

MPA NEWS



Published on *MPA News* (<https://mpanews.openchannels.org>)

Building sustainable financing for MPAs by diversifying funding streams

A multitude of potential funding streams exist for MPAs. There are the common ones - direct government support and visitor fees. There are also less common options, like payments for ecosystem services, trust funds, crowdfunding, and the creative marketing of facilities and souvenirs. One MPA, Cayos Cochinos Marine Protected Area in Honduras, even earned revenue from hosting an Italian reality television show, *The Celebrity Island*, for three years (US \$600,000 per year from 2006-2008).

Many MPAs focus primarily on one or two of these streams, particularly the direct government support. But to help ensure sustainability of financing over time, including during periods of governmental belt-tightening, it is wise for MPA managers to diversify their funding sources. Such diversification may also increase the potential revenue generated by a site.

Sustainable financing was a popular topic at the Third International MPA Congress (IMPAC3) last October in Marseille, France. Proceedings from a special workshop on the subject are [available as a PDF](#). In this issue, we draw from contributions to that workshop to examine how practitioners view the future of financing and the opportunities to come.

A) Building MPA managers' fundraising capacity should be high priority

By John Tanzer

Editor's note: John Tanzer is director of WWF's Global Marine Programme. From 1997-2008 he was executive director of the Great Barrier Reef Marine Park Authority, and from 2008-2010 he advised the intergovernmental Coral Triangle Initiative. Tanzer moderated last October's IMPAC3 workshop on sustainable financing.

On what the future holds for direct government funding for MPAs:

"Whether or not we see the public appetite for funding establishment and management of MPAs return to previous levels - or indeed increase - depends very much on the extent to which governments and their agencies understand the role MPAs can and must play in protecting and rebuilding natural capital. The future propensity for public investment will be determined by evidence showing how protection and management of key habitat is essential for healthy ecosystems, which in turn is critical for sustaining people's well-being most specifically in terms of food security and livelihoods. Perhaps more indirectly but very importantly, this understanding and recognition of the economic case for MPAs should also include assessments to do with coastal protection, 'blue carbon', and benefits for governance.

"Governments see it as important to invest in infrastructure such as roads and ports as a way of enhancing and promoting economic activity and distributing benefits. Similarly investing in habitat protection and governance of MPAs needs to be seen as a necessary investment that will produce significant economic benefits over time. We need to mainstream, as a matter of urgency, the economic evidence and arguments around why protecting the marine environment should not be seen as a 'nice luxury good' but rather essential to the lives of many people, communities, and economies all around the globe."

On considering the economic benefits of MPAs:

"The MPA management community - which largely consists of marine ecologists - has not thought enough about the economic benefits of MPAs, focusing instead on the role MPAs can play in protecting and restoring biodiversity and ecosystem function. It is critical for there to be a much greater focus on measuring and explaining the social and economic potential of well-designed and -managed MPAs (especially coherent networks) for local communities and national and international economies."

On how MPA management can improve its fundraising capacity:

"Building fundraising capacity among management should be a high priority for all public and private donors involved in marine resource management. When I worked in the Coral Triangle, it was raised time and time again as the most urgent need for MPA management in the various countries. At WWF's marine program, we are working on a portfolio of case studies that show the economic benefits associated with effective marine conservation. Other organizations are doing similar work. The intention is to make these examples and methodologies widely available so practitioners can take the information and apply it in their particular context."

For more information:

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B) Brijuni National Park, Croatia: The most revenue-savvy MPA in the world?

By Sandro Dujmović

Editor's note: Sandro Dujmović is general manager of Brijuni National Park in Croatia (www.brijuni.hr/en), which comprises 14 islands and surrounding waters in the Adriatic Sea, and covers a total of 34 km². In terms of generating revenue, Brijuni may be one of the savviest MPAs in the world. During the summer high season, the park collects a visitor fee of €27 (US \$37), which entails a ferry ride, a guide for four hours, a tourist train ride, and entrance to museums on the main island. The park manages three hotels and three guest villas on site, with villa rentals ranging up to €1800/night (US \$2500). It also hosts and caters several weddings per year, generating additional revenue. In addition, there is a golf course and a safari park. Brijuni is currently analyzing whether to privatize some of these programs.

On balancing management of an MPA with management of hotels and other services:

"Our main income comes from the park entrance fee, not hotels. The truth is that the hotel management is difficult. The hotels were on Brijuni before the park was established [in 1983], so the park inherited them. When I talk about Brijuni MPA to other MPA managers, I have to mention our hotels but I always say that this is not the ideal way to develop a protected area. When you have to manage hotels and/or villas you risk losing focus: your focus needs to be on nature protection and all the other things that really matter in a protected area. At this moment we are conducting a study to give the hotels to a private company. We will probably give the wedding planning, catering, congress organization, and similar responsibilities to a private company to manage as well.

"Currently the park has 240 employees over the course of the whole year. After we separate the management of the hotels, that figure may drop to perhaps 150 employees or less. We will still generate revenue from the weddings because they are always held outside in the park area, where we can charge for use of the outdoor site. But we won't plan the weddings anymore. So although it will be less revenue overall, it will involve less effort on our part."

On the marketing value of an MPA being "first" in something:

"When you are first in something, this is a pure marketing opportunity. Everybody remembers and talks about the first one, and all the newspapers and TV news will cover it, which is free advertising. Brijuni created the first underwater multisensorial trail in Croatia. The trail offers an audio guide in the sea: visitors wear special snorkels with built-in receivers that share expert guidance in multiple languages. When we opened the trail, this was on national TV news, and people and tourist agencies immediately started to call, wanting to experience it.

"This year we are adding a new program for visitors: a theater play written exclusively for Brijuni and featuring the island's history. Our visitors will be part of the play, following the actors around the island and experiencing some of the most important historical moments and sites.

"You have to be innovative and interesting, so that even people who have already visited your park want to come back. When you have enough visitors paying the entrance fee, your job as manager becomes much easier."

On the importance of a good souvenir program:

"Protected areas can learn a lot from private aquariums, amusement parks, museums, and similar when we are talking about souvenirs. Study your visitors and then adjust your souvenirs to them. For parents with very young children, for example, you need certain kinds of souvenirs, particularly toys; whereas children in school groups are typically older and won't buy toys. It is also important that you have unique and local products. A good, nature-friendly consumable product such as wine, liquor, or sweets that you cannot buy anywhere else is perfect. When your guests return home and talk about their holidays to friends, they will open the wine and show the photos, and the memories will be even greater. Their friends will wish to come visit you, too."

For more information:

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C) Using crowdfunding to finance an MPA: Cousin Island, Seychelles

By Nirmal Shah

Editor's note: Nirmal Shah is CEO of Nature Seychelles, an NGO that manages the Cousin Island Special Reserve in the Seychelles. Cousin Island is directing a crowdfunding campaign to raise money to install a photovoltaic solar power system, replacing the protected area's diesel power system. The crowdfunding campaign webpage is www.indiegogo.com/projects/powering-conservation-on-cousin-island-seychelles. The campaign concludes on 31 May 2014 and seeks £25,000 (US \$42,385). It is over halfway to its goal, thanks in part to a £10,000 donation from a UK energy company. As in most crowdfunding campaigns, donors to the Cousin Island effort receive perks depending on their level of giving. The perks include artworks and even a Seychelles holiday. Contributions from readers of MPA News are welcome.

Why did Nature Seychelles choose crowdfunding as a strategy?

"The new and innovative aspect of crowdfunding was what attracted us. We have tried through more conventional routes to get the funding for this worthwhile project, but failed. A large UNDP-administered GEF project that funds renewable energy in Seychelles was not interested in this, preferring to support government subsidies for photovoltaic power in households. In Seychelles, apart from the GEF, we have few options available for NGO project funding. User/entry fees are already being collected but are needed to manage and run the reserve, which does not receive any budget from Birdlife International, which owns the island, or the Seychelles Government, which is in charge of all the protected areas of Seychelles."

What are the main challenges involved in your crowdfunding campaign?

"Challenges in using crowdfunding are many and include our remoteness and distance from markets and population centers. The Seychelles is one of the smallest countries in the world with a population of 90,000 people. This campaign relies on the goodwill of people in other countries."

How is Nature Seychelles engaging potential donors in the campaign?

"We are active on social media and have tweeted about the campaign (we have two Twitter accounts) and posted about it on our Facebook page, LinkedIn, and so forth. But this may not significantly increase our reach when we have as small an audience as we do - obviously not much of the world's population is interested in conservation stuff on a small remote island. So we have also tried to harness the social media power of our international partners, particularly Birdlife International (Nature Seychelles is the Birdlife Partner in Seychelles), IUCN and WWF."

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BOX: Next issue: Building successful endowments to support MPAs

In the next MPA News (July-August 2014), we will profile the creation and management of two endowments that are supporting MPAs: the Mesoamerican Reef Fund (MAR Fund), which supports the conservation of marine resources in Central America, and Fondo Acción's Malpelo endowment, which supports management of the 8600-km² Malpelo Fauna and Flora Sanctuary of Colombia.

BOX: The importance of having a dedicated bank account for voluntary donations

Julien Calas, who is in charge of biodiversity projects at the French Global Environment Facility, spoke at IMPAC3 on the financing of MPAs, drawing from examples around the world. He emphasized the importance of having a dedicated bank account to accept voluntary donations. "Not having a dedicated bank account for donations is crazy," he said. MPA News asked him why:

"The idea is to build trust with the donor, whether that is a visitor, philanthropist, or sponsor," says Calas. "The principle is that the bank account is dedicated to the benefit of the MPA, and that the donation will benefit the MPA directly. This is as opposed to other revenues generated by an MPA that may be sent back to a central government budget with no guarantee the MPA will recoup them. Ideally the use of the bank account is made public, such as in an MPA's annual report, so that everyone can see what is going on with the money. Of course, in countries where bad governance is an issue, these accounts can raise concern if not properly designed. So an alternative is the creation of a dedicated association (a 'friends' group) whose only purpose is to help finance projects within the dedicated MPA.

"I like the example of Cocos Island National Park in Costa Rica where tourists leaving the park are shown a video explaining the management issues and pressures that the park team faces. Building on the great time the tourists just experienced, the video ends by inviting them to donate to the specific bank account for the Cocos Island Friends Foundation."

For more information:

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BOX: Additional information on MPA financing

"Paying for MPAs: Examples of Large-Scale Fundraising for Planning and Management" [MPA News 13:6](#)

"Creating endowments for sustainable funding of MPAs: Experts describe the opportunities and challenges" [MPA News 9:10](#)

"Tools and strategies for financial sustainability: How managers are building secure futures for their MPAs" [MPA News 5:5](#)

The Little Biodiversity Finance Book (Global Canopy Programme, 2012). www.globalcanopy.org/materials/little-biodiversity-finance-book

Conservation Finance Alliance website, including Environmental Funds Tool Kit. <http://conservationfinance.org>

Sustainable financing of protected areas: A global review of challenges and options (IUCN, 2006). <https://portals.iucn.org/library/node/8800>

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