

Association of Protected Areas
Management Organizations (APAMO)

Financial Sustainability Strategy 2008-2012



February 2008

OAK
FOUNDATION

PACT
Protected Areas Conservation Trust

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Executive Summary

This Financial Sustainability Strategy has been prepared for the Association of Protected Areas Management Organizations (APAMO) in support of diversifying its sources of financing and creating organizational viability and financial sustainability. APAMO is faced with a growing number of challenges, including for sustainability, which arise from changes in the external and internal socio-political environment, the legislative framework governing Belize's protected areas, shifting and narrowing funding priorities of donor organizations both locally and internationally, growth in the number of countries, NGOs, and programs dealing with protected areas management leading to increased competition for a shrinking pool of funding, and a global paradigm shift in the way NGO funding is viewed.

The FSS focus on

- Providing a blue-print and framework for financial resource allocation strategies which support APAMO's broader strategic goals and objectives;
- Providing a framework and mechanisms for enhanced public-private-NGO coordination which lend to APAMO's overall development and sustainability;
- Successfully reducing the current hyper-dependency on project funding (both international and local) for operational needs; and
- Successfully diversifying APAMO's financing portfolio sector and creating new opportunities for fundraising by shifting the focus of financing towards earned income-strategies.

Proposed Financial Sustainability Framework

APAMO was identified as being a traditional NGO and therefore the first objective is to *reposition the organization along the sustainability spectrum to become a non-profit organization with income generating activities*. This facilitates identification and definition of a financial sustainability framework based on an understanding of sustainability as "an outcome that can be traced to the efficacy of organizational planning". The proposed financial sustainability framework is situated within a broader framework for NGO sustainability and adapted from a model put forward by Counterpart International; and is predicated on a combination of organizational and legal environment strengthening strategies on one part, and diversified asset-based revenue generation strategies on the other part.

The Financial Sustainability Framework identifies seven tactical areas across three different axes: one focused on creating the enabling financial and economic environment; a second focused on achieving organizational viability through technical assistance for institutional capacity building; and a third focused on achieving financial sustainability through a combination of revenue generation strategies. The organizational viability axis involves financial sustainability planning and partnership and network building strategies; while the revenue and or income generating axis involves strategies which may fall into one of two categories namely cost recovery – where the objective is to recover or recuperate all or a percentage of the costs associated with implementing a program or activity; and earned income – generated through market based activities aligned with the organization’s mission and which provides a line of unrestricted income to the organization.

Strategy and Implementation Plan

When the framework is applied to APAMO the strategy options available to the organization become clear. In light of the lack of financing to cover the annual recurrent operating costs for the next three to five years the focus has to be first and foremost on securing the financing to cover core costs. The intention here is to secure this financing from the Protected Areas Conservation Trust on the basis of their expressed purpose of providing “financial assistance for activities on the protected areas that foster conservations, sustainable development and management of the area.” The second step is to secure financing for covering the cost of implementing the strategic plan 2008-2012. This will require strategic donor funding and this may be raised from one or a combination of donor agencies including the Inter-American Development Bank, the Oak Foundation, and PACT – through its capacity building and large grants programs. The objective here is to ensure that APAMO achieves the capacity for using the financial tools and mechanisms required for implementing revenue generating activities. Finally, special funding will be required to implement the revenue generating and social enterprise initiatives. In summary, the considered approach to achieving financial sustainability for APAMO will involve three steps as follows:

Step 1 → secure financing for underwriting APAMO’s core costs over the next three to five years;

Step 2 → secure financing for implementing the 2008-2012 strategic plan; and

Step 3 → secure financing for capitalizing the fee based and social enterprise initiatives identified in this strategy.

Institutional Arrangements

The Fundraising Working Committee shall assume responsibility for implementation of the Financial Sustainability Strategy with support from the Executive Council. This Committee is tasked with providing advice on matters related to fundraising, funding proposal development, and preparation of the operational budget, and on oversight and implementation of the annual budget.

Monitoring & Evaluation

This financial sustainability strategy will be monitored consistently and evaluated periodically by APAMO's Executive Council throughout the five year implementation period. It will also be evaluated by the Executive Council but at three different levels, specifically at the organizational, project, and sustainability levels. At the organizational level, evaluations will focus on the impact of the financial strategy as a whole on APAMO's organizational viability in terms of its effectiveness, efficiency, and financial status. At the project level evaluations will focus on three impact areas, namely: of capacity building and partnership/networking on protected area management organizations effectiveness and efficiency; of revenue generating strategies offered by APAMO on financial and organizational sustainability; and of social enterprises on APAMO and protected areas management organizations. Finally, evaluations will focus on the sustainability aspects of the project to determine if there are continued positive impacts of the strategy on APAMO in terms of its immediate and long term financial health, ability to consistently identify and secure financing from diverse sources of funding to meet its operating and programmatic needs, and ability to achieve its mission, achieve its strategic objectives, deliver its core services, and or meet the needs of its membership.

I Introduction

1.1 Background

APAMO is an association of non-governmental protected areas management organizations that advocates for the sustainability and improved management of Belize's protected areas system. APAMO is currently comprised of 18 founding members and is governed by an Executive Council. The main objectives of the Association are:

- To provide a forum for increased communication, discussion and networking among its members in an effort to enhance coordination and collaboration among them,
- To create a networked voice for member agencies,
- To represent its member agencies
- To participate proactively in lobbying for action related to protected areas issues
- To continuously build the institutional capacity of the member agencies of the Association.
- To secure the financial sustainability of the protected areas

APAMO is a registered NGO and recently completed its vision and mission statements, membership criteria, management structure, bylaws and its five year strategic plan.

APAMO is now seeking to develop its Financial Sustainability Strategy that will enable the organization to implement its strategic plan and secure long term financing for the organization and to support its members.

The objective of the consultancy is to complete the Financial Sustainability Strategy for the Association of Protected Areas Management Organizations.

1.2 Methodology

Development of this financial sustainability strategy involved several distinct phases. In the first instance a diagnosis of APAMO was conducted which involved examination of the heretofore financing strategies and the current financial status of the organization. This Phase entailed a review of financial statements and reports and formal consultations with APAMO's Executive Council. Phase 1 also involved a review and assessment of APAMO's Strategic Plan 2008-2012 to determine the immediate and long term financing needs of the organization.

The second Phase of the strategy development process involved identification of the assets which APAMO has. Not unexpectedly this did not yield much largely

due to the fact that APAMO is still nascent and in the infant stages of the organization.

Finally Phase 3 involved development and articulation of a Financial Sustainability Strategy and Action Plan (FSSAP). This Phase involved development of a suitable framework for achieving the strategy. Once the framework was identified, then the different elements were mixed and matched to provide financing solutions for achieving the different key results set out under the Strategic Plan 2008-2012.

This draft strategy was presented to APAMO's Executive Council and General Assembly for review and consideration. Based on the feedback and comments provided, the draft Strategy was revised and resubmitted to APAMO for further review and acceptance. This process was repeated until a final acceptable product was arrived at.

1.3 Rationale for Financial Sustainability

Non-governmental organizations (NGOs) across Belize, indeed across the world, face mounting challenges many of which point toward the issue of sustainability, particularly financial sustainability. The challenges to APAMO arise from changes in the external and internal socio-political environment, the legislative framework governing Belize's protected areas, shifting and narrowing funding priorities of donor organizations both locally and internationally, growth in the number of countries, NGOs, and programs dealing with protected areas management leading to increased competition for a shrinking pool of funding, and a global paradigm shift in the way NGO funding is viewed.

Traditionally NGOs in Belize have been supported by a mix of volunteers, donations, fundraising activities, project grants, and government subvention or subsidies. In the case of APAMO, it has been supported heretofore mostly by volunteers and project grants. This is in large part due to the fact that the organization is very young. The organization however recognizes that it has to develop and implement a diversified financing strategy away from traditional sources of funding and into other 'non-traditional' sources including for-profit ventures, commercial operations, membership development, and/ or investments.

Given this reality, the Financial Sustainability Strategy is seen as necessary for:

- Providing a blue-print and framework for financial resource allocation strategies which support APAMO's broader strategic goals and objectives;

- Providing a framework and mechanisms for enhanced public-private-NGO coordination which lend to APAMO's overall development and sustainability;
- Successfully reducing the current hyper-dependency on project funding (both international and local) for operational needs; and
- Successfully diversifying APAMO's financing portfolio and creating new opportunities for fundraising by shifting the focus of financing towards earned income-strategies.

II Situational Assessment

2.1 Organizational Analysis

The Association of Protected Areas Management Organization (APAMO) is a new non-profit, non-governmental organization (less than two years old), and is comprised of eighteen members all of which are protected areas management organizations in Belize. APAMO has one staff person, the national coordinator, overseen by a seven member Executive Council.¹ APAMO's focus is on protected areas management, policy, and advocacy, and the first eighteen months of its existence have been spent on establishing the strategic thrust and orientation of the organization. APAMO has relatively few assets, and of the ones it does hold, these are concentrated mostly in intangibles (see Table 1 below).

Table 1: Current Assets - APAMO

Assets	Description
Tangibles	Office equipment (computers, printers, etc.) and furniture (desk, chairs, table, bookshelves)
Intangibles	Proprietary content (including studies and reports), reputation, relationships with the member agencies, relationships with donor agencies, organizational purpose

2.2 Financial Analysis

Current Financing Strategy

The current financing strategy for APAMO is based on traditional methods of financing for non-government organizations in Belize, and at this stage involves financing raised primarily from project grants. The reason for this is that APAMO is by all means a new organization having been in existence now for only about eighteen months. As a result, the focus has been one of developing and defining operational, policy, and strategic frameworks and thrusts. These activities were for the most part funded by donor agencies and hence financing of the organization naturally assumed a 'project format' whereby activities had specific deliverables and timelines for completion.

Financing for APAMO's activities since its start have been provided by The Oak Foundation, and the Protected Areas Conservation Trust. The Oak Foundation is a group of charitable and philanthropic organizations established across various countries, including Belize, with "a commitment for addressing issues of global

¹ The Executive Council is comprised of eight persons including the APAMO Coordinator.

social and environmental concern, particularly those that have a major impact on the lives of the disadvantaged.”² The Protected Areas Conservation Trust is an environmental trust fund serving an enabling and empowering role in the conservation, preservation, enhancement, and management of Belize's natural resources and protected areas. “PACT supports the involvement of large and small organizations to implement programmes and projects which enhance the quality of life for Belizeans and Belize's role as a world leader in environmental conservation while supporting national developmental goals.”³

Current Financial Budget

APAMO's 2007 annual operating budget was between BZ\$140,000 and \$150,000.00. According to members of APAMO's Executive Council⁴ nearly the entire annual budget comes from project grants of which about 20 percent is for general purposes and about 80 percent for specific purposes. Specifically, APAMO has received grants from the Oak Foundation (BZ\$50,000.00) and the Protected Areas Conservation Trust (BZ\$52,144.00). Although the Memorandum of Agreement for APAMO provides for membership fees on a fair share contributions basis, none is currently collected. The agreed formula however is for 1% of the annual operating budget of each of the different member organizations or BZ\$1,500.00 per annum, or whichever is less.

Table 2: Current Operating/ Program Costs

ACTUAL		
Description	Rate/Schedule	Total
Core Operating Costs		
Office Costs		
Office Rental	\$6,000	\$6,000
computer maintenance	\$600	\$600
Utilities (light, water)	\$4,200	\$4,200
Office supplies	\$3,600	\$3,600
Communications (phone, internet, mail)	\$0	\$0
Office Equipment/furniture(computers, printers, chair, camera, flash drive)	\$5,000	\$5,000
Staff	\$45,000	45,0000
Other Operating Costs (transport, EC meetings, GA meetings)	\$32,800	\$32,800
Miscellaneous (bank charges, ads, courier service etc.)	\$1,000	\$1,000
Sub-Total: Core operating Costs		\$98,200
Program costs		
Consultancies		\$42,764
Sub-Total: Program Costs		\$42,764

² Available at <http://www.oakfoundation.org>

³ Available at <http://www.pactbelize.org>

⁴ Survey, 10 January 2008

Core operating costs		\$98,200
Program costs		\$42,764
Total		\$140,964

Allocation of funding for covering the organization’s administrative, staffing, and operational costs (i.e. office rental, salaries, utilities, etc.) has come primarily from the project funding received.

2.3 Organizational Strategies and Plans

APAMO recently completed a strategic planning exercise and has adopted a Strategic Plan 2008-2012. That vision set out by the 2008-2012 Plan is for APAMO, as Belize’s foremost association of committed protected areas management organizations, to “... *contribute to and advocate for the maintenance in perpetuity of a well managed and functional protected areas system that plays an integral role in national development, and contributes directly to the well being of communities and the nation.*”

The 2008-2012 Plan also sets out the following Mission statement:

APAMO is an association of non-governmental protected areas management organizations that advocates for and contributes to the sustainability and proper management of Belize’s protected areas thus ensuring benefits for all stakeholders.

The 2008-2012 Plan identified a number of key result areas for achieving the strategy including:

1. Institutional Management and Strengthening,
2. Protected Areas Policy and Advocacy,
3. Membership, and
4. Strategic Data and Information.

The Plan further defines the strategic objectives for accomplishing the key result areas above, as follows:

Result Area #1: Institutional Management & Strengthening

- Strategy 1 Governance and Management
- Strategy 2 Fundraising
- Strategy 3 Human Resources Development

Result Area #2: Protected Areas Advocacy and Policy

- Strategy 1 Advocacy and Policy

Result Area #3: Membership

- Strategy 1 Membership Outreach & Capacity Building
- Strategy 2 Networking and Partnerships

Result Area #4: Strategic Data and Information

- Strategy 1 Information Management
- Strategy 2 Performance Measurement

The Strategic Plan 2008-2012 indicates that the focus of APAMO over the next five years will essentially be towards (a) building the institutional capacity of the organization and that of its members; (b) building capacity for policy development and advocacy as it relates to protected areas; and (c) building capacity for data collection and analysis. The first will involve the development and implementation of institutional and operational procedures, as well as a membership development program, and strengthening of the capacity for non-profit corporate governance; the second policy development and strengthening, capacity building for advocacy, introduction of a legal fund, and development and implementation of a data and information system to support the policy and advocacy activities and the work of protected area management organizations generally; and the last for data collection, mining, and analysis.

2.4 Gap Analysis

APAMO currently has funding for completing the activities and objectives related to the strategic planning process – i.e. through May or June of 2008. There is a real risk however, that the resources required for financing the implementation of its strategic plan is not secure as APAMO has not received any commitments on the part of funding agencies to that end. The funding gap to be bridged is significant and relates to costs for additional administrative, operational, and staffing costs over a five year period, as well as for procurement of additional office furniture, equipment, and supplies (see Table 3 below).

APAMO’s core costs for the next five years are estimated, at the higher end, to be approximately BZ\$195,000 per annum.

Table 3: Core/Operating Cost Estimates for 2008-2012⁵

ESTIMATED FOR 2008-2012		
Description	Rate/Schedule	Total
Office Costs		
Office Rental	12000-16,800/yr	\$16,800
Office Maintenance	\$6000 - \$8400/yr	\$8,400

⁵ Based on figures provided by APAMO’s Coordinator.

Utilities (light, water)	3000 - \$4000/yr	\$4,000
Office supplies	\$3,600/yr	\$3,600
Communications (phone, internet, mail)	7,800/yr	\$7,800
Office Equipment/furniture(additional computers, printers, desk, chairs)	\$7,000-\$8000/yr	\$8,000
Salaries		
Coordinator	\$45,00 - \$60,000/yr	\$60,000
Policy/Advocacy Specialist	\$21,600-\$30,000/yr	\$30,000
Membership & Finance Coordinator	\$21,600-\$28,800/yr	\$28,000
Other Operating Costs (transport, EC meetings, General Assembly meetings)	29,000/yr	\$29,000
Total		\$195,600

Financing in the amount of BZ\$300,000-\$375,000 will also be required for implementation of the activities (Table 4) identified under the four key results areas set out in the Strategic Plan 2008-2012.

Table 4: Estimated Program/ Project Costs 2008-2012

Description/Activities	Notes	Total
Key Result Area #1: <i>Institutional Management & Strengthening</i>	Nine activities including fundraising, development of HR plan & systems, and development of an operations manual	\$50,000-\$60,000
Key Result Area #2: <i>Advocacy & Policy</i>	Five activities including convening of policy review committee, establishment of legal fund, and training and capacity building	\$75,000-\$90,000
Key Result Area #3: <i>Membership</i>	Seven activities including training and capacity building for non-profit management, and development and strengthening of alliances and networks	\$80,000-\$100,000
Key Result Area #4: <i>Strategic Data & Information</i>	Five activities including the development of a quarterly newsletter, a website, a public relations policy, and a data base	\$100,000-\$125,000
Total		\$300,000 - \$375,000

III Strategy Design & Framework

A financial sustainability strategy for APAMO should ideally be designed for implementation over a period synchronous with the organization's strategic plan (i.e. the Strategic Plan 2008-2012). The main reason for this is that in order for the financial sustainability strategy to be successful it must be placed within the

context of and support APAMO's broader strategic and tactical objectives. That way the focus is on financing operations over the next five years in a manner that allows the organization to carry out the elements of its mission and strategic plan on an ongoing basis. The reality of the situation is however, that APAMO is in an extremely weak financial situation and therefore not in a position at this juncture to undertake the revenue generation activities being considered. In other words, while achievement of financial sustainability is an immediate need for APAMO revenue generation is a long term reality and the capacity to offer such types of programs may only be possible after a 'transitional period' of institutional capacity building. Consequently, any attempt to achieve financial sustainability for APAMO must necessarily take the above reality into consideration. This strategy does that, and hence puts forward an approach which considers financial sustainability within the broader framework for NGO sustainability.

3.1 NGO Sustainability

In order to best understand financial sustainability, it is important to understand the context within which the term is defined. The concept of sustainability does not have a single meaning and is generally associated with how anthropogenic systems impact on the environment and arises from the concept of sustainable development which sees development as "meeting the needs of the present without compromising the ability of future generations to meet their own needs."⁶ The concept however is not limited to only environmental issues, but also includes economic and social policy issues.

One study sees the discourse on sustainability as having two streams: on one hand sustainability is understood as "an outcome that can be traced to the efficacy of organizational planning"⁷ and is rooted in the financial model of sustainability. On the other hand it is seen more "as a process rooted in an ecological model of sustainability".⁸ Using the financial model of sustainability, it is possible to understand NGO sustainability as being affected by four interrelated factors:⁹ *organizational viability, financial security, program effectiveness and enduring impact*. In other words NGO sustainability is seen as having strong governance (organizational viability), which can positively impact on the organization's credibility and hence the ability to attract funding (financial viability), resulting program effectiveness to the long term benefit of society (enduring impact). The interplay of these factors constitutes a conceptual framework for NGO sustainability.

⁶ Brundtland Commission

⁷ The Waterloo Region Experience, page 11

⁸ Ibid, page 11

⁹ International Council on Management of Population Programs

Figure 1: NGO Sustainability Framework



(Source: International Council on Management of Population Programs)

From the above framework it is clear that financial sustainability must be understood not as an end in itself, but rather within the broader debate of being but one component of overall sustainability. In other words, financial sustainability is not about recovering costs, but rather is about achieving the "...ability to continue into the future using a combination of resources and strategies..."¹⁰ Interpreted from this position financial sustainability has to do with financing success combined with the ability to:

- Protect and maintain organizational values;
- Ensure ownership across staff, board, volunteers, and other members;
- Use an integrated participatory approach;
- Foster partnerships, recruit and nurture volunteers, and manage effectively day-to-day.

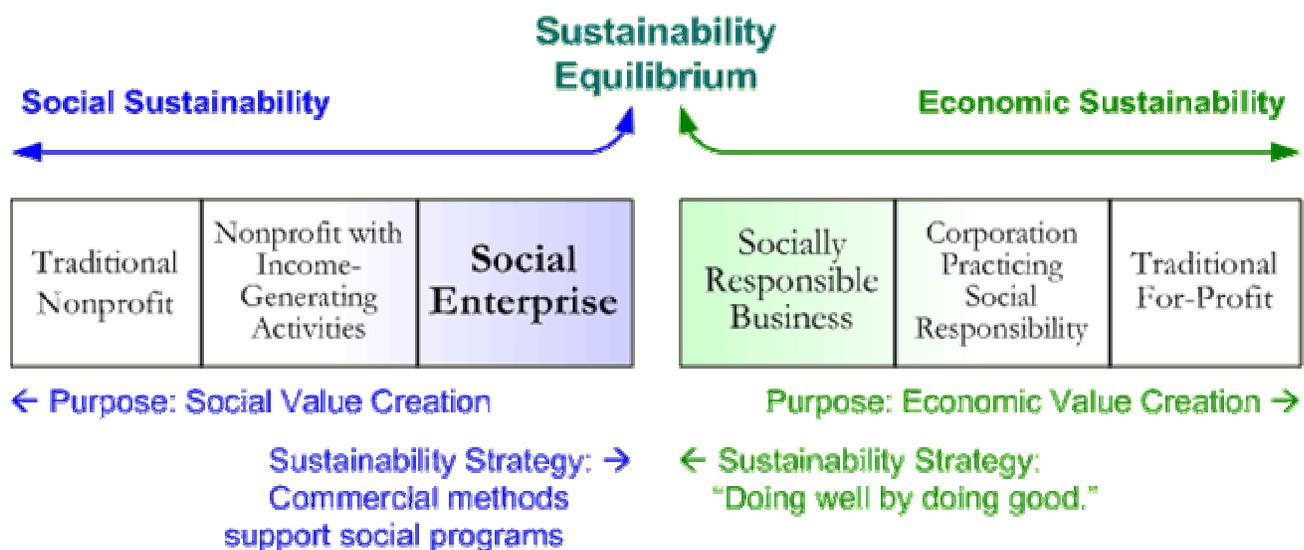
This is important for two reasons: firstly, APAMO is not itself a protected area and therefore the strategies for achieving sustainable financing of protected areas would not necessarily apply and or be available, at least directly, to it; and secondly, as a non-governmental organization in Belize the historical pattern for financing suggests that the options and strategies would be very narrow or would not benefit from an acceptable and appropriate enabling environment. The conceptual framework for achieving financial sustainability therefore, by necessity, not only has to be extremely flexible but is best situated within the framework for overall NGO sustainability.

¹⁰ Cabaj, Mark, "The Struggle for Sustainability,"

3.2 Proposed Financial Sustainability Framework

Generally, a financial sustainability framework is a blueprint for achieving one's financial sustainability strategy. One benefit of situating the financial sustainability strategy within the context of the NGO Sustainability Framework illustrated above, is that it allows for a repositioning of APAMO along the sustainability equilibrium spectrum (see Figure 2 below). As an organization whose primary purpose, arguably, is that of a social impact (i.e. protected areas management - through delivery of environmental products and services by its member agencies), APAMO's could be defined at this time as being a traditional non-profit (non-governmental) organization. Repositioning APAMO correctly on the sustainability equilibrium spectrum is critical to identifying and defining the strategies and types of activities that may be undertaken by the organization towards achieving financial sustainability strategy.

Figure 2: Sustainability Equilibrium Spectrum



(Source: Virtue Ventures)

If we accept that APAMO is a traditional non-governmental (non-profit organization) then one of the first objectives of this strategy is to *reposition the organization along the spectrum towards becoming a non-profit organization with income generating activities*. From this new position, it is evident that the framework required for achieving financial sustainability is one which would allow APAMO to allocate resources (assets, human resources, and time) consistently over time in order to respond effectively to its organizational, programmatic, and strategic needs.

The financial sustainability framework proposed in Figure 3 below would allow APAMO to do this. The framework is adapted from the model put forward by Counterpart International and is predicated on a combination of organizational and legal environment strengthening strategies on one part, and diversified asset-based revenue generation strategies on the other part.

Figure 3: Proposed Financial Sustainability Framework



(Source: Adapted from the Counterpart International NGO Financial Sustainability Model)

The proposed framework has three different axes: one focused on strengthening the enabling financial and economic framework for protected areas financing; a second focused on achieving organizational viability; and a third focused on achieving financial sustainability through diversified revenue generation. Under these three axes there are seven tactical areas. These are discussed below.

A. Enhancing the Enabling Financial & Economic Environment

Strategies for enhancing the enabling financial and economic environment essentially have to do with changing the legal and policy frameworks which govern the financing activities of protected areas. The financial and economic framework not only determines what types of financing mechanisms are possible for protected areas (i.e. fiscal and financial instruments such as taxes and subsidies, and incentive-based approaches such as developing markets for protected areas goods and services), but it also determines the extent to which

financial sustainability is possible. A framework which only allows for narrow mechanisms, such as that currently in place in Belize, severely constrains the ability of the protected areas management organizations to raise the financing necessary to sustainably manage, maintain, and program the protected areas. While APAMO may not be able to directly derive financial and economic benefits from the protected areas, it is nonetheless important for the protected areas management organizations to be able to do so. The reason for this can be traced directly to the link between financial viability of the protected areas management organizations and that of APAMO. To explain, if the protected areas management organizations are financially viable then, arguably, they should be in a better position to consistently meet their membership obligations to APAMO thereby satisfying one source of revenue for the latter.

B. Organizational Viability Axis

Organization viability strategies relate to how APAMO and its members (the eighteen protected area management organizations) organize themselves in order to function effectively. Organizational viability has several elements including the following:

- A clearly articulated and shared mission and vision understood and agreed upon internally (by board, staff, and volunteers) and externally (by donors, other NGOs, government);
- A clearly articulated strategic plan which sets out the key activities/strategies the organization will undertake over a defined period of time (i.e. usually 3-5 years) to fulfill its mission;
- Strong governance with clear expectations and with a system for both renewal (i.e. rotation) and development of the Board;
- Strong professional staff, adequately qualified, compensated, and evaluated and with ongoing opportunities for professional development;
- Accountability and transparency;
- Meaningful programs and activities and which demonstrate a positive impact on development and the environment

The organizational viability axis has two sub-components, namely:

B.1 Financial Sustainability Planning:

Planning for financial sustainability is central to achieving any real sustainability and therefore this strategy area is seen as mandatory to the process. According

to the Counterpart International model it involves development of three core plans, specifically:

(a) *Financial Self Diagnosis* – which evaluates past and present financial status and financing strategies. Financial Self Diagnosis is useful for identifying bottlenecks and constraints to financial growth and provides the platform from which to take the organization forward;

(b) *Asset Diversification Plans* – asset diversification plans are useful tools for assessing organizational value and are helpful in identifying tangible (money or property) and intangible (intellectual capital, skills expertise, methodologies, etc.) assets available to and within the organization. Once identified assets may be leveraged into short and long term financial sustainability strategies. ; and

(c) *Financial Sustainability Action Plan (FSAP)* – FSAPs are essentially “...comprehensive work plans designed to provide NGOs with business oriented financial diversification plans with clear Sustainability Vision/Goal, Objectives/Indicators, Issues, Strategies, Tasks.”¹¹

B.2 Partnership & Network Building

The public-private-NGO trinomial must be understood for the benefits that it presents to building and maintaining sustainability. This trinomial can serve to strengthen the element of partnership and networking between and among the three groups by clarifying the mandates and strategic objectives of APAMO and its membership for the 2008-2012 period. The public-private-NGO trinomial also presents a huge untapped market for APAMO especially considering rise of Corporate Social Responsibility and social entrepreneurship programs.

C. Revenue Generation Axis

Revenue and or income generating strategies may fall into one of two categories, namely: cost recovery – where the objective is to recover or recuperate all or a percentage of the costs associated with implementing a program or activity; and earned income – generated through commercial activities aligned with the organization’s mission and which provides a line of unrestricted income to the organization. The following four strategy areas fall more into the second category to the extent that they are market-based:

¹¹ Layton, Caesar, “A New Paradigm in Developing Country NGO Financial Sustainability,” Policy Brief #51, The William Davidson Institute, June 2006, page 6

C.1 Social Enterprise/ Fee Based Services

Social enterprise or providing fee based services is an emerging financial diversification methodology where NGOs use market-based approaches to earn commercial income. Social enterprise/fee for service models develop NGOs' capacity to incorporate for-profit business planning (including planning in marketing, finance, production, and human resources/operations) to develop full-fledged commercial enterprises (i.e. a micro-credit company) or simple profit-making activities (i.e. fee-based training). Profits accrued from these activities build up an NGO's discretionary financial assets¹⁵ that can be used to fund NGOs institutional costs, future investments, new products and services, etc.

Vignette: IRUPANA (Bolivia)

IRUPANA is an organization that works with small scale or other disenfranchised farmers in Bolivia to promote their produce. IRUPANA works with more than 1700 indigenous farming families across Bolivia, buying coffee, honey and native grains such as quinoa and amaranth directly from them. IRUPANA processes them into marmalades, chocolate bars and cereals and sells them in its 18 stores and 300 outlets over the country. The profits are ploughed back to the indigenous communities. IRUPANA is increasingly exporting its organically certified products to Europe and the USA.

C.2 Membership Service Development

Membership service development involves NGOs working to establish, expand and/or strengthen membership programs. The objective is for NGOs to use their assets to develop comprehensive mission driven *member service packages* to attract and

Vignette: ASAFE

ASAFE in Cameroon supports women entrepreneurs in 8 African countries and links their businesses through technology. ASAFE developed the leading ecommerce web portal for businesswomen exporting products such as crafts and dried fruits. ASAFE has a major partnership with CISCO to provide large computer networking training to its members. ASAFE and CISCO are jointly working together to provide new income opportunities for marginalized women in Africa, while possibly developing future customers as well.

sustain members and receive funding from membership fees. Membership service development is fundamental to developing APAMO's sustainability because as a membership organization APAMO's sustainability lies in the sustainability of its members. If the members are heavily dependent on external grant funding or other non-sustainable financing sources then APAMO's future may be short lived.

C.3 Strategic Donor fundraising

Value added strategic grant development approaches teach NGOs how to use grants to the *highest return* through developing management systems that ensure all grant funding is aligned with, and maximizes, NGO's mission and pursuit of social objectives. This approach replaces the traditional pursuit of grants for direct and indirect cost recovery needed to sustain the organization's basic operations. Grant money therefore supplements, rather than dominates, NGO strategic management philosophies. Given APAMO's organizational newness it has not had time to develop and implement value-added strategic grant development approaches but given the 2008-2012 Strategic Plan the organization is well poised to do so now.

C.4 Grant Writing/ Traditional Fundraising

Grant writing involves traditional fundraising from international donors (i.e. USAID) and/or foundations and may be used to strengthen traditional fundraising programs that focus on individual donations, bequests, direct marketing campaigns, telemarketing, planning giving, internet giving and one-time/recurring fundraising events.

3.3 Applying the Framework:

When the framework is applied to APAMO the strategy options available to the organization become clear. In light of the lack of financing to cover the annual recurrent operating costs for the next three to five years the focus has to be first and foremost on securing the financing to cover core costs. Because the organization also lacks financing to cover the cost of implementing the strategic plan 2008-2012 then the next priority has to be for securing the financing required to do so. In other words, what is required for the immediate to medium term is 'bridge financing' and this may or may not be heavily dependent on project funding. The objective of bridge financing should be to ensure that APAMO achieves the capacity for using the financial tools and mechanisms required for implementing revenue generating activities. The considered approach to achieving financial sustainability for APAMO therefore will involve three steps as follows:

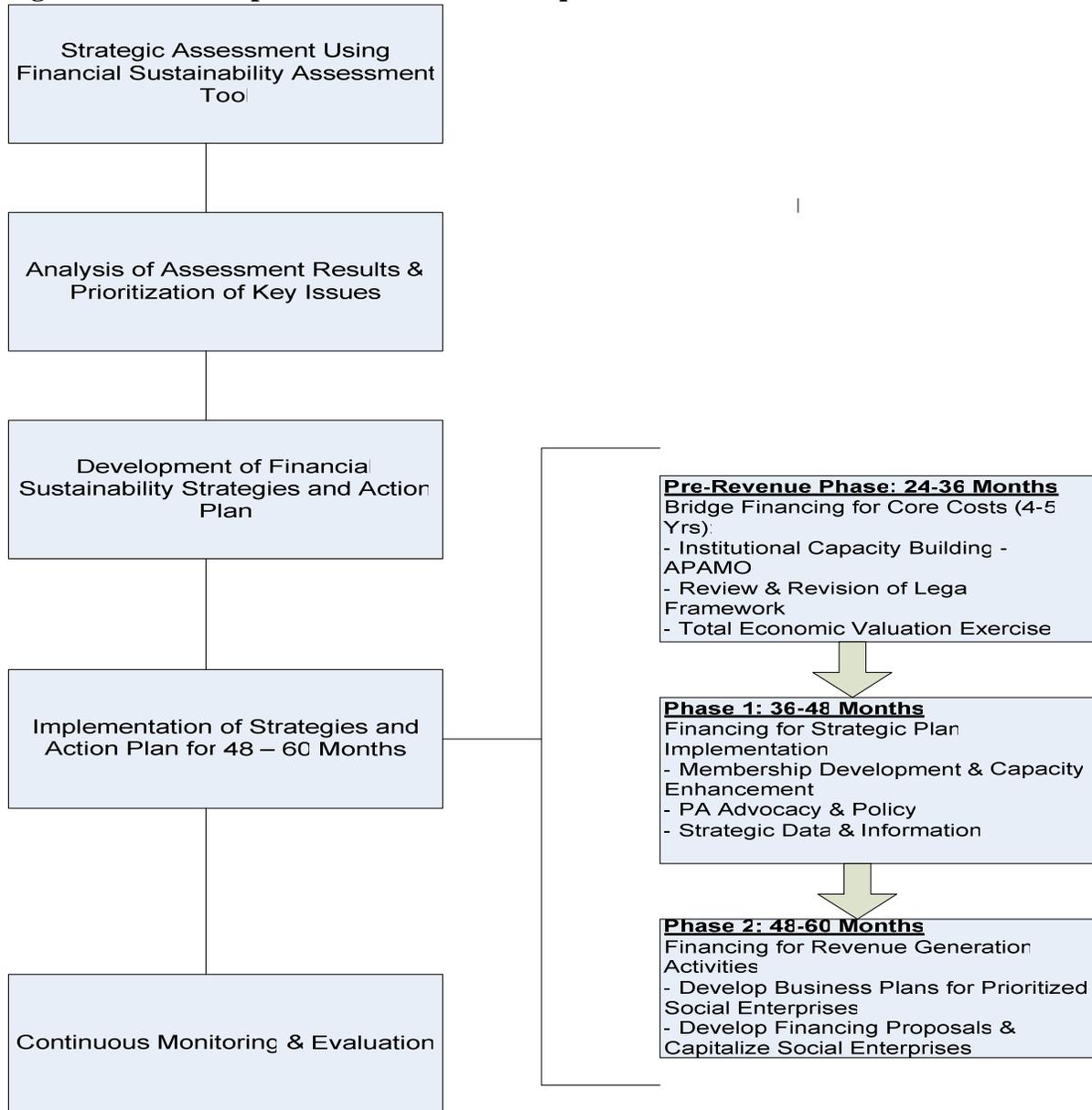
Step 1 → secure financing for underwriting APAMO's core costs over the next three to five years;

Step 2 → secure financing for implementing the 2008-2012 strategic plan; and

Step 3 → secure financing for capitalizing the fee based and social enterprise initiatives identified in this strategy.

The diagram below shows the sequence of processes in applying the framework proposed for financial sustainability:

Figure 4: FSS & Implementation Process Sequence



3.4 Advantages of the Proposed FS Framework

This FS strategy is rooted in an approach aimed at gradually diversifying APAMO’s income sources with a view to lessening dependency on any single source of revenue, external or internal. While it is difficult to determine a precise formula for the percentages that need to be derived from various sources in order to achieve a “financially sustainable APAMO”, what is important is that an

acceptable balance between externally and internally generated financial resources be achieved. In the short term (i.e. the next three to five years) achieving that balance will very likely require the continuation of external donor funding at current levels. This is so for two reasons: one, APAMO has not yet identified and developed alternative sources of funding; and two, donor funding remains necessary (at least in the short term) as a source of financing for the activities and projects which can facilitate achievement of institutional viability and financial sustainability.

The strength of the proposed financial sustainability framework lies in its flexibility – it should allow APAMO to nimbly adapt and respond as necessary to any changes in the organization’s strategic and or tactical direction, position, or environment at any point in time. In other words, the framework could be effectively applied in addressing the current financing gaps, as it could be for implementing the strategic plan 2008-2012 (or any future strategic plan for that matter). By virtue of this flexibility APAMO is presented with an unlimited menu of financing options from which to leverage its organizational worth in developing long term financial sustainability.

IV Financial Sustainability Strategy & Action Plan

4.1 Sustainability Vision & Goal

The sustainability vision is for APAMO *to be financially autonomous and viable resulting in autonomy in its decisions about basic matters such as organizational goals, policy, budgeting, hiring practices, pay and incentives, and external linkages.*

The sustainability vision and goal is different from but supports achievement of the strategic focus and vision of the organization as expressed in the vision statement in Section II above.

4.2 Objectives

The following are the sustainability objectives of APAMO:

- Being driven by mission rather than by donors or other funding sources;
- Financial diversification from any single-source or patron and with an acceptable percentage of costs covered by earned income activities by the end of YR 5
- A strong membership constituency;
- Technical expertise and strategic knowledge on protected areas management and economic development issues; and
- Non-government/ Non-profit institutional capacity and managerial competence.

4.3 How to Achieve the Sustainability Vision/Goal

In order to achieve the sustainability vision and goal APAMO needs to do a number of things, including but not limited to the following:

- Re-position it-self from being a traditional NGO to being a non-governmental, non-profit organization with income generating activities.
- Undertake institutional capacity building initiatives geared towards improving its management and management systems (as a non-governmental organization).
- Review and update the legal and regulatory framework governing Belize's protected areas to allow for innovative and sustainable ways of accessing the economic benefits, in terms of finances, offered by those areas.
- Develop and strengthen its membership including providing capacity building and training in core areas (i.e. non-profit management, for protected areas management organizations
- Develop and implementation fee based services and social enterprise programs, which may be combined with strategic value added donor fundraising, and an endowment fund.

4.4 Financing Strategies

A. Strategies for Financing the Core Costs:

The approach espoused by this financial sustainability strategy plan for addressing the real financial gap which faces APAMO for meeting its core operational costs over the next five years involves in the first instance securing financing to cover the short to medium term core costs; and secondly establishing financing mechanisms and programs which would allow APAMO to achieve long term financial viability.

Strategy 1: PACT Financing for Core Operational Costs

APAMO should negotiate with the Protected Areas Conservation Trust for committing to meeting the core operational costs of APAMO for the medium to long term (i.e. not less than three to five years). Such an arrangement would be consistent with PACT's expressed purpose of providing "financial assistance for activities on the protected areas that foster conservations, sustainable development and management of the area."¹² APAMO's desire is to establish a relationship with PACT whereby it (APAMO) is recognized as the coordinating arm for protected area implementation through its members.¹³

APAMO should negotiate for this financing arrangement to become effective by the middle of this year (2008) to facilitate a seamless transition from the current project financed status which the organization is in.

Strategy 2: Review & Revision of the Legal Framework

The focus of this activity shall be on addressing the gaps within the current legal framework governing the protected areas system and which provide constraints to both APAMO and the various protected areas management organizations in terms of accessing the financing and economic values offered by those protected areas. This activity is critical to ensuring that the right enabling environment for strengthening protected areas management is created and sustained.

Strategy 3: Total Economic Valuation of Protected Areas

This strategy focuses on conducting a total economic valuation (TEV) of Belize's marine and terrestrial protected areas including, in particular, those which have protected area management organizations. The results of the TEV will be used to (a) determine and prioritize the different types of fee based services and or social enterprises that may be viably developed by APAMO; and (b) provide a guide for partnership and network development and strengthening including with other economic sectors such as tourism.

¹² See www.pactbelize.org

¹³ Based on notes received from Yvette Alonzo re: Comments for Final Document.

B. Strategies for Financing the Strategic Plan 2008-2012 Implementation

Financing for implementation of the Strategic Plan 2008-2012 will need to be met through a combination of membership development and strategic donor fundraising. While membership development is longer term in outlook donor funding is short term and is mobilized only when it is necessary to meet extra-budgetary costs tied to implementation of special programs and projects.

Strategy 4: Membership Development

Membership development is one of the key priority areas identified within the Strategic Plan 2008-2012, and the consideration here is to tactically position membership development as a tool for revenue generation. APAMO has a narrow (only protected area management organizations) and small (eighteen) but representative (in terms of organizational size and geographic location) membership base. The ability therefore to offer a membership services package which delivers recognizable and practical value to members, while a challenge, is critical to APAMO's sustainability.

Value in membership may be created if the organization is able to offer high quality services to its members and constituents; if it is able to provide effective and timely communication; and if it can consistently provide accurate financial reporting. Some of the services which APAMO should consider for its members may include the following:

Association Headquarters – APAMO could serve as the 'home' office for different PA management organizations in particular the smaller ones or those without physical office space. This would provide some stability to those PAMO's and offer a central location for the receipt of mail, phone calls, faxes, meetings, etc.

Financial management services for PAMOs – APAMO could maintain the financial records of different protected area management organizations, in particular the weaker ones, in accordance with its own financial management system, when established; and manage accounts receivables and payables, and bank accounts.

Web Page & Graphics Design – APAMO could develop and maintain a comprehensive interactive site involving all of the protected area management organizations, and provide services for the design of newsletters, programs, flyers, brochures, and more.

Membership Promotion and Retention – APAMO could work with its members to help them develop their own Boards of Directors and committees, and to create a comprehensive, multi-agency membership promotion and retention plan.

Strategy 5: Donor Funding for PA Advocacy and Policy

This strategy focuses on obtaining strategic donor funding for protected area policy development and advocacy implementation. Although PA advocacy and policy are considered part of APAMO's core business the financing strategy considers donor funding as the source of financing for implementing them due in large part to the fact that they form part of the strategic initiatives set out under the 2008-2012 Plan. Providing effective leadership for PA policy and advocacy programs APAMO would enable APAMO to achieve its mission and would also allow it to gain recognition that could be leveraged for creating buy-in from good corporate citizens both within Belize and abroad by providing opportunities for expanded philanthropic engagement.

Strategy 6: Donor Funding for Strategic Data and Information

Similar to above, this strategy focuses on obtaining donor funding to enable APAMO to establish an information management unit and to develop capacity for offering strategic data and information services on protected areas within Belize. As the Strategic Plan 2008-2012 argues sound data will be critically important to the effectiveness and success of any advocacy program, and to providing strategic support to initiatives aimed at institutional strengthening and programmatic needs of members. Strategic data and information services would allow the organization and its members to make informed judgments about operational and programmatic issues related to the various protected areas in Belize, and additionally would enable APAMO to implement fee-based services. More importantly strategic data and information would allow APAMO to consistently make decisions on program sustainability and cost effectiveness thereby contributing to overall financial sustainability.

C. Strategies for Financing Revenue Generation Activities

Financing of the revenue generation activities will also have to be met through strategic donor fundraising. There are a number of funding agencies which provide technical and financial support services for NGO's wishing to develop and implement social enterprise initiatives. Some of these agencies focus on funding conservation and protected area focused NGOs.

Strategy 7: Development of Business Plans for Social Enterprises

The objective here is to secure and mobilize funds for the development of business plans for the social enterprises selected by APAMO for engagement. Business planning is essential for demonstrating that the enterprise's potential has been examined in regard to its market and in terms of how the product/service will satisfy that market. The business plan will also set out the growth and revenue targets of the social enterprise initiative and is useful for monitoring and evaluation to determine sustainability of the initiative.

Strategy 8: Seed Capital for Social Enterprises

This strategy involves capitalization and implementation of the social enterprises for which business plans have been developed. Start-up capital is needed to get the enterprise through the first stage of business — planning and operations — until the income starts to come in. Funds are needed for staff (wages), buying/leasing equipment, rent/lease on premises, licenses and other regulatory fees, plus many other expenses. The finances required for capitalization may be raised through project funding, or a specialized investment program.

D. Strategies for Efficient Resource Use/ Cost Containment

This part of the sustainable financing strategy is focused more on the institutional capacity building and organizational development aspects. It involves business systems implementation and training and the considered activities may be financed as part of the core costs for APAMO.

Strategy 9: Strengthening the Institutional Capacity of APAMO

The activities recommended under this strategy are geared towards strengthening the institutional capacity of APAMO and focuses on providing training and technical assistance in areas such as corporate governance (including board development and empowerment), non-profit management and management systems, membership development and retention, protected areas marketing and programming, and managing corporate social relationships and strategic partnerships.

Strategy 10: Development of Efficient Financial Management System

The objective of this strategy is to strengthen the technical capabilities of the management and staff involved with monitoring and implementation of APAMO's finances and financial plans. This envisages training and technical assistance, as well as the implementation of appropriate accounting systems and mechanisms which allow for real time financial reporting.

Strategy 11: Strengthening the Financial Planning Process

An important step towards achieving financial sustainability is establishing an appropriate financing system and providing proper financial planning for APAMO. The former is seen as critical for institutional capacity building and for building the credibility of APAMO in particular given the fact that management of its finances are currently carried out by the Programme for Belize. Proper financial planning on the other hand would enable APAMO to identify financing gaps and to develop and put in place mechanisms to address those gaps. Advance financial planning is also important to the extent that it would allow APAMO to mobilize around the various funding cycles of funding agencies and hence would better place it in a position to secure financing for the activities it has identified, and for negotiating and building relationships with donors.

Action Plan for Strategies

Dimension of Financial Sustainability	Strategy	Activities	Measure	Responsibility/ Timeline
Secure Bridge Financing to cover Core/Operating Costs	Negotiate Grant Financing with Protected Areas Conservation Trust	Develop schedule of estimated core/operating costs for next 3-5 years	Executive Council approves for additional staff, expanded operations	EC/ Coordinator By middle 2008
		Negotiate with PACT for 100% of estimated costs for first 3 years; 85% in YR 4; and 70% in YR5	Costs fit with PACT's funding priorities and funding is approved by the Board	EC By middle of 2008
		Identify Counterpart funding for meeting 15% of costs in YR 4 and 30% in YR5	100% of membership fees collected for Yrs 3, 4, and 5	EC By end YR 3
Improving Organizational Capacity	Strengthen the institutional capacity of APAMO	Training of APAMO management and staff in corporate governance, non-profit/ NGO management, protected areas marketing, networking and partnership development.	Number of persons who successfully complete the training programs Improved organizational management and efficiency	EC By end YR 2
Enhancing the Enabling Environment	Review and revision of the legal framework	Contract consultant to conduct review and revision of legal framework governing protected areas with a view to creating better access to the revenue streams offered by protected areas	Constraints to accessing revenues from protected areas identified.	EC By end YR 1
		Conduct stakeholder consultations on proposed revisions	Majority of stakeholders explicitly support the proposed revisions.	Consultant By QTR 2 of YR 2
		Meetings with government officials (Minister of Natural Resources, Attorney General, Minister of Finance) to lobby support for legislative amendments	Enactment of legislative amendments.	EC By end YR 2
		Presentation of the revised legislation	PA management organizations able to derive revenues directly from protected areas	EC By QTR 1 of YR 3
Identification of PA Economic Values	Conduct total economic valuation (TEV) of protected areas	Contract consultant to conduct total economic valuation of Belize's protected areas	Protected areas to be evaluated identified and finances for contracting consulting services secured	Coordinator By QTR 2 of YR 2
		Present findings of the TEV results to APAMO's membership.	Level of stakeholder participation and acceptance of findings	Consultant By QTR 4 of YR 2

		Identify viable products and services which can be developed into revenue generating activities	Protected areas hold direct and indirect values which can be converted into revenue generating activities.	EC/ GA/ Staff By QTR 4 of YR 2
Mobilizing Resources from National and External Sources	Membership Development	Develop a membership services package and present to constituents	PA Management Organizations able to meet financial obligations for membership	Coordinator/ Support Staff By QTR 3 of YR 1
		Secure paid membership of the eighteen protected area management organizations	100 % Paid Membership	Coordinator/ EC By QTR 1 of YR 2
		Extend special membership availability to other constituents that support APAMO's cause but that are not PA management organizations	External support for PA management outside of APAMO membership exists	Coordinator By QTR 1 of YR 4
	Protected Areas Policy and Advocacy	Training in advocacy techniques and approaches with APAMO staff and membership	Number of protected areas management organizations staff and boards trained.	Consultant By QTR 2 of YR 1
		Preparation of guidelines for advocacy engagement	Adoption of strategy plan by Executive Council and endorsement by the General Assembly	Staff/Consultant By QTR 3 of YR 1
		Conduct advocacy activities in favor of identified policy areas	Advocacy Coordinator Hired Policy changes effected	Staff Ongoing
	Strategic Data and Information	Develop and submit project proposal for funding an information management unit	Funding available and funding agencies willing to finance the project	By QTR 2 of YR 2
		Establish Information Management Unit	Staff identified, equipment procured, and data collected and organized	By QTR 1 of YR 3
		Develop and circulate publications including regular newsletter	Medium for information sharing and dissemination available and functional (i.e. newsletter/ website)	Coordinator/Staff Quarterly
	Diversifying Income Sources	Development of Business plans for social enterprises	Development of project proposals for submission to strategic funding agencies	Funding agencies willing to finance cost of developing business plans
Contract consulting services for development of business plans for social enterprise initiatives selected			Funds available to pay cost of consulting services	Coordinator By QTR 4 of YR 3

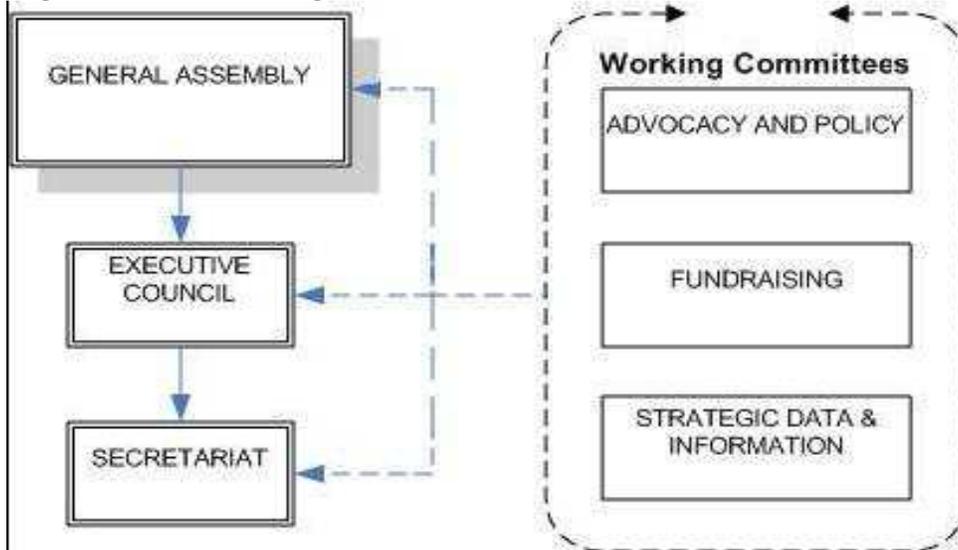
		Present business plans to APAMO Board and membership	Business Plans acceptable to Executive Council	Consultant By QTR 1 of YR 4
	Seed Capital for Social Enterprises	Development and submission of financial proposals for financing by external funding agencies	List of funding agencies that finance social enterprise initiatives identified	Coordinator/ Staff By QTR 1 of YR 4
		Identify and secure funds and other resources for the social enterprise	Additional resources available	Consultant By QTR 2 of YR 4
		Capitalize social enterprises and implement business plans	Target funding achieved	EC/ Staff By QTR 1 of YR 5
		Develop and implement guidelines for use of dividends derived from social enterprises	Social Enterprises able to contribute financially to APAMO's core costs and operations	Coordinator/EC By QTR 1 of YR 5
Improving Financial Administration, Effectiveness, and Planning	Development of Transparent and Efficient Financial Management Systems	Training of management staff responsible for financial management	Additional staff hired	EC By QTR 1 of YR 2
		Purchase of accounting software to facilitate real time reporting and better monitoring of financial status	Software identified and available Staff trained in use of software	EC By QTR 1 of YR 2
		Provision of regular financial reports to Executive Council to facilitate strategic and tactical decision making	Information on APAMO and Belize's protected area system readily available	Coordinator Semi-Annually
		Preparation of annual audited reports to accepted accounting standards	Auditing Firm Identified and Contracted	EC By QTR 1 Annually
	Strengthening the Financial Planning Process	Draft Annual and Strategic Financial Plans for approval by Executive Council	Annual operating costs and strategic and tactical priorities identified	Coordinator By QTR 3 Annually
		Use of plans to guide organizational management and secure funding	Plans accepted by Executive Council	EC By QTR 4 Annually
		Development of project proposals for financing projects and special activities	New project areas identified	Coordinator/EC TBD

V Institutional Framework for Strategy Implementation

5.1 APAMO Management Structure

APAMO is organized at various levels and includes a General Assembly, an Executive Council, a Secretariat, and several Working Committees.

Figure 5: APAMO Organizational Chart



(Source: APAMO Draft Strategic Plan 2008-2012)

The General Assembly is the highest decision-making body of APAMO and is comprised of "...all the regular and affiliate member agencies". Next is the Executive Council and this is comprised of "seven members elected on a staggered basis from among the members of the General Assembly (six from among the regular members and one from among the affiliate members)."¹⁴ The Executive Council is comprised of four Officers (a Chairperson, a Vice-Chairperson, a Secretary, and a Treasurer) and three Directors. Beneath and overseen by the Executive Council is the Secretariat and this currently staffed by a full-time Coordinator although plans call for support staff.

APAMO's Articles of Association also calls for the establishment of a number of Working Committees based on need and the various thematic areas of importance. The role of the working committees is to support the work and deliberations of and their membership will be comprised from among the General Assembly, the Executive Council and the Secretariat. However scope is provided

¹⁴ APAMO Strategic and Action Plan 2008-2012, page 31

for external organizations and individuals to be invited to serve on the Working Committees.

APAMO has identified within its strategic objective the need for establishing Working Committees in the following thematic areas: Fundraising, Strategic Data and Information, and Advocacy and Policy. According to the Draft Strategic Plan 2008-2012 “the Fundraising and Advocacy & Policy Working Groups should be constituted and activated at the earliest possible time, since these two represent the Key Result Areas of greatest importance to APAMO at this time.”¹⁵

As the committee tasked with providing advice on matters related to fundraising, funding proposal development, and preparation of the operational budget, and on oversight and implementation of the annual budget, the Fundraising Working Committee will be important to implementation of this Financial Sustainability Strategy.

5.2 Monitoring and Evaluation

This financial sustainability strategy will be monitored consistently and evaluated periodically by APAMO’s Executive Council throughout the five year implementation period. Monitoring is understood here as ‘an organized process of verifying that the predetermined activity or project happens as anticipated.’¹⁶

Evaluation on the other hand refers to the process of judging the activities and projects. The financial sustainability strategy will be evaluated at three different levels, specifically at the organizational, project, and sustainability levels.

At the organizational level, evaluations will focus on the impact of the financial strategy as a whole on APAMO’s organizational viability in terms of its effectiveness, efficiency, and financial status.

At the project level evaluations will focus on:

- the impact of capacity building and partnership/networking on protected area management organizations effectiveness and efficiency;
- impact of revenue generating strategies offered by APAMO on financial and organizational sustainability; and
- impact of social enterprises on APAMO and protected areas management organizations.

¹⁵ Ibid, page 32

¹⁶ Adapted from Alejandro C. Imbach, “Finding the Way: A practical guide to the organization and execution of self evaluation processes of project centered in sustainability.” IUCN, September 2000.

At the sustainability level evaluations will focus on whether there are any continued positive impacts on APAMO and on the wider membership. More specifically, evaluations at this level will attempt to determine (a) if the financial planning and reporting systems implemented by APAMO has any net positive effect on the organization in terms of its immediate and long term financial health; (b) if the project has any fiscal impact on the organization's ability to consistently identify and secure financing from diverse sources of funding to meet its operating and programmatic needs; and (c) if there are any impacts on APAMO's ability to achieve its mission, achieve its strategic objectives, deliver its core services, and or meet the needs of its membership.

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Annex 1: Types of Social Enterprise & Fee Based Revenue Generation Projects

Method	Description	Examples
<i>Fee Based Services</i>	Charging constituents or clients for social services in order to recover cost of service provision	Institute of Protected Areas & Outdoor Recreation Management (jointly with State University of New York, Cortland)
		Micro-financing program for micro and small enterprises to support business activities that foster protected areas management, bio-diversity conservation, and PA surrounding communities grassroots economic development
		Bio-prospecting licenses/ permits
<i>Products</i>	Earned income through manufacturing and product sales, or through mark-up and retail of products	Protected areas greeting cards and or postcards
		Culinary and Medicinal Herbs and Spices Store
		Outdoor Recreation Store – apparel and equipment
		‘Experience the Wild’ Tour Package – for visiting a combination of terrestrial and marine protected areas
<i>Membership Dues</i>	Fees collected from members of a group, association, or organization in exchange for benefits and or services such as newsletter, discounts, insurance	General Members Associate Members
<i>Intangible Assets</i>	Generating income by leveraging intangible assets such as proprietary content, methodology, brand, reputation, goodwill, relationships, etc.	Licensing pictures, artwork, and natural designs, sound tracks with sounds of nature (running rivers, waterfalls, jungle at night time, etc.)
<i>Investments/ Dividends</i>	Passive income from earned investments	APAMO Endowment Fund
<i>Unrelated Business Activities</i>	Revenues from a business unrelated to APAMO’s mission and created for the purpose of funding specific social activities or the organization at large	Museum of Entomology – Insects of Belize’s Protected Areas
		Museum Gift Shop

Annex 2: Short Term Financing Strategies

Activity/ Result Area	Strategy Mix (How paid for?)	Recommended Initiatives
Core/Operating Costs		
<i>Administrative, Organizational, Staffing Costs</i>	<ul style="list-style-type: none"> • Protected Areas Conservation Trust – Planning & Support Grants • Membership Services Development 	<ol style="list-style-type: none"> 1. 3-5 Year Grant for underwriting Core Operating Costs of APAMO – 100% of Core/Operating Budget for first 3 Years 2. Annual membership fees from 18 PA Management Organizations
Implementation of Strategic Plan Costs		
Key Result Area #1: <i>Institutional Management & Strengthening</i>	<ul style="list-style-type: none"> • Strategic Grant Funding – IADB, OAK Foundation, PACT (Capacity Building Grant) 	<ol style="list-style-type: none"> 1. Capacity Building for Protected Areas Management Project
Key Result Area #2: <i>Advocacy & Policy</i>	<ul style="list-style-type: none"> • Strategic Grant Funding - IADB, OAK Foundation, PACT (Capacity Building & or Large Grant) 	<ol style="list-style-type: none"> 1. Capacity Building for Policy Development & Advocacy Project 2. Project for Strengthening Public-Private-NGO Partnership Trinomial
Key Result Area #3: <i>Membership</i>	<ul style="list-style-type: none"> • Membership Services Development • Fee-Based Services 	<ol style="list-style-type: none"> 1. Membership Fees 2. Subscription to Newsletter 3. Fee-based services: financial management services; and services for website hosting – i.e. hosting of PA Management Organizations websites/ pages
Key Result Area #4: <i>Strategic Data & Information</i>	<ul style="list-style-type: none"> • Strategic Donor Fundraising - IADB, OAK Foundation, PACT (Capacity Building & or Large Grant) • Fee Based Services 	<ol style="list-style-type: none"> 1. Protected Areas Strategic Data & Information Project (including total economic valuation of all protected areas) 2. Fee-Based Services/ Products (i.e. reports, research studies, etc.)

Annex 3: Long Term Financing Strategies

Activity/ Result Area	Strategy Mix (<i>How paid for?</i>)	Recommended Initiatives
<i>Administrative, Operational, Staffing Costs</i>	<ul style="list-style-type: none"> • Strategic Donor Fundraising • Social Enterprise/ Fee-Based Services • Membership Service Development 	<ol style="list-style-type: none"> 1. Earned income through product/ services sales (i.e. protected areas greeting cards, postcards, philatelic stamps, medicinal herbs & spices product line, etc.) 2. “Experience the Wild’ Tour Package Program 3. Museum of Entomology – <i>Insects of Belize’s Protected Areas</i> 4. Museum Gift Shop
Key Result Area #1: <i>Institutional Management & Strengthening</i>	<ul style="list-style-type: none"> • Financial Sustainability Planning • Public-Private-NGO Partnership Development • Social Enterprise 	<ol style="list-style-type: none"> 2. Capacity Building for Protected Areas Management Project 3. Institute of Protected Areas & Outdoor Recreation Management Initiative 4. Micro-finance Project for Micro, Small, & Medium Enterprises in Communities Surrounding Protected Areas 5. Social Enterprise – i.e. Museum & Gift Shop; Eco-tourism enterprise 6. Environmental Services Project – i.e. recycling, eco-tourism, sewage/waste treatment
Key Result Area #2: <i>Advocacy & Policy</i>	<ul style="list-style-type: none"> • Public-Private-NGO Partnership Development • Traditional Fundraising 	<ol style="list-style-type: none"> 1. Capacity Building for Policy Development & Advocacy Project 2. Project for Strengthening Public-Private-NGO Partnership Trinomial
Key Result Area #3: <i>Membership</i>	<ul style="list-style-type: none"> • Membership Services Development • Fee-Based Services • Traditional Donor Fundraising 	<ol style="list-style-type: none"> 1. Membership Fees/ Membership Program 2. Subscription to Newsletter 3. Fee-based services on website – i.e. licensed

		use of intellectual property content
Key Result Area #4: <i>Strategic Data & Information</i>	<ul style="list-style-type: none"> • Strategic Donor Fundraising • Traditional Fundraising • Fee Based Services 	<ol style="list-style-type: none"> 3. Protected Areas Strategic Data & Information Project (including total economic valuation of all protected areas) 4. Fee-Based Services/ Products (i.e. reports, research studies, etc.)
<i>Reserve/ Sustainability Fund</i>	<ul style="list-style-type: none"> • Social Enterprise 	<ol style="list-style-type: none"> 1. Investments/ Dividends – APAMO Endowment Fund 2. Museum of Entomology – <i>Insects of Belize’s Protected Areas</i> 3. Museum Gift Shop

Annex 4: Projects

1. Institutional Capacity Building of Protected Areas Management Organizations Project

Total Estimated Project Costs: BZ\$125,000 - \$150,000

The goal of this project is to contribute to the development of stronger, more sustainable protected areas management organizations through technical assistance for capacity building including for corporate governance, non-profit management, membership development, protected areas marketing and programming, and managing corporate social relationships and strategic partnerships. The ultimate objective is to create protected areas management organizations that are organizationally and financially sustainable and thus viable for the long term.

2. PA Strategic Data and Statistical Unit Project

Total Estimated Project Costs: BZ\$200,000

The goal of this project is to collect, develop, and analyze information on Belize's protected areas in particular as it relates to their total economic value and trade in goods and services derived from protected areas specifically. This would involve a total economic valuation exercise to determine the economic value of Belize's protected areas. A total economic valuation would enable APAMO to customize strategies for working with its member protected area management organizations in building their institutional capacities. It may also involve export market studies and publications on the goods and services offered by the different protected areas (i.e. tourism, recreation, plant and wildlife habitat, genetic resources, water supply, protection against natural disasters) and which may be made available for sale.

3. Social Enterprise Pilot Project

Total Estimated Project Costs: BZ\$625,000 - \$700,000

The objective here is the launching of three or four new for-profit companies to serve as sources of funding for APAMO. At least one of these ventures would endeavor to maximize profits; and one other venture would aim to optimize profits by establishing a facility to help set up businesses in communities surrounding protected areas. The project would be funded by an external donor or combination of donors, be managed by APAMO, and would consist of two phases, a project design and preparation consultancy phase, followed by a second phase involving development and implementation of business and financial plans for the enterprises, and start up of the ventures.

The four initiatives identified for inclusion in the Pilot Project are:

- a) Museum of Entomology including a museum gift shop – estimated start up costs BZ\$250,000.00;

- b) Protected Areas Greetings Cards/ Postcards/ Philatelic Stamps Business Line – estimated start up costs BZ\$125,000.00
- c) Culinary and Medicinal Herbs & Spices of Belize Business Line – estimated start up costs BZ\$60,000.00
- d) Micro-Finance Project for MSMEs Business Initiatives in communities adjoining protected areas – estimated start up costs BZ\$250,000 (revolving loan fund basis)

Each start up would be capitalized at different levels up to a maximum of BZ\$250,000. Of the start-up amount 80% would be allocated as equity for the venture and 20% would be provided in the form of a loan to be used for start-up operations, management, facilities, equipment, etc. Of the equity amount (i.e. 80%), a protected area management organization would be given half of the allocation (40%) as a grant and thus would hold half the equity in the company while the other half (40%) would be held by APAMO. Once the business begins to run a profit the participating protected area management organization could buy back up to half of shares held by APAMO resulting in a possible 60% shareholding in the venture (e.g. 40% (half of initial equity) + half of APAMO's share or 20% of initial equity = 60%).

Formula:

80%	Equity (40% to a PA Management Org and 40% to APAMO)
+ 20%	Loan

At the point of profitability the relevant protected area management organization could buy back up to half of APAMO's share (or 20%), which would effectively give it 60% total shareholding (40% + the 20%) in the social enterprise initiative.

Annex 5: List of Charitable and Funding Agencies

Technical Assistance in Mobilizing Resources

About Non-profit Charitable Organizations:

<http://nonprofit.about.com/>

About contains information on a broad range of topics related to operating an NGO. The site contains information on how to do Web-based fundraising, staff training, donor information, management information, public relations, technology, and managing volunteers.

National Center for Non-Profit Boards:

<http://www.ncnb.org/links.htm>

NCNB offers technical assistance to NGOs seeking to engage their boards in fundraising. It also offers numerous linkages to other organizations providing technical assistance in fundraising.

Inter-American Development Bank:

<http://www.iadb.org/>

Website of the IADB provides detailed information on the Bank's geographic and programmatic priorities. The IADB also has a web page for the working group on environmental and conservation initiatives with hyperlinks to other sites.

Synergos Institute :

<http://www.synergos.org/globalphilanthropy/database/>

The Synergos Institute maintains a searchable database containing profiles of over 120 foundations and grant makers operating in Latin American countries.

Charity Village:

<http://www.charityvillage.com/charityvillage/fund.asp>

Charity Village is a Canadian philanthropic organization which also provides an information kiosk for international NGOs. The website contains links to online database and directories of Canadian funding agencies, many of whom fund abroad.

List of Donor Agencies

Protected Areas Conservation Trust (PACT)

<http://www.pactbelize.org/>

The Protected Areas Conservation Trust is a fund dedicated to the promotion, conservation and sustainable development of Belize's protected areas. PACT's has a number of grant programs including, amongst others, for Small Grants, Medium and Large Grants, Planning Grants, Capacity Building, and Support Grants.

Oak Foundation

<http://www.oakfnd.org>

The foundation currently provides direct support for the effective management of marine reserves in Belize and is involved with initiatives aimed at the Meso-American Eco-Reef Conservation.

Inter-American Development Bank (see description above)

<http://iadb.org>

Liz Claiborne & Art Ortenberg Foundation

lacof@compuserve.com

This is a private foundation dedicated to environmental conservation, particularly the survival of wildlife and wild lands and to the vitality of human communities which they are inextricably linked. There are two primary program interests. The first is the mitigation of conflict between the land resource needs of local communities and conservation of biological diversity in rural landscapes outside of parks and reserves. The second is the implementation of relevant, field-based scientific, technical, and practical training programs for local people.

Critical Ecosystem Partnership Fund (CEPF, International)

www.cepf.net

The CEPF is a joint initiative of Conservation International, the Global Environment Facility and the World Bank. CEPF aims to invest at least \$150 million over the next five years to advance biodiversity conservation projects in critical ecosystems that harbor the richest variety of life. The Fund is a major new source of international funding directed primarily to non-governmental, community, and grassroots organisations. The Fund offers organisations a streamlined procedure to apply for and receive funds, via the Internet. It identifies hot spots on a yearly basis.

Eco Vitality

www.ecovitality.org

This is a non-profit conservation planning and eco-marketing NGO set up to design, fund, and operate Integrated Conservation And Development (ICAD) programs protecting ecosystems and wildlife of developing countries. They do not have the financial resources to fund projects at this time. Instead, they will raise funds to create conservation-compatible businesses in ecologically vulnerable areas, market the goods or services in wealthy developed states, and send the profits back to the producing communities in return for better conservation outcomes. EcoVitality is also involved in improving the competitive position of marine and forest products produced in an environmentally sustainable manner.