Building a more secure financial future for protected areas in the Mediterranean

The Fundacion Biodiversidad, the Spanish Agency of International Cooperation and The World Conservation Union along with the Junta de Andalucía’s collaboration organised the “Conference on Financing Protected Areas in the Mediterranean” 29-31 January 2006, Seville (Spain)

Seville, Spain, 31 January 2006 (IUCN). Experts from the Mediterranean region gathered in Seville for the ‘Conference on Financing Protected Areas in the Mediterranean’ underlined how Protected Areas in the Mediterranean significantly contribute to sustaining the economy of the region. Three main priorities came out after two long days of debate: the need to work on creation of business, employment and income generation opportunities through partnership with private sector; to encourage governments to increase funding commitments to their protected areas; and to foster capacity development and experience sharing to support protected areas managers to face new challenges.

“This conference is a call for innovative thinking. Funding from the public sector remains largely insufficient to cover the basic needs of Protected Areas in the Mediterranean. Diversified portfolios and new market-related sources of finance need to be developed because no single source of funding is likely to cover all costs. The Mediterranean region is working with passion to put forward innovative mechanisms to secure the future of protected areas and should cooperate further to benefit from sharing of experiences”, says Nikita Lopoukhine. President of the IUCN World Commission on Protected Areas.

The Mediterranean region covers around 300,000 Km² in land and sea, protected areas provide freshwater, fisheries, biodiversity, important resources for recreation and tourism, and other ecosystem services as CO₂ sinks or by preventing floods and soil erosion. But this expert assessment highlights that one of the key weaknesses of protected areas in the region is their state of chronic under funding and unpredictable funding fluctuations.

An initial review of the financial situation of protected areas in the Mediterranean region demonstrated that the current financing of protected areas in developing countries is between 3%-15% of the total required. The most important financing actions relevant to protected areas in the Mediterranean region are from the public sector and cooperation agencies.

Protected areas in the Mediterranean: Balancing costs and benefits

Marine areas require funding of between € 50 and € 1000/ha/year depending on size, intensity of protection measures, surveillance and visitor’s controls needs, research activities, and sharing of management responsibilities. A significant potential income for marine protected areas can be drawn from the growing demand for diving activities, as divers pay as much as € 120 a day to visit Mediterranean marine protected areas. Some marine National Parks are completely self-financed through entrance fees, for the benefit of both biodiversity and those who use it.
“Protected Areas produce many goods and services that are undervalued. The best opportunities in our region arise from tourism and recreation. Also, the role that forests play in reducing erosion and assisting in recharging groundwater aquifers is a contribution that should be recognised and highlighted”, says Jamie Skinner, Director of the IUCN Centre for Mediterranean Cooperation.

According to a recent assessment of the Mediterranean forest, the Total Economic Value of forests in 18 Mediterranean countries accounts for over € 133/ha per year; that means forest services alone provide higher economic benefits in our region that the investment to protect and manage them.

**Tourism sector**

The Mediterranean receives 228 million tourists every year, most of them along the coast and there is an increasing interest in the tourism sector to perceive protected areas as valuable tourism products. Some pioneering tourism companies have already developed environmental programs in the Mediterranean, contributing to local conservation projects in a sustainable manner. i.e. TUI and six members in the Tour Operator’s Initiative.

Considerable income can be generated for protected areas through direct charges (gate fees, permits for recreational activities) and indirect charges on hotel accommodation, airport departures and others. Only 8 countries in the Mediterranean region are taking significant advantage of these. Also often income generated by protected areas is transferred to government central accounts and does not revert to the protected area system. In Egypt, the income from protected areas (around $US 3.5 million/year) accounts for about twice the annual national PA budget, but 3-5% of this amount returns to support the protected area system. In Croatia, the protected area entrance fees capture twice the annual budget as well. This figure is 26% in Slovenia. Many protected areas do not charge for visitors.

Regulated tourism should be a major contributor to conservation in the region. Tourism’s contribution to protected areas will depend on the skills of protected area managers to establish fertile relationship with this sector, while ensuring that tourism activities are carried out in a sustainable way without threatening nature.

**Multilateral funds**

Protected areas are not a national priority in the region and for many countries finance depends on international aid, mainly canalised by Development Cooperation Agencies, Global Environmental Facility (GEF) and European Union.

The $US 14.9 million/year of donor contributions to Protected Areas in non-EU Mediterranean countries -even just representing between 1.1 - 4 % of the PA needs in this region - plays a very important role in non-EU Mediterranean countries as a leverage for national funds. However, most of these environmental-related funds for the region support the “brown” sector, which is for the time being the environmental priority in non-EU countries.
In the future, protected areas projects in developing countries need to be linked up with conservation and poverty alleviation and highlight the ecosystem services provided to the rural poor, such as the provision of water, energy, fisheries and forest products. Generation of local jobs and projects on sustainable economic alternatives will be also part of the main targets for funding.

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