

Italian Cooperation Project
Second Report Business Planning Consultant
Deliverable 4: Prepare Systemic BP Model
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Acronyms

BP: Business Plan
 CSR: Corporate Social Responsibility
 EEAA: Egyptian Environmental Affairs Agency
 GEF: Global Environmental Facility
 PA: Protected Areas
 NEPF: National Environmental Protection Fund
 NCS: Nature Conservation Sector
 NCS BP Team: Nature Conservation Sector Business Plan Team
 NGO: Non Governmental Organization
 NSPA: National System of Protected Areas
 PA BP Team: Protected Area Business Plan Team
 EU: European Union

1 Objective

Propose a model for the Nature Conservation Sector Business Plan in Egypt.

2 Introduction

This document is a contribution to the development of a general framework and basic capacities for Protected Areas business planning in Egypt. It is intended to be a conceptual model to guide the preparation of the Nature Conservation Sector Business Plan. It should be considered as the logical continuation of the previous works developed by IUCN Business Planning Consultant for individual protected areas Business Plans.

The approach followed by this document shifts the focus from individual protected areas to a system of protected areas that is managed under the leadership of the Nature Conservation Sector. The document is divided into four components, starting with a global overview of the different international commitments relevant to PA financial sustainability. The following chapter presents a preliminary financial analysis of PAs in Egypt according to the data available for the period 2000 - 2005. With this base the last two chapters envision the rationale for the NCS Business Plan, as well as the actors and preliminary commitments achieved so far to move the process forward.

3 Context and global significance

A large majority of Protected Areas worldwide suffers from significant financial shortages affecting its capacity to ensure effective management and natural resources conservation; this case is especially severe in developing countries where Protected Areas compete for governmental resources with other pressuring issues such as education, health and poverty reduction initiatives.

Protected Areas (PA) in developing countries receive only a small and non stable fraction of needed funds. In many cases funding is underestimated due to the lack of appropriate mechanisms and planning tools to transparent the real costs of managing and maintaining natural resources. Therefore Protected Areas are sending the wrong message to decision makers while managing to survive with the minimum resources available. As a consequence operating costs as well as urgent investments are often neglected, while many PA receive no funding at all constituting what is recognized as “paper parks”. As an example of this, Gelf El Kepeer with approximately 5% of Egypt’s total surface receives no funding at the moment.

Creating, consolidating and expanding a PA system is a process that takes decades, and an overwhelming amount of energy, skills and resources. In fact, due to the rapid growth of the number of PA within a relative short period of time, there is a need to further strengthen the institutional capacity to move from a protected area approach towards a systemic approach that integrates complex and diverse management units. However the sustainability of this process in term of maintaining and further strengthening PA systems requires additional skills and innovative approaches, reason behind considering business planning as a tool to ensure the necessary resources for PA conservation.

These systemic weaknesses have contributed to the current global biodiversity crisis, where small and under-resourced PA management teams, suffering from critical funding shortages, cannot address severe threats to PA from habitat destruction and resource over-harvesting. The above challenges have not gone unnoticed. The 2002 World Summit on Sustainable Development (WSSD) held in Johannesburg, South Africa, declared that: a more efficient and coherent implementation of the three objectives of the Convention (on Biological Diversity) and the achievement by 2010 of a significant reduction in the current rate of loss of biological diversity will require the provision of new and additional financial and technical resources to developing countries.

The Fifth World Parks Congress held in Durban, South Africa in September 2003 placed significant emphasis on financial sustainability for Protected Areas management:

- The Durban Action Plan called for governments to “recognize the wider social, economic and environmental benefits of Protected Areas in their funding decisions”. Key Target 14 of the Action Plan is: “Secure sufficient resources to identify, establish, and meet the recurrent operating costs of a globally representative system of Protected Areas by 2010”.
- In the finance-related WPC Recommendations, the WPC recognized “an urgent need to find diverse and innovative ways to ensure efficient resource allocation and to improve the financial sustainability of existing Protected Areas, as well as new ones to be established”.

- The Message to the CBD called on governments to "... commit to country-level Sustainable Financing Plans that support national systems of Protected Areas and begin to implement these by 2006."

The above recommendations were followed up at the 7th meeting of the Conference of the Parties (CoP) to the CBD, held in Kuala Lumpur, Malaysia in February 2004 and reflected in the Programme of Work on Protected Areas (PoW) adopted there. Previous CoP decisions such as V/11, VI/15 and VI/16 had strongly supported the need for working towards financial sustainability of protected area systems and biodiversity conservation. With the overall purpose of supporting the establishment and maintenance of comprehensive, effectively managed, and ecologically representative national and regional systems of PA, Goal 3.4 of the PoW is to "ensure financial sustainability of Protected Areas and national and regional systems of Protected Areas." It specifies that "by 2008, sufficient resources to meet the costs to effectively implement and manage national and regional systems of Protected Areas are secured." Proposed activities include reviewing national-level PA financing needs and options, establishing country sustainable financing plans, multi-country collaboration in developing sustainable financing programs for regional and international systems of PA, reporting on PA financing, and mainstreaming PA into development planning.

The above decisions do not make the finance available, nor do they directly address the problems, but they do express the concerns of the representatives of the Parties to the Convention about priorities. This in turn creates the context within which other agencies' funding decisions are made and demonstrates that sustainable protected area financing has risen to the top of the global protected area agenda. However, achieving the COP-7 commitments will require an enormous mobilization of technical support and comprehensive replication strategies¹.

Among the different actors and global institutions sharing the same concern it is worth mentioning GEF efforts in this regard. The following two paragraphs and Table synthesize GEF's approach and targets for the new replenishment period and resource allocation framework for achieving financial sustainability of protected area systems².

"Restricted budgets and public sector reforms in many countries have resulted in the rapid decline of single-source income from the national Treasury to support protected area management. Thus, sustainable financing strategies for protected area systems are more critical than ever to ensure sustainability from an ecological and social perspective (without sufficient resources it is impossible to equitably and effectively manage biodiversity). Furthermore, protected area agencies and administrations are often ill equipped to respond to the commercial opportunities that Protected Areas provide through consumptive and non-consumptive uses of biodiversity.

Financial sustainability is achieved when a protected area system is able to secure sufficient resources over the long term to meet its total costs. Financial sustainability requires: a) appropriate policies and laws to allow Protected Areas to manage the entire revenue stream from generation of income to investment; b) business plans that include multiple funding sources and have a long term perspective that matches expenditure to revenue; c) agencies responsible for managing Protected Areas with sufficient capacity to manage Protected Areas based on sound principles of business planning as well as conservation biology principles; and d) full recognition of the contributions to protected area conservation and management that are made by communities living in, and near, Protected Areas. GEF will promote comprehensive,

¹ UNDP, 2006. Financial Sustainability for Protected Areas Systems; Project concept draft

² Extract from the draft revised Biodiversity Strategy, being developed by the Technical Advisory Group (TAG)

system-level financing solutions and help build the capacity required to make the best use of a variety of discrete tools and revenue mechanisms that are responsive to the specific country situation (conservation Trust Funds, systems of payments for environmental services, easements, debt-for-nature swaps, certification processes, biotrade, and other mechanisms.) GEF will also support policy reform and/or incentives to catalyze engagement of the private sector, and other stakeholders to attain improved financial sustainability of Protected Areas.”

	Indicators for GEF-4	Targets	Sources of Verification
Outcome: Sustainable protected area systems at the national level achieve their management objectives	Financial Sustainability of Protected Area Systems		
	Amount and diversification of revenue streams to support protected area system management	100% of protected area systems that implement PA sustainable financing plans demonstrate increased revenue and diversification in revenue streams	GEF Tracking Tools for biodiversity and project evaluations[1][1]

NCS and the conservation community need to look particularly hard at how to empower governments to improve the financing and financial management of their PA. These critical issues and their immediate consequences for Egypt’s Protected Areas System prompted the Italian Cooperation Project to include business planning as an integral element of the capacity building efforts towards the Nature Conservation Sector. This document, as well as the process to be followed after this consultancy, is intended as a contribution to the development of a general framework for business planning for the Egyptian Protected Areas System.

4 Preliminary financial analysis of the Egyptian Protected Areas System.

The Convention on Biological Diversity reports that the funding gap in developing countries would be between 71% and 83%. For PAs in the Mediterranean region recent estimates calculate that they currently reach only 5% of the financial resources needed³. The same report concludes that Egypt’s PA system is the most under budgeted in the Mediterranean region; considering this fact as a preliminary starting point, it could be conservative to consider that the real financial need for PA in Egypt would be around USD 35 Million a year, while current expenditure reaches approximately USD 1,8 Million.

The following Table presents the comparative performance of different Mediterranean Countries in terms of total budged and budget per hectare. According to this source, Egyptian investments in PA only reach 13% of the average for Middle Eastern countries, and an alarming 0,03% of the average for Mediterranean countries, sharing with Morocco the last place of the list of 15 countries.

³ IUCN, 2006. Sustainable Financing Sources for Protected Areas in the Mediterranean.

Unfortunately at the moment there is no precise estimate of the funding gap for Egypt's PA system, reason behind considering its urgent preparation as a priority activity for the Natural Conservation Sector Business Plan.

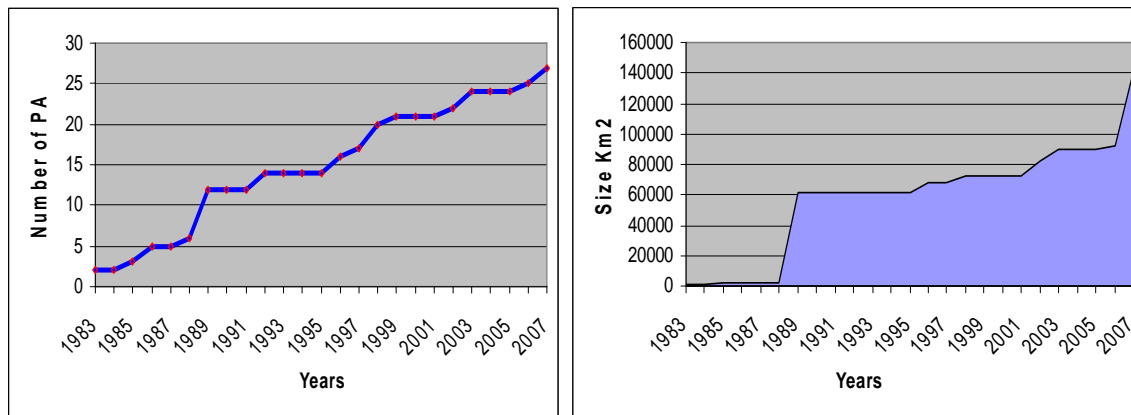
Table 4. Protected Area budgets in a sample of Mediterranean countries and PA Categories. Annual means in US\$x1000			
	Annual budget	Protected hectares ^a	US\$ / ha
National budgets (only National Parks)			
Italy	72,000	970,000	75
Israel	16,000	325,600	49
Spain	86,000	329,178	262
Mean			107
National budgets, all Categories			
Algeria	445	158,000	2.8
Albania	830	102,500	8
Croatia	4,700	396,000	12
Egypt	520	793,800	0.7
Greece	3,000	358,168	8.4
Italy, Reg. Parks	90,000	1'750,000	51.4
Jordan	716	70,000	10.2
Lebanon	400	20,700	19.3
Montenegro	525	94,800	5.5
Morocco	180	247,600	0.7
Slovenia	3,420	120,200	28.4
Spain, 4 Reg. Gov.	82,500	1'924,000	42.9
Syria	1,050	647,500	1.6
Tunisia	250	200,000	1.2
Turkey	7,200	993,350	7.2
Sub-regional totals, all Categories			
EU	178,920	4'152,000	43
Non-EU	17,136	3'757,000	4.5
East Europe	6,055	594,000	11.2
Middle East	9,366	1'731,000	5.4
North Africa	1,395	1'432,000	1.0
Regional averg.	196,056	7'909,000	24.7

The situation becomes even more difficult in light of the global commitment to significantly expand the world's PA estate. Since year 2.000 six new Protected Areas were established in Egypt duplicating the total conservation area of the country (Graphic 1). By year 2017 the PA system is expected to have 40 PAs covering more than 20% of Egypt's surface; on the other hand, during the period 200 -2005

considering Egyptian Pound depreciation, in real terms budget allocations to PA are only 42% of what was received five years ago (Graphic 2).

Decrease in funding allocation combined with an increase in the number and state of PA is a dangerous combination, especially in the light of increasing pressures and threats to biodiversity due to economic and social issues that affect Protected Areas in Egypt. With the current financial situation and especially with the existing institutional framework, serious consideration should be made in regard to further expanding the PA system.

Graphic 1 Growth in number of PA and conservation area in Egypt⁴



Graphic 2 presents expenditure and revenues for Egypt's PA System over the past five years; even considering a 100% reinvestment of self-generated revenues the financial gap to reach a reasonable level of PA management would still be around 90% according to the regional assessment prepared for Mediterranean countries⁵. It is very important to mention that although tourism is one of the first three most important economic sectors of Egypt, PA budget only reaches 0.000054%⁶ of the overall Egyptian state budget. This investment is especially low considering that the current amount of visitors to South Sinai Protectorates accounts for almost half of the total number of visitors to Egypt⁷.

Another important consideration in this regard is that the current sources of funding are not stable; a PA system that relies almost exclusively on tourism-related revenues is extremely vulnerable to factors and issues that fall out of their control. Tourism is a very sensitive industry that can easily be affected by natural disasters, epidemics, and security issues. The important lesson of this graphic for a PA system willing to project itself into the future is the urgent need to diversify and expand their sources of funding, considering the enormous amount of resources, the number of people and private companies that benefit from PA in Egypt. Also, donors have helped to cover some of the financial shortfall, however its contribution should not be supplementary to governmental allocations but complementary.

⁴ NCS 2006. Management Effectiveness Assessment of Protected Areas in Egypt. Information after year 2003 was provided by Ahmed Shehata based on a number of Ministerial Decrees.

⁵ IUCN, 2006. Sustainable Financing Sources for Protected Areas in the Mediterranean

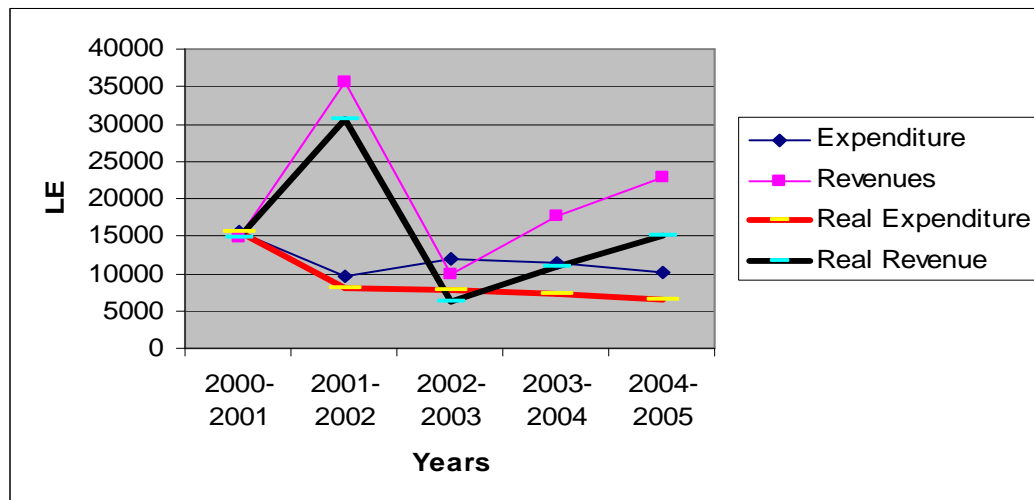
⁶ Egyptian governmental budget according to CIA World Fact book 2007.

⁷ Interview with European Union Project consultants in charge of South Sinai Tourism Development Plan

While governmental allocations play a central role in ensuring recurrent costs such as operating expenses, salaries and wages, the international cooperation has played a vital role to provide funding for infrastructure, equipment and capacity building. The complementarity of both sources is key to ensure financial sustainability; as an example of this it's important to call the attention towards investments in capacity building, the amount of people that benefited from training and studies abroad build the human capital of NCS, but this capital is likely to decrease if people do not have the necessary incentives to stay in the institution. Therefore Arab countries might have a very big incentive to attract and retain Egyptian human talent, free riding over our previous investments.

At the moment both international cooperation and state funding do not seem to meet the core characteristic of PAs financial sustainability, which is stable and long term funding. While governmental allocations seem to meet the long term criteria, they proved to be unstable both at the system level as well as in particular PAs. International cooperation on the other hand tends to be cyclical and focused on a limited number of PAs. It is interesting to see that these PAs are almost the same that currently generates the majority of revenues to the NCS (Graphic 4). Unfortunately by the time this document was prepared there was no financial information regarding international cooperation investments, in order to assess their financial return over time.

Graphic 2 Governmental budget allocations to PAs in Egypt 2000– 2005⁸



Another important source of income for Protected Areas is self generating revenues; which in Egypt's case are managed by the National Environmental Protection Fund (NEPF). According to NCS official information during the period 2000 – 2005, 58% of the revenues generated were reinvested in the PA system⁹. NEPF attends a number of complex and expensive environmental issues such as climate change and air pollution control, issues that needs to be several order of magnitudes larger than Protected Areas conservation.

This source is based on the principle that Protected Areas provide real economic benefits to individuals and society as a whole. These contributions are often neither fully recognized, nor compensated. By identifying what are the environmental goods and services provided by a PA (such as clean air, clean water, hydro-electricity,

⁸ Egyptian Nature Conservation Sector, 2006. Financial Analysis 2000-2005

⁹ Egyptian Nature Conservation Sector, 2006. Financial Analysis 2000-2005

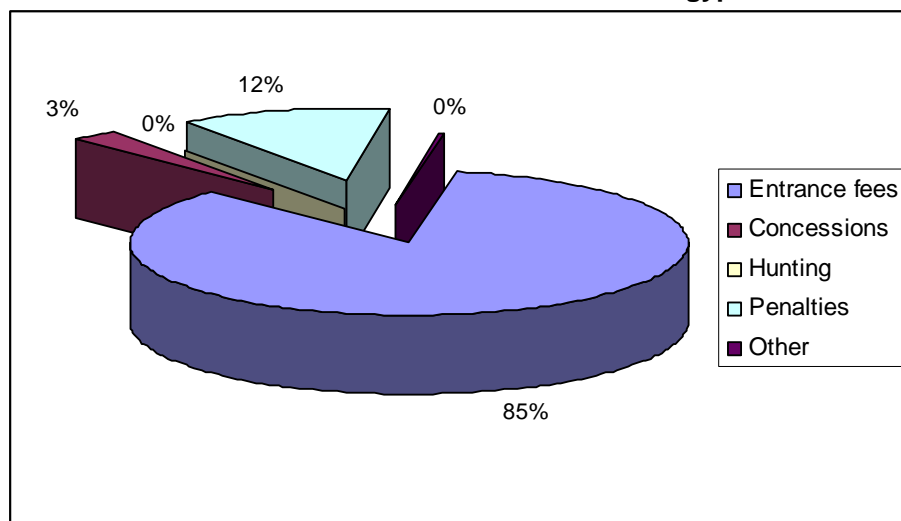
wildlife, tourist areas, etc.) and who are the customers or beneficiaries of the PA, its possible to quantify the monetary value of these benefits and generate payments for them.

Graphic 3 present the relative composition of this source of income; two necessary considerations should be made, first the number of available mechanisms is very limited, and second 85% of the revenues are concentrated in tourist entrance fees. In regard to the second, besides the fact that tourism has proved to be unstable (Graphic 2) it is important to notice that at the moment this mechanism only targets tourist and do not consider all other private actors that profit from the value chain of tourism such as operators, hotels, guides, boat owners, etc.

It is interesting to see the important participation of penalties within the overall revenues, especially since according to the data available they only account for two years (2000/2001 – 2001/2002). After year 2002 this information is not available, since it became the responsibility of EEAA Legal Department alone and it was not possible to have access to it. It is worth mentioning that there is a lack of compliance with the legal framework that recognizes the right of PA staff to keep a percentage of the penalties, affecting their motivation to further enforce this mechanism.

The relative participation of concessions is extremely low giving the fact that these mechanisms target important economic sectors whose benefit from PAs might exceed by far the annual amount they pay; this means that the NCS might be subsidizing these economic activities in many different ways such as providing expensive infrastructure like paved roads. On the other hand not all economic activities that take place in PAs are paying a concession to operate, leaving an important opportunity for increasing revenues and allowing these enterprises to free ride over PA resources. In some cases like cafeteria concessions the amount charged to concessionaires does not even cover the externalities they generate, like garbage collection that is normally covered by PA budgets.

Graphic 3 Sources of revenue for Protected Areas in Egypt 2000 - 2005¹⁰



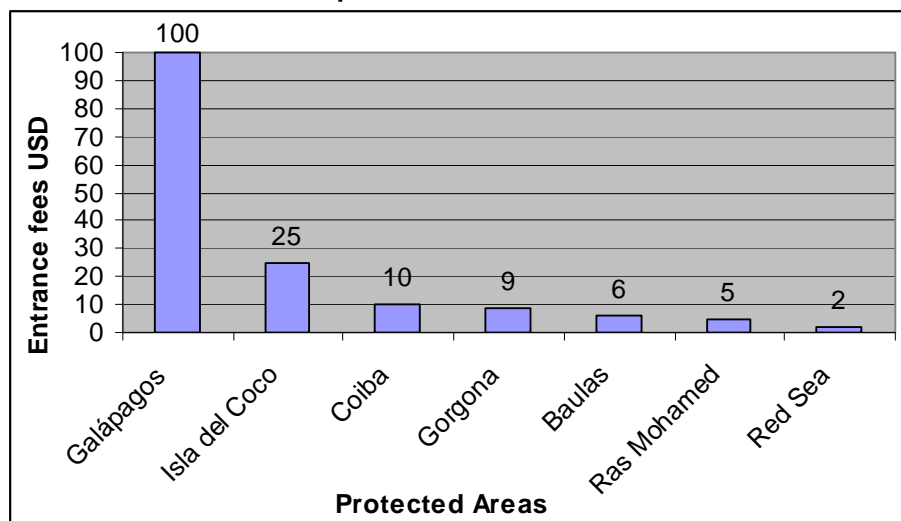
¹⁰ Egyptian Nature Conservation Sector, 2006. Financial Analysis 2000-2005

At the bottom of these issues there is no formal or technical procedure to establish tourist entrance fees and concession prices. Decisions regarding pricing environmental services tend to be taken at a political level without considering an economical base or technical information to support the decision making process. In cases such as concessions for placing mobile phones antennas, the same company might be paying three or four different rates depending on the PA, and in all cases these rates are lower than what they originally expected to pay for such infrastructure in a PA.

Giving the great dependence of tourist related revenues, it is important to mention that entrance fees for foreigners might be among the lowest in the world for the kind of resources and uniqueness of natural values they provide. This causes three direct effects in the mid and long term, first they loose appreciation and attractiveness as especial and unique areas and are labeled as cheap places for visitors; PAs tend to follow the massive tourism pattern issue that is especially sensitive because it increases management costs and causes severe damage to species and ecosystems; Also essentially Egypt is subsidizing wealthy tourists' visits to PAs.

As an example to this, Graphic 4 presents a comparison between entrance fees for two marine PAs from Egypt, and five PAs from the South East Pacific Seascope (Ecuador, Colombia, Costa Rica, and Panama). The common characteristic of these areas is that they are included among the most amazing destinations for diving in the world; however when it comes to prizing the differences are dramatic, even the less known and famous PAs from the Seascope charge their tourists two and three times more than the Egyptian. When comparing three out of the top ten diving destinations in the world (Galapagos, Ras Mohamed, Isla del Coco) the difference is overwhelming, leaving a lot of space for reflection as well as an idea of the current opportunity costs of Egypt's PA system.

Graphic 4 Entrance fee comparison between marine Protected Areas¹¹



Not all PAs will be able to generate revenues over time; Graphic 5 presents another interesting fact about the number of PA that feed the whole system financially. Due to the high concentration of revenues in a small number of PA these end up subsidizing activities and costs of other PA; Two Protected Areas (Ras Mohamed, Red Sea) generated 90% of the total revenues during the period (2000-2005) while they account

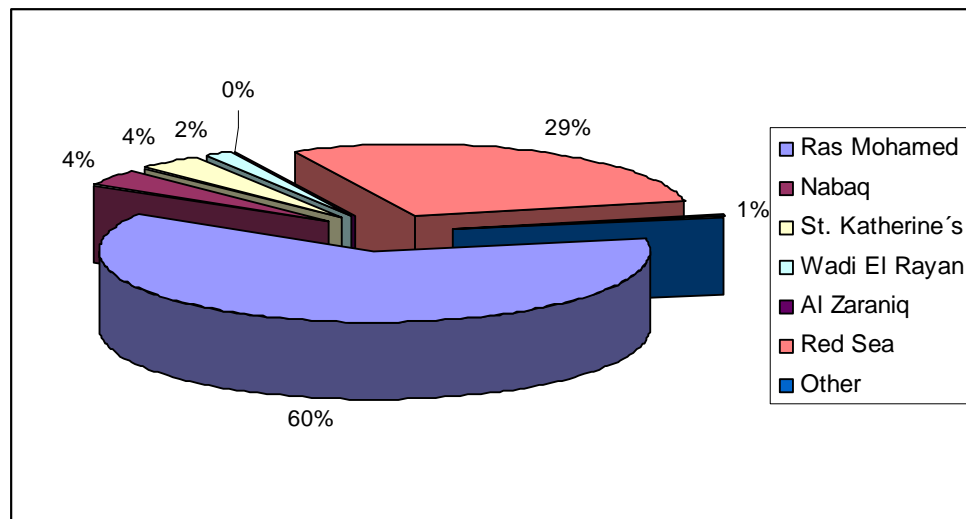
¹¹ Mentefactura, 2006. Financial Sustainability Strategy for the South East Pacific Tropical Seascope. Conservation International.

for 33% of the total expenditure in the PA system (Graphic 4). However this trend proves to be dynamic since by year 2007 St. Katherine is now the second biggest financial contributor to the system.

To cross subsidize non-profitable PAs in principle is a sound systemic policy, as long as it does not affect the capacity to generate even greater resources for the system as a whole. The case of Egypt might be especially sensitive in this matter, since high revenue generation PAs are chronically under budgeted jeopardizing the sustainability of the system as a whole. This case is certainly true for certain reasons such as: i) the motivation for PA staff to generate additional resources is low, since they do not see their additional effort compensated in terms of higher budgets and equivalent reinvestment; ii) low investments deteriorate existing infrastructure for generating revenues and neglect the possibility to build new one; iii) low investment decrease the level of activity and presence in the PA, therefore visitors and concessionaires do not perceive a quality service for the money they pay; iv) in the long run, threats and pressures over Protected Areas will increase affecting the natural capital that allows new revenues.

Financial shortfalls have severe impacts on the level of PA management effectiveness, resulting in biodiversity losses and moreover a structural incapacity to take full advantage of PA resources to generate economic development, employment and poverty alleviation. This is particularly important giving the vital role of PA in the developing world, whose resources and services are often the major source of subsistence for the poor. Protected Areas not only generate tourism revenues, they also provide clean water, natural-disaster prevention, biodiversity stocks, commercially valuable fish-stocks and other benefits. If jobs, income, cultural heritage and other values are included, the services provided make a critical contribution to poverty alleviation and to the achievement of the U.N. Millennium Development Goals¹².

Graphic 5 Protected Areas participation in revenue generation 2000-2005¹³



¹²IUCN, 2006. Sustainable Financing Sources for Protected Areas in the Mediterranean

¹³ Egyptian Nature Conservation Sector, 2006. Financial Analysis 2000-2005

This issue must call for special attention giving the fact that the Egyptian Natural Conservation Sector has committed to the following vision statement: “To preserve the natural character of the Egyptian environment for future generations, while using it innovatively **to enhance sustainable local productivity and alleviate poverty**”¹⁴.

Having this important mission in mind, a whole line of studies and economic assessments are needed in order to achieve three results. The first is to be able to communicate the real value of PA in the language that is apparent to political decision makers, this means partisan and economic interest. We should be able to communicate accurately how many people have been benefited from the PA system, and what is NCS total contribution to the whole Egyptian economy. The second result is to contribute to the design of customized policies and programs with clear effects in terms of poverty alleviation and employment creation. The third is to incorporate new actors into the financial spectrum of PA since there is no reason why the public sector should have the sole responsibility for its funding or managing PA, their facilities and services.

However financial shortfalls are just one part of the problem. It seems clear that even existing resources are not being deployed and managed effectively. In fact, capacity limitations and barriers in the areas of financial management and financial systems, and PA management effectiveness are closely related. Poor management of existing resources is a significant factor dissuading both governments and donors from increasing financial allocations to PA systems. At the same time, the lack of an enabling environment and capacity constraints are limiting PA system and site manager's abilities to design and implement new approaches to improve its financial situation. Together, the issues of mobilizing and managing financial resources frame the challenge of sustainable protected area finance and, ultimately, are key determinants of PA conservation effectiveness¹⁵.

5 NCS Business Plan Rationale

NCS business plan intends to guide an integrated process to ensure long term and stable funding for the Egyptian Protected Areas System. It should be conceived as a master plan for NCS sustainability considering the different social, economic and political issues affecting PA conservation in the country. Moreover, according to NCS's mission statement its sustainability should go beyond ensuring resources to bridge its financial gap, it should be based in the possibility to allow and facilitate effective participation of the different stakeholders directly and indirectly related to PA management objectives.

NCS business plan should demonstrate a comprehensive approach towards two elements, an enabling environment to facilitate financial sustainability, and appropriately addressing both supply and demand aspects of the financing equation. This national tool should facilitate the implementation of PA Business Plans through the promotion of an enabling environment and the design of a resource center to further feed and increase the quality of PA implementation processes.

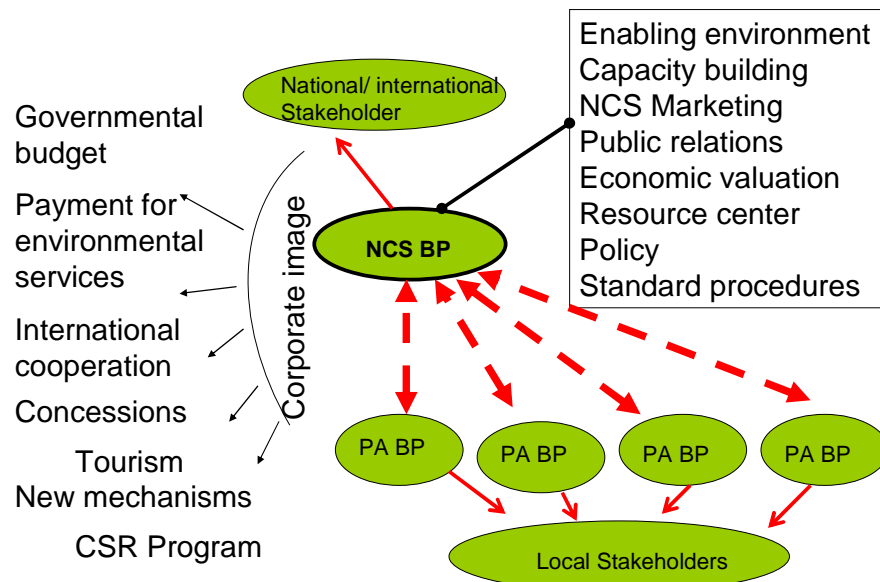
An enabling environment considers the appropriate policies and systems that allow a favorable legal and institutional framework, as well as the necessary incentives for PA Staff to generate additional resources and take full advantage of the opportunities available for improving PA financial sustainability. The resource center is intended as

¹⁴ Egyptian Natural Conservation Sector, 2006. Protected Areas of Egypt Towards the Future.

¹⁵ UNDP, 2006. Financial Sustainability for Protected Areas Systems; Project concept draft

the tool to facilitate the necessary resources to feed the business planning process in terms of information, technical capacities, specific studies, communication material, and political support to increase PAs visibility among decision makers.

Graphic 6 NCS Business Plan Framework

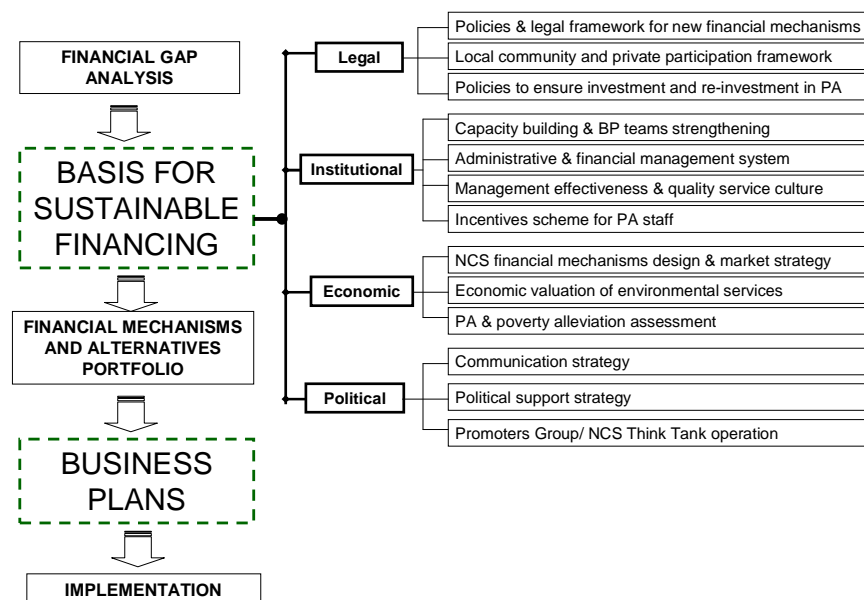


The business plan as a document is a dynamic tool whose components would be regularly updated according to new trends and opportunities, as well as the feedback and additional necessities that will be identified through the preparation and implementation of PA Business Plans. With these considerations in mind the expected results of the implementation of the NCS Business Plan are:

- An appropriate set of policies and laws that enable PA Business Plans to generate, retain, manage and invest funds.
- To build a formal long term group to provide assist NCS with technical, political and financial support (Promoter's Group/ NCS Think Tank)
- Awareness of protected area values and knowledge about sustainable financing mechanisms influences policy and practice in Egypt.
- Institutional and legal framework to allow opportunities for local communities and private actors
- Build a stable funding portfolio, going beyond conventional mechanisms and including multiple funding sources, as a key element of PA financial stability and sustainability.
- Introduce business planning, as a means of encouraging NCS at both system and site levels to think broadly about their long-term expenditure needs and revenue prospects, and thereby obliging them to align the two in a realistic way.
- Manage and administer funds in a way that promotes cost efficiency and management effectiveness, allows for long-term planning and security, and provides incentives and opportunities for PA managers.
- Ensure that there is sufficient human capacity to use financial tools, as a key strategy for improving PA financial sustainability.

Graphic 7 presents the different steps to be followed through the preparation of the NCS business plan. The sequence of steps and activities should not be considered as a linear process, different activities could be developed simultaneously according to the resources available and the definition of national priorities, while others should wait for the appropriate timing and the availability of resources. However it is strongly recommended to start the whole process with a Systemic Financial Needs Assessment according to the methodology presented in Deliverable 6 (How to prepare a Business Plan), and taking advantage of the experience and training received by the NCS BP Team.

Graphic 7 Proposed components for NCS Business Plan



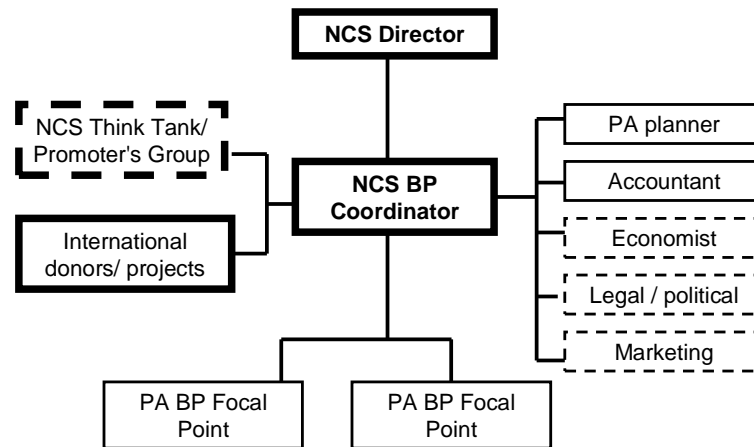
6 Actors and roles

The preparation of the NCS Business Plan requires leadership, technical and financial resources. An important step has been taken through the NCS Capacity Building Project in terms of raising awareness and generating the preliminary capacities for a national business planning process. As a result of this, a National Business Planning Team has been established incorporating Protected Areas focal points to move the process at two parallel levels. A specific person has been appointed as a BP National Coordinator with the commitment to full time dedication, and the mission to start developing a resource center for business planning.

The international cooperation has confirmed its commitment to support the process forward, through preparing business plans for additional PA as well as technical support to the preparation of the NCS Business Plan. These commitments are fundamental to move the business planning process to the next step and must be therefore followed up. Also during the Business Planning Workshop additional concerns were raised about the need to integrate a high level group of support for NCS (Promoters Group/ NCS Think Tank), considering representatives from the civil society, private sector and a number of Ministries. It was agreed that the criteria for integrating this group should be its possibility to leverage technical, political and financial support to NCS.

These results lead to a preliminary structure that ensures the necessary support and human capacities to prepare the NCS BP (Graphic 8). Solid boxes represent the resources already available for the start up process, while the other boxes account for the resources that are still not available but should be progressively acquired through partnerships, international cooperation support and additional governmental investments.

Graphic 8 Structure for NCS Business Planning process

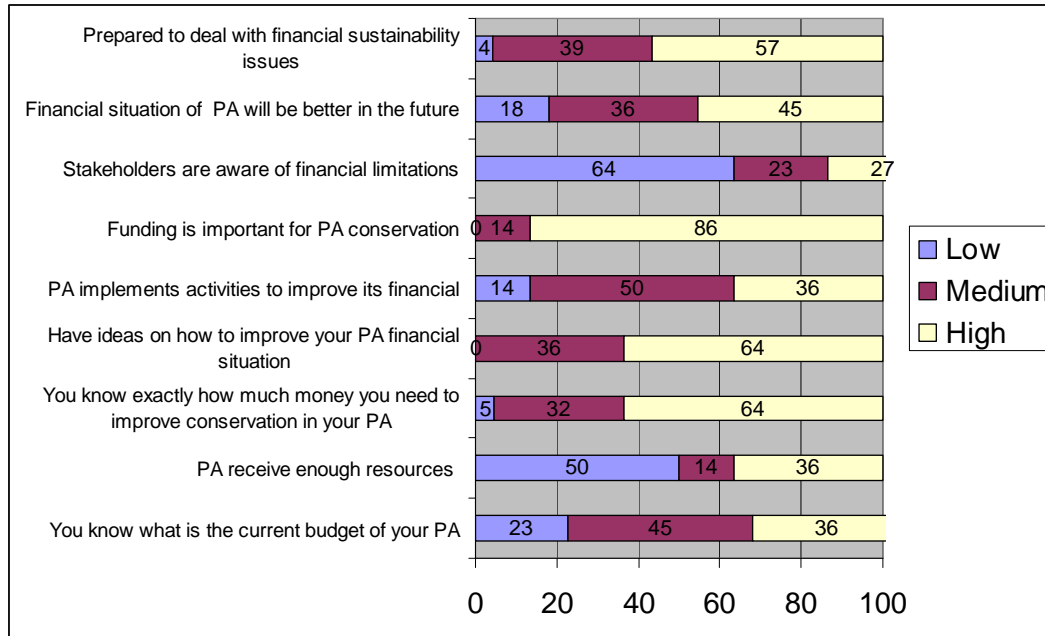


Looking at the future of financial sustainability and business planning for protected areas in Egypt, Graphic 9 presents the results of a survey applied to the 54 attendants of the final workshop of this consultancy. Attendants were asked to rate their personal perception towards a certain number of statements related to PA financial sustainability.

Among the statements that received the higher approval there is a strong message towards optimism; 86% of the attendants recognize funding and resources as one of the most important elements for PA conservation, 64% have ideas on how to improve its financial situation and 64% declare to know how many resources they need to improve current PA management. Also interesting, and possible because the survey was answered at the end of the workshop, is that 57% of the respondents feel comfortable or prepared to deal with business planning issues.

On the other hand an important majority recognize that PAs are currently not receiving enough financial resources, and that other stakeholders outside of NCS are yet not aware of this problem. Respondents were in general terms positive about the future; only 18% do not think that PA financial situation will improve in the coming years.

Graphic 9 Perceptions towards financial sustainability in Egypt¹⁶



The momentum generated through this process has created a number of expectations about the future of NCS and PA in Egypt. This symbolic capital as well as the commitments acquired by different parties should be further cultivated and stakeholders involvement enhanced in order to ensure a successful preparation of NCS BP and its implementation.

¹⁶ Survey applied during the Business Planning Workshop, 2-3 June 2007.