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Business Plan for Tusheti Protected Areas



UNDP/GEF project "Catalyzing Financial Sustainability of Georgia's
Protected Areas System" (00070382)

Testing site-level revenue generation mechanisms in Tusheti PAs
Prepared by

**NACRES - Centre for Biodiversity
Conservation & Research**

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The views expressed in this report are those of the author and do not necessarily represent those of the United Nations or UNDP.

List of Abbreviations

APA – Agency for Protected Areas

ECFDC- European Consulting for Developing Countries

GCCW - Georgian Centre for the Conservation of Wildlife

GEF - Global Environmental Facility

GEL - Georgian Lari

IUCN – International Union of Conservation Networks

NACRES – The Centre for Biodiversity Conservation and Research

NGO – Non Governmental Organization

PA – Protected Area

TPA – Tusheti Protected Areas

UNDP – United Nations Development Program

USD – United States Dollar

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Executive Summary

Tusheti Protected Areas (TPA) are located in the high mountainous region of Georgia distinguished by exceptional aesthetic value and are characterized by remarkably rich biodiversity. TPA financial and human resources are managed by APA, while day-to-day management, physical protection, utilization and control of use of natural resources, promotion of tourism and study of local attitudes are the responsibilities of the TPA administration.

Goals and objectives of the TPA outlined in the management plan create the basis for the TPA business plan.

The 2011 actual data and, the 2012 actual and forecasted data have been used for the analysis of the expenses. The objective of the analysis was to assess the nature, seasonality and the behaviour of expenditures in order to determine the effectiveness and the predictability of future expenses.

There are three factors that determine the need for additional funding: (1) Costs related to the planned salary increase (starting from 2012), (2) the maintenance and repair costs of two new vehicles and (3) the actions planned under the management plan.

One of the main objectives of the business plan is to identify the gap between the expected income and expenses in order to take relevant measures for mobilizing additional income and/or for minimizing costs. Several options for the reduction or alimentionation of the estimated gap are proposed.

The TPA management plan envisages a number of activities and actions that have a potential of generating additional revenues. Revenues that may be generated from non-commercial activities depend on the level of interest of the Georgian and International public in TPA.

The PA management as well as staff members should seek ways of receiving maximum cumulative effect through implementing or financing several activities together. In addition, activities may be implemented in such way that the results obtained by one team be effectively used by another team.

The implementation of the TPA business plan directly depends on the implementation of the TPA management plan. In addition to developing performance evaluation report for the management plan it is advisable to develop a similar report for the business plan.

Three-year review of the management plan is a good solution for the business plan too.

1 Introduction

The Tusheti Protected Areas (TPA) protect a unique region of Georgia; a region of great national significance and arguably global importance. The word 'Tusheti' is synonymous with the alpine landscape, ecosystems, habitats and species and the people of the Tusheti region. It is the balance of wild nature and distinct local culture that makes Tusheti special. However, this combination of people and place presents a serious challenge in the 21st century; as without careful management these interactions could lead to the degradation of both natural and cultural values.

This business plan, together with the management plan represents the management strategy of TPA and will aid the TPA administration in managing the Tusheti State Nature Reserve (NR) and the National Park (NP). This plan, on the one hand, is a supplement to the management plan, consisting of financial information for the next 6-year period. On the other hand, it can be considered as an independent document, which will help interested parties make forecasts, communicate with donors and evaluate the performance.

This business plan has been developed within the component "Testing site-level revenue generation mechanisms in Tusheti PAs", implemented by NACRES under the UNDP/GEF project: "Catalyzing Financial Sustainability of Protected Areas of Georgia". The plan has been based on the document entitled: „Guidelines and Standard Format for Business Planning for IUCN Category I and II Protected Areas in Georgia (ECFDC/GCCW/AMECO) also developed within the project.

2 An overview of current situation

Tusheti Protected Areas is located in the high mountainous region of Georgia that is distinguished by high aesthetic value. Among the ecosystem services provided by TPA most important are: provision of clean air and fresh water, climate regulation and supply of natural resources

TPA is characterized by remarkably rich biodiversity and a mosaic of diverse habitats such as pine forest, sub-alpine shrubberies and forests, sub-alpine and alpine meadows and glaciers.

About 80% of alpine and sub-alpine meadows are used as pastures by local livestock farmers. People collect wood, berries and edible, dye-producing and medicinal plants to support their livelihoods. Small part of local people catches fish in the rivers and stream springs. The current shape of Tusheti landscapes is a direct result of traditional agricultural activities. Without constant but sustainable grazing it will be difficult to retain pastures and meadows in the current state.

By transhumant sheep farming, Tusheti is closely linked to the winter pastures located in extreme south-east of Georgia including those within the Vashlovani PA. These two PAs effectively share common cultural and ecological heritage.

The scope of this business plan is Tusheti Nature Reserve and Tusheti National Park. The National Park in turn consists of the following zones: (i) Strict Protection Zone, (ii) Traditional Use Zone, (iii) Visitors Zone, and (iv) Administration zone.

In accordance with 1996 Georgian law “on the System of Protected Areas”, TPA was officially established on 22 April 2003 by the specific law “on the Establishment and the Management of Tusheti, Batsara-Babaneuli, Lagodekhi and Vashlovani Protected Areas”.

The management of Tusheti Protected Areas is divided between two separate government entities. Tusheti State Nature Reserve and National Park are managed by the Agency for Protected Areas (APA), a legal entity of public law and its territorial unit – the administration of TPA, while the Tusheti Protected Landscape (TPL) is managed by Akhmeta Municipal Government through its territorial unit.

The TPA administration became operational as a legal entity of public law in 2006. In 2008, as a result of restructuring of Georgia’s PAs system, TPA became a territorial unit of the Agency for Protected Areas that was itself transformed into a legal entity of public law. The APA is subordinated to the Ministry of Environment and its roles and responsibilities are set out in its charter approved by the Decree of the Minister of Environment (1 February, 2008).

TPA financial and human resources are managed by APA, while such issues as day-to-day management, physical protection, utilization and control of use of natural resources, promotion of tourism and study of opinions of local population living near TPA are directly dealt by the TPA administration.

Local municipal government through its newly established Protected Landscape Administration is responsible for the management and control of the protected landscape as well as for the utilization of natural resources located within the protected landscape.

In accordance with the 1996 Law on the Protected Areas System, TPA is financed by the state budget. In addition, it is allowed to receive funds from other sources e.g. projects, donations.

Tusheti nature and unique culture attract local as well as foreign visitors. It is an ideal place for groups with special interests, including biologists, photographers, as well as for adventurers who consider hiking in the Caucasus mountains, crossing difficult passes and fast rivers, sleeping in tents and staying outdoors their way of recreation.

During the Soviet times, Tusheti was visited by large numbers of tourists from the Soviet Union as well as from abroad. Since the break-up of the Soviet Union, the tourist flow has declined dramatically. Since 2004, however, the growing trend of visitors’ flow has been observed. Despite the war and economic crisis in 2008, Tusheti was visited by more than 2,000 tourists in summer 2009. Overall, the number of visitors has been steadily increasing since 2009, with more than 50% growth rate annually.

For the purpose of this business plan, all permitted activities, restrictions and prohibitions, prescribed by the law, are of great importance. Detailed information on these issues is presented in article 38 of the TPA management plan.

Additional information on the TPA and APA may be found on the following web-sites: www.apa.gov.ge and www.tushetionalpark.com.

3 Assumptions

Successful implementation of the present business plan depends on a number of important assumptions and preconditions.

Goals and objectives of the TPA outlined in the management plan are the basis for the business plan. Respectively, implementation of the management plan is a precondition for the implementation of this business plan. Consistent and timely implementation of the actions set out in the management plan determines the credibility of the information contained in the business plan.

All changes made in the goals and objectives as well as in actions of the management plan should be reflected in the business plan too.

Any change introduced to the business plan should directly derive from the actual situation and should be based on a critical analysis. In order to facilitate the management of amendments to the business plan, it is necessary to ensure the regularity of the process.

Drastic fluctuations in the exchange rate, inflation, economic growth rate, state appropriations and other micro and macroeconomic indices from year to year were not considered during calculation of expenses and revenues. If any of such events occurs it will become necessary to recalculate financial figures of the business plan.

The actions of the management plan have their time lines (appendix 1). Any change in the timeframe will automatically result in a change of the financial indicators.

4 Expenses: Analysis and Forecast

The 2011 actual data and, the 2012 actual and forecasted data have been used for the analysis of the expenses. The objective of the analysis was to assess the nature, seasonality and the behaviour of expenditures in order to determine the effectiveness and the predictability of future expenses.

Based on the analysis, it can be concluded that the expenditures do not show any extraordinary features and with proper management, it should not be difficult to predict and optimize them.

4.1 The Composition of Current and Predicted Expenditures

The total annual expenses for TPA are 205,000 GEL. The largest proportion is salaries, making up 74.2% of total costs. The state budget expenditures are 167,000 GEL. The salaries are expected to increase, which is in part linked to the implementation of actions outlined in the management plan. (Appendix 4).

The second largest line item is capital expenditure. These costs depend on specific actions and vary significantly from year to year based on the specific needs. In 2011, a total of 21,000 GEL was spent from the state budget.

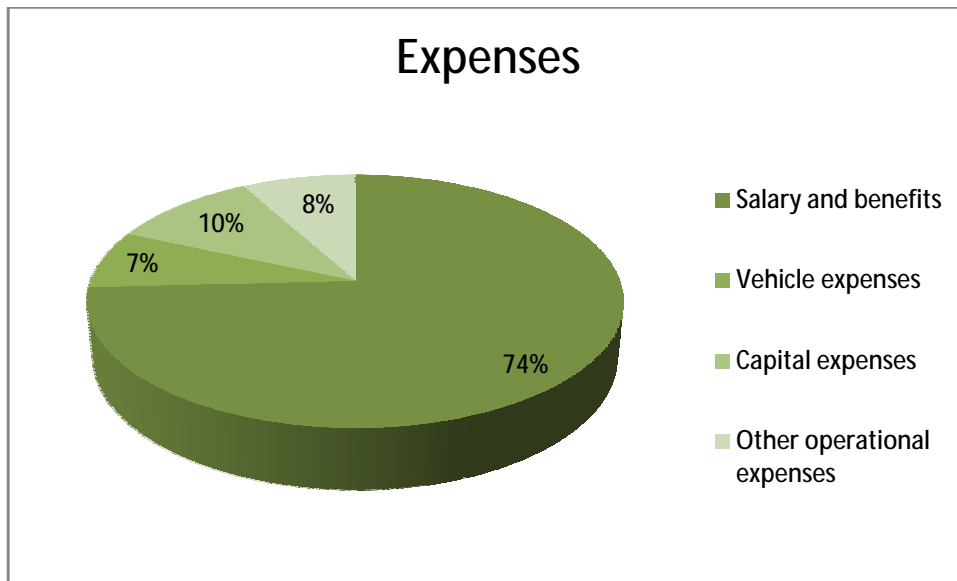
The third largest budget item is fuel and vehicle costs making up 15,000 GEL (7% of total costs). In the next couple of years these costs will increase significantly due to the planned procurement of new vehicles. However, vehicle maintenance costs will decrease in the first years of purchase of new vehicles since they should require less repair and maintenance.

All other remaining operational costs make up as low as about 8% of total costs.

Table 1: Composition of Expenditures

Expense Type	GEL	%
Salary and benefits	152,315	74%
Vehicle expenses	15,359	7%
Capital expenses	21,237	10%
Other operational expenses	16,494	8%
Total	205,406	100%

Chart 1: Expenses



4.2 Seasonality

Considering the seasonal nature of TPA activities, the expenditure may be expected to have uneven distribution over the seasons of the year. It may be difficult to manage and predict unevenly distributed costs. Therefore, it is of utmost importance to ensure adequate cash flow management over time. The more evenly distributed the expenditures, the easier the management and predicting of required expenditures for the next period, and the smaller the risk of any cash shortages. Fortunately seasonality is less reflected on TPA costs and this trend should be maintained in the future.

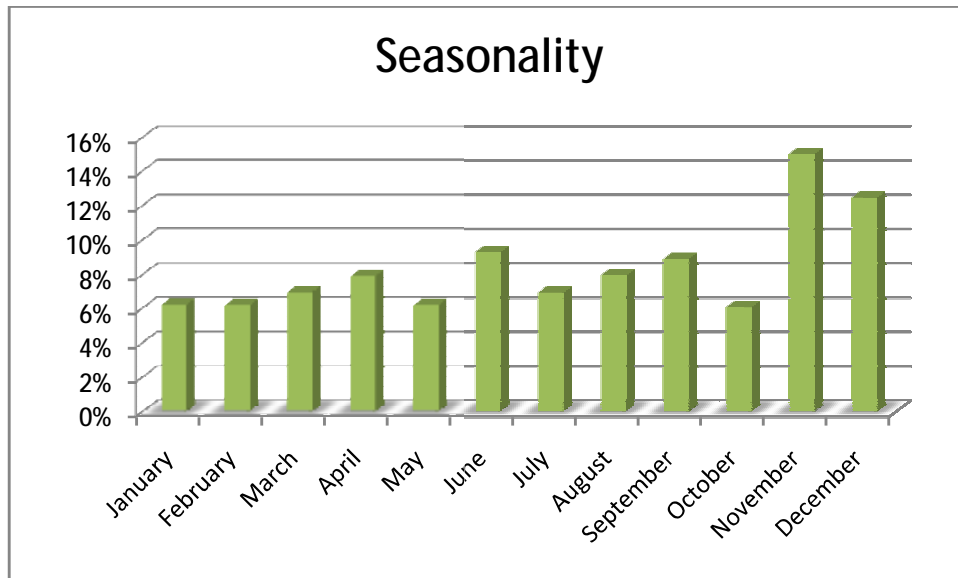
Table 2: Seasonality

Month	Expense	%
January	12,737	6%
February	12,635	6%
March	14,222	7%
April	16,248	8%
May	12,666	6%
June	19,090	9%
July	14,251	7%
August	16,316	8%
September	18,283	9%
October	12,476	6%
November	30,838	15%
December	25,643	12%
Total	205,406	100%

Monthly expenditures fluctuate from 6 to 15% of total costs and reach 15% only due the procurement of equipment. The increase in December is attributed to the payment of bonuses.

The seasonality of expenditures is likely to increase due to some actions planned for the summer months. However, this change is predictable and, easy to plan and manage. Thus, it should not cause problems to the optimum management of financial resources.

Chart 2: Seasonality



4.3 Fixed and Variable Costs

Currently, based on the fact that the majority of budget items (such as salaries, vehicle costs, communications costs, etc.) do not depend on external factors, but rather depend on existing contracts, amounts of available funding and optimal expenditures of the budget, the volume of variable costs is negligible.

However implementation of some of the planned actions will cause an increase in variable costs.

For instance, as a result of expanding patrolling activities (actions 1.2.3, 1.2.4 and 4.1.3, Appendix 1), costs that depend on the duration and size of patrolling perimeter are likely to increase. Such costs may include food for the horses, maintenance of horse shoes, food for the rangers, etc.

After significant amount of the actual information regarding costs and cost drivers is accumulated detection and evaluation of the above mentioned correlations may be useful for the analysis and optimization of future costs. At present it is impossible to carry out such an analysis.

In order to collect such data, it is necessary to keep detailed track of the use of resources. E.g. data should be recorded on the amount of horse food used and the mileage run by the horse, or on time spent by the visitor in the TPA and the time and resources spent on the cleaning of the site.

Collection of detailed data will be also useful for predicting revenues. For instance, it will be very beneficial to acquire data on visitors' statistics (citizenship, age, education, etc.).

4.4 Need for Additional Financing

There are three factors that determine the need for additional financing: (1) Costs related to the planned salary increase (starting from 2012). Since there will be no increase in state funding, the salary increment will be covered by CNF, (2) the maintenance and repair costs of two new vehicles and (3) the actions planned under the management plan.

The TPA expenditures can be divided into two major categories according to the sources of financing and implemented activities.

The first category is the costs for core activities: costs covered by the state budget and TPA's own revenues.

Table 3: Core Expenses

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Core expenses funded by state budget	188,800	188,800	188,800	188,800	188,800	188,800	1,132,800
Other core expenses	13,000	13,000	13,000	13,000	13,000	13,000	78,000
Total	201,800	201,800	201,800	201,800	201,800	201,800	1,210,800

The second is the costs related to the additional activities that require additional funding.

While the first category costs are known (in accordance with the annual budget), determining the second category costs needs additional calculations, since some of the activities of the TPA management plan will need additional human resources as well as other resources of various nature and cost.

Costs of course differ from each other but based on the required resources, can be divided into three categories:

1. Consultancy (individual experts or companies) costs
2. Operational costs excluding vehicle costs (transportation costs are predicted separately)
3. Capital expenditures

Each activity has been evaluated taking into consideration the intensity of required resource use (e.g. time consumed) and the costs of the required resources. For example, Activities 1.4.1 and 1.4.2 require highly qualified (most likely foreign) experts, while Activity 2.2.10 may be completed through the assistance of local experts.

Consulting and experts services also include work carried out by local and international NGOs.

As a result of the analysis, needs for additional costs have been estimated. Activity-base detailed information is given in Appendix 2.

Finances required for the implementation of activities are shown in Table 4.

Additional annual costs as well as costs for core activities are summarized in Table 5.

Table 4: Total Expenses

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Core Expenses	201,800	201,800	201,800	201,800	201,800	201,800	1,210,800
Additional expenses	312,630	407,380	326,880	223,980	247,980	230,380	1,749,230
Total Expenses	514,430	609,180	528,680	425,780	449,780	432,180	2,960,030

Chart 3: Total Expenses

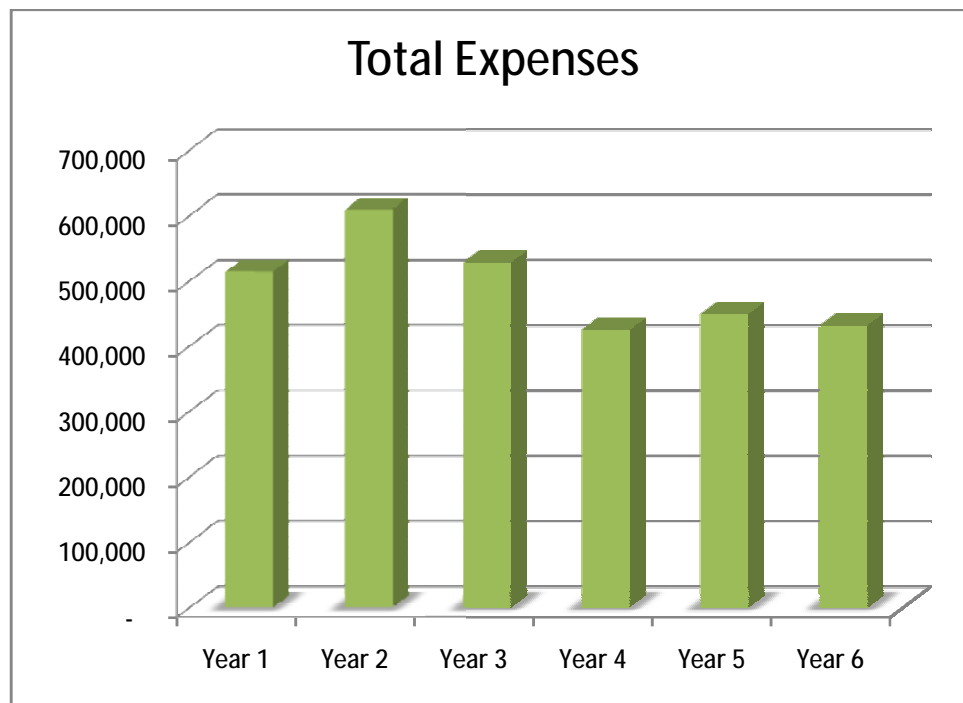


Table 5: Objectives and Their Costs

Program	Objective	Total for Year 1	Total for Year 2	Total for Year 3	Total for Year 4	Total for Year 5	Total for Year 6	Total	
Program 1 Protection, Conservation and Sustainable Use of Natural Resources	Strengthening cooperation with local, national and international organizations	-	-	-	-	-	-	-	
	Protecting habitats and species	18,000	2,000	5,000	1,000	19,500	15,500	61,000	
	Strengthening law-enforcement system	3,500	15,500	4,000	4,500	3,500	4,500	35,500	
	Sustainable use of natural resources on the territory of Tusheti PA	14,000	21,000	14,000	13,000	7,000	7,000	76,000	
	Facilitation of scientific research on the territory of Tusheti PA through deepening/establishing partnerships with relevant experts and institutions, according to the scientific research priorities	8,000	15,000	13,000	12,000	12,000	12,000	72,000	
	Establishment of comprehensive and effective system of biodiversity monitoring and implementation of respective activities	8,000	12,000	12,000	12,000	12,000	12,000	68,000	
	Capacity building of the PA Administration in biodiversity monitoring through the provision of relevant trainings and resources	16,500	2,500	7,500	12,500	5,500	2,500	47,000	
	Involvement of local communities, especially youth and children, as well as visitors in the activities related to biodiversity	9,500	4,500	6,000	4,500	9,500	4,500	38,500	
	Total Program 1	77,500	72,500	61,500	59,500	69,000	58,000	398,000	
Program 2 Eco-Education and Public Outreach Program	Capacity building for public awareness activities and introduction of efficient and wide-scale educational program.	-	2,500	-	3,000	-	-	5,500	
	Working with the local population through targeted eco-educational program.	11,750	15,500	10,500	7,500	12,500	7,500	65,250	
	Raising awareness of a wider population regarding TPA.	3,000	3,000	4,500	3,000	3,000	3,000	19,500	
	Improving communication and cooperation with the local communities and gaining their support.	2,000	2,000	2,000	2,000	2,000	2,000	12,000	
	Improving socio-economic conditions of Tusheti community in the manner that does not contradict with the TPA objectives or damage the environment.	-	-	-	-	-	-	-	-
		Total Program 2	16,750	23,000	17,000	15,500	17,500	12,500	102,250

Program 3 Ecotourism (Visitors) Program	Building local capacities in hospitality services and tourism.	9,000	15,500	11,000	9,500	8,000	9,500	62,500
	Development of safe and environmentally friendly infrastructure, guidelines and management systems for tourism and recreation.	30,250	45,000	48,000	3,500	13,000	3,000	142,750
	Marketing, promotion and information management of TPA.	15,500	27,500	26,000	10,500	15,000	10,500	105,000
	Increasing revenues from tourism and use of those revenues to support the activities of TPA Administration.	-	-	-	-	-	-	-
	Improvement of the quality and diversification of tourist services.	20,000	13,000	13,000	13,000	13,000	13,000	85,000
Total Program 3		74,750	101,000	98,000	36,500	49,000	36,000	395,250
Program 4 Administration Program	Improving the working conditions and motivation of the TPA Administration staff.	3,000	1,500	15,000	7,500	7,500	7,500	42,000
	Provision of relevant and sustainable financing for the implementation of the management plan.	-	-	6,000	-	-	6,000	12,000
	Organizational development of the PA Administration	14,000	7,500	9,000	7,500	7,500	7,500	53,000
	Improving TPA key operational infrastructure and technical base.	50,000	120,000	30,000	10,000	10,000	15,000	235,000
	Development of new partnerships and maintaining the existing relations with the stakeholders, donors and support groups.	-	-	-	-	-	-	-
Total Program 4		67,000	129,000	60,000	25,000	25,000	36,000	342,000
Program 5 Program for the Preservation of Cultural Heritage	Improving the knowledge on the current status of Tusheti cultural heritage.	2,000	-	-	-	-	-	2,000
	Facilitating public awareness of Tusheti cultural heritage and traditions.	5,000	6,000	6,000	6,000	6,000	6,000	35,000
	Increasing benefits from the cultural heritage of Tusheti.	11,250	13,500	18,000	13,500	13,500	13,500	83,250
Total Program 5		18,250	19,500	24,000	19,500	19,500	19,500	120,250
Total		254,250	345,000	260,500	156,000	180,000	162,000	1,357,750

One of the main objectives of the business plan is to identify the gap between the expected income and expenses, in order to take relevant measures for mobilizing additional income and/or for minimizing costs.

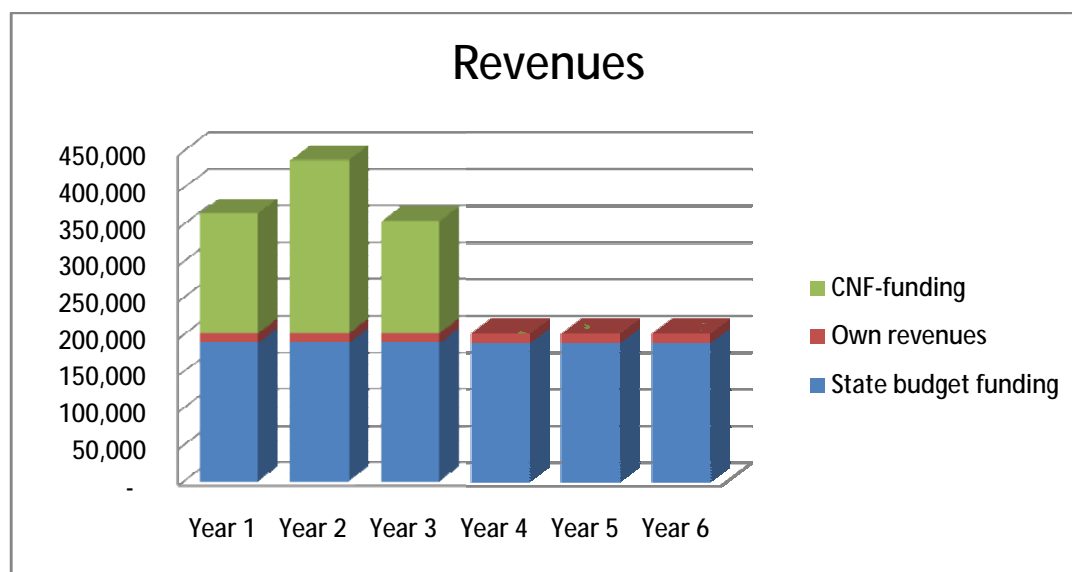
It is not advisable to include in the cost calculations income whose likelihood is very low. The inclusion of such costs into the prediction may encourage a misinterpretation of results by different stakeholders. This business plan thus envisages only revenues that are certain at present.

The revenues calculated considering mentioned approach are shown in table 6.

Table 6: Revenues

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
State budget funding	188,800	188,800	188,800	188,800	188,800	188,800	1,132,800
Own revenues	13,000	13,000	13,000	13,000	13,000	13,000	78,000
CNF-funding	163,410	236,210	152,430	-	-	-	552,050
Total Revenues	365,210	438,010	354,230	201,800	201,800	201,800	1,762,850

Chart 4: Revenues

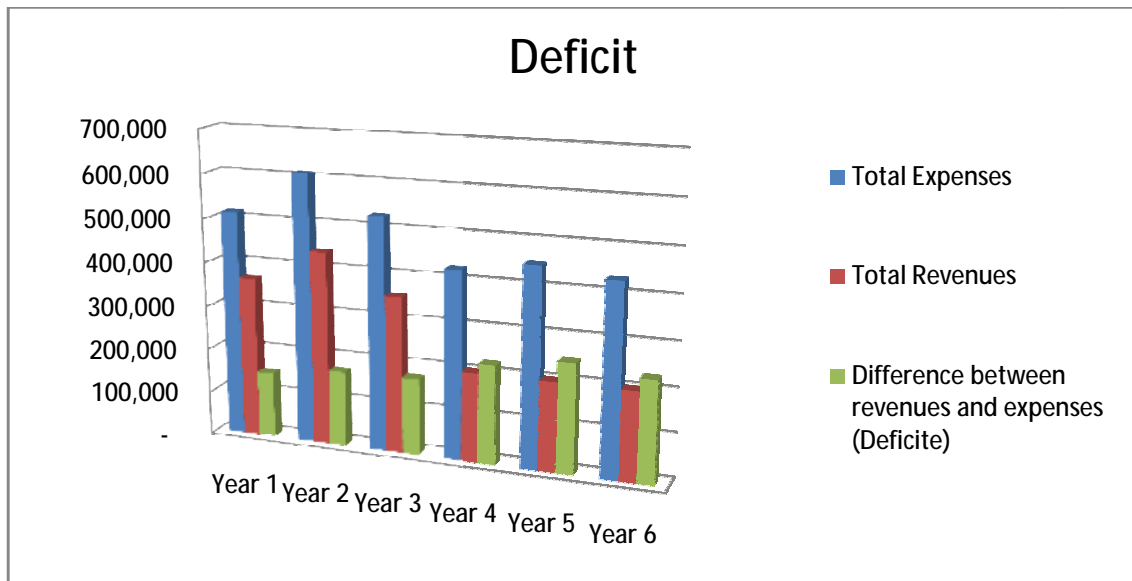


The difference between revenues and costs is shown in table 7.

Table 7: Deficit

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Total Expenses	514,430	609,180	528,680	425,780	449,780	432,180	2,960,030
Total Revenues	365,210	438,010	354,230	201,800	201,800	201,800	1,762,850
Difference between revenues and expenses (Deficit)	149,220	171,170	174,450	223,980	247,980	230,380	1,197,180

Chart 5: Deficit



More detailed information about expenditures and revenues is presented in Appendix #3.

In order to reduce or eliminate the estimated gap (deficit) several financial strategies may be applied:

1. Reducing costs through cancelling some of the planned activities
2. Increase of income through generating revenues from various sources
3. Reducing costs through their optimization

5 Financial Strategies

5.1 Strategies for Generating Revenues

The state funding of Georgian PAs, including TPA financing has significantly increased since 2003. However, based on the financial analysis it is evident that the current level of state funding is not sufficient for effective management and financial sustainability of TPA and thus, it is necessary that TPA generates its own revenues.

There may be two types of mechanisms of revenue generation:

1. Revenues from market based activities such as:
 - Revenues from selling entrance tickets to the park
 - Revenues from visitor services (horse riding, guides, etc.)
 - Setting special fee for carrying out scientific researches
 - Concessions
 - Revenues from utilization of natural resources
2. Revenues generated through non-market based mechanisms, such as:
 - Grants
 - Donations

Regarding the commercial activities, the TPA management plan envisages a number of activities and actions that have a potential of generating additional revenues or are likely to increase the likelihood or the volume of own revenues. Examples include:

- Objective 4 of the 1st program of the management plan
- Objective 1 of the 1st program of the management plan
- Objective 4 of the 3rd program of the management plan

In addition, other planned activities will enhance the attractiveness of the PA to tourists, to other potential special interest visitors and stakeholders (biologists, historians, ethnographers and other scientists, sociologists, students, etc.). Respectively, the number of visitors will increase.

Revenues that may be generated from non-commercial activities depend on the level of interest of the Georgian and International public in TPA. The higher their interest the more number of donors and the size of donations.

In addition, it is very important to retain protection of natural resources, their conservation and sustainable utilization as the major objective of the PA. Demonstrated willingness and motivation of the PAs to effectively carry out the above measures is likely to facilitate increased donor interest and hence increased amounts of grants secured for their implementation.

On the one hand, financial indices (revenue growth and cost reduction) can be considered as positive indicators. However, this is not always the truth. For example, cost reduction may be a result of the incomplete implementation of one or more of the important activities. Revenue growth

may be a result of unsustainable use of natural resources. Under such circumstances current financial figures will improve, while the future figures will certainly deteriorate (as a result of deterioration of overall performance of the PA).

Therefore, it is necessary to use only financial indicators that are for relatively longer time periods. Three-year review of the management plan is a good solution for the business plan too.

Activities implemented within the three-year period, information accumulated and results received by the end of that period, in parallel to the review of the management plan, would create a better opportunity for cross-checking business plan data and adjusting it to the current situation.

5.2 Strategies for Cost Reduction

The PA management as well as staff members should seek ways of receiving a maximum cumulative effect through implementing or financing several activities together. In addition, activities may be implemented in such way that the results received by one team are effectively used by another team.

Information for reducing costs and increasing revenues are given in the following documents:

1. Overall Assessment of Revenue Options and Cost-Saving Opportunities
2. Diversification of the Revenue Mechanisms Portfolio
3. Sub-Plan for the Marketing and tourism Development of Tusheti Protected Area Complex
4. Development of the Mechanisms for Local Revenue Generation in TPAs.

6 Funding Priorities

APA defines priority directions for next several years that are reviewed and revised annually.

Within the next three-year period the following priority topics and measures have been defined:

1. Provision of necessary infrastructure for PAs.
2. Increase in revenues from tourism and their use to support the work of TPA administration.
3. Implementation of social-economic projects for the communities living around TPA.
4. Development of Public-Private and Public to Public partnerships in order to increase revenues and reduce capital expenditures
5. Sustainable utilization of natural resources within TPA.

7 Economic Effect

TPA impacts the local economy in several ways:

Revenue generation for local community in different forms:

- Incomes from providing services to the visitors
- Incomes from selling local handcraft and products
- Incomes from small grants programs.

Development of agriculture due to increased demand in local products: :

- Food consumption by visitors
- Increased demand inorganic products elsewhere in Georgia

Jobs creation

- Up to 40 people are employed by TPA.
- Many locals are involved in the provision of services to visitors (e.g. guesthouse service, guides and transportation)
- Different activities/works accomplished within the TPA imply the employment of local labour.

Increase in the competitiveness of local population as a workforce on the local labour market:

- Training programs that the TPA administration will develop, implement or take part will directly increase employment potential and competitiveness of local population.
- Increased number of foreign visitors creates demand in foreign language skills that will result in increased number of local people able to speak foreign language.

- In order to provide high quality services to visitors, local population increasingly uses modern IT and other communications technologies.

Most importantly, TPA development results in annual increase in visitors' flow, which in turn brings positive economic effect from year to year.

8 Implementation and Monitoring of Business Plan, Performance Indicators and Reporting

The implementation of the TPA business plan directly depends on the implementation of the TPA management plan. It is necessary to review and adjust the business plan if/when any changes are made to the management plan. In addition, it is necessary to carry out a performance review and to update the business plan at least once a year. This procedure should be done jointly by APA and the TPA administration.

It is recommended to engage MBA students willing to gain experience in practical business administration.

In addition to developing performance evaluation report for the management plan it is advisable to develop a similar report for the business plan. This document should include results and progress against main indicators: marketing, revenue growth, partnerships with donors, cost optimization, social-economic effect and opportunities. Often, it is difficult to collect quantitative data on the above parameters. In such case, a qualitative analysis will suffice. The report will be a good tool for establishing/maintaining relationships with the donors too.

List of Appendices

- Appendix 1:- Activity Schedule
- Appendix 2: Activities and Additional Costs
- Appendix 3: Expenses and revenues
- Appendix 4: Payroll