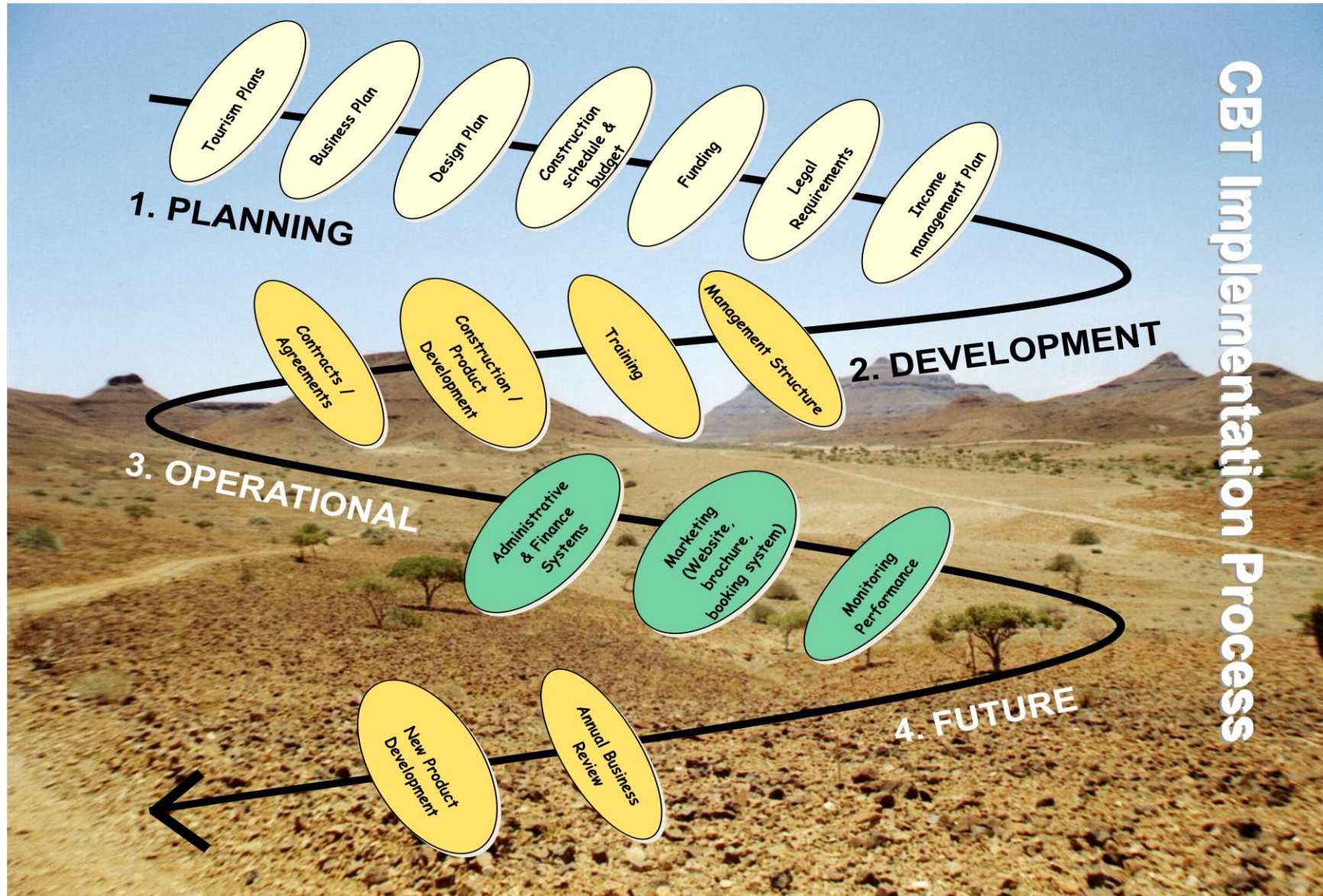
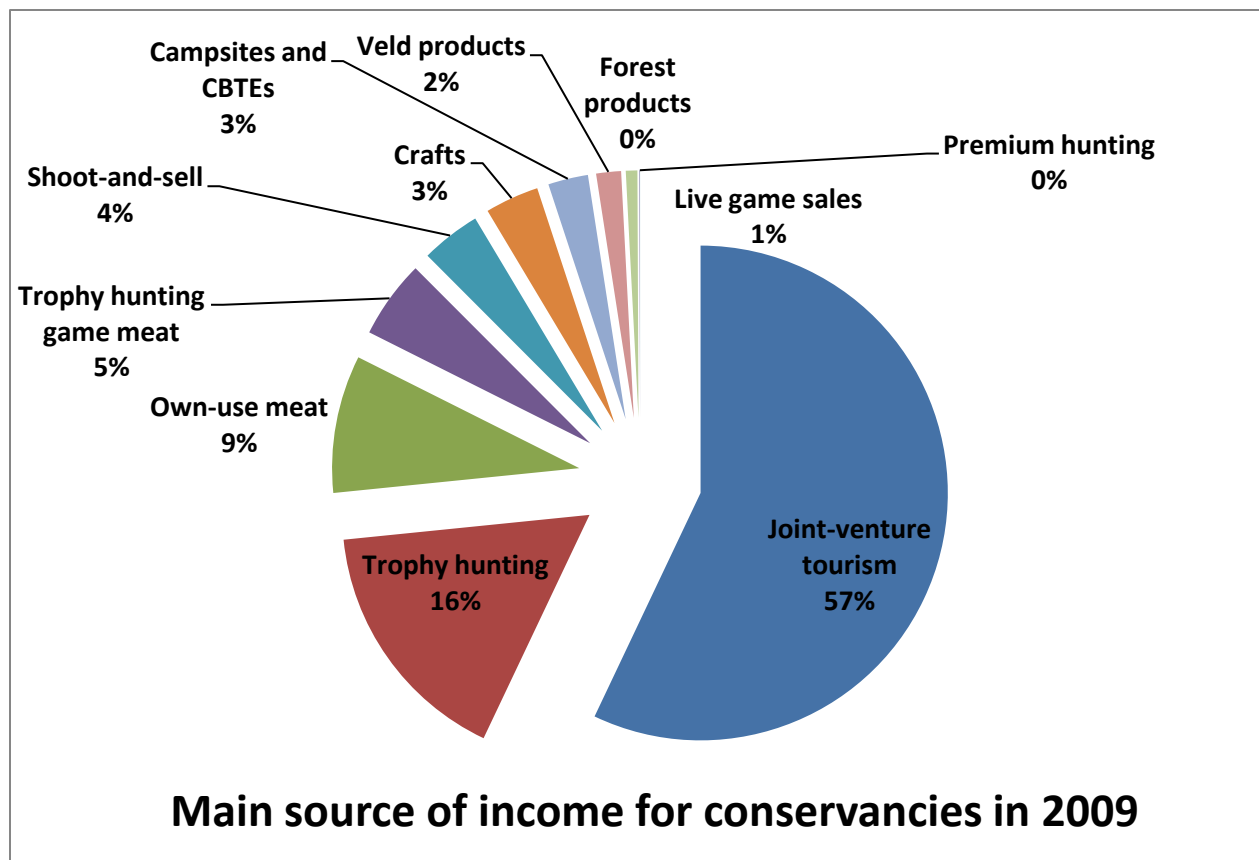


MODULE 2.2, HANDOUT #1: The Community-based Tourism Implementation Process

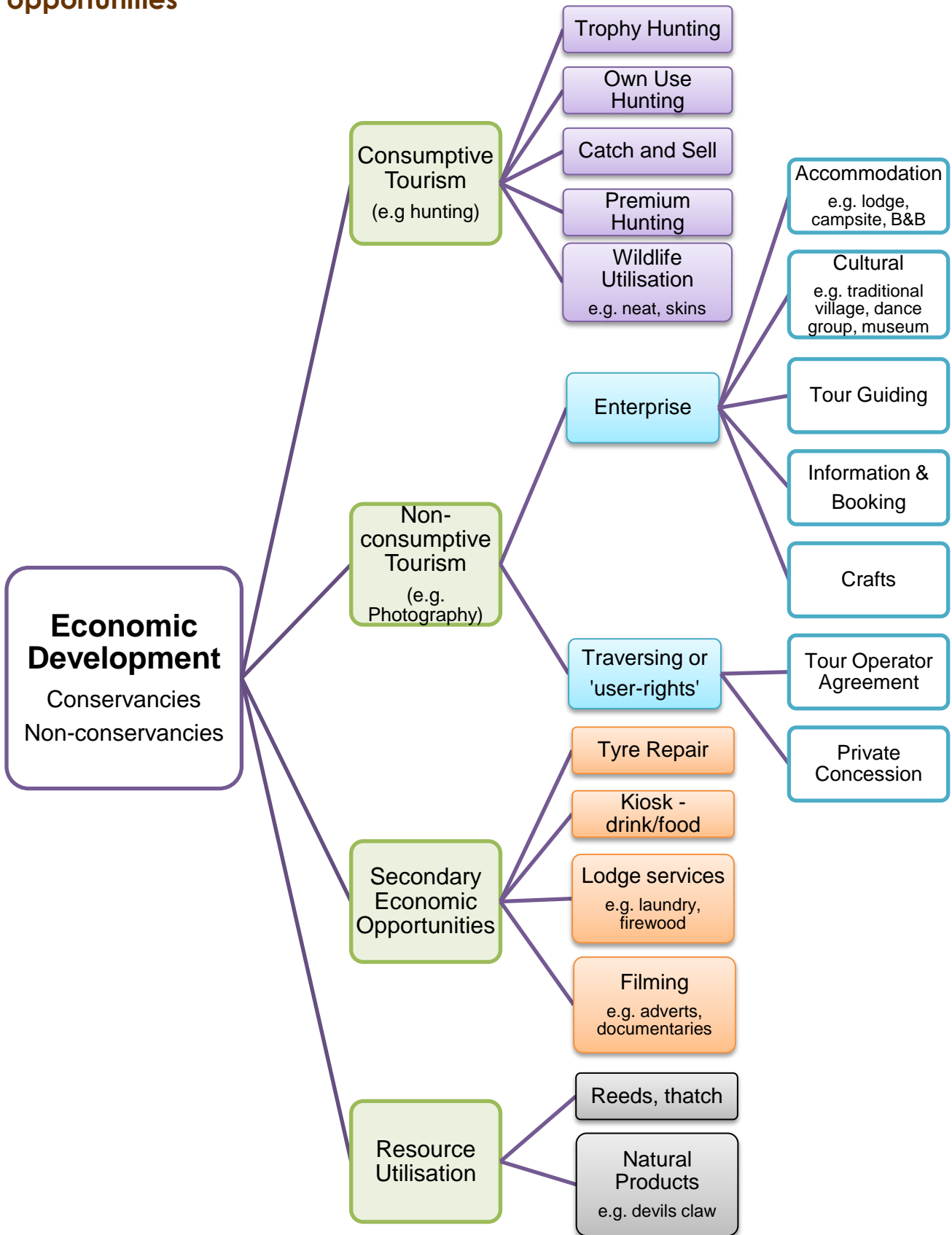


MODULE 2.2, HANDOUT #2: Main source of income for conservancies in 2009



Source of income	Value in N\$	Percentage of income
Joint-venture tourism	19 979 916	57.0%
Trophy hunting	5 724 911	16.3%
Own-use meat	3 153 750	9.0%
Trophy hunting game meat	1 790 325	5.1%
Shoot-and-sell	1 367 986	3.9%
Crafts	1 233 047	3.5%
Campsites and CBTEs	915 827	2.6%
Veld products	568 361	1.6%
Live game sales	263 760	0.8%
Forest products	18 720	0.1%
Premium hunting	5 256	0.0%
Total		35 021 859

MODULE 2.2, HANDOUT #3: Broad range of potential CBNRM enterprise opportunities



MODULE 2.2, HANDOUT #4: Business Options Plan - Otjimboyo

MODULE 2.2, HANDOUT #5: Business Plan Checklist (page 1 of 3)

The following questions need to be answered before you can draft a business plan. Also add your own questions.

	Tick	
	yes	no
The Vision of the Business		
• Are you clear about what product or service your business will sell?		
• Have you identified your customers and where they are located?		
• Have you decided how you are going to sell your product or service?		
• Are you clear which need your product or service fulfils for customers?		
• Is it clear what will attract customers to your new business over others?		
• Are there more strengths identified than weaknesses in your business data?		
• Are there more opportunities identified than threats in your business idea?		
• Are you proceeding with your business plan?		
The Marketing Plan		
Market Research		
• Have you done a market research of your business idea?		
• Do you know who your potential customers are?		
• Are you clear on the products and services your customers want?		
• Do you know your business competitors and their products?		
• Are you clear on how your competitors attract customers to buy their products and services?		
• Do you know your competitor's pricing?		
• Are you sure you know which goods sell better now?		
• Have you asked business friends and suppliers on what they think about your business idea and your business competitor's products?		
• Have you been reading widely on your product and services?		

	Tick	
	yes	no
Business Product or Service		
• Based on the information collected in market research, are you now clear on your product or service which you are going to offer?		
• Have you decided on the product range or quality or colour or size?		
• Have you decided on how your products will be packaged?		
Product Price		
• Do you know your costs?		
• Do you know how much your customers are willing to pay for your products or services?		
• Do you know your competitor's prices?		
• Have you decided on your product price based on the above?		
• Are you going to give discounts or credit to your customers/		
Place		
• Have you decided where your business will be located?		
• Have you decided on how to get your product or services to your customers?		
Promotion		
• Have you decided on how you are going to inform your customers about your products or services?		
• Have you decided on how you are going to attract customers to buy your products or services?		
• Are you clear on the costs for your promotion and advertising activities you have chosen?		
Form of Business		
• Have you decided on the form of business such as sole proprietorship or partnership or limited company or cooperative?		
• Are the advantages and disadvantages clear for the form of business you want to do?		
• Do you know the registration process and requirements for the form of your business?		
• Do you know the cost of starting the business – is it high or low?		
• Have you got advisors for your form of business such as lawyers if it is a big business, NGO's or government for small businesses?		

MODULE 2.2, HANDOUT #5: Business Plan Checklist (page 2 of 3)

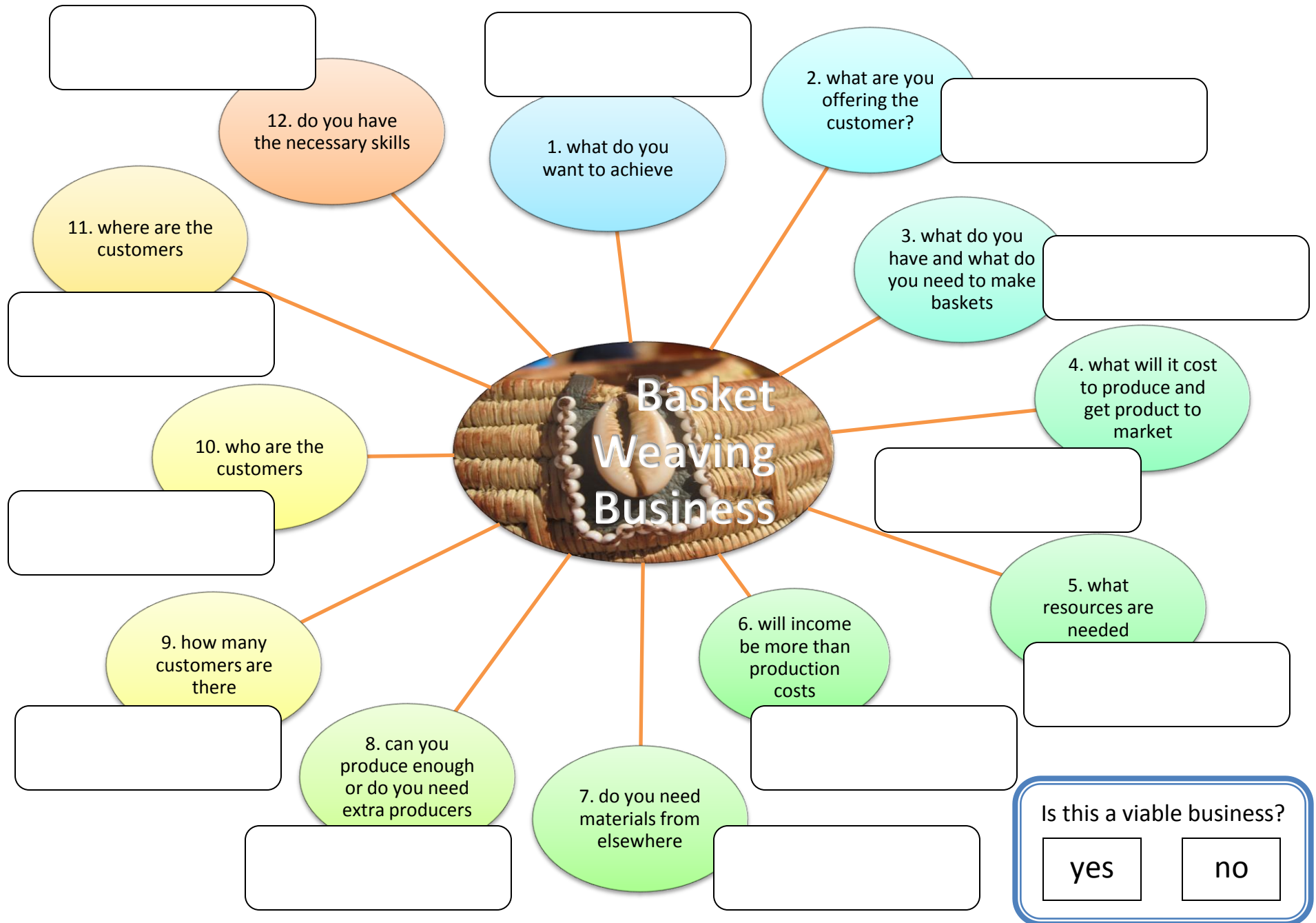
	Tick	
	yes	no
Staffing		
• Have you listed all the tasks that need to be performed in the business?		
• Have you identified the tasks which you will not have the time or the skills to do by yourself?		
• Have you determined the skills, experience and other requirements you need in the staff for these identified tasks?		
• Have you decided on the number of employees needed to perform each task?		
• Have you decided on how much each employee gets for tasks to be done on a monthly basis?		
• Will your staff need training to perform the required tasks?		
• Can you give training in-house or do you need to pay somebody for the training?		
Legal responsibilities and Insurance		
Taxes		
• Do you know the different taxes your company will need to pay?		
• Do you know the percentage per unit product price for the different taxes affecting your business?		
Employees		
• Are you familiar with the labour law and other regulations when employing staff?		
• Have you identified any special or safety regulations that apply to your line of business?		
Licenses and Permits		
• Do you know whether your business requires a license or permit to operate?		
• Do you know the procedure and where to get the license and/or permit for your business?		
Insurance		
• Have you identified and listed down the risks that are involved in running your business?		
• Have you identified the risks that can be offset by insurance?		

	Tick	
	yes	no
Costing		
Direct Costs		
• Do you know all the costs that are directly related to the product or services your business makes or sells – be it direct labour or direct material costs?		
• Have you mastered how to calculate the direct material or labour costs?		
Indirect Costs		
• Have you identified and calculated all your business overheads and expenses?		
Total Costs		
• Have you added up the direct material, direct labour costs and indirect costs to get the total product costs?		
Financial Planning		
• Have you managed to forecast indirect costs for each month for the first year?		
• Have you forecasted the direct material costs per item for each product or service you will sell in your business and total costs per month for the first year?		
• Have you forecasted the direct labour costs per item and for each month for the first year?		
• Have you forecasted/estimated the monthly sales in the first year?		
• Have you completed your annual sales and costs plan?		
• Have you checked if your sales and costs plan shows you a profit for the first half of the year in business?		
• Have you produced the cash flow plan showing the estimated cash you expect to flow into your business and how much cash you expect to go out of your business each month?		
• Have you checked if your cash flow plan will not run out of cash during the first half of the year?		

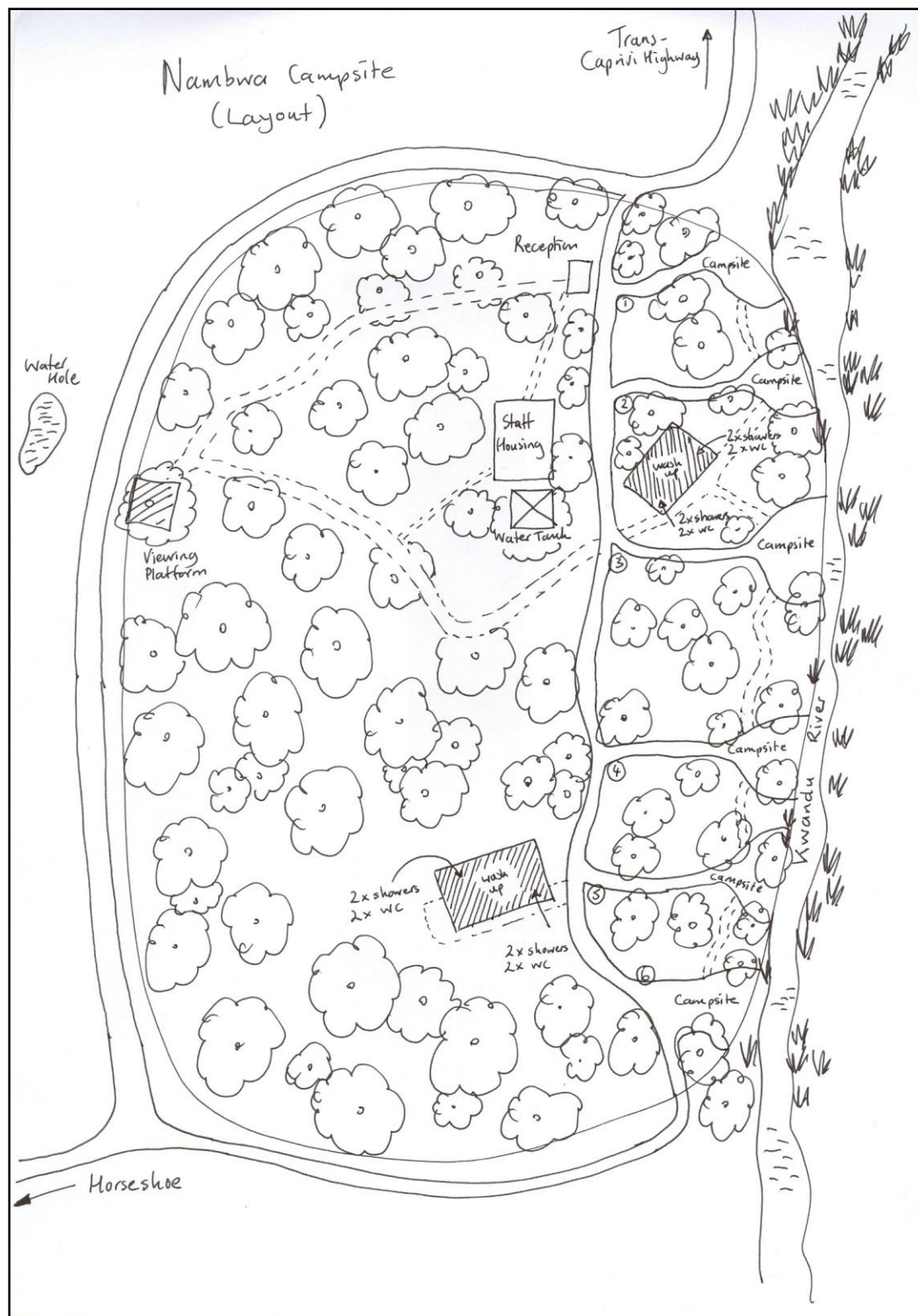
MODULE 2.2, HANDOUT #5: Business Plan Checklist (page 3 of 3)

	Tick	
	yes	no
Required Start-up Capital		
• Do you know how much money you need to start your business such as per capital investment and working capital?		
• Do you know which assets do you need for your business and how much they will require?		
• What type of business premises do you require?		
• Do you know the total working capital you need to get your business off the ground?		
Sources of Start-up Capital		
• Have you established where you can get the capital you need for you new business?		
• Do you know where and what assistance to get from government, NGO, bank, donor grant or loan?		
Monitoring		
• Do you have a strategy in place to regularly monitor the performance of your business?		
Total		

MODULE 2.2, HANDOUT #6: Determine whether your business is viable



MODULE 2.2, HANDOUT #7: Nambwa Campsite Design



MODULE 2.2, HANDOUT #8: Capital Costs



Building materials

- Bricks or stones and cement
- Timber
- Plumbing materials and fittings
- thatching grass and reeds
- Windows and doors
-
-



Transport

- Deliver materials
- Bring in staff and tradesmen
- Site visits
-
-



Labour

- Labourers
- Builders
- Plumbers
- Electricians
- Designer / architect
- Thatcher
-
-



Services

- Water
- Telephone / Internet
-
-



Equipment

- Water Pump
- Generator
- Office equipment
- Office furniture
- Vehicle
- Tools
- Machinery
-
-

MODULE 2.2, HANDOUT #9: Bank loan repayment

Example: Caprivi Bush Camp

Caprivi Bush Camp needs to borrow N\$200,000.00

The Commercial Bank of Namibia loans N\$200,000.00 at 12.25% over 10 years (the Bush Camp has 10 years in which to pay the loan back).

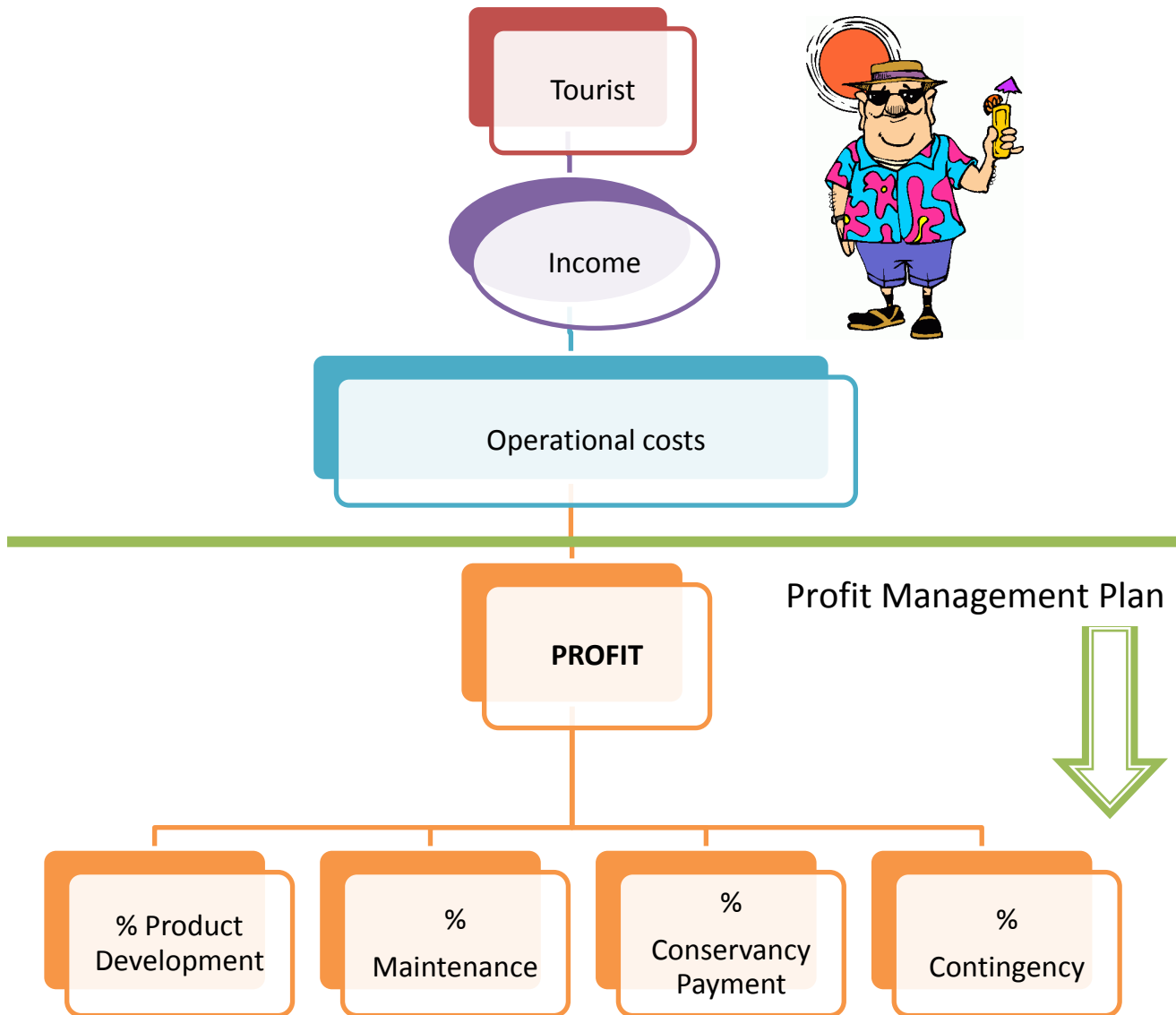
Minimum repayments are made monthly at N\$3 226.00

The total repayments here would be N\$347,816.00

(This is more than N\$147,000.00 more than the original N\$200,000.00 that was borrowed and this is how banks and money lenders make their own profit !) and will take nearly 8 years to repay in total

If the repayments are increased to N\$5 000.00 per month, the total repayments would be N\$241 200 (only N\$41 000 more than the original N\$200,000 borrowed) and will only take 4 years to repay in total.

MODULE 2.2, HANDOUT #10: Profit Management Plan



The Profit Management Plan: key issues

- What % of profit should be allocated for the development of the product?

Example:

- What % of profit should be allocated to maintenance of the facilities

Example:

- What % of profit should be returned to the conservancy or community group for the running of their operations, payment to Traditional Authority and/or benefit distribution to the broader community?
- What % of profit should be held in the enterprise bank account as a contingency fund (to be used for expenses that are unpredictable)?

Example:

MODULE 2.2, HANDOUT #11: Financial projections including use of profit

Huanib River Campsite

	Year 1	Year 2	Year 3	Year 4	Year 5
	10%	20%	25%	30%	35%
Income					
Campsite	65,700	131,400	164,250	197,100	229,950
Firewood	1,314	2,628	3,285	3,942	4,599
Total Income	67,014	134,028	167,535	201,042	234,549
Less: Expenditure					
Salaries	39,600	43,560	47,916	52,708	57,978
Cleaning materials	3,000	3,300	3,630	3,993	4,392
Transport/ food	2,500	2,750	3,025	3,328	3,660
Stationary/Tel	1,500	1,650	1,815	1,997	2,196
Firewood	657	1,314	1,643	1,971	2,300
Marketing & Booking	0	6,570	8,213	9,855	11,498
Bank charges	1,600	1,760	1,936	2,130	2,343
Repairs & maintenance	5,000	5,500	6,050	6,655	7,321
Communications	1,500	1,650	1,815	1,997	2,196
Camp Manager Incentive @ 3%	2,010	4,021	5,026	6,031	7,036
Camp Staff Incentives @ 3%	2,010	4,021	5,026	6,031	7,036
Total Trading expenditure	59,378	76,096	86,094	96,694	107,956
Trading profit/loss	7,636	57,932	81,441	104,348	126,593
Maintenance of assets - buildings & equipment @ 15%	1,145	8,690	12,216	15,652	18,989
Conservancy Benefit @ 75% (paid Quarterly)	5,727	43,449	61,081	78,261	94,945
Contingency / Product development @10%	764	5,793	8,144	10,435	12,659
	7,636	57,932	81,441	104,348	126,593
Total return to conservancy	5,727	43,449	61,081	78,261	94,945

Income is based on an average of N\$60 per person per night

Income is expected to double in the second year of operation

Provision for annual increase in expenditure is estimated at 10%

Staff incentive is 7% of the gross income (3% Manager and 3% staff)

Community benefit is 75% of the profits - paid quarterly.

Contingency / Product development is 10% of the profits

Maintenance of assets - buildings & equipment is based on 15% profit which equals 0.5%, 3%, 5%, 6%, 8% of original investment cost of N\$250,000 annually.

Salaries are N\$900 manager and 3 x N\$800 staff = N\$3300pm

MODULE 2.2, HANDOUT #12: NTB campsites: minimum requirements for registration (page 1 of 2)

ANNEXURE 4

1. ACCOMMODATION UNITS

Structuring and layout

- (a) Designated camping sites must be provided for erecting tents, awnings or other temporary structures of guests for accommodation.
- (b) The camping sites must be arranged in such a way that there is at least 3 metres space between one another.

2. BATHROOM AND TOILET FACILITIES

- (a) Communal bathroom and toilet facilities must be provided having available, in respect of every 6 camping sites or, if any camping sites allow for accommodation of more than four guests per camping site then in respect of every 12 guests, at least - No.3235 Government Gazette 14 July 2004 55
 - (i) two bathrooms or shower cubicles, allowing for complete privacy when used;
 - (ii) one washbasin with a mirror, not situated within a bathroom or shower cubicle.
- (b) At least two water, pit or chemical toilets must be provided for every 6 camping sites, or for every 12 guests in the case of any camping sites allowing for accommodation of more than four guests per camping site.
- (c) The internal walls of all bathrooms and toilets must either be tiled or painted with washable paint if constructed of bricks or other equivalent material.
- (d) In the case of a campsite situated within a conservancy or a communal land area the Chief Executive Officer may grant exemption from any of the requirements of paragraph (a), (b) or (c) or approve that alternative facilities be provided, subject to any conditions which the Board may determine.

3. LAUNDRY

No washing must be permitted to be done or clothing hung out to

dry in a place other than a place specially provided for that purpose.

4. WATER SUPPLY

- (a) If no supply of water for human consumption is provided in the campsite, guests must be informed in advance of that fact.
- (b) All water that is likely to be used for human consumption must be fit for human consumption and the water supply system, including tanks, pipelines, wells, pumping equipment, purification works, mains and service pipes must be free from sanitary defects.
- (c) If every camping site is not provided with a connection to a water supply system or alternative water supply, at least one standpipe and tap must be provided in a convenient position for every four camping areas or pitches.
- (d) If water that is not fit for human consumption is used in a campsite -
 - (i) adequate precautions must be taken to prevent that water from being mixed with water that is likely to be used for human consumption;
 - (ii) every tap must have an appropriate warning sign if its water is not fit for human consumption; and
 - (iii) the design and layout of the water installations for the supply of water that is not fit for human consumption must be such as to minimise the danger that such water will be used for human consumption.
- (e) In the case of a campsite situated within a conservancy or a communal land area the Chief Executive Officer may grant an exemption from any of the requirements of paragraphs (b) or (c) or grant approval that alternative be provided or used, but only potable water must be supplied, either free of charge or against a charge, if required for human consumption.

MODULE 2.2, HANDOUT #12: NTB campsites: minimum requirements for registration (page 2 of 2)

5. COOKING FACILITIES

Self-catering service provision

(a) In respect of camping sites without own cooking facilities there must be provided - 56 Government Gazette 14 July 2004 No.3235

- (i) for each camping site, at least one fire place; or
- (ii) for every 6 camping sites, a roofed field kitchen or scullery provided with (aa) a stove; and (bb) one garbage bin with cover.

(b) All refuse bins must have close fitting covers secured at all times and be kept in good repair and be emptied and cleaned daily when in use.

6. GENERAL

6.1 Reception for guests

If provision is made for the reception of guests -

- (a) a reception area which is conveniently situated and clearly indicated should be provided as well as a means of summoning attention when the reception desk is not attended;
- (b) a staff member of the establishment must at all times during normal business hours be available to attend to the reception office during every period when the campsite is in operation, and means must be provided at the reception office to summon attention outside normal reception hours. If a staff member is not physically in attendance during those hours or if no such service by a staff member is provided, guests must be informed of that fact.

6.2 Tariffs for accommodation and services

(a) The tariffs for camping sites and other facilities and customer services must displayed in a prominent place at the reception desk or be available in writing.

(b) Guests must be notified if the tariff has changed since an advance booking has been made.

(c) Tariffs must clearly indicate the services and facilities included in the tariff quoted.

6.3 Maintenance and service

(a) The structure, equipment, plumbing, drainage, sewerage disposal, lighting, ventilation, electrical installation of every permanent building of the camp site must be kept in good repair at all times.

(b) The premises of a campsite must be cleaned daily and must be kept in a clean and hygienic condition.

6.4 Access, safety and security

(a) The campsite must be adequately fenced off. The Chief Executive Officer may grant exemption from this requirement in respect of a campsite situated within a conservancy or a communal land area or any other rural area.

(b) A road that provides easy entrance to or exit from the campsite must be provided as well as roads providing access to all sites where accommodation units are located.

(c) Direction signs to the campsite must be placed at suitable points visible to motorists. No.3235 Government Gazette 14 July 2004 57

(d) First aid kit must be kept available at a readily accessible place.

6.5 Fire safety measures

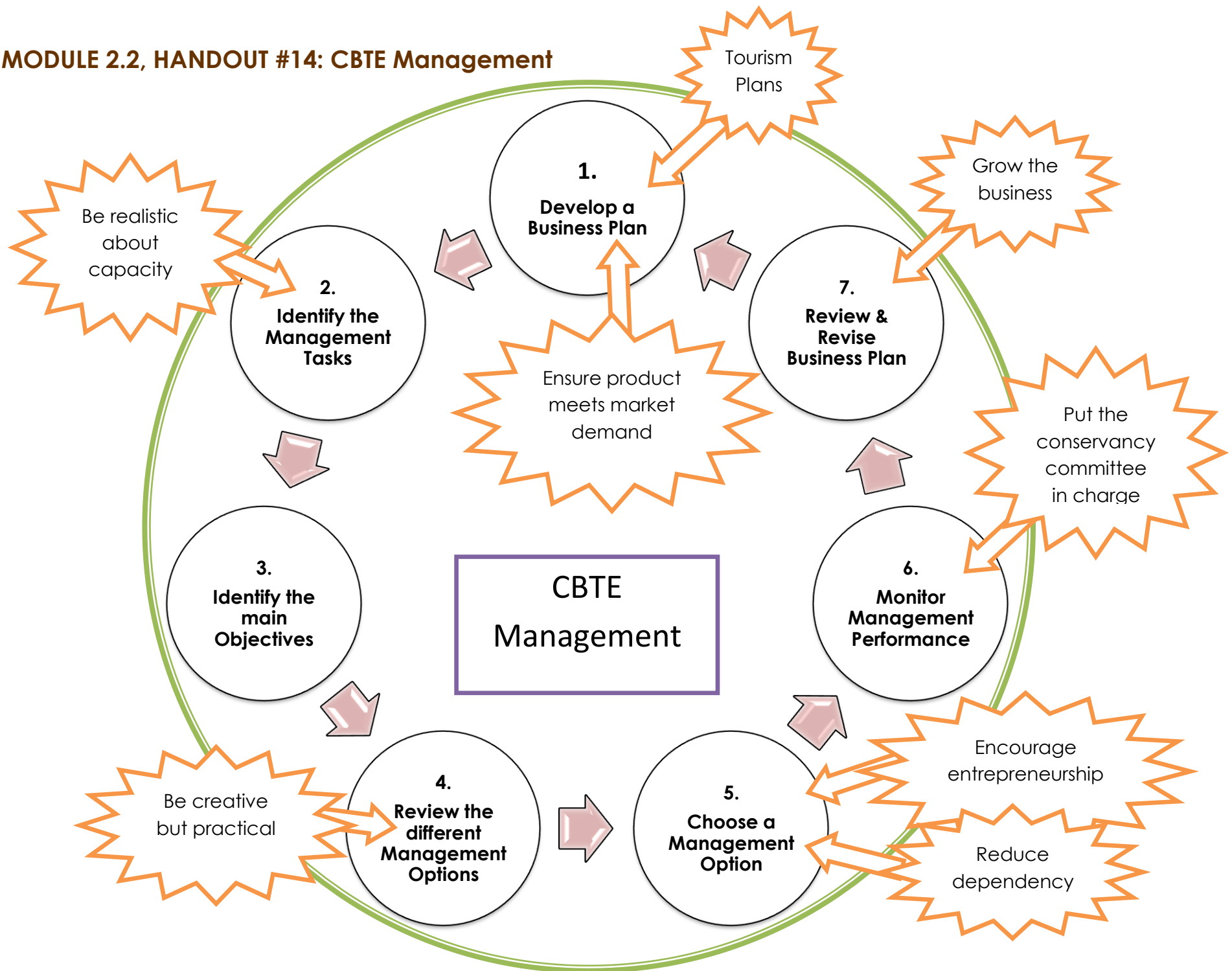
(a) A sufficient number of appropriate fire-fighting equipment and appliances must be provided.

(b) Fire-fighting equipment must be provided in readily accessible positions on the premises of the campsite.

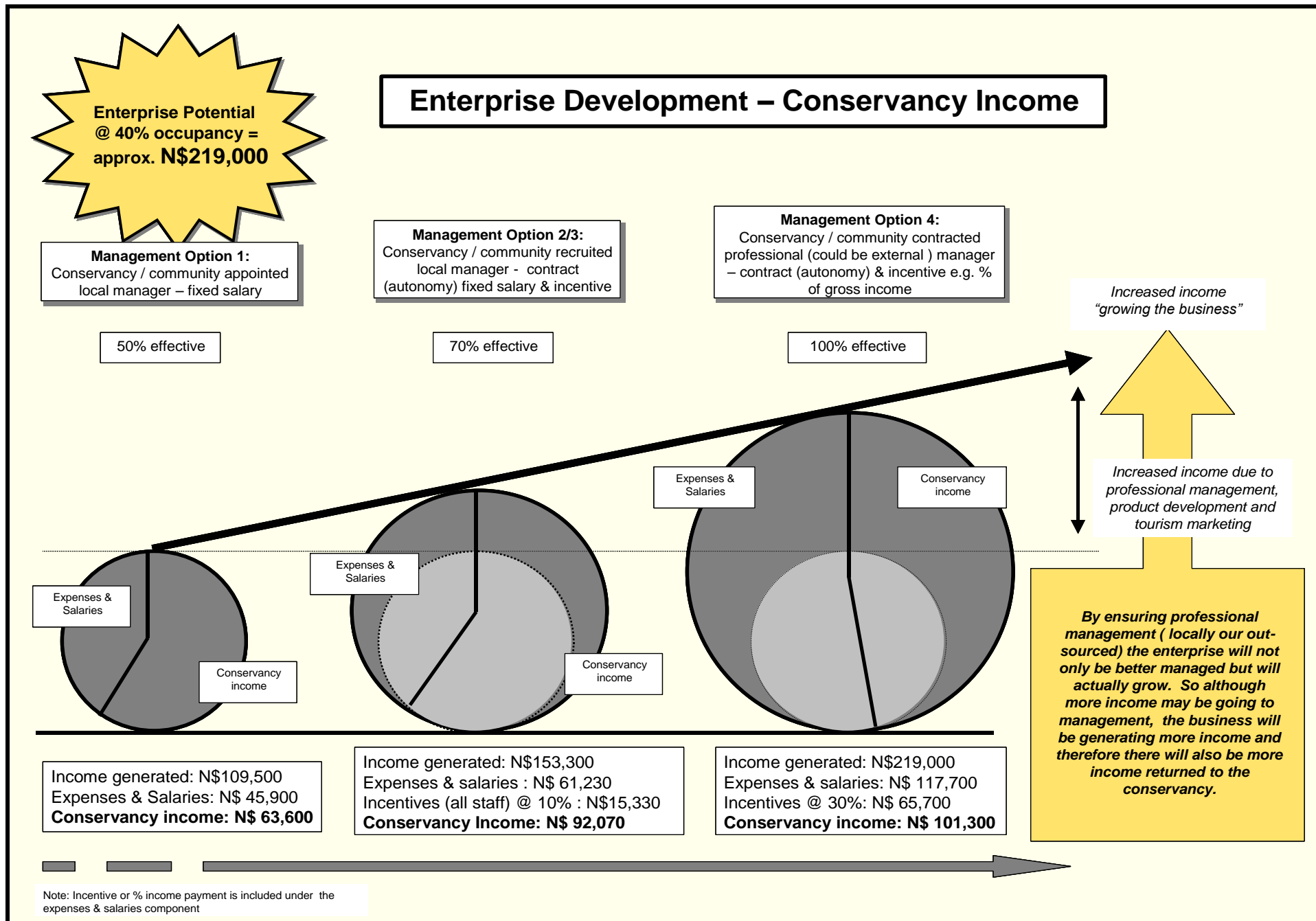
MODULE 2.2, HANDOUT #13: Examples of CBTE Management Structures

Name of Enterprise / business	Type of Management			Management Agreements and performance incentives				Perceived management effectiveness (rank between good and bad and comment)
	Manager appointed by conservancy / community	Manager recruited and contracted	Private Entrepreneur	Management Agreement in place	Manager has autonomy to take decisions	Performance targets have been set	Incentives in place	

MODULE 2.2, HANDOUT #14: CBTE Management



MODULE 2.2, HANDOUT #15: Enterprise Development – Conservancy Income



MODULE 2.2, HANDOUT #16: The Process for developing an Administrative and Finance System

Process for developing an appropriate **administrative and finance system**

Assess the type of enterprise and the requirements. This will give an idea of the type of systems that would best suit the enterprise

Assess the **ability of the staff** that will be working with the system. This will guide you to the best system for the enterprise

NOTE: There is no point putting in a system that is too complex for the staff working with it.

Identify the **facilities and equipment available** on site and assess the geographical location of the enterprise in relation to key services e.g. banks, telephones etc.

Review admin and financial systems that are currently being used in other similar CBTE and private enterprises and take the most useful components. Make sure you learn from other people's experience.

Choose the **Administrative and Finance system** that best meets the needs of your enterprise. If necessary make your own modifications to these systems.

Train staff and other stakeholders (conservancy committee) in the use of the systems.

Undertake regular **monitoring and financial audits** to ensure transparency

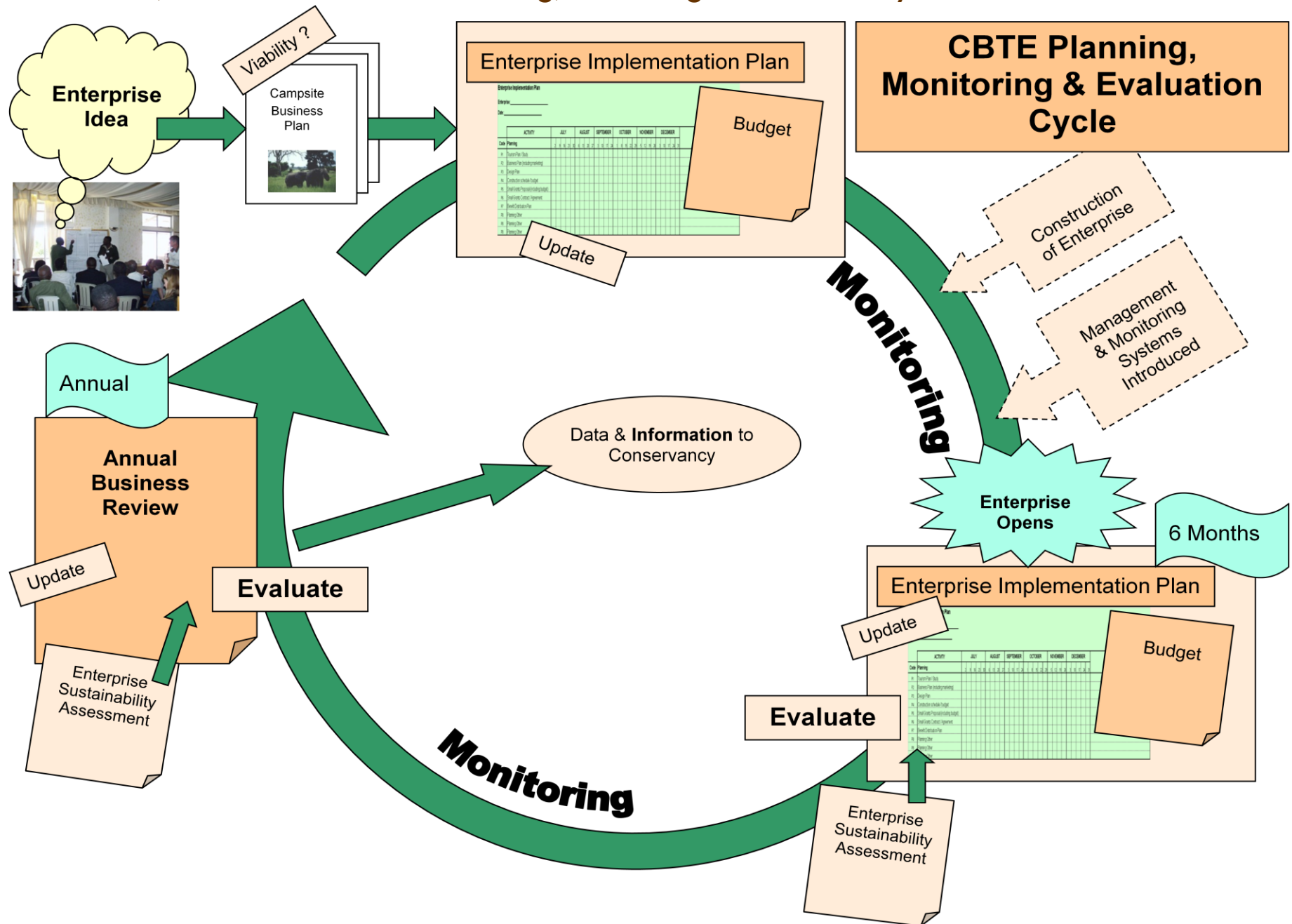
MODULE 2.2, HANDOUT #17: The four elements of marketing mix

<p>Pricing The process of determining what a business will receive in exchange for its products</p> <ul style="list-style-type: none"> • Who is the target group • What can the target group afford • What do your competitors charge for a similar product in your area • How will you sell your product and services • Discounting for groups, long stays, bulk buying, etc. 	<p>Promotion The communication link between sellers and buyers for the purpose of influencing, informing, or persuading a potential buyer's purchasing decision.</p> <ul style="list-style-type: none"> • How to you tell your customers/target group about your product and services. <ul style="list-style-type: none"> ○ Who are these people ○ Where do they live ○ What are their lifestyles (how much do they want to spend and on what) ○ What do they read (travel guide/magazine, brochure, websites) ○ What do they listen to (radio, television) • Promotion Options: <ul style="list-style-type: none"> ○ Advertising ○ Sales Promotions ○ Public Relations ○ Personal Selling
<p>Product Anything that is produced by labour or effort and can be offered to a market that might satisfy a want or need.</p> <ul style="list-style-type: none"> • Detailed description of product and services • Outline of main benefits to the customer, especially compared to your competitors 	<p>Place Where the product is marketed.</p> <ul style="list-style-type: none"> • Where is the best place to market? <ul style="list-style-type: none"> ○ Internationally – websites & partnership with other operators, travel magazines ○ Locally – posters, signboards, brochures, public relations

MODULE 2.2, HANDOUT #18: CBTE Performance Targets

Performance target	Measurement	How is it measured
Camp infrastructure & equipment well maintained, facilities operate	Monthly inspection by conservancy campsite committee is positive (70% good or above)	Performance Checklist developed and maintained (monthly / quarterly) Visitors Comments Book
Campsite is clean and tidy	Monthly inspection by conservancy campsite committee is positive Visitors comments (>70% positive)	Performance Checklist developed and maintained (monthly / quarterly) Visitors Comments Book
Finance and administrative systems are well maintained & accurate	Monthly inspection by CCC is positive Monthly financial statement is accurate	Cash book (tallies with receipts / bank statement etc.) Visitors register & cash book tally
Customers are satisfied with campsite and service	Visitors comments (>70% positive)	Visitors Comments Book
Collect & collate data related to the business	Accurate data available in collated form every 6 months	Monitoring Graphs Cashbook & Visitors Register
Introduce new product idea or improvement every 6 months	New idea or improvement implemented	Report to CCC / monthly inspection
Campsite income and income to conservancy are both increasing (measured over a 12 month period)	Campsite & Conservancy income increases by 100%, 30%, 20% and 15% in years 1-4 followed by 10% pa thereafter. In practice, annual targets will need to be set.	Cash Book Annual Financial Statement and Report Monitoring Graphs

MODULE 2.2, HANDOUT #19: CBTE Planning, Monitoring & Evaluation Cycle



MODULE 2.2, HANDOUT #20: Product Development Schedule

CBTE Product Development

Month: _____

CBTE: _____

		YES	NO	No.days	Comments
Code	Planning				
P1	Tourism Plan / Study				
P2	Business Plan (including marketing)				
P3	Design Plan				
P4	Construction schedule / budget				
P5	Small Grants Proposal (including budget)				
P6	Small Grants Contract / Agreement				
P7	Benefit Distribution Plan				
P8	Planning - Other				
P8	Planning - Other				
P8	Planning - Other				
Code	Development				
D1	Management Structure / systems				
D2	Tourism Awareness skills				
D3	Business / Enterprise skills				
D4	Tour Guiding skills				
D5	Training - Other				
D6	Membership				
D7	Construction completed				
D8	Minimum Standards Incorporated				
D9	Development - Other				
D9	Development - Other				
D9	Development - Other				
Code	Operational				
O1	Basic Support Package				
O2	Financial systems				
O3	Admin. Systems - visitors book				
O4	Visitor comments book				
O5	Included in Brochure				
O6	Included in Website				
O7	T-shirt / Merchandising				
O8	Uniforms				
O9	Maintenance checklist				
O10	Booking System				
O11	Operational - Other				
O11	Operational - Other				
O11	Operational - Other				
Total No. days:					

Business Advisor: _____

Date: _____

Note: the activities indicated above are all important components of the CBTE product development process. Please use the comments column to provide more details.

MODULE 2.2, HANDOUT #21: Self-assessment evaluation for participants
(page 1 of 2)

1. A tourism plan is a document that identifies

opportunities or in a given
(complete the sentence by using these words: region, development, options,
tourism)

2. What is a contract?
.....
.....
.....
Why do you think it is necessary to develop and sign one?
.....
.....
.....

3. Apart from capital costs, what are the main kinds of costs that we need to budget
for when planning a new enterprise?
.....
.....
.....

4. Why would you rather use your own money or a grant instead of applying for a
bank loan?
.....
.....
.....

5. Income is profit. Do you agree and why?
.....
.....

6. List at least 4 legal requirements that need to be in place when operating a CBTE or
any other business.
.....
.....

MODULE 2.2, HANDOUT #21: Self-assessment evaluation for participants
(page 2 of 2)

7. What kind of management structure would you prefer for your enterprise and why?

.....

.....

.....

8. What kind of marketing could you use for your enterprise if there is no limit to your budget (ensure you use all four elements of the marketing mix)?

.....

.....

.....

9. When developing performance targets, we need to ensure that they are SMART. What does SMART stand for?

.....

.....

.....

10. How do we measure performance targets?

.....

.....

.....

.....

.....