Workshop C: Sustainable Financing.

Conclusions and recommendations

(draft)

Scope of the Workshop

The members of this working group met over a period of two days to discuss issues related to sustainable financing for protected areas in the Mediterranean. The group was composed of representatives from different Mediterranean countries and different organisations concerned with environment and development issues in the region. The aim of the workshop was to:

- ✍ Overview regional case studies and experiences relevant to financing of PA in the Mediterranean;
- ✍ Document success and failure stories and elaborate common trends relevant to this theme in the Mediterranean;
- ✍ Explore means for improving the financing of protected areas at the Mediterranean level;
- ✍ Underline opportunities, constraints and gaps relevant to the workshop stream;
- ✍ Provide input to possible Mediterranean trends and innovative approaches relevant to this issue;

Mediterranean Highlights

The different presentations and experiences helped in setting the stage for defining a clear profile of the Mediterranean specificities. These exposed the different. The main highlights that were drawn out of the presentations and the deliberations include the following impressions:

- Adequate funding is essential for effective management: but approaches need to be tailored to the context – countries in the Mediterranean Region vary in terms of their abilities to fund their protected area systems
- There are a number of financial instruments and incentives that can support financing of PA. These could include landscape conservation tax and tax

exemptions. However, at times this would only be scratching the surface and not providing a stable system of financing.

- Some regional experiences convey an innovative system of government and non government management of protected areas.
- Financing options could include investment loans and grants, future revenue generation projects involving the private sector, NGOs, international organizations, bi-lateral and multi-lateral cooperation…
- PA finance support could be generated from ecotourism, eco-tax, recreational/cultural services, involvement of local municipalities, revenues from site based activities, entry fees…
- Land stewardship is an innovative strategy to involve private landowners into land conservation. This is a complement and not a substitute to PA
- For arguing the case for government funding, there is a need to demonstrate the positive impact of protected areas on the economy – highlighting actual examples, cost benefit assessments…
- Certification could be used both as a direct and an indirect tool for sustainable financing. This is mainly through providing international recognition, developing a marketing tool, increasing work opportunities and attracting the green-oriented tourists. What is needed is: (a) rigour in the process of assessment, such as that through PAN Parks; (b) effective marketing and promotion; and (c) close cooperation between protected area managers and external groups, such as the Tourism sector
- Conservation is a public service; it affects all people and should be paid by public money
- Linking protected areas to poverty alleviation could promote their importance as an economic sector
- Importance of highlighting the economic viability of PA to decision-makers in the region to improve their score on the priority list
- Benefit sharing should be considered in sustainable financing of protected areas. This could be refereed to as payment for a service (right of access) rather than benefit sharing, which is usually looked at as optional donation that is not sustainable
- More work to be done with the Ministries of finance to support the development of integrated strategies and solutions

- Time is changing and PA managers not prepared yet. PA managers have to have entrepreneurial skills
- Fund Raisers: A new profession needed within the management team of PA
- Managers of PA have to be realistic when setting budgets
- Cost sharing with local communities is important – if people around the parks are your friends then they will cost less. Money from park back to the community, reduces anti poaching costs
- Donor interventions are essential but there is a need to assess how such funding can better contribute to financial sustainability; in some cases PA projects would be better served by smaller amounts of funding over a longer period of time rather than larger amounts in a short time frame
- Donor interventions that are short term pose a challenge to the government to get to the same level of funding. Small amounts of money for a long period of time could offer a better solution
- Cost reduction and increased efficiency in the management of natural areas should be taken into consideration
- Fund raising is the means to an end not the end in itself
- Tailoring approaches to the context is essential. In several countries, no fund-raising implies no PA
- Channeling resources among reserves could be an interesting approach for supporting financing
- Adequate funding is essential, but the approaches need to be tailored to the context – countries in the Mediterranean region vary in terms of their abilities to fund their protected area systems
- Designing a financial mechanism is specific to different countries. However, development of a model that can be used to enhance the integration of PA within the economic structure is essential
- Financing is a menu of different possibilities, and developing common criteria that can be used would enhance financing options
- Donor money should buy us time to put a fund raising strategy in place

Opportunities, Challenges and Gaps

Out of the above highlights, there are main challenges and gaps that could be underscored. These do not represent an exhaustive list relevant to Mediterranean specificities, but rather sum up the discussions relating to the Sustainable Financing' workshop stream.

Challenges

- Importance of developing new skills for protected area managers in the area of fundraising
- Need to develop a portfolio approach. A range of sources of funding and a mix of approaches and skills is important. These skills include (a) business development; (b) endowment fund systems (which are expensive to raise, but a critical part of the package); (c) property based transactions (d) debt swaps.
- Reducing cost through co-management, participation, linking, twinning and sharing resources
- Developing new and innovative financing approaches
- Bridging the gap between international funds and local funds
- Reaching out to new constituents and promoting corporate social responsibility
- Main environmental problem is poverty. PA have to demonstrate linkages to poverty alleviation

Gaps

- Most PA in the region depend on public funding, with little effort to develop new and innovative financing mechanisms
- PA not a national priority in several countries in the region, and depend on international aid
- Economic viability of PA is difficult to highlight
- PA managers not yet prepared to face new challenges and cope with changing times
- Financial mechanisms that support financing of PA poorly elaborated

Recommendations

Although the workshop deliberations could not identify a comprehensive list of options that would promote sustainable financing to protected area systems in the Mediterranean, the challenges, gaps and recommendations that will follow would lay down the foundation for future initiatives that would improve financial sustainability of PA in the region. The recommendations here outlined would ensure that the Murcia conclusions are given a high profile at the WPC. These recommendations are summarized as follows:

Durban needs to emphasise that protected areas raise revenues but the need adequate investment

Increasing transfers from developed to developing nations (a message to be sent to Durban)

Hands on training in Business Planning at Durban will be relevant and useful for managers in the region