

NATURAL RESOURCES SYSTEMS PROGRAMME
PROJECT REPORT¹

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Policy and management brief 4: Funding coral reef management.
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Appendix A2.4

Brief 3: Funding coral reef management

Cheaper travel and increased interest in nature is making marine environments, particularly coral reefs, more accessible and popular with holidaymakers. This necessarily leads to an increase in intensity of use of reefs and combined with growing levels of pollution from land-based sources, means reefs are more than ever in need of management. The Soufriere Marine Management Area was created in 1995 to protect and manage of reefs in the Soufrière region. Costs of managing the SMMA need to be met, and much comes from tourist user fees levied on scuba divers, snorkelers and yachts. However, only approximately 50% of costs are met from these fees paid by divers and snorkelers and income from year to year varies, and can be unpredictable. This brief examines the options for increasing revenues to the SMMA.

KEY FINDINGS

Willingness to pay for access to the SMMA was surveyed for 327 visitors interviewed using a questionnaire between July and October 2001. Interviews were conducted on the beaches at Anse Chastanet and Jalousie. Interviewees were given details on existing and planned programs of the SMMA before being asked what was the maximum amount they would pay for access to marine park sites. They were told that revenues would go to support improved management.

Over 90% of visitors questioned were willing to pay more than the fees at the time of US\$12 per diver per year, US\$4 per diver per day and US\$1 per snorkeler per day. 75% of divers were willing to pay at least US\$6 for a daily SMMA fee, and 50% US\$7. 75% of divers were willing to pay at least US\$20 for an annual SMMA fee, and 50% US\$30. Over 90% of snorkelers were willing to pay at least US\$2 per day, and 50% US\$4. 40.5% of visitors said they would have liked the option of an annual snorkeler fee, and 75% were willing to pay at least US\$10 for it, and 50% US\$20 (Figure 1).

Using the maximum amount that 75% or 50% of visitors were willing to pay would increase annual revenue by 62% or 128%. This would bring park revenues from diving and snorkelling fees to EC\$112,200 and EC\$157,900 respectively, representing 52% and 73% of the total management budget.

The most expensive fee at present, US\$12 per diver per year represents less than 1% of the average cost of a holiday (mean holiday cost was US\$2276). If annual diver fees were increased to levels that 50% of divers were willing to pay, i.e. US\$30, this would still only represent 1.3% of total holiday costs. Divers' willingness to pay was unaffected by the following factors: their family income, weather, exposure to environmental issues, dive qualification, total dives done in whole dive history, gender, the rating they gave to St. Lucian reefs for the amount of fish present, corals, underwater visibility or overall satisfaction with their dive. With snorkelers however, those with larger incomes were willing to pay higher fees as were those who gave higher scores for fish life, underwater visibility and overall satisfaction with their reef experience.

To explore visitors' attitudes regarding spending of revenues from fees towards SMMA programs, they were asked to give a score to each of six proposed management programs according to their view of importance. The programs were: (1) increase implementation and enforcement of existing policies e.g. increase patrols carried out by the rangers, so improving the effectiveness of marine resource protection; (2) develop alternative employment programs for fishers who are displaced by marine reserve zones; (3) increase facilities for users of the marine park such as developing snorkel trails; (4) train fishermen in deep sea fishing techniques to divert pressure from the near-shore resources; (5) establish a trust fund to acquire critical land and beach area for conservation purposes, and (6) develop programs to share information and experiences with other marine parks e.g. the ranger exchange program. Relatively high importance ratings were given for all programs except for number (3) 'increasing facilities for users of the marine park such as developing snorkel trails'. Many visitors disliked the idea of snorkel trails suggesting that it would lead to overcrowding and spoil the naturalness of the area. Certainly research in the Great

Barrier Reef has shown that snorkel trails localise damage to that area and immediate surrounds, particularly near interpretative signs. Concentrating damage to certain areas may be helpful though, if it means other areas are left intact.

Yachts are also charged a fee according to their size and length of stay, ranging from US\$10 for vessels of 35ft or less for a stay of up to two days, to US\$25 for vessels of over 65ft staying for up to seven days. The revenue that yacht mooring fees contribute to total park revenue, including diver fees and donations, fluctuates from year to year. Between 1995 and 2000, yearly revenue from yacht mooring fees represented between 35 and 66% of total revenue, and averaged 52%. Yacht fees in 2001 totalled EC\$135,000, representing 62% of all SMMA revenue collected (SMMA data, 2001). Yacht fees in St. Lucia are low compared to the British Virgin Islands (BVI Port Authority, 2003) and Hawaii (Ko Olina Marina, 2003), where for a vessel of 35ft, fees would range from US\$61 to 65 per day compared to US\$10 in the SMMA.

MANAGEMENT OPTIONS

Increase daily and annual dive fees: Increasing fees to the levels that 50%, or even the lower values that 75% of divers said they would be willing to pay would considerably enhance the financial viability of the SMMA.

Increase daily snorkel fee and add the option for an annual fee: As for dive fees, snorkel revenues should be increased by raising fees to levels 50% or 75% of snorkellers said they would be willing to pay.

Consider a tiered fee system in which island residents are charged a lower fee than tourists.

Convert 'annual' passes into a 'multiple dive/snorkel pass, valid one year': This would prevent dissatisfaction from visitors who are currently presented with a annual pass which they feel is unreasonable if they are only staying a few weeks and will not be returning within the year.

Explore the possibility of increasing yacht fees to comparable levels charged elsewhere in the Caribbean, taking into account other fees that yachts may already be required to pay to enter St. Lucian waters.

Increases in fees are unlikely to decrease demand as long as visitors can see where the money is being spent. Many asked for more information on the marine life of St. Lucia's reefs and on park programs and projects. Most people say they will pay such fees, and the rest are not likely to be put off given that water-related activities are so important to a St. Lucian vacation and the percentage of spending that the fee increase represents is so small.

Invest a fraction of the additional revenues generated by increased SMMA user fees to create a management buffer. This would help the SMMA survive periodic downturns in tourist numbers.

Create a community trust fund from a fraction of the revenues generated by increased SMMA user fees: A community trust fund would enable fishers and other community members to more directly benefit from tourism. For example, such a fund might be used to provide and upgrade town facilities, pay for repairs after hurricanes, pay for re-training programs and offer low cost loans to help residents with career development and access to new livelihoods such as in the tourism industry.

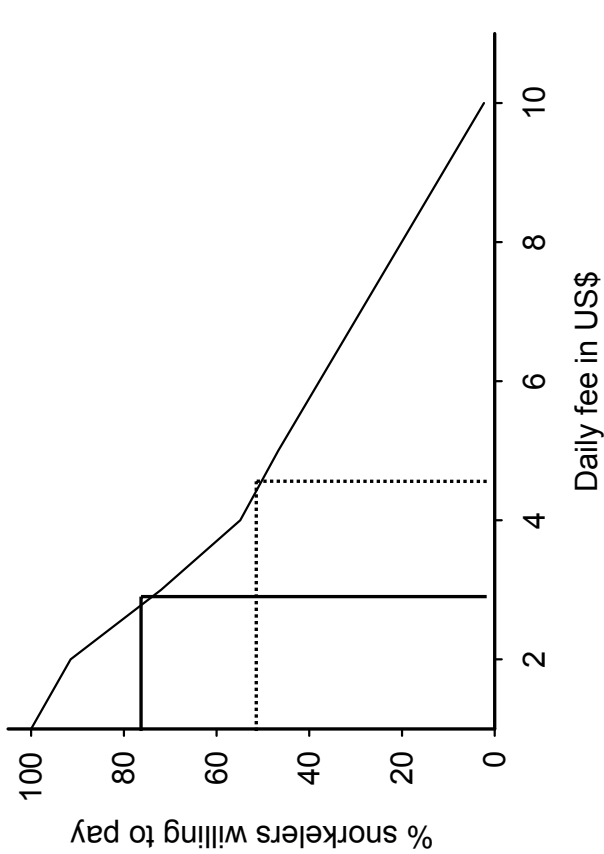
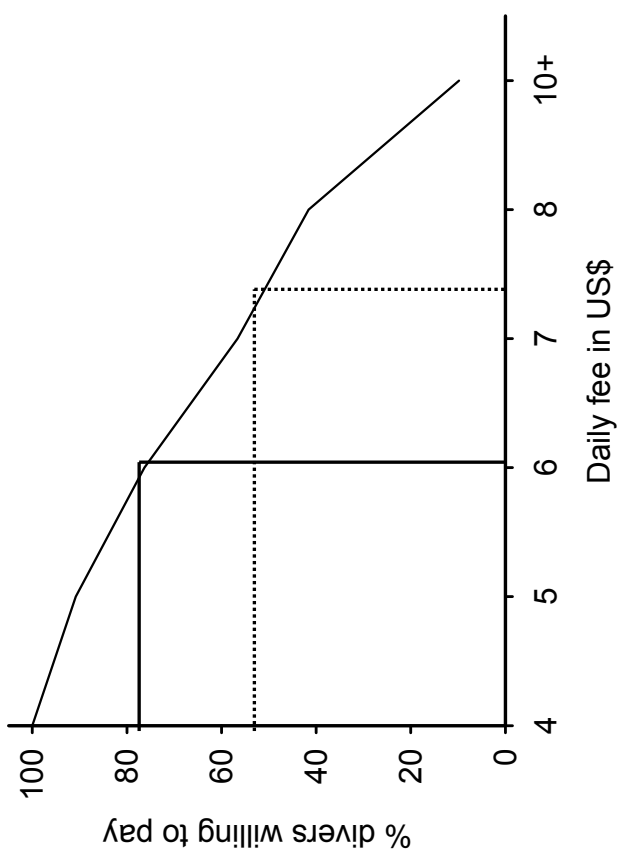
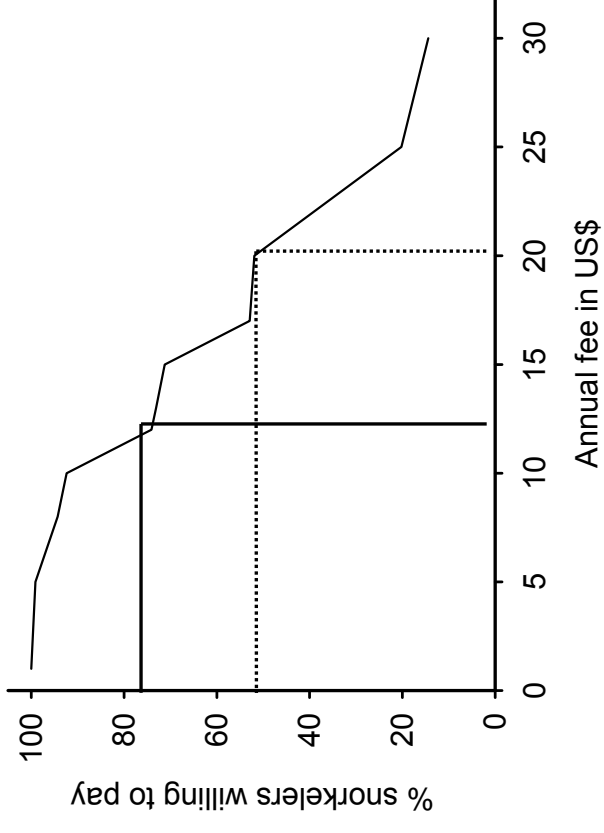
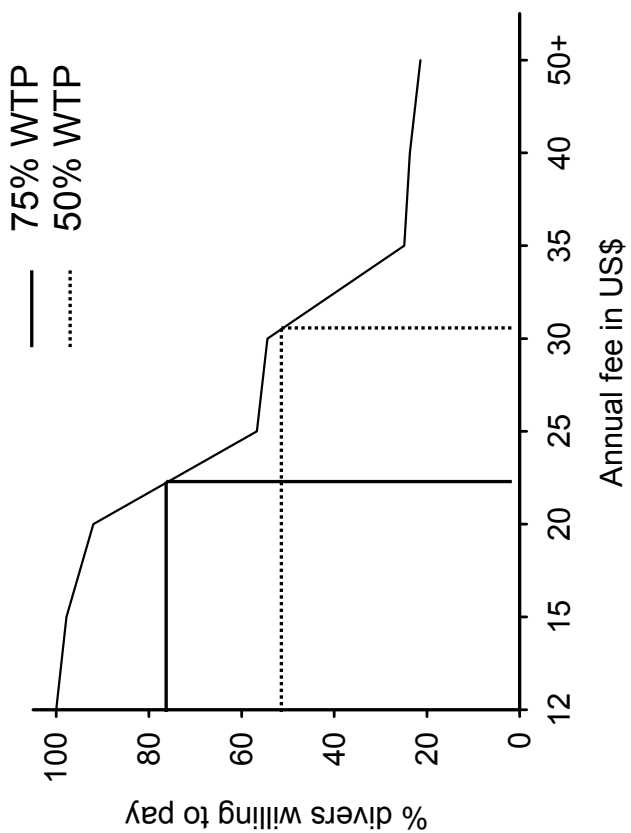


Figure 1: Maximum amount visitors surveyed were willing to pay for use of reefs in the Soufriere Marine Management Area in St. Lucia.