

MINISTRY OF ENVIRONMENT - LEBANON  
GEF/UNDP/IUCN

Protected Areas Project Lebanon

**A FUNDING STRATEGY  
FOR THREE PROTECTED AREAS  
IN LEBANON:**

Al-Shouf Cedar Nature Reserve  
Horsh Ehden Nature Reserve  
Palm Islands Nature Reserve

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## Executive Summary

Through a programme of field visits and consultations conducted in Lebanon from 19 – 29 February 2000, a proposed funding strategy for three protected areas was developed. The main objectives of the exercise were to define key principles and conditions for the sustainable funding of protected area management, to determine funding priorities in relation to protected area needs expressed in draft business plans, and to prepare a fund-raising policy and strategy which could be implemented by the contracted management agencies.

### Key principles included:

- A focus on the management and development needs of the protected areas and on the sustainable use of renewable natural resources, particularly through tourism;
- Community involvement and participation, with equity of access to both opportunities and benefits;
- A diversity of fund-raising activities, to create sustainable revenues for recurrent expenses and core funding for development programmes;
- The avoidance of dependence on government, but the leveraging of private sector investment with government support;
- Institutional stability and continuity, both for sound protected area management and an adaptive management approach to both management and funding.

The approach to the preparation of the plan involved an analysis and description of:

- funding options, including the purpose of funding for biodiversity management, the development of protected area infrastructure, biodiversity education, visitor management and investment in revenue generation capacity;
- the potential sources of funds, including the national government, municipalities, international donors, local donors/sponsors, loans and revenue; and
- matching funding needs with funding sources, so as to maximise the effectiveness of the fund-raising strategy.

Options for fund-raising and for revenue generation were elaborated, and guidance provided on the implementation of these options. Options for **fund-raising** included corporate donors, individual donors, schools fund-raising, membership subscriptions, donor functions, competitions, sporting events, collection boxes, trust funds, use of volunteers and discounts, with organised donor functions and sporting events indicating the greatest promise in the short-term. Trust funds were regarded as important for focussing marketing and promotion efforts.

Options for **revenue generation** are constrained in Lebanon because of the need to avoid direct uses of biodiversity resources, e.g. tourism development in the protected areas is not advised, and there are distinct opportunities for developing partnerships with local entrepreneurs. However, the sales of a select range of products, the charging of entrance fees, conducting guided tours, imposing user fees for particular activities, and concessions, levies or royalties, will all generate revenue, if properly planned using business tools such as capital investment appraisals and appropriate accounting.

The funding strategy considered the guiding principles and proposed a vision and goal as follows for the consideration of the management agencies:

**Vision:** *The (Horsh Ehden / Al-Shouf Cedar / Palm Islands) Nature Reserve is effectively managed to conserve globally significant biodiversity in Lebanon in perpetuity, through a partnership of government and community-based organisations which engenders active community participation in the funding, development, management and flow of benefits of the protected area.*

**Goal:** *By November 2001, there will be adequate sustainable funding for the essential management and development, by the NGOs and their management teams, of the (Horsh Ehden / Al-Shouf Cedar / Palm Islands) Nature Reserve.*

Strategic objectives were determined and action plans for each strategic objective were elaborated in the plan. The logic of the intervention was that if all actions are successfully accomplished, then the strategic objectives will be achieved. The achievement of the strategic objectives would be sufficient to achieve the overall goal and make a significant contribution to the Vision.

Strategic objective
A five year rolling business plan for the protected areas is adopted
National government provides financial and other support to the protected areas
Municipalities support planning and infrastructure requirements of the protected areas
International donor-funded projects support identified research, capacity-building and specialist advisory requirements
An annual programme of fund-raising events provides project funding
Revenue from products and services meets annual recurrent expenses
Loans and investments provide capital funding for revenue-generating projects
There is a stable institutional framework which provides continuity of adaptive management

Finally, general conclusions and recommendations were made. Of particular interest is the progressive and successful approach which has been adopted in the Protected Areas Project, which provides a firm basis for further support and development of skills and capacity to implement this strategy. Recommendations included the requirement for a workshop to integrate the requirements of the business plans with the funding strategy, and the need to strengthen the institutional frameworks and management capacity to implement the funding strategy.

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Members of the Project Management team including Ms Lina Yamout (Project Counterpart: Ministry of Environment) and Mr Simon Jahshan (Project Administration);

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The Minister Mr Arthur Nazarian, Director-General Dr Berj Hatjian and staff of the Ministry of Environment in Lebanon;

The Executive Committees of the Friends of Horsh Ehden, Environmental Protection Committee and Al-Shouf Cedar Society;

The Management Teams for their dedicated commitment to the protection and management of the protected areas, and especially the reserve managers Assad Serhal, Dr Ghassan Jaradi and Sarkis Khawaja.

In Arabic (please)

To all of them, I would commend their efforts, as nature conservation is not simply a means of employment, but a lifetime dedication to the protection of the integrity of our natural and cultural heritage, and to the benefit and upliftment of humanity. Some people climb trees and mountains and pursue new challenges, and others ensure that there are still trees and mountains to climb.

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# 1. Terms of Reference

Trevor Sandwith Conservation Planning was contracted under IUCN Contract: Project No. 75259/ BL860/ T.Sandwith/ GEF Biodiversity Lebanon to:

- (i) Meet and discuss fund-raising issues with Al-Shouf Cedar Society (ACS), Friends of Horsh Ehden (FOHE), Environmental Protection Committee (EPC), the Lebanese Ministry of the Environment (MOE) and the United Nations Development Programme (UNDP);
- (ii) Attend and advise on a presentation of the draft Business Plans for the three protected areas, viz. Al-Shouf Cedar Nature Reserve, Horsh Ehden Nature Reserve and Palm Islands Nature Reserve;
- (iii) Conduct on-site visits to the three protected areas and hold meetings with the Management Teams and Executive Committees of the three NGOs managing the nature reserves;
- (iv) Propose a plan of fund-raising activities for the short term and the long term;

under the supervision of and in collaboration with the Project Manager in Lebanon, Mr Faisal Abu-Izzeddin and Ms Lina Yamout of the Ministry of Environment.

## Interpretation of Terms of Reference

In discussion with the Project Management, the Terms of Reference were interpreted and refined to embrace the following aspects:

- < Define key principles and conditions for the sustainable funding of protected area management;
- < Determine funding priorities in relation to protected area management needs;
- < Prepare a fund-raising policy and strategy, which is pragmatic, simple and implementable in a step-wise fashion, and which can be included in the management plan for the protected areas

The assignment was carried out in Lebanon from 19 – 29 February 2000. A series of meetings was held with the Minister, Director-General and staff of the Ministry of the Environment, UNDP, the Protected Areas Project Management team, the Executive Committees of the Friends of Horsh Ehden, Environmental Protection Committee and Al-Shouf Cedar Society. Visits were undertaken to the three protected areas accompanied by members of the management teams. The draft comments on business plans, and the proposed structure of the report were discussed with the Project Manager and Ms Lina Yamout on 26 February 2000. A wrap-up discussion was held on 28 February 2000 with members of the management teams to discuss preliminary findings and perspectives. A draft final report was reviewed and comments provided by the Project Manager on 15 March 2000.

## 2. Principles and conditions for funding sustainability

It is useful to summarise basic principles and conditions for funding sustainability and to ensure that these form part of any policy and strategy, and are known and understood by protected area managers and the management agencies. In this case, these are the non-governmental organisations who are contracted to run the protected areas and raise funds for this purpose. These principles and conditions have been collated from the management plans which have been prepared for the three protected areas in Lebanon, and from the input of the project management and protected area management teams during the field visits and discussions.

In general,

***Grants should become investments  
Projects should become programmes  
Short-term should become long-term  
Ad-hoc should become strategic***

Vorhies (2000)

- 2.1 The programme for funding must be clearly linked to the agreed **purpose** of the management and development of the protected areas, including biodiversity management programmes, community conservation programmes, visitor management, protected area administration and research/monitoring, as outlined in the management plans. In addition it should be focused on **priority** components of the management programmes.
- 2.2 The emphasis should be on creating **sustainable revenues** for recurrent costs of management and seeking **investments in new projects**.
- 2.3 Activities should concentrate on opportunities for the **sustainable use** of renewable natural resources (consumptive and non-consumptive).
- 2.4 Wherever possible, **community involvement and participation** will enhance the social sustainability of the funding programme and leverage the significant resources, both innovative, technical and practical, on which this model of protected area management depends.
- 2.5 There should be **equity of access** to opportunities, both to participate in revenue-generating activities and to the services that are provided. This principle should be applied fairly to local, domestic and international visitors, with the objective of building sustainable markets and satisfied customers.
- 2.6 The programme should foster entrepreneurial development, and **avoid creating dependence**.
- 2.7 For all service and product sale options, the "**user pays**" principle should be applied, ensuring that the full costs of providing a service or product are recovered and that an acceptable return on investment is made.
- 2.8 The funding programme should be **strategic**, ensuring that those activities, which enable or leverage further resources, are deployed first.
- 2.9 The suite of activities should be **manageable and focused**, since it is better to consider a few well-thought out and profitable programmes than a plethora of small schemes which require high management input.



- 2.10 Fund-raising should be designed to create a cash **reserve** so that management and development programmes can be planned in advance, and to avoid a “hand to mouth existence”.
- 2.11 A **diversity** of funding options should be employed, tapping into the full range of resources available, and spreading the risk of failure.
- 2.12 **Transparency and accountability** should be hallmarks, with easily monitored and audited processes and records.
- 2.13 **Full cost accrual accounting** should be employed to ensure that each funding activity can be independently and objectively evaluated, with no hidden subsidisation or externalisation of costs.
- 2.14 Government funds should be used to enhance the public good and to **leverage private sector investment**.
- 2.15 There should be **institutional stability and continuity** to ensure that the supply of services and products is reliable and consistent and to support adaptive learning and refinement of the funding programme.

### **3. Funding options**

The sustainable funding of effective protected area management requires that funding priorities are matched with funding sources, to enable those options with the greatest potential to be exercised. Using the protected area management plans as a basis, the scope of funding requirements, and the potential sources of funding were identified.

#### **3.1 Purpose of funding**

Funding is required on a sustainable basis for:

##### **3.1.1 Biodiversity management** (essential management to ensure protected area integrity)

This requirement is essentially for the recurrent costs of biodiversity or cultural resource management, including continuous maintenance of the integrity of the protected areas, and the periodic costs of implementing a monitoring programme or of addressing a threat such as the invasion of alien organisms. Typically, there will be permanent staff, research and monitoring, strategic planning, management planning and priority management programmes.

##### **3.1.2 Protected area infrastructure** (to enable protected area management)

Protected area development and the development of management capacity requires an investment in human capacity and in the physical infrastructure and technical resources which enable them to work. The costs include capital infrastructure e.g. buildings and services, information systems, and ongoing capacity-building.

##### **3.1.3 Biodiversity education/ Community conservation/ community involvement**

A key strategy for nature conservation, and a dominant feature of the Protected Areas Project: Lebanon, is the mobilisation of community support and action for biodiversity conservation. Resources are required to engage in a programme of biodiversity education and the building of understanding regarding the purpose of nature conservation and the benefits which it can provide to communities. Capacity-building and enabling activities feature strongly.

##### **3.1.4 Visitor information/ control of visitor activities**

The development of a visitor management strategy is a priority management function in the short-term, as a significant increase in the number of visitors, both domestic and foreign is envisaged for each protected area. This requires investments in visitor information and in developing the management capacity to regulate and monitor visitor use, impacts and experiences.

##### **3.1.5 Provision of visitor facilities, e.g. picnic sites, trails, overnight facilities**

Resources are required for the preparation and implementation of visitor/tourism zonation and development plans for each protected area. Activities include the planning and design of appropriate visitor facilities, the carrying out of environmental impact assessments, and where necessary, the construction of trails, day-visitor facilities and picnic sites, and also overnight facilities such as camping sites.

### **3.1.6 Investment in revenue-generation capacity**

The development of mechanisms to generate revenue through small business operations requires investment finance. In the initial stages, capital is necessary to catalyse these opportunities and revenue needs to be re-invested in both the growth and diversification of these small businesses.

## **3.2 Potential sources of funding**

The primary sources of funding include the following categories:

### **3.2.1 National Government (Ministry of the Environment and other government agencies)**

The ratification by Lebanon of key international conventions places an obligation on government to support, within its capacity, efforts to conserve in-situ biodiversity, to ensure sustainable use, and to regulate equitable access to its benefits. This is usually achieved through the allocation of state funds and other resources and services. In particular, the allocation of state resources is important where recurrent expenses cannot be fully met through revenue generation and where the long-term public good is at stake. An underlying principle is that the cost to the state can be reduced through revenue-generation based on the sustainable use of resources. Several Ministries may be involved, including the Ministry of the Environment, the Ministry of Education, and the Ministry of Tourism. In principle, it is helpful for government to agree to a particular baseline commitment of funds, which will indicate targets for supplementary fund-raising activities.

### **3.2.2 Municipalities (Baladiyat)**

Local government in the form of municipalities (Baladiyat) function primarily to ensure that local infrastructure and services are in place, and that development takes place which meets the needs of the population. They are empowered to collect revenue in the form of taxes and to address priority needs. To the extent that protected areas can be regarded as contributing to community and economic development in the local context, their infrastructure needs can be addressed by contribution by municipal resources, including both funding and services.

### **3.2.3 International donor finance (multilateral and bilateral grant funding)**

There are significant sources of support available from the international community for protected areas development, and especially community involvement and capacity-building. The financing of the present project with funds from the Global Environment Facility (GEF) addresses the incremental costs of conserving globally significant biodiversity. A five-year programme can, however, only be expected to catalyse action and to increase the possibility of long-term sustainability in nature conservation and development. There remains a role to play to enhance and strengthen capacity to continue these activities in the future. Both multi-lateral and bilateral donors may be relevant in this context.

### **3.2.4 Local donors/sponsors/contributors**

A significant contribution can be made by mobilising local donor support for protected areas management, a key result area of the current project. The use of non-governmental organisations as coordinators of fund-raising builds a long-term capacity and local support for the protected areas. Significant progress has been made in this project to mobilise these resources. A dominant component of this funding strategy is to learn from the lessons of the past three years and to propose a programme of fund-raising, which will continue this excellent progress. In cases where progress has been slower, an attempt must be made to understand

the obstacles and to overcome these where possible. Fund-raising at a local level is difficult, requiring sustained effort and broad-based support. To become sustainable, mechanisms such as trusts can be employed to ensure that donor funds are invested and deployed wisely. A range of fund-raising options is described in Section 4 below.

### **3.2.5 Loan/investment finance**

Soft-loan finance is appropriate for small business development projects, especially where communities are unable to secure capital in other ways. In particular, if business plans for small revenue generating projects indicate the potential for acceptable returns on investment, low-interest loans or a revolving credit facility may be appropriate. More direct investment can be undertaken for larger projects, e.g. the provision of a "must-see" attraction where tariffs will ensure repayment within an acceptable period. The fund-raising NGOs together with business partners could invest in a variety of revenue-generating operations, e.g. accommodation, food and beverage operations.

### **3.2.6 Revenue**

There are direct forms of revenue, which require minimal investment, e.g. the charging of entrance fees. The sale of products or services, on the other hand, must be conceived within mini-business operations, which will ensure an acceptable return on investment. A number of these have already been implemented or attempted in the current project, such as guided walks and tours, the sale of t-shirts, caps and mugs and the production of traditional crafts and foods. Significant opportunities exist for the further development of these operations, in partnership with community and private sector partners, and to create a sustainable flow of revenue, which can offset the costs of resource management. A range of revenue-generating options is described in Section 5 below.

## **3.3 Matching funding needs with funding sources**

A matrix of funding needs and sources is presented in Table 1. The matrix enables the requirement for funding to be matched with the variety of funding sources and resources, and provides a ready-reference for use by the fund-raisers. It incorporates both the suggestions and proven opportunities of the management teams and non-governmental organisations, and by indicating the range of possibilities, the matrix ensures that the scope of attention of the fund-raisers remains broad and considers all options.

A number of observations and conclusions for the development of strategy can be drawn from this exercise:

- 3.3.1 Government funding/service options are most appropriate for activities, which are long-term in nature and have little possibility of immediate return on investment. The justification for government support, however, is the investment in the long-term protection of the resource and the multitude of indirect benefits, which it makes possible, as well as the leveraging effect on communities and the private sector. The government may wish to accelerate this process by increasing the level of investment in infrastructure provision, in addition to resource management.
- 3.3.2 There is a particular niche for municipalities to be engaged in infrastructure provision. In most cases, these options have not been either considered or exploited in the past, but the identification of suitable programmes for support by municipalities should now be considered seriously.
- 3.3.3 Investments in revenue generation are primarily the domain of the private sector, with or

without specific local community involvement. The NGOs contracted to manage the protected areas can operate both as the agent of government, i.e. as a protected area management agency, but also as commercial operator, i.e. the manager of small businesses, which create an acceptable return on investment.

Revenue can be applied to any and all management activities, with the emphasis on the recurrent costs of management, and an investment in savings, which enable larger projects or programmes to be contemplated.

- 3.3.4 Community conservation programmes fill a large "grey area" where a range of funding resources can be applied, including government support for the promotion of small business, international donor support for capacity-building, partnerships facilitated by NGOs for community involvement, and small investments in community enterprises.
- 3.3.5 The reliance on only one type of funding, e.g. the solicitation of donor funds, is risky, in that it is often unfocussed and non-strategic, engendering a hand-to mouth funding situation. The wide range of opportunities increases the risk of many small *ad hoc* decisions. The general applicability of the donor/sponsorship programme and its ability to mobilise and involve a wide range of contributors, suggests that it should be carefully considered.
- 3.3.6 As one moves from left to right across the table, and from top to bottom, there is a trend from subsidy towards self-funding. However at all levels, the funding opportunities exercised can be strategic rather than *ad hoc* if considered and evaluated appropriately.

A characteristic of this enabling process is that it is progressive, moving towards increased independence and sustainability, and making use of a sequence of different funding resources in the development process.

**Table 1. A matrix of funding opportunities**

Purpose of funding	Funding sources					
	National Government	Municipalities	International donors	Local Donors/sponsors	Loans/ investments	Revenue
<p><b>1. Resource management</b></p> <p><b>Management plan objectives included =</b></p> <p><b>Obj 1. Biodiversity resource management</b>  <b>Obj 2. Cultural resource management</b>  <b>Obj 3. Manage external threats</b>  <b>Obj 4. Research and monitoring</b></p> <p>Management requirements include:</p> <ul style="list-style-type: none"> <li>! recurrent costs of mgmt staff</li> <li>! ecosystem mgmt programmes</li> <li>! cultural resource mgmt programmes</li> <li>! protected area extent, integrity and security*</li> <li>! biodiversity monitoring*</li> <li>! re-establishment programmes</li> <li>! ecosystem restoration</li> <li>! alien removals</li> <li>! research*</li> <li>! management planning*</li> <li>! contingency plans</li> </ul> <p>* = management plan priorities</p>	<p><b>Subsidies:</b></p> <p>Annual commitment from Ministry of the Environment (optimally covering a substantial proportion of these costs)</p> <p>Cultural resource management agency: Dept of Antiquities in the Ministry of Culture</p>	<p><b>Services in kind:</b> Emergency services</p>	<p>Multilateral donors Bilateral donors (projects)</p> <p>International research funding agencies</p>	<p><b>NGOs coordinate fundraising/donations</b></p> <p>Business donors Individual donors Schools fund-raising Memberships Competitions Donor functions Events Collection boxes Trust fund Volunteers Services in kind Discounts</p> <p>Universities/research institutes undertake collaborative research programmes bearing some of the cost</p>	<p><b>Soft loans:</b> Start-up costs for revenue generation</p>	<p>Revenue generation can contribute:</p> <p>Product sales Entrance fees Guided tours Transport User fees Levies Royalties Concessions</p>
<p><b>2. Protected area management capacity</b></p> <p><b>Management plan objectives included =</b></p>	<p><b>Subsidies:</b> Ministry of Environment</p>		<p>Training courses</p>	<p><b>NGOs coordinate fundraising/donations</b></p> <p>Donations of building materials</p>		<p>Revenue generation can contribute</p>

Purpose of funding	Funding sources					
	National Government	Municipalities	International donors	Local Donors/sponsors	Loans/ investments	Revenue
<b>Obj 9. Capacity-building</b> <b>Obj10. Information services</b>  Management requirements include: <ul style="list-style-type: none"> <li>! field ranger headquarters and ranger stations</li> <li>! water and power supply infrastructure</li> <li>! access roads and tracks</li> <li>! communications</li> <li>! transport</li> <li>! removal and reclamation of inappropriate structures</li> <li>! information management</li> <li>! staff training/capacity-building*</li> <li>! staff performance measurement</li> </ul> * = management plan priorities		<b>Annual grants</b> for infrastructure or in kind contribution to water and power supply, roads maintenance, snow clearance  <b>Business donors</b> <b>Services in kind</b>		Services in kind		
<b>3. Community conservation/ community involvement programmes</b>  <b>Management plan objectives included =</b>  <b>Obj 5. Education</b> <b>Obj 8. Community support</b>  Management requirements include: <ul style="list-style-type: none"> <li>! biodiversity education strategy*</li> <li>! biodiversity education materials</li> <li>! community relations</li> </ul>	<b>Subsidies or services:</b> Ministry of Education, Small-business development	<b>Grants/investment:</b> Capital infrastructure for community centre  <b>In-kind contribution:</b> Venues and funding for community workshops	<b>Projects or services:</b> Capacity-building programmes  Development assistance	<b>NGOs coordinate fundraising/donations</b>  Corporate sponsorships for materials	Soft-loans for small business development	Revenue can make a contribution (lower priority)

Purpose of funding	Funding sources					
	National Government	Municipalities	International donors	Local Donors/sponsors	Loans/ investments	Revenue
<ul style="list-style-type: none"> <li>! community participation in protected area management</li> <li>! community extension programmes</li> <li>! community participation in protected area-related entrepreneurial opportunities</li> <li>! community training/capacity-building</li> </ul> <p>* = management plan priorities</p>						
<b>4. Visitor management</b>  <b>Management plan objectives included =</b>  <b>Obj 6. Interpretation</b> <b>Obj 7. Visitors</b>  Management requirements include: <ul style="list-style-type: none"> <li>! visitor information/interpretation</li> <li>! visitor management strategy*</li> <li>! visitor code of conduct*</li> <li>! visitor tariffs</li> <li>! visitor safety</li> <li>! monitoring of visitor impact</li> <li>! monitoring of visitor experience</li> <li>! monitoring of visitor numbers</li> <li>! public relations</li> </ul> <p>* = management plan priorities</p>	<b>Subsidies:</b>  Ministry of Environment Ministry of Tourism	<b>Services:</b>  tourism publicity	IUCN literature Panel of experts  Unilateral donor projects	<b>NGOs coordinate fundraising/donations</b>		Revenue can make a large contribution
<b>5. Provision of visitor facilities, e.g.</b>	<b>Subsidies:</b>	<b>Subsidies:</b>	<b>Services:</b>	<b>NGOs coordinate</b>	Small business	Major



Purpose of funding	Funding sources					
	National Government	Municipalities	International donors	Local Donors/sponsors	Loans/ investments	Revenue
<p><b>picnic sites, trails, overnight accommodation</b></p> <p><b>Management plan objectives included =</b></p> <p><b>Obj 7. Visitors</b></p> <p>Management requirements include:</p> <ul style="list-style-type: none"> <li>! protected area zonation and development plans</li> <li>! design of visitor facilities</li> <li>! environmental impact assessment</li> <li>! capital construction projects</li> <li>! day visitor facilities, including parking, entry gates, washrooms, picnic sites, trails</li> <li>! overnight facilities, incl. camping sites</li> <li>! souvenir sales facilities</li> </ul> <p>* = management plan priorities</p>	Protected area zonation and development plans	Contribute to basic planning and capital infrastructure development	Service groups can contribute e.g. Raleigh International, Earthwatch	<p><b>fundraising/donations</b></p> <p>In-kind contributions e.g. architecture</p>	loans	contribution once funds have accumulated
<p><b>6. Investment in revenue generation capacity</b></p> <p><b>Management plan objectives included =</b></p> <p><b>Obj 11. Financial sustainability</b></p> <p>Management requirements include:</p> <ul style="list-style-type: none"> <li>! funding strategy*</li> <li>! souvenir trading</li> <li>! guided walks</li> <li>! guided tours (vehicles, boats)</li> </ul>			<p><b>In-kind contributions:</b></p> <p>Provision of expertise</p>	<p><b>NGOs coordinate fundraising/donations</b></p>	Small business loans	Major contribution once funds have accumulated

Purpose of funding	Funding sources					
	National Government	Municipalities	International donors	Local Donors/sponsors	Loans/ investments	Revenue
! overnight accommodation						
* = management plan priorities						

## 4. Options for fund-raising

During the field visits, there was significant evidence of good ideas, both applied or considered, for fund-raising for the protected areas. In some cases, there was a hesitation or reluctance to implement these ideas, possibly as a result of inexperience.

The following represent **options** for fund-raising, which have either been applied, are being applied, or could be applied in the context of Lebanon. For each option, critical success factors and key problems have been identified, and guidance is given, where possible, on mechanisms to promote a successful result. It is to be hoped that through innovation and learning, that this list will be extended and refined in the context of protected areas management in Lebanon.

### 4.1 Corporate or business donors

#### 4.1.1 Cash

There is considerable potential in obtaining support from corporate donors, particularly those which can derive benefit from their association with the protected areas. In particular, donations can be sought from suppliers of goods and services to the protected areas, e.g. the fuel companies or the banks, which provide services. The widespread use of the Cedar of Lebanon as the logo of many corporations suggests that there might be a willingness to contribute to their in-situ conservation. In some cases, single donations may be appropriate, and specific needs may be targeted, e.g. the purchase of a building, or the establishment of a trail. It is generally more productive to develop a more enduring funding or sponsorship arrangement, with a donor agreeing to support an activity for several years, or to pledge funds on a monthly or annual basis. This type of sponsorship requires a pro-active approach, and a willingness to communicate the purpose of the project and the need for assistance to potential donors, and to maintain the relationship in the medium to long-term. An approach, which has worked well in South Africa, is the WWF-Green Trust, where a commercial bank donates a minute proportion of each banking transaction into a trust fund. This has created a sustainable flow of revenues for conservation purposes. The KwaZulu-Natal Nature Conservation Trust works on similar lines, with approaches being made to corporate donors (Section 4.9).

#### 4.1.2 In-kind donations

Apart from the permanent staff costs, a substantial requirement for protected areas management are the costs of establishing or repairing infrastructure, e.g. roads or paths. In many cases these can be offset by donations of services or materials from corporate sponsors. For example, a company which uses earthmoving equipment can be asked to repair a road, or a cement factory can be asked to donate bags of cement or blocks for a building. The donor may wish to be associated with the final product, e.g. the entrance facility, and a suitable plaque can be erected to acknowledge this support. Other capital items can also be sourced as donations or at a reduced cost from corporate donors, e.g. boats, vehicles.

Substantial cost savings can be made through donated or discounted services, e.g. costs of audit, legal fees.

## **4.2 Individual donors**

Apart from membership categories, appeals can be made to individual donors to make cash donations or to contribute their time or expertise. Suggestions include the "donor wall" concept, where each donor of a specified amount is acknowledged by having his/her name inscribed on a brick in a wall, say of the new entrance gate or environmental education center.

This concept is being tried in Lebanon, where people are being asked to "adopt a cedar" by donating or pledging donations for the upkeep of particular cedar communities. Care needs to be taken to give these campaigns an identity and to ensure that the funds are indeed used for nature conservation purposes.

## **4.3 Schools fund-raising**

Fund-raising in schools was considered to be a distinct possibility in Lebanon, either in the areas which are near or adjacent to protected areas, or more generally throughout the country. In particular, there are linkages to be made with the introduction of a curriculum which specifically includes environmental studies. School-based programmes could be multi-faceted, with school wildlife clubs being established to drive efforts. For example, there could be competitions, film shows, or inter-class fund-raising competitions. The prizes could be day excursions to the protected areas for the winning groups. A further possibility is the collection of "protected area stamps", with a free entry ticket to a protected area for any child who completes a whole card of stamps.

## **4.4 Membership subscriptions**

This fund-raising method which has been applied by most of the NGOs involved with the Protected Areas Project. It could be enhanced by ensuring that members obtain real or perceived benefits from membership, and by creating different categories of membership depending on the level of support pledged. For example, members could be provided with certificates, badges or car-stickers to signify their involvement. A fully-sponsored magazine could be considered for distribution to members or potential members. Subscribers are a captive audience for further appeals for assistance, as most people will not know how they can contribute, and just need to be asked. For example, the membership newsletter could include a list of items or services required by the protected areas, and include requests for assistance with the preparation for specific fund-raising activities.

## **4.5 Donor functions**

Donor functions have been used in Lebanon with a great deal of success. Annual benefit dinners/lunches are particularly successful. Contributing to this success is the support which is given by leading members of the community, who can act as patrons of the function, and who can influence invitees to attend and be generous. These functions are perhaps best used for fund-raising for specific projects, e.g the establishment of an entrance gate, with which the donors can identify and which will be an enduring asset. The net gain from these functions can be enhanced by tapping corporate sponsorships for venues, food and beverages. Greater lustre can be added to the occasion with the participation of celebrities, supper theatre, and/or the possibility of prizes for lucky participants. Apart from dinners, other functions which can be arranged include art exhibitions or auctions, and fashion shows. It is essential that the conservation message forms part of the rationale for the function, and that participants are encouraged to make a contribution over and above the value that they perceive they are getting themselves.

## 4.6 Competitions

Competitions are a time-honoured way of raising funds, for example the raffle of a substantial prize. The best alternative is to obtain donated prizes, e.g. goods such as TVs, music systems or if the competition management can achieve this, larger items such as cars. In the latter case, it is more usual for the item to be obtained at cost, and the target for ticket sales established to cover the initial cost of the item as well as the fund-raising target. If a corporate sponsor is used, then the tickets can be sold through all outlets for the goods, which can substantially increase coverage. At a smaller scale, competitions can be run in schools, e.g. for art or written work with a small entry fee. The judging/ prizegiving function can itself be fund-raising, with the best items being auctioned off/sold and parents being encouraged to purchase their children's efforts at a nominal cost. A general principle emerges here, in that people are more likely to contribute to a cause which is well-motivated, or where they perceive a direct benefit in return.

## 4.7 Sporting events

The staging of fund-raising sporting events has enormous potential in Lebanon as it can combine a good cause with the widespread desire of people to get out and enjoy the outdoors in company. The concept includes the identification of a significantly attractive sporting event, which can be coordinated and arranged by a highly motivated and interested group of people, and which will enjoy widespread support from the community, from sponsors and from the media. In many cases, competition can play an important role, especially with an annual event, which sets a sporting record and which can become a challenge for future years.

An example of such an event is the Mont-aux Sources Challenge which is staged in KwaZulu-Natal, South Africa. It consists of a race to the top of the mountain and back down again. Competitors have to obtain a minimum level of sponsorship to enter, and may only enter three times, after which their names are inscribed in the permanent record book. A corporate sponsor takes care of the major costs of the event, and the individual sponsorships accrue to the fund. Various clubs and societies contribute to the preparation and management of the event on the day, and the protected area management staff play a particularly important role. Income from a range of events in KwaZulu-Natal amounted to \$100000 in 1999. Examples of the materials used for these fund-raising events are contained in Appendix 2.

It should be noted that these events do not have to take place in the protected area itself, particularly if the area would be sensitive to the disturbance which can result. If the event can take place in the protected area, so much the better.

Other ideas for events are:

- (i) *Fishing competitions* : These could be arranged with the Palm Islands as beneficiary, although no fishing is allowed in the Palm Islands Nature Reserve itself. The competition could target participants from the fishing sector or recreational fishermen. Prizes could be awarded for the largest fish, or the largest catch.
- (ii) *Mountain bike challenge* (Horsh Ehden): A mountain bike route could be established using the access roads to Horsh Ehden. In the summer, this competition could involve substantial numbers of people, and become a significant annual event.
- (iii) *Swimming challenge* (Palm Islands): An event could be staged from the Al Mina

corniche to one of the islands which is reasonably close to the mainland. The reason for this is that it would be undesirable to impact on the Palm Islands themselves, and the logistics for the event can be much simpler with a mainland starting and finishing point for both spectators and participants. It was indicated that there was the potential for patronage by some extremely influential citizens who both support swimming and the protection of the Palm Islands. By way of an example, the Midmar Mile staged every year in KwaZulu-Natal, South Africa, attracts more than 10000 entrants including both children and veterans. It is staged and managed largely by one of the local swimming clubs on behalf of the KwaZulu-Natal Nature Conservation Trust, and is an established annual event on the swimming calendar.

- (iv) *Running/walking/skiing challenge* (Al-Shouf Cedar): These are further possibilities along the lines of the example given above, and which could involve a winter event function. Combinations of events are also possible, e.g. a triathlon.
- (v) *Rock-jumping/diving competition* (any of the areas): It was suggested that a competition with protected areas as the beneficiary could be staged, e.g. the annual diving competition from Pigeon Rocks off Beirut.
- (vi) *Windsurfing competition* (Palm Islands): This is a further possibility for a focus on the marine protected areas.
- (vii) *Sunday morning walk* (Al-Shouf Cedar): It was suggested that a regular weekly event could be staged on a circular route in Al-Shouf Cedar Nature Reserve. Again, a nominal entry fee and the collection of stamps each week could establish records for participation, which results in an invitation to an open day in the protected area. In many countries, there is an organisation called *AWalk for Life*® which promotes a healthy life-style through regular energetic walking. This type of event could become a firm favourite among the citizens, and provide an ideal opportunity for local businesses to provide food at lunchtime, or for the NGOs to sell protected area sales items.

## 4.8 Collection/donation boxes

A system of collection boxes could be established in supportive businesses in many parts of Lebanon. The concept is that a readily identifiable collection box is placed near the till of a business, with a request for patrons to contribute small change. The fund-raiser must establish a good working relationship with the owner of the business, and empty the boxes on a regular basis. To acknowledge each donation, the owner could distribute a token sticker, for example. This concept could be extended to donation boxes in the airport, associated with posters illustrating the protected areas, and collecting small change in the Lebanese currency for which departing visitors would otherwise have no use. Support could also be arranged with airlines operating into Lebanon to collect donations from patrons in a donations envelope.

## 4.9 Trust funds

It is assumed that most of the NGOs who are supporting protected area management will be non-profit organisations operating some form of trust fund, and therefore exempt from tax

payments. This concept could be extended to a more powerful form of trust fund, which can assume its own identity, e.g. Protected Areas of Lebanon Trust Fund, or a series of smaller dedicated funds for each protected area. The reason for establishing a trust is to create a marketing image for the fund-raising effort, and to involve trustees who are skilled at financial management. Funds in the trust can be invested to ensure capital growth, and to sustain management funding through periods when alternative sources of funding are low. The Trust Fund can be a repository for funds accumulated in most other ways, including donations and events. <sup>A</sup>Share certificates<sup>@</sup> can be issued to contributors, acknowledging their support and ensuring that a database of donors is built up, and a relationship sustained. Trust awards functions can be a powerful way of recognising significant contributions both in cash and in kind. Examples of some of these trust materials are contained in Appendix 3. Refer also to [www.rhino.org.za](http://www.rhino.org.za) under the Conservation Trust section.

#### **4.10 Volunteers or Honorary Rangers**

There are many ways in which volunteers can contribute to protected area management and reduce the direct costs of management. For example, population monitoring such as bird counts can use volunteers. Volunteers can help with the establishment and maintenance of trails, for visitor control and interpretation, for the control of alien plants, for search and rescue operations, for fire-fighting and so on. It is usually best to organise volunteers into a group, which is managed by the volunteers themselves and a permanent liaison person in the management team. Volunteers can be given some kind of status, e.g. a badge or volunteer=s card, and receive a newsletter which describes past and planned activities. Volunteer assistance may also be derived from service groups such as Scouts, or service organisations, such as Lions or Rotary.

#### **4.12 Discounts**

Apart from discounts for goods and services, there is the possibility of entering into a relationship with suppliers to issue discounts to protected area visitors or supporters and to make contributions to the protected area fund. For example, at Byblos, the entry ticket to the cultural heritage site provides access to discounts at the retail and souvenir shops in Jbail.

## 5. Options for revenue generation

Revenue generation provides the most feasible method of funding the long-term recurrent costs of protected area management to supplement government grants. In the context of the Protected Area Project, it provides an important means of engendering and sustaining private sector and community involvement in management. As with management itself and fund-raising, it requires particular skills and experience to be developed.

The following options for revenue-generation were identified and discussed during the field visits and discussion sessions with management teams. The three NGOs and their respective management teams differed to the extent that they had attempted or sustained efforts to generate revenue for protected area management purposes, with some programmes being well conceived and executed, and many ideas still on the drawing board. It is important to note that the most important revenue generating options for protected areas elsewhere, namely the development of ecotourism facilities and the sustainable harvesting of natural resources in protected areas, are either undesirable or inadvisable in the Lebanese context. With respect to the former, there is an explicit purpose in the Protected Areas Project to catalyse tourism development among local communities who are well-placed to exploit the opportunity, and the previous widespread destruction of wildlife resources has resulted in the imposition of strict controls against any form of direct exploitation at this stage in the development of the protected areas.

### 5.1 Sales

There are excellent opportunities to develop and market products which are branded according to the protected area concerned, and which are either needed by visitors or which serve as souvenirs of the visit. In every case, there is a need for a mini-business plan which considers the product in relation to the desired market, the production costs, pricing, advertising and marketing and the potential return on investment. During the field visits, it was found that there were several excellent products available, but sales outlets were very limited.

In addition, there are limits to marketing a diverse range of products without any brand image or theme to link them in the mind of the customer. The most viable approach would be to select a range of items which sell easily, which are reasonably inexpensive to produce and which can command a high profit margin. High cost items may be difficult to sell, and clothing ranges which demand that several styles, colours and sizes are stocked can be expensive to maintain. A mail-order catalogue could be considered to increase the visibility of the products and opportunities to stock products in city-based outlets should be investigated (See Appendix 4). Information on the protected areas and the product lines could be maintained in city hotels, with ready access to outlets in the cities. Certainly, the offices of the NGOs could all be sales outlets for products. The products should be attractively displayed in a customised stand, carrying images and information regarding the protected areas. There are economies of scale in producing products, and merit in the three protected areas collaborating in the development, marketing and sale of goods, which can still be individually branded for each protected area. Options for sales and some conditions for implementation are presented in Table 2.



**Table 2. Opportunities for developing sales revenue**

<b>Sales item</b>	<b>Observations/considerations</b>
Plant sales	Cedar seedlings are being grown, but could be distributed to city-based garden centres or sales depots to increase sales. Marketing via schools could target all families to plant a cedar
Local products and crafts (baskets, wooden items, preserves)	Branding is most important here and also information which sets the product apart from items which are generally available
Clothing (T-shirts, caps, hats), mugs, bags	Branding is important
Posters, postcards and calendars	Good quality images are hard to obtain in Lebanese shops, and there would be a ready market for quality posters if available. Calendars should be produced which enable the current year details to be updated to avoid stale products
Stickers	Stickers can be a powerful way of spreading the image of the protected area, especially in the hands of school-children
Maps	Maps with printed information on the reverse side regarding the area and its history, culture and biodiversity are both useful for visitor information and as souvenirs of a visit. Maps can be folded or supplied as posters, as in the Shouf reserve.
Guidebooks	There are opportunities to stock guidebooks on each protected area at the entrance gates, but it is also important to ensure that information is contained in guidebooks to the country, especially travel guides.
Magazine/newsletter	In addition to the subscribers= magazine, magazines could cover contemporary protected area management issues, and proposed projects. Depending on volumes, advertisement can virtually pay for these magazines and the cover price becomes profit.
Bottled water	The mountain forest reserves all have the potential to market Aspring water@ under an appropriate label. Private sector partners should be sought.
Videos	The videos produced to date, require English and French soundtracks and should be marketed to all visitors. They should also be sold through tourism information centres.
Diaries	Diaries have been produced for the Palm Islands reserve
Hire items (skis, snorkelling gear, umbrellas, snowshoes)	Hire items are capital intensive, and are probably best handled by private sector operators and tour guides.
Picnic baskets	Tour groups especially would respond positively to the availability of local products included in a picnic basket. These could be provided in conjunction with a local producer.
Refreshments (cold drinks, snacks, sweets)	A partnership with a local supplier could ensure that these items are available at entry points to protected areas, where there is always a demand.

## 5.2 Entrance fees/ donations

Entry fees are an important component of the revenues for protected areas. By charging a reasonable entry fee, visitors feel that they are making a contribution to the protected area, and can expect a basic level of service in return. There is debate everywhere regarding the level at which entrance fees are set, and whether the same fee should apply to all visitors. In principle, the basic entrance fee should be set low enough so as to ensure equity of access to all potential visitors. Special fees could be applied to educational groups, or local residents, and some form of entry passport could be made available to local residents for this purpose. A multiple entry passport at a discounted price could be made available to regular visitors.

In addition to the basic entry fee, visitors could be charged for a different level of service, e.g. access to other areas of the protected area, for the use of guides or entry to particular facilities. Dual pricing for international visitors is often applied, but can be very complicated in practice and can create resentment among visitors who have travelled a long way to visit the protected area, and who are in any event paying in several other ways for transport, accommodation and food. A far better alternative is to provide such visitors with creative ways to spend their money in the protected areas, and to leave with memories of an experience which provided value for money. A donation box could also be placed in the entry point, requesting donations from especially foreign visitors, who are not local tax payers, for protected area management or identified projects.

There were concerns expressed that the law did not make provision for entry fees to be charged or that local residents were used to free access to the protected areas. If no provision in law can be made, and this is unlikely, then the entry fee can be regarded as a donation or charge for the services which are provided, e.g. the use of washroom facilities, the free map which is supplied at the gate and the use of the prepared footpaths/ trails. In general, people are prepared to pay for something for which they perceive value, and if fees are introduced at a modest level, they will not be resisted. Even the entry ticket can add value, e.g. by containing useful information on the reverse side. Staff at entry points should be able to provide several services, including information provision and souvenir sales, to minimise the overheads of staff salaries.

### **5.3 Guided tours**

Visitors to protected areas have expressed an interest in the resources they contain, and will generally like to expand their experience and the quality of the visit. Guided tours are an excellent way of achieving this, as they reduce the barriers of experience and risk which might be in place and offer a means for communication between visitors and local people. They also ensure that visitors experience the environment in a way that is not detrimental to the resource. There are a number of considerations, which include their level of training (nature conservation, local resources, safety and emergency procedures) and their ability to speak in both local and international languages. Protected area staff can serve as guides which enhances their understanding of the visitor and visitor needs, but in general guides can be drawn from the local community, and the service outsourced. This avoids the necessity for high numbers of staff and for the maintenance of capital equipment, but there should still be training and certification of guides. A concession fee per visitor should be payable to the protected area in the case of guiding which is outsourced. A further option is to hire guides on a seasonal or demand basis with payments being made directly to the protected area.

Guided tours may include short guided walks, guided boat tours, longer guided walks (including challenging walks like reaching the top of the highest peak) and combinations of drives and walks to ensure a circular route which is not too demanding physically. The provision of a 'must-see' attraction is a simple way to ensure patronage. For example, at a

simple level, a walk could include a short walkway into the canopy of the cedar forest so that visitors can experience the sensation of being <sup>A</sup> in the trees<sup>@</sup>. Alternatively, more adventurous options could be devised, including cross-country ski-ing, mini-expeditions to the highest peak (Quornet Al-Sawda above Horsh Ehden), using a walkway or climbing into an appropriate cedar tree etc, and suitable certificates can be issued for these achievements. On the Palm Islands, there could be a walk to a point where breeding birds can be observed without disturbing them, and which provides a unique experience for the visitor. The development of any of these options would have to be based on a full examination of the risks and benefits. For example, there may be concerns regarding the environmental impact of an activity such as tree climbing, or of the potential for injury to climbers. The fund-raising teams will have to consider these aspects and implement mitigatory measures where necessary. There will always be trade-offs, though, and there will be a need to weigh up the potential benefit against the potential risks. Some examples of forest-based activities are contained in Appendix 5.

Tariffs for these activities should be based on full cost recovery, including the use of any capital equipment and the services of staff, and should be designed to make a profit while remaining attractive and competitive.

## **5.4 Transport**

These services are best supplied in conjunction with local tour operators to avoid the costs of purchase and replacement of capital equipment e.g. vehicles and boats. This is particularly so since there is a strong seasonal component to visitation in Lebanon, and capital assets would be unemployed for long periods. There are opportunities for transporting visitors to the protected areas from the main centres, e.g. from Beirut and Tripoli, and for linking up with local guides. It does not seem advisable for the protected area agencies to attempt to manage transport themselves, but this is not precluded if the business plans indicate that this would be profitable.

## **5.5 User fees**

The provision of overnight accommodation in the context of these protected areas has been reserved for private sector operators outside the parks. This does not preclude the protected area agencies from investing and obtaining shareholdings in these ventures and benefitting directly from this revenue. There are opportunities for basic camping facilities to be provided in the protected areas (Horsh Ehden and Al-Shouf), for which a fee can be charged.

Other revenue-generating services could include the provision of pay telescopes, for example on Palm Island or at suitable viewpoints in the mountains. It is essential to make these accessible to the majority of visitors or the general public to maximise revenue. Some of the locations where telescopes could be placed are Al Mina (on the bridge to the first island), on Palm Islands or Ramkine in a position where observers could see the main breeding colonies of birds, and at view sites in Horsh Ehden and Al-Shouf Cedar Nature Reserves.

## **5.6 Concession, levies and royalties**

One of the difficulties in generating funds in the context of these protected areas is that they have been established to benefit local communities as far as possible. However, the protected areas must leverage funds from these opportunities which are being picked up by

the private sector. One way of establishing this relationship is to seek bids for entrepreneurial opportunities provided by the protected areas, e.g. concession these opportunities to a limited range of operators. An example of this might be that only three operators are given permission to conduct tours inside the protected area. Each will pay a flat rate and/or a rate per visitor.

Alternatively the protected area might ~~accredit~~ certain businesses such as restaurants or accommodation establishments, and receive a royalty in return.

This principle might be extended to the sales of branded items. Instead of the protected area managing product sales, the right to use the brand or logo could be sold to an entrepreneur in exchange for royalties as a percentage of sales. An example of this applied to a clothing range is provided in Appendix 4. Further information can be obtained on the internet at [www.NPBcontrust.co.za](http://www.NPBcontrust.co.za) or under the Conservation Trust page of [www.rhino.org.za](http://www.rhino.org.za).

A further possibility if there is an umbrella tourism association in the vicinity of the protected area, is for a levy or tax to be imposed on all bed-nights in the district, which would then accrue to the protected area to maintain the quality of the resource and to facilitate further community involvement.

## 6. A proposed fund-raising policy and strategy for incorporation into protected area management plans

### 6.1 Introduction

The purpose of a fund-raising policy and strategy is to enable the progression from the **current situation** where the protected areas do not have access to sufficient funds to enable effective management to be continued, to a **future situation** where adequate funding for both protected area management and development is available, within a framework of guiding principles which promote equitable and accountable practice.



The preparation of a strategy in this context requires that:

- (i) Guiding principles are elaborated;
- (ii) The desired future is stated in terms of an overall **Vision** and **Goal**;
- (iii) The **obstacles** in the way of achieving the vision and goal, and the **opportunities** which could promote the achievement of the vision and goal are identified;
- (iv) **Strategy objectives** to overcome the obstacles and achieve the vision and goal are identified;
- (v) **Action plans** for each strategic objective are elaborated.

In addition, the policy and strategy should be able to be applied readily in the context of the protected areas in Lebanon, the NGOs which are contracted to run them, and the management teams.

It was not possible within the constraints of the visit to Lebanon and the discussions with project management, donor agencies, government, the three non-governmental organisations and the management teams to propose or finalise a vision and overall goal for the funding strategy. The following draft vision and goal are offered for consideration by the stakeholders. The purpose of the vision is to create a mental image of where we would like the funding strategy to be in the future.

The purpose of the Overall Goal is to describe the new reality or result that will be achieved through the successful implementation of the strategy. It must be specific about WHAT has to be achieved, WHEN it has to be achieved and WHO or WHAT will be impacted. The goal should be measurable.

## 6.2 Obstacles and opportunities

The identification of obstacles and opportunities provides an indication of the issues which strategy must encompass. In many cases, obstacles or weaknesses can be transformed into opportunities, and existing strengths can be reinforced or focussed to be of strategic significance.

### 6.2.1 Key obstacles

Key obstacles to the development of sustainable funding for the protected areas include:

- \* **Insularity of the protected areas.** There are economies of scale in a combined approach, which develops a significant public image for the three protected areas as a group, as well as the individual sites. The exchange visits between the areas need to be continued to allow for shared learning and experience.
- \* **Competition.** There is no clear path for the protected areas to monopolise the opportunities they create, and many of the revenue earning possibilities can be easily picked up by the private sector without necessarily benefitting the protected areas. In addition, there may be competing groups, and the NGOs will spend some of their time adjudicating among the various interests. Even within the NGOs there will be competing interests which have to be addressed.
- \* **Lack of initiative.** Although many good ideas were presented by the management teams, there were marked differences among the areas regarding the extent to which ideas had been put into practice. This is most likely to be related to a lack of confidence regarding what needs to be done, rather than a lack of interest. The best way to learn is to undertake a small project initially and to progress adaptively from there.
- \* **Lack of focus.** The NGOs and management teams are undertaking a wide range of activities. This can result in the dissipation of effort across too wide a front, and affect the identity and image of the product.
- \* **Perception of citizens of free goods and services.** There is a perception that the protected areas and the benefits which they generate should be freely available to the general public. Care must therefore be taken to add value to the experience and to charge visitors for this added value, e.g. the provision of interpretation, ablution facilities, trails.
- \* **Poor employment tenure for staff.** Annual contracts are currently in place, and there is no certainty that contracts will be renewed. Lack of security of tenure works against a long-term commitment being developed and can seriously undermine programmes which are of a longer duration.
- \* **Lack of corporate image.** Creating an image in the public eye is difficult when one is competing with thousands of other products backed by extensive advertising. Ideally, one would strive for a single corporate image for all three protected areas which would form the basis for a marketing effort. If this is not possible, then there is still a need to create a strong image for the protected areas, and to avoid the current situation where separate images/logos have been created for the NGOs and the protected areas.
- \* **Conservatism.** There is understandable reluctance to embark on new schemes, but this severely limits the opportunities to raise funds. The NGOs and management teams will need to consider carefully the options for fund-raising, and not to dismiss any possibility without a

decision-making process supported by sound principles.

- \* **Poor institutionalised decision-making.** It was not clear whether the management plans which have been prepared for the protected areas have been operationalised into day to day decision-making. This would include the annual setting of goals (including the what, when where, how and by whom), implementation and reporting, and the monitoring of progress by the management committees supported by record-keeping. The most effective conservation management is undertaken in an adaptive management framework where managers “learn by doing”, and management and planning are integrated into a single decision-making framework.

## 6.2.2 Key opportunities and strategies

Key opportunities to engender a successful funding strategy and to overcome obstacles include:

- \* **Ability of the NGOs to generate and retain funds.** An ideal framework has been created in Lebanon which enables the proceeds of fund-raising and revenue generation to be channelled directly into the management of the protected areas, rather than into the general government coffers. This places an onus on the management agencies to manage these funds strategically, including the recurrent costs of management and the longer term development of the protected areas.
- \* **Local support.** Local pride and enthusiasm for the protected areas among the local communities indicates a strong support mechanism which will avoid negative impacts on the protected areas.
- \* **Business experience.** The fund-raising strategy can build on the inherent skills and capacity of the Lebanese as traders and businessmen of historical renown.
- \* **High profile champions.** There are high profile champions willing to act as patrons for the protected areas and a focus for fund-raising efforts.
- \* **Supportive donors.** The Protected Areas Project has a number of supportive donors who will continue to support a successful project as new challenges and requirements emerge. This has to be managed carefully, as in most cases, only the incremental costs will be considered, since a key result of the current project is institutional and funding sustainability for the current level of conservation management. In particular, there is commitment from the UNDP to consider further support and from the IUCN to provide technical assistance backed up by its professional competency in protected areas management
- \* **Public interest and demand.** There is a high degree of public interest and demand for recreation in the protected areas. It will be necessary to nurture this, and provide good value for money to retain and expand this support.
- \* **Supportive Ministry of Environment.** From small beginnings, the Ministry of Environment has grown in stature and is willing and capable of supporting the continued development of the protected areas. There will be a need for further technical assistance in this regard, since there is very little experience in Lebanon and in the Ministry in the long-term programmes which characterise protected area management.

## 6.3 A proposed funding policy (for adoption)

### **POLICY: PROTECTED AREA FUNDING**

The (*Friends of Horsh Ehden/ Al Shouf Cedar Society/ Environmental Protection Committee*),

#### **Recognising that:**

- (i) Protected areas require long-term sustainable funding to enable effective resource management programmes;
- (ii) A unique situation exists in Lebanon for community-based organisations to work in partnership with government and the donor community to secure and sustain adequate funding;
- (iii) Renewable natural resources, if used sustainably, can contribute revenues for resource management;
- (iv) The involvement of local stakeholders, the private sector and the wider community, can build understanding and support for the protected areas and conservation programmes;

#### **Therefore undertakes to:**

- (i) Adopt a funding strategy to meet the priority needs of effective conservation resource management;
- (ii) Accumulate funds for specific projects which will enhance the conservation status of the protected area and ensure the sustainable use of its resources;
- (iii) Work in a partnership of national government, municipalities, non-governmental organisations, the international and local donor community, and with communities to implement a range of funding options outlined in the strategy;
- (iv) Promote the value and benefits of biodiversity conservation through the sustainable use of the natural and cultural resources in the protected area; and in doing so,
- (v) Recognise, comply with and ensure the application of the principles for sustainable funding (Annex 1)



## Annex 1. Protected Areas Funding Policy : Guiding principles

1. The programme for funding must be clearly linked to the agreed **purpose** of the management and development of the protected areas and should be focused on **priority** components of the management programmes.
2. The emphasis should be on creating **sustainable revenues** for recurrent costs of management and seeking **investments in new projects**.
3. Activities should concentrate on opportunities for the **sustainable use** of renewable natural resources (consumptive and non-consumptive).
4. Wherever possible, **community involvement and participation** will enhance the social sustainability of the funding programme and leverage the significant resources, both innovative, technical and practical, on which this model of protected area management depends.
5. There should be **equity of access** to opportunities, both to participate in revenue-generating activities and to the services that are provided. This principle should be applied fairly to local, domestic and international visitors, with the objective of building sustainable markets and satisfied customers.
6. The programme should foster entrepreneurial development, and **avoid creating dependence**.
7. For all service and product sale options, the **user pays** principle should be applied, ensuring that the full costs of providing a service or product are recovered and that an acceptable return on investment is made.
8. The funding programme should be **strategic**, ensuring that those activities which enable or leverage further resources are deployed first, and the suite of activities should be **manageable**, since it is better to consider a few well-thought out and profitable programmes than a plethora of small schemes which require high management input.
9. Fund-raising should be designed to create a cash **reserve** so that management and development programmes can be planned in advance, and to avoid a "hand to mouth existence".
10. A **diversity** of funding options should be employed, tapping into the full range of resources available, and spreading the risk of failure.
11. **Transparency and accountability** should be hallmarks, with easily monitored and audited processes and records, to ensure that each funding activity can be independently and objectively evaluated, with no hidden subsidisation or externalisation of costs.
12. Government funds should be used to enhance the public good and to **leverage private sector investment**.
13. There should be **institutional stability and continuity** to ensure that the supply of services and products is reliable and consistent and to support adaptive learning and refinement of the funding programme.

## 6.4 A proposed funding strategy

### VISION

*The (Horsh Ehden / Al Shouf Cedar / Palm Islands) Nature Reserve) is effectively managed to conserve globally significant biodiversity in Lebanon in perpetuity, through a partnership of government and community-based organisations which engenders active community participation in the funding, development, management, and flow of benefits of the protected area.*

### OVERALL GOAL

*By November 2001, there will be adequate sustainable funding for the essential management and development, by the NGOs and their management teams, of the (Horsh Ehden / Al-Shouf Cedar / Palm Islands) Nature Reserve.*

### STRATEGIC OBJECTIVES

The strategic themes and objectives are as follows:

Strategy theme	Strategic objective
1. Funding and resources	A five year rolling business plan for the protected areas is adopted
2. National Government	National government provides financial and other support to the protected areas
3. Municipalities	Municipalities support planning and infrastructure requirements of the protected areas
4. International donors	International donor-funded projects support identified research, capacity-building and specialist advisory
5. Local donors	An annual programme of fund-raising events provides project funding
6. Revenue	Revenue from products and services meets annual recurrent expenses
7. Loans/investments	Loans and investments provide capital funding for revenue-generating projects
8. Institutional frameworks	There is a stable institutional framework which provides continuity of adaptive management
If all of the strategic objectives are achieved, then the overall goal will be met	

## STRATEGY THEME 1:      Funding and resource requirements

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**Objective 1:      A five year rolling business plan for the protected areas is prepared and adopted**

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Action	Timing	Responsibility
1.1    Conduct a workshop to determine the realistic funding and other resource requirements for priority management programmes for each protected area for the forthcoming year (and forecast for the next five years).	Second half of 2000 and thereafter, annually in June. (A special workshop may be necessary the first time this is done)	Project management, NGOs and management teams
1.2    Incorporate the capital investment requirements for revenue generating projects (from Actions 6.2.3, 6.3.2, 6.5.2, 6.6.2) and any expenses for fund-raising (from Objective 5).	Second half of 2000 and thereafter, annually in June	Project management, NGOs and management teams
1.3    Compile a forecasted income statement for the forthcoming year and for the next five years, starting with known income and add in realistic net income targets from fund-raising activities and revenue generating activities	Second half of 2000 and thereafter, annually in June	Project management, NGOs and management teams
1.4    Combine the income and expenditure statements into a five year business plan	Second half of 2000 and thereafter, annually in June	Project management, NGOs and management teams
1.5    Prepare a presentation which illustrates the purpose of the protected areas, and the strategy for achieving adequate funding	Second half of 2000 and thereafter, annually in June	NGOs and management teams
1.6    Revise the business plan and presentation each year and extend it by a further year.	Annually in June	NGOs and management teams
<b>If all of the above actions are achieved, then the strategic objective will be achieved</b>		

## STRATEGY THEME 2: National Government

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**Objective 2: National government provides financial and other support to the protected areas**

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Action		Timing	Responsibility
2.1	Appraise the Ministry of the Environment of the business plans for the forthcoming year and the next five years	Annually in June	NGOs and management teams
2.2	Request a baseline commitment from the Ministry of Environment equivalent to the funding for 2000	June 2000 and annually in June thereafter	NGOs and management teams
2.3	Determine the support in kind which is required for protected area activities from the Ministries of Tourism and of Education, and any other government agency, and draw up a schedule of needs	At management meetings throughout the year, compiled in May/June in preparation for budget	NGOs and management teams
2.4	Request the appropriate support in kind from the relevant ministries and government agencies	June 2000 and annually in June thereafter	NGOs and management teams
2.5	Report back to the relevant ministries regarding progress and future needs	March to May each year	NGOs and management teams
If all of the above actions are achieved, then the strategic objective will be achieved			

## STRATEGY THEME 3:      Municipalities

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**Objective:**      **Municipalities support planning and infrastructure requirements of the protected areas**

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Action	Timing	Responsibility
3.1 Identify the resource requirements in the business plans which fall within the scope of the municipalities= mandates	March – May 2000 and annually thereafter	NGOs and management teams
3.2 Appraise the relevant municipalities of the business plans for the forthcoming year and the next five years	March to May 2000 and annually thereafter	NGOs and management teams
3.3 Request appropriate support from the municipalities, stressing the partnership in creating employment and economic benefits	May/June 2000 and annually thereafter	NGOs and management teams
3.4 Develop a Memorandum of Understanding with each municipality regarding agreed levels of support/cooperation	This should be attempted by June 2001	NGOs and management teams
3.5 Report back to the municipalities about progress with activities in the protected areas	March to May annually	NGOs and management teams
<b>If all of the above actions are achieved, then the strategic objective will be achieved</b>		

## STRATEGY THEME 4: International donors

**Objective 4: International donor-funded projects support identified research, capacity-building and specialist advisory requirements**

Action	Timing	Responsibility
4.1 Identify discrete projects which address critical requirements of the management plan and business plan, e.g. threats to biodiversity, integrated planning and capacity-building.	Continuously	NGOs and management teams
4.2 Prepare a portfolio of conceptual project proposals using a simple, standard format.	By October each year	NGOs and management teams
4.3 Identify international research and development agencies by contacting embassies and consulates, and by arranging visits and discussions with liaison staff of these agencies.	Continuously	NGOs and management teams
4.4 Identify Service Groups and organisations such as Lions, Raleigh International, Earthwatch, contact them and invite them to become participants in the protected areas programme.	Continuously	NGOs and management teams
4.5 Identify opportunities for co-financing partnerships.	Continuously	NGOs and management teams
4.6 Make presentations to key agencies regarding the business plan, and particularly those requirements which cannot be met by local fund-raising and/or revenue generation.	June to October each year	NGOs and management teams
<b>If all of the above actions are achieved, then the strategic objective will be achieved</b>		

## STRATEGY THEME 5: Local donors

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**Objective 5:** An annual programme of local fund-raising events and services in kind provides development and project funding

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### Goal 5.1 A donor trust fund is established and functioning

Action	Timing	Responsibility
5.1.1 Establish a fund-raising trust fund in accordance with the relevant laws	Year 1 June to October	NGOs and Project Management
5.1.2 Prepare a brochure setting out the objectives of the fund	Year 1 October to December	NGOs and Project Management
5.1.3 Identify a portfolio of specific large and small projects which require funding, e.g. the development of a visitor centre, the construction or repair of a pathway, based on the management plan and business plan for the protected areas	Business Plan Workshop: October 2000	NGOs and Project Management
5.1.4 Approach potential corporate or individual donors to make contributions to the Trust	Continuous	NGOs and Project Management
5.1.5 Establish a donation box system with various businesses, and include the entrance gates to the protected areas and key accommodation and restaurant establishments adjacent to the protected areas.	June to October 2000 and continuously thereafter	NGOs and management teams
5.1.6 Use the trust fund to accumulate a funding reserve for protected area development and priority requirements through careful investment of the proceeds.	Continuous	NGOs and management teams
5.1.7 Introduce tokens of appreciation for donors, e.g. certificates, an annual conservation awards dinner	Annually	NGOs and management teams
If all of the above actions are achieved, then the goal will be achieved		

## Goal 5.2      A schools or youth fund-raising programme is established

Action	Timing	Responsibility
5.2.1 Identify suitable partner schools and youth groups e.g. scouts, in areas neighbouring the protected areas	Establish in years 1 and 2 (Suggested timing)	NGOs and management teams
5.2.2 Make presentations regarding the purpose of the protected areas and the priority management and development needs	Annually	NGOs and management teams
5.2.3 Support the establishment of a wildlife club in the school or youth group, and introduce a form of identification e.g. sticker with protected area logo.	Annually	NGOs and management teams
5.2.4 Propose that a school or youth group adopts a particular protected area project or programme and arranges voluntary work parties and an annual fund-raising event	Annually	NGOs and management teams
5.2.5 Arrange outings to the protected area for the wildlife club or youth group as an incentive	Annually	NGOs and management teams
<b>If all of the above actions are achieved, then the goal will be achieved</b>		



### Goal 5.3      Annual benefit functions are arranged

Action	Timing	Responsibility
5.3.1 Identify and approach a patron for the benefit function (consider approaches to different patrons in alternative years)	Annually (appropriate timing needs discussion)	NGOs
5.3.2 Identify the nature of the benefit function, e.g. fund-raising dinner	Annually	NGOs and management teams
5.3.3 Identify and approach corporate sponsors for venues, food and drinks	Annually	NGOs and management teams
5.3.4 Arrange a suitable presentation on the protected areas, if possible with participation from a well-known authority/personality in support	Annually	NGOs and management teams
5.3.5 Incorporate a lucky ticket draw with sponsored prizes	Annually	NGOs and management teams
5.3.6 Compile an invitations list and distribute suitable information. Advertise a limited number of tickets for the general public.	Annually	NGOs and management teams
5.3.7 Convene the function	Annually	NGOs and management teams
<b>If all of the above actions are achieved, then the goal will be achieved</b>		

## Goal 5.4      An annual sporting event fund-raiser is organised

Action	Timing	Responsibility
5.4.1 Identify a suitable sporting activity for each protected area, e.g. running, swimming, mountain biking	July/August (Coordinated among the three protected areas)	NGOs and management teams
5.4.2 Identify and approach corporate sponsors for backing, for the organisation/advertising of the event and for prize money	January to June	NGOs and management teams
5.4.3 Identify and approach a patron for the event	March to May	NGOs and management teams
5.4.4 Identify a suitable sports club or sporting organisation to act as key organisers of the event in partnership with the NGO	January to June	NGOs and management teams
5.4.5 Prepare an advertising flyer and entry forms and distribute through all clubs and to the general public	May to June	NGOs and management teams
5.4.6 Convene and contribute to the running of the event	July/August	NGOs and management teams
<b>If all of the above actions are achieved, then the goal will be achieved</b>		

## STRATEGY THEME 6: Revenue

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**Objective 6: Revenues from products and services meet annual recurrent expenses**

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### Goal 6.1 Entrance fees are effective for all entrance points

Action	Timing	Responsibility
6.1.1 Determine the legal basis on which to levy an entry fee (or minimum donation).	Immediate	NGOs and Project Management
6.1.2 Decide a basic minimum fee for entry to the protected areas.	Immediate	NGOs and management teams
6.1.3 If necessary, consult with major user groups, e.g. fishermen, hikers, swimmers and ensure that they are aware of the services which are offered by the protected area, and that they endorse the concept of an entry fee.	March to June 2000	NGOs and management teams
6.1.4 Determine the location of official entry points and the feasibility of maintaining staff at these points. Consider alternatives, e.g. a local shop which can sell entry permits.	March to June 2000	NGOs and management teams
6.1.5 Maintain accurate visitor statistics according to an accepted international standard (see IUCN guidelines)	From inception, and continuously thereafter	NGOs and management teams
6.1.6 Monitor visitor perceptions of the tariff and the services offered.	From inception, and continuously thereafter	NGOs and management teams
<b>If all of the above actions are achieved, then the goal will be achieved</b>		

## Goal 6.2 Guided walks and tours are available to visitors and generate revenue

Action	Timing	Responsibility
6.2.1 Estimate the demand for guided walks/tours and the period of year during which this service will be provided.	March to June 2000 and annually thereafter	NGOs and management teams
6.2.2 Determine the practical number of guided walks/tours which can be conducted, e.g. number of walks per day, number of participants per walk.	March to June 2000 and annually thereafter	NGOs and management teams
6.2.3 Prepare a profit centre business plan for each operation, which ensures that the pricing of walks/tours achieves a profit (e.g. >25%), including the costs of staff and any transport provided.	March to June 2000 and annually thereafter	NGOs and management teams, with the support of project management
6.2.4 Contract, train and certify guides in relevant aspects of nature conservation and visitor management. (If there is a risk of guides being underutilised initially, management staff could provide these guiding services and then transfer to hired staff as the numbers increase)	March to June 2000 and annually thereafter	NGOs and management teams
6.2.5 Monitor the rate of visitor participation in walks/tours, as well as visitor perceptions, and change aspects of the operation if justified.	From inception, and continuously thereafter	NGOs and management teams
6.2.6 If demand exceeds supply, consider contracting extra guides, provided that the profit margin is not negatively affected.	During high season	NGOs and management teams
6.2.7 Consider concessioning the opportunity to conduct guided walks and tours to private tourism operators through a competitive tender process, and determine the baseline and turnover rental for these rights. Evaluate the relative advantages of an in-house compared to a concessioned operation in relation to net income.	March to June 2001	NGOs and management teams
<b>If all of the above actions are achieved, then the goal will be achieved</b>		

### **Goal 6.3      A selected range of souvenir products generates sales revenue**

<b>Action</b>	<b>Timing</b>	<b>Responsibility</b>
6.3.1 Determine a selected and limited range of high quality souvenir products which are branded according to the protected area, and which have high local content.	January to June each year. An intensive exercise should be undertaken in October 2000	NGOs and management teams
6.3.2 Prepare a profit-centre business plan which ensures that the estimated demand for the products will generate sufficient returns at the proposed tariffs (Mark-ups should be between 50 and 100%).	When required, but in advance of the high season, e.g. May/June each year	NGOs and management teams
6.3.3 Determine stock levels.	When required, but in advance of the high season, e.g. May/June each year	NGOs and management teams
6.3.4 Monitor sales turnover in relation to stock numbers and price, and adjust if necessary.	Monthly	NGOs and management teams
6.3.5 Prepare an information and mail-order brochure for products, and include with entry ticket.	When required, but in advance of the high season, e.g. May/June each year	NGOs and management teams
6.3.6 Establish depots for protected area products at tourism information centres in towns and main centres, as well as the international airport.	This should be initiated in 2001 once product lines and business plans have stabilised	NGOs and management teams
<b>If all of the above actions are achieved, then the goal will be achieved</b>		

## Goal 6.4      Levies and royalties produce revenue

Action	Timing	Responsibility
6.4.1 Initiate an accreditation programme of protected area partners, e.g. local hotels and restaurants in return for a bed-levy or meal-levy accruing to the protected area	January to June 2001	NGOs and management teams
6.4.2 Investigate the use of the protected area brand or logo by business partners, e.g. for clothing, in return for royalties on turnover.	January to June 2001	NGOs and management teams
6.4.3 Investigate a partnership with a leading commercial bank, for a small percentage of transaction charges in exchange for Agreen advertising@.	January to June 2001	NGOs and management teams
If all of the above actions are achieved, then the goal will be achieved		

## Goal 6.5      Overnight facilities are provided which generate revenue

Action	Timing	Responsibility
6.5.1 Investigate the demand for and opportunity to supply overnight camping or basic accommodation in the protected areas, by canvassing visitors	July to October 2000	NGOs and management teams
6.5.2 Conduct a capital development appraisal for the provision of camping or other overnight facilities in the protected areas. A hurdle internal rate of return would be 25%, after consideration of all factors including capital costs and depreciation, tariff, personnel costs, operating costs and maintenance costs.	July to October 2000	NGOs and management teams with support of project management
6.5.3 Prepare a profit-centre business plan for the proposed operations.	October to January 2001	NGOs and management teams with support of project management
6.5.4 Plan, evaluate and construct the facilities if appropriate.	As required	NGOs and management teams
6.5.5 Monitor revenue, visitor numbers, profiles and perceptions according to a standard format.	From inception, and continuously thereafter	NGOs and management teams
<b>If all of the above actions are achieved, then the goal will be achieved</b>		

## Goal 6.6      Products from management programmes generate revenue

Action	Timing	Responsibility
6.6.1 Identify possible uses of renewable natural resources or by-products of conservation management programmes, e.g. the use of products of alien animal control programme in Horsh Ehden, or surplus boars which leave the Al Shouf Cedar Reserve. A controlled hunting area could be considered outside of the protected area.	March to December 2000	NGOs and management teams
6.6.2 Prepare a profit-centre business plan which ensures that the estimated demand for the products will generate sufficient returns at the proposed fee.	As appropriate	NGOs and management teams supported by project management
6.6.3 Implement the business operation, and monitor return in relation to demand and fee.	As appropriate	NGOs and management teams
<b>If all of the above actions are achieved, then the goal will be achieved</b>		



## STRATEGY THEME 7:      Loans/investments

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**Objective 7:      Loans and investments provide capital funding for revenue-generating projects**

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Action	Timing	Responsibility
7.1    Identify funding institutions which are prepared to make available low-interest or other soft loans for the financing of development activities.	October to December 2000 and annually thereafter	NGOs and management teams
7.2    Conduct capital investment appraisals for all proposed projects.	January to June	NGOs and management teams with assistance from project management
7.3    If return on investment is acceptable, consider investing in the project, or raising loan finance.	June 2000 and continuously thereafter	NGOs and management teams
7.4    Seek business partners for capital investment projects to spread risk.	June 2000 and continuously thereafter	NGOs and management teams
7.5    After identifying all revenue-generating opportunities, consider an investors= conference to profile the opportunities and seek investment partners	March 2001	NGOs and management teams
<b>If all of the above actions are achieved, then the strategic objective will be achieved</b>		

## STRATEGY THEME 8: Institutional frameworks

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**Objective 8: There is a stable institutional framework which provides continuity of adaptive management**

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Action	Timing	Responsibility
8.1 Reconsider and reformulate the contracts with NGOs and management teams to engender continuity and stability, and institute performance measures for renewable contracts.	By June 2000 and annually thereafter	Project Management and Ministry of Environment
8.2 Create an explicit dual responsibility for the NGOs and the management teams to elaborate and implement the funding strategy, and to apply the revenue to priority management programmes.	By June 2000	Project Management
8.3 Set up an independently audited trust fund to accumulate cash reserves and ensure the rational management and use of accumulated funds.		NGOs
8.4 Establish individual accounts for each discrete business operation and monitor performance	With immediate effect	NGOs and management teams
<b>If all of the above actions are achieved, then the strategic objective will be achieved</b>		

## **7. Conclusions and recommendations for implementation**

### **7.1 General comments**

An overall impression of the Protected Areas Project in Lebanon was that a great deal of progress has been achieved in the three years since the project's inception. Three protected areas are in place, supported by government and by local communities, and effective management programmes are being undertaken by committed and skilled NGOs and management teams. Important progress has been made in the development of management plans and in developing the capacity of key personnel, and further steps are planned, such as the development of visitor management plans for the protected areas. Not only has the responsibility and capacity for biodiversity management been created in community-based organisations, but they have made significant progress to raise the funds for protected area development and to continue priority management programmes.

This is no small achievement, given the circumstances and history of the country, and bodes well for the future. As an experiment in developing local governance for biodiversity conservation, this case study deserves wider exposure. Through its success, it has attracted the attention of government and funding agencies, and their further commitment and involvement will be necessary for its continued support and development. Self-sufficiency is often suggested as an objective of protected areas management, and this project included the development of a funding strategy to increase self-sufficiency. There are, however, problems with this approach, especially in the context of a developing nature conservation function, and the absence of a supportive nature conservation agency at a national level. There are many developmental issues which need to be addressed before newly established protected areas can be expected to pay for themselves. For example, there are social transaction costs including community conservation and education, for which there is no potential financial return to the protected area. The development of protected area infrastructure, likewise, is unlikely to be met simply through the application of an entrance fee.

It was therefore extremely encouraging to note the willingness of the Ministry of the Environment to continue to support the protected areas, and of funding agencies such as the UNDP to consider further support for aspects of protected area development. At the same time, the imperative for the protected areas and their management agencies, the NGOs, to raise funds and leverage investment for protected area development was extremely healthy, provided that a balance can be struck between the needs for revenue generation, and the still unfulfilled mandate to protect and restore these ecosystems. In this regard, the most obvious means of creating revenue are difficult to apply in the Lebanese context. Firstly, large scale tourism which generates direct returns cannot be contemplated in the protected areas, and there are very limited opportunities for the sustainable harvesting of wildlife resources at this stage. Furthermore, there is understandable conservatism in considering any development in the protected areas and many of the fund-raising ideas presented in discussion raised eyebrows instead. There will be a need to introduce new activities gradually and to take a cautious approach to development, as the Ministry, project management and the management agencies themselves learn and gain confidence. In time, and when the proposed visitor management strategy is in place, it will be possible to take a more proactive approach to providing for and dealing with higher visitor densities.

## 7.2 Recommendations for implementation

There are two conditions which need to be satisfied to ensure that the funding strategy can be effectively implemented:

- (i) The business plans must set clear targets for both income and expenditure for priority management programmes, and these must be integrated with the funding strategy;
- (ii) The NGOs and the managements teams must have a clear idea of the targets and the strategic options for obtaining funding, and possess the organisational and management capacity to implement the programme.

The weakness of this funding strategy is that, although it captures and presents many ideas for fund-raising, it cannot, in itself achieve these two necessary conditions, without further support from project management.

### 7.2.1 Business plans

At the time of writing, the business plans remain incomplete, and there is further work which must be conducted to ensure that they are appropriate for determining priority expenditure requirements and for setting targets for income generation. Although the following actions have been incorporated into the funding strategy, they are repeated here for emphasis and as an aid to decision-making.

*It is recommended that:*

**1. A workshop is conducted to determine the realistic funding and other resource requirements for priority management and protected area development programmes for each protected area for the forthcoming year (and forecast for the next five years) and to refine and adopt the funding strategy.**

The workshop should involve a plenary session during which the scope and structure of the business plans is effectively conveyed, and working sessions of each protected area NGO and management team to elaborate the specific components of the individual business plans.

The fund-raising targets for recurrent expenditure and for capital expenditure must be determined, by calculating the shortfall between income and proposed expenditure, and reaching agreement on a feasible programme.

The overall goal of these actions is to integrate the business plans and the funding strategy for each protected area and to reach agreement regarding the roles and responsibilities.

### 7.2.2 Institutional frameworks and capacity-building

There are a number of actions which can be undertaken to strengthen the institutional framework within which the funding strategy is to be implemented, and to ensure that the respective personnel have the required skills and tools to be effective.

*It is recommended that:*

**2. Institutional stability and accountability be strengthened through revised contracts (between the Project and NGOS, and between NGOs and their management teams) which improve security of tenure for NGOs and employees, and incorporate clear performance measures based on the requirement to achieve realistic fund-raising targets.**

**3. Specific training be conducted in:**

- (i) the preparation and use of the business planning tools;
- (ii) conducting capital investment appraisals for new projects;
- (iii) monitoring and recording turnover and revenue from sales;
- (iv) monitoring protected area visitation and visitor perceptions; and
- (v) integrating planning and management for protected areas.

This training will be accomplished to some extent in the context of the proposed workshop to integrate the business plans and funding strategy. The elements which involve the monitoring of protected area visitation may be achieved through the final phase of management planning which is to be conducted in April, which will focus on visitor management in the protected areas. The last item is highlighted because it is only through a stable, institutionalised programme of integrated planning and management, which uses the management plan, as well as monitoring and information management, as a tool for effective decision-making, that effective adaptive management can be achieved. The key stakeholders in this project will have to continue to strive for this goal.



# Appendix 1. Comments on draft business plans for the protected areas

## 1.1 Background

The Department of Agricultural Economics and Development of the American University of Beirut was contracted to prepare Business Plans for the three protected areas. Draft reports were presented on Tuesday 23 February 2000 and comments requested within one week to enable the finalisation of the reports. The report was reviewed and the following comments and recommendations were compiled as an input into the final revision, and to assist the management teams to apply the business plans in protected area management.

## 1.2 General comments

### 1.2.1 Terms of reference

- (i) The Terms of Reference outline the proposed content of the business plans. It was found that the draft report did not adhere closely to the proposed Table of Contents, although most aspects were covered to some degree in the reports.
- (ii) The objectives of the business plans are not stated or are incompletely stated. When setting out a business plan for a protected area, the objectives of achieving a comprehensive business strategy need to be established clearly. For example, one of the purposes of a business plan would be to ensure that sufficient funds are available to ensure continuous effective conservation management, to replace capital items when necessary, or to commence with a capital development project, e.g. the building of visitor facilities at an entrance gate. By stating the objectives clearly, and with measurable indicators, it will be possible for the management teams to plan for and monitor progress with the implementation of the plans.

**Recommendation:** *It is recommended that the **consultant** states the objectives of the business plans as distinct from the objectives of the consultancy.*

- (iii) The report summarises a great deal of useful information regarding the costs of managing the protected areas within the context of the implementation of the Protected Areas Project over the first three years from 1997 - 1999. It then proceeds to estimate the costs of future management, for a further two years with project support, and thereafter for a further eight years after the project closedown in November 2001 in accordance with the terms of reference.
- (iv) Although the terms of reference call for a consideration of market potential and potential options for increasing revenue, the report tends to focus on meeting the costs of management through the setting of an entrance tariff based on the <sup>A</sup>willingness to pay<sup>@</sup> of a sample of the population of current visitors and the general population of some Lebanese cities. Having established that proposed tariffs might achieve funding requirements, the further options for deriving revenues are somewhat limited to the sale of certain basic souvenir items. The management teams have proposed many options for revenue generation, but these do not appear to have been captured in the report.

**Recommendation:** *It is recommended that the **management teams** regard the report as a basic business plan, which can be elaborated to include other revenue generating options*

which are envisaged or which could arise in the future.

### 1.2.2 Enhancement of the use of the reports as business plans for the protected area management teams

- (i) The cost and revenue tables provide a useful basis for the refinement of the business plans with revised activities and costs, projected revenues and rates of change, as appropriate to each protected area.

**Recommendation:** *It is recommended that the cost and revenue spreadsheets are supplied on diskette **by the consultants** to enable the further elaboration of the business plans using customised input variables, e.g. different scenarios for visitor numbers, tariffs, costs and revenue. It is further recommended that the spreadsheets are consolidated in an income and expenditure *Amodel* **by the consultants** to enable the management teams to examine the consequences of decisions regarding cost and revenue estimates and targets.*

- (ii) The reports do not elaborate the likelihood of the sampled *Awillingness to pay* being translated into reality by actual visitors to the protected areas, especially in cases where no tariff has previously been applied. The protected area managers were sceptical whether current users would be prepared to pay any tariff, let alone at the level proposed in the business plans. The report did not consider the effect of the proposed increased tariffs on the current levels of visitor use of the protected areas, or the projected use over the ten year period, which was based on current levels.

**Recommendation:** *It is recommended that a further scenario be developed by the **consultants**, namely the status quo scenario, incorporating the actual tariffs currently being applied in the protected areas. In addition, since it may be possible to impose a low tariff for each area e.g. LL2000, which is the basic tariff charged at ACR, it is recommended that the **consultants** run a further scenario using this as the minimum tariff for all three protected areas.*

### 1.2.3 Specific comments to clarify report details

- (i) The costs of project management are incorporated into protected area management costs through the apportionment of such items as project manager salaries and the IUCN project management costs. This may be invalid, since these are overheads which are not typical costs of protected area management, but relate strictly to the implementation of a donor funded project.

**Recommendation:** *It is recommended that the **consultant** separates the protected area budgets from the project management budgets, to enable a strict comparison of costs and revenues over the ten year business plan period for the management of each protected area.*

- (ii) It is not possible to verify whether the long-term cost projections accurately incorporate the depreciation of capital equipment. The report states that depreciation is incorporated under the *AMiscellaneous* heading, but it is not clear whether this would enable the replacement of these items (vehicles, boats, computers etc.) at the appropriate time. If not incorporated into the operational costs of the project, no provision will have been made for replacement.

**Recommendation:** *It is recommended that the consultant shows the depreciation of capital items in the income/ expenditure statement proposed. To ensure appropriate accounting practice, it is further recommended that the project management arranges a*



*review of the income/expenditure statement by a qualified accountant/auditor.*

- (iii) It is not clear how the capital items allocated to the Project Manager and Assistants are to be reallocated after the Project Manager=s contract is terminated.

**Recommendation:** *It is recommended that this item is checked and highlighted in the report.*

- (iv) Although visitor numbers and revenues are escalated over the ten year planning period, it is not clear whether the costs to the protected areas are similarly escalated. For example, it is clear that there will be increased costs of managing 110000 visitors in Yr 10 in Al-Shouf Cedar Nature Reserve compared with 30000 in Yr 1, both in staff and in infrastructure provision and maintenance.

**Recommendation:** *It is recommended that this item is checked and highlighted in the report.*

- (v) The business plans vary regarding the assumption of continued government commitments in Yrs 3-10. For example the Al-Shouf Cedars business plan assumes no further commitment, whereas the Horsh Ehden plan assumes continued commitment. This has a marked impact on the relative income/expenditure for these reserves. It has been indicated by the Ministry of Environment that the government remains committed to the success of these protected areas. If the business plans indicate a shortfall in funding, particularly in unavoidable recurrent expenditure for the protection of the biodiversity resource, this is a matter for further consideration by the Ministry in conjunction with the management teams.

**Recommendation:** *It is recommended that the business plans are revised by the **consultant** to make reference to the commitment by the government and indicate the level of government funding which is required for the implementation of the business plans.*

- (vi) The business plans are presented in a similar but not entirely consistent style. It would greatly assist project management in comparing the reports to have three reports which include the same level of detail in the body of the report and the Appendices. Furthermore, the reports should address similar assumptions consistently, as indicated in (v) above. The report on Palm Islands was found to be the most clearly written, whereas the report on Horsh Ehden was substantially less well formulated.

**Recommendation:** *It is recommended that the reports are edited by the **consultant** to ensure consistency of style, detail and material assumptions.*

- (vii) The method of estimating willingness to pay<sup>6</sup> does not provide sufficient information regarding the sample population or the summary statistics for the reader to determine the validity of the conclusions reached in the report.

**Recommendation:** *It is recommended that further details regarding the sample are provided **by the consultants**, including the number of visitors and non-visitors sampled, that the questionnaire used is included in the Appendices, and that the summary statistics, including mean, variance and standard deviation of responses are provided.*

#### **1.2.4 Refining the business plans as a tool for management**

- (i) The first three years of the project are essentially establishment costs, and do not fully represent the typical management costs of protected areas in the long term. It is not entirely obvious from the reports whether the predicted long-term costs are an extrapolation

of the early project phase, or reflect new phases of protected area development which will ensue. For example, provision is made for further input by fund-raising consultants in years 2-10, which are an elaboration of the original project costs, and which might be unnecessary or of lower priority than other protected area management activities.

**Recommendation:** *It is recommended that a workshop is convened by the **project management** to enable each management team to examine the cost items line by line, and to include only those essential costs which are required for the protected areas to be managed effectively. In particular, attention should be given to the fixed costs, as the variable costs required to handle large volumes of visitors need to be considered separately as part of mini-business plans for each profit centre operation.*

- (ii) There is a major concern regarding the estimated costs of staff in each protected area. These staff numbers are based largely on estimated visitor numbers, but in some cases, staff salaries are paid for the full complement of staff from Yr 1, despite the highly seasonal nature of protected area visitation, and the change from low numbers in Yr 1 to relatively high numbers in Yr 10. It would be more appropriate to consider visitor services in response to actual visitor numbers, and to hire guiding staff as visitor numbers build up, and then only in the appropriate season. Staff salaries for guiding should be offset by tariffs charged. There was no indication that tariffs were based on mini-business plans for each type of enterprise e.g. guided walks, guided drives, souvenir sales. This would enable more appropriate staffing and setting of tariffs to ensure profitability.

**Recommendation:** *It is strongly recommended that the **management teams** consider the variable costs of handling escalating visitor numbers as the subject of separate mini-business plans for guiding and tour operations. In particular, it is recommended that alternative arrangements are proposed to reduce the fixed costs of salaries, as these will have a significant impact on the ability of the protected areas to achieve profitability. In principle, each profit centre operation should be the subject of a mini-business plan which accurately identifies income and expenditure, including the cost of capital which is tied up in stock.*

#### **1.2.5 Other comments arising from the reports for the consideration of the management teams**

- (i) Carrying capacity is a complex issue, incorporating biophysical, social and managerial considerations. There is no basis in the report for estimating the rate of growth of visitor numbers based on the historical records. It will be essential to maintain accurate records of visitor numbers, both for accounting purposes and for ensuring that planning for the predicted increasing visitor densities is accomplished timeously. It is also essential to monitor visitor feedback and to assess environmental damage caused by visitors. In the case of the latter, the enhanced management of visitors can almost completely mitigate visitor damage. The opening of further gates into the protected area, and the provision of a range of alternative activities in different zones may require no imposition of upper limits.

It should not be assumed that visitor numbers will stabilise at any particular level. This will be a function of a whole range of extraneous factors such as the growth of domestic and foreign tourism in the country, as well as the economic and security situation. If it is desired to limit visitor numbers to a predetermined upper limit, these controls will have to be imposed by management.

**Recommendation:** *It is recommended that the management teams keep accurate records of visitor numbers using an appropriate technique (see below) as well as monitoring any degradation of the resource or the visitor experience.*

- (ii) Management activities and costs in the business plans do not appear to be comprehensive. There will be costs associated with:

- < Management to conserve biodiversity, e.g. animal introduction, alien animal and plant removal.
- < Community conservation, e.g. conservation awareness, public relations, neighbour relations, and environmental education.
- < Visitor facilities, e.g. the provision of entrance gates, washrooms, footpaths, and signage.
- < Administration, e.g. communication infrastructure, essential access roads or tracks, transport, and equipment.
- < Research and monitoring, e.g. animal and plant monitoring programmes, research projects, and planning.

**Recommendation:** *It is recommended that the actions required by the management plan are used as the basis for identifying the essential activities and estimating these costs, and that a realistic programme of costs be included in the business plans for each protected area.*

- (iii) It was suggested that an investment should be made in binoculars. There is, however, a high rate of damage to such items, which will become a costly burden.

**Recommendation:** *It is recommended that a number of pay telescopes be installed at key points, based on a mini business plan which provides for the repayment of the capital costs over a period.*

- (iv) Provision is made in the plan for two scenarios for visitor guides and tours, either through hiring or contracting local entrepreneurs, or by employing permanent staff and purchasing vehicles.

**Recommendation:** *As these represent substantial fixed costs, and particularly because visitation is highly seasonal, it is recommended that the option of hiring or contracting these services, preferably involving a local entrepreneur be considered as the initial priority. This would avoid the obligation of permanent staff, and the enormous fixed cost of salaries, particularly as visitor density is unpredictable. The visitor demand should drive the development of this profit centre.*

- (v) Reference is made to the need for contingency plans to deal with accidents or uncontrolled fires.

**Recommendation:** *With respect to accidents, it is recommended that in addition to the basic training of staff, that a rescue service using local paramedics or emergency services is investigated. With respect to fire, the proposed methods of purchasing and using fire-extinguishers would, at first consideration, appear to be hopelessly inadequate for dealing with a forest fire situation. Consideration should be given to a fire management contingency plan, in collaboration with the local fire protection services.*

- (vi) Provision is made in the business plans for extensive advertising of the protected areas.

**Recommendation:** *It is recommended that advertising should only be considered if there is a need to increase the level of visitation to the protected area. This is contingent on the*

*staff and facilities being adequate to cope with increased visitor demand. The cost of advertising should be offset from the revenue of the facilities being advertised.*

## **Enclosures:**

- Appendix 2.     A sample of some material advertising fund-raising sporting events**
- Appendix 3.     Material advertising the KwaZulu-Natal Nature Conservation Trust**
- Appendix 4.     KwaZulu-Natal Nature Conservation Trust Mail Order Catalogue**
- Appendix 5.     Australian Tree Walk and Tree-climbing activities**