

Revenue generated directly by the MPA is an important source of funding for management and can sometimes be used to compensate stakeholders whose livelihoods are affected by the existence of the MPA. There are a range of 'goods and services' that can be 'sold'. This sheet describes some of these and how they can be implemented effectively.

USER FEES

The main forms of user fees are daily tickets for tourists, seasonal passes for residents, and specific fees for activities such as diving, filming and photography, mooring of boats, and overnight stays. It is usual to have a tiered system, with different rates for local, national, resident and international users. Activities that are traditionally a source of livelihood for local communities should not usually require a fee but access passes may be necessary, and are useful for monitoring use of the area.

A transparent consultative process must be used when introducing or changing a fee system, as this is often controversial. Stakeholders who are expected to comply with, and help collect fees need to understand how they were set and to agree with them. Various methodologies are available to help decide on the size of fees, including 'willingness-to-pay' surveys. Fees can help to limit levels of use of the MPA (see sheet J2), for example, by charging more where sensitive ecosystems are involved and/or where mass tourism use is being discouraged.

MPAs are sometimes perceived as a public resource and some visitors may expect free access. The tourist sector often does not appreciate the costs of administering an MPA. However, visitors are usually happy to pay a fee if they understand that it is to be used for management. Visible 'services' such as patrol boats, demarcation and mooring buoys, brochures, signboards, and litter bins help to show that revenue is being put back into management. Transparency is also important with local communities who quickly lose faith in an MPA if they think that revenue is being misused. Where revenue is shared between an MPA and local communities, the % share by each party and the purpose for which the funds may be used must be publicly and clearly agreed and specified.

Sometimes fees are retained exclusively for the use of the MPA, and in other cases they go to a central agency. There can be good justifications for both systems. Where some MPAs have more visitors than others (due to accessibility or attractiveness to tourists), a centralised system allows revenue to be shared across the system.

LICENCES

A licence allows a particular activity to be carried out, normally in a specified area for a specified period. Licences differ from user fees as they are usually purchased before the activity is undertaken from the relevant authorised agent. They are usually required for fishing, cutting mangroves or other timber, developing tourism operations and conducting research (see sheet G11).

Licences may not provide revenue directly if the funds go to a different management agency, but if they are used for management of a particular resource, they can directly benefit the MPA. Where there is a lack of harmonisation between licensing arrangements and MPA regulations (e.g. fishing licences may be issued for areas that are closed to fishing under MPA rules), close co-operation is required between the agency responsible for licensing and the MPA itself. MPA managers can raise the issue, and a suitable management arrangement could be developed, perhaps with a revenue-sharing arrangement between the MPA and government agency.

CONCESSIONS

A concession is the leasing of an area or activity to a private individual or organisation for the provision of a service, such as sales of refreshments or souvenirs (e.g. as in the Dar es Salaam Marine Reserves in Tanzania), transport to the MPA, access points and launch ramps, or accommodation. Concessions encourage private investment in the MPA, can help to attract visitors and, if managed appropriately, can provide employment for local people, but they should not compete with private services provided by local communities who depend on MPA resources. A concession should be granted and renewed only if the activity meets appropriate environmental conditions and does not contradict the objectives of the MPA.



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In Tanzania, park fees contribute towards management costs of MPAs, as they do for the many world renowned terrestrial national parks.

SPECIAL EVENTS, SALES AND APPEALS

Open days, competitions, and other public events can be used to generate funds, but tend to be time-consuming to organise. However, they have an additional benefit of awareness-raising (see sheet J3). Shops can sometimes be run very beneficially by the MPA, providing not only income but also an opportunity for education and publicity, for example through sales of T-shirts, postcards, guidebooks and other merchandise. A shop or refreshments kiosk can double as an information point, displaying notices about regulations and giving general information about the MPA. Special appeals or the establishment of a programme for supporters to provide regular donations, such as a 'Friends programme' may be appropriate for some MPAs, particularly if they receive relatively wealthy visitors (e.g. overseas tourists, or expatriate residents).

IMPLEMENTATION OF REVENUE MECHANISMS

Implementing fee and licence systems can be difficult in an MPA, where there is no single entry point, and in general, revenue collection tends to be poor in WIO countries. Tickets should be date-marked and random checks on boats and individuals may be necessary, although rangers will quickly become familiar with regular users such as fishers and should not harass them. Tickets for in-water activities are a problem unless armbands or plastic tags are available. Hotels adjacent to or within an MPA, or boat operators taking visitors to the reef, may be able to issue tickets and remit the funds to the MPA. Whatever revenue collection system is adopted, it should be carefully monitored, and penalties imposed if it is not adhered to.

KEY POINTS FOR THE MPA

- Ensure that all stakeholders are fully aware of any fees and how the revenue is managed and used, through publicity and notices at the entrance to the MPA.
- If an MPA has to introduce new fees or revise existing ones, obtain expert advice and consult widely with stakeholders.
- If the MPA runs a shop, ensure that this provides a good selection of well-displayed, labelled and priced goods, does not over-invest in stock which deteriorates, and sells environmentally sound souvenirs.

Sources of further information

The Nature Conservancy, Arlington, USA.

<http://nature.org/ecotourism/> - information about The Nature Conservancy's ecotourism program, including visitor use fees:

Brown, C.R. 2001. *Visitor Use Fees in Protected Areas: Synthesis of the North American Experience and Recommendations for Developing Nations*.

Drumm, A. & Moore, A. 2002. *Ecotourism Development: a Manual for Conservation Planners and Managers; Vol. 1: An Introduction to Ecotourism Planning; Vol. 2: The Business of Ecotourism Development and Management*.

Conservation Finance Alliance 2003. *The Conservation Finance Guide* available on-line or CD-ROM

<http://guide.conservationfinance.org/chapter/>

Humphrey, S. 2003. Module 7. Financial Management. In: Francis, J. et al., (eds.) *Training for the sustainable management of Marine Protected Areas: a training manual for MPA managers*. CZMC/Univ. Dar es Salaam, WIOMSA, The World Bank.

IUCN. 2000. *Financing Protected Areas*. IUCN/WCPA Financing Protected Areas Task Force and Economics Unit, IUCN, Gland, Switzerland and Cambridge, UK.

Spergel, B. & Moye, M. 2004. *Financing Marine Conservation: a Menu of Options*. Center for Conservation Finance, WWF, Washington D.C., USA.

www.worldwildlife.org/conservationfinance

The International Ecotourism Society www.ecotourism.org - publications available on revenue generation from ecotourism.

CASE STUDY

Examples of revenue generation in WIO MPAs

There are no detailed studies assessing the success of different revenue generating systems in the WIO but many of the systems described above are in use.

In the Seychelles, the Marine Parks Authority generates revenue through entrance tickets, boat-mooring fees, filming fees, sales of coco-de-mer and tortoises (both of which are sustainably harvested in some protected areas), and hiring of picnic facilities. User fees cover about 70% of the management costs, and over half comes from just two of the five parks which thus subsidise the running of the others. A willingness-to-pay survey showed that 96% of tourists were willing to pay a fee and 74% were willing to pay at least the current fee or possibly more. However, when the fee was raised, it did not increase revenue as SCUBA divers moved to sites outside the MPAs.

Kenya has a two tiered system for Marine Parks, with lower entrance fees for residents and citizens. In addition, annual passes can be purchased and there are separate fees for overnight stays and use of boats in the Parks. The newly renovated accommodation and meeting facilities at Malindi Marine Park have been estimated to have the potential to generate about 20% of the operating costs of this MPA. However, revenue from fees from the Marine Parks currently goes to the central KWS authority.

Mainland Tanzania also has a tiered fee system. Furthermore, visiting fishers and traders are charged for use of a Marine Park, which helps to limit their number, thus benefiting resident users and providing some compensation for other use restrictions. The fees are retained by the MPA for management costs, but a proportion will be shared with local communities once implementation mechanisms are in place.

Kenya Wildlife Service. www.kws.org - information on fees for Kenya's MPAs.