THE REGIONAL ORGANISATION FOR THE CONSERVATION OF THE ENVIRONMENT OF THE RED SEA AND GULF OF ADEN (PERSGA)

INTEGRATED STRATEGY AND BUSINESS PLAN (2004 – 2014)

JUNE 2004

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Acronyms and Abbreviations

ALECSO	Arab League Educational, Cultural and Scientific Organisation
AP	Action Plan
CAMARE	Council of Arab Ministers Responsible for the Environment
CBD	Convention on Biological Diversity
CEDARE	The Centre for Environment and Development for the Arab Region and Europe
DA	Demonstration Activities
EEAA	Egyptian Environmental Affairs Agency
FAO	Food and Agricultural Organisation of the United Nations
GDP	Gross Domestic Product
GEF	Global Environment Facility
GIS	Geographical Information System
GPA	Global Programme of Action
ICM	Integrated Coastal Management
ICRA	International Centre for development oriented Research in Agriculture
IDB	Islamic Development Bank
IPIECA	International Petroleum Industry Environmental Conservation Association
IW	International Waters
LFA	Logical Framework Approach
LMR	Living Marine Resources
M&E	Monitoring and Evaluation
MAP	Mediterranean Action Plan
MC	Member Country (of PERSGA)
MEMAC	Marine Emergency Mutual Aid Centre
MENAC	Middle East Navigation Assistance Centre
MIS	Management Information System
MPA	Marine Protected Area
MTR	Mid-Term Review
NAP	National Action Plan
NGO	Non-governmental Organization
NRPAU	Natural Resources and Protected Areas Unit (of PERSGA)
OP	Operational Programme
PAP	Public Awareness and Participation
PCR	Project Completion Review
PERSGA	Regional Organisation for the Conservation of the Environment of the Red Sea and Gulf of Aden
PIP	Project Implementation Plan
PMU	Project Management Units
PSC	Port State Control
RAP	Regional Action Plan
RECOFI	Regional Committee on Fisheries

REMP	Regional Environmental Monitoring Programme
ROPME	Regional Organization for the Protection of the Marine Environment
RSGA	Red Sea and Gulf of Aden
RWGNRMP	Regional Working Group on Navigation Risk & Maritime Pollution
SAP	Strategic Action Programme
SAR	Search and Rescue
SRR	Search and Rescue Regions
SWOT	Strengths, Weaknesses, Opportunities and Threats
UNDP	United Nations Development Program
UNEP	United Nations Environment Program
WB	World Bank

EXECUTIVE SUMMARY

This document presents an integrated Strategy and Business Plan for the Regional Organisation for the Conservation of the Environment of the Red Sea and Gulf of Aden (PERSGA).

The coasts and seas of the Red Sea and Gulf of Aden are recognised as a globally unique physical, biological and social setting, possessing some of the Earth's greatest marine biodiversity and cultural heritage. There is growing recognition that this pristine environment is increasingly under threat from both the region's rapid economic and demographic development, as well as because of its importance as one of the world's main shipping routes. The coastal states have joined together to tackle these issues through a collective approach based on a formal agreement for environmental cooperation (the 'Jeddah Convention') and subsequently through a number of joint protocols and activities, culminating in the implementation of a Strategic Action Plan (SAP) over the period 1999 to 2004. This impressive level of regional cooperation has been led by PERSGA, whose secretariat is based in Jeddah in the Kingdom of Saudi Arabia.

The SAP has resulted in a greatly strengthened regional capacity to deal with the rapid pace of the development that continues to occur. The considerable achievements of the SAP include:

- Greater scientific knowledge, ability and status of individuals and institutions within the region
- Enhanced networks, abilities and strategic coordination and management capacity to address issues at different national and regional scales
- Improved partnerships between nations, governments, public and private organisations

The exit process from the SAP provides a recognition that the closure of the program is not an end, but the beginning of a long-term process to develop regional capacity to proactively engage in issues as they appear in order to ensure sustainable development of the region's considerable assets and resources. Therefore, an important part of this exit process was the development of this Strategy by PERSGA with an integral forward-looking Business Plan. This Strategy and Business Plan (the 'Plan') starts with a recognition of the strengths and capabilities developed under the ongoing PERSGA activities and the SAP and examines the longer-term needs of PERSGA's Member States in an environment of considerable economic and geopolitical change.

The Plan commences with a shared 'Vision' of how the Plan's stakeholders might see the seas and coasts of the Red Sea and Gulf of Aden in around thirty years time, and a recognition that realising this vision will take commitment, energy and togetherness. Accompanying this vision is a 'Mission Statement' expressing the purpose and function of PERSGA in achieving this vision. Allied to this are certain principles to which PERSGA and its Member States subscribe to, including (i) a willingness to pursue a common strategy, (ii) a recognition of the need to nurture the self-reliance of PERSGA Member States to undertake their own national efforts, (iii) an accepted shared responsibility for addressing transboundary issues and finally (iv) a willingness to work as a regional whole.

The Plan is aligned with the goal of 'Capacity 2015' to support national and local governments of the Member States in localising sustainable development planning and management by 2015, and thus operates over a 10 year time period. The financial planning elements of the Plan also operate over the same period.

PERSGA's mission will be realised through the provision of regional assistance to achieve the following four key goals:

1. Sustainable development and multiple use of the region's coasts and seas: to allow the planned development and use of the coastal and marine areas that is sustainable in nature and permits the fair sharing of resources, and the equal access and enjoyment by all who inhabit the Region.
2. Precautionary management and conservation of the region's biodiversity: to reduce, and where possible reverse, biodiversity loss through the combined approach of precautionary development planning and the consolidation of the regional network of biodiversity management and conservation initiatives that secure representative habitats and species at an appropriate regional scale.
3. Regional capability for marine emergency planning and response: to further develop the Region's capacity to ensure the safe transit of ships and their cargos, particularly oil tankers, through the Red Sea and Gulf of Aden with the minimum possible risk to the environment.
4. Informed, committed and active stakeholder participation: a stakeholder community that is fully aware of the unique coastal environment in which they exist and operate, with opportunities and incentives for their active, joint participation in the planning and decision-making processes that will benefit the quality of life for all.

These four focal areas will be supported by two cross-cutting functions of PERSGA, the first of these being *capacity-building and training*. This will be principally aimed at institutional development but will also include the identification and targeted strengthening of individual technical skills. Capacity building will take place at a regional level and will be focussed on strengthening the partnerships and networks developed over the SAP. The second underpinning function will be the provision of *GIS services and recurrent monitoring information* to Member States. PERSGA will, in conjunction with its Member States, develop a 'Regional Information System for the Red Sea and Gulf of Aden'. This will contain a number of related databases containing information on (i) the physical and biological characteristics and resources, including archived data on marine and coastal biodiversity and habitat structures, together with (ii) spatial planning information on human activities and development affecting the coastal and marine environment, including transportation routes and pollution risk areas, non-renewable extraction areas, coastal development and land-based pollution sources.

Strategies to achieve these four goals have been developed and they, together with the two cross-cutting components mentioned above, have been packaged into six discrete functional areas for implementation by PERSGA. It is PERSGA's intention to develop these into separate but inter-locking 'Concept Papers' that will then be further refined in the form of full fundable 'Project Proposals'. These will have built on the achievements and lessons learned from the original SAP and are intended to be entirely regionally-driven, even though funding will be sought from outside the RSGA area.

Funding will be drawn from a combination of a) regional and global donors, b) the Member States themselves and, importantly, through the development of partnerships with c) the private sector. It is intended that the different project concepts will be modular and designed to attract the participation of these three funding groups. Assistance will be sought from the donors to assist with key enabling activities, such as 'blue-sky thinking', capacity-building and training.

Member States will contribute through participation in information gathering processes, awareness building and targeted activities focusing on particular public sector management issues. The private sector will be engaged in a number of different ways, including (i) regional awareness building through the funding of themed conferences and workshops on topics of current interest and concern, (ii) the facilitation of public-private partnerships for specific environmental management requirements such as funding pollution abatement and ecotourism requirements and (iii) private sector 'buy-in' to strategic planning that reduces long-term risk to industry and marine transportation.

This ambitious Plan itself carries some risk in terms of ensuring recurrent funding and being able to remain relevant to the needs of PERSGA's Member States. These risks have been examined and mechanisms and approaches built in to minimise their occurrence and impact. This includes a management structure and approach within the PERSGA Secretariat that ensures constant consultation with Member States, as well as other key stakeholders such as funding partners, to make sure that PERSGA's programmes and activities remain current, focussed and efficient. It is also proposed that funding cycles are evened out through the development of an Environmental Fund for the Red Sea and Gulf of Aden that combines a sinking and revolving trust fund instrument.

1 INTRODUCTION

1.1 BACKGROUND

The Red Sea and Gulf of Aden (RSGA or 'the Region') are now recognised as one of the world's most unique coastal and marine environments. Surrounded by the bleak, arid terrestrial plains and hills of Africa and the Arabian Peninsula, this deep and highly productive waterway has nourished a thriving maritime and trading culture for thousands of years.

The *Red Sea* is renowned for its globally important repository of marine biodiversity, largely through its complex systems of coral reefs, interspersed with mangroves, seagrass beds and other diverse coastal habitats. The relative physical isolation of the sea has given rise to high levels of species endemism, especially amongst some groups of reef fishes and reef-associated invertebrates. The *Gulf of Aden* presents a very different situation – the cold, nutrient rich upwelling water may inhibit coral development but gives rise to prodigious fisheries production and the dramatic coasts of Yemen and Somalia provide regionally important turtle nesting habitats. Off the Horn of Africa lies the *Socotra Archipelago*, often regarded as the 'Galapagos of the Indian Ocean' due to its high levels of terrestrial endemism and its pristine habitats, untouched until very recently by development. The region as a whole is an important flyway for many species of birds migrating between Europe and Africa and provides a number of important habitats for large numbers of resident and migrating birds.

Despite the apparent desolate appearance of the coasts, the Red Sea and Gulf of Aden have served for thousands of years as a major transportation and trading route linking Europe with the Indian Ocean. The Region has seen the rise and fall of some of mankind's most influential civilisations and still serves as an important religious pilgrimage route, especially to the Holy cities of Mecca and Medina. Therefore the whole Region is embodied with a vast wealth and blend of ancient and modern cultural heritage.

Until relatively recently, the Region remained comparatively unaffected by the changes being wrought worldwide, especially in neighbouring areas such as the Mediterranean Sea. However, the rapid development of the Region, particularly its oil reserves, tourism and industrial potential, have seen an economic transformation that has resulted in both coastal development on a historically unprecedented style, as well as profound changes in nature and practises of the coastal populations. Alongside this largely beneficial development has been the emergence of a range of threats to both the natural environment as well as the social fabric of the Region. In particular environmental degradation for the petroleum industry and the transport of its products, pollution from land-based sources including industry, diverse environment impacts of the rapidly growing urban areas as well as the emergence of a tourist industry taking advantage of the appealing shores and reefs have presented complex challenges to the management and conservation of these unique environments.

These emerging challenges went largely unanswered until agreement of the Jeddah Declaration in 1976. This resulted in the establishment of the *Programme for the Environment of the Red Sea and Gulf of Aden* in 1976, the completion of the legal framework through the *Regional Convention for the Conservation of the Environment of the Red Sea and Gulf of Aden* (the 'Jeddah Convention' of 1982) and the *Protocol Concerning Regional Cooperation in*

Combating Pollution by Oil and Other Harmful Substances in cases of Emergency (1982). This lead to the declaration of establishment of the Regional Organization for the Conservation of the Environment of the Red Sea and Gulf of Aden (PERSGA, or 'the Organisation'*)* in September 1995 (in accordance with Jeddah Convention) which is hosted by the Kingdom of Saudi Arabia in Jeddah.

In view of the growing environmental threats to this ecologically and economically important part of the world, the three GEF Partners (UNDP, UNEP and the World Bank) and IDB funded the *Strategic Action Programme* (SAP) for the Red Sea and Gulf of Aden, whose objective was to assist PERSGA in achieving its primary goal that is the "conservation of the coastal and marine environment in the Red Sea and Gulf of Aden Region and assurance of the sustainable use of their resources". In essence, the PERSGA SAP guides the implementation of a regional framework for protection of the environment and sustainable development of coastal and marine resources. It is envisaged to be an ongoing 'living process' for PERSGA's leadership and coordination in the Region.

This five year programme commenced in 1999 and effectively ceases for most of the components and or activities in end 2003; although some of the activities and the ICZM component will continue during 2004. As part of the project exit process, it was decided to prepare a post-SAP 'Strategic Plan' for PERSGA that capitalises on the advances made over programme's implementation and investigates new funding opportunities to ensure the long-term sustainability of the Organisation and its resources. This process to formulate the vision beyond the funded phase of the SAP was initiated in September 2002, when PERSGA prepared a concept paper on the 'PERSGA Strategy for Sustainability' (May 2002) and a booklet on the outline of the 'Agenda for the New Millennium: the Sustainable Development in the Red Sea and Gulf of Aden' in the framework of the Millennium Development Goals. The Mid-Term Review (July 2002) also called for a clear vision and the development of a sustainable Strategy for PERSGA, particularly with respect to the financial resources and the political and institutional support beyond SAP. These efforts were concluded in November 2003, by the preparation of a discussion paper entitled '*PERSGA's Framework and Vision Beyond the funded phase of the Strategic Action Programme:* Sustainability of Activities, Sustainable Development and Integrated Environmental Conservation of the Red Sea and Gulf of Aden'. The above are amongst the initial building blocks in developing the PERSGA Strategic Framework.

1.2 PURPOSE OF REPORT

The purpose of this document is to present a time-bound *Business Plan* for PERSGA's activities following the cessation of SAP. The document integrates the key sections required of any business plan, the starting point being an assessment of the *achievements and challenges* for PERSGA, and the development of a *strategic framework* for future activities. The building blocks of the strategic framework are based upon a number of key elements: the first of these is the further development of the *vision* first elucidated in November 2003 for the future status of the coastal and marine environments of the Red Sea and Gulf of Aden, together with the well-being and commitment of the key stakeholders and beneficiaries. This is followed by outlining the *mission* of PERSGA to achieve this vision and the *principles* that will be followed in doing so. PERSGA's *goals*

and *objectives* are then revisited in the light of the successes and failures of SAP and key strategic approaches identified in the light of SAP experience.

Having outlined the key goals, objectives and strategies that will provide the framework for PERSGA's future direction, the following sections of the Business Plan elaborate on:

- Identification of Deliverable Outputs: a description of the activities that PERSGA might undertake in addressing the four focal areas and underpinning support functions. These can be refined following additional input from Member States to ensure that they (i) fully respond to the needs and expectations of the Member States and (ii) that they are in a format and detail appropriate for presentation to potential funding organisations and clients.

- Management Structure and Systems: a description is provided of the existing (post-funded phase of the SAP) PERSGA management structure with some views on how this might evolve to ensure the capacity to support the vision and strategic framework.

- Partnership Development: a central tenet of the strategic framework is that PERSGA evolve primarily into a well defined coordination role, as a regional facilitator and enabler, and secondly as an implementer of focused, targeted activities that might be developed with its Member States. This will necessitate the development of a strategic partnership at a number of horizontal layers (i.e. global, inter-regional, intra-regional and Member States) and vertical segments (i.e. sectoral elements of the public sector, NGOs, private sector and other societal elements). This section of the Business Plan identifies (i) the outline of this framework, (ii) indicates how PERSGA will interact at different levels and (iii) the benefit flows involved.

- A Financial Plan: a key part of the Business Plan is paving the way towards PERSGA's financial stability and security. It provides a framework for a detailed budgetary breakdown of the PERSGA's individual functions and activities that can be developed by PERSGA and Member States over the next six months. In particular, the suitability of different environmental funding mechanisms is explored for utilisation by PERSGA along with key issues to be considered.

- Recommendations and Next Steps: the final section looks ahead, especially over the short-term, at what is needed to transform the strategic framework and business plan into reality.

The Business Plan, and the strategic framework which forms an essential first part of it, operate over the same **timeframe** i.e. over 10 years. The document therefore provides a template which can be further developed, as necessary, by PERSGA and its Member States over the next year, as agreement is reached on key issues. The objective is to have in place, in about a year's time, a finalised and detailed Business Plan, based on this document and developed as appropriate. The finalised Business Plan can then be used to convince prospective development partners and funding sources that PERSGA has a well conceived strategy and plan for achieving its joint vision of sustainable development in the Red Sea and Gulf of Aden Region.

It is considered that the key to ensuring PERSGA's financial sustainability is to make sure that the Organisation remains relevant to the needs and issues of regional co-management of the marine and coastal environment. PERSGA must establish itself as an indispensable resource for Member States in providing best practise guidance, transboundary information and perform its efficient role as a focal point for regional cooperation and co-ordination. This stance will facilitate the securing of funding from the beneficiaries, both at Government and private sector stakeholder level, as well as donor organisations committed to supporting a cost-efficient regional solution to the management and conservation of the Red Sea and Gulf of Aden.

1.3 METHODOLOGY AND STRUCTURE

This report is the result of a four step process as outlined in Figure 1 overleaf.

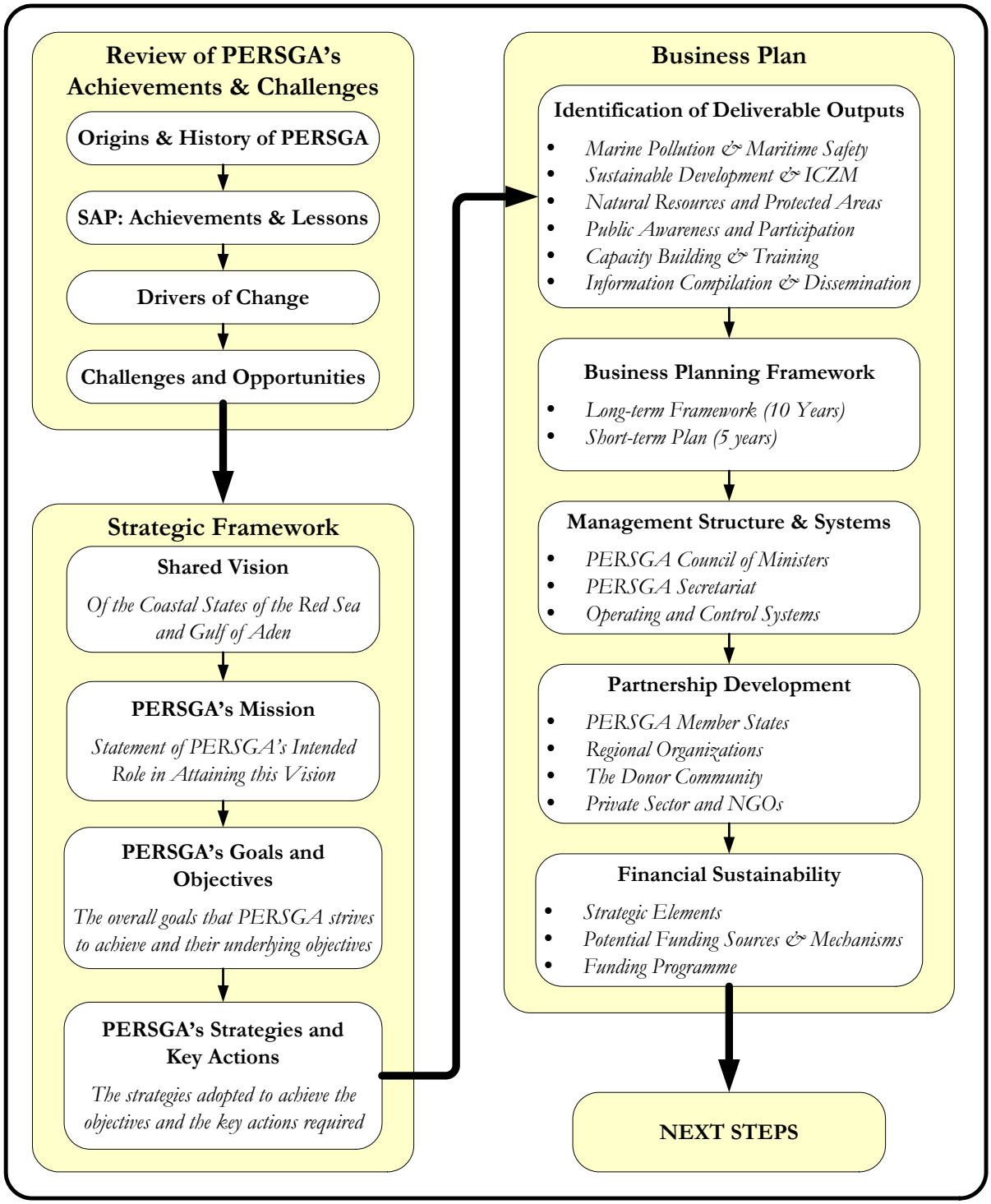
Step 1 – PERSGA's Achievements and Challenges: the scene is set through a brief review of PERSGA's original objectives and then a review of the achievements and lessons learned through the implementation of the Strategic Action Plan (SAP) over 1999 – 2004. This is then followed by an evaluation of how the world, and the drivers behind PERSGA, have changed over the past decade since the Organization was formed. From this the opportunities that now exist for PERSGA, and challenges that lie in wait have been assessed and described.

Step 2 – The Strategic Framework for the Business Plan: the Framework is based around a vision for the future of the Red Sea and Gulf of Aden's coasts and seas. This is then followed by a statement of PERSGA's 'Mission' in achieving this vision. Based on this Mission, various overall goals have been established together with their underlying objectives. This then leads to the preparation of various strategies to achieve these objectives and goals. These are embedded into four Focal Areas of PERSGA activities.

Step 3 – Operational Aspects of the Business Plan: the Business Plan continues with an identification of the 'products' or deliverable outputs that PERSGA expects to provide the Region. These are produced as a number of discrete activities under each Focal Area and provide an overview of the activities, outputs, partnerships and funding requirements. The Business Plan then briefly examines the ability of the current management structure to produce these deliverables and the essential partnerships with PERSGA Member States, the donor community and the private sector. Finally, mechanisms are examined for ensuring the financial sustainability of PERSGA, focusing in particular on the options for environmental 'trust fund' mechanisms.

Step 4 – Next Steps: the Plan concludes with recommendations for the next steps in the development of the Business Plan and related activities. These are focused over 12 months following the approval of this document, a critical period in which the future direction of PERSGA must be established and made ready for launch to the Region and the outside world.

Figure 1: Functional Elements of the Business Plan



2 PERSGA: ACHIEVEMENTS AND CHALLENGES

2.1 BRIEF HISTORY

As introduced earlier, a framework for regional environmental cooperation in the Red Sea and Gulf of Aden has been provided by four complementary elements: (a) the Jeddah Convention and its Protocol (1982) ; (b) the Action Plan for the Conservation of the Marine Environment and Coastal Areas of the Red Sea and Gulf of Aden (1982); (c) the Regional Organization for the Conservation of the Environment of the Red Sea and Gulf of Aden (PERSGA); and (d) the Strategic Action Programme for the Red Sea and Gulf of Aden (SAP, 1998). Their common goal has been to identify and undertake a programme of well designed actions to assure the long term management and conservation of the coastal and marine resources of the Region, in order to support environmental, social and economic sustainable development.

Since the initiation of *The Programme for the Environment of the Red Sea and Gulf of Aden* (PERSGA) in 1974, three phases can be distinguished in the long history of PERSGA as follows.

2.1.1 Establishment of PERSGA

Phase I (1974-1980): comprising the Bremerhaven Workshop (1974) **-** the terms of reference for this meeting was to elaborate the scientific ideas and plans for an interdisciplinary research programme in the Red Sea and Gulf of Aden. The workshop was followed by the Jeddah First Expert Meeting (1974) attended by representatives from the states bordering the Red Sea and Gulf of Aden in addition to some international organizations. The meeting has adopted the establishment of a coordination board for the regional programme as a working group formed by ALECSO. The Jeddah II Conference (1976) was attended by representatives of PERSGA States who signed the Jeddah 1976 Declaration. Although research programmes and projects were formulated during this phase nothing was implemented; nevertheless gathering of states and thoughts about the conservation of the marine environment was in itself a success.

2.1.2 The Jeddah Convention

Phase II (1981-1995): The Jeddah Convention of 1982, formally titled 'Regional Convention for the Conservation of the Red Sea and Gulf of Aden Environment,' provides an important basis for environmental cooperation in the Region. It was the result of a Regional Intergovernmental Conference, supported by ALECSO.

Currently, Djibouti, Egypt, Jordan, Saudi Arabia, Somalia, Sudan and Yemen are parties to the Jeddah Convention.

Three important documents were signed by the Jeddah Regional Conference of Plenipotentiaries on the Conservation of the Marine Environment and Coastal Areas in the Red Sea and Gulf of Aden (Jeddah: 13-15 Feb 1982):

1. The Action Plan for the Conservation of the Marine Environment and Coastal Areas in the Red Sea and Gulf of Aden.
2. The Regional Convention for the conservation of the Environment of the Red Sea and Gulf of Aden.

3. The Protocol Concerning Regional Co-operation in Combating Pollution by Oil and Other Harmful Substances in Cases of Emergency.

The Convention and associated Protocol entered into force in 1985. A temporary Secretariat of PERSGA was established in Jeddah with an Interim Council, comprising representatives from the member states, formed to adopt operational details of the Action Plan, determine priorities for various projects and follow up their execution. Several Projects were implemented on national level during this phase, being funded by ALECSO and implemented by national scientists. The objective of funding such projects was to strengthen the capabilities of national scientists so that they would be capable of implementing the Action Plan when funds were available.

2.1.3 The Establishment of PERSGA and the Development of the Strategic Action Programme for the Red Sea and Gulf of Aden

Phase III (1995-Present): This last phase was characterized by (1) the Establishment of the Regional Organization for the Conservation of the Environment of the Red Sea and Gulf of Aden (PERSGA) in September 1995; (2) ceasing of funds from ALECSO and the dependence of PERSGA on contributions from its Member States. As such contributions were limited; PERSGA approached relevant international organizations such as the Global Environment Facility (GEF) for additional financial support.

PERSGA is the official 'inter-governmental' regional organization responsible for the development and implementation of regional programmes for the protection and conservation of the marine environment of the Red Sea and Gulf of Aden, and was formally established in September 1995, following the Cairo Declaration. It is hosted by the Kingdom of Saudi Arabia and is based in Jeddah. On line with its well identified objective to conserve the environment of the RSGA Region, major functions of PERSGA include the implementation of the Jeddah Convention, the Action Plan, and the Protocol. It has also been given responsibility for preparation and implementation of the SAP and related activities.

Initial GEF support saw PERSGA being given the responsibility of lead the preparation of the *Strategic Action Programme for the Red Sea and Gulf of Aden* (SAP) in cooperation with GEF partners and PERSGA member states (1996-1998). The project documents were prepared in the framework of a project titled: *Support to Strategic Action Programme for the Red Sea and Gulf of Aden* with UNEP being the Implementing Agency and a consultancy agreement with PERSGA from the United Nations Office for Project Services (UNOPS) to prepare (i) a Report on Red Sea SAP Drafting Group Session; (ii) Report on the Meeting of the Regional Expert Working Group on Navigation Risk Assessment; and (iii) Report on the preparation of the Country Reports.

This was an important step in strengthening the capabilities of PERSGA for regional cooperation where Country Reports, Project Implementation Plan and other SAP documents were prepared. At its second meeting in Jeddah (26 Oct 1996) the PERSGA Council approved the recommendations and results of the SAP preparatory phase, ensuring that continuous and firm political support was extended to the SAP process. The SAP was launched during the Third PERSGA Council Meeting (December 1998) and implementation was followed in early 1999.

The specific objectives of the SAP are summarized in the following project components:

- Institutional Strengthening to Facilitate Regional Co-operation
- Reduction of Navigation Risks and Maritime Pollution
- Sustainable Use and Management of Living Marine Resources (LMR)
- Habitat and Biodiversity Conservation (HBC)
- Development of a Regional Network of Marine Protected Areas (MPA)
- Support for Integrated Coastal Zone Management (ICZM)
- Enhancement of Public Awareness and Participation (PAP)
- Monitoring and Evaluation (M&E) of Programme Impacts

Thus, the SAP outlined the threats to coastal and marine environments and resources in the Red Sea and Gulf of Aden Region and the priority actions that should be taken on national and regional levels. These threats included: environmental degradation, non-sustainable use of living marine resources, maritime traffic and oil production and transport, urban and industrial development, and rapid expansion of coastal tourism.

The SAP represented a significant 'process' for reaching collective agreement concerning environmental trends, threats and priorities at a regional level, and a 'product' in the form of a Strategic Action Programme which provides a framework for continued cooperation in reaching short, medium and long term goals through a series of complementary actions at all levels. The SAP presented an overview of the environmental trends and threats on a regional basis and recommended a phased programme of complementary preventive and curative actions to address current and emerging issues. It delineated key measures for institutional strengthening, human resources development and expansion of public awareness at the regional, national and local levels. The SAP also reviewed opportunities for the mobilization of domestic (e.g. regional/national) and international resources, both public and private, to undertake the Programme.

The SAP programme effectively ended at the end of 2003 although a number of SAP activities, most notably the Demonstration Activities projects (DA's), the ICZM component and the Regional Environmental Monitoring Programme (REMP), will continue to run for the year 2004.

2.2 PRESENT STATUS

The Strategic Action Programme has allowed PERSGA to achieve a significant move forward in strengthening the capacity of the Red Sea and Gulf of Aden (RSGA) countries to manage and conserve their marine environments, both at a nation level and, perhaps more importantly, in a regional context. These can be summarised as:

2.2.1 Achievements of SAP

Enhanced knowledge status, science value

Scientific expertise and utility for management enhanced: regional scientific expertise (NRP, LMR, HBC, MPA, ICZM, PAP) has been enhanced through excellent assessments - the project has been useful to help the Region to converge with international standards.

Updated and expanded 'state of the RSGA environment' developed: The project produced a set of excellent documents, which provides an accurate vision of the state of environment of the Region (PERSGA web site, library etc.) which includes good quality reports to international standard, that are also electronically available through the web (see **Appendix A**).

Enhanced environmental baseline and status: Increased and more comprehensive knowledge base of the marine environmental status for all countries (e.g. surveys of habitats, key species (commercial fish, threatened species, migratory species) that contribute to national benefits and regional connections.

Enhanced baseline and horizons for all RSGA member states: Overall increase in understanding and ability to increase awareness and actions of regional RSGA issues through national and regional focal points and coordinators. This was especially crucial where there were different levels of baseline knowledge and capacity, so that new horizons and progress could be realized by all countries.

Global significance of the RSGA Region: Increased awareness to the world of the values and challenges that are special and unique to the RSGA Region, demonstrating the true 'global significance' of the RSGA Region from various perspectives. This provides sound platforms to link with, and contribute to, other International Waters and Regional Seas concerns and challenges - these regional seas are distinct but global complements to each other and the world.

Enhanced networks, strategic coordination and management capacity across national – regional scales

Regional integration approach: The SAP succeeded in introducing or deepening the 'regional – international waters' concepts, tools, mechanisms that are needed to address common shared resources of the interconnected Red Sea and Gulf of Aden

Local – regional processes and scales: Laid down seeds for *modus operandi* mechanism for translating the idea of thinking regional acting local.

Regional-local networks established: The project resulted in a strong network of stakeholders, interested researchers, NGOs in/across countries of the Region.

Coordinated approaches to diverse marine resources: Succeeded in having national institutions realize the need to plan and manage coastal areas and marine resources in a coordinated way.

Enhanced national - regional prioritisation and assessment capacity: Increased ability to make priority and strategic assessments across different scales and purposes e.g. developing ICZM for Aden in Yemen and Sudan and national scale in Djibouti; or MPAs in specific places that link ecologically and provided 'learning complements' as a regional network.

Integrated planning and implementation: Increased ability to conduct integrated planning and implementation design through networking approaches that support knowledge exchange and addressing gaps, e.g. RAPs, MPA Regional Master Plan, Information Management and Navigation.

National capacity to design, lead and implement projects and partnerships enhanced: Promotion of the national expertise and capacities in management (not just science) has increased, e.g. navigation, MPAs, HBC, LMR, ICZM, PAP and implementation of projects, drafting plans, elaborating projects. Most issues are now approached and addressed through inter-ministerial, participatory approaches, including key stakeholders and other partners.

Enhancement of promotion of regional capacity of PERSGA: across different fields, (assessments, documents, procurement of goods, professionals, financial efficiency.)

Enhanced Partnership Building

Increased NGO engagement: Project helped to involve NGOS, environmental and social in activities and promote their capacities.

Horizontal and vertical integration of international partners in project activities: Project managed to bring into the picture a lot of international organizations at the local level and across many components (e.g. IMO).

Building partnerships: In spite of lack of other funds (and limited co-financing commitments met by countries and international organizations), the project managed to be implemented in an ongoing spirit of partnerships, especially in the case of the navigation component.

2.2.2 Areas for Development

The Final Project Evaluation Report for the SAP also identified a number of areas for improvement following SAP's completion. These include:

Ecosystem and Biodiversity Integration

Better integration of LMR, HBC and MPA components: The overall project design better incorporate the integral and ecological connections between the LMR, MPA and HBC components in into a combined approach, a point that has been particularly addressed in this strategy. Such divisions are artificial and do not support global vision for ecosystem-based biodiversity and fisheries management. PERSGA has overcome this issue by establishing a unit 'Natural Resources and Protected Areas' that integrate all the above components.

Partnership building and financing for sustainability

Limited co-financing: The lack of funds from other donors, at both the national country and global level hampered financial implementation of the original scope and scale of the project.

Sustainability challenges: Key elements in the project 'vision and goals' which were to help strengthen the regional elements and sustainability flow from the project were not adequately realized, in particular limited progress on financial sustainability (new approaches, self financing), monitoring and assessment of project progress to build ongoing partnerships and no establishment of the Red Sea Environmental Fund.

Build broader partnership base: There is a need for increased engagement with other international partners, beyond the Region, around shared issues and themes in order to cultivate partnerships and build sustainability and interest for all countries and experts.

Recurrent funding needs: Need financial incentives to ensure ongoing and recurring funding streams, e.g. air tickets, ship fees through Suez.

Need for better GEF SAP to Future SAP transition and phasing: There should have been more of a phased approach to project design which more realistically anticipated the long start up times, maximum effort in the final third of the project, and then a better exit or phase out of GEF funds, to be replaced by non GEF funds. As is, the project has a sense of loss of human capacity and end phase, which undermines the momentum and continuation of excellent work that has been done.

2.2.3 Post funded phase SAP Development Requirements

It is generally acknowledged that, whilst SAP achieved major steps in progressing regional self-management and conservation of the Red Sea and Gulf of Aden, momentum now needs to be maintained to ensure that initiative continue to function and the benefits – many of which will accrue over the longer-term, continue to flow. Many of the SAP outputs were initialising and enabling processes, with little value unless they are followed up with determined actions. Many of these actions will need to be undertaken by the PERSGA Member States – here PERSGA will need to provide a strong facilitatory and coordinating role and ensure that regional – and indeed international – best practice is applied along the way. Table 1 overleaf provides a summary of the main SAP outputs and the long-term support needs that might be provided by PERSGA.

PERSGA also has another major role in progressing the SAP outputs - SAP has proven that a regional approach to transboundary issues such as compatible information collection and archiving, legislative frameworks and protocols, and biodiversity conservation networks require a coordinated approach that can only be provided through a representative body such as PERSGA. However the challenge will be to maintain the interest and commitment to regional management and to demonstrate that the benefits outweigh both the costs and dedication required.

Finally a major threat to the sustainability of the SAP outputs and their consolidation will be funding. Although many funding agencies prefer bilateral agreements with individual Member States, there are considerable opportunities for PERSGA to act as a regional facilitator, leveraging funding from a number of sources through its commitment to the Region and ability to address transboundary issues. As an inter-governmental organization, it will have the option to attract funds into novel financial mechanisms such as environmental trust funds as well as initiate linkages between the private and public sectors through innovative partnership arrangements.

Table 1: Integration of SAP Outputs into Ongoing PERSGA Activities

Project Component	SAP Outputs	Post-funded SAP PERSGA Support Needs
1. Strengthen Regional Coordination	Improve PERSGA's capacity for planning & coordination leadership	Develop detailed 5 year Business and Funding Plan; prepare package of fundable programmes and packages; prepare detailed funding marketing package.
	Increased capacity for information dissemination	Develop in-house desk-top publishing and web-authoring capacity.
	Improve regional reporting skills	Establish regional information needs through participatory appraisal. Develop a practical reporting system, eventually mediated through direct access to online databases held at PERSGA. Develop periodic reporting round, including a (5 yearly) 'State of the Environment' report for the Red Sea and Gulf of Aden. .
2. Navigation & Maritime Pollution	Regional Working Group on Navigation Risk & Maritime Pollution (RWGNRMP) operational	Establish and maintain contacts and coordination with (i) Contracting Parties and (ii) relevant and competent regional and international organisations.
	Implementation of IMO / ILO Conventions	Assist Contracting Parties in their implementation through (i) capacity development and training and (ii) policy and legal framework development; develop partnerships with IMO and the private sector
	Port State Control Mechanisms operational	Information on the status of PSC effectiveness. Focused studies and capacity-building to address identified weaknesses.
	Contingency plans in operation.	Continued development and operation of regional marine emergency plans and resolution of transboundary issues.
	Regional Pollution Response Centre designed	Establishment of MEMAC in Hurghada, Egypt and assist in the enhancement of Djibouti stockpile Development and operation of a Regional Information System (e.g. inventories of experts, equipment & materials,
	Regional SRR/SAR capability and assessment capability	Intermittent review of regional capabilities and weaknesses. Focused studies and capacity-building to address identified weaknesses.
3. Living Marine Resources (LMR)	Capacity-building for LMR management	Implementation on the ground; equipment facilities to follow on training; implement status monitoring programme; Fisheries management functions to be coordinated with RECOFI. (PERSGA activities limited to developing ecosystem approach to fisheries management.)
	Transboundary fish stock management operational	Fisheries management functions to be coordinated with RECOFI.
	Legal and policy framework for LMR management	Develop regional policy for ecosystem management and provide capacity-building initiatives at the local level. Legal development limited to biodiversity conservation
4. Habitat and Biodiversity Conservation (HBC)	Capacity-building for habitat & biodiversity conservation	Develop advanced training courses, esp. in management and communication. Facilitate personnel exchange programmes.
	Regional Conservation Plans for Key Species and Habitats	Coordinate implementation of RAPS and NAPS; facilitate bi-annual monitoring round with methodology updates; identify co-funding opportunities for NAPS; maintain regional information / GIS and metadatabase.
	Legal and policy framework for HBC management	Further development of (i) a regional policy framework for biodiversity conservation under the CBD (e.g. protocols for conservation of key habitats and biodiversity) and (ii) support to Member States in developing national environmental legislation.
5. Marine	Regional MPA Working Group established	MPA WG merged into the NRPAU. PERSGA to provide an annual coordination role and act as a Secretariat.

Protected Areas MPA	Site-specific MPA management plans	MPAs covered within regional network programme (see next).
	Regional Master Plan Guidelines prepared	Development of a Coordination Unit for MPAs' at PERSGA. Update and development of master planning, management and monitoring guidelines; capacity-building through advanced training courses (planning, management and communication; maintain regional information / GIS and metadatabase; develop co-funding and cost-recovery initiatives for regional adoption.
	Regional Network of MPAs in operation.	
6. Integrated Coastal Zone Management ICZM	Development of national ICZM plans	Identification and preparation of guidelines for ICZM best practise.
	Regional contribution to the PERSGA GIS	Development of the PERSGA GIS as a regional ICZM data archive at appropriate scales. Support member countries in the development of ICZM GIS data and software protocols. Development of on-line access and manipulation of regional GIS.
	Model activities in Sudan and Djibouti	Continue facilitating application of ICZM
	Development of ICZM demonstration plans	Identification and preparation of guidelines for ICZM best practise. Focus on ICZM linking, prioritising and scaling approaches.
7. Public Awareness and Participation PAP	Capacity-building for PAP developed	Intermittent activities responding to periodic capacity-building needs analyses.
	PERSGA/SAP profile established in Region	Needs to be developed at two levels: (i) greater awareness of PERSGA's activities and achievements outside the Region through participation in relevant international meetings and *fora* and (ii) improved networking at a senior level within PERSGA Member States to increase regional ownership of PERSGA.
	Environmental issues prevalent in school curricula	Provision of guidance on developing techniques in environmental education and awareness building.
	Informal environmental education programs established	Limited sponsorship of regional initiatives based on periodic needs analysis.
	Micro-grants Programme established	PERSGA to act as facilititator, providing guidance on programme design and proposal preparation as well as possibly providing access to possible trust funding.
	Public Awareness & Information Centres designed	Cooperative support and regional networking. Continued inclusion in PERSGA's own regional PAP activities (see above)
	Environmental Fund established	Core activity envisaged to ensure financial stability and a transparent funding mechanism for potential donors.
8. Monitoring and Evaluation of Project Impacts	Define progress and performance indicators	Requires detailed redefinition of PERSGA's monitoring needs in terms of (i) PERSGA's own institutional processes (activities and outputs) as well as (ii) wider environmental and socio-economic performance indicators. These later indicators would be an essential part of any periodic 'State of the Environment' report.
	Annual reporting system maintained	Development of a widely published annual report to an internationally recognised standard, providing details of the progress made over the year, partnerships involved and plans for the forthcoming reporting period.
	Monitoring programme underway	Formal project monitoring will be applied to the discrete working packages and targets. Standardised, internationally recognised methods to be adopted and will reflect funding body needs.
	Regular review programs	Develop six monthly programme reporting schedule.

2.3 PLANNED ACTIVITIES

During the course of implementing the GEF funded phase of the PERSGA SAP, some regionally and nationally significant initiatives emerged from the 'SAP experience'. These not only serve as important cross-cutting component linkages but also as axes to build on; as the SAP concept continues to be realised beyond the GEF phase. The Final Project Evaluation Report (April 2004) considered these emerging initiatives and provided some avenues of sustainability of the SAP objectives and important areas for further work and support. This section provides a summary of these initiatives, which are as follows

1. Protection of the Marine Environment from Land-Based Activities;
2. Regional Action Plan for Marine Contingency Planning;
3. Regional Environmental Monitoring Programme (REMP) for RSGA; and
4. Demonstration Projects

2.3.1 Protection of the Marine Environment from Land-Based Activities (LBA)

Issues related to land-based activities (LBA) have gained prominence since the original GEF Project design and PIP were elaborated. There is the accelerating and catalytic work the Regional LBA Protocol and Action Plan to address the protection of the marine environment from land-based sources of pollution in the RSGA Region. Final drafts have been prepared as of June 2000 and joint technical and legal expert meetings were convened in May 2004 to review the protocol, while the RPA/LBA will be soon reviewed from the countries. The Regional LBA protocol responds to emerging LBA issues from recent global summits and supports the goals of the Global Programme of Action (GPA). This protocol is complementary to the SAP-generated review of all environment related legislation which addresses marine and transboundary issues for the RSGA Region. Both legislative efforts are considered significant cross-cutting activities that build on and contribute to all components through a better understanding of the status of marine relevant environmental legislation for all countries in the Region. Further connected to the issue of the land-based pollution is the recent development of a cross-cutting Regional Environmental Monitoring Programme (REMP) discussed in Section 2.3.3 below. The maturing ICZM work in each country developed through the SAP potentially lays a solid foundation for addressing the national-regional character of LBA activities in terms of land-based pollution affecting the marine environment.

2.3.2 Regional Action Plan for Marine Contingency Planning

Following on from the momentum of the NAV (Component 2) activities, PERSGA and IMO prepared a draft 'action plan (and related project document for donor consideration) to develop national and regional systems and sub-regional contingency planning in the RSGA area. In light of the increasing risks to the RSGA area from marine activities, this Action Plan focuses on:

- the development of national systems for oil spill preparedness and response;
- the enhancement of regional cooperation through the development of a sub-regional framework between neighboring states; and
- further establishment and realization of the MEMAC to coordinate activities and assist Parties in their preparation and response plans.

2.3.3 Regional Environmental Monitoring Programme (REMP)

Through the SAP, PERSGA has put in place a comprehensive biological habitat and resource monitoring programme, and the Organization seeks to build on this initiative by integrating an additional suite of physical, chemical and biological measurements into a regional environmental monitoring programme. This will not only be important for LBA issues as noted above, but also highly significant for the emerging science and monitoring role that the RSGA Region might provide with regard to climate change indices and actions.

In this context, PERSGA has designed an overarching Regional Environmental Monitoring Programme (REMP), with a focus on contaminant-monitoring. The concept of the Regional Environmental Monitoring Programme is as a minimum, a common set of monitoring parameters/requirements to be undertaken by all Member States as an integral part of their national monitoring programmes. It will target transboundary pollution issues. Its scope in the first development stage will be limited because of funding constraints and disparities in the technical capacity and facilities between states. It is expected to take up to 4 years to bring all the Red Sea states to a common first stage monitoring level. As a first step, PERSGA in cooperation with the Marine Environment Laboratory of the IAEA address the following and provide a basis for future funding and action.

- identify the objectives and aims of a proposed REMP;
- review existing national and regional, chemical and biological monitoring capacities;
- conceptualise a proposed REMP; and
- prepare a proposal for the implementation of the first phase of REMP, including resource mobilisation.

2.3.4 Demonstration Activities Projects

Demonstration Activity Rationale

The Mid-Term Evaluation recommended that the overall project be revised to include a number of "demonstration activities" (hereafter referred to as 'demos') to ensure the concrete delivery of targeted funds for on the ground actions, engender a sense of 'country ownership' and address in a limited way root causes of marine environmental issues in each country. Additionally the demonstration activities would start implementation action building on some of the baseline knowledge and strategic advances of the project (e.g. marine surveys and action plans). Each country developed a project proposal (which is similar in scope and scale to GEF PDF B documents).

Table 2: SAP Demonstration Projects

Demonstration Project Title	Country	GEF SAP Links
1. Development and Implementation of a Management Plan for two pilot Marine Protected Areas in Djibouti	Djibouti	MPAs
2. Sustainable Development of Coastal Marine Resources along the Gulf of Aqaba Coast	Egypt	LMR, HBC, MPA. PAP
3. Incorporating Artificial Reefs in the Gulf of Aqaba	Jordan	HBC
4. Establishing a Regional Remote Sensing Centre for the RSGA Countries	Saudi Arabia	ICZM, IS
5. Management of living marine resources along the NW Somalia coast of the Gulf of Aden"	Somalia (NW)	LMR
6. Assessment of key habitats and turtle nesting"	Somalia (NE)	HBC
7. Demonstration Activities Project for Sudan	Sudan	LMR, HBC
8. EPA Program on the Conservation of Coastal and Marine Habitats	Yemen	MPA, HBC, PAP

These 'demos' would also allow the 'environmental researchers, rangers, on-the-ground managers to learn about project design and grant management in a way that would mentor and foster forward leadership and future work with partners like the UN and other NGOs. In 2002 the recommendation for reprogramming selected elements of the GEF SAP for 'demonstration activities' was endorsed and approved by the Task Force, Implementing Agencies (UNDP, UNEP and WB) and the country representatives.

Demo Implementation Approach

The demos were launched with a training workshop for all countries to discuss:

- Common understanding of project sustainability;
- development of log-frames and finance plans;
- utility of monitoring and evaluation in projects; and
- development of M&E plans for each demo and common M&E platform.

Through this process the demonstration projects were developed with implementation starting in mid-2004. The GEF support for the demos is US$ 2.1 million total, with national allocation from $125,000 to $360,000 for its corresponding proposal, with the GEF funds to be disbursed over a year period (allowing for reasonable no-cost extensions). Additionally each country pledged a match of funds or in-kind support that would continue the activities beyond one year. These projects follow closely work is of regional and national interests as well as work that countries were keen to accelerate from their own previous work.

2.4 CHALLENGES AND OPPORTUNITIES

2.4.1 Drivers of Change

Since PERSGA and the ensuing SAP were conceived in the mid 1990's there have been a number of major changes in both the Red Sea and Gulf of Aden PERSGA's member states as well as the wider global environment in which the Region exists. These changes have occurred at a number of different levels and spheres of interest. These include:

Thematic

- A gradual shift from *site-specific and habitat-specific* (e.g. coral reef) management to a wider *ecosystem approach*. It is increasingly recognised that habitats cannot be conserved in isolation and that there are profound linkages between human activities and the biological, chemical, and physical processes essential to maintaining the structure and functions of ecosystems (both natural and manmade). Therefore the ecosystem approach will need to establish these linkages (e.g. that between land-based pollution and changes in marine productivity and trophic dynamics) and ensure that they are included in a wider developmental approach.
- Likewise a shift from *sectoral* approaches to *ecosystem management* approaches. Traditional sector-by-sector approaches have resulted in fragmentation of policies, institutions, and interventions. Such approaches have not achieved optimum results because the linkages and interactions among natural systems as well as with people have been ignored or compromised. Consequently, there is a recognised need for the adoption of management systems embracing comprehensive and cross-sectoral approaches. One relevant example is eschewing the traditional single stock fisheries management regime for a more holistic ecosystem-based management approach.

  This implies that:

  - It may be necessary to define the management scale beyond the boundaries of a single habitat type, conservation area, political or administrative unit to encompass an entire ecosystem.
  - Because the needs of human beings play a major role in the disturbance of ecosystems, natural resource management programs should integrate economic and social factors into ecosystem management goals.
  - Because ecosystems are dynamic, management planning should be flexible and adaptive so that management strategies can be adjusted in response to new information and experience.

Geopolitical

- Changes in funding patterns. For instance there is (i) more interest in budget support and sector-wide approaches rather than direct project interventions and (ii) a greater interest in engaging the relative strengths of the private and public sectors through private-public partnerships.
- Post 9/11 uncertainty in global markets, together with continued volatility in the area.

2.4.2 Challenges and opportunities for PERSGA

A "*Strengths, Weakness, Opportunities and Threats (SWOT) analysis* was carried out to identify key comparative advantages of PERSGA, PERSGA niche in the Region and in the globe, and its future profile". This task was subdivided into two separate analyses:

- The current institutional capacity of PERSGA; and
- PERSGA's post-SAP funded phase for strengthening regional technical capacity – this recognises that the SAP was just the beginning of a 'living process' of regional self-development.

This analysis is based upon an internal evaluation, together with a stakeholder assessment through:

1) Adoption of the three basic strategy documents (draft, visions or discussion papers) in several meetings. These documents have embodied the spirit of the whole approach and are building blocks to the present framework;
2) Developed documents in partnership with stakeholders; and
3) This draft framework Strategy will be disseminated to countries for seeking their comments and approval thus ensuring that the Strategy is finalized in partnership.

Current Institutional Capacity of PERSGA

A preliminary SWOT of the current institutional capacity of PERSGA is provided in Table 3 overleaf. This shows a mature Organization with considerable institutional strengths that have developed particularly over the SAP period. This translates also into an opportunity to develop into a tight, motivated Organization that champions the causes of its Member States and is considered by donors as a valuable mechanism for channelling technical and budgetary assistance.

Table 3: SWOT – PERSGA Institutional Capacity

Strengths	**Weaknesses**
• Strong legal mandate in the form of the Jeddah Convention • Operational history and established reputation • Goodwill developed with Member States • International status developed over SAP • Knowledgeable, experienced staff with considerable development potential • Advanced infrastructure (GIS, financial systems etc)	• Lack of sufficient resources to enable support to PERSGA by technical staff to occupy all technical defined units. • Lack of financial independence that inhibits work planning and implementation • Some remaining post-SAP technical weaknesses e.g. program design, preparation of fundable packages, efficient fund raising mechanisms. • Late investment in future financial sustainability, esp. with Member States and the private sector.
Opportunities	**Threats**
• Greater direct contact between PERSGA and relevant Member State ministers. • Further develop regional presence and partnerships with nearby regional bodies. • Improved staff personal development culture and enabling processes • Development of in-house web authoring skills to provide an active and resourceful Internet presence • Increased cost-effectiveness by merging compatible staff	• Regional political uncertainty • Ability of Contracting Parties to leverage funds • Dependence upon complex systems e.g. GIS / finance that increases cost overheads

PERSGA's Post Funded phase-SAP Regional Technical Capability

As can be shown by the SWOT in Table 4 overleaf, SAP has been very successful in developing the Region's technical capacity. This also translates into considerable opportunities for PERSGA's role in maintaining this progress and momentum through a combination of regional coordination, facilitation and funding leverage. It is not particularly necessary for PERSGA to develop a strong technical assistance capability, since its role will be focussing as an 'enabling' beside its role as an "executing" organisation, although will have to retain a degree of in-house technical credibility as discussed in the previous section.

The threats to the Region's technical capacity are more generic and thus less well reflected in the SWOT. These include:

- Varied capacity levels within the Region;
- Insufficient commitment to funding from some Member States;
- Variable ability to prioritise and undertake essential environmental monitoring work; and
- Independent and isolated Member State development that threatens regional technical cohesion, inhibits the spread of 'best practise' and lessons learned and inhibits transboundary resource management and conflict resolution.

Table 4: SWOT – Post-Funded SAP Regional Technical Capability

Theme	Strengths	Weaknesses
Marine Pollution & Maritime Safety	• Much improved navigation and vessel control capability • Progress in meeting regional and international agreements & protocols	• Some key conventions, protocol's and legal agreements still not agreed and ratified.
Sustainable Development & ICZM	• Increasing number of regional examples of good practise • Advanced GIS system developed.	• Variable levels of national legislation and capacity for enabling ICZM • Economic development policies may over-ride sustainable development processes
Natural Resources & Protected Areas	• Strong awareness of the value of the Region's marine biodiversity • LMR database and analytical capabilities • Improvement in Member State capacities at both institutional and personal levels. • Rapidly growing regional MPA network	• Capacity of Member States to target environmental monitoring programmes. • Poor integration of sustainable livelihood approach into resource management
Public Awareness & Participation	• Greatly enhanced environmental awareness at many levels of society in the Member States.	• PERSGA activities have a low profile outside the Region. • Segments of PERSGA resources unavailable to wider public

Theme	Opportunities	Threats
Marine Pollution & Maritime Safety	• Further develop regional vessel and port control capability • Enhance regional contingency planning and integrating national emergency response systems • Further ability to meet international protocols and best practises • Leveraging private sector financing of regional approaches to risk reduction	• Lack of continued investment and maintenance of operating navigation aids
Sustainable Development & ICZM	• Adoption of international ICZM 'best practise' • Web-based regional GIS and information portal with open user access and query	• Unregulated 'creeping' development
Natural Resources & Protected Areas	• Development of partnership arrangement with RECOFI to ensure transboundary fish stock management and MCS • Developing relationships between resource users and managers • Capacity-building in ecosystem-based fisheries management • Develop a dynamic and highly coordinated regional MPA network • Improve and widen capabilities of MPA management • Revenue generation and cost recovery mechanisms • Improved regional data needs analysis, collection and analysis capability • Develop a regional reporting system and periodic 'State of the Environment' Report	• RECOFI unable to provide Region with adequate fisheries management support
Public Awareness & Participation	• Develop a wider international awareness and appreciation of PERSGA through greater participation in international *fora* • Development of an on-line bibliography and metadatabase	• Post-SAP 'fatigue'

3 OUTLINE STRATEGY

3.1 SHARED VISION

PERSGA envisages a situation in the Red Sea and Gulf of Aden where there is:

A **healthy environment** that maintains its diversity of species and habitats, its functional integrity and resilience, parts of which are in pristine condition.

Sustainable multiple use: non-destructive activities which can continue forever in such a way that maintains the widest range of opportunities for appropriate sustainable use and does not adversely affect the ecological integrity of its natural systems.

Maintenance and enhancement of values: the continuation and enhancement of diverse aesthetic, ecological, economic, cultural and social values, providing for the aspirations of residents, users, transiting visitors and the global community.

Shared goals and integrated coordinated management and conservation programmes amongst the coastal nations of the Red Sea and Gulf of Aden

Knowledge-based but cautious decision-making in the absence of information: decisions based on a commitment to research, monitoring and review using data and experience from all sources and erring on the side of caution in the absence of information.

Strong and vocal champions and effective partnerships for marine and coastal issues at all levels of society, including the private sector and community-based and non-governmental organisations.

Committed, prosperous and vibrant coastal communities who benefit from, and actively contribute to, the above shared vision.

This shared vision represents common understanding, views and wishes of the people of the Region regarding the coasts and seas of the Red Sea and Gulf of Aden. It is how the stakeholders see the seas in the long–term – perhaps at the end of twenty to thirty years. Achieving the vision will take time, commitment and resources to implement a set of action programmes. More importantly it requires the collective political will and regional cooperation among the concerned governments and other stakeholders to implement them.

3.2 PERSGA'S MISSION

To lead the shared vision of its Member States for the conservation, responsible use and sustainable economic development of their coastal and marine resources.

This statement expresses the purpose and function of PERSGA in achieving the vision. The mission is simple – by working in partnership across boundaries, sectors and organisations, the Strategy can be implemented to achieve the shared vision.

3.3 PERSGA'S GUIDING PRINCIPLES

PERSGA's mission is founded on the following primary principles:

a. To pursue a common and integrated Strategy to achieve the vision that can be undertaken at all levels of government in the Region with the participation of multi-sectoral stakeholders to ensure public support.

b. To nurture the self-reliance of PERSGA Member States to undertake their own concrete steps to prevent and mitigate threats to the marine and costal environment through their own national and local efforts

c. To share responsibility to address complex transboundary environmental threats which are beyond the capability of any single government, agency or other group to deal with.

d. To address environmental issues collectively by working intra-regionally, and with the donor community and other international organisations to implement international conventions.

In addition, PERSGA will strive to ensure the following:

- Conservation, protection and management of the Region's resources and their habitats should be sustainable and ecosystem-based and reflect a holistic understanding of ecosystem structure, processes and interactions;
- Resource development and other coastal zone activities should be based on ecologically sound integrated coastal planning and management;
- Effective communication and active co-operation among all citizens with an interest in the Region's coasts and seas, and linkages with groups and programs that share similar objectives are vital to this enterprise; and
- To mobilise the strength of the private sector to provide efficient and sustainable environmental solutions.
- Strategies and actions adopted are robust and flexible in the light of changing priorities as well as political and economic uncertainty in both the Region and beyond.

3.4 STRATEGIC PLANNING HORIZONS

This Strategy, and the consequent business plan, have been planned over two time periods.

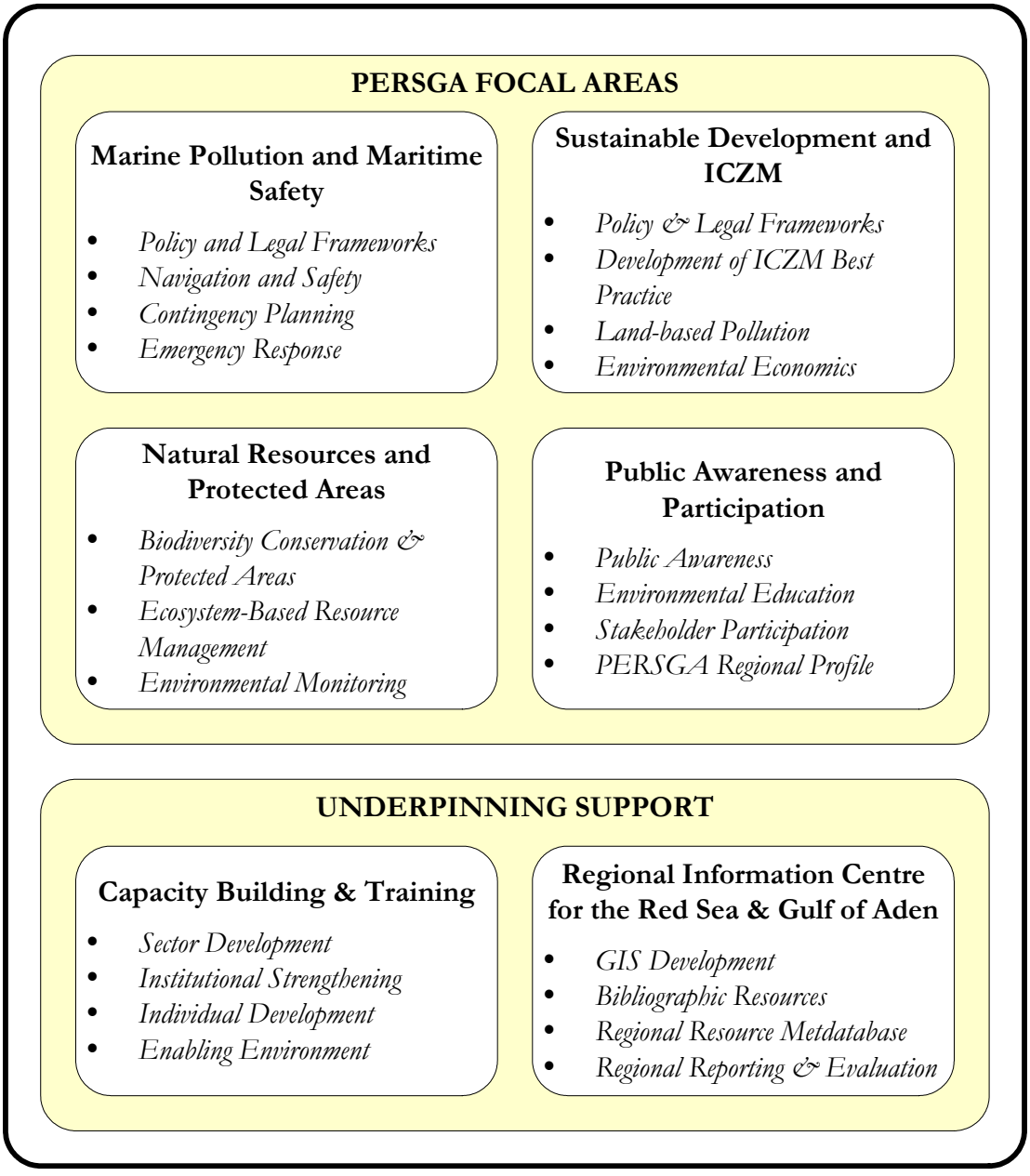
Long-term Strategic Framework (10 years): this strategic framework is aligned with the goal of 'Capacity 2015' to support national and local governments of the Member States in localising sustainable development planning and management by 2015. This is also allied to achieving the so-called Millennium Development Goals identified at the Millennium Summit.

Short-term Strategy (5 years): the short term Strategy, and this Business Plan, is aimed at the immediate short and medium-term. This will allow sufficient detail to be provided over the short-term (i.e. until the end 2005) and over the slightly longer term (i.e. end 2009).

4 GOALS, OBJECTIVES AND KEY STRATEGIES

Based on PERSGA's vision, combined with the findings of the SAP final evaluation, four **focal areas** have been identified as appropriate to achieving the Organization's vision. These are summarised in Figure 2 below. These four focal areas are in turn supported by two cross-cutting, **underpinning functions** that provide the capacity-building needs and information support that all four focal areas require.

Figure 2: PERSGA Focal Areas and Underpinning Support Functions



The following section briefly outlines the four main goals of each Focal Area, the corresponding objectives of this strategic framework, together with the key strategies that might be adopted to achieve these objectives. This section is necessarily brief – more details about how the Strategy will be implemented, essentially in the form of a number of discrete, phased work packages, will be presented later in this document.

4.1 GOAL A: SUSTAINABLE DEVELOPMENT AND MULTIPLE USE OF THE REGION'S COASTS AND SEAS

Overall Aim

To allow the planned development and use of the coastal and marine areas that is sustainable in nature and permits the fair sharing of resources, the equal access and enjoyment by all who inhabit the Region.

Objectives

- To develop regional best practises for coastal management that is informed by local and international experience.
- Further develop the capacity of Member States to prioritise and scale coastal management approaches and methodologies
- To support regional level coastal management through the development of a GIS-based information system with associated regional information exchange protocols.
- Identification and development of regional expertise in emerging areas of relevance including environmental economics, cumulative environmental impact assessment and non-sectoral spatial planning methodologies.

Strategies

- Convene regular meetings and conferences on ICZM subjects of current and emerging relevance, inviting regional and international speakers to expound good practise and to encourage regional and inter-regional networking opportunities. Conference funding could be raised from combination of core funding and private sector sponsorship, especially where specific conference themes can be developed (e.g. 'port development planning' might levy funds from regional port authorities).
- Through the identification of new planning technologies, the regional development and adoption of novel mechanisms for ICZM. For example, this might include environmental economics to provide realistic estimates of the actual environmental costs and benefits of development plans, strategies and alternatives.
- Development of a regional and international network of leading thinkers, possibly in the form of a 'think tank' in ICZM to develop a 'blue sky approach' to further ICZM planning in the Region. Needs to develop an overall vision of developmental possibilities – and limitations – over very long-term planning horizons (i.e. between 50 - 100 years), considering the impact of demographic growth and trends, climate change, the economic and social consequences of failing oil supplies and possible geopolitical changes both at a regional and global scale. This might be linked to the designation of the Red Sea (and Gulf of Aden) as an 'Indicator Sea' for climate and other profound environmental change.
- Establish and agree a set of regional-level information requirements needed for transboundary bi-lateral and regional planning. Will respond to the requirements of the main development/planning Ministries or competent authorities in Member

States together with representations from relevant sectors e.g. tourism, power, water (i.e. desalination), environment and transportation.

- Development of a GIS-based coastal information system available through Member State slave terminals (access and data uploading) and interrogation via Internet. GIS-related data and bibliographic protocols to be developed for information databases and archives.

4.2 GOAL B: REGIONAL CAPABILITY FOR MARINE EMERGENCY PLANNING AND RESPONSE

Overall aim

To further develop the Region's capacity to ensure the safe transit of ships and their cargos, particularly oil tankers, through the Red Sea and Gulf of Aden with the minimum possible risk to the environment.

Objectives

- Establish a common regional policy towards maritime safety with the development of an associated network of relevant authorities and private sector partnerships.
- To further develop the capacity of Member States to undertake their commitments through periodic reviews and capacity-development programmes.
- Develop a co-ordinated and evolving set of nested local, national and regional emergency and contingency plans with clear responsibilities and protocols for transboundary actions.
- Establish, through MEMAC, a regional capability for monitoring ports, shipping and associated risk in order to develop a means of prioritising monitoring efforts and ensuring a rapid and appropriate response to emergency situations.

Strategies

- Formalise and utilise the SAP-initiated Navigation Working Group approach (Regional Working Group on Navigation Risk & Maritime Pollution – RWGNRMP) as a model for a successful coordination body. Funding to be through *ad hoc* industrial contributions and supplemented or even replaced over the longer-term by formal cost recovery mechanisms such as cargo or transit levies.
- The RWGNRMP to develop stronger ties and partnerships with relevant international organisations such as the IMO as well as representative trade and pollution compensation organisations such as he International Oil Pollution Compensation Fund IOPCF).
- Under the strategic guidance of the RWGNRMP, development of PERSGA's Marine Emergency Mutual Aid Centre (MEMAC) established in Hurghada, Egypt. Development of a core central capacity, with strong regional and international

networking, allowing the ongoing elaboration of a risk reduction strategy for navigation hazard and pollution avoidance.

- Regular collaborative efforts at a regional level to test and hone contingency planning and emergency response skills, with the building of minimum regional standards through information and personnel exchange, cross-training and trans-boundary incident scenario-playing.

4.3 GOAL C: PRECAUTIONARY MANAGEMENT AND CONSERVATION OF THE REGION'S BIODIVERSITY

Overall Aim

To reduce, and where possible reverse, biodiversity loss through the combined approach of precautionary development planning and the consolidation of the regional network of biodiversity management and conservation initiatives that secure representative habitats and species at an appropriate regional scale.

Objectives

- Address core regional biodiversity issues through the identification of key environmental, economic and social drivers for habitat degradation and species exploitation.
- Establish a regional capacity for ecosystem-based resource management, through both the establishment of a core network of expertise in the Member States together with the development of working relationships with international and regional organisations such as FAO, WWF and IUCN.
- Develop a regional planning, monitoring and reporting framework for habitat and species action plans that reduce duplication across different Member States and address transboundary or larger scale regional biodiversity issues
- Convene regular meetings and conferences on subjects of current and emerging relevance, inviting regional and international speakers to describe current thinking on biodiversity planning, implementation approaches and monitoring as well as encourage regional and inter-regional networking opportunities.

Strategies

- Establishing a coordinating unit (CU) at PERSGA that will coordinate biodiversity master planning and monitoring across Member States and the Region as a whole. This will be the core function of the Jeddah-based technical staff and will include the coordinated and integrated planning of habitat and species conservation, the development of the MPA network and providing linkages with living marine resource management partnerships e.g. RECOFI.
- Establish and agree a set of regional-level habitat and species information requirements needed for transboundary bi-lateral and regional planning. These should link with the ICZM database on development (e.g. linking land-based and

coastal development pressures with threats to biodiversity both on local and the wider 'regional seas' level).

- Branding PERSGA as a leading network facilitator for coastal and biodiversity issues in the Region. Again as with the ICZM example, conference funding could be attracted by the setting of emerging or current themes that are relevant to the Red Sea and Gulf of Aden as well as neighbouring seas such as the Arabian Gulf, the Mediterranean and NW Indian Ocean. Such funding might be through a combination of conference entry fees and thematic sponsors.
- Integration of PERSGA activities into the new 'targeted research' avenue of GEF funding, especially in regard to coral reef conservation and climate change.

4.4 GOAL D: INFORMED, COMMITTED AND ACTIVE STAKEHOLDER PARTICIPATION

Overall Aim

A stakeholder community that is fully aware of the unique coastal environment in which they exist and operate, with opportunities and incentives for their active, joint participation in the planning and decision-making processes that will benefit the quality of life for all.

Objectives

- To establish PERSGA as the *de facto* regional 'champion' for sustainable development and resource conservation that enjoys wide international recognition, support and respect.
- To inform and involve high level Government decision-makers and public sector policy makers throughout the Region in ensuring a favourable policy, legislative and fiscal enabling environment for precautionary planning of sustainable development.
- To ensure that those public and private sector organisations and individuals involved in planning, implementing or evaluating coastal development, resource extraction - or any other activity that may impact the natural structure of the Region - are aware of, and committed to, their stewardship responsibilities.
- To broaden the perception and understanding of the general public regarding the beauty and fragility of the environment on which they depend for much of their quality of life.

Strategies

- To increase the visibility of PERSGA's role and capacity as a regional champion for sustainable development through greater networking and partnership development. This will be achieved by greater promotion of the Organization through mechanisms such as conference facilitation, a reputation for 'blue sky' thinking, regional information provision and where appropriate, acting to raise, augment and distribution funding.

- The PERSGA Secretariat will, with the guidance of the PERSGA Council of Ministers, develop strong linkages with those regional high level officials throughout the Region responsible for coastal development and marine resource management. These linkages will seek to engage their commitment PERSGA's vision of cross-sectoral and where appropriate, transboundary development planning. This is intended to instil an understanding of the cumulative impacts of development within the Region as a whole.
- PERSGA will compile regional and international experience in public awareness and participation techniques to develop modular packages for application by Member States. These will be developed and refined on an on-going basis through regular regional meetings and conferences. The latter will include speakers invited from outside the Region and the outputs made relevant to neighbouring regional seas areas to increase both their value and potential appeal.

5 IDENTIFICATION OF DELIVERABLE OUTPUTS

The following section provides a description of the activities that PERSGA might undertake in addressing the four focal areas described earlier and providing the underpinning support functions.

These activities have been packaged into discrete deliverable 'packages' with an outline of the timing and resource implications, both partnership and fiscal, involved. It should be stressed that these packages have been developed solely on the basis of a desk-based *ex-post* evaluation of the SAP products and in accordance to the PERSGA vision. There is therefore a fundamental need, as wholly recognised by PERSGA, for the detailed transformation of these packages to detailed *Concept Papers* and eventually to full *Project Proposals* in a state ready for presentation to appropriate donors and clients (see Next Steps in Section 9).

The term 'client' is used deliberately, as it is envisaged that PERSGA will be tasked with delivering tangible 'products' to pre-agreed specifications. The clients, be they Member States governments; private sector interests in the Red Sea and Gulf of Aden and the donor community, are described more fully in Section 7 on page 44.

For each goal, the following information is provided:

- Overall Aim: the overall objective of the Focal Area
- Main Components: a division of the activities to be undertaken into two or more individual 'packages' that each have distinct objectives, outputs, partnership and funding needs.
- Priority and Timeframe: the importance of the activity in its contribution to achieving PERSGA's overall vision, together with the overall timeframe envisaged.
- Objective(s): the objective, or objectives, of the individual activities.
- Outputs & Milestones: the key outputs (or deliverables) and milestones to the individual activities.
- Potential Partnerships: an outline identification of the partnerships required in order to achieve the objectives.
- Non-core Funding Needs: reflects the incremental funding required by the activities above the core funding required to provide the underpinning support (see Sections 5.5).

5.1 SUSTAINABLE DEVELOPMENT AND ICZM

Overall Aim	To allow the planned development and use of the coastal and marine areas that is sustainable in nature and permits the equal access and enjoyment by all who inhabit the Region.	
Main Components	1. Establish a regional capacity, centred at PERSGA, for leading thinking and best practise for sustainable development and ICZM.	2. Provision of information on coastal and marine development and usage. Part of an overall 'Regional Information Centre for the Red Sea and Gulf of Aden' (see Section 5.5)
Priority and Timeframe	High: established by end 2005	High: established by end of 2006.
Objective(s)	• Development of a regional network, with appropriate international linkages, of key planners and policy makers, sectoral representatives, developers and resource users. • Improve 'best practises' for ICZM, informed by local & international experience, introducing emerging ICZM thinking into the Region e.g. environmental economic evaluation, spatial planning & cumulative EIA for coastal, marine & land-based activities. • Provide a forum for 'blue sky' thinking to enable long-term strategy development for combating profound environmental change • Development of a regional Environmental Trust Fund mechanism for promoting and enabling regional environmental activities	• To support regional level coastal management through the development of a GIS-based information system with associated regional information exchange protocols. • To establish spatial linkages of coastal development and planning to biodiversity and natural resource assets and patterns, especially in the case of land-based activities (LBA) and transboundary areas. The purpose is to assist ecosystem-based management of coastal and marine resources. • To permit and enable Member States to access, and contribute to, the information system.
Outputs & Milestones	• Regional partnerships established and mapped. • Annual plan of actions, inc. conference and workshop schedules. • Institutional structure and work plan for 'blue sky' think-tank agreed	• Establishment of information needs from both regional planners (i.e. PERSGA) and the individual Member States. • Establishment of joint protocols for data provision • Design and development of a WAN/Internet-based access system
Potential Partnerships	• International organisations: EuroCoast; MAP, ICRA, UNESCO • Regional organisations: CEDARE, CAMRE, ALECSO, MAP, ROPME • Member State authorities: planning and development ministries • Private sector: sectoral representatives and community, developers. • NGOs: IPIECA, WWF, IUCN	• International organisations: UNESCO • Regional organisations: CEDARE • Member State authorities: planning and development ministries • Private sector: sectoral representatives and the wider coastal communities • NGOs: WWF, IUCN
Non-core Funding Needs	• PERSGA staff travel and subsistence • Conferences and workshop costs • Short-term technical assistance	• Workshop costs Note: most costs covered under core budget (see Section 5.5).

5.2 MARINE POLLUTION AND MARITIME SAFETY

Overall Aim	To further develop the Region's capacity to ensure the safe transit of ships and their cargos through the Red Sea and Gulf of Aden with the minimum possible risk to the environment.	
Main Components	1. RWGNRMP developed as a PERSGA mediated regional 'think tank' and network hub	2. Marine Emergency Mutual Aid Centre (MEMAC) established as a functional regional risk assessment and emergency response coordination centre and enhance the role of national units.
Priority and Timeframe	High: Formalisation by end 2004 with institutional and funding mechanisms in place by end 2005	High:
Objective(s)	• Provide a central clearing house and network hub for all regional and transboundary issues relating to marine navigation, risk reduction and emergency response issues • Identify and develop working partnerships between port authorities, public sector organisations, the private sector and the NGO community to reduce risk and maximise coordinated effectiveness. • Provide a regular forum for regional performance reviews, conflict resolution and joint development e.g. protocols	• Development and implementation of a recurrent regional and transboundary risk assessment capability • Establishment of a regional network of (i) key stakeholders (port authorities, shipping organisations, environmental authorities, fisheries interests and (ii) service providers (e.g. salvers, oil combating organisations, fire-fighting, search and rescue etc) to agree protocols, contingency plans etc for joint action. • Provide an operational control centre for coordinating regional or bilateral disaster response activities. • Development and operation of a Regional Information System
Outputs & Milestones	• Formalisation and adoption by Member States • Network and partnership maturity • Cost-recovery mechanisms agreed and in place	• MEMAC in place and operational • Production of annual work plans • Network in place with comprehensive response framework agreements signed and resources in place
Potential Partnerships	• International organisations: IMO, ITOPF and IOPCF • Regional organisations: MAP and ROPME, Private sector: port authorities; • NGOs: IPIECA	• International organisations: IMO, ITOPF and IOPCF • Regional organisations: • Private sector: port authorities; salvors, spill control & clean up, etc • NGOs: IPIECA
Non-core Funding Needs	• PERSGA staff travel and subsistence • Meetings and conventions • Short-term technical assistance (i.e. legal)	• MEMAC operation costs • Meetings and regional workshop costs • Short-term technical assistance

5.3 NATURAL RESOURCES AND PROTECTED AREAS

Overall Aim	To reduce, and where possible reverse, biodiversity loss through combined approach of precautionary development planning and the consolidation of the regional network of biodiversity management and conservation initiatives that secure representative habitats and species at an appropriate regional scale.	
Main Components	1. Establishment of a biodiversity conservation and management coordinating unit at PERSGA	2. Provision of information on biodiversity and living resource exploitation. Part of an overall 'Regional Information Centre for the Red Sea and Gulf of Aden' (see Section 6.5)
Priority and Timeframe	High: established by end 2006; ongoing thereafter	High: established by end of 2006; ongoing thereafter
Objective(s)	• Development of a regional network to assist in the coordinated and integrated planning of habitat and species conservation (esp. Action Plans) and the development of the regional MPA network. • To enhance the regional capacity for ecosystem-based resource management through an exchange of experience and ideas as well as interaction with relevant regional bodies • Convene regular meetings and conferences on subjects of current and emerging relevance e.g. biodiversity planning, implementation approaches and monitoring.	• To support regional level ecosystem management through the development of an GIS-based information system with associated regional information exchange protocols. • To agree a regional biodiversity monitoring and reporting framework, based on the existing 'Regional Environmental Monitoring Programme (REMP, see page 14) and information provided by Member States. • To permit and enable Member States to access, and contribute to, the information system.
Outputs & Milestones	• Regional partnerships established and mapped. • Linkages with RECOFI developed to enhance ecosystem-based fisheries management in the Region. • Annual plan of actions, inc. conference and workshop schedules.	• Habitat and species monitoring requirements agreed, inc. the establishment of joint protocols for data provision • Reporting system for MS Biodiversity Action Plans agreed. • Design and development of a WAN/Internet-based access system
Potential Partnerships	• International organisations: FAO, IOTC, • Regional organisations: CEDARE, CAMRE, ALECSO, MAP, ROPME • Member State authorities: environment/resource management • Private sector: resource user representatives, community associations • NGOs: IPIECA, WWF, IUCN	• International organisations: UNESCO, FAO • Regional organisations: CEDARE • Member State authorities: environment/resource management • Private sector: key resource user associations • NGOs: WWF, IUCN
Non-core Funding Needs	• PERSGA staff travel and subsistence • Conferences and workshop costs • Short-term technical assistance	• Workshop costs Note: most costs covered under core budget (see Section 5.5).

5.4 PUBLIC AWARENESS AND PARTICIPATION

Overall Aim	A stakeholder community that is fully aware of the unique coastal environment in which they exist and operate, with opportunities and incentives for their active, joint participation in the planning and decision-making processes that will benefit the quality of life for all.	
Main Components	1. Establish PERSGA as the 'regional champion' for sustainable development and resource management and conservation.	2. Development of stakeholder awareness of, and participation in, environmental issues and activities pertaining to their quality of life.
Priority and Timeframe	High: planning phase over 2004 and 2005, current implementation thereafter.	Medium: planning phase over 2004 and 2005, current implementation thereafter.
Objective(s)	• To raise the profile of PERSGA both within the Region and in the international community • To further engage Member States in enabling regional planning and development	• To act as a regional forum for stakeholder issues and concerns. • To compile regional and international experience in public awareness and participation techniques as modular packages for application by the Member States, 'environmental clubs' and NGOs • To act as a regional resource centre for formal environmental education programmes, linking practitioners with concepts, techniques and potential service providers.
Outputs & Milestones	• Preparation of a media strategy and Action Plan for promoting PERSGA's activities and newly reviewed post-SAP role. • Recurrent annual work plan for regional, high-level networking activities • Identification of international and regional partnerships that assist PERSGA to develop its involvement in relevant regional affairs.	• Establishment of an Internet-based bulletin board for stakeholder issues and concerns. • Establishment and formal launch of a PAP resource centre, providing on-line toolkits, guidelines and case studies. • On-line availability of networking tools (e.g. searchable metadatabase of bibliographic material and service providers).
Potential Partnerships	• International organisations: donor & development agencies (World Bank, inc. the IMF), GEF, UNDP, UNEP, UNESCO, FAO, WHO, EC, and country development organisations (e.g. DFID, JICA etc). • Regional organisations: Arab League, CEDARE, MAP, ROPME, ALECSO, CAMRE, the Islamic Development Bank (IDB), etc. • Private sector: international and regional trade organisations, Chambers of Commerce, etc.	• International organisations: FAO, • Regional organisations: • Public sector: education authorities, schools, universities • Private sector: community organisations • NGOs: Environmental Clubs, local NGO's
Non-core Funding Needs	• PERSGA travel and subsistence costs • Media materials, preparations and publication costs • Short-term consultancy (i.e. marketing and business development)	• Preparation of on-line resources (e.g. toolkits etc) • Workshop and travel costs • Media materials, preparations and publication costs

5.5 UNDERPINNING SUPPORT FUNCTIONS

Overall Aim	To provide cross-cutting support to the four PERSGA 'Focal Areas'	
Main Components	1. Capacity-Building and Training	2. Creation of a 'Regional Information Centre for the Red Sea and Gulf of Aden (RIC-RSGA)
Priority and Timeframe	High: Ongoing	High: Ongoing
Objective(s)	• To provide a regional forum for discussing capacity-building and institutional strengthening needs at Member State and regional levels, including the identification and engagement with emerging skill gaps and Member State inequality issues. • To assist Member States identify capacity-building needs at different levels in society. • Development of appropriate models for regional capacity development and the identification of potential service providers.	• Establishment of a 'Regional Information Centre for the Red Sea and Gulf of Aden. Providing integrated spatial and quantitative information on the natural (i.e. physical and biological assets and resource usage) and built (i.e. major coastal and marine structures, pollution sources, etc) environment. • Development of a bibliographic reference facility. • Integrated metadatabase and 'coastal and marine directory' for all those public and private sector, NGO organisations relevant to the RSGA environment and a wider metadatabase of relevant agencies and service providers outside the Region. • Provide an integrated reporting node, including the preparation of a periodic (5 yearly) 'State of the Environment' Report for the RSGA.
Outputs & Milestones	• Development of monitoring programme for regional institutional, sectoral and societal capacity indicators across the four Focal Areas. • Preparation of an annual work plan for capacity-development initiatives across the four Focal Areas. • Partnership strategy (with development agencies and private sector service providers) in place and underway.	• Development of the existing GIS into a widely accessible 'Regional Information Centre' available via the Internet. • Entry of all SAP bibliographic material into a widely accepted bibliographic software (e.g. Procite) and available online, possibly though partnership e.g. with ASFA (Aquatic Sciences and Fisheries Abstracts) • Production, both online and on CD-ROM of a 'Coastal and Marine Directory' for those involved in activities relevant to PERSGA. • 5 yearly production of a RSGA 'State of the Environment' Report

Overall Aim	To provide cross-cutting support to the four PERSGA 'Focal Areas'	
Main Components	1. Capacity-Building and Training	2. Creation of a 'Regional Information Centre for the Red Sea and Gulf of Aden (RIC-RSGA)
Potential Partnerships	• International organisations: donor & development agencies (World Bank), GEF, UNDP, UNEP, UNESCO, FAO, WHO, the EC and country development organisations (e.g. DFID, JICA etc). • Regional organisations: the Arab League, CEDARE, ALECSO, the Islamic Development Bank ,MAP, ROPME etc. • Public sector: exchanges with organisations in developed countries. • Private sector: universities, training institutes, etc.	• International organisations: World Conservation Monitoring Centre WCMC; IUCN, UNEP, GEF • Regional organisations: ROPME • Private sector: • NGOs:
Core Funding Needs	• PERSGA travel and subsistence costs (partnership development) • Promotion and facilitation of capacity monitoring programme • Capacity-development initiatives	• Development of the PERSGA GIS to become an accessible, Internet based information system • Development and update of the bibliographic database. • Development and update of the 'Coastal and Marine Directory' • Production and publication of the 5 yearly RSGA 'State of the Environment' Report.

6 MANAGEMENT STRUCTURE AND SYSTEMS

6.1 OVERVIEW

PERSGA consists of four main management levels (see Figure 3):

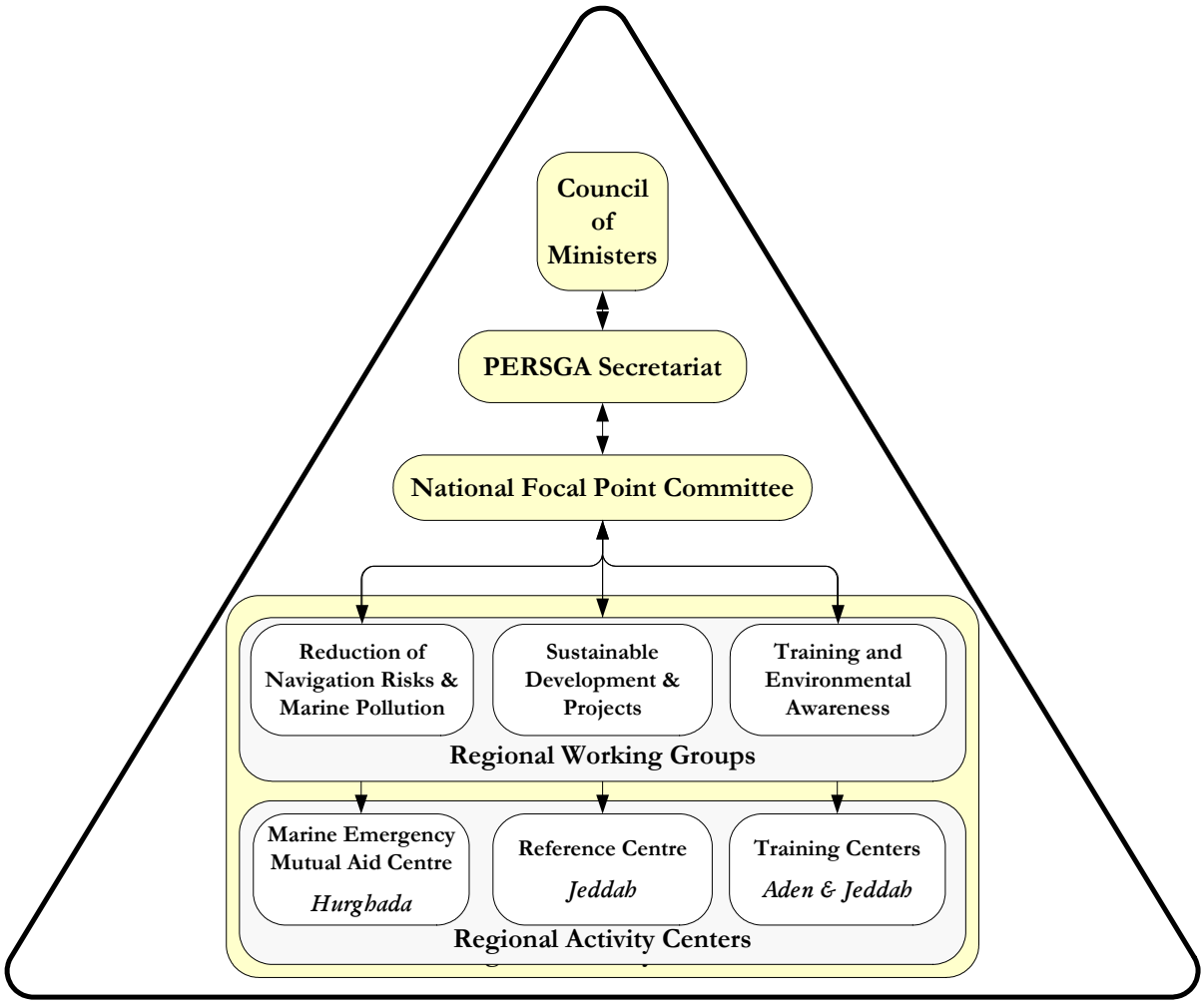
Council of Ministers: PERSGA is governed by a council formed of ministers handling environmental affairs in each of the seven PERSGA member states. The council meets annually to approve technical and financial policies.

PERSGA Secretariat: a permanent executive staff based in Jeddah in the Kingdom of Saudi Arabia, including any developed outpost regional centre or body.

National Focal Point Committee: are PERSGA's reference for daily procedures and issues concerning the implementation of its activities in the eight member states. They represent either the ministry handling environmental affairs or the operational part of such a ministry.

Regional Working Groups: three *Regional Working Groups* exist for (i) Reduction of Navigation Risk and Maritime Pollution, (ii) Sustainable Development & Projects and (iii) Training and Environmental Awareness together with a number of *Regional Activity Centres* (two training centers in Aden and Jeddah; the Reference Centre in Jeddah; and MEMAC in Hurghada.

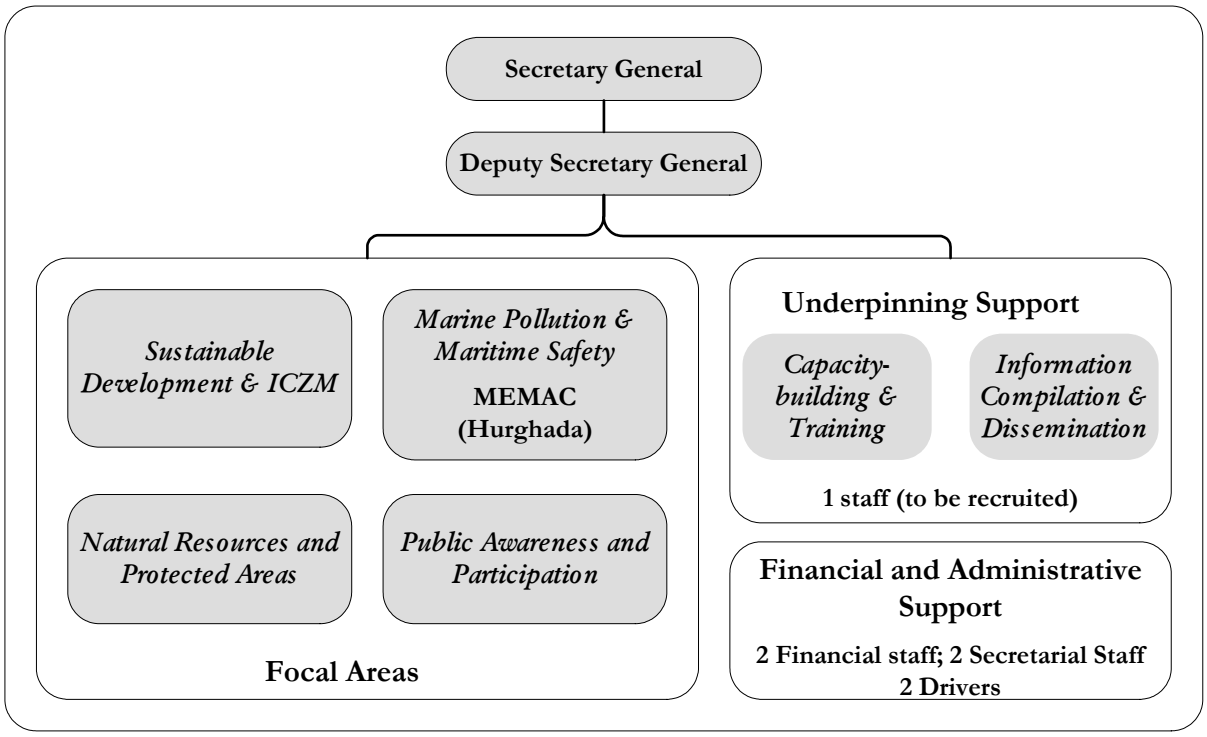
Figure 3: PERSGA Management Structure



6.2 PERSGA SECRETARIAT

The PERSGA Secretariat is planned to consist of nine technical staff plus a further additional six administrative staff (see Figure 4 below).

Figure 4: PERSGA Secretariat Staff



This staff structure fits the anticipated Focal Areas well. Less well supported is the provision of underpinning support – these key activities (see Section 5.5 on page 34) are likely to require considerable technical support to the Core Team e.g. in the form of GIS, database and reporting expertise – this will need to be contracted in for the first 1-2 years or where possible, the skills developed within existing PERSGA personnel. This person is likely to have the following profile:

Title:	Information and Training Officer
Functions:	Head up the provision of under-pinning support, utilising contracted specialist assistance where necessary. Responsible for (i) assisting Focal Point staff in identifying integrated capacity-building and training solutions, (ii) managing the information networks and developing dissemination networks.
Expertise & experience:	Should be highly IT literate with good personal communication skills. Experienced in organising information networks, business-to-business communication and organisational development.

Finally, it is not clear what the structure of the financial department will be, beyond there being two staff. With PERSGA operating under strict expenditure efficiencies, it is important that financial controls (see next section) are being implemented by a competent Chief Financial Officer with adequate backing, both from support staff as well as the Secretary-General and Deputy General.

6.3 OPERATING AND CONTROL SYSTEMS

The PERSGA Secretariat now has a well established administrative system and one that underwent considerable expansion and development in order to accommodate the extra demands of the SAP. The winding down of the SAP, together with the actions recommended in this Business Plan, have a number of implications of the action programme for the present system.

6.3.1 Administrative Policies, Procedures and Controls

The anticipated change of PERSGA from an organisation primarily responsible for executing a multi-million dollar programme (i.e. SAP), to one that is coordinating a largely Member State driven programme suggests that the administrative burden will be reduced and provides opportunities for increased cost efficiencies. This in turn suggests that there are a number of other implications for PERSGA's administrative systems:

- There will be a smaller, more stable core staff with less need for the preparation and administration of short-term contracts;
- Whilst PERSGA will be providing a regional coordinating role, it is envisaged that the Organisation will also identify, obtain funding for and implement specific activities, either in the form of projects or bundled together in the form of a wider programme. This may require specific skill that, if not present in the core team of the Organisation, may be recruited, probably on a contractual basis.
- Core-staff travel, both within the Region and outside is likely to increase, requiring an emphasis on good personal assistance and secretarial support;
- Networking needs will also increase, suggesting that at least one member of staff is tasked with acting as a PERSGA liaison officer, assisting senior management to build up information and relationships with key regional and extra-regional stakeholders and service providers. This will be particularly important with Member State representatives who must feel confident that communication and administrative interchange with PERSGA is easy, efficient and with adequate feedback;
- The role of PERSGA in identifying and undertaking regional conference and workshop opportunities is considered as being particularly important. This must have adequate administrative support, even if specialist conferencing activities are outsourced; and
- PERSGA will need to develop a process for low-cost, minimal maintenance information exchange.

6.3.2 Financial Control

A key component required to attract donor funding in a climate of increasing resource constraints, is the need to demonstrate that PERSGA is operating cost-efficiently. If such cost-efficiencies can be clearly demonstrated, they can in themselves serve as an important tool / motivating factor in generating additional funds. Of course, the need to make changes should be counter-balanced by cost-efficient practices that are already in

place. PERSGA should put in place (where necessary), and demonstrate all existing and proposed efficiencies in two main areas, to be explored by a cost-reduction task group to be formed immediately, and to be headed by the Secretary-General and the Financial Controller within the Secretariat. The establishment of this task group would provide a visible indicator to donors that PERSGA treats the issue of cost efficiency seriously.

Firstly, within the Secretariat itself, steps should be taken to improve the use of funds wherever possible. This could be achieved through the following mechanisms:

- Review all outgoing expenditure for possible areas where costs could be reduced (without negatively impacting on performance). In addition, consideration of all possible areas for outsourcing of expenditure where cost-efficiencies might be generated, and review any long-standing regular payments to outside sources to assess whether alternative suppliers/providers might in fact provide greater value for money;
- Internal financial reporting to take place each quarter to assess the uptake/use of Secretariat budget, and yearly summary reports to monitor costs against budgets, to highlight over-under expenditures so as to learn any important lessons for forthcoming years;
- Consideration of internal performance and monitoring indicators, and the use of milestones and deliverables, to improve cost-efficiencies; and
- Careful planning of Secretariat activities to maximise synergies between staff and outputs.

Secondly, special attention should be paid to ensuring cost-efficient use of funds to be spent on the proposed 'packages' and future activities. Measures to be put in place should include:

- All financial safeguards for good management of the environmental fund;
- As wide a range of advertising as possible of all possible services to be contracted out through tender procedures, so as to increase the number of bidders and reduce the likely lowest financial offers;
- Increasing emphasis on the principle of 'user pays', so that beneficiaries of projects/activities are increasingly expected to contribute to costs, thereby increasing additionality and private sector leverage. Before any project/package activities are funded from the environmental fund, efforts would be made to explore possible cost-recovery potential;
- Strict financial reporting requirements for all third parties implementing project / 'package' activities, and a sound legal basis for all contracts to safeguard against any non-compliance. Use of performance monitoring indicators, and the use of milestones and deliverables by all contractors, to improve cost-efficiencies;
- Increasing use of private/public partnerships (see Section 7.5); and
- Consideration of the timing of activities during the year to ensure the maximum benefit of funds being spent e.g. careful planning of activities to maximise synergies between staff and outputs.

6.3.3 Information and Communication Technologies

The potential presented by new information and communication technologies provides PERSGA with a number of real opportunities for developing a 'Regional Information Centre for the Red Sea and Gulf of Aden'. However, the success of such a system, where both Member States and others will continued to invest in their use and development, depends upon a number of conditions that PERSGA will set in place:

- User-defined information specifications – monitoring programmes must be driven by the end-user information requirements – whether for policy development of operation management use - not the sake of the data itself. Therefore there must be a participatory regional 'information needs assessment process' whereby national monitoring and data provision programmes can be defined to ensure they are targeted and cost-effective.
- An ability to agree data structure protocols – the often large amount of text-based data will necessitate the development of data standards and dictionaries. These will allow users to query and analyse data on, for instance, the following areas:
  a) Species and habitat lists.
  b) Target categories (targets and outcomes can also be recorded using numeric fields).
  c) Action categories (to record the type of activity underway, e.g. 'MPA selection').
  d) Lists of threats to species and habitats.
  e) Lists of barriers or obstacles to plan implementation.
  f) Categories to record examples of good practice and success.
  g) A list of geographical locations.
- Easy user interface – users must be able to formulate and execute queries with minimal training. This suggests that PERSGA consider a number of different interfaces with the regional information systems, reflecting the likely user profile. For example, non-specialist stakeholders e.g. private sector developers and the general public, might go through a simple, web-based system with sets of commonly used routine queries in a familiar 'Windows'-type environment. Others with a more technical background might have a more versatile user-definable system that can conduct more complex analyses.

Improving integration and communication is only possible if the information system is *web-based*, because it is extremely difficult to share data that is maintained on *stand-alone* databases. Users might have the choice of using a browser-based application (i.e. a fully web-based programme, to which access will be controlled by passwords) or a database package to use off-line to enter or edit data and generate in-house reports. Any data entered off-line will be uploaded onto a central server when they next go on-line. While on-line, or if using the browser-based application, it should be possible to perform a range of additional functions, including:

- accessing information on other organisations working on particular species / habitats;
- searching by category of conservation activity to establish whether other organisations are carrying out similar activities;

- analysing the contribution the Action Plan is making to regional, national or local targets; and
- generate sophisticated reports containing charts and maps.

Security features will be built in to ensure that confidential information (e.g. of the precise location of sites) is not available to others. Users' choice between offline and browser-based applications is likely to be determined by the IT environment in which they work. The browser-based application is likely to suit large organizations with fast Internet connections and stringent rules governing the installation of software and access across firewalls.

6.3.4 Monitoring and Evaluation

Perhaps one area PERSGA's role in the SAP that required special attention was their ability to monitor and evaluate their activities and therefore adapt programmes with experience and to reflect changes in the regional and external environments. Therefore there needs to be considerable investment – both in terms of PERSGA's own capacity for monitoring and evaluation (M&E) - as well as in ensuring the resources are available to do so.

Monitoring and evaluation should be divided into two separate processes – (i) the monitoring of PERSGA *performance* in setting out and achieving its own objectives and (ii) the monitoring of the overall *process* in achieving PERSGA's vision and goals for the Region.

PERSGA Performance Monitoring

Performance monitoring is usually based around an *Annual Plan*. An Annual Plan provides a set of objectives, targets and milestones for the year's activities, backed up by the identification of a series of easily measured, verifiable indicators of achievement. The general rule in selecting indicators and the method of verification is that:

- They are relevant, valid, reliable, measurable and cost-effective;
- They are the indicators varied enough to allow cross-triangulation, i.e. are both (i) direct and indirect and (ii) qualitative and quantitative; and
- That data collection and other means of verification are either already available or easily obtainable.

Performance monitoring should be reported on a yearly basis through an *Annual Report*, that would be presented to, and approved by, the Council of Ministers and made available for wider distribution. This should provide observers with an objective evaluation of PERSGA's performance over the year in terms of the success and, indeed, failures. It is important that the report provide sufficient evaluation to ensure that experience is fully captured and its implications for future work planning made clear.

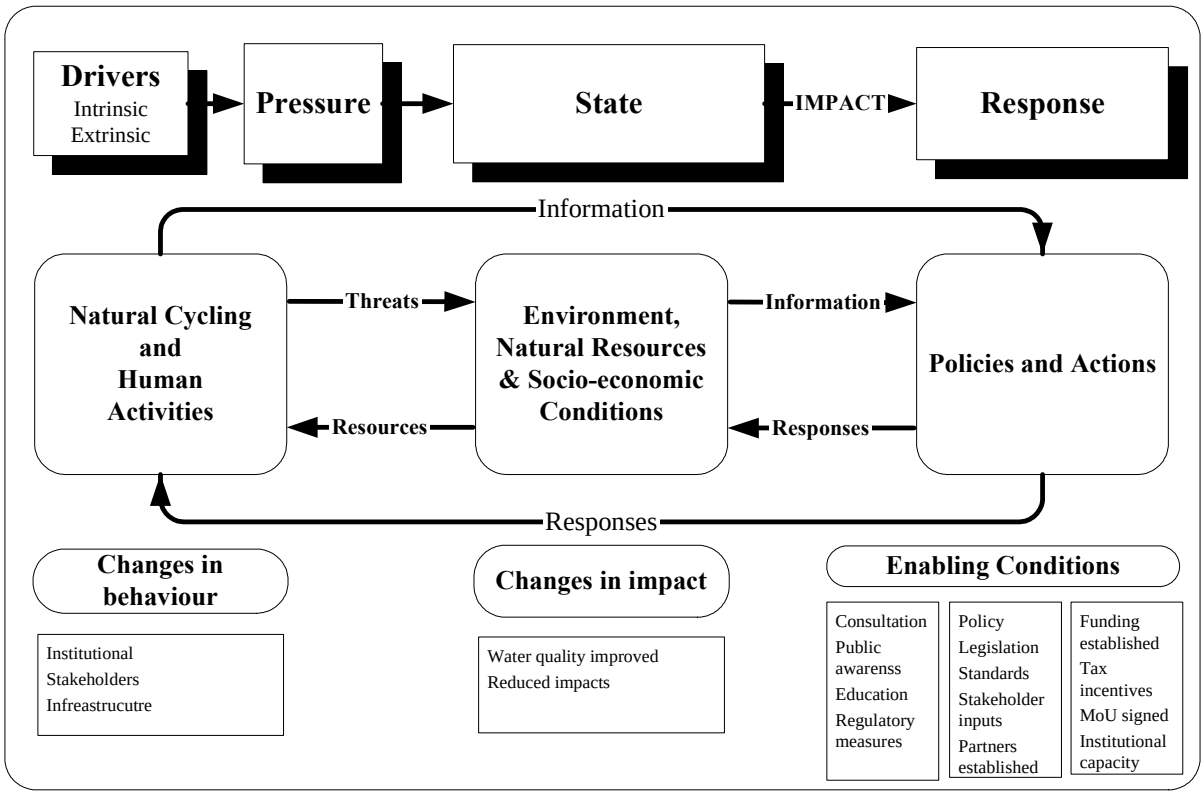
The production of an open and fully reflective Annual Report would be a most valuable indicator in itself to Member States, donors and other stakeholders that PERSGA is well managed and efficient. It may also be worth developing a process where the presentation of the Annual Report is combined with a participatory process to develop the next year's Annual Plan.

Process Monitoring

Once concept advocated by this Strategy is the production of a 5 yearly 'State of the Environment' Report for the Red Sea and Gulf of Aden. This might be based upon a similar report made for Europe by the European Environment Agency, using the 'Drivers – Pressures - State - Impact – Response' (D-P-S-I-R) approach to process monitoring (see Figure 5 overleaf). In this approach there are four distinct evaluation processes:

- Disaggregation of the principal driving forces, the resulting environmental pressures on the state of the environment and the impacts resulting from the changes in environmental quality and on the societal response to these changes in the environment;
- Evaluation of the linkages between the different DPSIR elements;
- Evaluation of the relative position of the different thematic elements within the DPSIR framework e.g. why different sectors have responded to driving forces and pressures and the implications for halting biodiversity loss in the marine environment; and
- Assessment of performance indicators to evaluate the progress in halting biodiversity loss against Member State and RSGA environmental targets.

Figure 5: The Drivers – Pressures - State - Impact – Response' (D-P-S-I-R) Approach



The development of such a report will require considerable investment from PERSGA in order to assemble an adequate yet realistic suite of indicators. However this cost can be

offset against a number of cost-efficiency considerations and cost recovery opportunities such as:

- Most regional level DPSIR indictors are already being collected at Member State level
- Where Member State monitoring capacities are low, opportunities for providing them directly (i.e. programme design) and capacity-building assistance might be considered. This should result in a minimum level of monitoring competency that has already been elevated by SAP;
- Technical assistance might be sought at low cost from academic institutions and individuals interested in the Region
- Funding may be forthcoming from donors as well as charitable foundations, especially if the exercise was seen to have long-term utility e.g. a five yearly reassessment of the drivers, pressures, state, impact and response' in the Red Sea and Gulf of Aden. Scientific publishing houses may also be interested in providing the publishing costs should the readership potential be considered sufficient; and
- The value added, in terms of the development of a long-term environmental monitoring programme, and the implications for capacity-development within the regional are considerable. In particular, this would provide environmental ministers within the Region with real information on the impacts of environmental change and enable them to engage the different sectoral interests within their own country from a position of strength.

7 PARTNERSHIP DEVELOPMENT

The development of appropriate partnerships is a fundamental tenet of this strategy. The purpose of these partnerships vary – in some cases it may be to provide skills and experience recognised as regionally important but outside of PERSGA immediate mandate (i.e. fisheries management) or in others it may be harness the synergistic values of public – private partnerships.

The following section identifies the main potential partners, together with the potential benefits these partnerships might develop.

7.1 MEMBER STATES

The Member States (Djibouti, Egypt, Jordan, Saudi Arabia, Somalia, Sudan and Yemen) are the principal functional partners in the PERSGA Strategy. To PERSGA they represent the key to creating an 'enabling environment' for regional and transboundary co-operation, both directly through the public sector and via the private sector in each state. In order that PERSGA facilitate this process, it is important that they:

- Establish, via the Council of Ministers and the National Focal Point, direct dialogue and accord with key figures in the development, planning, environment and resource management Ministries;
- Develop an understanding of the transboundary issues and their regional implications in terms of environmental management and common resource management and conservation;
- Appreciate the difficulties and limitations of individual Member States in leveraging regional actions and the potential role that PERSGA can take to facilitate these;
- Determine the regional information needs of individual Member States so that they can tailor the PERSGA Regional Information System to the specific requirements of the individual and collective Member States; and
- Through various means, to define the strengths and weaknesses of the institutional capabilities of those public sector organisations involved in planning, managing and regulating marine and coastal resource use and development so that these can be addressed, where appropriate, through PERSGA's own capacity-building initiatives.

7.2 REGIONAL AND INTERNATIONAL ORGANISATIONS

Whilst the 'PERSGA – Member States' partnerships are likely to be the main focus of PERSGA's operation, a number of regional and international partnerships will need to be developed to assist the development of PERSGA's role as the key facilitator and information node for regional issues relevant to the marine and coastal environment of the Red Sea and Gulf of Aden.

Partner	Relationship	Benefits to PERSGA	Benefits to Partner
ALECSO	Arab League body facilitating scientific cooperation	Increased binding of Member State involvement; guidance; funding opportunities	PERSGA provides specialist facilitation for the marine/coast environment
CAMARE	Close linkages with the PERSGA Council of Ministers	Extra axis for engagement with key Member State officials; guidance.	Regional expertise in monitoring and evaluation
FAO / RECOFI	Regional fisheries organisation responsible for RSGA (and Arabian Gulf)	Specialist, globally recognised expertise in fisheries management	Provides a regional platform for ecosystem-based fisheries management
IMO	Responsible harmonising global shipping activities and interests	External experience and guidance; access to global protocols and norms	Regionally-based research, risk assessment and response from MEMEC.
MAP	Similar regional environmental conservation organisation responsible for the Mediterranean Sea.	Experience and thinking over common issues; widen pool of expertise and service providers	Experience and thinking over common issues; widen pool of expertise and service providers
ROPME	Similar regional environmental conservation organisation responsible for the Arabian Gulf.	Sharing regional experience, operational processes & joint action potential	Sharing regional experience, operational processes & joint action potential
CEDARE	An international not-for-profit organization facilitating sustainable development	Increased binding of Member State involvement; guidance	Regional expertise in environmental issues

7.3 DONOR AGENCIES

Likewise, PERSGA will develop relationships with the donor community in order to become the *de facto* regional coordinator and facilitator for regional and transboundary activities. In particular, PERSGA will need to demonstrate efficiencies, regional knowledge and the diplomatic skills that will persuade donors to fund programmes via PERSGA rather than through direct bilateral agreements. PERSGA's role in establishing and running some form of regional environmental trust fund (see Section 8.4) will be central to this.

Partner	Relationship	Benefits to PERSGA	Benefits to Partner
European Commission	Bi-lateral development partner representing the European Union	Technical assistance and funding opportunities.	Regional development partner; established and credible history
GEF	Provides incremental assistance to support sustainable development	Technical assistance and funding opportunities (inc. Small Grants Scheme).	Experienced regional facilitator with M&E capacity
ICRA	Technical institute devoted to sustainable agricultural development	Access to regional expertise.	Mandate for regional coastal area management
Islamic Dev' Bank	Development bank with strong regional interests.	Funding opportunities	Experienced regional partner with a coherent long-term strategy for sustainable development
JICA	Development agency	Funding opportunities	
UNDP			
UNEP			
World Bank			

7.4 PRIVATE SECTOR AND NGOS

Sector	Example Partners	Benefits to Partner	Benefits to PERSGA
Aggregate and other extractive activities	Mining and dredging companies, construction organisations.	Information for spatial planning; environmental credentials and impact assessment.	Engagement of major development players in sustainable development agenda, conference and other funding.
Coastal Development	Public utilities, construction organisations	Backing for Private – Public Partnerships (see next section) and 'Build-Operate-Transfer' projects.	Ability to leverage private sector capacities for environmental management projects.
Oil	Oil and gas companies operating in the RSGA, pollution compensation (ITOPF, IOPC Fund), relevant NGOs' (IPIECA)	Risk reduction, co-ordinated response, facilitation, information	Funding of risk assessment studies, possible access to compensation packages. Possible funding via fees and royalties paid for natural resource extraction, fees for rights of way to construct pipelines etc, carbon sequestration payments, fuel taxes, etc.
Shipping	Shipping companies	Risk reduction	Funding of risk assessment studies
Tourism	Tourism Associations (i.e. Green Globe); hotel chains, cruise ship companies, recreation (diving, sailing and other water sports)	Improved zoning and management of hotel development and coastal recreation activities. Environmental credentials.	Entry fees, concession fees, recreational activity permits, diving fees, airport and cruise ship passenger fees, hotel room surcharges, taxes on hunting, fishing and camping equipment.
Other	Chambers of Commerce, trade associations	Access to PERSGA contacts	Opportunities to build awareness in the private sector

7.5 PRIVATE PUBLIC PARTNERSHIPS

The 1992 Earth Summit in Rio de Janeiro sent a clear message that the issues facing the developing world were too important and too great in scope for governments to address in isolation, and that new partnerships would have to be created with the private sector. Agenda 21 talked about 'public-private partnerships' (PPPs), and that the public and private sectors "should strengthen partnerships to implement the principles and criteria for sustainable development," and the public sector "should establish procedures" to allow for an "expanded role" for the private sector.

At their best, such partnerships are an efficient way to capitalise on the unique strengths of the public and private sectors by providing a vehicle for the private sector to help deliver public services potentially at lower cost without adversely affecting quality or accessibility. They also offer the potential to access greater levels of funds/investment, additional expertise and enthusiasm, and to generate profits to ensure sustainability. Perhaps most importantly, PPPs therefore bring business solutions, not aid or debt, to urgent environmental problems. Ideally, the main goal of PPPs should be to capitalize on the strengths of both/all parties while minimizing their weaknesses, so that the partnership is mutually beneficial.

Conceptually, there is a continuum of possibilities in terms of private/public sector cooperation described under PPPs. At one extreme, the public can be fully responsible for all aspects of delivery, while at the other, the private sector could assume these responsibilities. In between, there are varying degrees to which the private sector can be allowed to contribute. At the broadest level, the only essential aspect of a PPP is some degree of private participation.

However, the joint venture PPP process is often complex, labour-intensive, and time-consuming, and sophisticated skills and consensus building are needed to ensure success. This is especially so as the benefits to all potential partners, but perhaps especially to the private sector, may not be immediately apparent. While the PPP concept is very much in vogue, it therefore requires careful planning and adaptation in practice to fit with particular situations and needs. There is certainly no one blue-print that can be applied to all situations, and the planning process must reflect the intricate and complex nature of the economic, social, environmental and political situation. However, the steps involved in this process, and which are needed to take account of situational differences, are described below.

Step 1: Identify appropriate partners. Within the PERSGA Strategy, PPPs could be used to involve the differing groups discussed in Sections 7.1, 7.2, 7.3, and 7.4, to differing degrees based on the particular activity/package to be undertaken. The range of potential 'private' partners is of course considerable. Private sector businesses may be more likely to be interested in contributing to activities with income generating potential, unless any related expenditure comes from community/environmental funds as part of public relations efforts, or is tax-exempt. NGOs may be more interested in contributing to more 'soft' activities such as capacity development. And as discussed in Section 8.2, Member States themselves may chose to buy-in to different activities and packages to different degrees.

Step 2: Signing of a Memorandum of Understanding (MoU) between relevant partners. The MoU should define the roles and responsibilities of different partners, and is very important in ensuring a) ownership of the activity, b) commitment, and c) operational/administrative management i.e. governance

Step 3: Detailed specification of the project activity and its development, with sufficient involvement of all parties involved, and support from PERSGA

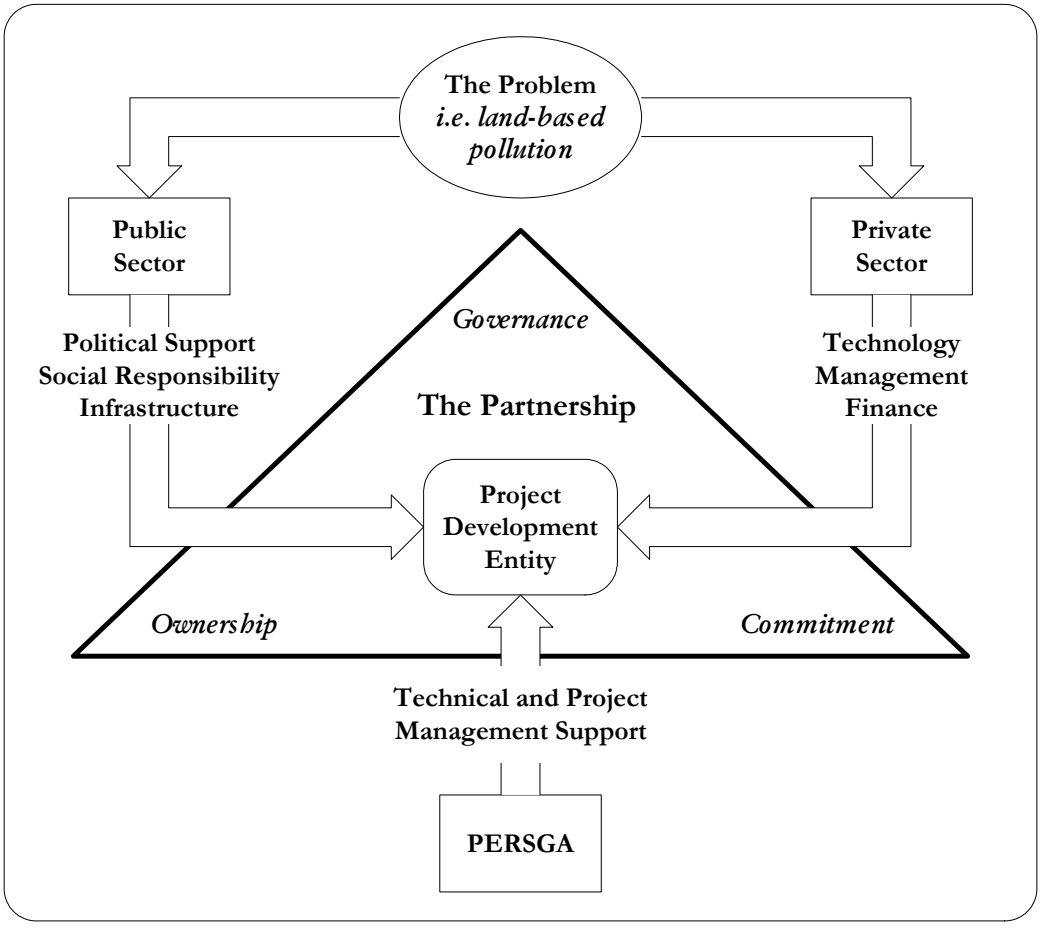
Step 4: Presentation of the project/activity document to the Environmental Fund Board (see Section 8.4.2), assuming that the project/activity is planned to be financed from the Environmental Fund, and subsequent implementation.

Step 5: Assessment or replicability.

In addition, it should be noted that PERSGA might also be able to offer services to PPPs which do not plan to use monies from the Environmental Fund. In this context it could act as a facilitator/service function between its Member States and private/non-governmental organisations to promote activities broadly in line with the PERSGA vision and objectives, but not funded from the Environmental Fund.

Figure 6 below provides a conceptual image of the joint venture PPP model for PERSGA.

Figure 6: PPP Model for PERSGA



Source: Adapted from Bennett *et al*, 2000

8 FINANCIAL PLAN

8.1 FUNDING STRATEGY

8.1.1 Key Principles

There are no funds currently committed to PERSGA activities (except for the remaining SAP funding over 2004). However, Member States are keen to continue with activities and build on existing successes, and it is hoped that a number of agencies will be interested in continuing to provide support. However, in order to realise such funding, the funding strategy must be based on sound principles.

The funding strategy will therefore be based on the following principles:

1. Funds will be sought from the widest range of possible sources, but with an initial key focus and a 'marketing campaign' in 2004/05 on sources considered to offer the greatest potential, with a second fund-raising push in 2005/06 to seek additional funds. Thereafter ongoing efforts will be made to raise funds as required
2. Approaches will be made to potential funders to 'buy-in' to particular packages based on the priorities and areas of interest of the funders themselves, so as to tie the different packages to the different agendas/interests of funding sources (See Section 8.3)
3. Funding sources will be encouraged to contribute based on clear evidence of the key achievements of the SAP to date (the earlier text in this document on key achievements will provide a useful starting point), and of expected achievements (measurable based on key indicators which are dependent on successful funding
4. Expected achievements will be based firmly on new paradigm in development and marine environmental conservation/science so as to maximise potential fund-raising. These include an emphasis on:
    a. Sector and inter-sectoral responses, rather than project-based approaches
    b. Climate change
    c. Human capacity development
    d. Sustainability
    e. Good governance, and especially participation and stakeholder involvement
    f. Regional co-ordination and information sharing
5. Greater emphasis on funds from Member States (as donors can rightly be expected to view greater commitment as a pre-requisite for their own funding, and as a sign of greater sustainability). Member States will be expected to contribute to all activities they choose to engage in within the different packages.

8.2 FINANCIAL REQUIREMENTS

Core funding for the PERSGA secretariat (for staff and office costs) was US$1.25 million in 2004. This figure is taken as the base figure for core funding for the next 10 years with additional funding provided for the staff to be recruited as specified in Section 6.2, and an increase of 5% per year to allow for inflation.

Specific funding for the envisaged activities and 'packages' e.g. marine pollution and maritime safety, sustainability and ICZM, etc, is shown in the two tables below. The first table provides an outline summary budget for the next 10 years, with the following table giving additional detail on the proposed expenditure each year. Given that it is not known at this stage exactly how much money will be raised to support activities, the figures are indicative only, but provide a guide as to:

- Fund-raising targets for each package and the overall target;
- The approximate balance of funds desired for the different packages. This balance of funds reflects both the prioritisation of different packages, but also the extent to which funds are felt to be necessary to achieve key goals and targets within each package; and
- The balance of funds from Member States and donor agencies. This balance is weighted more strongly on contributions by the Member States than under current SAP funding[1], so as to demonstrate to future funders that monies already spent have resulted in greater levels of sustainability in Member States for the funding for relevant activities.

Figures can also only be indicative of actual spend as programme activities within each package will be strongly based on stakeholders need/demand, and associated related contributions. It is recommended that the programme be designed to adopt a process and demand-led approach, rather than a pre-defined set of activities, and so the number, exact type of activities, and the number of participating countries in each activity will only become apparent as the programme evolves – some activities will therefore be national only, some may be bilateral in scope, while others may be regional to differing degrees based on the number of countries involved. However, priority will be given to programmes that are regional in nature. Programme spend is designed to evolve so that yearly expenditure in the first 2 years of the 10-year plan is not too ambitious so as to allow for fund-raising, with greater levels of expenditure after this lead-in period.

Table 5: Summary Budget, 2005-2014 (in US$) (Subject to further review by PERSGA)

10-Year Summary Table

	Donor Funding	MS funding	TOTAL	Donor Funding	MS funding
Core funding (staff and office costs)	$0	$19,843,198	$19,843,198	0%	100%
Activity/Package funding					
- Marine pollution and maritime safety	$4,750,000	$1,425,000	$6,175,000	77%	23%
- Sustainability and ICZM	$4,750,000	$1,425,000	$6,175,000	77%	23%
- Natural resources and protected areas	$4,750,000	$1,425,000	$6,175,000	77%	23%
- Public awareness and participation	$2,850,000	$925,000	$3,775,000	75%	25%
- Capacity building and training	$2,850,000	$925,000	$3,775,000	75%	25%
- Regional information compilation and disemination	$2,850,000	$925,000	$3,775,000	75%	25%
TOTAL	**$22,800,000**	**$26,893,198**	**$49,693,198**	46%	54%

[1] In 2004, PERSGA Member States provided 40% of total expenditure

	2005		2006		2007		2008		2009	
	Donor Funding	MS funding	Donor Funding	MS funding	Donor Funding	MS funding	Donor Funding	MS funding	Donor Funding	MS funding
Core funding (staff and office costs)		$1,577,625		$1,656,506		$1,739,332		$1,826,298		$1,917,613
Activity/Package funding										
- Marine pollution and maritime safety	$350,000	$100,000	$400,000	$125,000	$500,000	$150,000	$500,000	$150,000	$500,000	$150,000
- Sustainability and ICZM	$350,000	$100,000	$400,000	$125,000	$500,000	$150,000	$500,000	$150,000	$500,000	$150,000
- Natural resources and protected areas	$350,000	$100,000	$400,000	$125,000	$500,000	$150,000	$500,000	$150,000	$500,000	$150,000
- Public awareness and participation	$200,000	$50,000	$250,000	$75,000	$300,000	$100,000	$300,000	$100,000	$300,000	$100,000
- Capacity building and training	$200,000	$50,000	$250,000	$75,000	$300,000	$100,000	$300,000	$100,000	$300,000	$100,000
- Regional information compilation and disemination	$200,000	$50,000	$250,000	$75,000	$300,000	$100,000	$300,000	$100,000	$300,000	$100,000
Total	$1,650,000	$2,027,625	$1,950,000	$2,256,506	$2,400,000	$2,489,332	$2,400,000	$2,576,298	$2,400,000	$2,667,613
TOTAL	$3,677,625		$4,206,506		$4,889,332		$4,976,298		$5,067,613	
	2010		2011		2012		2013		2014	
	Donor Funding	MS funding	Donor Funding	MS funding	Donor Funding	MS funding	Donor Funding	MS funding	Donor Funding	MS funding
Core funding (staff and office costs)		$2,013,494		$2,114,168		$2,219,877		$2,330,871		$2,447,414
Activity/Package funding										
- Marine pollution and maritime safety	$500,000	$150,000	$500,000	$150,000	$500,000	$150,000	$500,000	$150,000	$500,000	$150,000
- Sustainability and ICZM	$500,000	$150,000	$500,000	$150,000	$500,000	$150,000	$500,000	$150,000	$500,000	$150,000
- Natural resources and protected areas	$500,000	$150,000	$500,000	$150,000	$500,000	$150,000	$500,000	$150,000	$500,000	$150,000
- Public awareness and participation	$300,000	$100,000	$300,000	$100,000	$300,000	$100,000	$300,000	$100,000	$300,000	$100,000
- Capacity building and training	$300,000	$100,000	$300,000	$100,000	$300,000	$100,000	$300,000	$100,000	$300,000	$100,000
- Regional information compilation and disemination	$300,000	$100,000	$300,000	$100,000	$300,000	$100,000	$300,000	$100,000	$300,000	$100,000
Total	$2,400,000	$2,763,494	$2,400,000	$2,864,168	$2,400,000	$2,969,877	$2,400,000	$3,080,871	$2,400,000	$3,197,414
TOTAL	$5,163,494		$5,264,168		$5,369,877		$5,480,871		$5,597,414	

Table 6: Yearly Budget, 2005-2014 (in US$) (Subject to further review by PERSGA)

8.3 FUNDING SOURCES

The following table proposes the most likely funding sources appropriate for the different packages/activities, but is not meant to imply that other donors would not be interested in supporting particular packages. Indeed, additional work will be essential on focussing on a successful matching of donors with packages.

Broadly speaking funding sources they can be divided into three categories:

- Donor agencies (international and bilateral);
- Annual budget allocations from Member States; and
- Private, e.g. donations, foundations, user fees, conservation taxes, and other revenues for environmental conservation[2] (applicable at national level) in part based on private, public partnerships (PPPs)

Table 7: Potential funding sources for different packages

Package	Potential Funding Sources
Marine pollution and maritime safety	ITOPF, IOPC, IPIECA, International oil companies, Private, Member States
Sustainability and ICZM	Tourism investors and operators, All donor agencies, Packard Foundation, Member States
Natural resources and protected areas	Tourism investors and operators, All donor agencies, Packard Foundation, Private, Member States
Public awareness and participation	All donor agencies, Private, Member States
Capacity building and training	All donor agencies, Private, Member States
Regional information compilation and dissemination	All donor agencies, Private, Member States

[2] Possibilities are numerous and include: entry fees, concession fees, recreational activity permits, diving fees, airport and cruise ship passenger fees, hotel room surcharges, taxes on hunting, fishing and camping equipment, fees and royalties paid for natural resource extraction, fees for rights of way to construct pipelines etc, carbon sequestration payments, fuel taxes, property taxes, lottery revenues, wildlife licence plates and postage stamps, hunting and fishing fees, fines for illegal activities, pollution and out of court settlements

8.4 OUTLINE PROPOSAL FOR A REGIONAL CONSERVATION / ENVIRONMENTAL FUND

8.4.1 Type of Environmental Fund

The Member States of PERSGA are firmly committed to the concept of establishing an Environmental Fund (EF) to support ongoing activities. The establishment of such a fund is felt to be timely and appropriate given that:

- This Strategy document agrees the basic vision and scope of environmental investments to be covered by the fund;
- The time horizon being considered in this Strategy document is long, at 10 years, and the threats to the environment that are being addressed are also long-term and require a sustained response over a number of years;
- Existing national agencies cannot effectively manage the amount of funds and type of activities needed in the Region. There is therefore a need for PERSGA to fulfil this role;
- There is a community of organizations in the Member States able to implement the range of activities needed to achieve the overall vision;
- There is strong support within the Member States for its establishment;
- Such a fund would promote continuity, flexibility and co-financing collaborations between the public and private sectors;
- As evidenced by Member State commitments, such a fund would strategically direct and leverage financial resources to projects and practices that are of environmental significance to the Region; and
- There is perceived to be a level of capacity development and governance in PERSGA and in the Region capable of establishing and managing such a fund.

A number of possible funding mechanisms are possible to support the activities envisaged through an Environmental Fund (EF). These are[3]:

- Endowment Fund;
- Revolving Fund;
- Sinking Fund; and
- A combination of two or more of these structures.

An **Endowment Fund** is a fund whose capital (also called its 'principal') is invested in order to generate a steady annual stream of income. Only the investment income is spent, while the principal is either maintained or increased. Only under unusual, specifically defined circumstances can the capital (corpus) of an endowment be invaded (i.e. spent), and typically the endowment must be replenished (i.e. restored to its previous size) within a short number of years afterwards. An EF's board typically reinvests a portion of the investment income in order to hedge against inflation and may also decide to reinvest a significant percentage of the investment income in order to increase the size of the endowment so as to be able to generate higher investment returns in later years, or because the money is not currently needed. Many EF experts believe that it is not cost-effective to establish an endowment fund whose capital (principal) is less than US$5 million, because otherwise the annual investment income will be largely absorbed by

[3] http://conservationfinance.org/

administrative and transaction costs. In the case of PERSGA activities, if an endowment fund was to be used on its own, given yearly budgeted expenditure of between $3-5 million and probable investment returns of around 5% on an endowment fund, the fund would need to be around $75 million. It is considered very unlikely that this level of funds could be raised.

A **Sinking Fund** is designed to disburse its entire capital plus its income over a designated period of time. This type of funding can be well adapted to the funding of projects with development or income-generating potential that are expected to become self-sufficient after an initial seed money or start-up phase, and it may then be possible to pay interest from such projects into an endowment fund. In addition, sinking funds offer donors the opportunity to earmark funding for specific projects or activities. Debt-for-nature swaps have been a major source of sinking funds denominated in local currencies.

A **Revolving Fund** is periodically (e.g. annually) replenished through fees, taxes or levies collected or through donor contributions or swapped interest payments (such as on forgiven debt)[4]. In the case of PERSGA, while a large number of potential users fees, taxes and other charges could potentially be used to generate revenue at the national level, it is not thought likely that realistic levels of user fees would enable the countries in the Region to significantly replenish the revolving fund. In addition, while a large range of potential sources exist as already demonstrated, it is usually harder in practice, in some cases due to country-specific financial regulations, to prevent central exchequers from obtaining such funds which means that specifically earmarking them for conservation purposes can be problematic given other competing demands. It may therefore be more sensible for monies generated from user fees and conservation taxes to be used to help fund the national commitments of the Member States to the proposed budget. Furthermore, given the type of packages outlined in this Strategy document, few of the activities to be supported by PERSGA are likely to be of sufficient income generating potential to allow loan repayments necessary to replenish a revolving fund. However, the levels of user fees generated could turn out to be greater than expected, and the objective of user payments is one that should be supported, so the option should not be ruled out. This is especially so given that a revolving fund would help to ensure greater sustainability of activities than relying solely on a sinking fund.

Indeed, many experts and fund managers now agree that the most effective Environmental Funds (EFs) often include a combination of two or three of the above funding mechanisms. New EFs are often under pressure to demonstrate concrete results and success quite rapidly, in order to secure contributions to the EF from other donors.

It is recommended therefore that an EF be established with a *revolving fund portion* and a *sinking fund portion*. With reference to the proposed budget it is proposed that approximately 65% of the funds for each year is spent from the sink funds, with the balance of 35% from the revolving funds. The exact balance will depend greatly on the requirements of the possible external donor agencies, and the different packages that they chose to buy into, because some packages will be more suitable for different types of

[4] The Belize Protected Areas Conservation Trust for example is a revolving fund whose capital comes partially from a US$3.75 fee on visitors entering the country, and partially from an earmarked 20% from fees for PA entrance, recreational licenses and permits, and cruise ships. Five percent of the collected revenues are managed as a permanent endowment for emergency purposes.

funds. It might be advisable in the start-up phase to spend a larger percentage of the total funds represented by sinking funds and finance some priority projects that can generate immediate impacts and benefit key stakeholders. Then as the 10-year period considered by the Strategy evolves and greater levels of user payments become the norm, to spent greater amounts from the revolving portion of the fund.

8.4.2 Fund Management, Operation and Regulation

Managerial structures and responsibilities, as well as financial and legal requirements will all need to be well defined according to, and depending on, the environmental fund to be established. It is thus premature to specify such issues in detail prior to the meeting of potential donors and funding sources, and the existence of the fund itself. The following text therefore itemises issues that will need to be considered and agreed on at a later stage by PERSGA and donors.

Financial Requirements and Operations of the Fund

Specification of some basic financial requirements of the fund will be necessary to ensure that clear financial instruments are articulated for its operation. Such specifications will include a consideration of the following points

- Procedures for preparation and approval of an Annual Business Plan to present anticipated activities of the Fund;
- Procedures for preparation and approval of an annual Budget, estimating the funds and resources necessary to realise the Annual Business Plan;
- Procedures for preparation and approval of an Annual Financial Statement, to reflect the condition of the Fund;
- Specification of appropriate accounts in which monies of the Fund should be held, and procedures for decision-making about which funds should be used for any income of the Fund;
- Signatories to the Fund for disbursement of monies;
- Specification of procedures for evaluation of grant proposals and approval of related expenditure; and
- Auditing and financial reporting requirements of the Fund.

Legal Issues

Key legal issues/obligations that will need to be considered in establishing the Fund will include requirements of legally incorporating the Fund, and deciding on its domicile. The Fund itself should have certain powers and duties. Consideration should therefore be given to issues relating to the ability of the Fund to:

- Sue and be sued;
- Make and enforce by-laws and rules for the conduct of its affairs;
- Maintain offices;
- Acquire, hold, use and dispose of real and personal property for use in its day to day operations;
- Contract services;
- Accept condition and unconditional gifts or grants of money, property, materials, labour, supplies and services;
- Borrow money from authorised lending institutions;
- Fix and revise fees and charges for the use of its services and/or facilities; and
- Make and enforce contracts.

9 NEXT STEPS AND TIMETABLE

9.1 NEXT STEPS

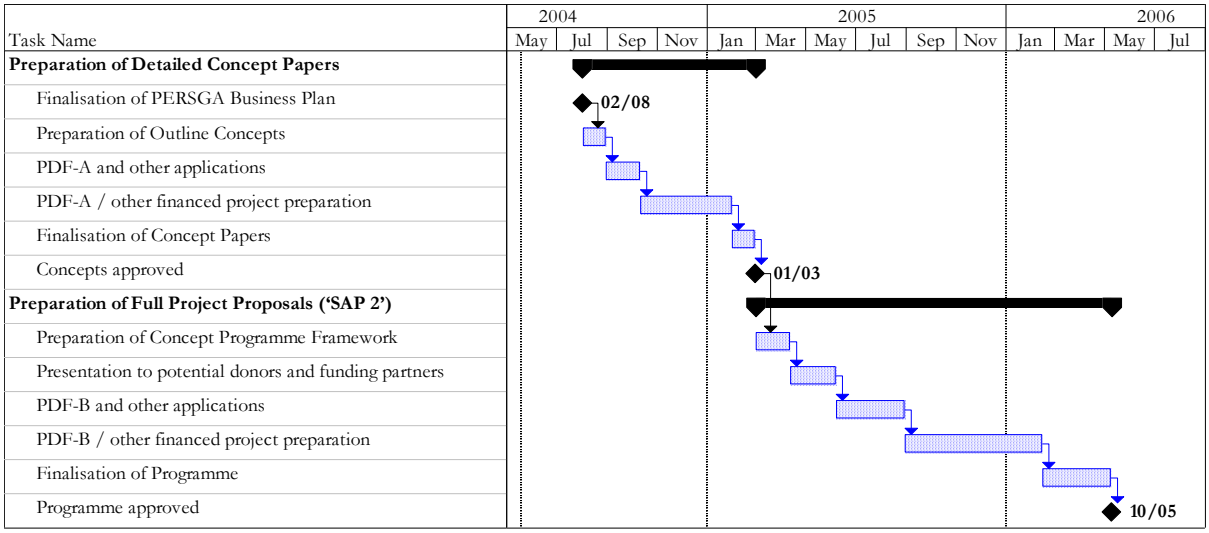
1. PERSGA to re-focus its activities from the SAP-based implementation role to one of regional coordination. However it is also considered that PERSGA will identify actions of activities that might address the common needs of the Organisations' Member States and accordingly develop projects and programmes to address these. In this case PERSGA will directly implement these projects in partnership with its Member States.
2. PERSGA to concentrate on four focal areas, namely (i) Sustainable Development and ICZM, (ii) Marine Pollution and Maritime Safety, (iii) Natural Resources and Protected Areas and (iv) Public Awareness and Participation.
3. The three discrete SAP activities of (i) Living Marine Resources, (ii) Marine Protected Areas and (iii) Habitat and Biodiversity Conservation have been combined into the single focal area of 'Natural Resources and Protected Areas', underpinning the current approach for holistic ecosystem-based management. A strong emphasis on this combined role will be the setting of environmental objectives and targets, together with a suitable regional environmental monitoring programme.
4. PERSGA to also provide Member States with two under-pinning functions, namely (i) Capacity Building and Training and (ii) Information Compilation and Dissemination.
5. Two particular mechanisms have been identified to implement the above. This includes (i) the development of the Hurghada-based Marine Emergency Mutual Aid Centre (MEMAC) to provide transboundary risk assessment, regional contingency action plans and to coordinate emergency response and (ii) the development of a web-based 'Regional Information Centre for the Red Sea and Gulf of Aden'.
6. PERSGA to cast itself as the regional forum for 'blue sky thinking' for sustainable coastal and marine development by identifying, through horizon scanning, emerging issues and threats to long-term sustainable development. PERSGA should then facilitate the meeting of regional experts.
7. PERSGA to broaden its partnership base beyond the Region to address shared issues and to raise its profile as being the *de facto* representative of the Member States in regional coastal and marine conservation affairs.
8. A primary mechanism for both raising PERSGA's profile and providing a vehicle for disseminating best practise is through regional conferences and workshops. It is recommended that PERSGA identify themes of common interest, and in doing so identifying potential sponsors, and develop a capacity to organise and run these events.
9. Developing a regional and international 'needs analysis' to determine the role, benefits and opportunities for PERSGA. This should be initiated through intensive consultations with key Member State individuals and organisations by PERSGA's senior management, together with a workshop that includes the key Member State champions of the SAP process plus representatives from the emerging post-SAP funding and service provider partnerships.

10. A focus on developing recurrent cost-recovery mechanisms such as shipping, tourist and other 'user levies'.
11. Investigation into, and establishment of, a regional 'Environmental Fund, combined revolving and sinking fund portions
12. Monitoring and evaluation of PERSGA's activities and impacts should be conducted at two levels, namely (i) performance monitoring of PERSGA's impacts through an annual reporting cycles and (ii) preparation of a five yearly 'State of the Environment' report for the Red Sea and Gulf of Aden.

9.2 TIME TABLE

The next steps over the short (2004 – 2005), medium (2006 - 2010) and long-term (2011 - 2015) are encapsulated in Table 8 on page 60. However the Organisation recognises there are two critical steps that need to be taken over the short-term, these being (i) the preparation of detailed concept papers and (ii) the preparation of full project and programme proposals. The steps and timing involved are provided in Figure 7 and the text below.

Figure 7: Next Steps - Time Line



9.2.1 Preparation of Detailed Concept Papers

Finalization of PERSGA Business Plan: this Business Plan will be finalized though discussion with, and the approval of, the PERSGA Member States. At this point the implementation phase will commence. It is also important to recognized that this Business Plan is a 'living document' and will be updated through both Annual Plan as well as intermittent (i.e. 5 yearly) strategic reviews. It is assumed that this first version of the PERSGA Business Plan will be approved by the end of August 2004.

Preparation of Outline Concepts: the concepts have been summarized in Section 5 of this Business Plan. These simply need to be developed into outline concepts in a standardized form acceptable to potential donors. At this stage the details of the implementation process do not need to be developed, but a clear understanding of the project's goals and applicability to the funding agencies own objectives needs to be established. The detailed steps therefore need to be:

a) Further clarify the aims and objectives of each project package as a 'concept' (see Section 5);
b) Identification of potential funding agencies and partnerships for each concept;
c) Where possible, meet representatives from the funding agencies to discuss the outline concepts to (i) fine-tune the concepts and (ii) better understand funding opportunities and processes;
d) Identify the immediate next steps in terms of concept development needs and the opportunities for project development funding (PDF).

It should also be recognized that, since 1999, GEF have agreed to implement GEF-funded projects through the regional development banks. These include the following:

- The African Development Bank (AfDB)
- The Asian Development Bank (ADB)
- The European Bank for Reconstruction and Development (EBRD)
- The Inter-American Development Bank (IDB)
- The International Fund for Agricultural Development (IFAD)
- The UN Food and Agricultural Organization (FAO)
- The UN Industrial Development Organization (UNIDO)

With the obvious exception of the EBRD and IDB, it may be possible to investigate the above organizations as possible donors and partners for the six project concepts.

GEF PDF-A and other application: Some funding agencies provide preparation funding to help a proposer to develop a co-financed project. For instance GEF PDF Block A grants (up to $25,000) finance the very early stages of project or program identification, and are approved through GEF's implementing agencies (the World Bank, UNDP, UNEP or the regional development banks mentioned above). PDF A grants can finance local and external consultant services, local consultations, and workshops, document translation, travel costs for local experts, scientific, technical and environmental reviews of proposed projects. Block A requests must be endorsed by the GEF Operational Focal Point of the Country. Proposals are reviewed to ensure:

a) The concept's 'fit' with national or regional strategy/priorities;
b) Whether the GEF's Implementation Agency 'Country Unit/Sector Unit' is willing to manage/supervise the Block A grant, and
c) The eligibility and soundness of the concept.

Once the review process is completed, a proposal is circulated to the other GEF Implementing Agencies for review and to the GEF Secretariat and GEF's Scientific and Technical Advisory Panel (STAP) for information, which will have 5 working days to transmit comments. Fund approval is made by the World Bank.

GEF PDF-A / other financed project preparation: If feedback from the donor community is positive, detailed concept development can begin (with or without donor PDF assistance). As indicated by the Block A grant limits, the cost per concept can be limited to less than $25,000, although this depends upon the complexity of the task and the degree of participation in the concept development process. Given the high current level of understanding of the immediate post-SAP needs and priorities, it should be able to prepare all six project packages to detailed final concept stage for less than US$ 30,000 over a period of around 4 months. An alternative approach would be to submit the six

concepts *as a single, integrated package* to GEF, in which case the process could probably be achieved for a sum under the GEF US$ 25,000 limit.

Finalization of Concept Papers: Once the detailed Concept Papers were compiled they would need to undergo a final peer review from both the PERSGA Member States as well as regional partners.

Concepts approved: It is expected that the finalized Project Concept Papers would be approved within six months or less, e.g. by the end of March 2005.

9.2.2 Preparation of Full Project Proposals ('SAP 2')

Preparation of Concept Programme Framework: As mentioned above, it may be appropriate to integrate one or more of the six concepts outlined in Section 6 under a wider programme framework. This would have operational advantages as well as providing greater momentum to the process. However, it may be difficulty to find a single donor agency that will fund a diverse mix of activities, unless some form of implementation partnership can be developed. If this is not possible, then the project packages should be 'sold' on a single basis to the most appropriate donor or funding source.

Presentation to potential donors and funding partners: At this stage, it will be possible to present the fully developed Project Concepts (either singly or as an integrated programme) to potential funding agencies. It should be possible to achieve this point by the middle of 2005 (see Figure 7 on the previous page). At this point detailed discussions on the eligibility of the projects for both further development funding as well as necessary resources for their eventual implementation will need to be undertaken.

PDF-B and other applications: GEF also provide funds for the development of full-size projects. For instance, PDF Block B grants (up to $350,000 for single country and up to $700,000 for multi country projects) finance information gathering activities and stakeholder consultations which are necessary to complete full-sized project proposals and provide necessary supporting documentation. These grants are approved by the GEF CEO. PDF Block C grants (up to $1 million) provide additional financing, where required, for large, complex projects to complete technical design and feasibility work. PDF Block C grants are normally made available after a project proposal is approved by the GEF Council. Whether or not project preparation funding is obtained, by this stage PERSGA will have developed a detailed understanding of the donor's own development agenda and how these coincide with PERSGA's mission.

PDF-B / other financed project preparation: Again, if feedback from the donor community is positive, detailed project can begin (with or without donor PDF assistance). A period of around 6 months has been allowed for this process in Figure 7.

Finalization of Programme: Once the detailed Project Proposals were compiled, they would need to undergo a final peer review from both the PERSGA Member States as well as regional partners.

Programme approved: It is expected that the finalized Project Proposals would be available by the middle of 2006.

Table 8: Next Steps

Activity		Short-Term 2004 – 2005	Medium and Long-Term	
			2006 – 2010	2011 - 2015
Focal Areas of Activity	**Marine Pollution and Maritime Safety**	• Reassess and formalise the 'Regional Working Group on Navigation Risk & Maritime Pollution' • Investigate and evaluate potential cost recovery mechanisms. • Install MEMAC with operational work plans	• Develop network and partnerships. • Contribute to PERSGA Annual Reports and annual planning processes. • Finalise regional protocols, agreements and resources.	• Develop regional capacity to plan and respond to all events without external assistance.
	Sustainable Development and ICZM	• Prepare work plan for 2004 – 2005, inc. regional conference and workshops • Formulate regional expert group for (i) 'Blue Sky Thinking' and (ii) preparation of best practise guidelines. • Develop process to define coastal development information needs, joint protocols for data provision and access.	• Develop and refine a web-based GIS for regional coastal development. • Develop network and partnerships. • Contribute to PERSGA Annual Reports and annual planning processes. • Gather and disseminate regional best practise guidance.	• Develop and disseminate ICZM and sustainable development good practise to outside the Region. • Contribute to 5 yearly 'State of the Environment' Report for the Red Sea and Gulf of Aden.
	Natural Resources and Protected Areas	• Establish Coordination Unit for regional biodiversity activities at PERSGA in Jeddah. • Identify appropriate linkages with RECOFI. • Prepare work plan for 2004 – 2005, inc. regional conference and workshops • Develop process to define ecosystem management information needs, joint protocols for data provision and access.	• Develop and refine web-based GIS for regional biodiversity monitoring. • Assist establish RECOFI and participate in progressing ecosystem-based fisheries management.	• Contribute to 5 yearly 'State of the Environment' Report for the Red Sea and Gulf of Aden.
	Public Awareness and Participation	• Identify Member State, regional and international stakeholders and partners for potential engagement. • Prepare media-elements of PERSGA Strategy (see overleaf) • Assess regional PAP resource needs. • Develop online availability of networking tools.	• Develop PERSGA's PAP resources, updating networking tools with current regional and international best practises.	• Contribute to 5 yearly 'State of the Environment' Report for the Red Sea and Gulf of Aden.
Combined 'Focal Area' Activities		• Further identify, though discussions with donors and other funding sources, the direction and opportunities for attracting funds for achieving PERSGA's vision (2004 – 2005) • Develop Project Concept Notes and PDF A/B project design applications (2004-2005) • Develop detailed project designs for appropriate funding (2005 – 2006)		

Activity		Short-Term 2004 – 2005	Medium and Long-Term 2006 – 2010	Medium and Long-Term 2011 - 2015
Underpinning Support Functions	**Capacity Building and Training**	• Design and implement a PERSGA capacity development forum for (i) capacity assessment, (ii) training needs assessment and curriculum development and (iii) training delivery mechanisms. • Initiate identification of regional capacity development approaches and models, based on regional and international successes.	• Implement focused capacity-building and training initiatives based on Member State and regional needs identification. • Develop a monitoring programme for regional institutional, sectoral and societal capacity indictors	• Review capacity gaps and needs based upon the on-going monitoring programme and address through targeted initiatives.
	Information Compilation and Dissemination	• Establish a Regional Information Centre of the Natural and Built Environment at PERSGA, integrating the existing GIS facilities. • Establish a metadatabase and 'coastal and marine directory' of organisations and institutions involved in PERSGA's focal areas. • Establish an online bibliographic reference facility.	• Develop and refine data flows, protocols and accessibility of the Regional Information Centre. • Update Coastal and Marine Directory.	• Contribute to 5 yearly 'State of the Environment' Report for the Red Sea and Gulf of Aden.
PERSGA Development	**Strategy Development**	• Conduct detailed, participatory stakeholder assessment of PERSGA's role, strengths and weaknesses in regional environmental management.. • Finalise and formalise Strategy in the form of a publicly available 'Corporate Plan'.	• Prepare Annual Plan and Annual Report based on performance monitoring. • Reissue revised Corporate plan every 3 years.	
	Financial Sustainability	• Further identify, though discussions with donors and other funding sources, the direction and opportunities for attracting funds fir achieving PERSGA's vision (see above) • Prepare detailed 'Prospectus', outlining the Vision, Strategy and proposed implementation mechanisms (inc. details of the proposed Environmental Fund mechanism). • Conduct first round of fund-raising activities.	• Launch Environmental Fund and refine revolving / sinking reapportionment over time. • Revise Prospectus on a regular basis. • Conduct second and subsequent rounds of fund raising activities.	
	Management and Organisational Development	• Conduct internal cost-efficiency review. • Prepare Human Resources Strategy, inc. assessment of long-term staffing requirements and an annual review process for existing staff.	• Conduct Annual staffing Reviews • Update Human Resources Strategy	

Appendix A: References and Bibliography

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