



Protected
Areas
Network

Financing the Protected Areas Network Republic of Palau

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Ministry of Resources and Development

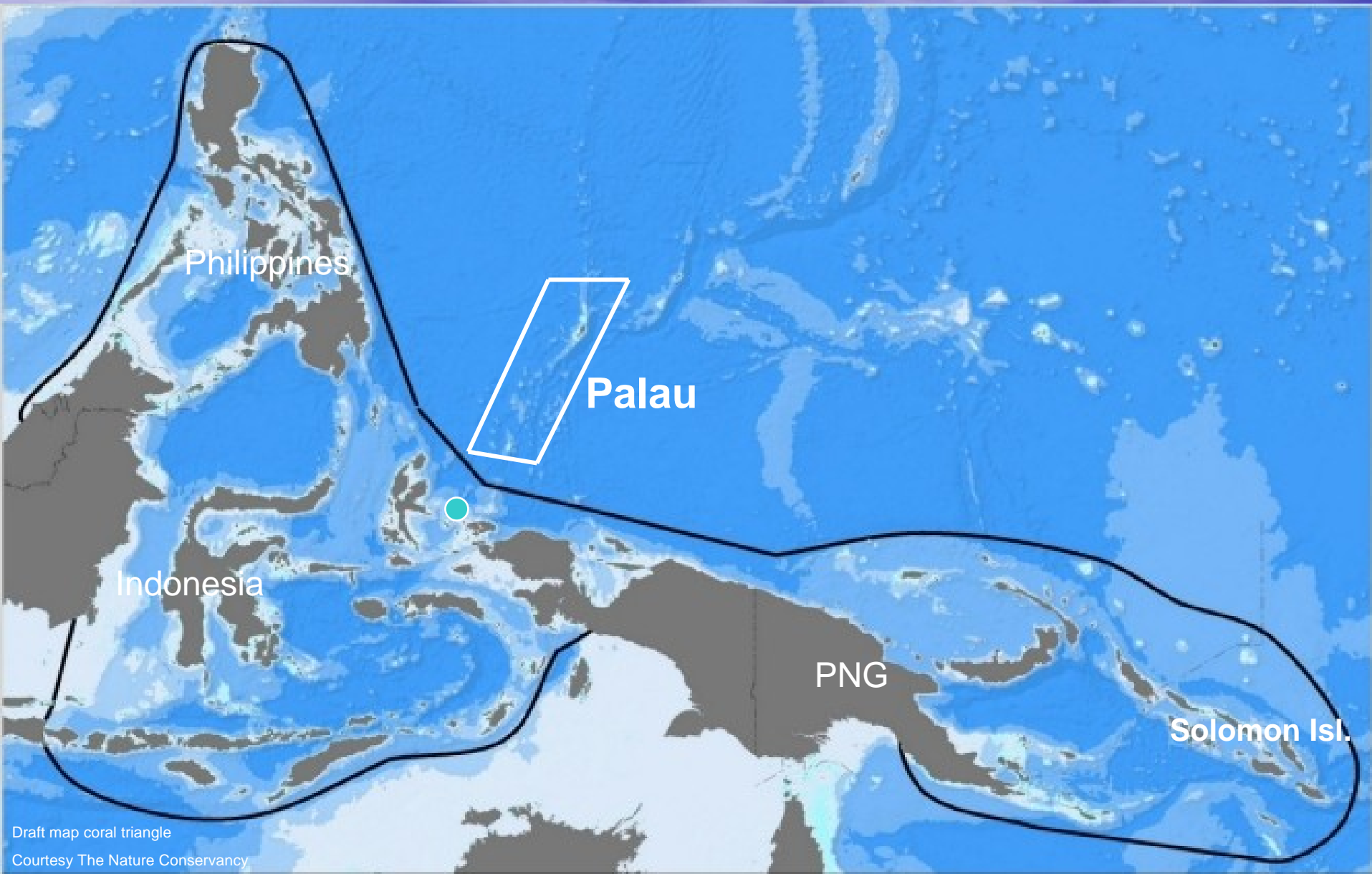


REPUBLIC OF PALAU

- Population: 19,000
- Land Area: 481 km²
- Sea Area: 600,900 km²
- 586 islands spread over more than 700 km from Velasco Reef in the north to Helens Reef in the south.
- No. of visitors: 80,000 (2004)



Palau and the coral triangle



Philippines

Palau

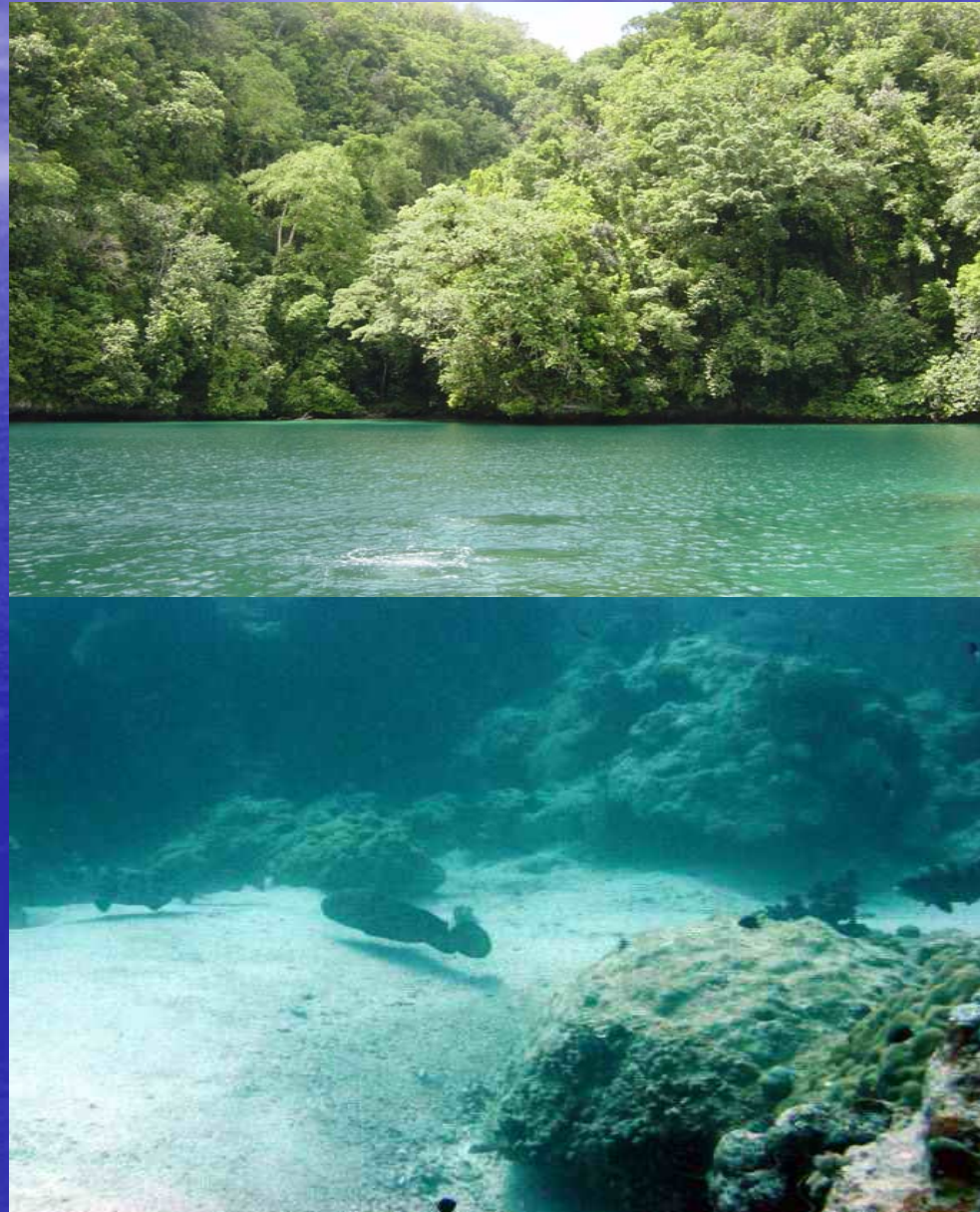
Indonesia

PNG

Solomon Isl.

Protected Areas Network Act (Nov. 2003)

- National framework to support state and community level action.
- Dual purposes of the PAN Act:
 - Address local resource management needs
 - Protect nation-wide biodiversity, habitats & natural resources
- Includes marine & terrestrial areas



Protected Areas Network Act

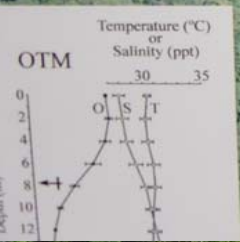
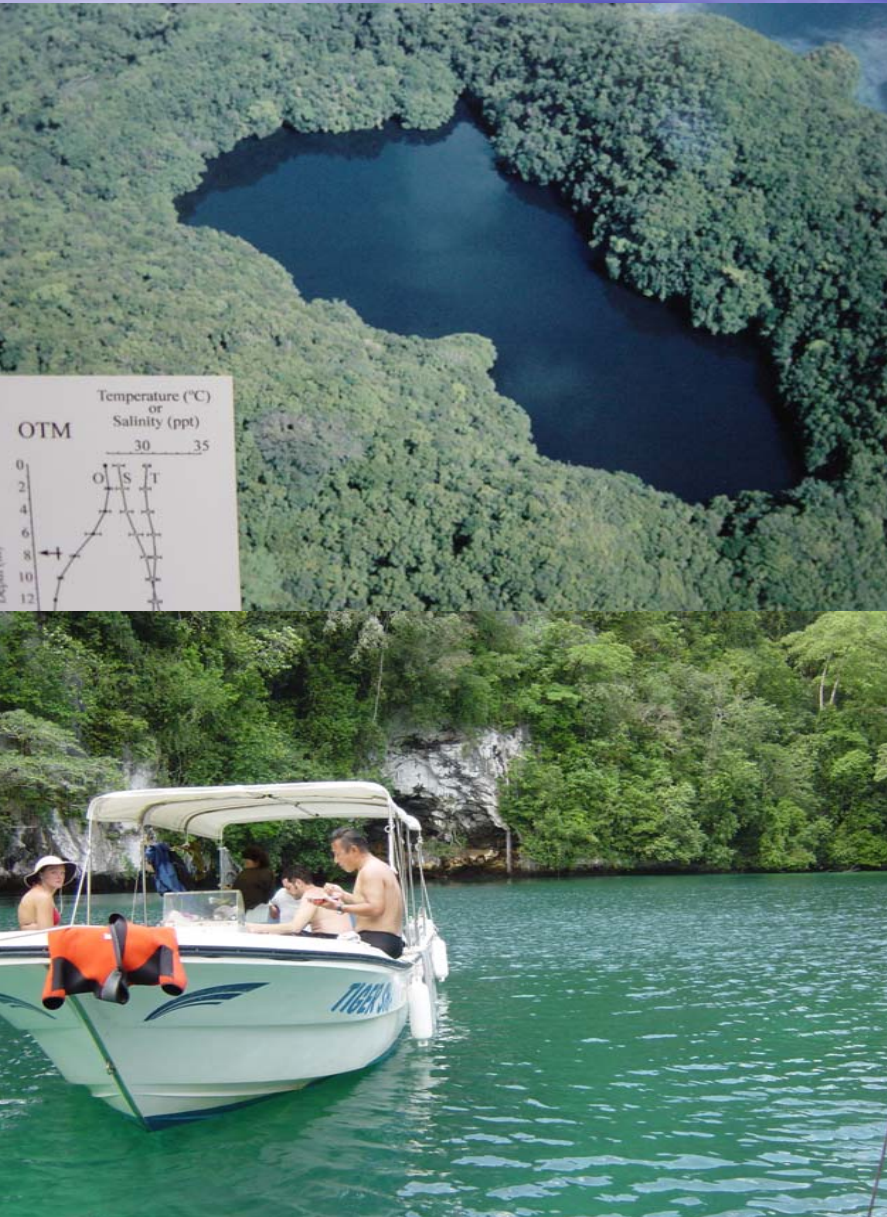
- Full range of protected areas options.
- Requires a fully collaborative effort at the community, State and National levels
- Other resource management and planning actions will be required



Main Components of PAN

Four broad components:

- Supportive policies
- Strong science
- Effective management
- Sustainable finance



Supportive policies

- Application process
- Selection Criteria
- Framework of regulations



Supportive Policies: Selection Criteria

- Criteria
 1. Ecological criteria
 2. Resilience criteria
 3. Economic Criteria
 4. Social Criteria
 5. Threats
- "Added value"
 1. Feasibility
 2. Biogeographic significance



Strong Science Base for Decision Making

- Completed studies:
 - Hydrodynamic modeling
 - Habitat classification study
 - Spawning aggregation study
 - Ngerikill watershed resource assessment.
- Close collaboration with partners incl.: Belau National Museum, PCS, PICRC, CRRF, the TNC Reef Resilience WG

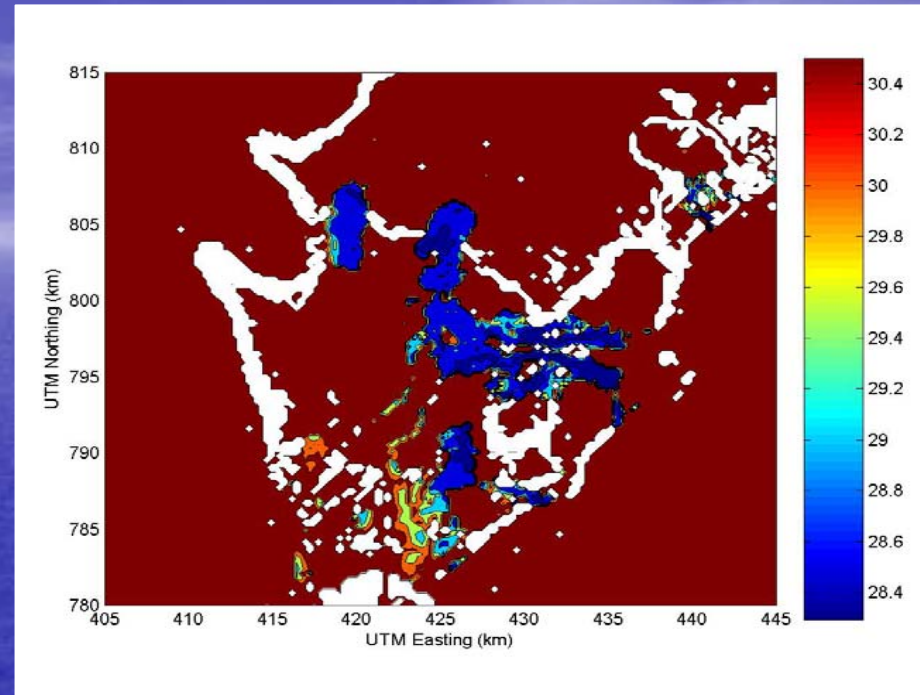
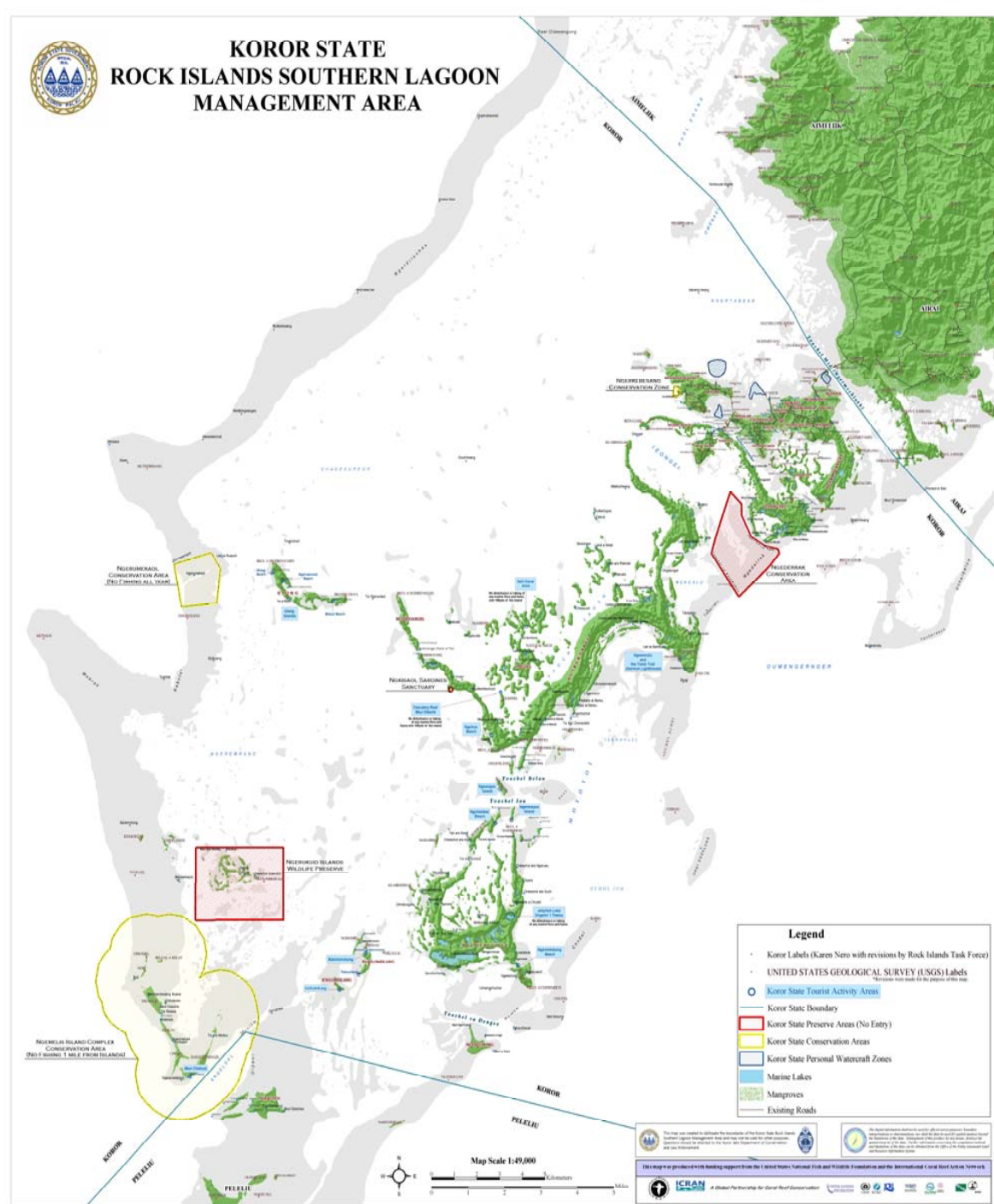


Photo by Eric Verheij

Effective management at State level

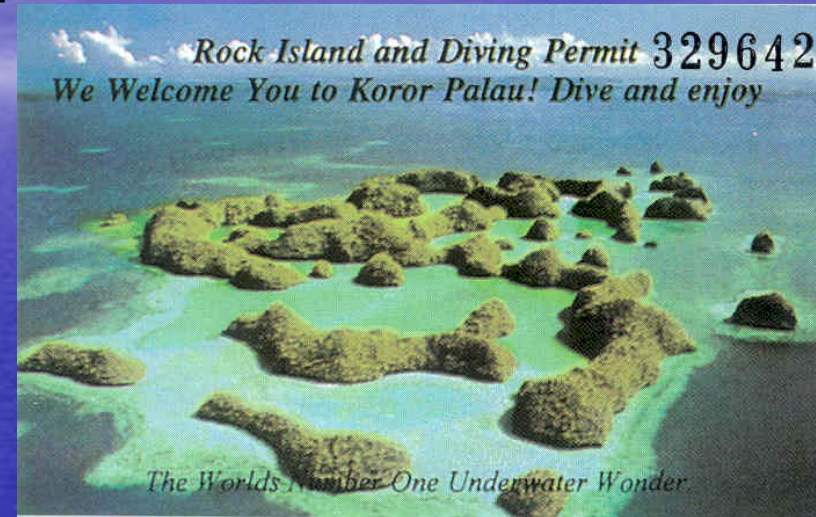
Goals:

- Protection of biodiversity
- Preserving cultural and recreational heritage
- Sustainable subsistence and commercial fisheries
- Providing high quality tourism and recreational activities



Sustainable Financing Plan

- The sustainable financing plan for the National Protected Area Network will:
 - Build upon **existing revenue from fees and licenses,**
 - Build upon **existing National budget allocations,**
 - Create a **new revenue stream,**
 - Leverage **international development assistance.**



Koror State Government

P.O. BOX 116
KOROR • REPUBLIC OF PALAU
96940

Issue: _____ Expires: _____

Printed name: _____

Signature: _____

Tour Agency: _____

Conservation fee paid: \$ _____

We appreciate all comments to improve your next visit

Sustainable Financing Next Steps

- Work with some of existing protected areas.
- Detail current National Budget allocations in support of the PAN.
- Put in place the legislative framework for the use of dedicated new funds, to finance and effectively manage the PAN.

Sustainable Financing Next Steps

- Strategy to engage key international donors in the capitalization of an endowment
- Establishment of a non-profit corporation to manage and disburse funds

Summary of PAN costs

| Item | Description | Costs (US\$) |
|--------------------------------|--|-------------------|
| Existing sites | All existing protected areas | 1,070,000 |
| Potential expansion | At least one protected area per State (16) | 320,000 |
| Network-wide support | National government inputs, network management & coordination, science and sustainable finance | 800-980,000 |
| Investment & targeted Research | Investment in compatible enterprises and specialised studies | 100,000 |
| Total | | 2.29-2.47m |

Summary of current revenue sources

| Source | Description | Revenues (US\$) |
|-------------------------------|---|--------------------|
| State income & budget support | Based on Koror and Peleliu incomes & estimated budgetary support from State Governments | 460-610,000 |
| National budget | Inputs through national budget appropriation to Government Departments | 200,000 |
| NGO/operators | Ongoing contributions to science, patrolling, awareness raising, permit collection. | 100,000 |
| Total | | 760-910,000 |

Potential new revenue sources

| Source | Description | Revenues (US\$) |
|--------------------------|---------------------------------------|------------------|
| New revenue stream | New revenue less administrative costs | 700,000–1.0m |
| International assistance | As a \$12m endowment returning @5%p.a | 600,000 |
| Total | | 1.30-1.6m |

Balance sheet for annual operation of the Palau Protected Areas Network

| Item | Costs (US\$) |
|----------------|---------------|
| PAN Costs | 2,470,000 |
| Revenue | 910,000 |
| Shortfall | (1,560,000) |
| New Revenue | 1,570,000 |
| Balance | 10,000 |

In conclusion

- Palau is committed to preserve its biodiversity through a network of protected areas.
- Palau is putting in place the legislative framework for the use of dedicated new funds, to finance the more comprehensive, resilient and effectively Protected Area Network.
- Palau needs assistance for the capitalization of an endowment to ensure the sustainable financing of the Protected Area Network.

**Kid a dimlak denguu tial beluu
ra rucheled era irechar, Kede bai
meleng er ngii era rengeleked.**

**We do not inherit the earth from our ancestors,
We are borrowing it from our children.**

