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TECHNICAL BULLETIN
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**SUBJECT : CLARIFYING THE PROTECTED AREA
MANAGEMENT PLANNING PROCESS AND
PROVIDING THE ANNOTATED OUTLINE FOR
PROTECTED AREA MANAGEMENT PLANS**

Pursuant to Republic Act 7586 or the National Integrated Protected Areas System (NIPAS) Act of 1992 and DENR Administrative Order No. 2008-26, the Revised Implementing Rules and Regulations of the NIPAS Act, and in support to the effective management of protected areas more particularly those under the System, the following guidelines on protected area management planning and the annotated outline for PA management plans are hereby issued.

Section 1. Objectives. This Technical Bulletin shall serve as guide for the formulation or updating of protected area management plans. It shall also provide the mechanism to facilitate review, implementation and monitoring of the management plan by the concerned DENR units.

It shall likewise translate at the protected area level the various national frameworks, such as the Philippine Biodiversity Strategic and Action Plan, the Program of Work on Protected Areas, Philippine National Protected Area System Master Plan, and the Philippine Development Plan.

Section 2. Scope and Coverage. This guidelines shall apply to all protected areas proclaimed by the President and/or legislated by Congress under the NIPAS. Other conservation areas may refer to this guidelines in the formulation of their respective plans.

Section 3. Considerations in PA Management Planning. The Management Plan provides the approaches and goals, as well as the framework for decision making in the management of protected area over a given period of time. In preparing or updating the Management Plans, the following shall be taken into consideration:

- a) Key features or values of the protected area shall be identified to serve as primary basis for management interventions;
- b) The management objectives shall be formulated based on the designated category of the protected area;

- c) Implementation of Initial PA Plan and/or the precursor management plan shall be assessed;
- d) Primary and secondary information for the last five to ten years shall be collected and used in baselining and monitoring;
- e) The management plan shall be integrated in the Comprehensive Land Use Plan (CLUP) of LGUs and Ancestral Domain Sustainable Development and Protection Plan of the concerned IP groups;
- f) Stakeholders and their roles in the management of protected area shall be identified and analyzed; and
- g) The Management Plan shall be flexible to cater to unforeseen events which might arise within its duration.

Section 4. Management Planning Process. The formulation or updating of the Management Plan need not be strictly sequential, but must be consultative, iterative and interactive. The components are as follows:

- a) Data inventory and information collection. The biological, physical and socio-economic baseline data are critical inputs to management planning. This will provide the basis for measuring success in the management of a protected area;
- b) Identification of issues and concerns, opportunities and stakeholders.
- c) Management situation analysis. This involves broader analysis of socio-economic, institutional and financial concerns;
- d) Development of vision, goals and objectives anchored on the designated category of the protected area, issues and concerns, and opportunities.
- e) Formulation of management strategies including zoning, sustainable financing, climate change mitigation and adaption, resource protection and conservation, socio-economic development and governance; and
- f) Finalization and approval.

The flow chart of the process is provided in **Annex A**.

Section 5. Outline of the Management Plan. The management plan shall consist of the following parts/sections:

- 5.1 Executive Summary.** Brief statements summarizing the main contents of the management plan including the process undertaken.
- 5.2. Description of Protected Area.** The Protected Area Profile shall contain the following minimum information:

- 5.2.1 **Bio-physical Profile** - physical environment (climate, geology, soils, hydrology, etc.) and biodiversity (ecosystems, flora and fauna) of the protected area.
- 5.2.2 **Socio-Cultural and Economic Profile** - community and stakeholder resources, archeological, cultural, spiritual, recreational and ecotourism, and other economic uses/values.
- 5.2.3 **Current and Proposed Programs and Projects** - list of institutions and organizations with existing and/or proposed projects and programs that affect or may likely impact the protected area.
- 5.2.4 **Threats, Issues and Concerns** - direct and indirect threats whether man-made or natural, including extent, severity and frequency.

Guide questions in describing the protected area are provided in **Annex B**.

5.3 Map Information. The information provided in the preceding paragraph shall be translated into the following maps:

- 5.3.1 **Map on Biodiversity.** Shows the location of various ecosystem types (see <http://www.iucnredlist.org/technical-documents/classification-schemes/habitats-classification-scheme-ver3> for a list of ecosystem types that may be used), and key species and their relative abundances/distribution.
- 5.3.2 **Map on Values.** Shows the location of various current and potential uses/ecosystem services (e.g. water sources and collection sites, wild food/fiber/medicines (e.g. capture fisheries, NTFPs), presence of the environment and viewscapes for recreation, disaster risk reduction) and their relative values.
- 5.3.3 **Map on Threats.** Shows location of threats (habitat degradation and conversion including slash-and-burn/agricultural/residential/commercial development/trawling, overexploitation, timber poaching, charcoal making, hunting, pollution, invasive alien species, etc.) and transportation access (roads, waterways, air fields). Ideally, intensity, abundance and distribution of these threats and pressures would also be mapped. Other threats brought by natural hazards such as landslides, flooding, erosion, drought and dry-spell, liquefaction, sea-level rise, earthquake, volcanic eruption, fault, among others, shall also be included in the thematic analysis of threats.

5.4 Situational Analysis. The situational analysis is a scoping and analysis of the broad context or external environment in which the protected area operates. It shall also estimate the values of a protected area and how these are sustained by the local communities. The analysis shall consider the potentials for development and how these values are fully utilized and sustained. It shall include the following:

- a) Analysis of the state and condition of people and ecosystem (including identification of trends and pressures);
- b) Identification of major issues related to people and ecosystems that require attention; and
- c) Analysis of key stakeholders or groups of people and institutions with a right, mandate and/or interest in the management of the protected area. Stakeholder analysis should account for and incorporate the needs of those who have a 'stake' or interest in the management of the protected area.

5.5 Vision, Goals and Objectives. The crafting of the PA vision, goals and objectives shall be done in a participatory and iterative manner through a series of planning workshops involving representatives of the different stakeholders who participated in the situational analysis.

5.5.1 The **Vision** is a statement that provides the ultimate aspiration of stakeholders in managing a protected area. It describes the ideal state or condition of the protected area in terms of its biodiversity, socio-cultural and economic attributes, and institutional arrangement and governance features. Visioning exercises, such as reflection sessions and visual interpretations, may be used in the formulation of the PA vision. The vision statement should be formulated in present tense, preferably using local dialect or vernacular. The PA vision shall be translated into different goals of the management plan.

5.5.2 **Goals** are broad statements describing the desired outcome and quality of interventions introduced in a protected area. These are tangible and measurable outcomes that can be seen resulting from the implementation of the PA management plan. Goals are taken from the keywords presented in the PA vision. Goals may be presented in the past tense as if they have already been achieved.

5.5.3 Goals are then further scaled down into **Objectives**, which are the immediate results or outputs of certain interventions and achieved in a given time during the lifespan of the PA management plan. Objectives are usually stated in future tense. The objectives must be specific, measurable, achievable, relevant and time-bound (SMART). There must be objectives that refer to: (1)

ecosystem services values, (2) biodiversity, and (3) threats and pressures.

Goals and objectives shall have corresponding objectively verifiable indicators (OVIs) and means (or sources) of verification (MOVs). The OVIs are used to show the actual outcomes of goals and objectives that are presented in both qualitative and quantitative parameters. On the other hand, the MOVs shall show concrete evidences of the outcomes.

5.6 Management Strategies, Interventions and Activities. As formulated in item 5.5, the goals shall be translated into management programs and the objectives into specific management strategies consistent with the designated category of the protected area.

5.6.1. Management Zoning. Based on the assessments on biophysical, socio-economic, cultural, threats and values, among others, the protected area shall be divided into Strict Protection and Multiple-Use Zones. Zoning should ensure the balance between biodiversity conservation and sustainable use of the resources. The management zones shall be reflected in a map.

Municipal/city zones and development plans and protected area management zones must be explicitly discussed and harmonized with each other. In situations where the PA also includes areas covered by ancestral domain claims of the IPs/recognized Indigenous Community Conserved Areas, the management plan shall be interfaced with the Ancestral Domain Sustainable Development and Protection Plan of the concerned IP groups.

5.6.2. Management Programs. Programs and projects shall address not only the issues and concerns but also the threats and constraints as identified in the situational analysis conducted with the stakeholders. Programs and projects may include: resource management, law enforcement and protection, livelihood, ecotourism, climate change mitigation and adaptation, sustainable financing, and research and development. Support programs shall include capacity development, policy development, information management, and monitoring and evaluation.

Core activities in protected area management shall include the following: habitat protection, biodiversity and threats monitoring, Communication, Education and Public Awareness (CEPA), disaster risk reduction management, and sustainable financing (other potential revenue sources), ecotourism and visitor management, and gender-responsive community-based livelihood development. These management interventions should facilitate stakeholder partnership-building and networking with agencies, CSOs, academe, and private sectors.

- 5.7. Human Resources and Institutional Arrangements.** This Section refers to management structure and description of how the program will be managed and how decision-making will be carried out. The staffing plan should outline human resource capacities needed in implementing the management plan including capacity-building needs of PA staff not only in program implementation but also in project development and resource mobilization.
- 5.8. Development of the Logical Framework.** The Logical Framework Approach (LFA) shall be used in developing and/or validating various programs and projects for the management of protected areas. Goals, objectives or purpose and outputs shall be organized in an ordered hierarchy, systematically culminating in the specific activities in the management plan. The LFA should pave the way for a results-based monitoring system to evaluate the programs and projects in the management plan based on results (outputs/outcomes/ impacts).

The following are the key steps in translating the PA management plan into a logical framework:

- 1) Identify the management plan's long- and short-term goals (shall be doable within the given duration of the management plan), identify indicators, means of verification (can be in a form of reports, MOAs, and SAPA), and external assumptions;
- 2) Identify the PA's management focus and identify indicators, means of verification, and external assumptions; and
- 3) Identify specific activities per management focus, then identify indicators, person responsible and timeline. Indicators must be in quantitative structure for easy targeting and assessment of the accomplished activities. For instance, instead of evaluating the number of workshops conducted, it will be more appropriate to evaluate the number of accomplished outputs during the workshops.

The template and details of the logical framework are provided and defined in ***Annex C***.

- 5.9. Financial Plan.** The Management Plan shall include the necessary investment requirements for its implementation. It shall identify: (a) financial needs, now and in the long-term; (b) the "goods and services" produced by the PA; (c) the economic value of these products; and (d) the potential "customers" (i.e. not just park visitors, but anyone who derives benefits from the goods and services of the protected area). The sum total of this information should be analyzed in relation to resource allocation; where cost cutting measures may need to be made; when and to what extent cash flow problems may emerge; and the new funding opportunities to be pursued, among others.

The financial planning process is provided in *Annex D*.

Section 6. Management Plan Implementation. An Implementation Plan shall be prepared covering the duration of the Management Plan. This will elaborate how the PA management plan shall be implemented. *Annex E* provides the template for the Implementation Plan.

An Annual Work and Financial Plan (AWFP) shall be prepared by the PASu based on the implementation plan following the annual national government budgetary cycle and its corresponding guidelines. The AWFP shall provide detailed guidance on the implementation of programs and projects within the protected area. The AWFP should be endorsed by the PAMB and submitted to the Regional Office for approval.

The PASu as the Chief Operating Officer of the protected area shall be accountable for the effective implementation of these plans with the guidance of the Regional Director and the PAMB. The Regional Office shall likewise ensure that timely technical and financial assistance are provided to support the implementation of the management plan. The DENR through the CDD and BMB shall provide overall guidance and technical assistance in the implementation of management plan.

Section 7. Monitoring and Evaluation. Monitoring and evaluation shall be carried out to document and measure overall performance and the achievement of the desired results set out in the Management Plan. Performance indicators for measuring the desired results shall be provided in the Management Plan, the results of which shall cover the expected improvements in resource management, socio-economic conditions (i.e. benefits captured) and governance arrangements, among others.

Monitoring and evaluation may be conducted monthly, quarterly or annually, depending on the regularity of the activity and the time needed to produce the outputs. The data collection frequency may be based on how the targets are programmed.

The Management Effectiveness Tracking Tool (METT) shall be utilized for assessing the performance and effectiveness of the Management Board. It shall be conducted every two years.

The Management Plan shall provide mechanism for reporting including frequency of submission of reports. While some data collection will be done quarterly, it is recommended that the analysis and the reporting on specific outcomes be on a semi-annual or annual basis.

Section 8. Endorsement and Approval. The PAMB through a Resolution shall adopt and endorse the approval of the PA Management Plan. The PASu through channels shall submit the PA Management Plan to the BMB for review. The Management Plan is deemed accepted unless formal written disapproval

from the Secretary is received by the PAMB on the ground of inconsistency with existing laws and related rules and regulations.

Section 9. Review and Updating. The PAMB shall review and update the PA Management Plan at least every five years. Any modification or revision of the management plan should be consistent with the NIPAS Act and its Revised IRR. The PASu and PAMB shall monitor and assess its implementation annually.

Section 10. Roles and Responsibilities. The PASu shall take the lead in the preparation of the Management Plan. He/She shall be responsible in the coordination with various stakeholders.

The PAMB shall actively participate in the formulation of the plan, review the final document and endorse its approval. It shall also ensure its implementation. The PAMB members especially from the local governments shall facilitate the harmonization of the Management Plan with their respective Comprehensive Land-Use Plans and other relevant local plans.

The Regional Office shall support the formulation/updating and implementation of the Management Plan. It shall likewise ensure the participation of stakeholders in the planning process and plan implementation. The Regional Office shall also maintain database of protected areas within their regional jurisdiction.

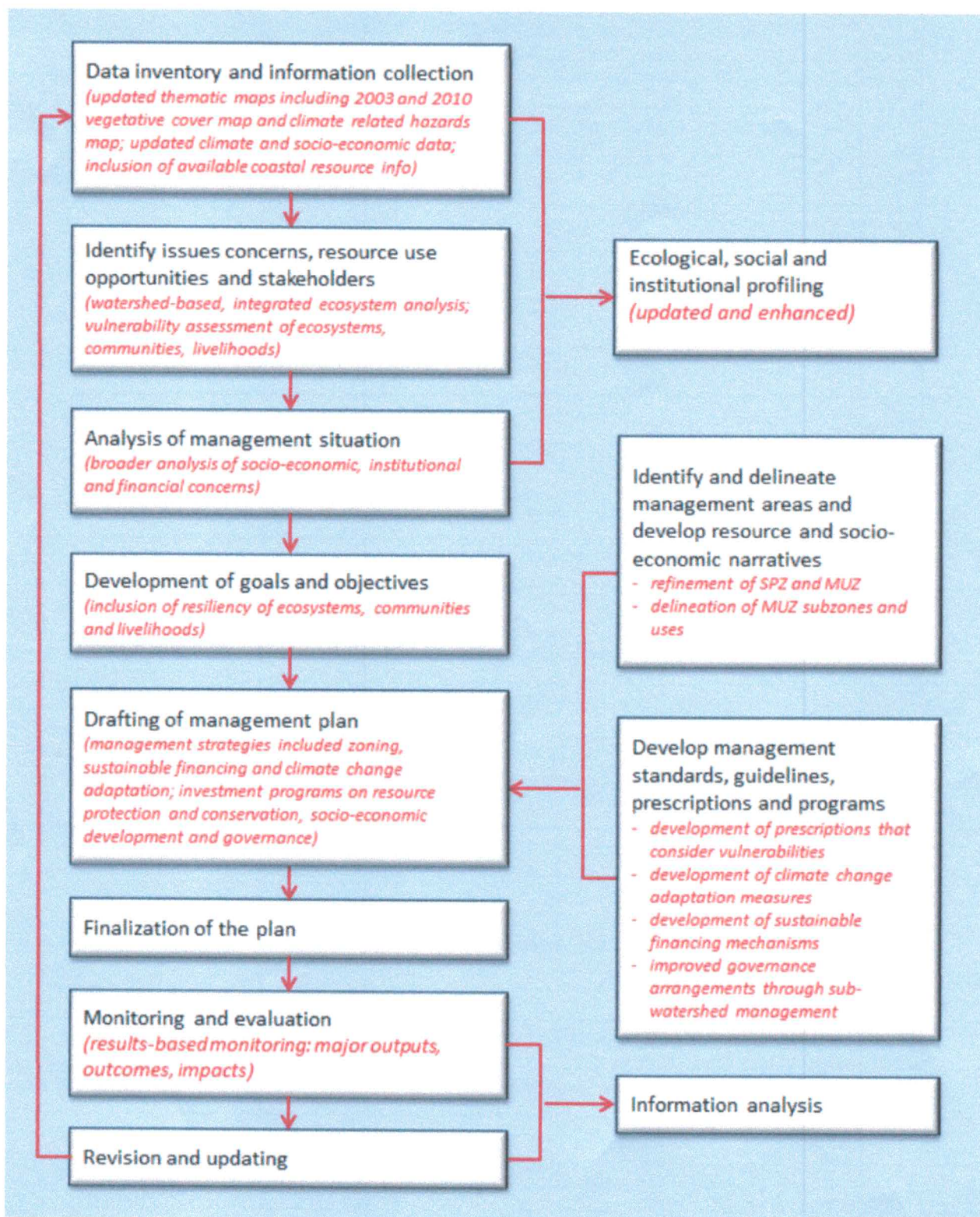
The BMB shall provide policy guidance for the formulation of the Management Plan based on existing laws, rules and regulations, as well as technical assistance in the development, review, implementation and monitoring of the Management Plan.

Section 11. Effectivity. This Technical Bulletin shall take effect immediately and shall be circulated for the information and guidance of all concerned.



THERESA MUNDITA S. LIM
Director

Annex A. The PA Management Plan Formulation or Updating Process



Annex B. Guide Questions for Describing Protected Area

SECTION	GUIDE QUESTIONS
5.2 Description of the Protected Area	
5.2.1 Bio-physical Profile	<ul style="list-style-type: none"> • Describe and analyze significant biological and natural resources (e.g. land forms, geological features, terrestrial and marine species, ecosystems etc. Describe open and degraded areas, actual land use of the area. • Identify natural resources and their relative location. Ecological values to be protected and ecosystem services that need to be sustained. • Describe natural phenomena and occurrences of hazards (e.g. typhoons, volcanic eruptions, flood / landslide prone area, geo-hazard area, fault line etc.) that threaten the capacity of the PA to continue to provide ecological and ecosystem services • Describe any observed adaptation or mitigation measures already in place (e.g. discovery of new feeding grounds for species; interventions being implemented by government, community, other entities • Include areas with ecotourism potential • Describe the local DRR plans or mechanisms that are in place in the community, what roles/responsibilities do men/women have?
5.2.2 Socio-Cultural and Economic Profile	<ul style="list-style-type: none"> • From SRPAO, summarize demographic data. • What are major economic undertaking within the PA and its surrounding communities? • Who and how many (men or women) are dependent on biodiversity and natural resources within the area? What is the assessment of the activities, are these threats or beneficial to the ecological system? • What are resources used by men and women in their activities? Are the activities done for household consumption or income? • Whose and what activities impinge in a helpful or harmful way? How significant are the impacts of these activities? • Locate and map the human settlements. What activities are men and women engaged in; what is the extent of area covered? Describe the human settlements which are in disaster prone areas. • Describe the skills and level of competencies of men and women in the protected area. Describe the on-going system of trading, marketing, credit

	<ul style="list-style-type: none">• Identify threats from incompatible/unsustainable projects of various agencies/private sector e.g. road building, quarrying, small scale mining, monocropping, introduction of invasive species etc.• Describe the species richness and abundance levels.• Identify potential economic activities e.g. ecotourism, livelihood activities that are not harmful to the protected area.• Describe potential impacts of the natural threats and occurrences of hazards (e.g. typhoons, volcanic eruptions, prone area, geo-hazard area, fault line etc.)• Describe the impact (positive and negative) of economic activities/ecotourism, livelihood activities to the men and women, ecological biodiversity in the protected area.• Describe the overall problem situation• What are the priority concerns and rationale for them? (perspective from ecologist, from men and women in the community, and from PA managers)• Validate information and summarize the results.• The women and men who were involved in the socio-economic and biophysical survey are also involved in the validation• Identify gender issues that must be addressed in the management plan thru programs and projects
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Annex C. Logical Framework

Definitions of various items in the logframe are described below:

1. **Goal-** main or over-all objective that the project is expected to achieve in the long run. This is further classified into:
 - Long-term Goal – The “Vision” identified in the PA Management Plans.
 - Short-term Goal – What the PA is expected to achieve within the timeframe of the management plan.
2. **Management Focus-** Based on the LFA, this is the “Output”, which is defined as products (e.g. goods and services) including imparted skills, knowledge, attitude changes immediately emanating from the intervention’s activities. In keeping with the framework of PA Management Plans, the Management Focus should cover various conservation programs that are to be implemented in order to address identified short-and long-term goals.
3. **Activity-** actions performed that contribute to the achievement of the specific Management Focus by mobilizing intervention’s inputs.
4. **Inputs** – resources (human, financial and material) used for undertaken activities
5. **Indicator** – defines the performance standard to be reached in order to achieve targets at various levels (Management Focus, Short-term Goal, Long-term Goal). Indicators should specify:
 - Target group (for whom)
 - Quantity (how much)
 - Quality (how well)
 - Time (by when)
 - Location (where)
6. **Means of Verification** – the expected source(s) of information that can help answer the indicators.
7. **External Assumption** – Event or condition which is necessary for project success, but which is largely or completely beyond the control of project management. This should describe the condition(s) that must exist if the project is to succeed but which are outside the direct control of project management.

Indicators, Means of Verification and External Assumptions should be identified at all levels of conservation and management targets (Management Focus, Short-term Goal, Long-term Goal).

The template below has been developed to aid in the programmatic planning required when using the LFA. Various targets described above should be inputted in the

Worksheet labeled, "Logframe". The final resulting target will be the activities which need to be budgeted, and the timeline for implementation projected.

Programming of activities should be laid out in the second worksheet labeled, "M & E". This will aid in properly identifying budget projections per year.

LOGFRAME

LOGFRAME					
Long-term Goal (Link to SSME CAP Outcome)		Indicators		Means of Verification	External Assumptions
<p>A robust Natural Park which diverse ecosystems recognized locally and globally as sustainably and responsively managed by enlightened resource-dependent communities and stakeholders towards long-term ecological and economic benefits of humanities through inter-generations.</p>		1	Biodiversity and ecosystems within 53,262 hectares (Core zone: 33,700has; Buffer zone: 19,562has) of MMRNP conserved and protected.	Inventory report, vegetation maps	
		2	Subanen IPs and other local communities are provided with tenurial instruments and livelihood	Certificates of tenurial instrument, perception survey results	
		3	PAMB, PA staff and LGUs capacitated to implement various plans and programs to facilitate financial sustainability of the PA	Organizational chart, financial and accomplishment reports	
Short-term Goal (Over-all Project Outcome)		Indicators		Means of Verification	External Assumptions
1	To secure the integrity of the MMRNP (ridge to reef) in order to maintain a robust and balanced-ecology that provides sustainable benefits through inter-generations	1.1	By 2014, updated biodiversity (baseline flora and fauna) information for MMRNP	Inventory report submitted and accepted by PAMB	Good weather condition, partner academic institutions available to provide technical assistance

	1.2	Continued patrolling operation to protect 53,262 has of MMRNP	Patrol monitoring reports, cases filed (CENROs, PA Office), apprehension reports.	Livelihood assistance and other continuing incentives provided to Bantay Lasang volunteers; Availability of LGU support
	1.3	Continued monitoring of high conservation value, threatened and endangered species within MMRNP	BMS Reports	Additional technical support is provided through partnerships with academic institutions
	1.4	By 2018, at least 6 has degraded freshwater lakes and 41 has major rivers within MMRNP are rehabilitated.	Map of degraded areas, Accomplishment reports submitted to PAMB	Cooperation of local communities and other stakeholders
	1.5	By 2018, at least 47 peoples' organization promote and adopt nature farming system for soil fertility restoration and sustainable production.	Training reports, livelihood proposals approved and assessment (technical and financial) reports with sustainability component, minutes of regular mtgs of Pos	Technical assistance from other institutions (i.e. Line agencies, LGU, NGOs); Cooperation and acceptability of POs
	1.6	By 2018, 167 kms coastline within MMRNP covering 11 municipalities and 3 cities are protected and conserved	ICM Plan formulated and implemented, CRM certification issued to concerned LGU; MOA between LGU and CSOs (i.e. Iligan Bay Alliance for Misamis	Technical assistance from national government agencies (DENR, BFAR, DOST, DILG, DOT, DTI), League of cities and municipalities, NGOs,

			Occidental)	academe	
2	To enhance the adaptive capacity and resilience of local communities & stakeholders in the Mt. Malindang Natural Park to climate change and variability to minimize risks and disasters.	2.1	By 2014, socio-economic and environmental impact of climate change in MMRNP, including adaptation practices are documented and assessed	Documentation analysis report on CC impact, and adaptation practices/ mechanisms submitted;	Technical support from multi-sectors and agencies
		2.2	By 2014, mapping of vulnerable and disaster-prone areas around MMRNP reviewed and updated.	Report and recommendations submitted	Technical support from agencies (e.g. NAMRIA, PAG-ASA, etc.) and LGUs
		2.3	By 2015, Local Climate Change Action Plan (LCCAP) in Mt. Malindang area is jointly formulated by the local communities & stakeholders and adopted for integration in the overall development plan of the province of Misamis Occidental & the eastern part of Zamboanga peninsula.	LCCAP integrated and implemented; resources allocated; progress report submitted	Cooperation and support from PAMB, LGUs, CSOs, private sector & assisting government agencies
		2.4	By 2018, drivers of deforestation and degradation affecting climate conditions and increasing vulnerabilities are effectively addressed and responded.	MOA with LGUs & Local communities signed & implemented	Shared cooperation and responsibility supported and sustained
		2.5	By 2014, climate and carbon stock values fully assessed and measured.	Report submitted to PAMB &	Technical assistance from experts

		2.6	By 2015, climate financing mechanism for MMRNP accessed and utilized	REDD-plus proposal submitted; MOA with potential climate financing agencies (market & non-market)	Technical assistance from experts and commitment for long-term support from donor financing agencies.
3	To transform Park occupants and stakeholders as co-managers/ stewards of the natural resources entitled to their legal and God-given rights for survival and development.	3.1	By 2018, school curricula are enhanced to integrate preservation of Subanen culture and tradition that promote conservation and protection of MMRNP.	MOA with LGUs, DepEd and other academic/vocational institutions	Support and cooperation from DepEd, LGUs
		3.2	By 2018, sustainable agro- and cultural-based ecotourism livelihood value-chain activities are implemented in order to increase income and reduce poverty incidence among the Park occupants.	Partnership agreement with concerned Pos	Active participation and cooperation of Pos
		3.3	By 2015, legitimate park occupants acquire appropriate tenure instrument over tilled lands for food and economic security.	SRPAO, PACBRMA, CADC/CADT, SAPA	Compliance of park occupants on the terms and conditions of the agreement
		3.4	By 2018, existing linkages and partnership between stakeholders across Misamis Occidental and Eastern Zamboanga influenced areas are sustained and enhanced that raises and broadens the conservation awareness of the Park	Partnership agreement(s) for specific identified joint/collaborative activities	Continued cooperation and willingness of concerned stakeholders to support MMRNP initiatives

	Management Focus		Indicators	Means of Verification	External Assumptions
1					
2					
3					
4					
Activities					
	Management Focus 1				
	Management Focus 2				

Annex D. Financial Planning Process for Protected Areas

1. IDENTIFICATION OF SPECIFIC FINANCING NEEDS

After identifying the key activities needed to achieve PA goals using the LFA, the next step is to determine the amount of funds needed to implement those activities. This section discusses a proposed method for doing this step: the Activity-Based Cost Accounting.

The **Activity-Based Cost Accounting (ABC)** is a costing methodology that identifies activities and assigns cost for each activity according to specific budget items (i.e. personnel, meetings, travels, supplies, etc.). This method allows systematic and realistic budgeting of planned programs and activities identified in the PA management plans. This also facilitates effective implementation when confronted with budget constraints as information generated from this exercise will provide us required budget information per activity which will allow PA managers to realign budget costs and make other adjustments as necessary as mentioned in the previous section.

The set of worksheets in the **PA Financial Plan Template** provides for the development of budgetary requirements in implementing PA Management Plans using the **Activity-based Cost Accounting Framework (Annex D-1)**.

The set of budget worksheets should always be referred back or linked to the "**Logframe**" **Worksheet** as it is the final resulting set of activities that should be budgeted. The worksheets provide automated summaries for the following:

- Management Focus per Line Item
- Management Focus per Year
- Line Item per Output
- Line Item per Year

Standardized budget line items included in the ABC Worksheets are:

1. Personnel – includes total amount for full-time, part-time and temporary staff salaries including fringe benefits
2. Professional services and Consultants – includes the costs of hiring professional consultants with special or highly technical skills
3. Travel – Includes estimated costs for transport or per diem expenses during travel
4. Meetings and special events – Costs incurred for meetings, workshops, surveys, trainings, focused group discussions, consultations, and other specific activities, including related travel expenses.
5. Equipment, furniture and infrastructure – Includes all equipment purchases and infrastructure development.
6. Printing and publications – Costs incurred for all printing and publication requirements, including reproduction services.
7. Supplies – Includes office, workshop and field supplies, including survey materials and data purchases (e.g. maps and images)

8. Incentives – Includes incentives provided community members (i.e. Bantay Gubat) and other related costs for the provision of alternative livelihood programs.
9. Utilities – Includes corresponding costs for electricity, water, communications, etc.
10. Miscellaneous – Includes maintenance costs, repair, insurance, registration, etc.

2. IDENTIFYING NEW SOURCES OF REVENUE

Five types of potential revenue generating and sustainable financing schemes in PAs have been identified as follows:

2.1 Payment for Ecosystem Services (PES) or PES-like schemes for watershed protection

The payment for ecosystem services (PES) scheme is a voluntary transaction where a well-defined ecosystem service (e.g., a land use likely to secure that service) is bought by a buyer from a provider (Wunder 2005). PES works if the buyer(s) values the service more than the cost to providers of maintaining such service.

In the case of watersheds, management usually involves upstream land users and downstream water users. Upstream land users (in protected areas, mostly illegal settlers or indigenous population) may be paid for not using the land in ways (e.g., stop deforestation, undertake afforestation, reduce soil erosion on agricultural lands, or cease slash-and-burn agriculture) that will affect water quality and quantity for drinking water, irrigation, maintenance of dry season flows, and control of sedimentation, among others, downstream.

PES schemes usually rely on flexible structures that can be self-supporting in the long run, thus likely to be sustainable. Also, successfully implemented PES schemes can lower costs for PA managers as more of their work is taken over by local stakeholders. Effective PES schemes can lessen local threats as more resource users directly and materially benefit from conservation. PES schemes are expected to result in sustainable financing for conservation, in addition to traditional modes of raising revenues by the PAMB.

The following are the key steps on setting up payment schemes for watershed services:

- a) Identifying potential buyer/s and seller/s of watershed protection services
- b) Gathering previously conducted hydrological studies to establish watershed boundaries for the scheme, when feasible
- c) Designing and recommending detailed site-based steps to secure some legal form of tenure for local sellers, if not yet existing
- d) Community consultations and recommendations for capacity building among local stakeholders who will participate in the scheme
- e) Clearly defining the role of local and national government bodies
- f) Economic valuation studies to establish the appropriate “price” for the payment scheme, using the most appropriate valuation method for each local area to be studied

- g) Designing the negotiating parameters and processes that can yield agreements
- h) Recommending a suite of options of appropriate legal instruments and agreements, when feasible
- i) Designing a monitoring scheme to ensure sustainability and continuity

2.2. Estimating appropriate fines for damages

This scheme imposes charges or fines on human activities in or close to the protected area that have adverse impacts (damages) on the ecosystem and the supply of ecosystem services. The Protected Area Management Board can impose charges to recover the loss of ecosystem services and/or impose fines to deter activities that cause the adverse impacts.

Charges and fines can be a significant source of revenue for the protected area at certain times. However, because these activities cause adverse impacts, they are highly regulated or prohibited. Consequently, as regulation and enforcement become more effective, revenue from charges and fines lessens in amount.

In some cases, where the activity is continuing and the adverse impact is manageable, the recurring charges imposed on the activity can be a sustainable source of revenue for the protected area. Such is the situation in some protected areas where human activities (household or commercial scale) have resulted in damages to the protected area. Damage in this context refers to the either (or both) of two things: loss or destruction of resources or components of the ecosystem (e.g. trees cut) in the protected area, or the reduction in the magnitude of the natural goods and services supplied by the ecosystem.

Under this scheme, the objectives are primarily to 1) determine what the efficient price (or unit cost) of damages is; 2) assess and attach a value to the damages that have been caused by pre-identified economic agents or stakeholders within a protected area.

The damage estimates give us an idea of the value ecosystem services lost because of the activities. However, the charges and fees to be imposed must also include other considerations. For example, is the activity allowed or prohibited? If the activity is allowed in the management plan, the charges have to include the cost of regulation, M&E, among others. If the activity is prohibited, the fine has to be sufficiently high to deter the activity, which is on top of the damages sought to be recovered and the cost of regulation. If the activity is allowed, but no permit was obtained, the activity must also be treated as a violation (prohibited act) and assessed the same level as the fines.

2.3. Enterprise development

Development of social enterprises in PAs provides for the support that the communities need to harness their potential to find economic stability and not to depend their livelihood to the natural resources found within the PA.

Self-sustaining, biodiversity friendly enterprises of local communities can help ensure the sustainability of PAs. Enterprise development is a relatively new solution in addressing poverty alleviation and environmental conservation at the same time, thus minimizing one of the major threats to biodiversity conservation.

Examples of social enterprises that can be done in PAs are the following:

- Agroforestry, e.g., coffee, cacao, fruits and nuts organic farm
- Non-timber forest products, e.g., honey, pandan basketry, bamboo craft
- Genetic resource management, e.g., seed banking and nurseries for endangered endemic tree and plant species
- Ecotourism, e.g., trekking, , spelunking, bird watching, snorkeling

Implementing an enterprise development program in a PA involves building the financial, technical, and management capacity of the communities in managing the enterprise; analyzing the value chain of the chosen industry; evaluating technical lessons learned in production; and linking with consumer markets.

When implemented properly, enterprise development can be directly linked to the short and long-term goals of PA management. Some key processes in enterprise development are:

- Conduct of Participatory Rural Appraisal (PRA) of the resource profile and resource use in the selected barangays. This process will also determine the needs as well as the resource base of the target stakeholders.
- Formation of new/or reorganization and reorientation of existing community organizations that will own and develop the social enterprise.
- Conduct of Community Development Planning to define the vision, mission, goals and strategy of the community organization. The product or service of the social enterprise to be set up is also defined during the process, guided by the data/information from the PRA.
- Conduct of Capability-Building to address the specific needs of the community organizations as they prepare to establish their social enterprises.

2.4. User fees based on DAO 2016-24

DENR's Administrative Order 2016-24 provides the principles and guidelines in determining fees for access to and sustainable use of resources in these PAs. Fees for access are known as user fees.

In setting the user fees, the principles stated in DAO 2016-24 should be complied with. For protected area entrance fees and facilities user fees, the cost-recovery principle is used. Revenues to be collected should cover, as much as possible, a reasonable proportion of all costs incurred in protecting, maintaining and enhancing the natural attractions of the protected area.

For facilities user fees, collected revenues shall cover, as much as possible, a reasonable proportion of all costs incurred in providing and maintaining the man-made facilities in the protected area. Examples of user fees that can be applied in most Philippine PAs are the following:

- Entrance fees
- Fees for snorkeling, diving, mountaineering/trekking commercial film and still photography

- Development fee, e.g., telecoms user fee
- Resource user fees, e.g. water use fee, fishery resource use fee; agricultural production fee
- Facilities user fee, e.g. parking fee

Like any activity undertaken within PAs, it is important to ensure that the resource use activities for fees are levied, as well as the location where such activities are done, are compatible with the PA's management goals and PA category.

2.5. Public-private partnerships

The public-private partnership scheme is based on the principle that the public sector can most effectively generate private resources for protected area management by providing incentives to the private sector to meet business objectives. The ultimate goal for this scheme is either increase revenues or facilitate savings for protected area management.

In setting up PPPs, it is important to ensure that the private sector is meaningfully engaged not merely as "donors," but as "partners" with a vested interest and an equal stake in the protection and improvement of the quality of shared resources and services derived from protected areas.

There are different avenues for PPPs, with the ultimate goal of either increasing revenues or facilitating savings for the protected area. Some strategies that may be explored:

- Optimizing private sector financing. This involves streamlining and restructuring available private sector financing allocated for CSR and environmental activities and programmatically transferring amounts to the Integrated Protected Area Fund (IPAF). The value proposition for the private sector was that such funds could potentially be more optimally used under a PA Financial Plan and leveraged together with other resources at the disposal of the PAMB and the protected area as a whole.
- Institutionalizing shared responsibilities. This involves unloading the burden of some management activities of protected area management to the private sector where these were logical and cost-effective to the private sector and/or contributed to the company's business objectives.
- Programmatic environmental permitting—This involves establishing an incentive scheme that streamlines multiple environmental permits (e.g., SAPA, environmental compliance permits) for companies with operations in multiple use zones and/or in special zones within protected areas. This could result in the identification of one "mother-permit" that the company will pay for which could cover all related permits and facilitate savings for the company. Such savings could then be allocated for activities to support protected area management.

These strategies are likely to work best as a package to balance between the introduction of incentives and the leveraging of resource and capital contributions in a way that is sustainable and makes business sense.

3. FORMULATION OF THE FINANCIAL PLAN

In general, the Financial Plan should identify the PA's goals, how it plans to achieve its goals, what are the financial requirements, and how will the financial targets be achieved.

The plan should provide recommendations on financial opportunities that are most cost-effective and viable, as well as a strategy for pursuing them. To do this, the plan must draw on the data from the long-term financial plan and a wealth of additional information about the site and region. While the audience of the detailed long-term financial plan is primarily the protected area managers, the narrative section of the Financial Plan should be designed to serve as a marketing and communications tool for the protected area. The audience is likely to include donors, government agencies and investors of various types. Therefore, the Financial Plan should be clear and compelling, and should inspire confidence in the level of financial capacity of the protected area managers.

Components of the Financial Plan

At the minimum, a protected area Financial Plan should include:

- An assessment of the start-up funds needed in pursuing the most viable sources or revenue for the protected area
- An assessment of the current revenue or sources of funds and revenue streams;
- An assessment of the funding gap
- Detailed strategies, next steps, activities and investments required to capitalize on the most viable opportunities. This may include a short-term fund raising strategy to raise the needed capital to pursue a particular strategy.

The Protected Area Financial Plan shall follow the outline below:

- I. Overview of current budget allocation and revenues
 - a) Current budget allocation
 - b) Current revenues
- II. Capital requirements
 - a) Institution-building costs
 - b) Recurring capital requirements
 - c) Proposed management and financial scenario
 - d) Revenue shortfall
- III. Revenue Generation Strategies
 - a) Proposed revenue generating schemes from the project
 - b) Revenue projections
 - c) User fees
 - d) Enterprise-building
 - e) Damage Fees: Land Rehabilitation Charges and Damage Fines

Following are the key steps in drawing the Financial Plan:

1. Determine costs needed together with cost requirements for activities identified for protected area management. Differentiate capital requirements or start-up funds from recurring costs and long-term programmatic targets.
2. Compare the resulting financial requirements against current revenues of the PA in order to identify funding gap and form basis for determining resource generation opportunities.
3. Describe the revenue generation strategies to effectively implement the PA management plan and close the funding gap.
4. In allocating budgets, prioritize the programs that are within the term or period covered by the management plan, according to strategic considerations. This shall allow strategic programming of identified activities that is necessary in the effective implementation and facilitate achievement of the long-term goal.
5. Identify other institutions that can serve as strategic partners that can contribute to the achievement of specific activities.

4. OUTREACH AND COMMUNICATION

Once the PA Financial Plan has been prepared, it is important to plan how this can be communicated to relevant stakeholders, including potential funding sources. The Financial Plan is a tool; for the plan to be successfully implemented, an outreach and communication plan should also be considered to be able to outline a strategy on how to market the PA and generated interest among potential partners or funding sources.

The following are recommended steps that should be done after the preparation of the PA Financial Plan:

- **Budget allocation (national government).** The PASu, in consultation with the RD and BMB, should identify financial resources that can be allocated by the DENR. This should be reflected in the Annual Work and Financial Plan of the PA and submitted through regular budgeting procedures of the government. This particular item may include the administrative cost of the PA management.
- **Project/partner identification.** The PASu should identify potential conservation projects by other institutions that maybe able to cover some components of the Financial Plan and negotiate possible partnerships through forging of memorandum of agreement.
- **Stakeholders' forum.** The PAMB should initiate a forum to present the PA Financial Plan to priority stakeholders. It is important that prior to this activity, the PAMB, through the PA staff, identify potential funding partners that maybe able to fill in the financial gaps of the Financial Plan.
- **Social marketing.** The PASu office, supported by the concerned DENR regional offices, should prepare and initiate social marketing of the Financial Plan to ensure that the funding requirements of the PA management are met. The marketing strategy may involve presentation and lobbying with local development councils and *sanggunians* for the allocation of certain funds, particularly in biodiversity

protection measures and socio-economic requirements of communities; establishing partnership with conservation NGOs, research institutions and academic community for the implementation of research agenda and conservation education and awareness component of the PA management plan; developing private-public partnership to generate funds that may include resources for habitat restoration and ecotourism development.

Annex D-1
Activity-Based Cost Accounting Framework

**Budget Summary
per Management
Focus**

Management Focus	Personnel/ Core Staff	Short-term project Staff/ Consultants/ Professional Services	Infrastructure, equipment, furniture, vehicle	Meetings and Special Events	Travel	Supplies and Materials	Printing/ Publication/ Service Contracts	Utilities - Electricity, Water, Communication (data and print)	Incentives (law enforcement, livelihood, etc)	Miscellaneous (Insurance, registration, repair, etc)	Total	%
Biodiversity Program	0	6,480,000	5,688,000	5,250,000	850,000	24,279,600	40,000	0	0	0	Php42,587,600	23%
Cultural Program	0	300,000	0	349,200	0	0	0	0	0	0	Php649,200	0%
Water sustainability Program	0	5,994,000	0	10,790,000	7,220,000	25,225,000	0	0	0	0	Php49,229,000	27%
Tourism Program	0	300,000	180,000	6,920,000	3,024,000	0	0	0	900,000	0	Php11,324,000	6%
Risk reduction and general health and safety program	0	3,600,000	450,000	0	1,800,000	0	0	0	0	0	Php5,850,000	3%
Enforcement	0	0	280,000	625,000	12,096,000	0	200,000	0	0	0	Php13,201,000	7%
Multi-level, audience appropriated communication programs	0	300,000	0	0	1,300,000	3,500,000	0	0	0	0	Php5,100,000	3%
Collaborative and Adaptive Zoning Process	0	0	500,000	1,200,000	50,000	0	0	0	0	0	Php1,750,000	1%
Administrative	22,189,020	5,040,000	1,448,000	3,500,000	840,000	700,000	0	12,600,000	0	6,082,000	Php52,399,020	29%
0	0	0	0	0	0	0	0	0	0	0	Php0	0%
Sub-Total	22,189,020	22,014,000	8,546,000	28,634,200	27,180,000	53,704,600	240,000	12,600,000	900,000	6,082,000	182,089,820	
Grand Total											Php182,089,820	

Budget Summary per Line Item

Line Item	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total	%
Personnel/Core Staff	3,169,860	3,169,860	3,169,860	3,169,860	3,169,860	3,169,860	3,169,860	Php22,189,020	12.19%
Short-term project Staff/Consultants/Professional Services	1,518,000	4,266,000	2,766,000	3,966,000	2,766,000	3,966,000	2,766,000	Php22,014,000	12.09%
Infrastructure, equipment, furniture, vehicle	6,866,000	1,680,000	0	0	0	0	0	Php8,546,000	4.69%
Meetings and Special Events	4,459,600	5,424,600	3,850,000	3,850,000	3,850,000	3,850,000	3,350,000	Php28,634,200	15.73%
Travel	2,790,000	5,240,000	3,590,000	4,190,000	3,590,000	4,190,000	3,590,000	Php27,180,000	14.93%
Supplies and Materials	1,364,600	8,740,000	8,740,000	8,740,000	8,740,000	8,690,000	8,690,000	Php53,704,600	29.49%
Printing/Publication/Service Contracts	40,000	200,000	0	0	0	0	0	Php240,000	0.13%
Utilities -Electricity, Water, Communication (data and print)	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	Php12,600,000	6.92%
Incentives (law enforcement, livelihood, etc)	0	0	300,000	300,000	300,000	0	0	Php900,000	0.49%
Miscellaneous (Insurance, registration, repair, etc)	776,000	736,000	946,000	806,000	866,000	1,146,000	806,000	Php6,082,000	3.34%
Sub-Total	22,784,060	31,256,460	25,161,860	26,821,860	25,081,860	26,811,860	24,171,860	182,089,820	
Grand Total								Php182,089,820	

