chain where the risk of not meeting this standard is highest and where the maximum difference can be made with resources available.

Serco's suppliers should:

- be prepared to demonstrate the basis of their approach with regard to the above.

4.3 Principle 3: Awareness raising and training

We will, and we expect our suppliers to:

- ensure that all relevant people are provided with appropriate training and guidelines to implement the requirements of this standard.

4.4 Principle 4: Monitoring and independent verification

We will:

- recognise that implementation of this standard may be assessed through monitoring and independent verification, and that these methods will be developed as our understanding grows.

We will expect our suppliers to:

- provide Serco or its representatives with reasonable access to all relevant information, premises, and workers (through interviews) and co-operate in any assessment against this standard – using reasonable endeavours to ensure that sub-contractors do the same.
- use reasonable endeavours to provide workers covered by this standard with a confidential means to report to the supplier failure to observe its requirements.

4.5 Principle 5: Continuous improvement

We will, and we expect our suppliers to:

- apply a continual improvement approach in agreeing schedules for improvement plans with suppliers not meeting this standard;
- base improvement plans on individual case circumstances;
- not use this guideline to prevent suppliers from exceeding this standard.

Ultimately, Serco will not do business with a supplier where serious breaches of this standard are identified and where the supplier consistently fails to take corrective action within an agreed timescale.

5 Responsibility and Authority

This policy standard is issued under the authority of the Chief Executive, Serco Group plc. Responsibility for implementation of this policy standard is set out below.

- Responsibility for the achievement of this policy standard rests with the Executive Team.
- Divisional Chief Executives are responsible for implementing the policy standard, monitoring its implementation in the everyday activities of their division and report to their divisional board.
- Managers are responsible for implementing the policy standard, monitoring its implementation in the everyday activities of their operations and report to their contract board.
- The Corporate Assurance Group is responsible for reviewing the policy standard and ensuring that it is kept up to date with changes in legislation. It is also responsible for the development of guidance and training on the implementation of the policy standard and for providing appropriate reports to the Serco Group board.

6 Evidence of Compliance

The Corporate Assurance Group will carry out regular monitoring of the implementation of sustainable procurement commitments and ethical standards by business units to enable us to identify trends and ensure that environmental and social factors are being considered in procurement decisions.

To demonstrate compliance with this policy standard, each division is required to provide access to documentation and records for audit purposes:

- Serco Group plc
 - Sustainable and Ethical Procurement Policy Standard (this document)
 - related policy statements and procedures
 - internal audit reports
- Divisions
 - Procedures
 - training material
 - audit/review records
- Business units/operating contracts

- o audit/review records

7 Guidance

Additional guidance and details of relevant legislation is available from the following sources:

UK websites	
www.sustainable-development.gov.uk	<p>DEFRA Guidance on procurement and estate management can be found on the framework for sustainable development on the government estate.</p>
www.ogc.gov.uk	<p>OFFICE OF GOVERNMENT COMMERCE Guidance on EC public procurement rules and best practice including OGC/Defra note on environmental issues in purchasing.</p>
www.idea.gov.uk	<p>IMPROVEMENT AND DEVELOPMENT AGENCY Guidance for public sector and helpdesk advice on sustainable procurement for local government. (Ihelp@Idea.Gov.Uk)</p>
www.cips.org	<p>CHARTERED INSTITUTE OF PURCHASING AND SUPPLY (CIPS) The professional body for purchasing and supply chain management.</p>
www.environment-agency.gov.uk	<p>ENVIRONMENT AGENCY Legislation and good practice approach.</p>
INTERNATIONAL INFORMATION	
www.epa.gov	<p>ENVIRONMENTAL PROTECTION AGENCY (US) Environmentally preferable purchasing. Includes purchasing guides from the US EPA covering food service-ware, copiers, cleaners, carpets, electronics and meetings.</p>
www.iclei.org	<p>INTERNATIONAL COUNCIL FOR LOCAL ENVIRONMENTAL INITIATIVES (ICLEI) Information on ICLEI's international procurement initiative and a green repurchasing good practice guide.</p>

APPENDIX 10.24

PROCUREMENT STRATEGY

YORKSHIRE DALES NATIONAL PARK AUTHORITY PROCUREMENT STRATEGY

Introduction

The Yorkshire Dales National Park is one of 12 National Parks in England and Wales. The National Park, most of which is privately owned, occupies an area of some 1762 km of mainly upland countryside, part of the central Pennines chain of hills which runs up the spine of Northern England. A small part of the National Park lies in the county of Cumbria, most is within the county of North Yorkshire. The National Park was designated in 1954 and is now administered by the Yorkshire Dales National Park Authority.

The National Park Authority has two statutory purposes, "to conserve and enhance the natural beauty, wildlife and cultural heritage" and "to promote opportunities for the understanding and enjoyment of the special qualities of the park". In carrying out these purposes, the Authority has a duty to "seek to foster the economic and social well being of local communities". It is also the local planning authority.

The Authority is a relatively small Public Sector organization with an average annual budget of £7.5m and an annual spend on supplies/services of £2.2m. This strategy applies to all of that spending.

Purpose

To promote the delivery of best value supplies/services by the most appropriate procurement route thereby ensuring that value for money is obtained.

To set out a clear, corporate framework for best value procurement, which runs alongside our financial regulations.

The role of procurement within the Authority will:

- Apply a consistent, corporate and collaborative approach across departments
- Encourage collaboration with other authorities to deliver best value services and value for money
- Encourage joint procurement initiatives with other authorities, where feasible, to secure economies of scale
- Support fair employment terms
- Support environmentally sound provision
- Continue to provide a sound competition policy, which will provide best value and quality

Methodology

The Authority has developed a procurement mechanism which sets out its detailed procedure for procuring goods and services, by defining:

- Financial thresholds for purchasing goods and services and by what method
- The Authority's standard terms and conditions of contract - *refer to Contracts Manager*
- Procedures for opening tenders, evaluating them and letting contracts
- Relevant matters to take into account in specifications and tender evaluation

Procurement objectives for the Authority are:

- To purchase goods and services from suppliers who will provide best value for money
- To work towards e-procurement

- To purchase goods and services from suppliers whose environmental policies and practices are sound (see section on Green Procurement below)
- To continue to employ and encourage local, small and medium size enterprises to bid for the Authority's contracts
- To secure its purchase of goods and services as quickly and efficiently as possible
- To use, where relevant, the collective bargaining power of the Regional Centre of Excellence to secure high value purchases - *refer to Contracts Manager*
- To comply with all legal requirements and relevant government guidelines

The Senior Management Team will take responsibility for ensuring that the Authority's procurement objectives are achieved.

Action plan – the Authority will achieve these objectives by:

- Ensuring that relevant training on procurement is available to all with purchasing responsibility
- Monitoring and reporting on its letting of contracts so that a clear picture of spend across budgets is available
- Ensuring that order and contract documentation is available for audit/review purposes
- Using the Authority's external Procurement Advisors where in-house expertise is not available - *refer to Contracts Manager*
- Making use of select lists, where feasible, that have been established by other authorities in the region
- Actively promoting collaboration with other authorities
- Clearly specifying its requirements, encouraging competition, and awarding contracts based on clear criteria which are specified in advance

Good Practice

The Authority subscribes to guidance issued by the Government on the principles of good procurement, namely:

- The procurement process should give the authority sufficient information to form a view of potential service providers' competence but without placing undue burden on them;
- Potential suppliers/service providers should understand clearly from the outset what service standards are expected. They will be provided with adequate, accurate and timely information at all the relevant stages of the procurement process;
- All potential suppliers/service providers will be subject to the same requirements to ensure fair competition and be treated equally throughout the procurement process;
- Care will be exercised to avoid taking too narrow a view of how the service might be delivered as this may limit the options and deter potential providers;
- In order to be able to demonstrate that procurement has been undertaken in an open and transparent manner, the Authority will ensure that bidders are fully aware of the basis for bid evaluation and that all stages of the procurement process can be audited satisfactorily with reference to the Authority's procurement strategy and financial regulations which are made available to all bidders

Competitive Policy

The authority makes no assumption on the best method for supply/service provision. Its policy is to procure contracts through open competition based on the Authority's procurement objectives. Existing partnerships and/or contracts are not exempt from the competition requirement and will be reviewed regularly (at least every 3 years) to assess whether they deliver Best Value/Value for money or whether changes should be made.

Green Procurement

The Authority aims to minimise the environmental impact of its purchases/procurement through rigorous use of the 4 R's and has entered into an agreement with Re-cycling action for Yorkshire (RAY) to assist in this process. RAY will provide information on re-cycled products/services and this guidance should be sought before any purchase is made.

Reduce – by only purchasing new goods that are absolutely necessary, (i.e. when it is not possible or viable to re-use or repair goods already purchased).

Re-use – by purchasing products, where possible, that can be re-used many times rather than disposable items

Repair – by purchasing, where possible, products that have been designed and manufactured to allow for the repair and replacement of individual parts.

Recycle – by purchasing, where possible, products that are made from recycled materials, and/or that may be recycled themselves

The Authority will seek to ensure that in all procurement the environmental aspect is taken into account as an essential and integral part of the contract. This will entail specification writing, tender evaluation criteria and contract conditions which give adequate importance to the environmental dimension.

Risk Management

Risk management of contracting with suppliers with no track record will be explored. This will ensure, for instance, that suppliers without long-term experience but demonstrating capability will not be ignored. In these circumstances the need to demonstrate financial and economic standing by requesting for three years final accounts may be reviewed in order to introduce to some flexibility and to avoid discriminating against smaller and new suppliers.

20 November 2006



NEW FOREST NATIONAL PARK AUTHORITY

STANDING ORDERS AS TO CONTRACTS

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1 Introduction

- 1.1 The Authority has a statutory duty to make Standing Orders for the procurement of goods and execution of works in order to achieve competition and to regulate procedures for inviting tenders.
- 1.2 These orders are intended to provide rules and procedures to be followed in order to obtain best value, comply with the Law which governs spending and to safeguard public funds as well as to protect the interests of individuals involved in procurement. Contract Standing Orders provide the framework for the procurement of all works, supplies and services and must be complied with by all members, officers, consultants and other external agents appointed to act on behalf of the Authority in procurement matters.
- 1.3 Contract Standing Orders apply to all external procurement by the Authority regardless of the source of funding.
- 1.4 These Contract Standing Orders should be read in conjunction with Financial Regulations and any policies adopted by the Authority regarding sustainability, environmental, economic, equality and social issues.
- 1.5 Contract Standing Orders will be monitored and reviewed annually by the Authority’s Chief Finance Officer and Monitoring Officer.

2 Definitions

In these Standing Orders the following definitions shall apply:-

Authority	New Forest National Park Authority
Chief Executive	Head of Paid Service
Committee	A meeting of any Committee or Sub-Committee of the Authority
Contract	A document setting out the terms and conditions for the supply of goods (supplies), works or services (as appropriate) as agreed between the Contractor and the Authority
Contractor	Any organisation external to the Authority seeking to supply goods, works, or services
Director	Head of a Directorate and the term ‘relevant Director’ means the Director responsible for the Service Area, the subject of the Contract

I

Member	Member of the Authority
Supervising Officer	Officer nominated to supervise the Contract on behalf of the Authority

3 Delegated authority

- 3.1 The Director has ultimate responsibility for all contracts awarded by their Directorate. Authority to enter into contracts and make decisions under these Contract Standing Orders is delegated in accordance with the Authority's Scheme of Delegations and within the Code of Practice for the ordering and payment of goods and services.
- 3.2 Contract Payments must be authorised within the financial limits set out in the Code of Practice for the ordering and payment of goods and services, and the approved budget, and comply with Financial Regulations.

4 Exceptions

- 4.1 The procurement rules in these Standing Orders do not apply where:
 - 4.1.1 the Authority is to procure works, supplies or services through a Consortium or similar body, provided the Authority is a member of the Consortium and that body's own procurement rules are adopted;
 - 4.1.2 work is carried out under an Agency arrangement, which includes a provision that the Standing Orders of the Principal Authority will apply to any procurement;
 - 4.1.3 award of further work under an existing contract for works, services or supplies of goods is made; for this provision to apply, the Chief Executive will need to be satisfied that exceptional performance and value for money has been demonstrated. The further work should not exceed 50% of the original contract sum or £100,000 whichever is the lower and not exceed two years in duration;
 - 4.1.4 an existing contract for professional service is to be extended, and the Chief Executive is satisfied that value for money is being achieved;
 - 4.1.5 the goods or materials are proprietary items, or their prices are controlled by trade organisations or government order, or they are sold at a fixed price only provided that in each of these cases there is no reasonable satisfactory alternative product;
 - 4.1.6 a contract is awarded for the completion of work where a contractor becomes insolvent or, the employment of an existing contractor is determined. Both cases require the approval of the Chief Executive;

4.1.7 the procurement of works or services are required urgently and there is insufficient time to advertise the contract in the appropriate trade or professional journal; the Chief Executive may authorise the selection of the appropriate number of suppliers for invitation to tender from the Standing Approved List of Suppliers maintained by nearby local authorities or central government.

5 Procurement rules

5.1 All procurement must conform with the current EU Procurement Directives and other legislation covering procurement by Public Bodies; this includes Local Government Act 1999 (Best Value), Local Government Act 2003, Local Government (Contracts) Act 1997 and the Public Contracts Regulations 2006.

5.2 The Treaty of Rome and the EU Directives on procurement require that all procurement, irrespective of value, is carried out in such a way as to ensure the non-discriminatory treatment of all competing suppliers. The Public Contract Regulations 2006 require that all works, supplies and service contracts above certain thresholds must be advertised in the Official Journal of the European Union.

5.3 The EU procurement thresholds are published on the website of the Office of Government Commerce and are revised annually; as at 1 January 2006 these are as follows:

	£
Works	3,611,319
Supplies	144,371
Services	144,371

6 Disaggregation

6.1 Procurement must not be disaggregated to reduce individual contract sums in applying the procurement rules.

7 Selection of suppliers, consultants and contractors

7.1 The following procedures apply where contracts for the supply of works, services or goods and materials are required by the Authority.

7.2 Where procurement is undertaken on behalf of the Authority by another local authority, that local authority's own Standing Orders as to Contracts and pre-qualification checks may be adopted (see paragraph 4.1.2).

- 7.3 For all contracts, the estimated value of which is between £25,001 and the EU threshold, the Chief Executive may make an exception under paragraph 4.1.7 and select for tender the appropriate number of suppliers from the Standing Approved Lists of Suppliers maintained by nearby local authorities or central government, instead of public advertisement of the contract.

Works and contracts for services (other than consultancy) and supply of goods or materials:

- 7.4 For works, services (other than consultancy) and supply contracts with an estimated value above £25,000, the contract must be advertised in one or more local newspapers or relevant trade journals. The notice inviting contractors to indicate their interest in tendering for the work is to include details of the nature and purpose of the contract.
- 7.5 Where the proposed contract is estimated to be above the minimum EU limit, the notice must also be published in the Official Journal of the European Union (provided always that the Official Journal notice appears before the notice in the newspaper or trade journal).
- 7.6 Before selecting the contractors to be invited to tender or quote, based on the risks involved in the contract, appropriate pre-qualification checks must be undertaken to determine the contractor's ability to carry out the contract. This applies irrespective of the value of the proposed contract.

Consultancy Services

- 7.7 For consultancy service contracts with an estimated value above £25,000, the contract must be advertised in one or more of the relevant professional journals.
- 7.8 Where the proposed contract is estimated to be above the minimum EU limit, the notice must also be published in the Official Journal of the European Union.
- 7.9 The selection of consultants to be invited to quote or tender for consultancy work must include appropriate risk based pre-qualification checks, to include professional competence and professional indemnity insurance. This applies irrespective of the value of the proposed contract.

8 Procurement rules for contracts

- 8.1 The table below provides a summary of the rules to be followed, based on the estimated contract value. It is an overriding principle in respect of the letting of any contract of whatever value, that the Authority and its officers must be able to demonstrate value for money and non-discriminatory treatment of suppliers.

Works	Supplies and Services	Requirements	Procedure to follow	Selection of contractors
Up to £5,000	Up to £5,000	At least 1 written quotation obtained	Determine specification; obtain at least 1 quotation	Any relevant professional or trade list/source, or Other local authority/public body lists of accredited suppliers
£5,001-£25,000	£5,001-£25,000	At least 3 written quotations obtained	Determine specification: obtain 3 quotations	Any relevant professional or trade list/source, or Other local authority/public body lists of accredited suppliers
£25,001 to EU threshold	£25,001 to EU threshold	At least 3 formal tenders obtained	Prepare specification; obtain at least 3 tenders.	Advertise in one or more local papers and/or relevant national journals. Or, Selection from approved local authority/public body lists of accredited suppliers Organisations expressing an interest to the advert must be pre-qualified to the standards of the approved list prior to inviting to tender.
Above EU threshold	Above EU threshold	At least 5 tenders sought. The tender process must comply with the EU Directives	Follow EU tender procedure	In accordance with EU Regulations

9 Mandatory requirements for all contracts

9.1 The following are mandatory for every contract let by the Authority:

- i) The Authority must have a legal authority to enter into the contract.
- ii) An accurate and up to date estimate must be prepared for all contracts.
- iii) Adequate budgetary provision must exist for the provision of these goods, works or service.
- iv) All tenders, quotations, orders and contracts for procurement must be based on a specification.
- v) All contracts must be in writing. As a general rule, a standard form of contract must be used where relevant. The Authority's official order is a form of contract.
- vi) A performance bond must be provided for all works of £100,000 or more. The value of the bond shall generally be 10% of the contract sum.
- vii) A TUPE statement must be included where applicable in consultation with the Director of Corporate Services.

10 Mandatory contract clauses

10.1 All contracts must include clauses on the following topics:

- i) Termination in the event of the appointment of a liquidator or receiver, or failure of the contractor to perform his obligations under the contract.
- ii) Cancellation in the event of Canvassing or Corrupt Practices.
- iii) Prohibition of Assignment without the prior consent of the Authority.
- iv) Avoidance of Restrictive Practices.
- v) Insurances; the Authority's current standards are:
 - £10million Public liability (for each and every claim);
 - £10million Employer's liability. Policy to include an indemnity to Principal's clause;
 - For services, Professional Indemnity cover to a level commensurate with the level of risk, in accordance with guidance from the relevant professional body. As a guide, the level of cover required will normally be in the range £500,000 – to £5million.

- Where it is considered that the levels are not commensurate with the risk, they may be varied with the agreement of the Chief Executive.
- vi) Freedom of Information and Data Protection.
- vii) Confidentiality.
- viii) Liquidated and Ascertained Damages (for works of £100,000 or more).
- ix) Provision for compensation in the event of default by the contractor.
- x) Tender evaluation criteria including a price to quality split.
- xi) Health and Safety.
- xii) Social considerations in respect of discrimination legislation (e.g. Race Relations Act, Age Discrimination legislation).

11 Procurement procedures

Evaluation model

- 11.1 Where the evaluation criteria include both price and quality, the model to be used for the evaluation must be agreed by the Director at the commencement of the procurement.
- 11.2 The criteria used in the evaluation model may include environmental, economic, social and other strategic objectives, provided these criteria are not anti-competitive.

Receipt of quotations and tenders

- 11.3 **Quotations** must be in writing and sent to the Head of Office Services, who will maintain a record of all quotations received.
- 11.4 **Tenders** must be submitted in sealed envelopes endorsed with the details of the relevant tender, and addressed to the Chief Executive.
- 11.5 A Form of Tender Opening must be completed by the Supervising Officer; tenders must be date stamped on receipt and kept secure until the appointed opening time.

Opening of tenders

- 11.6 All tenders must be opened at the same time by the Chief Executive with at least one other officer (normally the supervising officer) present. The Form of tender opening will be completed in full at the time and retained for a period of five years.
- 11.7 Where TUPE applies, further guidance should be sought from the Human Resources Manager.
- 11.8 Tenders received after the closing date and time will not be accepted and must be returned to the tenderer.
- 11.9 Where less than the requisite number of quotes or tenders is returned the Supervising Officer must decide whether a competitive price has been obtained and report to the Chief Executive. Where it cannot be demonstrated that a competitive price has been achieved then the contract must be re-tendered.
- 11.10 All tendered contracts shall be recorded in a register held by the Chief Executive and open for inspection.

Evaluation of quotations and tenders

- 11.11 The arithmetic accuracy of quotations and tenders and reasonableness of any prices must be checked by the Supervising Officer.
- 11.12 For standard forms of contract the relevant contract rules for the treatment of errors will apply. For non standard forms of contract: where an arithmetic error is found in the most favourable tender, the tenderer must be required to stand by their quotation or tender or withdraw.
- 11.13 The Supervising Officer for the contract is responsible for carrying out the tender evaluation. The results must be checked by another independent officer. The evaluation results must be recorded in writing and retained for five years.
- 11.14 No qualified quotations or tenders may be accepted.
- 11.15 The Supervising Officer may clarify the quotation or tender prices with a tenderer provided all communication is by letter or e-mail and retained with the contract files.

Acceptance of quotation or tender

- 11.16 A quotation or tender may be accepted if it is:
- within the approved budget, and
 - meets all other tender requirements, and
 - is either the most financially beneficial to the Authority (price only evaluation), or has the highest score (price/quality evaluation).

11.17 Where quotations or tenders do not meet the criteria in paragraph 11.16, the following actions must be adopted:

Issue	Evaluation	Actions Required
Accept tender other than lowest, and within budget	Price only evaluation	Approval from Chief Executive and Chief Finance Officer Retain a formal written record of reasons
Accept tender with other than highest score and within budget	Price and quality evaluation	Approval from Chief Executive and Chief Finance Officer Retain a formal written record of reasons
Most favourable tender up to 10% above budget	Price only evaluation And Price and quality evaluation	Request supplementary estimate or virement in accordance with Financial Regulations; Or Negotiate amended design or specification with the most favourable tenderer Approval from Chief Executive and Chief Finance Officer Retain a formal written record of all communications with tenderer.
Most favourable tender in excess of 10% above budget	Price only evaluation And Price and quality evaluation	Review and reduce specification and invite the three lowest tenderers to retender Or Undertake new tender process on revised specification Or Consult Chief Executive and Chief Finance Officer for another course of action or agreement for virement or supplementary estimate

Disclosure of tender results and notifications

11.18 The successful tenderer should be notified initially of the intention to award the contract before the unsuccessful tenderers are notified. All notifications must be in writing and also disclose the full list of tenderers, in alphabetical order, and a list of tender sums in descending order.

11.19 For contracts advertised in the European Journal, the notice of award of the contract must be submitted and the rules relating to any appeal period followed.

11.20 All contracts awarded must be reported on the Authority's website.

Form of Contract

11.21 The conditions of contract must be either:

- The National Park Authority's own formal order form, or
- The National Park Authority's own contract conditions, or
- An industry standard form of contract (for example JCT or ICE Form of Contract).

In all cases, all documents must be approved initially by the Authority's own legal advisor.

11.22 All contracts must be in writing; the Authority's own formal order form is a contract.

11.23 Contracts must be signed or sealed prior to any supply, service or works commencing.

11.24 Where a contract is provided by a supplier, all documentation must be checked and approved by the Authority's legal advisor prior to signature or sealing.

11.25 A contract Register will be maintained by the Authority and contain the following details:

- contract name and value
- name of company or individual
- date contract awarded, start and completion dates
- exceptions to Standing Orders as to Contracts
- pre-defined scope for extension of contract.

Signing and sealing of contracts

11.26 Contracts with a value in excess of £100,000 must be under seal. This provides a 12 year limitation period for actions to be taken arising from breaches of obligations under the contract (Limitations Act 1980). Contracts not under seal have a six year limitation period. The affixing of the seal shall be attested by the Chief Executive or other officer authorised by her for this purpose.

11.27 Where a contract is not made under seal it must be signed by the Chief Executive or other officer authorised by her for this purpose, or by two officers both of whom are authorised by the Chief Executive for this purpose.

12 E-procurement

12.1 Where an e-procurement system is adopted by the Authority, any associated new procedures must adhere to the same legal and policy obligations that govern all public procurement. E-procurement must

comply with the rules of the European Commission and the Government's Value for Money Policy.

12.2 The European Commission (EC) Consolidated Directive (2004/18/EC) supports the adoption of e-procurement. The new provisions on e-procurement cover the following areas:

- electronic reverse auctions (e-auctions)
- dynamic Purchasing Systems for regularly purchased goods and systems
- rules applicable to communication
- requirements relating to equipment for the electronic receipt of tenders, requests to participate and plans and projects in design contests.

13 Contract monitoring

13.1 All contract documentation, including quotations and tenders, specifications, variations and exemptions to Standing Orders as to Contracts, must be retained in accordance with the Authority's records retention policy.

13.2 It is a disciplinary offence to fail to comply with these Contract Standing Orders.

13.3 The Authority's Chief Finance Officer and the Monitoring Officer monitor compliance with these Standing Orders in accordance with their statutory responsibilities and to ensure good corporate governance.

13.4 Employees have a duty to report breaches of these regulations to their Director, who will report this to the Chief Finance Officer and the Monitoring Officer.

14 Suspension of standing orders

14.1 Any clause within these Standing Orders may be waived in special circumstances provided this does not lead to a breach of EU Regulations.

14.2 Any request for a waiver must be in writing and clearly identify the reasons for the request. A copy of the waiver must be entered in the register held by the Chief Executive and be open for inspection.

14.3 For proposed contracts below £25,000 the approval of the Service Director and the Chief Finance Officer are required; for contracts between £25,001 and the EU threshold, the approval of the Chief Executive, in consultation with the Chief Finance Officer, is required.

14.4 Any proposal to suspend Standing Orders for contracts over the EU threshold will require the approval of the Authority.

APPENDIX 10.26 Standard Purchasing Procedure Summary

Goods and Services	Procurement Procedure	Purchase Options
\$2,000 or less	Competition not required	No purchase order required Credit Card can be used Department Purchase Order
Over \$2,000 to \$5,000	Competition not required.	Department Purchase Order
Over \$5,000 to \$30,000	Competition obtained by Procurement Services. Minimum 3 quotes (including two minority sources) solicited by phone, fax, or unsealed bid. Advertising required ??	Contract Department Purchase Order
Over \$30,000 to \$50,000	Formal Tender Process required. Competition obtained by Procurement Services. Minimum 3 Tenders submitted (including two minority sources).	Contract
Over \$50,000	Formal Tender Process required. Competition obtained by Procurement Services. Minimum 3 Tenders submitted (including two minority sources). Approval to award contract required by Tender Board	Contract

UK Public sector standard purchasing procedures summary

Works	Supplies and Services	Requirements	Procedure to follow	Selection of contractors
Up to £5,000	Up to £5,000	At least 1 written quotation obtained	Determine specification; Obtain at least 1 quotation	Any relevant professional or trade list/source, or other local authority/public body lists of accredited suppliers
£5,001-£25,000	£5,001-£25,000	At least 3 written quotations obtained	Determine specification: Obtain 3 quotations	Any relevant professional or trade list/source, or Other local authority/public body lists of accredited suppliers

£25,001 to EU threshold	£25,001 to EU threshold	At least 3 formal tenders obtained	Prepare specification; Obtain at least 3 tenders.	Advertise in one or more local papers and/or relevant national journals. Or, Selection from approved local authority/public body lists of accredited suppliers Organisations expressing an interest to the advert must be pre-qualified to the standards of the approved list prior to inviting to tender.
Above EU threshold	Above EU threshold	At least 5 tenders sought. The tender process must comply with the EU Directives	Follow EU tender procedure	In accordance with EU Regulations



STATING YOUR BUSINESS



Guidance on preparing a

HEALTH & SAFETY POLICY DOCUMENT

for small firms

This guidance contains an outline health and safety policy statement, which you can complete and use as a way of complying with the law.

The outline statement is aimed at small firms but larger organisations could also use it within individual workplaces or departments.

Introduction

What is a health and safety policy statement?

Your health and safety policy statement sets out how you manage health and safety in your organisation. It is a unique document that shows who does what; and when and how they do it.

This is an example of a policy statement that you can use, fill in and keep in your workplace. However, you do not have to use this document or format. You are free to record and store the information in any form you choose. This format gives you an idea of the kind of information you need to record.

Why do I need a health and safety policy statement?

The health and safety policy statement is your starting point to managing health and safety in the workplace. By law, (Health and Safety at Work etc Act 1974 section 2(3)) if you employ five or more people you must have a written health and safety policy. This contains your statement of general policy on health and safety at work and the organisation and arrangements for putting that policy into practice.

Writing a health and safety policy statement is more than just a legal requirement – it is your commitment to planning and managing health and safety. It is the key to achieving acceptable standards, reducing accidents and cases of work-related ill health and it shows your employees that you care for their health and safety.

Who should do what?

With very few exceptions, the responsibility for health and safety rests on you as an employer. However, many day-to-day tasks may be delegated. Your statement should show clearly how these tasks are allocated, but remember, you will still have ultimate responsibility.

You should consult your employees (through safety representatives, if you have any) about the policy statement. Everyone should be able to see from the policy statement exactly who is responsible for different things, such as advice, reporting an accident, and first aid.

When and how should they do it?

Your policy statement should describe your arrangements, ie the systems and procedures you have in place for ensuring employees' health and safety.

You may wish to refer to other documents, eg works' rules, safety checklists, training programmes, emergency instructions, etc. All employees may not need to see all the other documents, but they must see the policy statement itself.

How often do I need to revise the policy statement?

It should be reviewed and possibly revised in the light of experience, or because of operational or organisational changes. It is useful to review the policy regularly (eg annually).

Do I have to do anything else?

Yes, you have other legal duties under other legislation. In particular, under the Management of Health and Safety at Work Regulations 1999, you have to assess the risks arising from your work activities and record the significant findings (you can cross-refer to page 5 of this document). You also have to record your arrangements for health and safety (you can use this document to do that). Depending on your type of work, there may be other specific legislation that will apply.

REMEMBER: What you write in the policy has to be put into practice. The true test of a health and safety policy is the actual conditions in the workplace, not how well the statement is written.

How to use this guidance

This guidance is split into three parts. It contains a statement of general policy based on your legal duties under the Health and Safety at Work etc Act 1974. Then you can record your organisational responsibilities and your arrangements to ensure the health and safety of your employees. Notes are included alongside each section to help you. Some useful publications are listed in the notes and at the end of this guidance.

Health and Safety Policy Statement

Health and Safety at Work etc Act 1974

This is the Health and Safety Policy Statement of

(name of company)

Our statement of general policy is:

- to provide adequate control of the health and safety risks arising from our work activities;
- to consult with our employees on matters affecting their health and safety;
- to provide and maintain safe plant and equipment;
- to ensure safe handling and use of substances;
- to provide information, instruction and supervision for employees;
- to ensure all employees are competent to do their tasks, and to give them adequate training;
- to prevent accidents and cases of work-related ill health;
- to maintain safe and healthy working conditions; and
- to review and revise this policy as necessary at regular intervals.

Signed

(Employer)

Date

Review date

Responsibilities

Note 1

Your name must be inserted here. As the employer (ie sole trader, senior partner or managing director) you have overall responsibility for health and safety.

Note 2

If you are not always there, or do not have time to manage on a day-to-day basis, you can delegate this role to someone else, eg director, manager or supervisor. You will need to ensure that they keep you fully informed of health and safety matters – it will still be your overall responsibility.

Note 3

You may delegate functions to people within your organisation, either by specific areas within the workplace or by topic.

You should include their specific responsibilities in their job description (if they have one).

You must also ensure that they are competent to undertake their health and safety responsibilities and have adequate resources to enable them to do their job properly.

It is important that responsibilities are clearly set out – this will make sure that if there are any health and safety concerns, they can be reported to the right person, so they can be dealt with.

You may wish to insert a diagram or chart showing your management structure/arrangements.

Note 4

Employees have legal responsibilities to take care of the health and safety of themselves and others, and to co-operate with you to help you comply with the law.

Equally, if employees have any concerns over health and safety issues, they should be clear about whom they should tell, so that the concerns can be addressed.

- 1 Overall and final responsibility for health and safety is that of

- 2 Day-to-day responsibility for ensuring this policy is put into practice is delegated to

- 3 To ensure health and safety standards are maintained/improved, the following people have responsibility in the following areas

Name

Responsibility

- 4 All employees have to:
- co-operate with supervisors and managers on health and safety matters;
 - not interfere with anything provided to safeguard their health and safety;
 - take reasonable care of their own health and safety; and
 - report all health and safety concerns to an appropriate person (as detailed in this policy statement).

Health and safety risks arising from our work activities

- Risk assessments will be undertaken by
- The findings of the risk assessments will be reported to
- Action required to remove/control risks will be approved by
- will be responsible for ensuring the action required is implemented.
- will check that the implemented actions have removed/reduced the risks.
- Assessments will be reviewed every

 or when the work activity changes, whichever is soonest.

Note

You must assess risks to the health and safety of anyone who may be affected by your work activities, so that you can weigh up whether you have done enough or need to do more to comply with the law – see [Management of Health and Safety at Work Regulations 1999](#).

You will find some examples of key areas that you should consider, at the end of this guidance.

You will need to involve a number of different people, including your safety representatives and employees, to do the risk assessments.

You need to record the significant findings of your risk assessments in a separate document. Your policy statement only records your arrangements for ensuring the assessments are done, and are kept up to date.

Once you have done your risk assessments, you must take the necessary action to remove or reduce the risk as far as is reasonably practicable.

You can find more guidance in HSE's free leaflets *Five steps to risk assessment* INDG163 (rev1) 1998 and *A guide to risk assessment requirements: Common provisions in health and safety law* INDG218 1996.

Consultation with employees

Note

You must consult your employees.

If you recognise a trade union and that trade union has appointed a safety representative, you must consult them on matters affecting the employees they represent – see Safety Representatives and Safety Committees Regulations 1997.

If you do not have trade unions, you must consult employees, either directly or through an elected representative – see Health and Safety (Consultation with Employees) Regulations 1996.

You may wish to use your works committee or another meeting as a forum for consultation.

If you have a health and safety committee, you could list what it does, who is on it and how often it meets.

● Employee representative(s) are

Blank rounded rectangular boxes for listing employee representative(s).

● Consultation with employees is provided by

Blank rounded rectangular boxes for listing consultation methods.

Safe plant and equipment

- will be responsible for identifying all equipment/plant needing maintenance.
- will be responsible for ensuring effective maintenance procedures are drawn up.
- will be responsible for ensuring that all identified maintenance is implemented.
- Any problems found with plant/equipment should be reported to
- will check that new plant and equipment meets health and safety standards before it is purchased.

Note

You will need to ensure that all plant and equipment (eg lift trucks, vehicles, gas appliances, machinery guarding, ladders, electrical equipment, lifting equipment, air receivers, ventilation plant) that requires maintenance (eg pre-shift checks, servicing, thorough examinations) is identified and that the maintenance is done.

It may be worthwhile using a logbook to record the maintenance checks.

When buying new or second-hand plant and equipment, you must check it meets health and safety standards before buying it.

You can find more guidance in the [Provision and Use of Work Equipment Regulations 1998](#), [Lifting Operations and Lifting Equipment Regulations 1998](#) and HSE's *Buying new machinery* INDG271 1998.

Safe handling and use of substances

Note

You must assess the risks from all substances hazardous to health – see Control of Substances Hazardous to Health Regulations (COSHH) 2002.

These are known as your COSHH assessments.

You should do assessments on substances you use (eg adhesives, paints, cleaning agent, solvents) and substances generated from work activities (eg dust, fume, vapour).

Your assessment should identify any health risks. If there is a risk you should take steps to remove or control the risk.

You can find more guidance in HSE's: *COSHH: A brief guide to the Regulations* INDG136(rev2) 2003 (free); *COSHH essentials: Easy steps to control chemicals* HSG193 1999 ISBN 0 7176 2421 8 and the *COSHH ACOP and guidance* L5 2002 ISBN 0 7176 2534 6.



will be responsible for identifying all substances which need a COSHH assessment.



will be responsible for undertaking COSHH assessments.



will be responsible for ensuring that all actions identified in the assessments are implemented.



will be responsible for ensuring that all relevant employees are informed about the COSHH assessments.



will check that new substances can be used safely before they are purchased.



Assessments will be reviewed every

or when the work activity changes, whichever is soonest.

Information, instruction and supervision

- The Health and Safety Law poster is displayed at/ leaflets are issued by

- Health and safety advice is available from

- Supervision of young workers/trainees will be arranged/undertaken/monitored by



is responsible for ensuring that our employees working at locations under the control of other employers, are given relevant health and safety information.

Note

The Health and Safety Information for Employees Regulations 1989 require employers to display a poster (or to provide leaflets) telling employees what they need to know about health and safety.

You are required to have access to competent advice, either in-house or, if not available, external (eg employers' organisations, trade associations, unions, TECs, consultants).

If you have young workers and/or take on trainees or students on work experience, you will need to ensure that they are properly instructed and supervised.

You must also do specific risk assessments for young people – you need to take account of their inexperience, lack of awareness of risks and immaturity (see the Management of Health and Safety at Work Regulations 1999).

If your employees go to work for another employer on your behalf (eg if you are a contractor) you will need to check that they are given relevant health and safety information for that location, by that employer/company.

Competency for tasks and training

Note

All employees must be given health and safety induction training when they start work.

This can be combined with other useful information (eg pay, leave, and hours of work). It needs to cover basic health and safety such as first aid and fire safety.

Employees will need job-specific training, which includes the health and safety aspects of the job.

You also have to provide health and safety training for people when risks change, or periodically, eg if skills do not get used regularly.

Some jobs will require additional special training (eg manual handling, driving, slinging techniques, confined space entry and asbestos removal).

You may wish to refer to your company training programme.

It is important to keep records of training (even training you have provided in-house) to show that employees have received training.

You should monitor the training records, so that refresher training is given when necessary.

● Induction training will be provided for all employees by

● Job specific training will be provided by

● Specific jobs requiring special training are...

● Training records are kept at/by

● Training will be identified, arranged and monitored by

Accidents, first aid and work-related ill health

- Health surveillance is required for employees doing the following jobs

- Health surveillance will be arranged by

- Health surveillance records will be kept by/at

- The first aid box(es) is/are kept at

- The appointed person(s)/first aider(s) is/are

- All accidents and cases of work-related ill health are to be recorded in the accident book. The book is kept by/at



is responsible for reporting accidents, diseases and dangerous occurrences to the enforcing authority.

Note

Employees must receive health surveillance for certain work (eg work with flour, lead, chrome, asbestos, noise, isocyanates and some chemicals).

This will identify any health problems early on so that action can be taken before an employee's condition worsens.

Your COSHH assessments (see page 8) should identify all areas and the type of health surveillance needed.

Your records should contain details of the employees, the health surveillance procedures, dates and conclusions. The health care professional doing the surveillance will hold the actual medical records, as these are confidential.

You can find more information in HSE's *Health Surveillance at work* HSG61 1999; *Understanding health surveillance at work: An introduction for employers* INDG304 1999 (free) and in a number of free leaflets on specific substances.

Providing immediate first aid can prevent minor injuries becoming major ones.

As a minimum you must have a first aid box and an appointed person to take charge of first aid requirements. You can find more information in HSE's free leaflets *First aid at work – your questions answered* INDG214 1997 and *Basic advice on first aid at work* INDG347 2002.

Recording accidents (even minor ones) means you can see whether you have a problem in a particular area.

You must report certain types of accidents and ill health at work, using Form 2508 or Form 2508A – see the [Reporting of Injuries, Diseases and Dangerous Occurrences Regulations \(RIDDOR\) 1995](#).

Monitoring

Note

You must be able to show that you are checking working conditions and systems of work, ie that you are monitoring health and safety.

You can do this both actively and reactively, ie before and after something goes wrong.

ACTIVELY:

you or any other appointed person can carry out inspections, have reports submitted to you by managers, do spot check visits, safety representative inspections, etc.

Trade union safety reps have the right to carry out inspections and investigate accidents.

REACTIVELY:

you can investigate any accidents or sickness absences that occur.

Investigating accidents is a useful way of reviewing your safety systems – ask yourself why the accident really happened and what you can do to stop it happening again.

Similarly, if you have a number of employees absent because of similar ailments, this might mean there is a problem with their jobs causing ill health.

When you find out what went wrong – put it right.

- To check our working conditions, and ensure our safe working practices are being followed, we will

-
- is responsible for investigating accidents.

-
- is responsible for investigating work-related causes of sickness absences.

-
- is responsible for acting on investigation findings to prevent a recurrence.

Emergency procedures – fire and evacuation

●
is responsible for ensuring the fire risk assessment is undertaken and implemented.

● Escape routes are checked by/every

● Fire extinguishers are maintained and checked by/every

● Alarms are tested by/every

● Emergency evacuation will be tested every

Note

You must carry out fire risk assessments, in the same way as you do for health and safety risk assessments.

Your local fire service can tell you your obligations.

For escape routes, extinguishers and alarms, you should state who checks, how often and also where they are based.

You need a routine in case of fire or any other emergency evacuation. You should test your alarms and emergency evacuation procedures regularly.

You can find more information on fire safety in HSE's *Fire safety – an employer's guide* 1999 ISBN 0 11 341229 0.

Some key areas of risk

- Asbestos
- Chemicals
- Confined spaces
- Display screen equipment (VDUs)
- Electricity
- Excavation
- Falling objects/ collapsing structures
- Fire and explosion
- Machinery (including guarding)
- Manual handling
- Noise
- Pressure systems
- Radiation
- Slips, trips and falls
- Stress
- Substances hazardous to health (including dust, fume, etc)
- Temperatures
- Transport (including carrying dangerous substances, and pedestrians in the workplace)
- Vibration
- Violence to staff
- Work equipment
- Work-related upper limb disorders
- Working alone
- Working at heights
- Working environment

These are just some examples of key areas; this is not an exhaustive list. Look around your workplace to identify other risk areas. If any risks apply to your work activities, you will need to do risk assessments to check that you have removed or reduced the risk.

You can find more information on risk assessments and the key areas of risk in HSE's:

- *Essentials of health and safety at work;*
- *Health and safety in small firms: An introduction to health and safety;*
- *Good Health is Good Business: Employers' guide;* and
- *Five steps to risk assessment.*

See 'Where can I get more information?' for details of these publications.

Where can I get more information?

If you still need advice on specific points, check first in the guidance referred to in the notes or listed below.

HSE priced publications

Essentials of health and safety at work
HSE Books 1994 ISBN 0 7176 0716 X

Health risk management – A practical guide for managers in small and medium-sized enterprises
HSG137 HSE Books 1995 ISBN 0 7176 0905 7

Management of health and safety at work: Management of Health and Safety at Work Regulations 1999 Approved Code of Practice and guidance L21 (Second edition)
HSE Books 2000 ISBN 0 7176 2488 9

HSE free leaflets

An introduction to health and safety: Health and safety in small firms
INDG259(rev1) HSE Books 2003

Managing health and safety: five steps to success
INDG275 HSE Books 1998

Consulting employees on health and safety: A guide to the law
INDG232 HSE Books 1996

RIDDOR explained. Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995
HSE 31(rev1) HSE Books 1999
Also available in priced packs; ISBN 0 7176 2441 2

Health and safety training. What you need to know
INDG345 HSE Books 2001
Also available in priced packs; ISBN 0 7176 2137 5

Five steps to risk assessment
INDG163(rev1) HSE Books 1998
Also available in priced packs; ISBN 0 7176 1565 0

While every effort has been made to ensure the accuracy of the references listed in this publication, their future availability cannot be guaranteed.

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are available by mail order from
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Suffolk CO10 2WA.
Tel: 01787 881165
Fax: 01787 313995
Website: www.hsebooks.co.uk

(HSE priced publications are also available
from bookshops and free leaflets can be
downloaded from HSE's website:
www.hse.gov.uk.)

For information about health and safety
ring HSE's Infoline Tel: 08701 545500
Fax: 02920 859260 e-mail:
hseinformationservices@natbrit.com or write
to HSE Information Services, Caerphilly
Business Park, Caerphilly CF83 3GG.

This guidance is issued by the Health and
Safety Executive. Following the guidance is
not compulsory and you are free to take other
action. But if you do follow the guidance you
will normally be doing enough to comply with
the law. Health and safety inspectors seek to
secure compliance with the law and may refer
to this guidance as illustrating good practice.

This leaflet is available in priced packs of 5
from HSE Books, ISBN 0 7176 1799 8. Single
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Health and Safety Policy

Introduction

1. Tir Coed's role is to promote the health, social, economic and environmental benefits of woodland to rural communities across Wales. This involves working in private and publicly owned woodland as well as in various other locations related to projects.

General Policy

2. Tir Coed's policy is to operate its business, in accordance with the Health and Safety at Work Act 1974, to ensure, so far as is reasonably practicable, the health and safety of its employees, and to provide appropriately for the health and safety of others who may be affected by its undertakings – i.e. other workers, visitors, neighbours and members of the public.

We aim to:

- Provide adequate control of the health and safety risks arising from our work activities;
- Develop and adopt working methods and operational techniques which are safe and without risk to health;
- Consult with our employees on matters affecting their health and safety;
- Provide and maintain safe equipment;
- Make premises and work activities safe for other workers and visitors who may be affected by the activities of Tir Coed;
- Ensure that facilities provided for the use of members of the public and activities led by Tir Coed are safe and without risk to health;

- Provide training and information to employees to ensure that working methods, machinery and equipment are fully understood and that all employees are capable of carrying out safely the tasks allocated to them;
- Ensure that all employees are competent to do their tasks;
- Prevent accidents and cases of work-related ill-health;
- Maintain safe and healthy working conditions;
- Use only machines and equipment which satisfy appropriate standards of safety, ergonomics and reliability;
- Keep under constant review the possibility of purchasing or developing machines, equipment and substances with improved safety standards;
- Provide and require the use of suitable tested safety devices and protective equipment and clothing;
- Review and revise this policy as necessary at regular intervals.

Organisation and Responsibilities for Carrying out the Policy

3. The primary responsibility for health and safety rests with the Board of Directors of Tir Coed.
4. The Directors are responsible for all aspects of health and safety related to the activities of Tir Coed. They will ensure that there is an effective policy for the organisation and will monitor and review the effectiveness of this policy periodically.
5. All employees have to:
 - Co-operate with the Directors on health and safety matters;
 - Take reasonable care of their own health and safety and that of fellow workers;
 - Report all health and safety concerns to the Directors;
 - Complete risk assessments for project work;
 - Operate in accordance with lone worker guidelines (see below).

Accidents, First aid & work related ill health

- The first aid box is kept in the kitchen at Denmark Farm and at Lisburne House.
- A field first aid kit should be kept in Project Officers' cars at all time.
- All accidents, near misses and cases of work related ill health are to be recorded in the Accident Book.
- The Accident Book is kept in the office at Denmark Farm and at Lisburne House.
- The Tir Coed Project Officers are responsible for reporting accidents, diseases, near misses and dangerous occurrences to the Directors.
- The Directors are responsible for reporting work-related accidents, diseases and dangerous occurrences, in accordance with RIDDOR 1995.
- The Tir Coed Directors are responsible for investigating accidents, near misses and work-related causes of sickness absences, as well as acting on investigation findings to prevent a recurrence or any future accidents.

Emergency Procedures

- Electrical equipment and Fire Extinguishers will be checked regularly at all offices.
- The fire escapes at Denmark Farm and at Lisburne House are identified.
- Escape routes will be kept clear and unobstructed

Key Areas of Risk

Examples of some of the key areas of risk within the work of Tir Coed are:

- Display screen equipment (VDUs)
- Electricity
- Forest machinery
- Noise
- Slips, trips and falls

- Stress
- Transport
- Working alone
- Working environment

Lone Worker Guidelines

1. All staff will be issued with mobile phones.
2. Staff should inform each other of any visits they have planned, including details of location, expected departure and return times. Staff to contact each other when they arrive back at their office.
3. If staff are not expected to return from a visit within office hours, they should inform their family of location of visit and expected return time.
4. All staff and their families should have contact details of other staff members and their families, for out-of-office contact, in case of emergency.

Implementation

Promotion of the policy:

All Tir Coed Directors and employees will receive a copy of this policy and be aware of its contents and requirements.

Monitoring and Evaluation:

This policy will be reviewed by the Board of Directors every six months. If aspects of the policy are no longer valid, or if there has been a significant change in the matters to which it relates, or in legislation, the Directors will agree changes to the policy, as required.

LAST REVIEWED

DATE:

SIGNED:

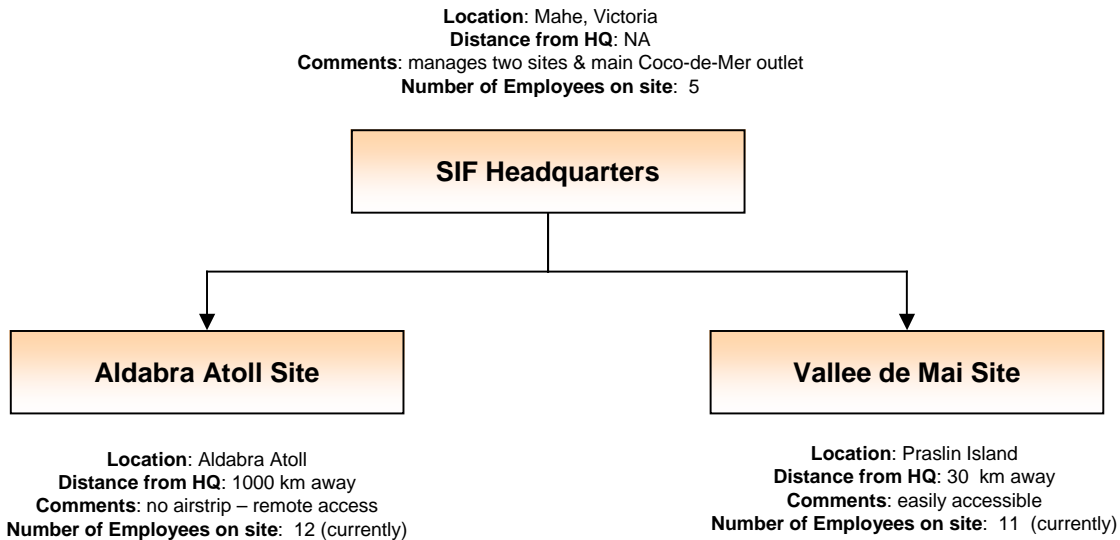
POSITION:

on behalf of Tir Coed Board of Directors

APPENDIX 10.29

Human Resources & Organisational Structure

SIF is a small organisation with 25 employees based in three locations. It has the mandate from the Seychelles Government to manage two natural World Heritage Sites, namely Aldabra Atoll and Vallee de Mai. The Headquarters of SIF are based in Mahe, Victoria (see diagram below).



The Headquarters (HQ) houses 5 employees, including the Executive Director and the Executive Officer. The main activities performed in the HQ are: Management of the two natural World Heritage sites, Finance & Accounting, Sales of merchandise (including Coco de Mer), Human Resources, Fund Raising Activities and Communication.

The Aldabra Atoll site (a natural World Heritage site) is strict nature reserve that has 12 employees. The main job roles there are: Site Warden, Research Officer, Logistics Manger, Rangers, Mechanics, Boatmen etc. Their main activities are to: monitor research activities, prevent poaching, maintain the facilities and guide visitors.

The Vallee de Mai site (also a natural World Heritage site) is a commercially viable site that has 9 employees. The main jobs there are: Site Warden, Rangers, Field Workers, Cleaners etc*. Their main activities are to: validate entry tickets, maintain paths & trails, prevent poaching, fire prevention, safety of visitors and collection of Coco de Mer nuts.

For a detail organisational chart, please review the relative Appendix.

* Please note that sales of merchandise and tickets is presently outsourced to an external contractor.

APPENDIX 10.30

Gap Analysis

Employee's Name:

Instructions

Complete this review form as comprehensively as possible after each review. Use one form per individual and enter the date of each review.

Review all of the competency areas with the individual at the end of the assignment. Feedback your comments about his/her performance in terms of both strengths/weaknesses and identify and agree specific gaps and areas requiring improvement

Metrics

Scores are given using a 1 to 5 scale (with 5 indicating the highest level of performance)

Weight Factors are also given on a 1 to 5 scale (with 5 indicating the highest importance)

Assessment Factors

The Gap Analysis between role requirements and actual employee performance will be based on the following 14 factors:

- Communication Skills
- Relationship Building
- House Keeping
- Analysis & Problem Solving
- Ability to Prioritise
- Record Keeping
- Understand Instruction
- Technical Expert
 - Generators
 - Outboards
 - Pumps
 - Electrical
 - Plumbing
 - Fabrication skills
- Motivated
- HSE
- Working in/Building Teams
- Conflict Resolution

Explanation of factors is provided in the Appendix

Step 1: Set the Skills Requirements of Role (including relative importance)

SKILLS										
	Weight - Importance				Target Score - Expectation					
1. COMMUNICATION SKILLS		2				1	2	3	4	5
2. RELATIONSHIP BUILDING			3			1	2	3	4	5
3. HOUSEKEEPING		2				1	2	3	4	5
4. ANALYSIS & PROBLEM SOLVING			3			1	2	3	4	5
5. ABILITY TO PRIORITISE		2				1	2	3	4	5
6. RECORD KEEPING			3			1	2	3	4	5
7. UNDERSTAND INSTRUCTIONS		2				1	2	3	4	5
KNOWLEDGE										
	Weight - Importance				Target Score - Expectation					
8. TECHNICAL EXPERTISE			3			1	2	3	4	5
8.1 GENERATORS			3			1	2	3	4	5
8.2 OUTBOARDS			3			1	2	3	4	5
8.3 PUMPS		2				1	2	3	4	5
8.4 ELECTRICAL		2								
8.5 PLUMBING		2				1	2	3	4	5
8.5 FABRICATION		2				1	2	3	4	5

BEHAVIOUR										
	Weight - Importance					Target Score - Expectation				
9. MOTIVATED			3			1	2	3	4	5
10. HSE			3							
11. WORKING IN/BUILDING TEAMS		2				1	2	3	4	5
12. CONFLICT RESOLUTION		2				1	2	3	4	5

Step 2: Use target scores above to identify the skills & competencies requirements of the role. Plot the results in the Gap Analysis Template at the end (Step 5)

Step 3: Define employee performance during the assessment period

SKILLS										
	Weight - Importance					Target Score - Expectation				
1. COMMUNICATION SKILLS						1				
2. RELATIONSHIP BUILDING								3		
3. HOUSEKEEPING							2			
4. ANALYSIS & PROBLEM SOLVING								3		
5. ABILITY TO PRIORITISE							2			
6. RECORD KEEPING							2			
7. UNDERSTAND INSTRUCTIONS							2			

KNOWLEDGE										
	Weight - Importance					Target Score – Expectation				
8. TECHNICAL EXPERTISE								3		
8.1 GENERATORS								3		
8.2 OUTBOARDS							2			
8.3 PUMPS								3		
8.4 ELECTRICAL							2			
8.5 PLUMBING								3		
8.5 FABRICATION							2			
BEHAVIOUR										
	Weight - Importance					Target Score - Expectation				
9. MOTIVATED								3		
10. HSE							2			
11. WORKING IN/BUILDING TEAMS								3		
12. CONFLICT RESOLUTION								3		

Step 4: Use scores above to identify employee performance. Plot the results in the Gap Analysis Template using a different colour than in Step 2

APPENDIX 10.31

Role Description Example

“Ranger Guide”

General Description	
Role Title	Ranger Guide
Purpose of the role	
Key Accountabilities:	
Lead visitor groups to view gorillas and other activities	<p>Communicate well with visitors.</p> <p>Knowledge of gorillas, forest etc.</p> <p>Knowledge of new products e.g. birding, nature trails</p> <p>Interpersonal skills to deal with visitors e.g. hospitable, problem-solving</p> <p>Physical fitness</p>
Interpretation and information sharing	<p>Knowledge of gorillas, forest etc.</p> <p>Knowledge of culture, history, environment</p> <p>Speak different languages</p>
Provide first aid	Provides first aid to visitors, staff in the forest or at reception centre
Ensuring visitors' safety and security	<p>Trained in animal behaviours, patrolling and defensive skills.</p> <p>Gather intelligence on threats to safety e.g. armed thugs</p> <p>Knowledge of forest area</p> <p>Defend visitor against physical threat e.g. animal, armed person</p>
Gorilla health monitoring	<p>Knowledge of gorilla health and diseases</p> <p>Collect samples</p> <p>Observe health of other animals</p>
Sales and marketing of park	<p>Provide information to visitors on other products, parks and on merchandise available</p> <p>Gathering information from visitors on quality of service and on interest in other products</p>

APPENDIX 10.32

Gap Analysis

Employee's Name: BMCA Ranger Guide

Instructions

Complete this review form as comprehensively as possible after each review. Use one form per individual and enter the date of each review.

Review all of the competency areas with the individual at the end of the assignment. Feedback your comments about his/her performance in terms of both strengths/weaknesses and identify and agree specific gaps and areas requiring improvement

Metrics

Scores are given using a 1 to 5 scale (with 5 indicating the highest level of performance)
Weight Factors are also given on a 1 to 5 scale (with 5 indicating the highest importance)

Assessment Factors

The Gap Analysis between role requirements and actual employee performance will be based on the following 14 factors identified from the Role Profile:

- Communication skills
- Language skills
- Sales & Marketing skills
- Public relations skills
- Problem solving skills
- Physical fitness
- Defence skills
- First Aid skills
- Tracking skills
- Map interpretation & GPS skills
- Health monitoring skills
- Product knowledge e.g. gorillas, birds
- Knowledge of culture, history, environment
- Knowledge of animal behaviours and health

Explanation of factors is provided in the Appendix

Step 1: Set the Skills Requirements of Role (including relative importance)

SKILLS										
	Weight - Importance				Target Score - Expectation					
1. COMMUNICATION SKILLS				5	1	2	3	4	5	
2. LANGUAGE SKILLS			3		1	2	3	4	5	
3. SALES & MARKETING SKILLS				4	1	2	3	4	5	
4. PUBLIC RELATIONS SKILLS			3		1	2	3	4	5	
5. PROBLEM SOLVING SKILLS			3		1	2	3	4	5	
6. DEFENCE SKILLS		2			1	2	3	4	5	
7. FIRST AID SKILLS				4	1	2	3	4	5	
8. TRACKING SKILLS	1				1	2	3	4	5	
9. MAP & GPS SKILLS				4	1	2	3	4	5	
10. HEALTH MONITORING SKILLS		2			1	2	3	4	5	
KNOWLEDGE										
	Weight - Importance				Target Score - Expectation					
11. PRODUCT KNOWLEDGE				5	1	2	3	4	5	
12. KNOWLEDGE OF CULTURE & HISTORY				4	1	2	3	4	5	
13. KNOWLEDGE OF ANIMAL BEHAVIOURS & HEALTH			3		1	2	3	4	5	
BEHAVIOUR										
	Weight - Importance				Target Score - Expectation					
14. PHYSICAL FITNESS				4	1	2	3	4	5	

Step 2: Use target scores above to identify the skills & competencies requirements of the role. Plot the results in the Gap Analysis Template at the end (Step 5)

Step 3: Define employee performance during the assessment period

SKILLS										
	Weight - Importance				Actual Score – Current Status					
1. COMMUNICATION SKILLS				5	1	2	3	4	5	
2. LANGUAGE SKILLS			3		1	2	3	4	5	
3. SALES & MARKETING SKILLS				4	1	2	3	4	5	
4. PUBLIC RELATIONS SKILLS			3		1	2	3	4	5	
5. PROBLEM SOLVING SKILLS			3		1	2	3	4	5	
6. DEFENCE SKILLS		2			1	2	3	4	5	
7. FIRST AID SKILLS				4	1	2	3	4	5	
8. TRACKING SKILLS	1				1	2	3	4	5	
9. MAP & GPS SKILLS				4	1	2	3	4	5	
10. HEALTH MONITORING SKILLS		2			1	2	3	4	5	
KNOWLEDGE										
	Weight - Importance				Actual Score – Current Status					
11. PRODUCT KNOWLEDGE				5	1	2	3	4	5	
12. KNOWLEDGE OF CULTURE & HISTORY				4	1	2	3	4	5	
13. KNOWLEDGE OF ANIMAL BEHAVIOURS & HEALTH			3		1	2	3	4	5	
BEHAVIOUR										
	Weight - Importance				Actual Score – Current Status					
14. PHYSICAL FITNESS				4	1	2	3	4	5	

Step 4: Use scores above to identify employee performance. Plot the results in the Gap Analysis Template using a different colour than in Step 2

APPENDIX 10.33

TRNP Risk Responses

7.1: Overview

A total of 26 specific risks were identified by the workshop participants. These were individually assessed using 3 factors: impact, likelihood and the level of control available. These specific risks were then categorized into 7 groups, namely (a) enforcement issues, (b) accidents and emergencies, (c) environmental disasters, (d) management issues, (e) other external threats, (f) security issues, and (g) tourism-related risks.

Individual ratings within the group were then averaged to reflect the overall assessment of each group. The results are presented in the chart below.

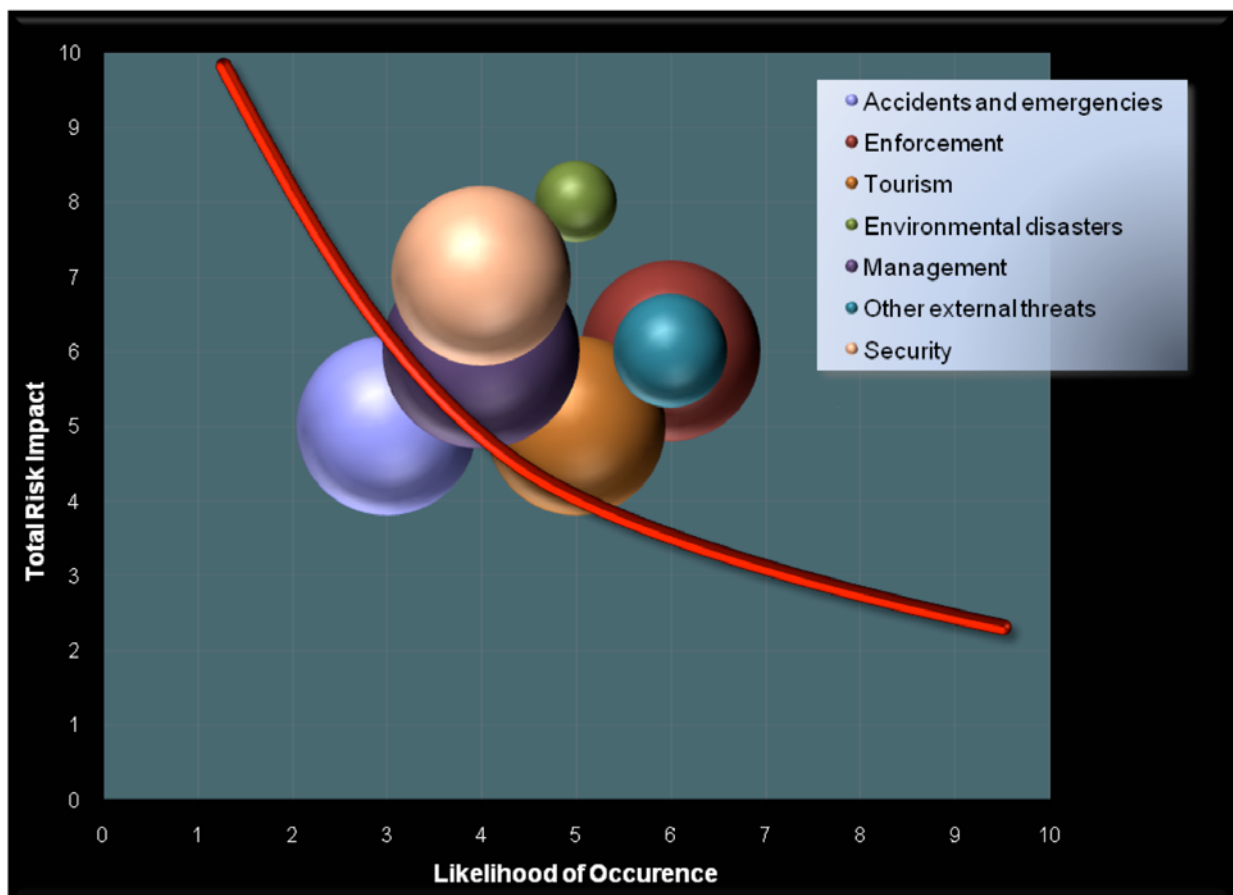


Figure 1. Bubble chart of risks identified by TMO and partners in relation to level of impact, likelihood and control.

Plotting the identified risks on a bubble chart gave a clustering of bubbles at its center. More than half of these are to the upper right of the chart, suggesting that these risks, i.e., security, other external threats, enforcement issues, and environmental disasters, need to be prioritized. Of these four, enforcement issues are of the highest likelihood in combination with impact and level of control. Risks coming from external threats also has similar impact and likelihood ratings but was acknowledged by TMO to be beyond their control (as indicated by the small size of its bubble). Thus response to

this along with risks coming from environmental disasters (also having a low level of control) will need to be addressed primarily through a contingency plan.

7.2: Enforcement Issues

Heading	Content Description
RISK DESCRIPTION	poaching by foreigners, illegal fishing by locals, harassment suits filed against enforcers
LINK TO BUSINESS OBJECTIVES	<p>Threatens biodiversity conservation</p> <p>Increases costs required to manage MPA</p> <p>Decreases morale of ranger enforcers</p>
RISK OWNER (FOCAL POINT)	Angelique Songco + Marine Park Rangers (MPR's)
CURRENT RISK RESPONSES	<ul style="list-style-type: none"> • Partnership with Philippines navy and coastguard • Conduct regular patrols (recent increases in numbers of patrols) • Increased ranger enforcement incentives • Aggressive legal pursuit of cases • Secure support from partners (logistical) • Establish additional ranger station on South Island (ongoing)
IMPACT / LIKELIHOOD RATIONALE	<p>Likelihood and impact of illegal fishing is assessed highest at 8 and 7 (on a scale of 1-10) respectively.</p> <p>Poaching has a likelihood of 4 and an impact of 6.</p> <p>Harassment suits have a likelihood of 6 and an impact of 5.</p> <p>Enforcement is seen as the risk with the highest combined likelihood and impact for TRNP as poaching and illegal fishing already happen on a regular basis and can seriously affect the biodiversity of the MPA. In general, TMO has the most control over illegal fishing and poaching through their enforcement partnership with the navy and the coastguard, the ranger patrols and their pursuit of culprits through legal action. TMO has less control over harassment suits being served by poachers/illegal fishers as this is seen locally as a natural response to being caught. So far TMO have successfully defended themselves against these suits however this diverts time and resources from other activities and can demoralise enforcement staff.</p>
ADDITIONAL ACTIONS (FUTURE PLAN)	<ul style="list-style-type: none"> • Train more rangers in paralegal procedures • Increase number of rangers + facilities • Further increase number of patrols, including night patrols • Upgrade and increase enforcement equipment (larger twin engine boat) • Pursue enactment of Tubbataha Bill to allow direct levying of fines (mitigate enforcement costs)
REMARKS (OPTIONAL)	Park expanded from 33,200 to 96,828 hectares in 2006. Increase in enforcement lagging expansion of area.

7.3: Other External Threats

Heading	Content Description
RISK DESCRIPTION	increasing solid waste, developments in related industries (i.e., transportation strikes, economic fluctuations), energy explorations
LINK TO BUSINESS OBJECTIVES	<p>Negative impact on tourism market</p> <p>Threatens biodiversity</p> <p>Increases cost of operations</p>
RISK OWNER (FOCAL POINT)	TPAMB, TMO Park Manager + rangers
CURRENT RISK RESPONSES	<ul style="list-style-type: none"> Regular coastal cleanup at the islets and at the ranger station sandbar Rigid solid waste management protocols/ practices effected at the Park Resource mobilization options are constantly explored in the hopes of increasing revenues for park operations
IMPACT / LIKELIHOOD RATIONALE	<p>Increase in solid waste had an impact level of 5 and a likelihood of 7 with level of control at 0.3. Developments in related industries were given an impact level of 7, likelihood of 4 and a control level of 0.1. Energy explorations rated high impact and likelihood levels both at 7 with a very low control level of 0.1.</p> <p>Control over the solid waste problem is three-pronged. Those generated by the rangers are highly controlled because its management is implemented and monitored by the TMO. Waste generated by the tourists is managed by the boat managers who are answerable to the TMO, thus providing the office with a limited degree of control. The biggest problem comes from boats passing close to but not entering the Park which often dump their garbage at sea. These waste materials get washed ashore in the Park.</p> <p>TMO is financially vulnerable to developments in related industries because a big portion of its operations is funded by conservation fees which come from tourists and boat operators bringing these visitors to the TRNP. However, its authority only covers the park and is unlikely to cause any major change on the tourism market even if it tried.</p>
ADDITIONAL ACTIONS (FUTURE PLAN)	<ul style="list-style-type: none"> Actively promote Tubbataha Reefs as a tourism site for non-divers Reduce solid waste generation in the Park
REMARKS (OPTIONAL)	

7.4: Environmental Disasters

Heading	Content Description
RISK DESCRIPTION	Global Climate Change, major storms and other natural disasters, e.g., tsunamis.
LINK TO BUSINESS OBJECTIVES	<p>Threatens biodiversity</p> <p>Negative impact on tourism market</p> <p>Increase cost of management</p>
RISK OWNER (FOCAL POINT)	TPAMB, Park Manager + marine park rangers
CURRENT RISK RESPONSES	<ul style="list-style-type: none"> • Regular research monitoring to assess status of biodiversity in the park • Use of renewable resources at the ranger station • Regular communications with headquarters to update mainland offices (TMO and NAVFORWEST) of current situation at ranger station • Regular monitoring of weather conditions through radio and television
IMPACT / LIKELIHOOD RATIONALE	<p>Global climate change rated high on impact (8) and likelihood (6). Natural disasters likewise rated high on impact (8) but with a very low likelihood (2). Major storms garnered a 7 rating on impact and 6 on likelihood. All three identified risk sources rated a low level of control at 0.1.</p> <p>TMO can do little more than cope in the face of these events as these are recognized force majeure. Its potential impact on the resources of the TRNP nevertheless necessitates some degree of action to mitigate its effect.</p>
ADDITIONAL ACTIONS (FUTURE PLAN)	<ul style="list-style-type: none"> • Continue monitoring of biodiversity status • Reinforce park station to weather storms • Provide 10-man life rafts and life vests for the station equipped with SOLAS, first aid kit and emergency provisions
REMARKS (OPTIONAL)	<p>The remoteness of the TRNP causes difficulty in providing assistance to the rangers on duty should these environmental disasters strike. Expansion of the park boundaries compounds this difficulty because the rangers have to break up into smaller groups to patrol the area.</p>

7.5: Security Issues

Heading	Content Description
RISK DESCRIPTION	terrorism, threats from intruders
LINK TO BUSINESS OBJECTIVES	<p>Reduces marketability of Tubbataha Reefs</p> <p>Increases operational costs</p>
RISK OWNER (FOCAL POINT)	TPAMB, WESCOM, Philippine Navy, Coast Guard, TMO, marine park rangers
CURRENT RISK RESPONSES	<ul style="list-style-type: none"> • Regular patrol of the Park • Radar and other monitoring equipment and facilities provided to facilitate patrolling and monitoring of the Park • Increased number of patrol boats and frequency of patrols • Regular communications between park station and Philippine Navy headquarters in mainland Palawan • Graveyard watch conducted
IMPACT / LIKELIHOOD RATIONALE	<p>Security issues have a high level of impact (7), low level of likelihood (4) and a medium level of control (0.5)</p> <p>Threats from intruders and terrorists are agreed to be the responsibility of the Philippine Navy and the Philippine Coast Guard. The remoteness of the park station as well as the limited number of personnel assigned to it at a given time lowers the level of control which could be higher if a larger contingency were assigned to the area.</p>
ADDITIONAL ACTIONS (FUTURE PLAN)	<ul style="list-style-type: none"> • Draft a contingency plan for security issues • Add more navy personnel (at least 2) with high-caliber firearms • Provide more sophisticated radar and/or other surveillance equipment
REMARKS (OPTIONAL)	

7.6: Management Issues

Heading	Content Description
RISK DESCRIPTION	leakage/fraud (i.e., information, resources), increase in operation costs, change in leadership (e.g., political, partner agencies), loss of support from partners/donors, loss of key staff, negative perception by tourists and other sectors, unclear legal status, competition with other activities and sites, internal conflict (within TMO, between rangers at the park station)
LINK TO BUSINESS OBJECTIVES	<p>Increase management cost</p> <p>Decrease in tourism revenues and support from partners</p> <p>Loss of morale of park staff</p> <p>Inefficient management</p>
RISK OWNER (FOCAL POINT)	TPAMB+ park manager
CURRENT RISK RESPONSES	<ul style="list-style-type: none"> • External financial audit conducted • Briefing and debriefing of rangers stationed at the park • Park rangers required to undergo special training prior to duty at the station • Active and continuous pursuit of donors to fund specific activities of the TMO • Incentives given to key staff, e.g., trainings, bonuses for rangers • Team building exercises conducted for staff and rangers • Maintaining lines of communication with tourism sector • Filing of TRNP Bill
IMPACT / LIKELIHOOD RATIONALE	<p>Level of impact ranged from 4-7 with median of 5. Likelihood of occurrence had a wider range of 1-7 with a central tendency at 3. Level of control was likewise varied, ranging from 0.1(change in leadership) to 0.8 (leakage and frauds) with most risks within the group having a rating of 0.5.</p> <p>These risks main similarity was that their impact and possible solution revolved around current management policies and structure both within TMO and without. Given its existing unique relation to various private organizations and national agencies, TMO is left vulnerable to major structural changes in these offices such as change in leadership. In an effort to concretize its identity as an office, the TRNP bill was drafted but, after 3 congressional changes, it has yet to be passed.</p>
ADDITIONAL ACTIONS (FUTURE PLAN)	<ul style="list-style-type: none"> • Conduct annual psychological and physical screening of rangers to be sent for duty at the park station • Establish regular external management and financial audit • Work towards securing tenure and concomitant benefits for key staff • Assist in the promotion and marketing of TRNP • Provide security of tenure for park staff
REMARKS (OPTIONAL)	With the expansion of the boundaries of the park to more than three times its original size, the funds of maintaining and patrolling the area should have increased commensurately. However, the budget is primarily

dependent on conservation fees collection which is not enough to support TMO operations as it were before the expansion, leaving the office vulnerable to financial risks and fluctuations in the tourism industry and the even smaller and more specialized diving tourism market.

7.7: Tourism-related Issues

Heading	Content Description
RISK DESCRIPTION	tourists' and tour operators' non-compliance to park rules and regulations, drop in tourism
LINK TO BUSINESS OBJECTIVES	<p>Negative impact on market Threatens biodiversity Increases cost of operations</p>
RISK OWNER (FOCAL POINT)	TPAMB, Park Manager, rangers
CURRENT RISK RESPONSES	<ul style="list-style-type: none"> • Briefing of tourists prior to entry to the Park • Boarding of dive boats upon entry into the Park • Conduct of Annual Dive Operators' Consultation • Provision of information materials to boat managers and tourists which include the park rules and regulations • Investigation of complaints and imposition of sanctions • Maintain lines of communication with tourism sector
IMPACT / LIKELIHOOD RATIONALE	<p>Tourist non-compliance rated low on impact (4) and somewhat high (6) on likelihood. Tour operators' non-compliance rated 5 on impact and 6 on likelihood. Both rated 0.6 on level of control. Tourism drop rated high on impact (7) but low on likelihood (3) and level of control (0.3).</p> <p>It is generally acknowledged that non-compliance by tour operators would have a slightly higher impact since they repeatedly come to Tubbataha Reef and deal with tourists. They can influence tourist compliance to rules and regulations. Thus their non-compliance would have a higher impact because of its multiplying effect. In the case of tourism drop, it is generally accepted that TMO has no control over this risk.</p>
ADDITIONAL ACTIONS (FUTURE PLAN)	<ul style="list-style-type: none"> • Improve tourism facilities, i.e. mooring buoy, ranger station • Produce audio visual presentation for tourists • Explore the possibility of divemaster accreditation for TRNP • Include FAQs section in website
REMARKS (OPTIONAL)	

7.8: Accidents and emergencies

Heading	Content Description
RISK DESCRIPTION	Fire, oil spills, diving incidents, medical emergencies, equipment malfunctions resulting in emergency situations, groundings
LINK TO BUSINESS OBJECTIVES	<p>Threatens wildlife and human life</p> <p>Damage to properties increases cost of park management</p> <p>Negative impact on market</p>
RISK OWNER (FOCAL POINT)	TPAMB, dive operators, TMO, PCG, PN, marine park rangers
CURRENT RISK RESPONSES	<ul style="list-style-type: none"> Existing contingency plan for oil spills and groundings developed with the assistance of national agencies, e.g., Philippine Navy, Coast Guard Protocol requires all boats entering the park to have shortwave radios and fire prevention measures onboard The Park Station is equipped with a single-side band (SSB) and a satellite phone to facilitate coordination with navy headquarters for emergency evacuation and other urgent needs Maintenance plan for equipment followed for repair and maintenance needs of ranger station Rangers trained for proper use and troubleshooting of equipment at ranger station Rangers trained to respond to medical emergencies both on land and at sea Series of communications between TMO and NAMRIA to update the latter's existing map for Tubbataha Reefs Provision of first aid kit
IMPACT / LIKELIHOOD RATIONALE	<p>Impact assessment ranges from 3-8 with oil spills rating the highest and the rest below 5. Low likelihood of occurrence for all identified accidents and emergencies (ratings ranged from 2-4). Level of control varied from 0.3-0.8 with fire incidents having the highest rating.</p> <p>TMO acknowledges the devastating impact of oil spills on the reefs and its denizen but at the same realizes that the likelihood of its occurrence is low and its control over such an occurrence is even lower. TMO has to rely heavily on national agencies such as the Coast Guard District for oil spill response. In the case of fire which had low impact and likelihood (3 and 2, respectively), TMO has more control over the situation (0.8) because of current preventive measures available to rangers and dive tour operators. Accidents related to diving incidents and medical emergencies primarily impact the tour operators with the ranger's role limited to providing assistance to boat managers, thus accounting for low impact, likelihood and control ratings. Equipment malfunctions likewise rated low because of an existing maintenance plan to should circumvent such possibilities. Grounding incidents are currently being circumvented by the updating of maps by NAMRIA.</p>
ADDITIONAL ACTIONS	<ul style="list-style-type: none"> Provide fire prevention equipment Provide twin (75hp) engine patrol boat

(FUTURE
PLAN)

REMARKS

(OPTIONAL)

7.9: Contingency Planning Table

Level of Risk	Probability Estimate	Risk	Characteristics	Planned Response	Estimated Cost	Responsible Resource
HIGH 7	Not very likely 4	Security Threat from intruders and terrorists	<ul style="list-style-type: none"> ▪ Regular exposure of park rangers to illegal fishers/poachers. Constant threat of weapons being used, not seen to date. Also threat of ambush to ranger station. ▪ Ability to avoid the risk occurring is low or non-existent. Can't control behaviour of fishers/poachers. ▪ Impact could be immediate. Injury or death of enforcement staff or poachers. ▪ Ability to mitigate the impact of the risk is medium to low. Depend on vigilance of rangers and local intelligence. 	<p>More sophisticated radar, surveillance equipment</p> <p>Night watch rotation</p> <p>Operational guidelines : response plan</p>	Php350, 000	Donors
HIGH 8	Not very likely 4	Oil spills	<ul style="list-style-type: none"> • Proximity of the park to a major sea lane • Several incidents in the past of ships running aground inside the park. • Impact is immediate and could have devastating effects on the park's biodiversity • Ability to mitigate impact is low. Will have to depend on early detection and close coordination with Coast Guard 	<p>Surveillance equipment</p> <p>Response plan to oil spills</p>	Same as above	TPAMB, Oil companies, Polluter, Coast Guard, Navy
MEDIUM	Likely	Accidents and Medical emergencies	<ul style="list-style-type: none"> • Diving as a sport has its share of medical accidents. • Remoteness of the park increases risk when medical assistance is delayed 	Same as above	Same as above	Dive Operator, TMO, Rangers, Navy, medical facility
HIGH 7	Likely 6	Major storms	<ul style="list-style-type: none"> ▪ Exposure to major storms is frequent/regular ▪ Ability to avoid the risk occurring is non-existent ▪ Impact could be seen in the short-term ▪ Ability to mitigate the impact of the risk is moderate 	10-man life rafts equipped with life vests, first aid kit, portable communication equipment, and emergency provisions	Php 240,000	TPAMB, TMO, Rangers

APPENDIX 10.34

Contingency Planning Table Template

Level of Risk	Probability Estimate	Risk	Characteristics	Planned Response	Estimated Cost	Responsible Resource
HIGH	Likely	Risk 1	<ul style="list-style-type: none"> ▪ Exposure to this type of risk is daily or constant ▪ Ability to avoid the risk occurring is low or non-existent ▪ This risk has occurred a number of times within the organisation <ul style="list-style-type: none"> ▪ Impact could be immediate ▪ Ability to mitigate the impact of the risk is low to non-existent 	What resource and equipment will be required to reduce the effect on the organisation	Estimated costs for equipment and resource to implement the contingency plan	Allocated resources for monitoring the event of this risk occurring and also executing the contingency plan if appropriate
HIGH	Likely	Risk 2	Same as above	Same as above	Same as above	Same as above
HIGH	Likely	Risk 3	Same as above	Same as above	Same as above	Same as above
MEDIUM	Feasible	Risk 4	<ul style="list-style-type: none"> ▪ Exposure to this type of risk is frequent or regular ▪ Ability to avoid the risk occurring is moderate ▪ This risk is known to occur from time to time in similar organisations ▪ Impact could be seen in the short-term ▪ Ability to mitigate the impact of the risk is moderate 	What resource and equipment will be required to reduce the effect on the organisation	Estimated costs for equipment and resource to implement the contingency plan	
MEDIUM	Feasible	Risk 5	Same as above	Same as above	Same as above	Same as above
MEDIUM	Feasible	Risk 6	Same as above	Same as above	Same as above	Same as above
LOW	Unlikely	Risk 7	<ul style="list-style-type: none"> ▪ Exposure to this type of risk is infrequent ▪ Ability to avoid the risk occurring is high ▪ This risk has occurred very rarely or not at all, as far as is known <ul style="list-style-type: none"> ▪ Impact could be seen in the medium- to long-term ▪ Ability to mitigate the impact of the risk is high 	What resource and equipment will be required to reduce the effect on the organisation	Estimated costs for equipment and resource to implement the contingency plan	
LOW	Unlikely	Risk 8	Same as above	Same as above	Same as above	Same as above
LOW	Unlikely	Risk 9	Same as above	Same as above	Same as above	Same as above

APPENDIX 10.34

Contingency Planning Table Template

Level of Risk	Probability Estimate	Risk	Characteristics	Planned Response	Estimated Cost	Responsible Resource
HIGH	Likely	Risk 1	<ul style="list-style-type: none"> ▪ Exposure to this type of risk is daily or constant ▪ Ability to avoid the risk occurring is low or non-existent ▪ This risk has occurred a number of times within the organisation <ul style="list-style-type: none"> ▪ Impact could be immediate ▪ Ability to mitigate the impact of the risk is low to non-existent 	What resource and equipment will be required to reduce the effect on the organisation	Estimated costs for equipment and resource to implement the contingency plan	Allocated resources for monitoring the event of this risk occurring and also executing the contingency plan if appropriate
HIGH	Likely	Risk 2	Same as above	Same as above	Same as above	Same as above
HIGH	Likely	Risk 3	Same as above	Same as above	Same as above	Same as above
MEDIUM	Feasible	Risk 4	<ul style="list-style-type: none"> ▪ Exposure to this type of risk is frequent or regular ▪ Ability to avoid the risk occurring is moderate ▪ This risk is known to occur from time to time in similar organisations ▪ Impact could be seen in the short-term ▪ Ability to mitigate the impact of the risk is moderate 	What resource and equipment will be required to reduce the effect on the organisation	Estimated costs for equipment and resource to implement the contingency plan	
MEDIUM	Feasible	Risk 5	Same as above	Same as above	Same as above	Same as above
MEDIUM	Feasible	Risk 6	Same as above	Same as above	Same as above	Same as above
LOW	Unlikely	Risk 7	<ul style="list-style-type: none"> ▪ Exposure to this type of risk is infrequent ▪ Ability to avoid the risk occurring is high ▪ This risk has occurred very rarely or not at all, as far as is known <ul style="list-style-type: none"> ▪ Impact could be seen in the medium- to long-term ▪ Ability to mitigate the impact of the risk is high 	What resource and equipment will be required to reduce the effect on the organisation	Estimated costs for equipment and resource to implement the contingency plan	
LOW	Unlikely	Risk 8	Same as above	Same as above	Same as above	Same as above
LOW	Unlikely	Risk 9	Same as above	Same as above	Same as above	Same as above

APPENDIX 10.35

A. Weights

Please select the relative importance (weights) of the risk dimensions. The sum of the weights must equal to 1

Dimensions of Risk Impact	
Financial Importance	0.8
Environmental Conservational Importance	0.2
Other Factor 01	0.0
Other Factor 02	0.0
total	1.0 correct

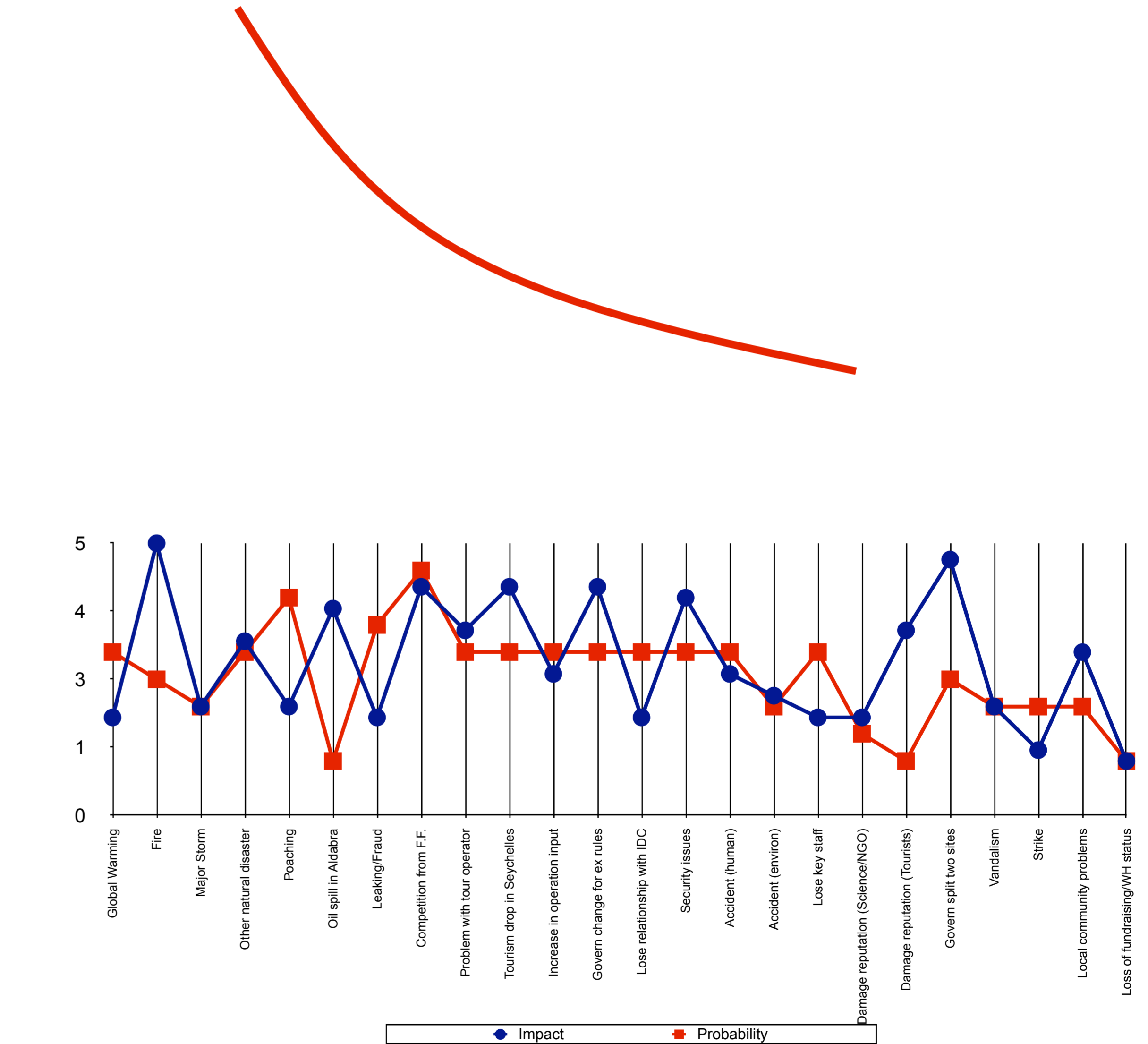
Dimensions of Risk Probability	
Time of occurrence per time period	1.0
Factor 02	0.0
Factor 03	0.0
Factor 04	0.0
total	1.0 correct

B. Rating

code	RISK ELEMENTS	IMPACT (please rank from 1-5, with 5 being the highest impact)								LIKELIHOOD OF OCCURANCE (please rank from 1-5, with 5 being the highest probability)								LEVEL OF CONTROL (please rank from 0.1-1.0, with 1.0 being the highest level of control)	
		Financial		Environmental		Other Factor 01		Other Factor 02		1		2		3		4		TOTAL	
		weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting
1	Global Warming	1	0.8	5	0.2	0.0	0.0	0.0	0.0	3.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	3.0	1.0
2	Fire	5	0.8	5	0.2	0.2	0.2	0.2	0.2	5	2.5	1.0	0.0	0.0	0.0	0.0	0.0	2.5	3.0
3	Major Storm	2	0.8	2	0.2	0.2	0.2	0.2	0.2	2	2.0	1.0	0.0	0.0	0.0	0.0	0.0	2.0	1.0
4	Other natural disaster	3	0.8	4	0.2	0.2	0.2	0.2	0.2	3.2	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	2.0
5	Poaching	2	0.8	2	0.2	2	0.2	2	0.2	2	4.0	1.0	0.0	0.0	0.0	0.0	0.0	4.0	7.0
6	Oil spill in Aldabra	3.5	0.8	5	0.2	0.2	0.2	0.2	0.2	3.8	1.0	1.0	0.0	0.0	0.0	0.0	0.0	1.0	4.0
7	Leaking/Fraud	2	0.8	1	0.2	0.2	0.2	0.2	0.2	1.8	3.5	1.0	0.0	0.0	0.0	0.0	0.0	3.5	8.0
8	Competition from F.F.	5	0.8	1	0.2	0.2	0.2	0.2	0.2	4.2	4.5	1.0	0.0	0.0	0.0	0.0	0.0	4.5	8.0
9	Problem with tour operator	4	0.8	1	0.2	0.2	0.2	0.2	0.2	3.4	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	8.0
10	Tourism drop in Seychelles	5	0.8	1	0.2	0.2	0.2	0.2	0.2	4.2	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	2.0
11	Increase in operation input	3	0.8	1	0.2	0.2	0.2	0.2	0.2	2.6	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	9.0
12	Govern change for ex rules	5	0.8	1	0.2	0.2	0.2	0.2	0.2	4.2	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	3.0
13	Lose relationship with IDC	2	0.8	1	0.2	0.2	0.2	0.2	0.2	1.8	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	6.0
14	Security issues	4	0.8	4	0.2	0.2	0.2	0.2	0.2	4	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	7.0
15	Accident (human)	3	0.8	1	0.2	0.2	0.2	0.2	0.2	2.6	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	9.0
16	Accident (environ)	2	0.8	3	0.2	0.2	0.2	0.2	0.2	2.2	2.0	1.0	0.0	0.0	0.0	0.0	0.0	2.0	3.0
17	Lose key staff	2	0.8	1	0.2	0.2	0.2	0.2	0.2	1.8	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	5.0
18	Damage reputation (Science/NGO)	2	0.8	1	0.2	0.2	0.2	0.2	0.2	1.8	1.5	1.0	0.0	0.0	0.0	0.0	0.0	1.5	5.0
19	Damage reputation (Tourists)	4	0.8	1	0.2	0.2	0.2	0.2	0.2	3.4	1.0	1.0	0.0	0.0	0.0	0.0	0.0	1.0	7.0
20	Govern split two sites	5	0.8	3.5	0.2	0.2	0.2	0.2	0.2	4.7	2.5	1.0	0.0	0.0	0.0	0.0	0.0	2.5	3.0
21	Vandalism	2	0.8	2	0.2	0.2	0.2	0.2	0.2	2	2.0	1.0	0.0	0.0	0.0	0.0	0.0	2.0	8.0
22	Strike	1	0.8	2	0.2	0.2	0.2	0.2	0.2	1.2	2.0	1.0	0.0	0.0	0.0	0.0	0.0	2.0	8.0
23	Local community problems	3	0.8	3	0.2	0.2	0.2	0.2	0.2	3	2.0	1.0	0.0	0.0	0.0	0.0	0.0	2.0	6.0
24	Loss of fundraising/WH status	1	0.8	1	0.2	0.2	0.2	0.2	0.2	1	1.0	1.0	0.0	0.0	0.0	0.0	0.0	1.0	5.0

	MATRIX		
	Impact	Probability	Control
	TOTAL	TOTAL	TOTAL
Global Warming	1.8	3.0	1.0
Fire	5.0	2.5	3.0
Major Storm	2.0	2.0	1.0
Other natural disaster	3.2	3.0	2.0
Poaching	2.0	4.0	7.0
Oil spill in Aldabra	3.8	1.0	4.0
Leaking/Fraud	1.8	3.5	8.0
Competition from F.F.	4.2	4.5	8.0
Problem with tour operator	3.4	3.0	8.0
Tourism drop in Seychelles	4.2	3.0	2.0
Increase in operation input	2.6	3.0	9.0
Govern change for ex rules	4.2	3.0	3.0
Lose relationship with IDC	1.8	3.0	6.0
Security issues	4.0	3.0	7.0
Accident (human)	2.6	3.0	9.0
Accident (environ)	2.2	2.0	3.0
Lose key staff	1.8	3.0	5.0
Damage reputation (Science/NGO)	1.8	1.5	5.0
Damage reputation (Tourists)	3.4	1.0	7.0
Govern split two sites	4.7	2.5	3.0
Vandalism	2.0	2.0	8.0
Strike	1.2	2.0	8.0
Local community problems	3.0	2.0	6.0
Loss of fundraising/WH status	1.0	1.0	5.0

code	RISK ELEMENTS	Impact	Probability	Control	calc	Total Risk
8	Competition from F.F.	1.8	3.0	1.0	5.4	18.9
10	Tourism drop in Seychelles	5	2.5	3.0	12.5	12.6
12	Govern change for ex rules	2	2.0	1.0	4	12.6
2	Fire	3.2	3.0	2.0	9.6	12.5
14	Security issues	2	4.0	7.0	8	12
20	Govern split two sites	3.8	1.0	4.0	3.8	11.75
9	Problem with tour operator	1.8	3.5	8.0	6.3	10.2
4	Other natural disaster	4.2	4.5	8.0	18.9	9.6
5	Poaching	3.4	3.0	8.0	10.2	8
11	Increase in operation input	4.2	3.0	2.0	12.6	7.8
15	Accident (human)	2.6	3.0	9.0	7.8	7.8
7	Leaking/Fraud	4.2	3.0	3.0	12.6	6.3
23	Local community problems	1.8	3.0	6.0	5.4	6
1	Global Warming	4	3.0	7.0	12	5.4
13	Lose relationship with IDC	2.6	3.0	9.0	7.8	5.4
17	Lose key staff	2.2	2.0	3.0	4.4	5.4
16	Accident (environ)	1.8	3.0	5.0	5.4	4.4
3	Major Storm	1.8	1.5	5.0	2.7	4
21	Vandalism	3.4	1.0	7.0	3.4	4
6	Oil spill in Aldabra	4.7	2.5	3.0	11.75	3.8
19	Damage reputation (Tourists)	2	2.0	8.0	4	3.4
18	Damage reputation (Science/NGO)	1.2	2.0	8.0	2.4	2.7
22	Strike	3	2.0	6.0	6	2.4
24	Loss of fundraising/WH status	1	1.0	5.0	1	1



APPENDIX 10.35

A. Weights

Please select the relative importance (weights) of the risk dimensions. The sum of the weights must equal to 1

Dimensions of Risk Impact	
Financial Importance	0.8
Environmental Conservational Importance	0.2
Other Factor 01	0.0
Other Factor 02	0.0
total	1.0 correct

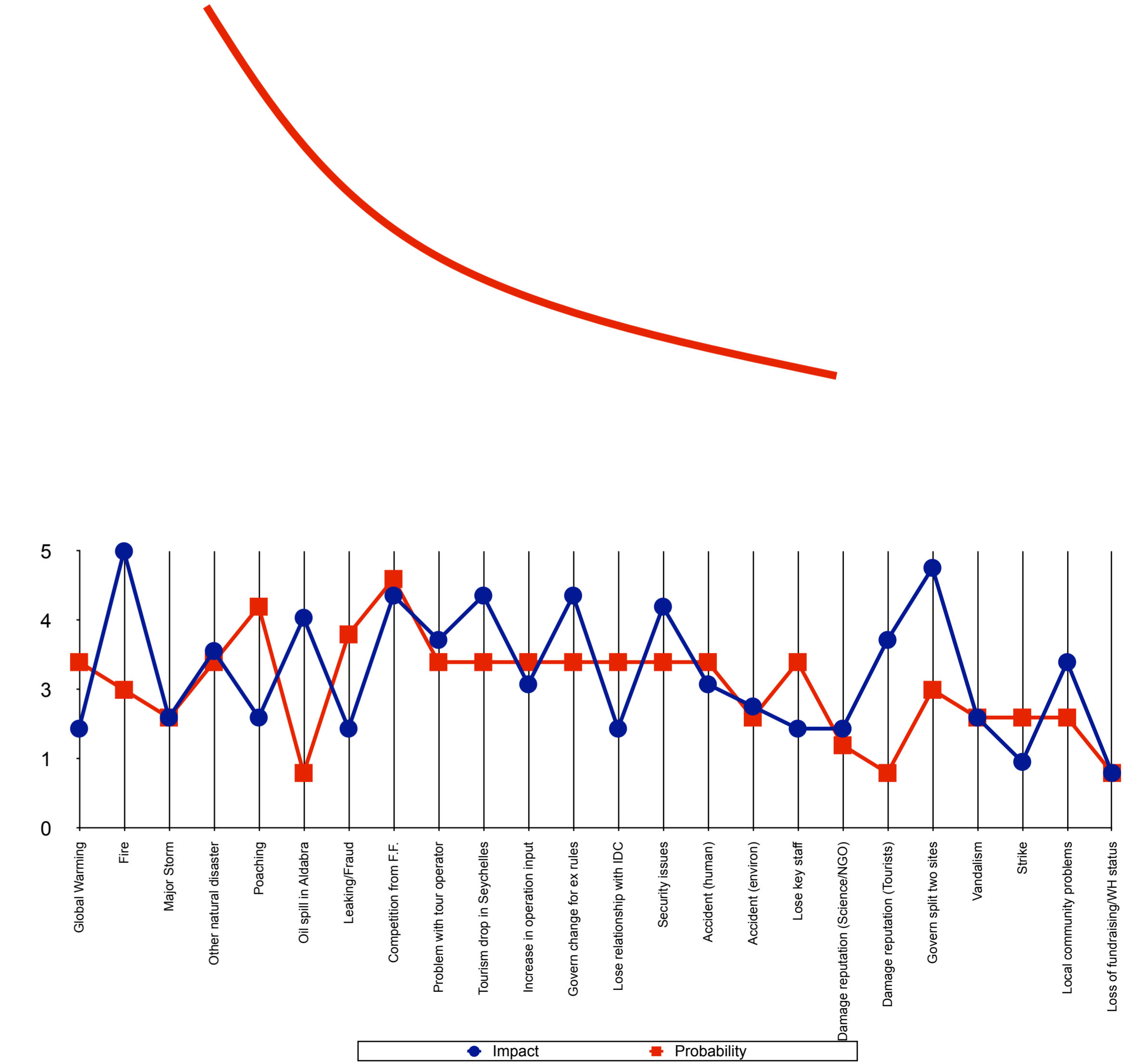
Dimensions of Risk Probability	
Time of occurrence per time period	1.0
Factor 02	0.0
Factor 03	0.0
Factor 04	0.0
total	1.0 correct

B. Rating

code	RISK ELEMENTS	IMPACT (please rank from 1-5, with 5 being the highest impact)								LIKELIHOOD OF OCCURANCE (please rank from 1-5, with 5 being the highest probability)								LEVEL OF CONTROL (please rank from 0.1-1.0, with 1.0 being the highest level of control)	
		Financial		Environmental		Other Factor 01		Other Factor 02		1		2		3		4		TOTAL	
		weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting	weighting
1	Global Warming	1	0.8	5	0.2	0.0	0.0	0.0	0.0	3.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	3.0	1.0
2	Fire	5	0.8	5	0.2	0.2	0.2	0.2	0.2	5	2.5	1.0	0.0	0.0	0.0	0.0	0.0	2.5	3.0
3	Major Storm	2	0.8	2	0.2	0.2	0.2	0.2	0.2	2	2.0	1.0	0.0	0.0	0.0	0.0	0.0	2.0	1.0
4	Other natural disaster	3	0.8	4	0.2	0.2	0.2	0.2	0.2	3.2	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	2.0
5	Poaching	2	0.8	2	0.2	2	0.2	2	0.2	2	4.0	1.0	0.0	0.0	0.0	0.0	0.0	4.0	7.0
6	Oil spill in Aldabra	3.5	0.8	5	0.2	0.2	0.2	0.2	0.2	3.8	1.0	1.0	0.0	0.0	0.0	0.0	0.0	1.0	4.0
7	Leaking/Fraud	2	0.8	1	0.2	0.2	0.2	0.2	0.2	1.8	3.5	1.0	0.0	0.0	0.0	0.0	0.0	3.5	8.0
8	Competition from F.F.	5	0.8	1	0.2	0.2	0.2	0.2	0.2	4.2	4.5	1.0	0.0	0.0	0.0	0.0	0.0	4.5	8.0
9	Problem with tour operator	4	0.8	1	0.2	0.2	0.2	0.2	0.2	3.4	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	8.0
10	Tourism drop in Seychelles	5	0.8	1	0.2	0.2	0.2	0.2	0.2	4.2	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	2.0
11	Increase in operation input	3	0.8	1	0.2	0.2	0.2	0.2	0.2	2.6	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	9.0
12	Govern change for ex rules	5	0.8	1	0.2	0.2	0.2	0.2	0.2	4.2	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	3.0
13	Lose relationship with IDC	2	0.8	1	0.2	0.2	0.2	0.2	0.2	1.8	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	6.0
14	Security issues	4	0.8	4	0.2	0.2	0.2	0.2	0.2	4	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	7.0
15	Accident (human)	3	0.8	1	0.2	0.2	0.2	0.2	0.2	2.6	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	9.0
16	Accident (environ)	2	0.8	3	0.2	0.2	0.2	0.2	0.2	2.2	2.0	1.0	0.0	0.0	0.0	0.0	0.0	2.0	3.0
17	Lose key staff	2	0.8	1	0.2	0.2	0.2	0.2	0.2	1.8	3.0	1.0	0.0	0.0	0.0	0.0	0.0	3.0	5.0
18	Damage reputation (Science/NGO)	2	0.8	1	0.2	0.2	0.2	0.2	0.2	1.8	1.5	1.0	0.0	0.0	0.0	0.0	0.0	1.5	5.0
19	Damage reputation (Tourists)	4	0.8	1	0.2	0.2	0.2	0.2	0.2	3.4	1.0	1.0	0.0	0.0	0.0	0.0	0.0	1.0	7.0
20	Govern split two sites	5	0.8	3.5	0.2	0.2	0.2	0.2	0.2	4.7	2.5	1.0	0.0	0.0	0.0	0.0	0.0	2.5	3.0
21	Vandalism	2	0.8	2	0.2	0.2	0.2	0.2	0.2	2	2.0	1.0	0.0	0.0	0.0	0.0	0.0	2.0	8.0
22	Strike	1	0.8	2	0.2	0.2	0.2	0.2	0.2	1.2	2.0	1.0	0.0	0.0	0.0	0.0	0.0	2.0	8.0
23	Local community problems	3	0.8	3	0.2	0.2	0.2	0.2	0.2	3	2.0	1.0	0.0	0.0	0.0	0.0	0.0	2.0	6.0
24	Loss of fundraising/WH status	1	0.8	1	0.2	0.2	0.2	0.2	0.2	1	1.0	1.0	0.0	0.0	0.0	0.0	0.0	1.0	5.0

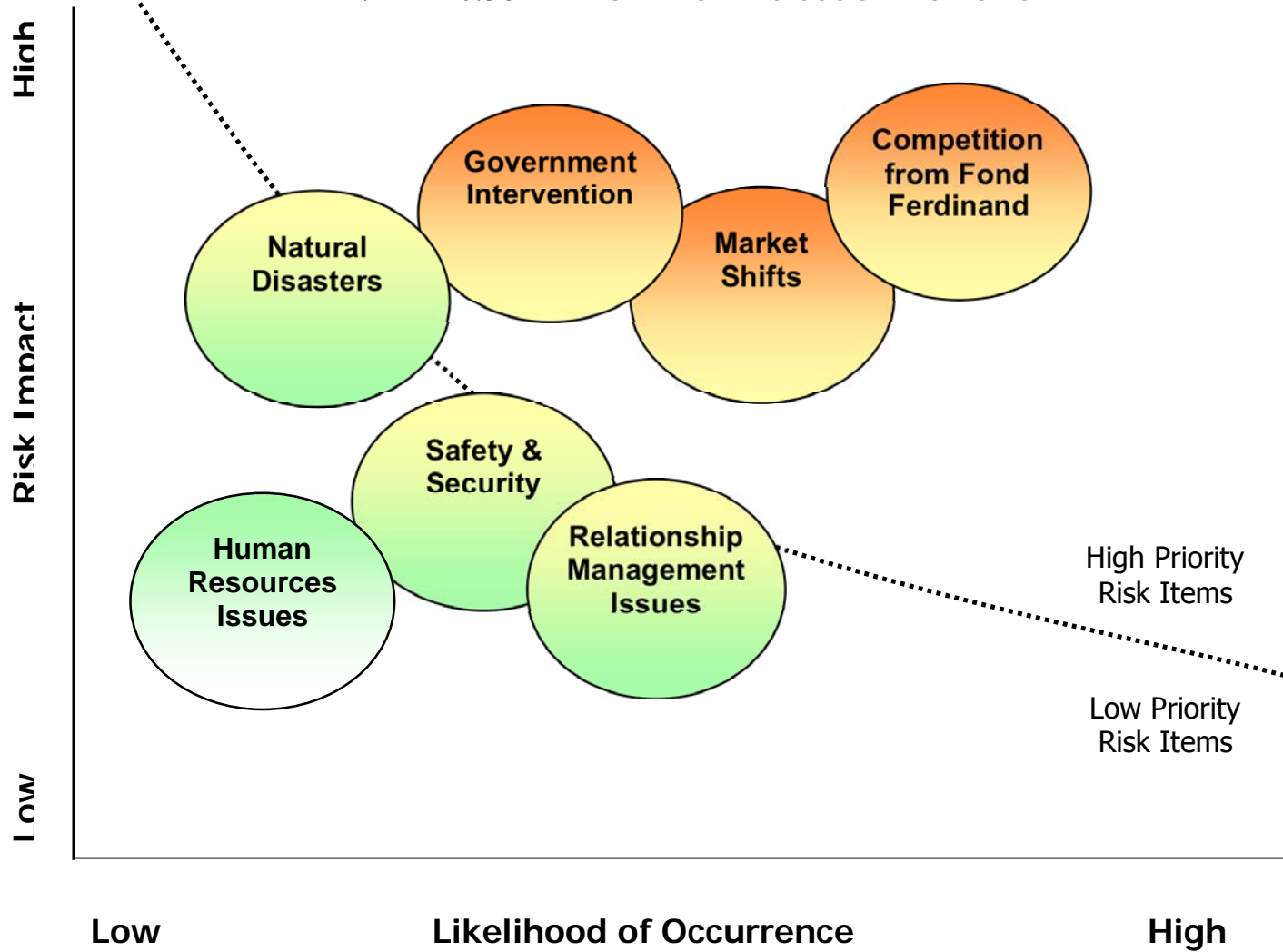
	MATRIX		
	Impact	Probability	Control
	TOTAL	TOTAL	TOTAL
Global Warming	1.8	3.0	1.0
Fire	5.0	2.5	3.0
Major Storm	2.0	2.0	1.0
Other natural disaster	3.2	3.0	2.0
Poaching	2.0	4.0	7.0
Oil spill in Aldabra	3.8	1.0	4.0
Leaking/Fraud	1.8	3.5	8.0
Competition from F.F.	4.2	4.5	8.0
Problem with tour operator	3.4	3.0	8.0
Tourism drop in Seychelles	4.2	3.0	2.0
Increase in operation input	2.6	3.0	9.0
Govern change for ex rules	4.2	3.0	3.0
Lose relationship with IDC	1.8	3.0	6.0
Security issues	4.0	3.0	7.0
Accident (human)	2.6	3.0	9.0
Accident (environ)	2.2	2.0	3.0
Lose key staff	1.8	3.0	5.0
Damage reputation (Science/NGO)	1.8	1.5	5.0
Damage reputation (Tourists)	3.4	1.0	7.0
Govern split two sites	4.7	2.5	3.0
Vandalism	2.0	2.0	8.0
Strike	1.2	2.0	8.0
Local community problems	3.0	2.0	6.0
Loss of fundraising/WH status	1.0	1.0	5.0

code	RISK ELEMENTS	Impact	Probability	Control	calc	Total Risk
8	Competition from F.F.	1.8	3.0	1.0	5.4	18.9
10	Tourism drop in Seychelles	5	2.5	3.0	12.5	12.6
12	Govern change for ex rules	2	2.0	1.0	4	12.6
2	Fire	3.2	3.0	2.0	9.6	12.5
14	Security issues	2	4.0	7.0	8	12
20	Govern split two sites	3.8	1.0	4.0	3.8	11.75
9	Problem with tour operator	1.8	3.5	8.0	6.3	10.2
4	Other natural disaster	4.2	4.5	8.0	18.9	9.6
5	Poaching	3.4	3.0	8.0	10.2	8
11	Increase in operation input	4.2	3.0	2.0	12.6	7.8
15	Accident (human)	2.6	3.0	9.0	7.8	7.8
7	Leaking/Fraud	4.2	3.0	3.0	12.6	6.3
23	Local community problems	1.8	3.0	6.0	5.4	6
1	Global Warming	4	3.0	7.0	12	5.4
13	Lose relationship with IDC	2.6	3.0	9.0	7.8	5.4
17	Lose key staff	2.2	2.0	3.0	4.4	5.4
16	Accident (environ)	1.8	3.0	5.0	5.4	4.4
3	Major Storm	1.8	1.5	5.0	2.7	4
21	Vandalism	3.4	1.0	7.0	3.4	4
6	Oil spill in Aldabra	4.7	2.5	3.0	11.75	3.8
19	Damage reputation (Tourists)	2	2.0	8.0	4	3.4
18	Damage reputation (Science/NGO)	1.2	2.0	8.0	2.4	2.7
22	Strike	3	2.0	6.0	6	2.4
24	Loss of fundraising/WH status	1	1.0	5.0	1	1



APPENDIX 10.36

SIF Risk Evaluation Framework



Comments / Definitions:

1. Risk Impact Ratings took into account financial impact & environment impact
2. Likelihood of occurrence is defined from frequency and location of event
3. "Safety & Security" Risk include: Poaching, Human Accidents, Vandalism etc
4. "Natural Disasters" Risk include: Global warming, Fires, Major storms and other natural disasters
5. "Government Intervention" Risk includes: Changes in Legislation, Possibility of splitting SIF operations (in Aldabra and Vallee de Mai)
6. "Human Resource Issues" Risk includes: Loss of key staff, strikes, Fraud etc
7. "Relationship Management Issues" Risk includes: Local Community problems, Damage in Reputation, Problems with suppliers, Problems with Tour Operators etc
8. "Market Shifts" Risk includes: Drop in tourism in Seychelles etc

Bwindi-Mghahinga Financial Statistics
**Income
BWINDI**

Source of Funds	2001-2 Shs '000	2002-3 Shs '000	2003-4 Shs '000
Park entry and recreation	1 520 170	1 975 484	2 546 577
Concessions and income	22 007	37 893	12 483
Other internally generated income	25 618	12 295	12 985
Govt. subvention and donor support	39 878	0	7 040
Total	1 607 673	2 025 672	2 579 085

MGHAHINGA

Source of Funds	2001-2 Shs '000	2002-3 Shs '000	2003-4 Shs '000
Park entry and recreation	416 273	541 469	462 350
Concessions and income	0	0	0
Other internally generated income	1 347	1 526	963
Govt. subvention and donor support	0	0	0
Total	417 620	542 995	463 313

BINP/MGNP TOTAL

Source of Funds	2001-2 Shs '000	2002-3 Shs '000	2003-4 Shs '000
Park entry and recreation	1 936 443	2 516 953	3 008 927
Concessions and income	22 007	37 893	12 483
Other internally generated income	26 965	13 821	13 948
Govt. subvention and donor support	39 878	0	7 040
Total	2 025 293	2 568 667	3 042 398
% BINP	79%	79%	85%
%MGNP	21%	21%	15%

**Expenditure
BWINDI**

Expenditure	2001-2 Shs '000	2002-3 Shs '000	2003-4 Shs '000
Payroll related	189 035	241 006	251 514
Other personnel	11 172	142 446	153 845
Printing, photocopying, stationery	3 964	3 048	4 167
Uniform and other supplies	1 315	902	935
Advertising and exhibition	607	4 612	600
Utilities	40 783	47 758	53 873
Audit and consultancies	0	0	6 000
Repairs and maintenance	45 371	50 722	73 020
Insurance	0	24	0
Other expenses	95 039	11 976	69 402
Total	387 286	502 494	613 356

MGHAHINGA

Expenditure	2001-2 Shs '000	2002-3 Shs '000	2003-4 Shs '000
Payroll related	76 265	100 246	92 894
Other personnel	4 228	52 073	79 851
Printing, photocopying, stationery	2 602	3 616	4 126
Uniform and other supplies	228	511	374
Advertising and exhibition	325	12	0
Utilities	35 744	31 060	23 444
Audit and consultancies	0	510 000	0
Repairs and maintenance	34 290	33 138	29 414
Insurance	0	36	0
Other expenses	75 589	8 557	15 144
Total	229 271	739 249	245 247

BINP/MGNP TOTAL

Expenditure	2001-2 Shs '000	2002-3 Shs '000	2003-4 Shs '000
Payroll related	265 300	341 252	344 408
Other personnel	15 400	194 519	233 696
Printing, photocopying, stationery	6 566	6 664	8 293
Uniform and other supplies	1 543	1 413	1 309
Advertising and exhibition	932	4 624	600
Utilities	76 527	78 818	77 317
Audit and consultancies	0	510 000	6 000
Repairs and maintenance	79 661	83 860	102 434
Insurance	0	60	0
Other expenses	170 628	20 533	84 546
Total	616 557	1 241 743	858 603
% BINP	63%	69%	71%
%MGNP	37%	31%	29%

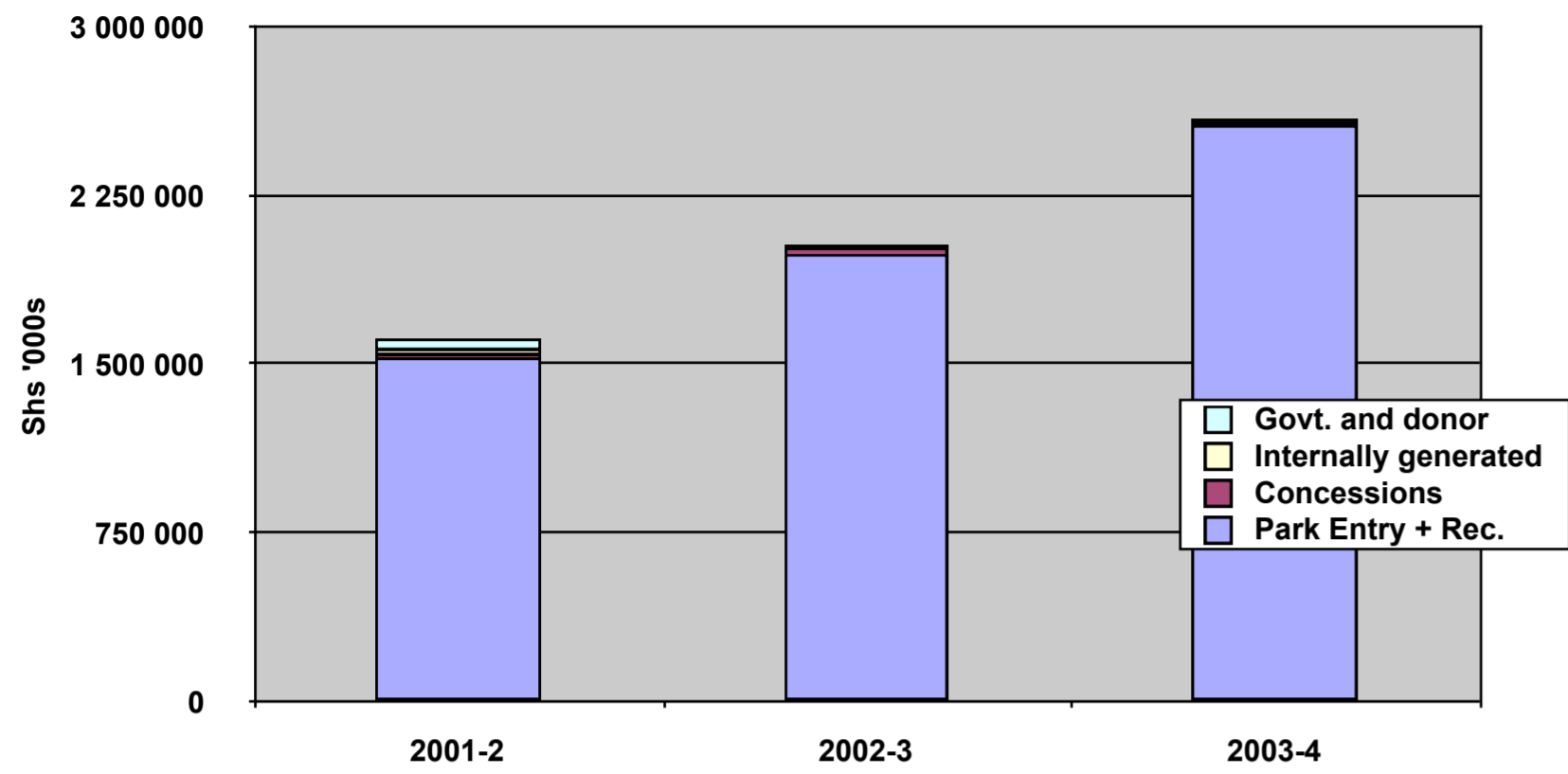
APPENDIX 10.37
BINP/MGNP Split of Income

Source of Funds	2001-2		2002-3		2003-4	
	BINP	MGNP	BINP	MGNP	BINP	MGNP
Park entry and recreation	79%	21%	78%	22%	85%	15%
Concessions and income	100%	0%	100%	0%	100%	0%
Other internally generated income	95%	5%	89%	11%	93%	7%
Govt. subvention and donor support	100%	0%	N/A	N/A	100%	0%
Total	79%	21%	79%	21%	85%	15%

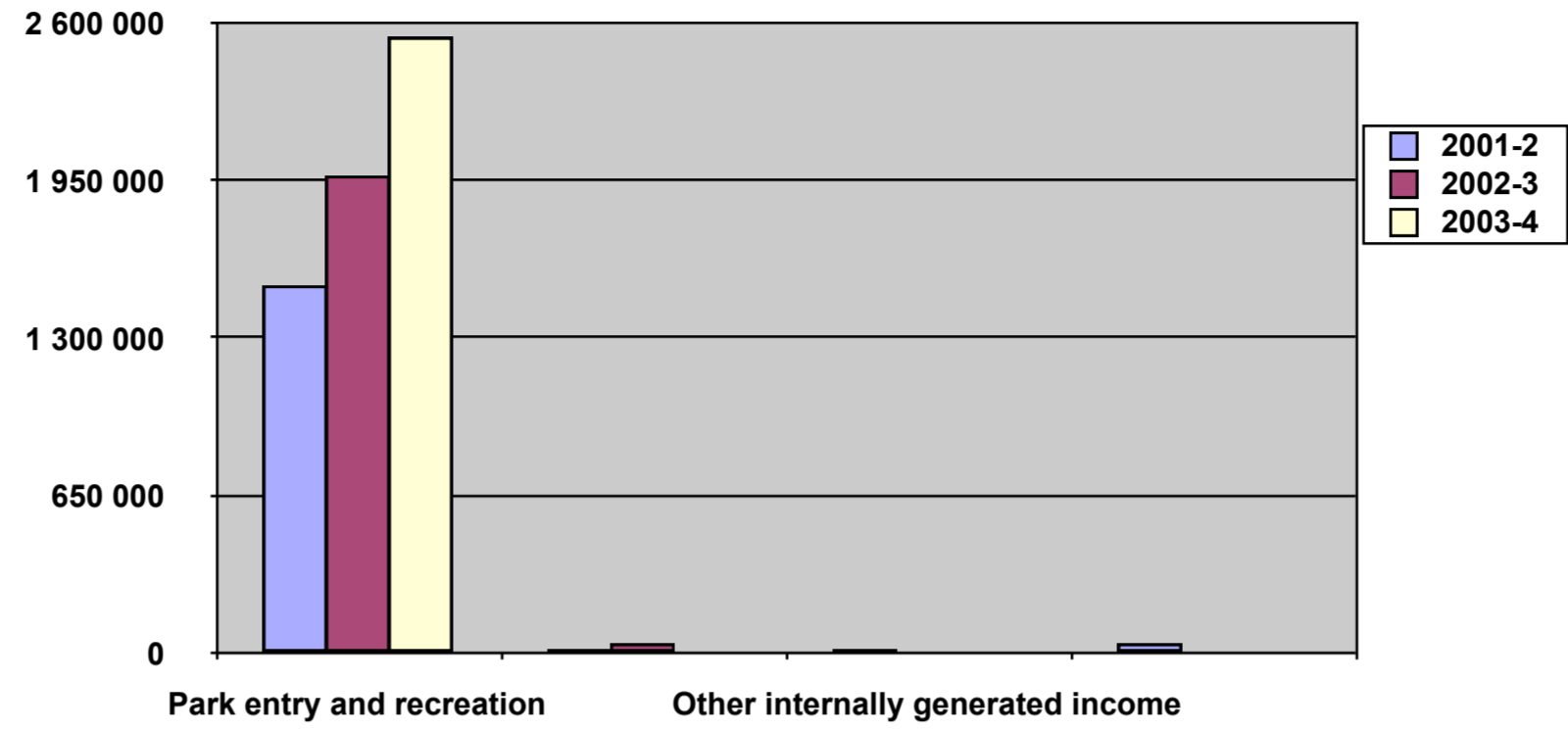
BINP/MGNP Split of Expenditure

Expenditure	2001-2		2002-3		2003-4	
	BINP	MGNP	BINP	MGNP	BINP	MGNP
Payroll related	71%	29%	71%	29%	73%	27%
Other personnel	73%	27%	73%	27%	66%	34%
Printing, photocopying, stationery	60%	40%	46%	54%	50%	50%
Uniform and other supplies	85%	15%	64%	36%	71%	29%
Advertising and exhibition	65%	35%	100%	0%	100%	0%
Utilities	53%	47%	61%	39%	70%	30%
Audit and consultancies	N/A	N/A	0%	100%	100%	0%
Repairs and maintenance	57%	43%	60%	40%	71%	29%
Insurance	N/A	N/A	40%	60%	N/A	N/A
Other expenses	56%	44%	58%	42%	82%	18%
Total	63%	37%	40%	60%	71%	29%
Total	63%	37%	69%	31%	71%	29%

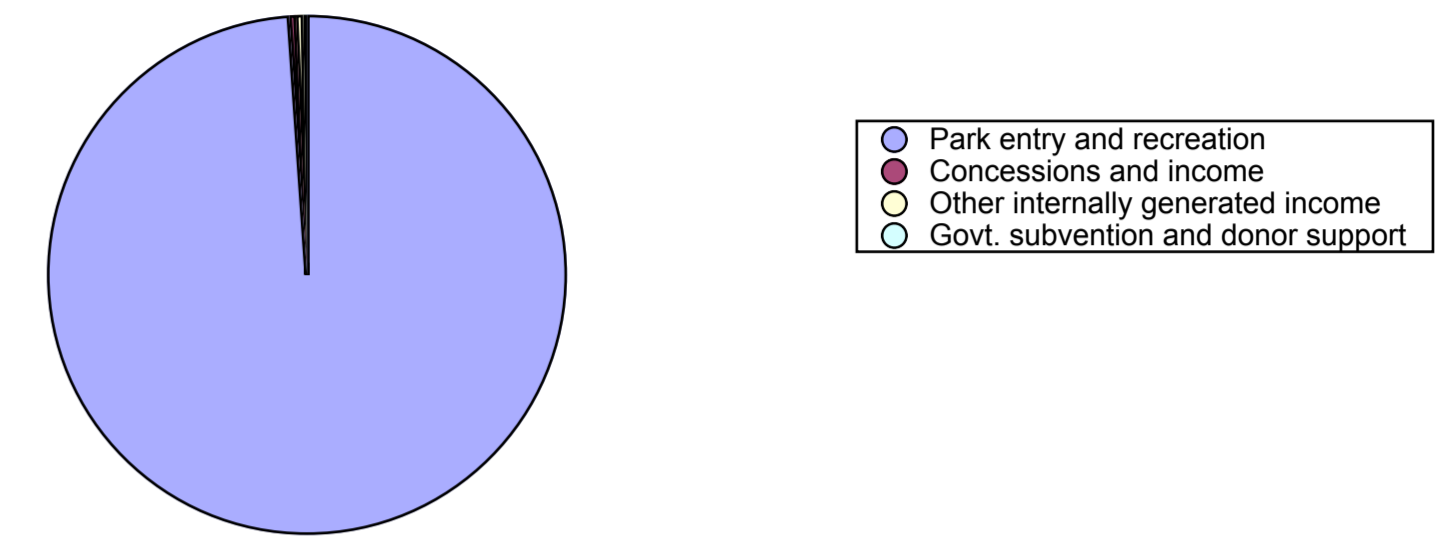
Bwindi NP Income Source Statistics 2000-2004



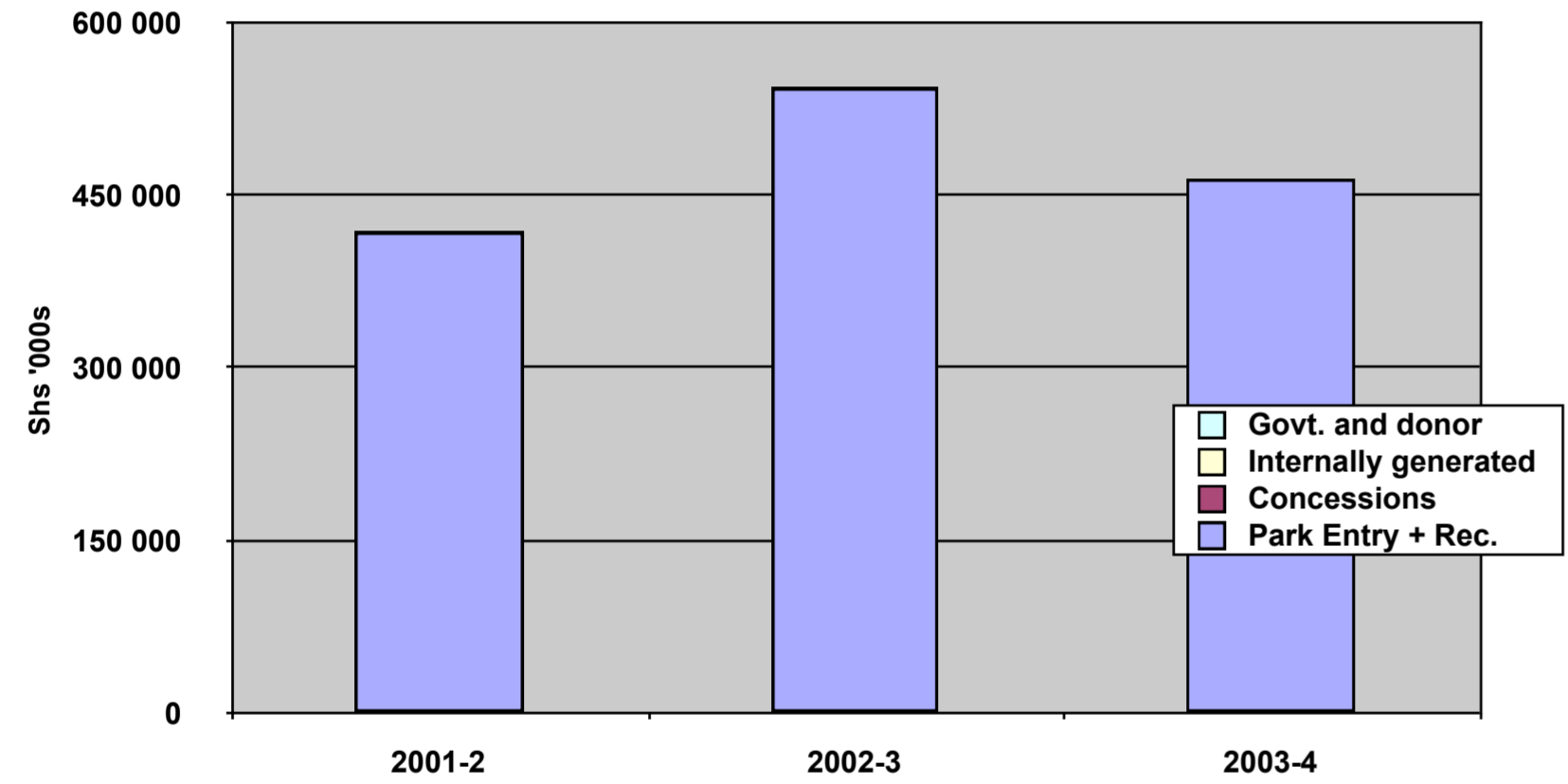
Bwindi NP Income Source Statistics 2000-2004



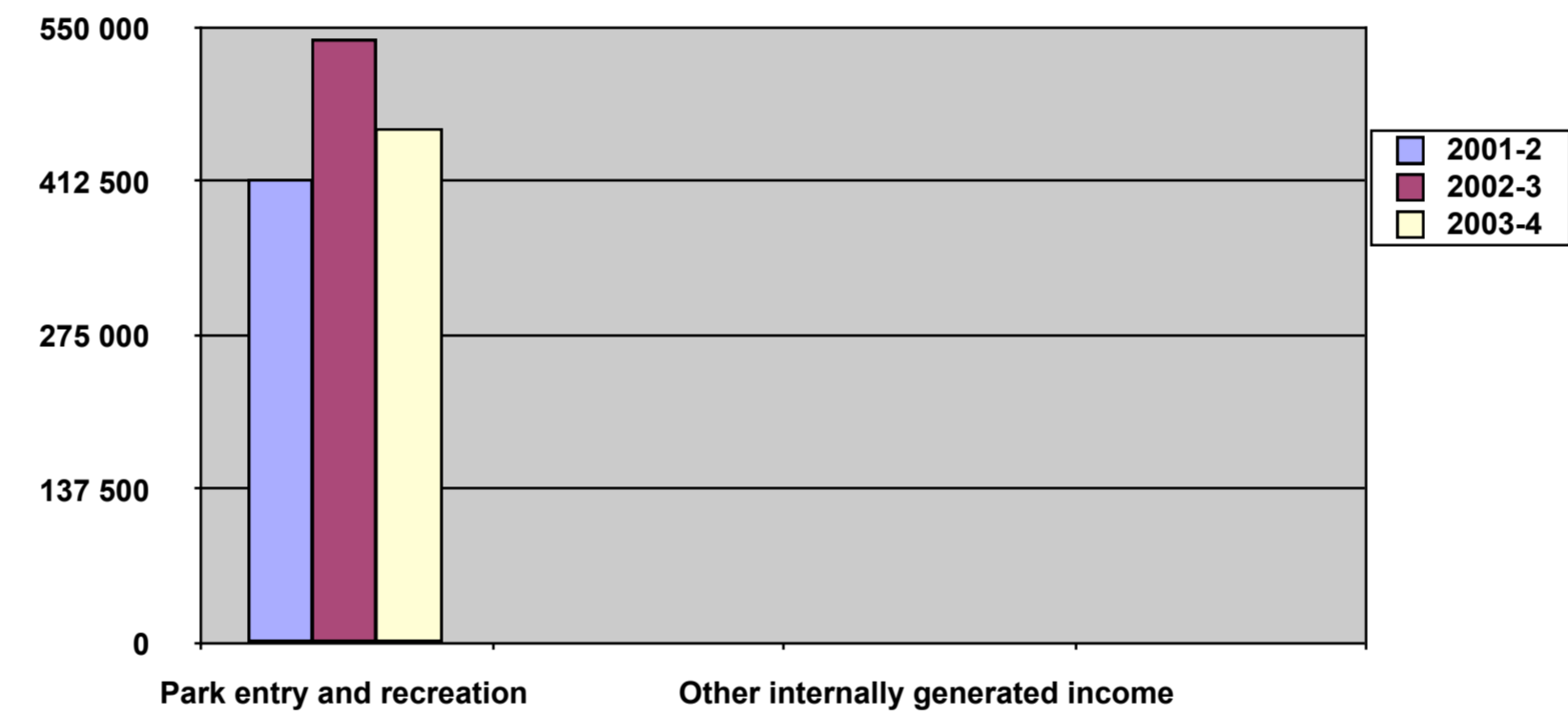
BINP-MGNP Combined Income 2003-4



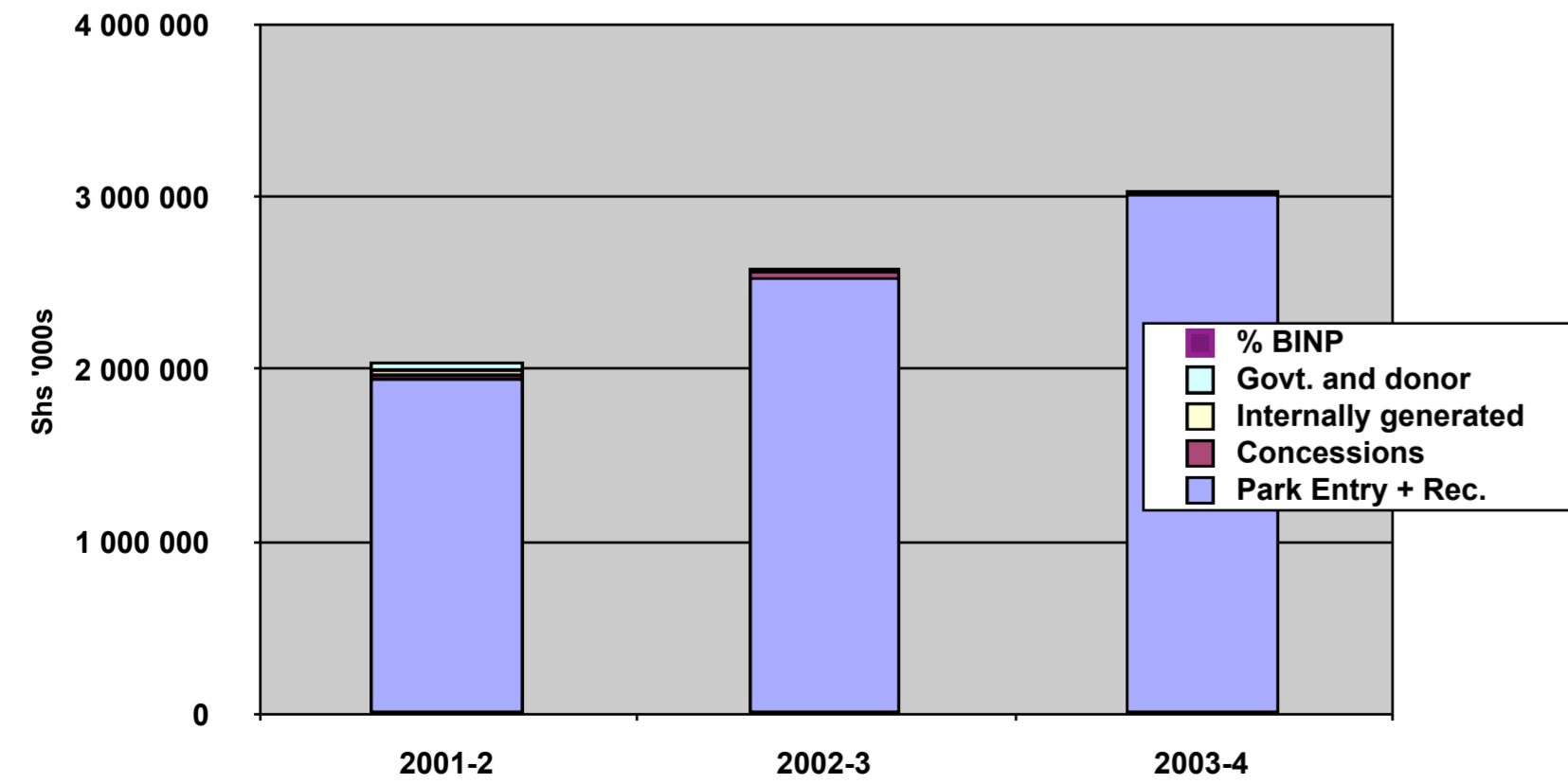
Mghahinga NP Income Source Statistics 2000-2004



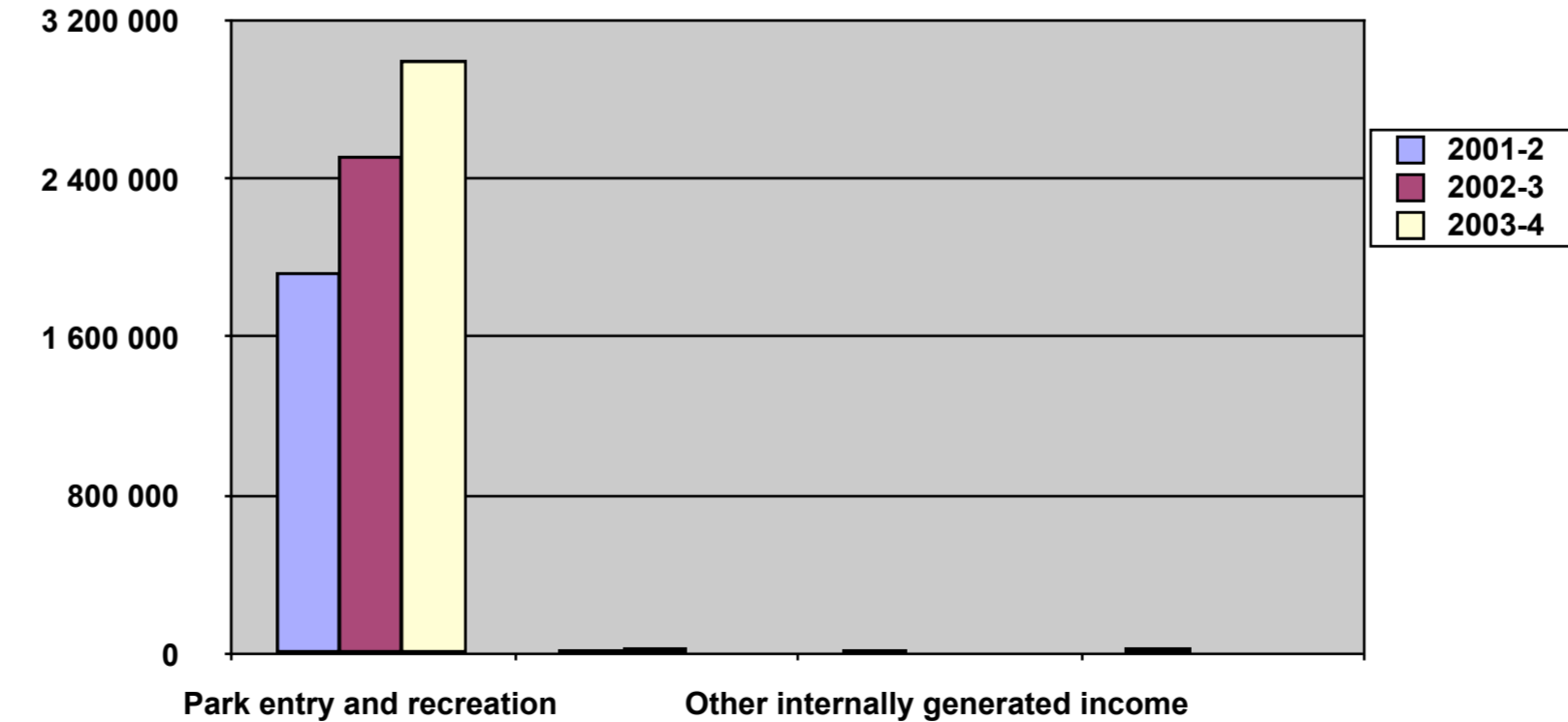
Mghahinga NP Income Source Statistics 2000-2004



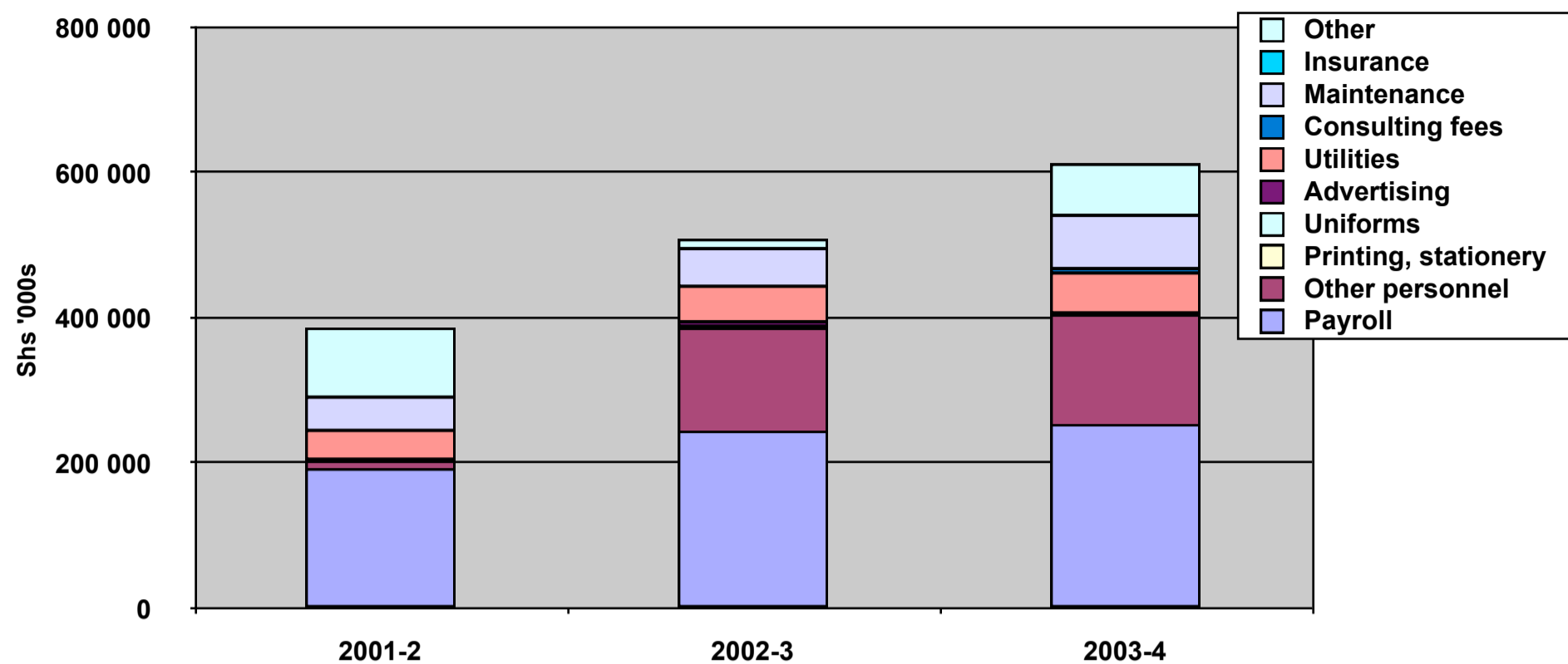
BINP-MGNP Combined Income Statistics 2000-2004



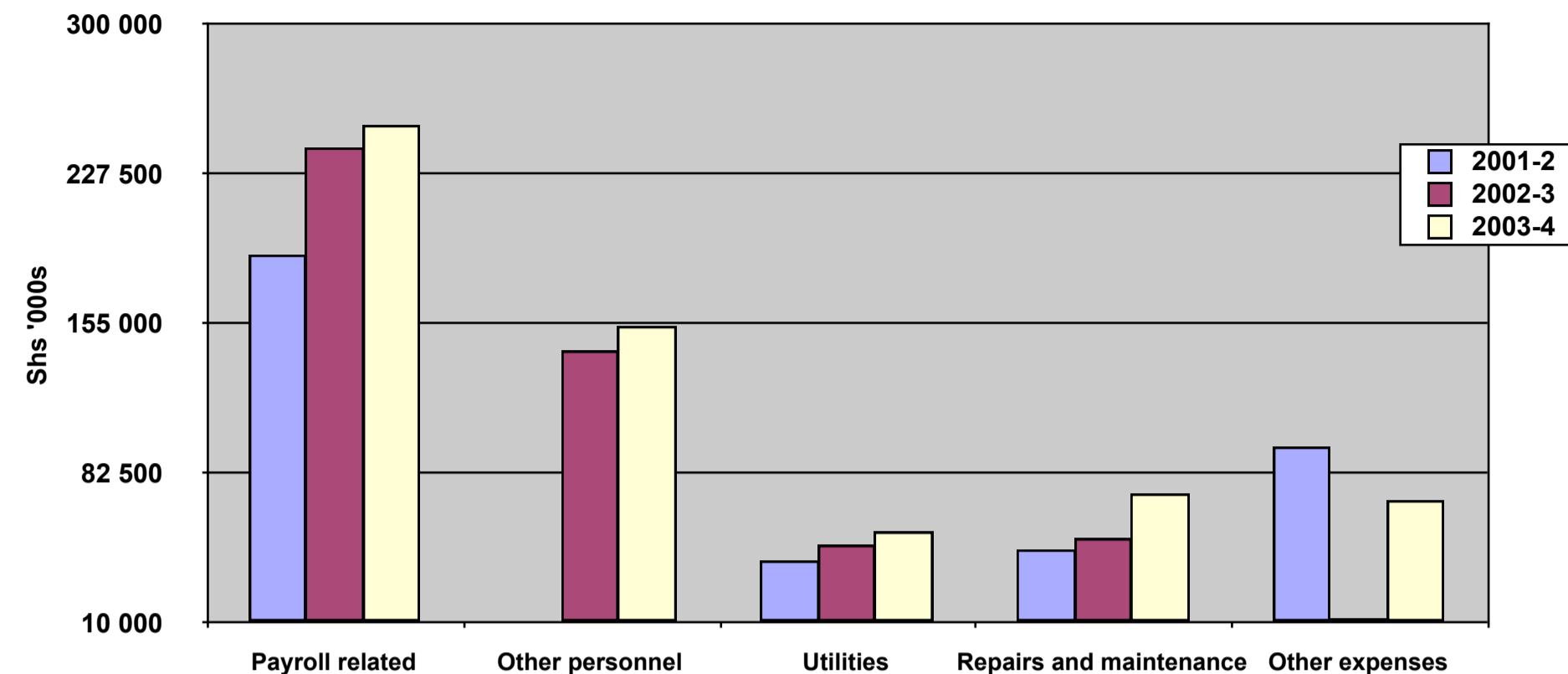
BINP-MGNP Combined Income Statistics 2000-2004



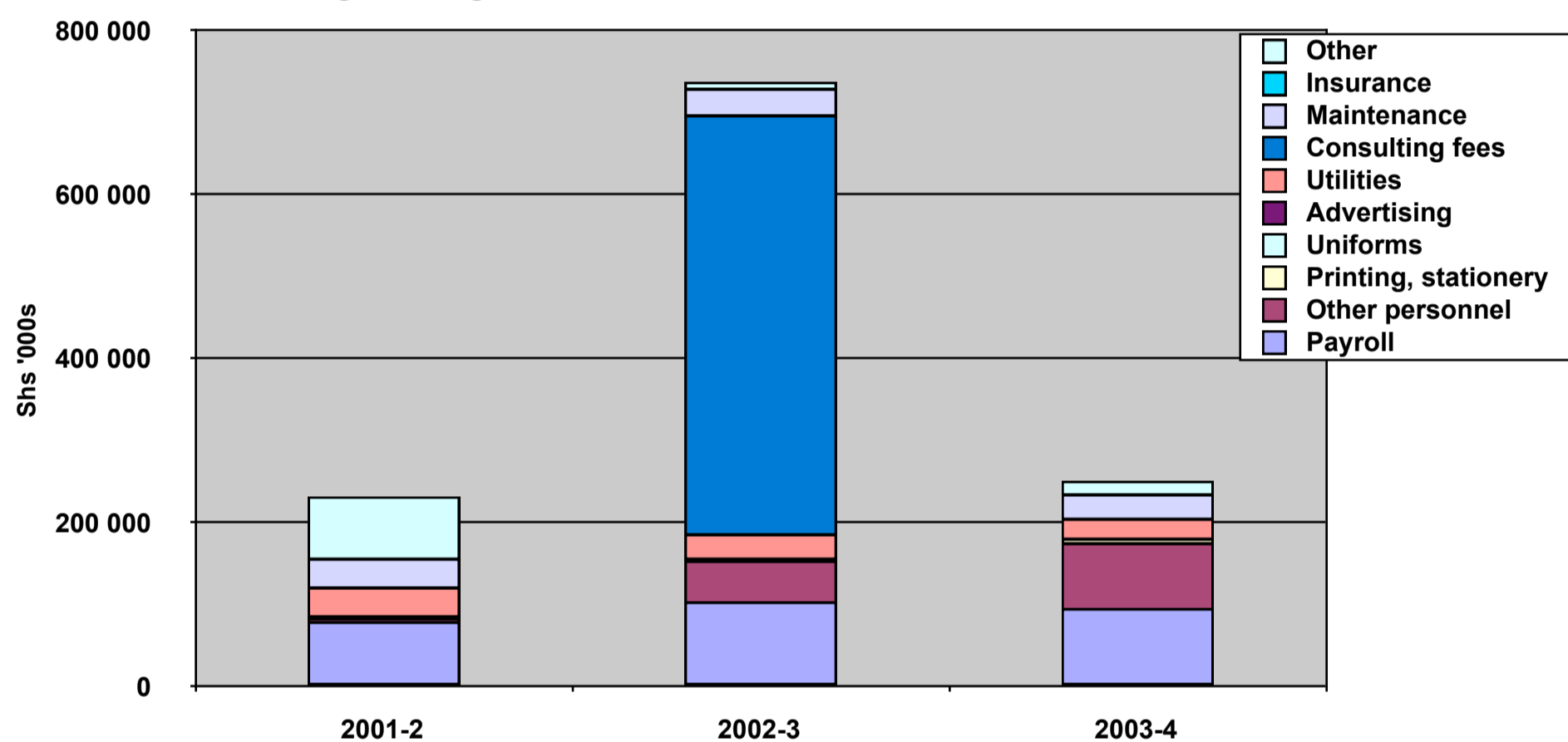
Bwindi NP Expenditure Statistics 2000-2004



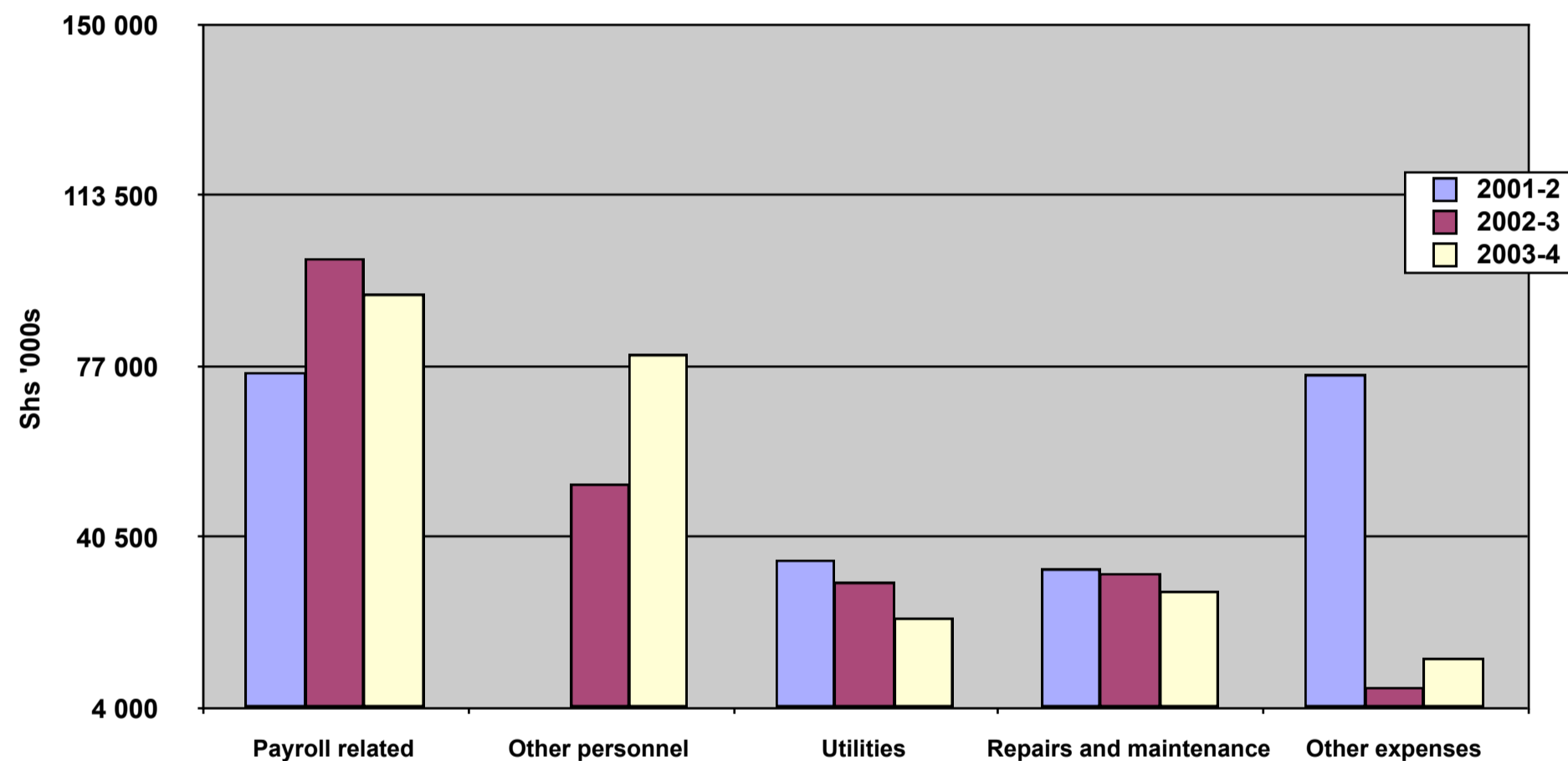
Bwindi NP Expenditure Statistics 2000-2004 * excludes consulting fees



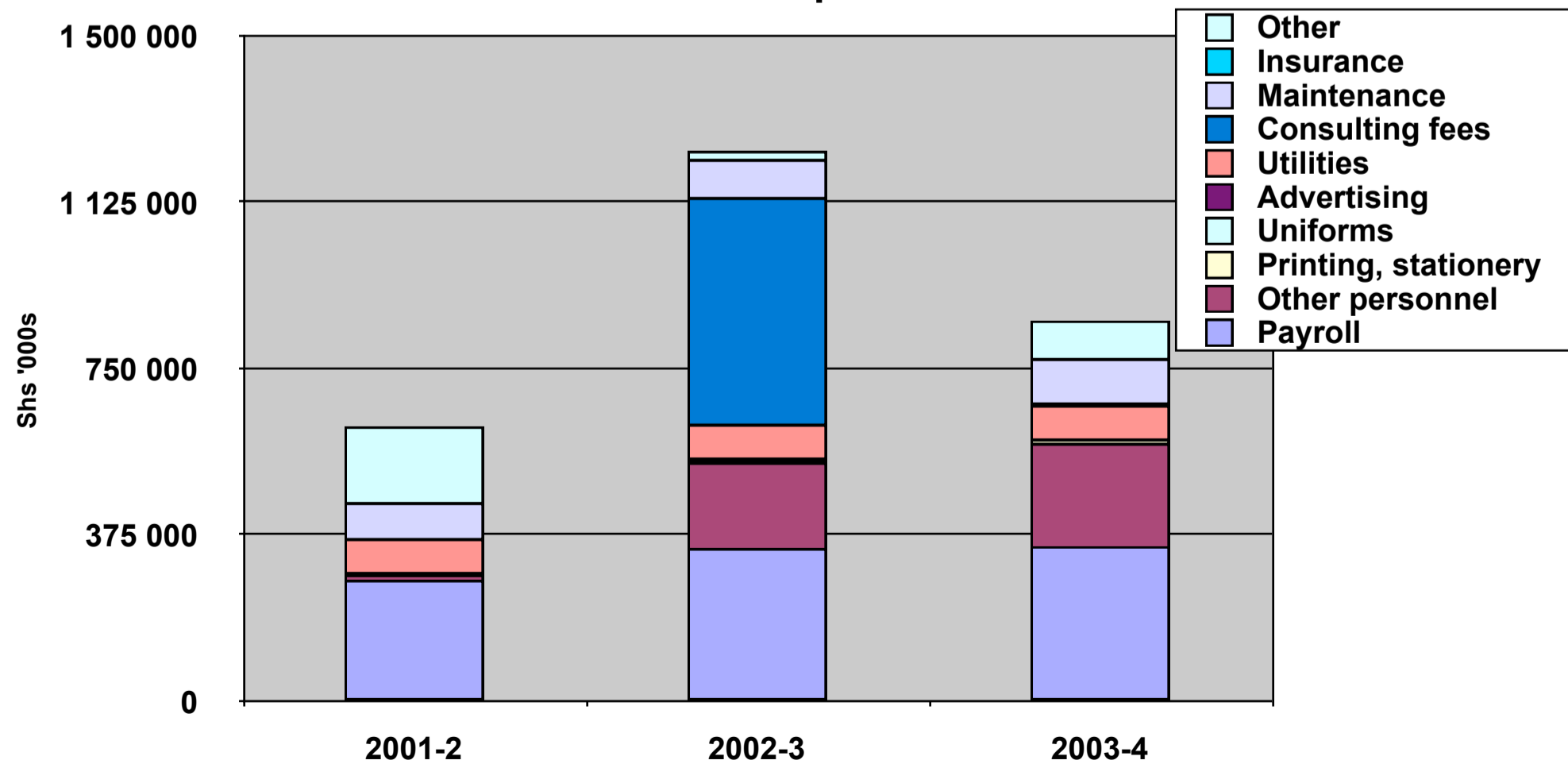
Mghahinga NP Expenditure Statistics 2000-2004



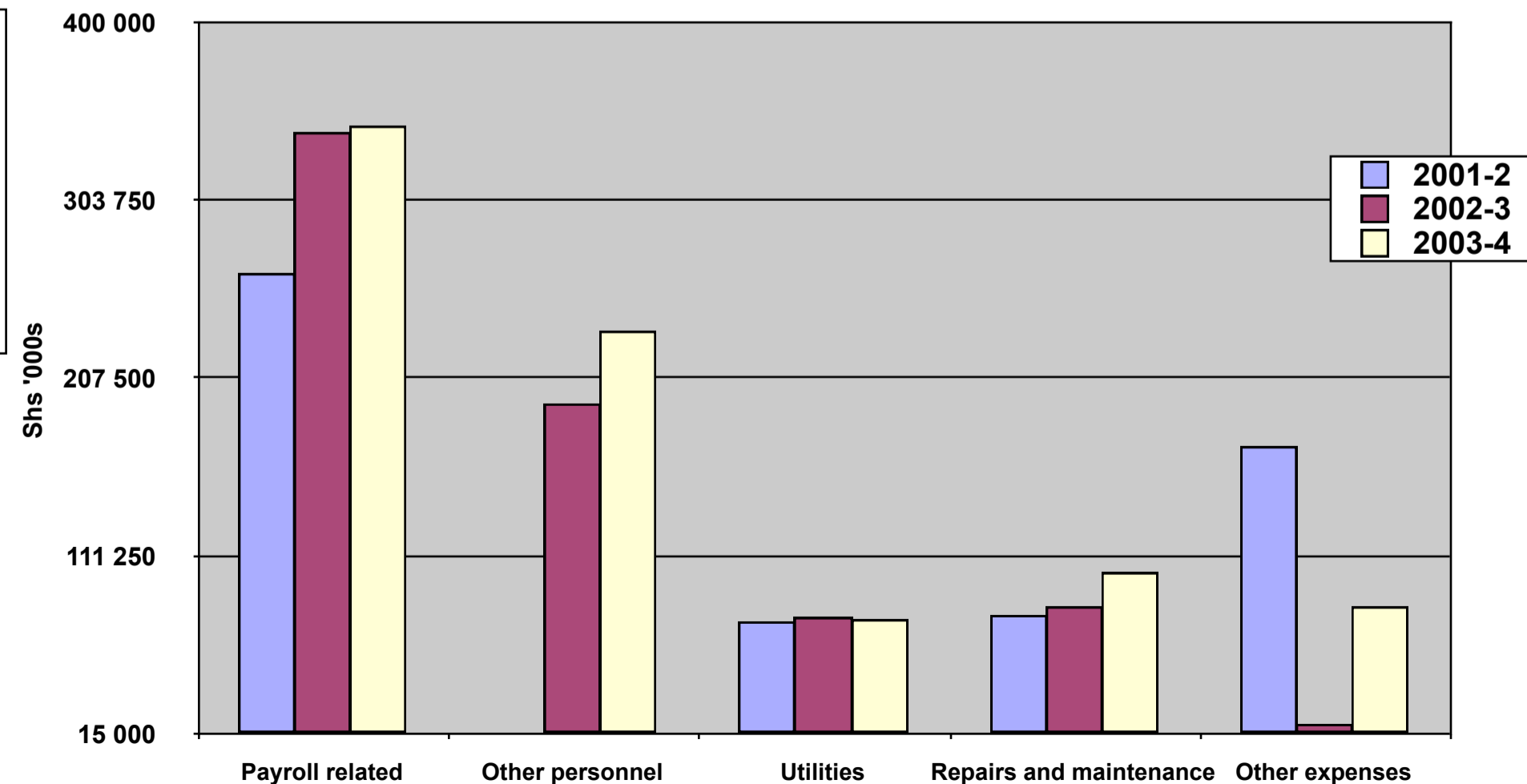
Mghahinga NP Expenditure Statistics 2000-2004 * excludes consulting fees



BINP-MGNP Combined Expenditure 2000-2004



BINP-MGNP Combined Expenditure Statistics 2000-2004 * excludes consulting fees



APPENDIX 10.38

MONTHLY BUDGET 2007/8	APR.	MAY	JUNE	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	TOTALS
BIODIVERSITY	£ 10 763,00	£ 11 544,00	£ 10 243,00	£ 7 767,00	£ 7 643,00	£ 8 663,00	£ 6 304,00	£ 6 799,00	£ 2 554,00	£ 3 867,00	£ 4 652,00	£ 7 698,00	£ 88 497,00
ACTION FOR WILDLIFE	£ 5 487,00	£ 8 342,00	£ 8 724,00	£ 5 908,00	£ 6 302,00	£ 5 983,00	£ 5 674,00	£ 3 633,00	£ 2 113,00	£ 1 067,00	£ 2 006,00	£ 1 342,00	£ 56 681,00
MOORLANDS	£ 17 677,00	£ 19 808,00	£ 21 432,00	£ 17 865,00	£ 18 766,00	£ 10 765,00	£ 8 776,00	£ 11 630,00	£ 8 634,00	£ 6 512,00	£ 3 076,00	£ 3 378,00	£ 148 319,00
WOODLANDS	£ 25 755,00	£ 26 890,00	£ 23 877,00	£ 15 877,00	£ 16 321,00	£ 16 743,00	£ 14 863,00	£ 7 866,00	£ 6 721,00	£ 6 438,00	£ 7 985,00	£ 9 010,00	£ 178 346,00
ANCIENT WOODLAND	£ 10 114,00	£ 13 543,00	£ 11 412,00	£ 12 321,00	£ 9 239,00	£ 8 643,00	£ 7 307,00	£ 5 054,00	£ 4 311,00	£ 2 103,00	£ 1 978,00	£ 1 663,00	£ 87 688,00
HILL FARM PROJECT	£ 6 877,00	£ 4 321,00	£ 7 750,00	£ 7 432,00	£ 6 748,00	£ 5 329,00	£ 5 476,00	£ 3 290,00	£ 3 112,00	£ 2 122,00	£ 6 504,00	£ 6 750,00	£ 65 711,00
FARMED LAND	£ 10 312,00	£ 9 864,00	£ 11 213,00	£ 9 974,00	£ 8 967,00	£ 8 102,00	£ 6 231,00	£ 7 110,00	£ 6 540,00	£ 3 211,00	£ 2 008,00	£ 1 781,00	£ 85 313,00
WETLAND	£ 5 875,00	£ 4 003,00	£ 5 873,00	£ 5 276,00	£ 5 211,00	£ 5 794,00	£ 3 779,00	£ 3 141,00	£ 3 005,00	£ 2 900,00	£ 2 005,00	£ 2 143,00	£ 49 005,00
NATURAL ENVIRONMENT	£ 92 860,00	£ 98 315,00	£ 100 524,00	£ 82 420,00	£ 79 197,00	£ 70 022,00	£ 58 410,00	£ 48 523,00	£ 36 990,00	£ 28 220,00	£ 30 214,00	£ 33 765,00	£ 759 560,00
ARCHAEOLOGY	£ 13 643,00	£ 14 788,00	£ 12 760,00	£ 12 432,00	£ 13 500,00	£ 13 211,00	£ 12 297,00	£ 12 290,00	£ 10 755,00	£ 9 530,00	£ 11 500,00	£ 10 777,00	£ 147 483,00
BUILT ENVIRONMENT	£ 13 408,00	£ 13 340,00	£ 12 213,00	£ 11 987,00	£ 12 230,00	£ 11 200,00	£ 10 870,00	£ 11 280,00	£ 10 700,00	£ 10 766,00	£ 11 987,00	£ 13 749,00	£ 143 730,00
LOCAL CUSTOMS		£ 2 460,00	£ 3 450,00						£ 2 666,00				£ 8 576,00
CULTURAL HERITAGE	£ 27 051,00	£ 30 588,00	£ 28 423,00	£ 24 419,00	£ 25 730,00	£ 24 411,00	£ 23 167,00	£ 23 570,00	£ 24 121,00	£ 20 296,00	£ 23 487,00	£ 24 526,00	£ 299 789,00
VISITOR MANAGEMENT	£ 19 782,00	£ 20 900,00	£ 22 566,00	£ 22 700,00	£ 23 880,00	£ 23 455,00	£ 13 370,00	£ 12 105,00	£ 9 569,00	£ 9 700,00	£ 9 700,00	£ 12 670,00	£ 201 397,00
ACCESS TO MOUNTAINS	£ 9 580,00	£ 11 005,00	£ 10 580,00	£ 10 580,00	£ 10 580,00	£ 9 942,00	£ 8 912,00	£ 7 590,00	£ 6 340,00	£ 5 800,00	£ 5 800,00	£ 10 230,00	£ 106 939,00
RIGHTS OF WAY	£ 9 630,00	£ 10 900,00	£ 11 500,00	£ 11 230,00	£ 9 870,00	£ 9 800,00	£ 9 800,00	£ 6 580,00	£ 6 580,00	£ 6 700,00	£ 6 700,00	£ 9 637,00	£ 107 927,00
RECREATION	£ 38 992,00	£ 42 805,00	£ 44 646,00	£ 44 510,00	£ 44 330,00	£ 43 197,00	£ 32 082,00	£ 26 275,00	£ 22 489,00	£ 22 200,00	£ 22 200,00	£ 32 537,00	£ 416 263,00
INFORMATION SERVICE	£ 16 900,00	£ 21 860,00	£ 21 055,00	£ 20 800,00	£ 19 377,00	£ 13 756,00	£ 11 560,00	£ 8 900,00	£ 5 400,00	£ 5 400,00	£ 5 400,00	£ 14 780,00	£ 165 188,00
VISITOR CENTRES	£ 37 500,00	£ 23 450,00	£ 37 890,00	£ 22 980,00	£ 21 321,00	£ 12 345,00	£ 16 585,00	£ 42 670,00	£ 38 790,00	£ 27 654,00	£ 47 549,00	£ 49 800,00	£ 378 534,00
VALUES COMMUNICATION	£ 21 530,00	£ 23 670,00	£ 22 900,00	£ 21 760,00	£ 21 650,00	£ 19 725,00	£ 17 600,00	£ 9 805,00	£ 7 750,00	£ 7 659,00	£ 11 890,00	£ 26 760,00	£ 212 699,00
EDUCATION	£ 12 789,00	£ 13 580,00	£ 14 480,00	£ 13 345,00	£ 13 450,00	£ 13 464,00	£ 13 560,00	£ 13 567,00	£ 7 864,00	£ 5 670,00	£ 5 670,00	£ 12 890,00	£ 140 329,00
PROMOTING U/STANDING	£ 88 719,00	£ 82 560,00	£ 96 325,00	£ 78 885,00	£ 75 798,00	£ 59 290,00	£ 59 305,00	£ 74 942,00	£ 59 804,00	£ 46 383,00	£ 70 509,00	£ 104 230,00	£ 896 750,00
RANGER SERVICE	£ 57 047,00	£ 57 047,00	£ 57 047,00	£ 57 047,00	£ 57 047,00	£ 57 047,00	£ 57 047,00	£ 22 340,00	£ 22 340,00	£ 22 340,00	£ 22 340,00	£ 57 047,00	£ 545 736,00
CONSERVATION WORKS	£ 17 370,00	£ 23 451,00	£ 27 860,00	£ 22 346,00	£ 21 324,00	£ 24 009,00	£ 22 926,00	£ 7 765,00	£ 6 780,00	£ 4 567,00	£ 7 789,00	£ 22 245,00	£ 208 432,00
DEVELOPMENT CONTROL	£ 56 732,00	£ 61 607,00	£ 55 700,00	£ 42 789,00	£ 44 506,00	£ 38 905,00	£ 47 002,00	£ 34 098,00	£ 41 002,00	£ 37 090,00	£ 49 320,00	£ 52 032,00	£ 560 783,00
FORWARD PLANNING	£ 25 272,00	£ 21 567,00	£ 23 410,00	£ 28 900,00	£ 29 876,00	£ 31 673,00	£ 24 113,00	£ 26 790,00	£ 23 411,00	£ 21 345,00	£ 24 788,00	£ 22 122,00	£ 303 267,00
CORPORATE	£ 32 088,00	£ 31 799,00	£ 23 900,00	£ 22 100,00	£ 27 805,00	£ 19 004,00	£ 28 099,00	£ 27 978,00	£ 26 017,00	£ 22 310,00	£ 25 770,00	£ 25 343,00	£ 312 213,00
INFORMATION TECH.	£ 24 088,00	£ 13 450,00	£ 17 655,00	£ 12 322,00	£ 19 086,00	£ 22 340,00	£ 21 007,00	£ 19 005,00	£ 27 980,00	£ 24 566,00	£ 14 679,00	£ 20 329,00	£ 236 507,00
CENTRAL SERVICES	£ 47 567,00	£ 42 998,00	£ 44 567,00	£ 43 121,00	£ 49 004,00	£ 41 232,00	£ 40 056,00	£ 49 076,00	£ 41 213,00	£ 47 008,00	£ 42 854,00	£ 51 016,00	£ 539 712,00
OFFICE ACCOMMODATION	£ 12 378,00	£ 12 378,00	£ 12 378,00	£ 12 378,00	£ 12 378,00	£ 12 378,00	£ 12 378,00	£ 12 378,00	£ 12 378,00	£ 12 378,00	£ 12 388,00	£ 12 388,00	£ 148 556,00
PROPERTY M'TENANCE	£ 4 233,00	£ 7 598,00	£ 2 692,00	£ 5 679,00	£ 2 505,00	£ 5 488,00	£ 2 709,00	£ 2 145,00	£ 2 003,00	£ 2 910,00	£ 2 034,00	£ 3 004,00	£ 43 000,00
TRAINING	£ 3 400,00	£ 5 420,00	£ 4 800,00	£ 6 700,00	£ 3 580,00	£ 5 899,00	£ 2 006,00	£ 1 788,00	£ 2 196,00	£ 2 433,00	£ 2 310,00	£ 2 602,00	£ 43 134,00
CENTRAL FUNCTION	£ 91 666,00	£ 81 844,00	£ 82 092,00	£ 80 200,00	£ 86 553,00	£ 87 337,00	£ 78 156,00	£ 84 392,00	£ 85 770,00	£ 89 295,00	£ 74 265,00	£ 89 339,00	£ 1 010 909,00
TOTAL	£ 527 797,00	£ 524 277,00	£ 539 927,00	£ 483 616,00	£ 492 166,00	£ 454 895,00	£ 430 307,00	£ 376 664,00	£ 348 724,00	£ 314 046,00	£ 350 682,00	£ 463 186,00	£ 5 306 287,00

APPENDIX 10.26

APPENDIX 10.39

These charts illustrate the projected spend for a protected area authority (based on 2005 figures). The sources of income are mainly from government, which provides about 80%-85% of the funding. So the purpose of this area's plan is to demonstrate how much it will need based on past activities, and how much it says it will need for the next years. The first chart relates to the overall spend, whilst the remainder refer to each of the area's purposes and functions (see Chart A).

CHART B

Allocation of resources.

Each section of this business plan contains an overview of the allocation of funds to support the identified activities during the plan period. The following table summarises that allocation for the whole Authority.

Forecast Gross Expenditure on All Activities

(£k)	05/06	06/07	07/08	08/09
Staff	3,164	3,211	3,224	3,304
Works	1,335	1,103	1,007	1,019
Grants	842	838	838	847
Transport	207	200	204	210
Admin	455	453	460	471
Utilities	205	219	227	234
Sales	102	100	100	103
Third Party	59	61	62	63
Grand Total	6,369	6,184	6,123	6,249

CHART C

Forecast Gross Expenditure on First Purpose Activities						
		(£k)	05/06	06/07	07/08	08/09
Conservation of the Natural Environment	Staff		459	403	349	358
	Works		109	94	61	61
	Grants		546	541	541	546
	Transport		6	7	7	7
	Admin		1	1	1	1
	Utilities		2	2	2	2
	Recharges		168	149	149	154
	Total		1,290	1,198	1,110	1,129
Conservation of Cultural Heritage	Staff		100	105	110	112
	Works		13	13	13	13
	Grants		257	257	257	260
	Transport		3	3	3	3
	Admin		15	15	15	15
	Recharges		36	36	36	37
	Total		424	429	434	440
Recreation Management	Staff			8	8	8
	Total			8	8	8
Ranger Service	Staff			31	60	98
	Works			3	4	6
	Transport			7	15	24
	Admin					1
	Utilities			2	4	6
	Recharges			7	18	32
	Total			50	101	166
Total on First Purpose			<u>1,714</u>	<u>1,685</u>	<u>1,652</u>	<u>1,744</u>

APPENDIX 10.40

Annual Statement of Accounts for a UK Protected Area (Category V)

Table 3: Consolidated Revenue Account for the year ended 31 March 2006

2004/05 Net Expenditure £000	Functional Strategy	2005/06 Gross Expenditure £000	2005/06 Income £000	2005/06 Net Expenditure £000	Notes
756	Natural Environment	947	(200)	747	
608	Cultural Heritage	585	(38)	547	
323	Recreation Management	463	(41)	422	
789	Promoting Understanding	988	(209)	779	
88	Traffic and Transport	99	0	99	
912	Rangers, Estates, and Volunteers	984	0	984	
327	Development Control	687	(299)	388	
298	Forward Planning	319	0	319	
35	Training	47	(2)	45	
265	Corporate Management	298	0	298	
30	Non Distributed Costs	0	0	0	5.17
0	Expenditure on Implementing Electronic Government (IEG)	134	(134)	0	5.12
4,431	Net Cost of Services	5,551	(923)	4,628	
(117)	Investment Income			(116)	5.4
(115)	Asset Management Revenue Account			(125)	5.5
60	Pensions Interest Cost and Expected Return on Pensions			100	5.2
4,259	Net Operating Expenditure			4,487	
41	Transfers to Earmarked Reserves			95	5.6
(190)	Contribution from the Pensions Reserve			(170)	5.2
82	Direct Revenue Financing of Capital Expenditure			50	6.1d
(79)	Deferred charges to Capital Financing Account			(50)	
(62)	Reconciling amount for provisions for loan repayment (MRP)			(55)	5.5
4,051	Amount to be met from Government Grants			4,357	
(3,765)	Central Government Grant and Local Authority Levy			(4,108)	5.7
(286)	Specific Additional Grant (Sustainable Development Fund)			(249)	
0	Net (surplus) deficit for the year transferred to General Reserve			0	5.6
(210)	Balance on General Reserve brought forward			(210)	
(210)	Balance on General Reserve carried forward			(210)	

Note: these statements summarise a full statement of accounts that includes:

A statement of responsibilities for financial management

Statement of internal control

Auditor's report

Cash flow statement for the year

Table 13: Consolidated Balance Sheet as at 31 March 2006

31 March 2005 £000		31 March 2006 £000	Notes
36	Intangible Fixed Assets	33	
	Tangible Fixed Assets:		
1,937	Land and Buildings	1,881	
222	Community Assets	222	
103	Vehicles, IT, Plant and Equipment	126	
2,298	Total Fixed Assets	2,262	6.1
	Current Assets:		
43	Stocks of Publications and Items for Resale	42	6.2
120	Debtors and Payments in Advance	224	6.3
2,000	Short Term Investments	3,300	
232	Cash at Bank	191	
4,693	Total Assets	6,019	
	Current Liabilities		
0	Cash Overdrawn		
(46)	Provisions	(101)	6.4
(672)	Creditors and Income in Advance	(1,884)	6.4
3,975	Total Assets less Current Liabilities	4,034	6.1
	Long Term Liabilities		
(3,510)	Liability Related to a Defined Benefit Pension Scheme	(3,470)	6.13
465	Total Assets less Liabilities	564	
(258)	Capital Financing Account	(313)	6.6
11	Unapplied Capital Receipts	11	6.7
2,265	Fixed Asset Restatement Account	2,265	6.8
291	Government Grants Deferred Account	310	6.5
210	General Reserve	210	6.10
1,456	Earmarked Reserves	1,551	6.9
(3,510)	Pensions Reserve	(3,470)	6.13
465	Total Financing	564	

BALANCE SHEET (Years 1 - 5)

As of the Year Ending:

APPENDIX 10.41

Assets	Year 1	Year 2	Year 3	Year 4	Year 5	
<i>Current Assets</i>						
Cash	0 \$	0 \$	0 \$	0 \$	0 \$	
Investments	0 \$	0 \$	0 \$	0 \$	0 \$	
Accounts Receivable	0 \$	0 \$	0 \$	0 \$	0 \$	
Notes Receivable	0 \$	0 \$	0 \$	0 \$	0 \$	
Inventory	0 \$	0 \$	0 \$	0 \$	0 \$	
Other Current Assets	0 \$	0 \$	0 \$	0 \$	0 \$	
Total Current Assets	0 \$	0 \$	0 \$	0 \$	0 \$	
<i>Plant & Equipment</i>						
Land	0 \$	0 \$	0 \$	0 \$	0 \$	
Buildings	0 \$	0 \$	0 \$	0 \$	0 \$	
Building/Leasehold Improvements	0 \$	0 \$	0 \$	0 \$	0 \$	
Machinery & Equipment	0 \$	0 \$	0 \$	0 \$	0 \$	
Office Equipment	0 \$	0 \$	0 \$	0 \$	0 \$	
Automobiles	0 \$	0 \$	0 \$	0 \$	0 \$	
Less Accumulated Depreciation	0 \$	0 \$	0 \$	0 \$	0 \$	<--- Enter dep
Total Net Plant & Equipment	0 \$	0 \$	0 \$	0 \$	0 \$	
Other Assets	0 \$	0 \$	0 \$	0 \$	0 \$	
Total Assets	0 \$	0 \$	0 \$	0 \$	0 \$	<--- Must equa
Liabilities & Owners' Equity						
<i>Current Liabilities</i>						
Short Term Debt	0 \$	0 \$	0 \$	0 \$	0 \$	
Accounts Payable	0 \$	0 \$	0 \$	0 \$	0 \$	
Other Payables	0 \$	0 \$	0 \$	0 \$	0 \$	
Accrued Liabilities	0 \$	0 \$	0 \$	0 \$	0 \$	
Total Current Liabilities	0 \$	0 \$	0 \$	0 \$	0 \$	
Long Term Debt	0 \$	0 \$	0 \$	0 \$	0 \$	
Total Liabilities	0 \$	0 \$	0 \$	0 \$	0 \$	
<i>Owner/Stockholder Equity</i>						
Common Stock	0 \$	0 \$	0 \$	0 \$	0 \$	
Retained Earnings	0 \$	0 \$	0 \$	0 \$	0 \$	
Less Dividends Payable	0 \$	0 \$	0 \$	0 \$	0 \$	<--- Enter divid
Total Owners' Equity	0 \$	0 \$	0 \$	0 \$	0 \$	
Total Liabilities & Equity	0 \$	0 \$	0 \$	0 \$	0 \$	<--- Must equa

***** RATIOS *****

Current Ratio	Current Asset:
Quick Ratio (Acid Test)	Quick Assets
Total Debt to Total Assets	Total Liabilities
Total Debt to Owners' Equity	Total Liabilities

CAUTION: These ratios are only valid if your Balance Sheet is in balance.

CASH FLOW STATEMENT (Years 1 - 5)**APPENDIX 10.42**

Sources of Cash:	Year 1	Year 2	Year 3	Year 4	Year 5
<i>Operations during the year:</i>					
Net Income After Taxes	0 \$	0 \$	0 \$	0 \$	0 \$
Add items not decreasing cash					
Depreciation	0 \$	0 \$	0 \$	0 \$	0 \$
Increase in Accounts Payable	0 \$	0 \$	0 \$	0 \$	0 \$
Increase in Other Payables	0 \$	0 \$	0 \$	0 \$	0 \$
Increase in Accrued Liabilities	0 \$	0 \$	0 \$	0 \$	0 \$
Deduct items not increasing cash					
Increase in Accounts Receivable	0 \$	0 \$	0 \$	0 \$	0 \$
Increase in Inventory	0 \$	0 \$	0 \$	0 \$	0 \$
Cash from Operations	0 \$	0 \$	0 \$	0 \$	0 \$
<i>Financing & Other:</i>					
Sale of Stock	0 \$	0 \$	0 \$	0 \$	0 \$
Proceeds from Short Term Loans	0 \$	0 \$	0 \$	0 \$	0 \$
Proceeds from Long Term Loans	0 \$	0 \$	0 \$	0 \$	0 \$
Sale of Investments	0 \$	0 \$	0 \$	0 \$	0 \$
Collection of Notes Receivable	0 \$	0 \$	0 \$	0 \$	0 \$
Reduction of Other Current Assets	0 \$	0 \$	0 \$	0 \$	0 \$
Reduction of Other Assets	0 \$	0 \$	0 \$	0 \$	0 \$
Cash from Operations & Financing	0 \$	0 \$	0 \$	0 \$	0 \$
<i>Applications of Cash:</i>					
Payment of Dividends	0 \$	0 \$	0 \$	0 \$	0 \$
Purchases of Fixed Assets	0 \$	0 \$	0 \$	0 \$	0 \$
Repayment of Short Term Loans	0 \$	0 \$	0 \$	0 \$	0 \$
Repayment of Long Term Loans	0 \$	0 \$	0 \$	0 \$	0 \$
Purchase of Investments	0 \$	0 \$	0 \$	0 \$	0 \$
Increase in Notes Receivable	0 \$	0 \$	0 \$	0 \$	0 \$
Increase in Other Current Assets	0 \$	0 \$	0 \$	0 \$	0 \$
Increase in Other Assets	0 \$	0 \$	0 \$	0 \$	0 \$
Increase/(Decrease) in Cash	0 \$	0 \$	0 \$	0 \$	0 \$
Change in Cash Balance					
Beginning Cash Balance	0 \$	0 \$	0 \$	0 \$	0 \$
Increase/(Decrease) in Cash	0 \$	0 \$	0 \$	0 \$	0 \$
Ending Cash Balance	0 \$	0 \$	0 \$	0 \$	0 \$

Profit & Loss Statement (Years 1 - 5)
APPENDIX 10.43

	Year 1	% of Total Sales	Year 2	% of Total Sales	Year 3	% of Total Sales	Year 4	% of Total Sales	Year 5	% of Total Sales
Sales										
Product/Service A-Product	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Product/Service B-Parts	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Product/Service C-Service	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Product/Service D	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Product/Service E	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Product/Service F	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Total Sales	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Cost of Goods Sold										
Material	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Labor	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Total Variable COGS	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Total Fixed Cost of Goods & Services	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Total Cost of Goods Sold	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Gross Profit	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Operating Expenses										
Sales & Marketing	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Research & Development	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
G & A (without Depreciation)	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Depreciation	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Total Operating Expenses	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Income From Operations	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Interest Income	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Interest Expense	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Income before Taxes	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Taxes on Income	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%
Net Income After Taxes	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%	0 \$	0,00%

APPENDIX 10.44

These charts illustrate the projected spend for a protected area authority (based on 2005 figures). The sources of income are mainly from government, which provides about 80%-85% of the funding. So the purpose of this area's plan is to demonstrate how much it will need based on past activities, and how much it says it will need for the next years. The first chart relates to the overall spend, whilst the remainder refer to each of the area's purposes and functions (see Chart A).

CHART B

Allocation of resources.

Each section of this business plan contains an overview of the allocation of funds to support the identified activities during the plan period. The following table summarises that allocation for the whole Authority.

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(£k)	05/06	06/07	07/08	08/09
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Works	1,335	1,103	1,007	1,019
Grants	842	838	838	847
Transport	207	200	204	210
Admin	455	453	460	471
Utilities	205	219	227	234
Sales	102	100	100	103
Third Party	59	61	62	63
<u>Grand Total</u>	<u>6,369</u>	<u>6,184</u>	<u>6,123</u>	<u>6,249</u>

CHART C

Forecast Gross Expenditure on First Purpose Activities						
		(£k)	05/06	06/07	07/08	08/09
Conservation of the Natural Environment	Staff		459	403	349	358
	Works		109	94	61	61
	Grants		546	541	541	546
	Transport		6	7	7	7
	Admin		1	1	1	1
	Utilities		2	2	2	2
	Recharges		168	149	149	154
	Total		1,290	1,198	1,110	1,129
Conservation of Cultural Heritage	Staff		100	105	110	112
	Works		13	13	13	13
	Grants		257	257	257	260
	Transport		3	3	3	3
	Admin		15	15	15	15
	Utilities					
	Recharges		36	36	36	37
	Total		424	429	434	440
Recreation Management	Staff			8	8	8
	Total			8	8	8
Ranger Service	Staff			31	60	98
	Works			3	4	6
	Transport			7	15	24
	Admin					1
	Utilities			2	4	6
	Recharges			7	18	32
		Total			50	101
Total on First Purpose			<u>1,714</u>	<u>1,685</u>	<u>1,652</u>	<u>1,744</u>

CHART D

<u>Forecast Gross Expenditure on Second Purpose Activities</u>					
(Ek)		05/06	06/07	07/08	08/09
Information	Staff	530	530	552	566
	Works	155	134	133	135
	Grants	27	28	28	28
	Transport	18	19	19	20
	Admin	20	22	21	21
	Utilities	70	76	77	79
	Sales	102	100	100	103
	Recharges	194	187	187	193
	Total	1,116	1,096	1,118	1,145
Recreation Management	Staff	250	274	282	289
	Works	619	484	429	434
	Grants	12	12	12	12
	Transport	11	8	11	11
	Admin	7	7	7	7
	Utilities	42	44	47	48
	Third Party	33	34	35	35
	Recharges	111	117	117	121
	Total	1,084	980	939	957
Ranger Service	Staff	447	433	419	394
	Works	27	23	22	21
	Transport	99	85	81	73
	Admin	16	16	17	17
	Utilities	16	15	14	13
	Recharges	153	145	135	125
	Total	758	717	688	643
Traffic and Transport	Staff	70	71	74	76
	Works	277	284	291	294
	Transport	3	3	3	3
	Admin	34	34	34	35
	Recharges	34	36	36	37
	Total	419	428	438	445
<u>Total on Second Purpose</u>		<u>3,377</u>	<u>3,221</u>	<u>3,183</u>	<u>3,190</u>

CHART E

Forecast Gross Expenditure on Planning Activities						
		(£k)	05/06	06/07	07/08	08/09
Development Control	Staff		381	390	404	414
	Works		24	24	25	25
	Transport		7	7	8	8
	Admin		25	5	5	6
	Recharges		203	211	211	217
	Total		640	637	652	669
Forward Planning	Staff		111	117	124	127
	Works		21	30	15	15
	Transport		2	2	2	2
	Third Party		3	3	3	3
	Recharges		46	45	45	47
	Total		182	197	188	193
Total on Planning			822	834	841	862

CHART F

Forecast Gross Expenditure on Corporate Activities						
		(£k)	05/06	06/07	07/08	08/09
Corporate Management	Staff		766	804	796	816
	Works		89	15	16	16
	Transport		59	56	58	59
	Admin		336	352	359	369
	Utilities		76	80	84	86
	Third Party		24	24	25	25
	Recharges		-947	-937	-937	-965
	Total		402	395	401	406
Training	Staff		51	46	46	47
	Recharges		3	3	3	3
	Total		54	49	49	50
Total on Corporate			456	444	450	456

BMCA 3-YEAR BUDGET**APPENDIX 10.46**

Sales	Comments	Projections Method
Gorilla Permit fees		Proportional to visitor numbers
Other park fees	Park entrance, nature walks, birding etc.	Proportional to visitor numbers
Concession income		Proportional to visitor numbers
Resale of Items	T-shirts, publications, postcards etc.	Proportional to visitor numbers + marketing effort
Total Sales		
Cost of Goods Sold		
Cost of resale items	Including: Cost of purchasing, transportation	Proportional to visitor numbers + marketing effort
Cost of gorilla tracking certificates	Cost to print	Proportional to visitor numbers
Total Variable COGS % of Total Sales		
Fixed Cost of Goods & Services		
BINP-MGNP specific		
Payroll	* Including total payroll costs for BINP and MGNP unit staff	Proportional to staff number projections
Other personnel costs	Including medical allowances, leave payments bonuses etc	Proportional to staff number projections
Training		Based on training gaps analysis (+ history)
Printing, Photocopying and Stationery		Based on history (+ one-off deviations due to special circumstances)
Uniforms and supplies		Based on history (+ one-off deviations due to special circumstances)
Utilities	Office running costs : electricity, water, telephone, fax	Based on history (+ one-off deviations due to special circumstances)
Vehicle running costs	Fuel, oil, grease etc.	Based on history (+ one-off deviations due to special circumstances)
Repairs and maintenance - buildings		Based on history (+ one-off deviations due to special circumstances)
Repairs and maintenance - vehicles		Based on history (+ one-off deviations due to special circumstances)
Repairs and maintenance - equipment	Computers, radios	Based on history (+ one-off deviations due to special circumstances)
Repairs and maintenance - roads		Based on history (+ one-off deviations due to special circumstances)
Costs of community workshops		Based on history (+ one-off deviations due to special circumstances)
Other expenses		Based on history (+ one-off deviations due to special circumstances)
Total Fixed Cost of Goods & Services % of Total Sales		
Total Cost of Goods Sold		
Gross Profit % of Total Sales		
Operating Expenses		
HQ specific		
Payroll		Proportional to staff number projections
Other personnel costs		Proportional to staff number projections
Training		Based on training gaps analysis (+ history)
Printing, Photocopying and Stationery		Based on history (+ one-off deviations due to special circumstances)
Uniforms and supplies		Based on history (+ one-off deviations due to special circumstances)
Utilities		Based on history (+ one-off deviations due to special circumstances)
Vehicle running costs		Based on history (+ one-off deviations due to special circumstances)
Audit and Consultancy fees		Based on history (+ one-off deviations due to special circumstances)
Repairs and maintenance - buildings		Based on history (+ one-off deviations due to special circumstances)
Repairs and maintenance - vehicles		Based on history (+ one-off deviations due to special circumstances)
Repairs and maintenance - equipment		Based on history (+ one-off deviations due to special circumstances)
Repairs and maintenance - roads		Based on history (+ one-off deviations due to special circumstances)
Insurance		Based on history (+ one-off deviations due to special circumstances)
Board of Trustee Expenses		Based on history (+ one-off deviations due to special circumstances)
PR and Entertainment		Based on history (+ one-off deviations due to special circumstances)
Bank Charges		Projected by Finance based on accounts
Exchange Losses		Projected by Finance based on accounts
Depreciation		Projected by Finance based on accounts
Other Expenses		Based on history (+ one-off deviations due to special circumstances)
Total HQ Costs % of Total Sales		
Sales & Marketing - HQ specific		
Advertising and exhibitions	* Cost Item to be updated in line with marketing strategy	Based on history + new marketing plan activities
Total Sales & Marketing Costs % of Total Sales		
Total Operating Expenses % of Total Sales		
Income From Operations % of Total Sales		
Other Income		
Rents		Based on history
Fines		Based on history
Photographic Fees		Based on history
Research fees		Based on history
Interest earned		Projected by Finance based on accounts
Grants / Donations - Government		Projected from Government medium term budget
Grants / Donations - Donors		Projected from planned funding applications and projects
Grants / Donations - Other		Based on history
Other Income		Based on history
Total Other Income % of Total Sales		
Income before Taxes Taxes on Income		
Net Income After Taxes % of Total Sales		

APPENDIX 10.47

Activity List

Key Strategic Goals		Action Plan			
		Action Description	Implementer	Timeframe	Execution
1		1 2			
2		1 2			
3		1 2			
Key Financial Goals		Action Plan			
		Action Description	Implementer	Timeframe	Execution
1		1 2 3			
2		1 2 3			
3		1 2 3			
Key Marketing Goals		Action Plan			
		Action Description	Implementer	Timeframe	Execution
1		1 2 3			

APPENDIX 10.48

Objective 1 -

Priorities for Action	By When	Accountable	Lead	Support
1.				
1.1				
1.2				
1.3				
1.4				
1.5				

2.				
2.1				
2.2				
2.3				
2.4				