Scoping Paper for Workshop 6

I. Overview and Objective

Protected areas throughout the world are increasingly in demand for the nature-based tourism opportunities, including ecotourism that they provide. These protected areas are frequently ill prepared to manage the demands placed upon them by heavy or concentrated visitation so that consequently tourism has been identified as a threat to biodiversity at many sites.

Protected areas lack an adequate pricing system and administrative structure to generate income from tourist entrance fees or tour operator concessions. It is presumed that the need is even more widely felt than has yet been established. One study found that only 32 of 78 biosphere reserves were charging admission fees to visitors.¹

However, several countries have generated new approaches and practical experiences in this area that can serve as case studies. A good example is the Galapagos Islands National Park, which generates approximately $5 million in visitor entrance fees annually. Recent changes in the administrative structure of the Park system in Ecuador mean that Galapagos retains 80% of revenues for local investment.

Additionally, the provision of tourism services such as accommodation, food preparation, guiding and others can be administered by park stewards as a concession system to encourage the private sector tour operator to pay for the opportunity to sell these services and others to their clients.

The value of recreation opportunities provided by Parks is typically underpriced or inefficiently administered. Many parks around the world either charge low or no fees for visitation, consequently, funds generated by tourism are usually insufficient to cover the costs of biodiversity conservation or even the costs associated with providing visitation opportunities themselves. This challenge can be addressed through the framework of ecosystem services and natural capital.²

This very tightly focussed session will describe how each of four mechanisms has been applied at different sites and in different geographical and ecological contexts with the objective of demonstrating how a range of tourism-based revenue generation mechanisms increase funding for protected area conservation. Specific goals include answering the questions:

Which stakeholders participated in the planning process? What tools were used to determine fee levels? How are administration costs minimized? How are revenues managed and reinvested at site level? What impacts on visitation levels and visitor satisfaction? How was replicability achieved?

² Costanza et al., The value of the world's ecosystem services and natural capital. Nature Vol.387 May 15 1997
It is anticipated that protected area and tourism planners and managers from the private, public and non-governmental sectors will derive most benefit from this session.

Andy Drumm is Director Ecotourism at The Nature Conservancy. The Conservancy has developed a number of sustainable finance strategies around the Americas, Asia and the Pacific including Conservation Trust Funds, debt swaps and water user fees. Tourism based revenue generation mechanisms including entrance fees, user fees and donations have been the focus of a Conservancy initiative lead by Drumm at protected areas in Bolivia, Belize and Mexico over the past three years.

II. Content and Structure of Workshop

The workshop will consist of five brief, (approx. 15 minute) focussed presentations each covering how specific mechanisms are being developed and applied with the emphasis on the process rather than the site. Each will be followed by a 5 minute Q&A. A 45-minute Discussion session will follow the final presentation and Chair’s comments. Presentations will discuss experiences from the Americas, Africa, and Asia.

Preparatory materials that will be disseminated include copies of Ecotourism Development – A Manual for Conservation Planners and Managers by Drumm and Moore, 2001; TNC (In English, Spanish French and Portuguese), plus other to be defined.

III. Recommendations and Outputs

The workshop will be followed the next day with hands-on instruction by the session chair and presenters in the application of the Tourism User Fee Calculator and Willingness to Pay survey design that features in the Training Guide (Mobilizing Funding for Biodiversity Conservation).

Potential recommendations for CBD/COP7 include:

1) Protected area systems should have an income generation strategy that includes visitor use fees.

2) The most appropriate user fee system (type and level of fees) will depend on PA agency objectives and constraints, as well as visitor price responsiveness and other factors. In general, it is recommended that fees generate sufficient revenue to at least cover the cost of providing recreation opportunities, particularly in the case of foreign visitation.

3) Although managers often have anecdotal information on visitor price responsiveness, it is recommended that surveys of visitors and reviews of fees at equivalent sites be used to evaluate price responsiveness when setting fees.

4) It is recommended that managers involve important stakeholders, including the tourism industry, when setting fees. This can increase support for fee implementation or modification.

5) It is recommended that fee systems be:
   a) subject to change by the PA agency rather than the legislature,
   b) involve variable fees (e.g., higher fees for foreigners than residents)
   c) retain revenue within the agency and especially at the site where it is collected
   d) include revenue sharing programs with local communities.