

AFRICAN PARKS



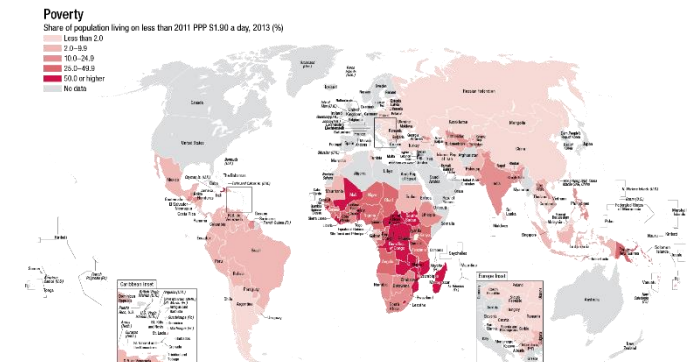
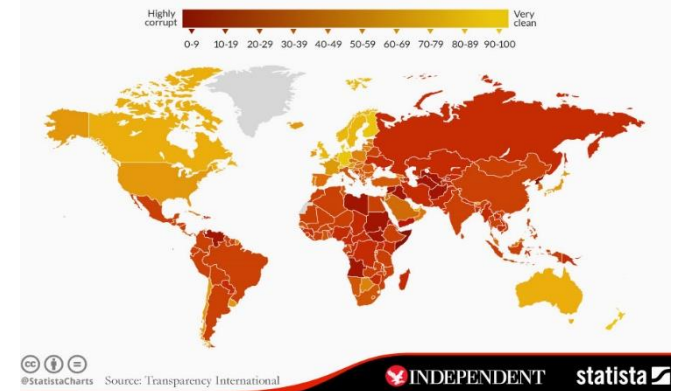
Parque Nacional do Arquipélago do Bazaruto

The Problem

- Africa is facing a conservation crisis
- Africa has 8359 protected areas covering in excess of 2.3 million square kilometers BUT they are mostly failing badly:
 - Intrinsic
 - Chronic and severe lack of State funding
 - Lack of capacity in State organizations
 - Corruption & complicity
 - Limited accountability
 - Limited political support for conservation
 - Extrinsic
 - Population growth – 2.5 billion by 2050
 - Poverty (19 of the poorest 23 countries)
 - Poor governance & Govt. support
 - Disenfranchised local communities
 - Commercial extraction of resources
 - Poaching of high value species
 - Habitat loss
 - Energy demands (deforestation)
 - Conflict

Global public sector corruption visualised

Countries and territories ranked on perceived public sector corruption in 2015

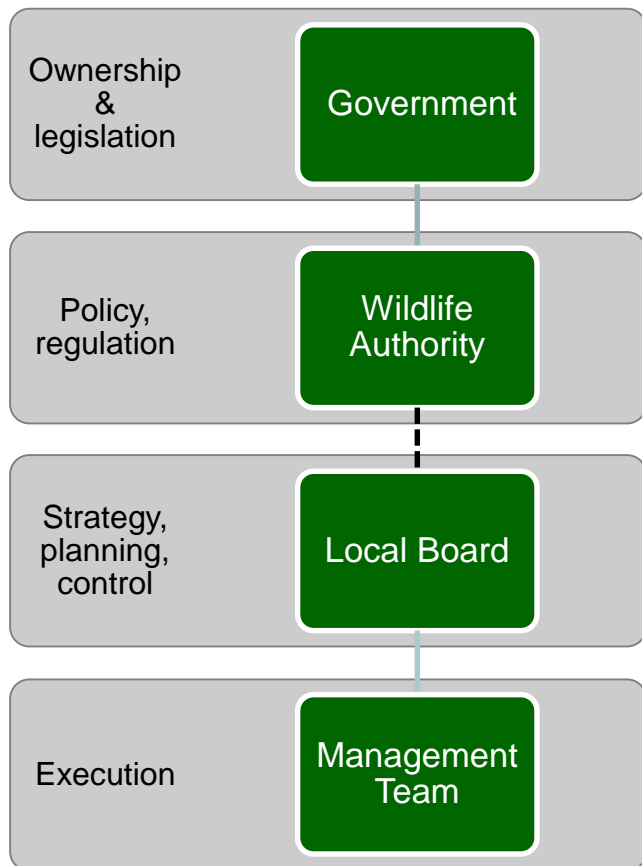


The African Parks model as one solution

- African Parks presently manages 11 Parks and Reserves across diverse ecoregions in 8 countries in partnership with host Governments, encompassing 6 million hectares and employing 1800 people.
- We take on direct management responsibility and are accountable to our Government hosts
- We implement robust local governance structures in partnership with Government
- We assume full responsibility to fund protected areas under our management
- We aim to provide a best-practise conservation management service to our Government hosts
- Demonstrated track record of success



The African Parks Model



- PPP between Govt and AP
- Separation of regulatory functions (State) from management (local Board)
- Full accountability
- Long term arrangement
- AP takes on direct management responsibility, incl. law enforcement
- Business approach to conservation
- Revenue retention at park level
- Appointment of management by AP
- Management in accordance with AP's SOPs

What is our value proposition

- Our value proposition to prospective Government partners:
 - Rehabilitation and recapitalization of a state asset
 - Alleviate the burden of cost & crowd in donor funding
 - Finance what is required vs budgets being set by what is available
 - Accountability for delivery
 - Accountability to donors & Govt for every \$ spent
 - Robust governance that involves our Government partner
 - Management expertise and capacity
 - Best practise standard operating procedures
 - Transform latent economic potential into shared financial value
 - Build the financial self-sustainability of the park
 - Community engagement – education, enterprise development & emotional attachment
 - Community peace dividend
 - Offsetting the cost to communities of living with wildlife
 - Job creation
 - Increased tax flows to Government



Our project objectives



Impact – Akagera example

	2010	2011	2012	2013	2014	2015	2016	2017 (MAY)	TOTAL US\$
P.A.Y.E	50,532	91,915	91,354	162,398	206,006	221,281	261,834	97,305	1,182,625
V.A.T	-	-	-	56,445	123,795	130,030	130,784	68,394	509,448
SALARIES (PAYE&RSSB included)	434,884	791,030	786,196	854,252	988,595	1,025,377	1,105,010	401,848	6,387,192
COMMUNITY BENEFIT	N/A	N/A	N/A	N/A	296,925	333,136	377,349	149,761	1,157,171
COMMUNITY FREEELENCE GUIDE	-	-	-	-	22,521	69,072	80,697	37,568	209,858
NUMBER OF EMPLOYEES	18	92	161	176	191	213	214		
NET BOOK VALUE OF ASSET (FA)	446,403	1,062,795	1,786,207	1,801,819	2,075,374	2,088,961	2,151,648	2,282,039	
ANIMALS	4,476			7,892		12,267			
PAYING VISITORS	15,259	20,657	21,108	22,773	23,893	27,551	30,911	9,746	171,898
TOTAL NET REVENUE	203,063	349,509	499,039	858,413	1,000,927	1,225,469	1,365,019	583,615	6,085,054
OPS & CAPEX COSTS	1,371,164	2,151,739	2,466,049	2,512,003	2,680,095	2,491,051	2,188,432	784,712	16,645,245



Impact – Zambia example

1. Investment into Zambia

- USD\$18m in Liuwa since 2004 & USD\$11.5m in Bangweulu since 2008
- Operating budget for Liuwa for 2017 = US\$1.8 million & for Bangweulu = US\$2.1m

2. Wildlife

- Eland, Buffalo and Lion have been reintroduced into Liuwa
- Wildebeest population in Liuwa from 15,000 to > 27,000; Zebra 2,700 to 5,800
- Black lechwe population in Bangweulu has grown from 15,000 in 2008 to over 50,000

3. Socio-economic

1. Permanent jobs up from 12 to 108 in Liuwa & from 28 to 99 in Bangweulu
2. King Lewanika Lodge opened in March 2017 - \$1.6m investment by AP; being managed and marketed by Norman Carr Safaris
3. Recapitalization of Shoebill Camp
4. Millions invested into direct community benefits

Pros & Cons of model in practise

- **Pros**

- Governance - separation of referee from player introduces accountability
- Co-management with Government at a strategic & governance level
- Funding – AP has a well established network of donors and we are able to raise the funds needed to get the job done. Projects are well funded
- Endowment fund = almost all money raised hits the ground
- Management – African Parks appoints skilled and experienced senior management staff and operates according to best practise standard operating procedures
- Development – invest heavily in infrastructure & mobility
- Crowd in private sector for tourism development
- Rehabilitation of previously depleted protected areas

- **Cons**

- We can only be effective where we are wanted – enabling environment is key
- Lack of understanding of our model as a PPP
- Perceptions & ensuing resistance



Our proposal for Bazaruto Archipelago National Park

- Governance:
 - AP to register local entity – African Parks Mozambique (APM)
 - Steering Committee (SC) to be formed comprising AP, APM, MITADER & ANAC
 - Business plan prepared by African Parks for approval by the SC
 - The Project is externally reviewed every 5 years
- Investment:
 - Total investment over first 5 years = \$10.3m
 - Build financial sustainability – 60% of operating revenue retained at BANP
- Management
 - A Project Management Unit, led by AP carries out day-to-day management
 - Project Manager is a Mozambican citizen who is also the Warden; reports to SC
 - All LE staff are employed by ANAC (or SIDAIE), or the Park, and will be seconded to the Project. All non Law Enforcement Staff will be employed by APM.
 - Management in accordance with African Parks Standard Operating Procedures

Management priorities for BANP

- Management & infrastructure
 - Strong management team
 - Recapitalisation of infrastructure
 - New vehicles, boats & aircraft
- Law enforcement:
 - Achieve area integrity - zonation plan
 - Combat illegal extraction of resources
 - Policing doctrine
 - Training & re-training
 - Equipment
 - Mobility & communications
 - Intelligence-led
- Community engagement
 - Emotional ownership of BANP
 - Education
 - Local enterprise development
- Wildlife & conservation management
 - All indigenous species are flourishing
 - BANP is a sanctuary for marine mega-fauna
 - Management underpinned by research
 - Monitoring & evaluation of indicator species
- Tourism:
 - Locals trained to be employable in tourism sector
 - Normalisation of concession agreements
 - Impacts are rehabilitated & mitigated
- Financial
 - Fund raising by AP to raise budget
 - Project audited every year
 - Proven systems & controls



THANK YOU

