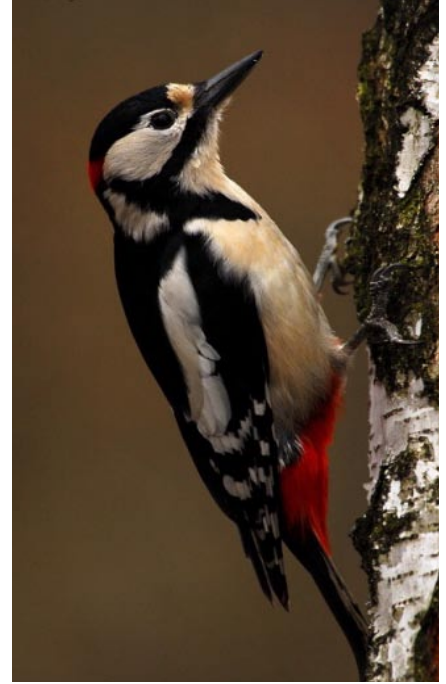


# PAN Parks

## Lessons Learned Series

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### 7

## Conducting Independent Audits

April 2008



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Cover Photos (Left to Right): Šimon Kertys, PAN Parks Foundation (PPF) Archive, Šimon Kertys.

## Dear Reader,

In this seventh issue of the PAN Parks Lessons Learned Series, I will discuss the subject of why and how we at the PAN Parks Foundation need independent audits to support our conservation goals. I will start by sharing with you two relevant quotes relating to independent audits:

At the beginning of PAN Parks story, 10 years ago, Dr. Claude Martin, Director General of the World Wide Fund for Nature (WWF) International, introduced PAN Parks as follows: “Our vision is no less than to create the ‘Yellowstone’ and ‘Yosemite’ national parks of Europe. Parks with international status, which are known, loved and respected by all Europeans.” In the same document, “PAN Parks - Investing in Europe’s future [1998]”, the independent international audit was identified as the main tool to provide transparency and credibility to the future network of PAN Parks. Since then our Foundation has created a network of exemplary wilderness protected areas and independent international audits have provided credibility to our extensive network.

The second quote, taken from a recent assessment report of PAN Parks Foundation [2008], is very much “self- testimony” and does not need any specific comment: “Since the early beginning, the concept was based on the development of a reliable “trademark” for wilderness protection and tourism. As part of its development, the PAN Parks Foundation has also developed criteria systems for selecting PAN Parks, a set of standards and a certification system, both for the protected areas themselves and for surrounding tourist industries...”

In this document I will discuss the importance of independent audits to PAN Parks, briefly describe our position within the global conservation and sustainable development movement, touch on other certification systems and then focus in detail on our own experience and lessons learned from our PAN Parks verification process.

Finally, I am very proud to share our experience and knowledge with you. I hope you will find this document not only useful to read but also interesting enough to adopt some of our experience into your daily business.

Sincerely,

  
Vlado Vancura



P: PPF Archive

Vlado Vancura,  
Conservation Manager,  
PAN Parks Foundation

## Introduction

Our PAN Parks verification system provides us with an independently audited framework that demonstrates to us that the management of the protected area in question reaches our high and demanding quality standard, known as the PAN Parks Principles and Criteria. By conducting this audit, we set an important benchmark for quality standards of protected area management. Thanks to our comprehensive approach, our system has been described as the world’s first operational, third party certification system under the WCPA (World Commission on Protected Areas) Framework for Management Effectiveness.

To prove the high quality standard of certified PAN Parks, our Foundation has developed a comprehensive independent verification system focuses on a variety of areas that include:

1. Management Effectiveness of Protected Areas (Principle 1-2)
2. Quality of Visitor Management (Principle 3)
3. Sustainable Tourism in the Region Around Protected Areas (Principle 4)
4. Business Partners (Principle 5)

Direct engagement with park management, local stakeholders and the tourism industry is what makes our initiative unique. This combination of interests however raises serious questions by some people due to the thinking that the tourism sector can and has been a key threat to conservation. However, it is our belief that controlled and carefully planned tourism can be a unique opportunity for protected areas and conservation. Therefore our philosophy focuses on the positive elements of this relationship yet remains aware of the potential threat and damage that uncontrolled tourism can have on protected areas. This philosophy has led us to dedicate a lot of resources and capacity to develop our sophisticated and demanding verification system with the aim to minimise this threat and provide transparency and credibility to the overall system.

## Why Do We Need an Independent Audit?: The Global Context

Management effectiveness of protected areas has gained increasing attention as an essential element in the maintenance of successful protected areas. Evaluation or assessment of management is now seen to be a very useful tool in increasing effectiveness by providing concise and practical information for managers and others.

Due to this development, governments, academic sector, tourism business and major international conservation NGOs recognised evaluation as a component of responsive, pro-active protected area management; both to help managers to make day-to-day decisions about allocation of time and resources, and to assist in the reporting process on conservation in an international context.

Even global institutions such as the Convention on Biological Diversity (CBD), in the Programme of Work on Protected Areas, signatory states have committed to develop systems of assessing management effectiveness and to report on 30 percent of their protected areas by 2010.

As a result of this process, a large number of systems for assessing management effectiveness have been developed over the past 10-15 years although many of these have been applied in only a few protected areas [IUCN, WCPA, Roger Crofts, 2007].

## Global Certification Programmes for Protected Areas

There are several well-known certification initiatives relevant on a European and even global scale. The highlighted portion reveals the uniqueness of our approach compared to the others.

Criteria	Destination 21	European Charter	European Diploma	WHS	MAB	PAN Parks
Third Party Audit	✓	✓	✓	(✓)	✓	✓
Local Business and Nature Conservation Partnership		✓		✓	✓	✓
Public Awareness	✓	✓	✓	✓	✓	✓
Wilderness Mgmt/ Strict Conservation						✓
Tourism Destination Labelling	✓	✓		✓		✓
Europe-Wide Scope		✓	✓	✓	✓	✓
WWF Branding						✓
CBD Concern			✓			✓

Note: WHS – World Heritage Site; MAB – Man and Biosphere, UNESCO; CBD – Convention on Biological Biodiversity



*Fulufjället National Park, Sweden*



*Rila National Park, Bulgaria*

## Europe's Certification Programmes for Sustainable Tourism in Protected Areas

There are two certification programmes in Europe that cover sustainable tourism in protected areas. The European Commission labelled both of these initiatives in 2000 as the most relevant tools to manage sustainable tourism in protected areas.

### 1. PAN Parks (funded by WWF)

WWF, in partnership with Dutch leisure company Molecaten in 1997, established PAN Parks as a "quality brand" guaranteeing high-level protection of Europe's wilderness capitals, supported by all Europeans.

### 2. European Charter for sustainable tourism (funded by Europarc Federations)

Europarc set up their initiative in 1995, as a "strategic approach" and is a widely used tool for sustainable tourism development and conservation in protected areas.

Research commissioned by our Foundation in 2005 confirmed that both initiatives are very complementary. In the summer of 2008 the Peneda Geres National Park in Portugal, already awarded certification by the Europarc Charter 5 years ago, will become a test case to measure the benefits of linking this park with both certification programmes.

## What is Certification?

Broadly speaking certification is defined as a procedure that assesses, audits, and gives written assurance that the facility, product, process, or service meets a specific standard. It awards a marketable logo to those that meet or exceed the baseline standards.

Increasingly more and more companies are seeking voluntary certification programmes as a way to help ensure they are following the best practices, gaining a market advantage with consumers, and set themselves up to be in a growth position within their particular sector.

This trend also reaches the conservation community, and more and more park managers use this tool to gain information about the effectiveness of their work.

## Common Components of Certification Programmes

- |                           |                          |
|---------------------------|--------------------------|
| ✓ Voluntarily Enrolment   | ✓ Standards and Criteria |
| ✓ Assessment and Auditing | ✓ Logo Usage Rights      |
| ✓ Memberships and Fees    |                          |

## Certification Methodologies: Process & Performance

While certification programmes all share certain common components, they are distinguishable by whether or not they use a process- or performance-based methodology.

### Process-Based Certification Programmes

Process-based certification programmes are all variations of the environmental management system [EMS]. Certification is based on establishing systems for monitoring certain criteria through management. Emphasis is placed on internal cost savings and the environmental impact of the reforms. Use of a certification logo is often given for setting up the process, and not necessarily for achieving fixed goals. There is no universal standard and there is no aim to achieve any declared benchmarks.

### Performance-Based Certification Programmes

Today, an increasing number of certification programmes are performance-based, meaning they include a set of benchmarks, often in the form of yes/no questions. Performance-based programmes state the goals or targets their subjects must achieve prior to receiving certification and use of a logo.

This type of methodology measures achievements, not intention, and is more transparent and less expensive than process-based programmes. It can involve a variety of stakeholders and permits comparison of different subjects. Performance-based certification programmes are typically easier to implement because they don't require setting up complex and costly environmental management systems. Performance-based programmes do however present some challenges. For example, the yes/no format can be harsh because many questions are better answered with a written explanation.

### Certification Trend

There has been a growing consensus that strong certification programmes need to be performance-based, have onsite third-party audits, and include environmental, social and economic standards and criteria that measure impacts both within the business and/or protected area and within the wider community.

Inline with this trend, our PAN Parks verification system represents a hybrid of the process-based environmental management system and the performance-based standards/benchmarks.



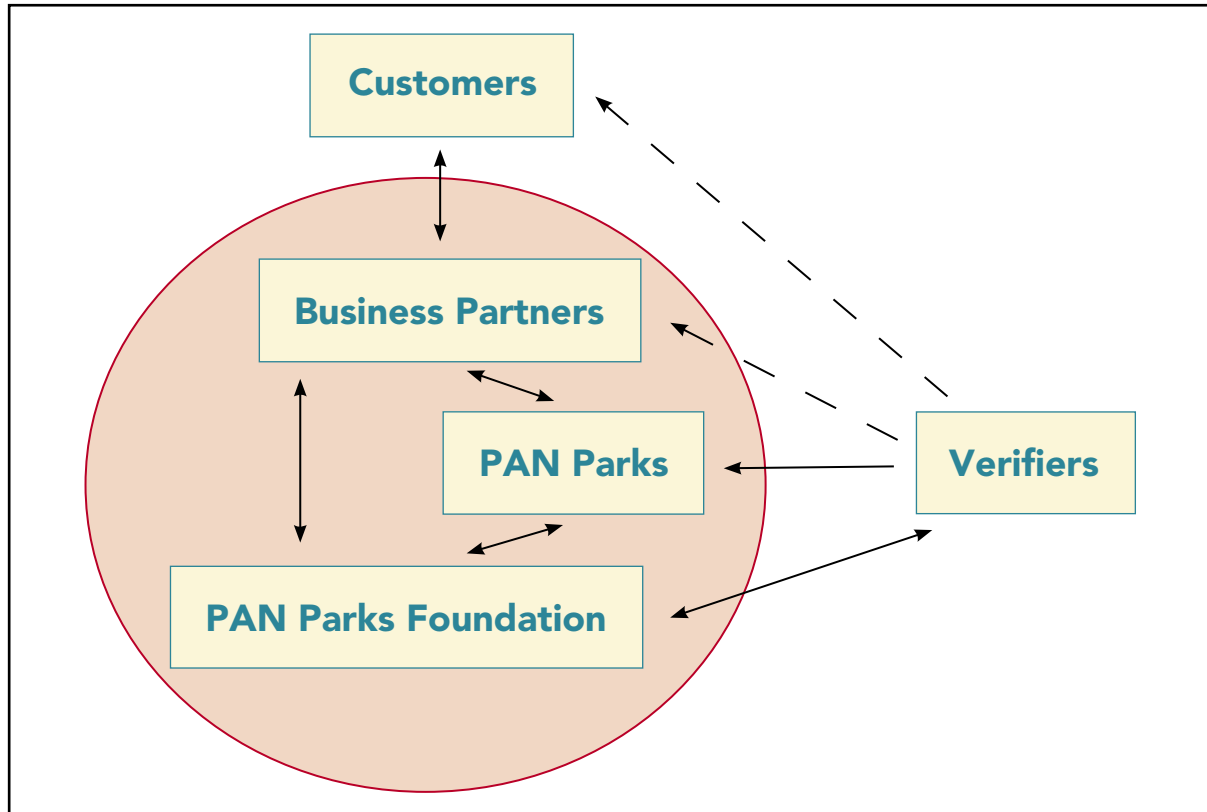
P: Šimon Kertys

*Bieszczady National Park, Poland*

## PAN Parks Verification

Generally speaking, independent third-party verification lends credibility to the process of verifying a protected area or business that is under the control of one party and their interests but is also of significance to another party. Independence of the verifiers both from the owner of the verification methodology, in our case the PAN Parks Foundation, and the applicants, protected areas, helps to develop trust in the verification scheme. In our case, it helps develop trust within our network of protected areas and stakeholders. This “true and fair view” helps build our credibility.

The following scheme depicts PAN Parks Verification Model:



## Who is Verified?

Our verification process focuses on three distinct areas:

1. Protected Areas (conservation partners),
2. PAN Parks Regions (around verified protected areas), and
3. Local Business Partners.

Our international verifiers carry out verification of the first two areas (P 1-4) and local verifiers carry out verification of the local business partners (P 5). However, international verifiers are responsible to check through the STDS process, the transparency of local verification process, and the quality standard for local business partners.



P: Archipelago NP  
Archive

*Archipelago National Park, Finland*

## PAN Parks Quality Standard

The most important condition of our independent verification process is our clear and transparent quality standard. We developed this quality standard over a period of three years (1999-2002), and this demanding process involved a wide spectrum of stakeholders. The team included representatives of all major international conservation NGOs, experts from the government, tourism industry and academic sector, as well as others.

The result of this process is new standard for conservation and sustainable development. The standard includes five comprehensive principles. Each principle is divided into a number of criteria, and each criterion is characterised by several indicators. This structure allows our Foundation to conduct transparent assessments by independent verifiers. In this way, our PAN Parks Quality Standard becomes the backbone of our PAN Parks initiative.

### Map of the PAN Parks Network as of April 2008



*Every new PAN Park must meet all five comprehensive principles.*

## PAN Parks Principles, Criteria and Indicators

### Principle 1: Natural Values

Any protected area applying for PAN Parks certification must define its scope of protection, its international importance, and the size of its protected area.

### Principle 2 and 3: Management Effectiveness

Principle 2 (conservation management) and principle 3 (visitor management) are management and process principles, which reflect the management effectiveness of the protected area administration.

### Principle 4 and 5: Sustainable Tourism Effectiveness

Principle 4 (Sustainable Tourism) and principle 5 (Business Partners), like 2 and 3, are management/process principles. However, they are different from principles 1, 2 and 3, because fulfilling them falls outside of the responsibility of the National Park's management team. The Sustainable Tourism Development Strategy (STDS) is a multi-stakeholder project, formalised as a Local PAN Parks Group. Principles 4 and 5 are stakeholder principles.



P: Gavin Bell

*Another beautiful reason to protect our natural values  
Borjomi-Kharaghauli NP, Georgia*



P: Vlado Vancura

*Working hard to achieve Principles 2 and 3*



P: PPF Archive

*Sustainable tourism in Oulanka NP, Finland*

## PAN Parks Verification Team

International experts in different fields form a group to carry out the verification of the P&C 1-4. A lead verifier leads the verification group and is responsible for submitting a final report to our Foundation. The final report clarifies whether or not we should award the PAN Parks Certificate to an applicant, and if so under what conditions. The team includes: a lead verifier, verifier, and a local expert. If necessary, for example in case of a lack of expertise, additional experts can be appointed to join the team.

## Verifying Local Business Partners

During the development of the STDS (required by Principle 4), the Local PAN Park Group will also form a verification strategy to carry out the verification of local business partners under Principle 5 (it includes local PAN Park standards, procedures and verification team). A leader of the verification team is responsible for submitting a final report to the Local PAN Park Group. The final report clarifies whether or not to award the PAN Parks Certificate to an applicant (local business), and if yes, under what conditions. It also provides an outline for the annual monitoring plan.

## Revising Principles, Criterion and Indicators

Nothing is absolute, permanent or perfect. The detailed indicators we use are in continuous development, and in the last six years we have revised them several times. Revisions are made based upon the experiences gathered during field tests. The new revision is then applicable from the next year onwards. The basic idea is continuous improvement of both the system as a whole, and within all the participating clients themselves.

## Validity of Label

The PAN Parks label is valid for 5 years and rules of validity are subject to the contract signed between us, the PAN Parks Foundation, and the protected area. Each year the verification team will monitor the protected area to ensure that no elements of the contract are being violated. After five years, a renewal application can be made and will take into consideration any changes to the principles and criteria.

## Costs

The PAN Parks Foundation and the applicant share the cost of verification. There is funding available for verification in the form of a PAN Parks Verification Grant. However, we want the protected area's management to contribute to the costs of verification to demonstrate their commitment and so that we may allocate our funding to future site verifications. Our policy in relation to costs is the subject of a separate document and detailed information is always included in the proposals submitted by protected area applicants.



*Awarding certification to Local Business Partners*



*Borjomi-Kharagauli NP, Georgia*

## Process

The process of verification includes following steps [Principle 1-4]:

- The applicant submits application that can be downloaded from [www.panparks.org](http://www.panparks.org) to the PAN Parks Foundation
- As a first filter, the PAN Parks Conservation Manager analyses the application documents
- The PAN Parks Foundation sends a verification proposal including a timeline and cost estimate to the applicant
- The applicant decides whether or not to approve the proposal
- The applicant submits its documentation for review to the Lead Verifier
- The Lead Verifier and PAN Parks Conservation Manager form the Verification Team
- The Verification Team conducts an onsite verification
- The Verification Team submits a verification report including an annual monitoring plan and a recommendation on whether or not to award the certificate
- If the decision is made to certify the protected area, the PAN Parks Foundation awards the certificate
- First local business partners can be verified
- Local PAN Parks Group and protected area agree with the PAN Parks Foundation about awarding ceremony for local business partners
- The Verification Team conducts annual monitoring
- Renewal verification is conducted after a five year period

## Internal Audit

An important element of our verification methodology is the internal audit we conduct. This occurs in two ways:

1. An internal audit of the PAN Parks system is conducted every two years and includes an audit of the verification procedures, the verifiers, and the existing certified PAN Parks.
2. Internal audits of the verification staff are conducted regularly on an annual basis by way of an annual verifiers workshop. The annual workshop includes value-adding activities and is aimed at assessing and improving investigative skills and interviewing techniques, etc.

## Verification Manual

The Verification Manual we developed and use is a cookbook. It is used to control the verification process, and guarantees a quality approach. It describes in detail the verification procedure including among other things the application and certification process, suspension and withdrawal, initial verification and monitoring system, control of complaints and suggestions, verifier's skills and training, and subcontracting.

## PAN Parks Verification Success

The guaranteed preservation of Europe's wilderness is one of the most significant achievements of the PAN Parks Foundation and is part of our PAN Parks Core Value. Here is a short summary of our Foundation's major achievements to date:

	Name of Park	Country	Year of Certification	Total Territory	Total Territory	Number of LBPs*
1	Bieszczady National Park (NP)	Poland	2002	29 202 ha	18 425 ha	8
2	Fulufjället NP	Sweden	2002	38 414 ha	22 140 ha	11
3	Oulanka NP	Finland	2002	27 720 ha	12 924 ha	14
4	Central Balkan NP	Bulgaria	2003	71 669 ha	21 019 ha	13
5	Retezat NP	Romania	2004	38 138 ha	14 215 ha	8
6	NP Paanajärvi	Russia	2005	104 000 ha	30 000 ha	
7	Rila NP	Bulgaria	2005	81 046 ha	16 350 ha	6
8	Majella NP	Italy	2005	74 095 ha	25 500 ha	5
9	Borjomi-Kharagauli NP	Georgia	2006	76 000 ha	50 325 ha	3
10	Archipelago NP	Finland	2007	50 219 ha	10 600 ha	
	<b>Total</b>			<b>590 503 ha</b>	<b>221 498 ha</b>	<b>65</b>

\*LBP - Local Business Partner

## Upcoming Lessons in the Series

✓ The Value of a Research Network.....May

## Contact Details

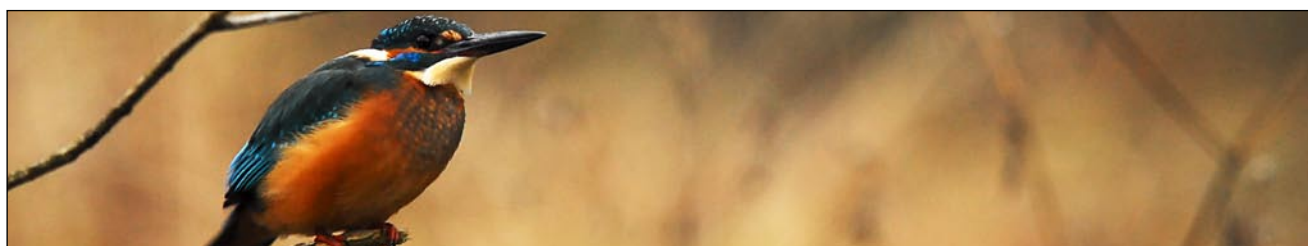
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P: Šimon Kertys

*Retezat National Park, Romania*