I Mina'Trentai Tres Na Liheslaturan Guåhan

Office of The Legislative Secretary

Tina Rose Muña Barnes

MAR 30 2016

The Honorable Judith T. Won Pat, Ed.D.
Speaker
I Mina'trentai Tres Na Liheslaturan Guåhan
155 Hesler Place
Hagåtña, Guam 96910

VIA: The Honorable Rory J. Respicio
Chairperson, Committee on Rules

RE: Committee Report on **Bill No. 160-33 (COR)** ***as substituted by the Committee***

Dear Speaker Won Pat:

Transmitted herewith is the Committee Report on Bill No. 160-33 (COR) – "AN ACT TO *ADD* A NEW ARTICLE 9 TO CHAPTER 63, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE GUAM OCEAN AND FISHERIES CONSERVATION ACT OF 2015" - sponsored by B.T McCREADIE and referred to the Committee on Municipal Affairs, Tourism, Housing and Historic Preservation.

Committee votes are as follows:

5 TO DO PASS

0 TO NOT PASS

4 TO REPORT OUT ONLY

0 TO ABSTAIN

0 TO PLACE IN INACTIVE FILE

Sincerely,

Senator Tina Muña Barnes

Chairperson, Committee on Municipal Affairs, Tourism, Housing and Historic Preservation
155 Hesler Place Hagatña, Guam 96910 [Tel: 671-472-3455/6 Fax: 671-472-3400] www.tinamunabarnes.com

I Mina'Trentai Tres Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

COMMITEE REPORT ON BILL NO. 160-33 (COR)

as substituted by the Committee

(Sponsor: Brant T. McCreadie)

"AN ACT TO *ADD* A NEW ARTICLE 9 TO CHAPTER 63, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE GUAM OCEAN AND FISHERIES CONSERVATION ACT OF 2015"

Chairperson, Committee on Municipal Affairs, Tourism, Housing and Historic Preservation
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I Mina'Trentai Tres Na Liheslaturan Guåhan

Office of The Legislative Secretary

Tina Rose Muña Barnes

March 28, 2016

MEMORANDUM

To: All Members
Committee on Municipal Affairs, Tourism, Housing and Historic Preservation

From: Senator Tina Muña Barnes
Committee Chairperson

Subject: Committee Report on Bill No. 160-33 (COR) ***as substituted by the Committee***

Transmitted herewith for your consideration is the Committee Report on Bill No. 161-33 (COR) "AN ACT TO *ADD* A NEW ARTICLE 9 TO CHAPTER 63, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE GUAM OCEAN AND FISHERIES CONSERVATION ACT OF 2015"

This report includes the following:

- Committee Vote Sheet
- Committee Report Digest
- Copy of Bill No. 160-33 (COR) ***as introduced***
- Copy of Bill No. 160-33 (COR) ***as substituted by the Committee***
- Public Hearing Sign-in Sheet
- Copies of Submitted Testimony & Supporting Documents
- Copy of COR Referral of Bill No. 160-33 (COR)
- Notices of Public Hearing
- Copy of the Public Hearing Agenda
- Copy of Fiscal Note for Bill No. 160-33(COR)

Please take the appropriate action on the attached vote sheet. Your attention to this matter is greatly appreciated. Should you have any questions or concerns, please do not hesitate to contact me.

Si Yu'os ma'åse'!

Chairperson, Committee on Municipal Affairs, Tourism, Housing and Historic Preservation
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I Mina'Trentai Tres Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

COMMITTEE VOTING SHEET

Bill No. 160-33 (COR) "AN ACT TO *ADD* A NEW ARTICLE 9 TO CHAPTER 63, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE GUAM OCEAN AND FISHERIES CONSERVATION ACT OF 2015" ***as substituted by the Committee – sponsor: B.T. McCREADIE***

	SIGNATURE	TO PASS	TO NOT PASS	TO REPORT OUT ONLY	TO ABSTAIN DUE TO CONFLICT OF INTEREST	TO PLACE IN INACTIVE FILE
TINA ROSE MUÑA BARNES Legislative Secretary Chairperson		✓				
BENJAMIN J.F. CRUZ Vice Speaker, Vice Chairperson				✓		
JUDITH T. WON PAT, Ed.D. Speaker, Member						
RORY J. RESPICIO Senator, Member		3-30-16				
DENNIS G. RODRIGUEZ, JR. Senator, Member				✓		
NERISSA B. UNDERWOOD, Ph.D. Senator, Member		3-30-16				
MICHAEL F.Q. SAN NICOLAS Senator, Member						
V. ANTHONY ADA Senator, Member		✓				
BRANT McCREADIE Senator, Member		✓				
FRANK F. BLAS, JR. Senator, Member				✓		
MARY C. TORRES Senator, Member				✓		
JAMES V. ESPALDON Senator, Member						

Chairperson, Committee on Municipal Affairs, Tourism, Housing and Historic Preservation
155 Hesler Place Hagatña, Guam 96910 [Tel: 671-472-3455/6 Fax: 671-472-3400] www.tinamunabarnes.com

COMMITTEE REPORT DIGEST

I. OVERVIEW

Bill No. 160-33 (COR) was introduced on August 13, 2015 by Senator Brant T. McCreadie, and was subsequently referred by the Committee on Rules to the Committee on Municipal Affairs, Tourism, Housing and Historic Preservation on August 13, 2015.

The Committee on Municipal Affairs, Tourism, Housing and Historic Preservation convened a public hearing on Bill No. 160-33 (COR) on Tuesday, November 10, 2015 at 9:00 AM in I Liheslatura's Public Hearing Room.

Public Notice Requirements
Public Hearing notices were disseminated via e-mail to all senators and all main media broadcasting outlets on Tuesday, November 3, 2015 (5-Day Notice), and again on Thursday, November 5, 2015 (48-Hour Notice).

Senators Present
Senator Tina Muña Barnes, Chairperson
Senator Frank Blas, Jr.
Speaker Judith T. Won Pat, Ed.D
Senator James V. Espaldon
Senator Rory J. Respicio
Senator V. Anthony Ada
Senator Brant T. McCreadie
Senator Dennis G. Rodriguez, Jr.
Senator Thomas Morrison

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing was Called-to-Order at 9:03 A.M.

Chairperson: This public hearing by the Committee on Municipal Affairs, Tourism, Housing and Historic Preservation is now called to order. It is now 9:03 a.m. For the record and in accordance to 5 GCA, Chapter 8, Subsection 8107, notices were sent out via email to all Senators and all main media broadcasting outlets on Tuesday,

November 3, 2015 (5-day notice) and then once again on Thursday, November 5, 2015 (48-hour notice). Please note that written testimonies may be submitted up to ten (10) days after the public hearing to the Office of Senator Tina Muña Barnes, 155 Hesler Place, Hagåtña, Guam 96910, via facsimile to 472-3400 or via email to senator@tinamunabarnes.com. Furthermore, if you should have any questions, please contact Jeanenne Cordero, Bernice Rivera or Alan Cepeda from our office at 472-3455/6 or via email at jean@tinamuanbarnes.com, Bernice@tinamunabarnes.com or alan@tinamunabarnes.com

Chairperson: I yield to the author of Bill No. 160-33 (COR), Senator Brant McCreadie.

Chairperson: In conversation with the author of Bill No. 160-33 (COR), he will be introducing a substitute version of this bill. Depending on all testimonies today, this committee could hold a mark-up hearing if necessary.

Chairperson: Next on the agenda, and last but not least, is Bill No. 160-33 (COR) which is "An act to add a new Article 9 to Chapter 63, Title 5, Guam Code Annotated, relative to the Guam Ocean and Fisheries Conservation Act of 2015; to add a new subsection (d) to § 30101 to Chapter 30, Title 11, Guam Code Annotated, relative to the establishment of Marine Conservation Fee; and to amend § 30107 of Chapter 30, Title 11, Guam Code Annotated, relative to deposit of fees into the Guam Ocean and Fisheries Conservation and Development Fund". Ladies and gentlemen when I spoke earlier about this bill, I've spoken to the author of the legislation, and he will make some amendments and as the Committee Chair we will submit those amendments with the committee report. We have copies of the original bill as submitted as well as the substituted version of the bill for the public's view. We are hearing both bills today, the one as introduced (substituted version) and the original bill.

Senator Jim Espaldon: Madam as a point of order, the bill that we are hearing today..interupted by Chairperson.

Chairperson: Yes, Senator Espaldon, as I said earlier. Let's take a 5 minute recess please. Thank you!

Chairperson: The committee is back from recess. Let me call up all the individuals that have signed in to testify. Chairperson calls several names on the sign-in sheet and several were there to just show support. A few of them called are part of the first panel.

I ask that everyone please state their name for the record and if you're for or against the bill. If you have a written testimony, please provide that to my staff who are seated to my left. Thank you. Chairperson yields to the author of the bill to give a brief explanation.

Senator Brant McCreadie: Madam Chair if it's okay with you, I'd like to give a brief summary of the bill, how it came about and why we may be substituting this bill.

Chairperson: Yes, of course Senator.

Senator Brant McCreadie: Thank you once again Madam Chair. Bill 160 started out 21 years ago when Manny Duenas took over the Fishermen's Co-op. About 4 months ago, I asked him what we could do for the Fishermen's Co-op and Fisheries in general. He threw me a book of ideas and solutions he had to preserve and conserve our fisheries. I explained to him in a 4 month period, that we are all going to have to do it together, meet as many people as we can, who are stakeholders in this industry and we're going to figure out a way to downsize this book that he gave me, in this case a 12-page bill. The original intent of the bill we charge a $2.00 fee for every tourist that comes to Guam hoping to raise 3 million dollars. This money would go to build a boat ramp in the north and south, solely needed for emergency purposes. I have 2 petitions, one in support and one in opposition. Opposition from Chamorro Nation of 37 signatures in opposition and one from Manny Duenas with about 350 signatures in support so I wanted to add that in the record as well. Getting back to the bill, we decided to bring in the indigenous people, Chamorro Nation, have met with people from Talofofo about the boat ramp there, I've met with Joseph Cameron and the entire industry that we could meet with. I know John Atulai is not here but I meet with him unofficially at the boat basin area after my run so I hear it from here all the time. So what we did was took everyone's idea, now this is a lightning rod bill that not everyone supports and I understand that and we may not make everyone happy, but we took everyone's idea and my intention of this bill is the leave the next generation not with just sea urchins and sand in the water but with fish. My whole intention of this bill is put something together that we could all put our arms around. The first thing we did, after we received the input from the indigenous fishing rights people, was on page 3 of the substitute bill, "to recognize the provisions of Public Law 29-127 (5 GCA § 63133) in carrying out the duties of the Council and in exercising its powers". We wanted to make sure to encompass their voice and be parallel with everyone else. We also took

away the $2.00 fee. I met with the General Manager and the Chairman of the board and the Chair of GHRA regarding this. The most important part of this bill is the Council.

Senator Jim Espaldon: Madam Chair, if I may, are we discussing the changes that he's making on this bill?

Chairperson: Senator Espaldon, the author is discussing the foundation of this bill, please allow him to continue to speak.

Senator Jim Espaldon: Madam Chair, if you allow me to speak you'll know what I'm trying to say. The problem that I have is that the presentation is not in line with the public hearing. The purpose of the public hearing is to hear the public. We have not heard the public and the author of the bill is justifying the changes to the bill before the public even speaks. If the author felt that his original bill was inadequate, the proper thing to do is to withdraw his original bill make the real changes that needs to be made and reintroduce the bill with the appropriate changes.

Chairperson: Senator Espaldon, if I may, I'm the oversight Chair of this, give me the opportunity to give Senator Brant McCreadie the opportunity to finish his presentation. Thank you very much!

Senator Brant McCreadie: So I'm discussing the conversations that we had in meetings is the reason why we made the suggested changes in the substituted version. My intention is to change some of the language in my original bill and report it out with a substituted version. So, that's why I'm letting everyone know the results of my meetings. The other important language is the funding for the mitigation and surface storm water run –off. If we continue to allow this to happen, the Council is not going to be able to stop this and killing the fish, so we won't have fish or coral to suffice the next generation of fishes. So, is this a perfect piece of legislation? No, this is why we had the meetings. Please understand that I did not substitute the bill, I sent changes to the committee chairwoman. She has been very accommodating to work with us on those changes. We are hearing the introduced version of the bill today. I am not the committee chair, I'm just the author of the bill. I'm allowing everyone to know what we have done for the proposed changes. Thank you!

Chairperson: Thank you Senator McCreadie for having the committee work with committee staff of this oversight to send in your proposed recommendations changes to

this bill and looking at it further. I will start with the panel, Mr. Chargualaf. If you have a written testimony, please give that to the staff so that we could append that to the committee report.

Senator Jim Espaldon: Madam Chair I still have to object to this whole process. The panelists came here to provide testimony on the original bill but knowingly know that the bill is going to change basically means that their testimony is moot.

Chairperson: Senator Espaldon, I will hear testimony on Bill No. 160-33 (COR) as its original submission. Thank you! Mr. Chargualaf, my apologies, you may continue.

Mr. Jose Chargulaf: Thank you Madam Chair and Senators of the 33rd Guam Legislature. I read the original bill online and yes, there are some areas that I feel that need changes, but the intent of the bill as it is presented by the Author, is long overdue. We understand the position that the Senator is taking. I have been fishing since 1978 both reef and 2,000 feet and to my dismay the only tuna that I see out there (shows a size with his hands), how can you sell that? I feel that this should be regulated. The funding source maybe an objectionable amount. So, my testimony is whatever this bill that needs to be amended, go that route and I respect the Honorable Espaldon. The overall importance of this project, I hope that all the Senators will give their support. Not only the farmers need assistance but the fishermen too. I feel that the intent is not so much about who's going to be fishing and who's gonna benefit. I think that this legislation if passed will benefit the entire community of Guam and our tourist. Many of the people that fish in Talofofo Bay come from Yigo, Dededo, Umatac and Merizo. I think the Senators should really work together, should it need some major amendments. The sooner this bill is worked on it would be for the benefit of the entire island. I hope that you could share the CD that I provided. Mr. Chargualaf provided written testimony (which is attached) as well as a CD (which is also attached).

Chairperson: Thank you Mr. Chargualaf. I will make sure that a copy is provided to all the Senators for their information. Thank you very much. Next to speak is Cathy McCullum.

Catherine F. McCollum: Good morning Senators. Ms. McCollum reads her written testimony, which is attached to this report. Thank you!

Chairperson: Thank you Ms. McCollum. If I could have a copy of that testimony so that we could append it to the report. Thank you! Next to speak is Fred Aguon.

Fred Aguon: Speaks in Chamorro: Manana Si Yu'os todos hamyu. Not a lot of people know me but I'm retired and I've never been here to speak. I do not support this bill because it will kill the current law P.L. 29-127. I'm looking at the bill introduced by Senator Respicio and Senator Guthertz which is Bill 190. Hayi gai Tano este? This land belongs to the Chamorros. Please let's remember our people first, remember where you came from. The other people that have lived here, they retire and then go back to where they came from. Mr. Aguon points out page 4, numbers 1 through 8 in regards to members of this Council. From me, remember where you came from and remember your people. You have to remember you children. Sai'na Ma'ase!

Chairperson: Buen Prubechu Mr. Aguon! Mr. Laguana.

Ronald Laguana: Madam Chair, Si Ronald Laguana yu and I'm here on behalf of the fishermen. I'm in the area tourism for the past 20 years. With all do respect Madam Chair, I am in agreement with Senator Espaldon regarding the amendment of the existing bill. I think we should have the opportunity to further review and to give the fishermen the opportunity as well. One of them is my son, he's working right now. I am subsistant fisherman, we value what we catch. I suggest that you reschedule this to allow other people to attend. I am in opposition to this bill because it micromanages of our fisheries resources to a certain group of individuals, the council themselves. I am not a member of the Fishermen's Co-op of the Farmer's Co-op because they're regulatory matters control us, does not allow us the free market. When I read the application form, it does not allow us to sell our produce outside of the co-op. My point is right now, now you're allowing this same group of people, that's against us as an advocate for the scuba tank. They're gonna monopolize and regulate. I know there's a hidden agenda here. It's an attack on our Micronesian immigrations. I think you should have another hearing in the evening so that the more people could attend. Somebody is benefiting here and we need to wake up to reality. I've made some enemies but I'm fighting for our people. We need the young generation here. He is an expense fisherman. That's all I want to say Madam Chair and I suggest that this hearing be continued. These changes need to be reflected officially so we could get things straight. I'm sorry maniluhu!

Chairperson: Hagu Mas, buen prubechu! Mr. Stinson, please state your name for the record.

Chris Stinson: My name is Chris Stinson, and thank you for hearing me. As you can tell I'm not from here. Thank you for hearing me out. I've got a couple of questions: Why is it that the people of Guam get only one voting member? Shouldn't they have more input? These organizations should get together at the expense of whom? I kinda feel that they need a bigger voice and not shut out by corporations or legislations. The other question I had is in reference to: boat ramps coming in..will these also be used for public interest or exclusively for emergency services? If so, you have to take into consideration the environment as well. Like the traffic in some areas. Another issue is: conservation..we need to think about waste water issue. That's obviously going to kill the wildlife. These are all major issues. I have one other question: honestly a little inflammatory...Senator McCreadie, it was stated that some of this money was suppose to come from salaries that are trying to be taken back and because it's about of that. Everybody up here are public servants, kinda what I heard you have issues amongst yourselves, but that's your issues. The last thing that I would like to state, I feel that this should be rescheduled at a later time. These are my main concerns. I'm opposed, but if there are some amendments, I could support. Thank you!

Chairperson: Thank you Mr. Stinson. The next panel is called by the Chairperson. Mr. Danny and Joseph Jackson, are you here to testify? No, you're here to oppose, but not speak. Thank you. If I could yield to the Mayor of Inarajan, please consige pot fabot.

Mayor Doris F. Lujan: Good morning Senators, Senator Brant McCreadie, thank you for introducing this bill. Mayor Lujan reads her testimony, which is attached.

Chairperson: Sai'na Ma'ase Mayor Lujan, you're excused. Mrs. Torres, please continue.

Trini T. Torres: Indigenous Chamorro Nation group was not invited, please include them in the future. Current bill is very disturbing and needs to be cleaned up and maybe included. This bill is too broad as originally submitted. You may want to cut this bill down or sliced up. This bill needs some fixing. Thank you Mrs. Chairperson.

Chairperson: You're very welcome. Mr. Camacho.

Tom Camacho: Thank you Madam Chair, I will make this brief and to the point. I want to discuss change. Change is to make or become different and that is something that our people have a lot to swallow. But if we don't start somewhere, we're not going to get anywhere. But we're so against the United States and here we are trying to get away from the Federal government by becoming self sustaining. I really take offense to be called out in a public hearing and you know who you are. It's too big for you to handle. A lot of issues that have been brought up can be addressed. There's a process for this bill to go through. I'm not going to read everything, it's all there. I heard testimony about overharvesting of resources. Give our people the right to fish. We want to do good for our island and we want to be sustainable. I'm quite disappointed. I heard that you signed a petition with the GHRA against this bill. Who are we trying to kid? We are not raping the tourist attraction fund, we are contributing to it! We are looking at means of generating funds for the sustainability of our island. What do you people not understand? Self sustaining means, you're on your own! Before somebody starts criticizing anybody they need to get their facts straight. Thank you very much!

Chairperson: Thank you Tom, Mr. Duenas?

Michael Duenas: Thank you Madam Chair. My name is Michael Duenas, just a member of the public and a local fisherman. I'm saddened that portions of the bill are off the table, I'm still glad that the creation of the council is still on the table. Great concept that the federal adopted it in 1976. It established regent councils and stakeholders that have a say in the matter. I'd like to thank you for considering the formation of that council. ADD has set in, that's all I have.

Chairperson: Thank you Mr. Duenas. Chairperson calls up the next panel. Mr. Joseph Cameron, you may proceed.

Joseph Cameron: Si Yu'os Ma'ase Madam Chair and all Committee members. Thank you for having this public hearing. I am Joseph Flores Cameron. The intention of this bill is good and I am in support of it. The intent of this bill is honorable but I think it's critical that we look at some of the English words that far exceed undertones of what people are thinking. Intent was never to remove or alienate anybody. I suggest that you take back this bill and reintroduce. I am not trying to dictate to this august body. But clearly there are some things that we need to consider in making this bill cleaner so that the intent is not watered down. I support Manny Duenas and other organizations. May I highly recommend that we have 3 public members but incorporated and speaks

for the voices for everyone. Thank you very much and I will yield my other 50 minutes to Manny Duenas.

Manny Duenas: Good afternoon Madam Chair and members of the committee. My name is Manny Duenas and I am the President of the Guam Fisherman's Cooperative Association. Our main purpose is to sell the excess catch. There's no such thing as an expense fisherman. I am here in support of this bill because we have spent over 10 years in how to help the community. Senator McCreadie you said it yourself, what I gave you was a whole stack of papers to incorporate. We asked for 3 members from the Mayors Council, we asked for Chamorro Nation to be there, we asked for Chamorro Affairs to be there and Department of Agriculture to be full voting members. I guess I'm getting the brunt of it. Show me one person here on the island that Manny Duenas doesn't care for the people of Guam. I care for the people of Guam that anyone else on this earth and that's why I asked for $2 from the tourist. Palau charges $37 and Hawaii charges taxes. The media has been saying per night, per stay but it's only a one time shot. We have to provide a balance and have to sit down and discuss these matters. Let me tell you a little secret, the fisheries section of Department of Agriculture is federally funded. That's why I love this bill because it empowers our people. We need to empower ourselves and we need to build a better structure for our people. I'm asking for 5% of the tourist attraction fund if they don't want to give us the $2 per tourist. All of these projects are tourist related. Our people need to see the benefits of tourism. I'm begging you to please consider the people of Guam and pass this legislation as it is. I am sorry for taking up so much of your time and I appreciate the insults that I got today. At least I'm recognized in the community for doing something bad. Fishermen are suffering. Thank you very much for your time! Biba Guam!

Chairperson: I thank you very much Mr. Duenas. I'd like to thank everyone for being here today. This is the beauty of democracy where the public can share their sentiments whether you support or not support a measure. The government is here to support the benefits for the people of Guam and its basic needs and if we need to work together then let's do it. This bill must be God sent because it's been over 21 years. So here's my commitment, I promise you a continued hearing, you're gonna get it, I promise you the amendments based on the author's recommendations, we are going to look at all the best possible means to get this done. I want to say "Un Dangkulo Na Si Yu'os Ma'ase" to Mr. Duenas and also on behalf of this Legislative body because you have gone beyond your call of duty for the people of Guam! You have my commitment to have a mark-up hearing. With this said, this hearing on Bill No. 160-33 (COR) is duly heard

but we will continue to receive testimony on this bill, I will call this public hearing adjourned at 1:44 p.m.

Appended to this committee report are written testimonies from the following:

Jon Nathan Denight, General Manager of the Guam Visitors Bureau
Lani Salas
Victor R. Torres
Mayor Rudy M. Matanane
Matthew L.G. Sablan, Director of the Department of Agriculture
Senator Brant McCreadie

The public hearing was adjourned at 1:44 P.M.

III. FINDINGS & RECOMMENDATIONS

The Committee on Municipal Affairs, Tourism, Housing and Historic Preservation hereby reports out Bill No. 160-33 (COR), ***as substituted by the Committee***, with the recommendation TO PASS.

MINA' TRENTAI TRES NA LIHESLATURAN GUÅHAN
2015 (FIRST) Regular Session

Bill No. 160-33 (COR)

Introduced by: Brant T. McCreadie

AN ACT TO *ADD* A *NEW* ARTICLE 9 TO CHAPTER 63, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE GUAM OCEAN AND FISHERIES CONSERVATION ACT OF 2015; TO *ADD* A *NEW* SUBSECTION (d) TO § 30101 TO CHAPTER 30, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO THE ESTABLISHMENT OF MARINE CONSERVATION FEE; AND TO *AMEND* § 30107 OF CHAPTER 30, TITLE 11 GUAM CODE ANNOTATED, RELATIVE TO DEPOSIT OF FEES INTO THE GUAM OCEAN AND FISHERIES CONSERVATION AND DEVELOPMENT FUND.

2015 AUG 19 AM 9:49

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. A *new* Article 9 is hereby *added* to Chapter 63 of Title 5 Guam Code Annotated, to read as follows:

"ARTICLE 9

GUAM OCEAN AND FISHERIES CONSERVATION ACT OF 2015.

§ 63901. Title.

§ 63902. Establishment of the Guam Ocean and Fisheries Management Council.

§ 63903. Council Powers and Duties.

§ 63904. Qualifications and Terms of Council Members.

§ 63905. Vacancies.

§ 63906. Election of Officers.

§ 63907. Council Meetings.
§ 63908. Compensation.
§ 63909. Advisory, Non-Voting Members.
§ 63910. Rules and Regulations; Schedule of Fees
§ 63911. Guam Ocean and Fisheries Conservation and Development Fund Established.

§ 63901. Title. This Article *may* be cited as the *Guam Ocean and Fisheries Conservation Act of 2015.*

§ 63902. Establishment of the Guam Ocean and Fisheries Management Council.

There is hereby established within the government of Guam the *Guam Ocean and Fisheries Management Council* composed of seven voting (7) members who shall be appointed by *I Maga'lahen Guåhan* with the advice and consent of *I Liheslaturan Guåhan.*

§ 63903. Council Powers and Duties.

The powers and duties of the Council shall include the following:

(a) To coordinate and promote activities in connection with the conservation and development of Guam's ocean, fisheries, and marine resources;

(b) To develop, impose, and issue permit requirements for the general public, and establish a schedule of fees in connection therewith, relative to the conduct of commercial marine operations and the harvesting of fish and other marine life in the waters of Guam;

(c) To oversee the expenditure and management of funds in the Guam Ocean and Fisheries Conservation and Development Fund established pursuant to 5 GCA § 63911;

(d) To provide advice and information to *I Maga'lahen Guåhan* and to *I Liheslaturan Guahan,* including the legislature's Committee on Natural Resources, on matters pertaining, but not limited to, the use and harvesting of freshwater and marine resources and their management;

(e) To review and provide advice on the impact of laws affecting the sustainable use of the marine and freshwater resources;

(f) To development programs to enhance and promote sustainable use of Guam's marine and freshwater resources;

(g) To provide guidance and assist the Department of Agriculture in the expenditure of funds derived from marine activities, or federal grants, and other ocean, fisheries, and marine-related funding;

(h) To coordinate and promote the sustainable use of Guam's oceans, fisheries, marine and freshwater resources within various communities on Guam.

(i) To provide a report to *I Maga'lahen Guåhan* and to *I Liheslaturan Guahan* within ninety (90) days after the end of each fiscal year summarizing the activities and accomplishments of the Council over the past fiscal year.

§ 63904. Qualifications and Terms of Council Members.

(a) Qualifications. With the advice and consent of *I Liheslaturan Guåhan, I Maga'lahen Guåhan* shall appoint seven (7) voting members to the Council as follows.

(1) Two (2) Council members shall be appointed from the community at-large;

(2) One (1) Council member shall be an active member in good standing of the Marianas Underwater Fishing Federation;

(3) One (1) Council member shall be an active member in good standing of the Guam Organization of Saltwater Anglers;

(4) One (1) Council member shall be an active member in good standing of the Guam Fisherman's Cooperative Association;

(5) One (1) Council member shall be a staff or faculty member of the University of Guam affiliated with the Marine Laboratory; and

(6) One (1) Council member shall be a mayor nominated by the Guam Mayor's Council.

(7) The Director of the Department of Agriculture or his or her designee shall serve as *ex-officio* member, without voting rights in the meetings of the Council, although he or she may otherwise participate fully in Council meetings and activities of the Council.

(8) If a member is appointed pursuant to the categories in items (2) through (6) of this subparagraph (a), *supra*, and ceases to be affiliated or employed in the designated capacity, then that member shall be considered to have vacated his or her seat effective on the date that such employment or affiliation was terminated. The Chairperson of the Commission shall forthwith notify *I Maga'lahen Guåhan* that the vacancy exists.

(b) Terms. *I Maga'lahen Guåhan,* when making initial appointments, shall designate four (4) members to serve initial four-(4)-year terms, and three (3) members to serve initial two-(2)-year terms. All

subsequent appointments shall be for terms of four (4) years, except appointments to fill a vacancy. When a vacancy occurs, it shall be filled by appointment of *I Maga'lahen Guåhan* with the advice and consent of *I Liheslaturan Guåhan* for the remainder of the vacating member's term. Initial appointments to the Council shall be made by *I Maga'lahen Guåhan* within ninety (90) days after the effective date of this Act.

§ 63905. Vacancies.

When a vacancy occurs other than by expiration of a member's term, *I Maga'lahen Guåhan* shall fill the vacancy in accordance with §§ 63902 and 63904 of this Article if the remaining term of the vacancy exceeds six (6) months. Appointments to fill a vacancy shall be for the remainder of the vacating member's term and in the same category in § 63904(a)(1)-(6) pursuant to which the vacating member was appointed.

§ 63906. Election of Officers; Subcommittees

The Council shall elect a Chairperson and a Vice-Chairperson from among its members, both to serve in those capacities no longer than for their terms of office as Council members. The Chairperson shall preside at all meetings for the Council, shall act as the spokesperson of the Council, and shall perform such other duties as the Council shall direct. The Vice-Chairperson shall succeed to the duties of the Chairperson in the absence or inability of the Chairperson. From among its members, the Council shall select a secretary of the Council and any other officers which the Council may deem necessary.

The Council may form sub-committees among its membership, as it deems necessary in order to carry out projects, research, and other activities outside of Council's meetings.

§ 63907. Council Meetings.

The Council shall meet regularly at least every other month, and at such times and in such places in Guam as the Council establishes (or by the Chairperson when the Council does not act), to transact such business as the Council determines. The Director of the Department of Agriculture shall assist the Council with the conduct and transaction of its business and the holding of Council meetings, and shall make available a venue within the Department of Agriculture for meetings of the Council. The Director of Agriculture shall also assist the Council by providing technical and staff support as needed. A quorum of the Council shall consist of a majority of members duly appointed and qualified. The chairperson shall be counted for a quorum but shall vote only in case of a tie. Any action taken by the Council shall be by a majority of the voting members. Special meetings of the Council may be called by the Chairperson or by a majority of the Council members in office. All notices and meetings of the Council shall comply with the Open Government Law, Chapter 8, Title 5 Guam Code Annotated.

§ 63908. Compensation.

Voting members of the Council shall be compensated at the rate of Fifty Dollars ($50) per meeting, not to exceed One Hundred Dollars ($100) per calendar month.

§ 63909. Advisory, Non-voting Members.

The Council by majority vote of its members may invite additional public and private sector members to serve on a voluntary basis without compensation as advisers in the Council's sub-committees, and may prescribe special procedures for their participation, provided that no such advisory members may vote at any meetings of the Council.

§ 63910. Rules and Regulations; Schedule of Fees.

(a) Rules and Regulations. The Council, which shall be assisted by the Department of Agriculture and the Attorney General's Office, shall from time to time promulgate rules and regulations, in accordance with the Administrative Adjudication Act, Title 5, Guam Code Annotated, Chapter 9, Article 3, to carry out the provisions of this Act.

(b) Permits and Fee Schedules. In order to preserve Guam's marine and freshwater resources, the Council, which shall be assisted by the Department of Agriculture and the Attorney General's Office, shall establish a schedule of various permits, and fees to be charged for such permits, which shall be required for the conduct of commercial marine operations and the harvesting of fish and other marine life in the waters of Guam. Such schedules shall be established in accordance with the procedures set forth in Article 3, Chapter 9, Title 5 Guam Code Annotated, the Administrative Adjudication Act, and shall include criteria and guidelines governing the application, issuance, and enforcement of such permits and fees.

The initial schedule of permits and fees established under this section shall be submitted to *I Liheslaturan Guåhan* pursuant to the Administrative Adjudication Act no later than 180 days after the effective date of this Act. After adoption of the initial schedule of permits and fees, the Council shall review the schedule at least once every five (5) years thereafter to determine if any fee increases, decreases, the establishment of new fees, or any other modifications, are warranted.

(c) Maintenance of Required Permits. Unless otherwise expressly exempted by this Act or by other provision of law, a person or entity shall not engage in activities requiring a permit by virtue of the rules and

regulations promulgated under subsections (a) and (b) of this Section 63910, without having in his or its immediate possession such permit or a copy thereof.

(d) Penalty. Any person or entity that violates the provisions of subsection (c) of this Section is guilty of or liable for a civil violation punishable by a fine not to exceed Five Hundred Dollars ($500.00) for each violation. Any fines recovered by the government of Guam for such civil violations shall be paid into the Guam Ocean and Fisheries Conservation and Development Fund established pursuant to 5 GCA § 63911.

(e) Enforcement. Except as otherwise provided by law, the provisions of this § 63910 and all rules and regulations, permit and fee schedules promulgated thereunder, shall be enforced by the Director of Agriculture, as ex officio Chief Conservation Officer, and suitable employees of the Department of Agriculture whom the Director may appoint as Deputy Conservation Officers, as well as by peace officers, as defined in 8 GCA § 5.55, all with the same powers set forth under 5 GCA § 63103. The Civilian Volunteer Conservation Officer Reserve established by 5 GCA § 63103.1 may also assist with enforcement hereunder under the same conditions specified under 5 GCA § 63103.1.

§ 63911. Guam Ocean and Fisheries Conservation and Development Fund Established.

(a) **Establishment.** There is hereby created, separate and apart from other funds of the government of Guam, a fund known as the *Guam Ocean and Fisheries Conservation and Development Fund* (hereinafter GOF Conservation and Development Fund). The GOF Conservation and Development Fund shall not be commingled with the General Fund and

shall be kept in a separate bank account. All proceeds from fees collected pursuant to the permit and fee schedule promulgated under § 63910(a) and (b), *supra*, fines imposed under § 63910(d), and the fees collected under § 30101(d) of Chapter 30, Title 11 Guam Code Annotated (the Marine Conservation Fee), and other amounts as may be authorized by law, shall be deposited in the GOF Conservation and Development Fund and shall be expended by the Council exclusively for purposes authorized in § 63911(b) of this Article.

(b) **Uses.** The GOF Conservation and Development Fund shall be used to fund the following:

(1) Development and Construction of boat ramps in Northern and Southern Guam. The Council shall formulate plans for the development, construction, maintenance, and operation of a boat ramp in Northern Guam in the village of Yigo, and a boat ramp in Southern Guam in the village of Talofofo, for use by first responders and emergency personnel and the general public. Such plans shall include, but not be limited to, site identification, costs, engineering, and design. Not later than June 1, 2016, the Council shall submit its preliminary plans and recommendations for the development and construction of the Northern and Southern boat ramps to *I Maga'lahen Guåhan* and to *I Liheslaturan Guåhan;*

(2) Funding for additional conservation officer positions within the Department of Agriculture, and essential work equipment for such conservation officers;

(3) Research and development related to the conservation of ocean resources, coral reefs, freshwater rivers, lakes, and ponds in Guam;

(4) Research and development related to the regulation and conservation of fish and other wildlife in Guam's marine and fresh waters;

(5) Marina improvement, moorings, maintenance, and related projects;

(6) The creation, improvement or beautification of access paths to shore-side resources;

(7) Funding of public activities in support of marine activities;

(8) Funding assistance for community-related marine facilities;

(9) Funding assistance for activities related to the preservation and perpetuation of Guam's indigenous Chamorro Culture and Heritage as it relates to ocean, fisheries, and other marine-related aspects;

(10) Funding for staffing, office expenses, and other activities in support of the mission of the Council; and

(11) Other similar funding priorities as identified by *I Liheslaturan Guåhan.*

(c) **Expenditures.** All expenditures of the GOF Conservation and Development Fund shall be made exclusively by appropriation of *I Liheslaturan Guåhan.* The GOF Conservation and Development Fund shall *not* be used for any purposes other than those enumerated or reasonably inferred hereunder or for purposes other than those relating to ocean, fisheries, and other marine and freshwater related matters. The GOF Conservation and Development Fund shall not be used as a pledge of security or as collateral for government loans without prior authorization by *I Liheslaturan Guåhan.*"

Section 2. A *new* subsection (d) is *added* to § 30101 of Chapter 30, Title 11 of the Guam Code Annotated to read as follows:

"(d) A separate fee called the Marine Conservation Fee, is hereby levied, imposed and assessed under the same circumstances as the excise tax imposed under subsections (a), (b), and (c) of this Section 30101, *except* that (1) the rate for the Marine Conservation Fee shall be a fixed amount of two dollars ($2.00) per occupancy per stay, and (2) the fee shall not be levied or imposed against transient occupants who are bona fide residents of Guam."

Section 3. Section 30107 (a) of Chapter 30, Title 11 of the Guam Code Annotated is *amended* to read as follows:

"(a) There is hereby created, separate and apart from other funds of the government of Guam, a fund known as the Tourist Attraction Fund (hereinafter TAF). The TAF shall not be commingled with the General Fund and shall be kept in a separate bank account. All proceeds from fees collected under this Chapter, except for the Marine Conservation Fee imposed under 11 GCA §30101(d) which shall be deposited into the Guam Ocean and Fisheries Conservation and Development Fund under 5 GCA § 63911, shall be deposited in the TAF and shall be expended exclusively for purposes authorized in § 9107 and § 9113 of Title 12, Guam Code Annotated. The TAF may also be used to fund the following projects:

(1) The creation, improvement, or beautification of roads, avenues, boulevards, parkways, intersections, bicycle paths, motor bike trails, footpaths, biking trails, stairways, rivers, streams, estuaries, lagoons, or other means of access and transportation;

(2) The development and restoration of points of natural beauty or historic social or cultural significance, including means of access, parking, safety devices, concessions, restrooms, view points and information pavilions;

(3) The construction of monuments, memorials, statues, fountains, arches, and similar projects;

(4) The construction of buildings to be used for public purposes including zoos and aquariums, museums, athletic facilities, cultural centers, and performing arts complexes;

(5) Landscaping, provision of decorations or the enhancement of beauty of any of the projects listed in this Section;

(6) Accessory projects reasonably necessary to projects listed in this Section;

(7) Projects and programs identified in the Tumon Bay Masterplan."

Section 4. Effective Date. With the exception of Sections 2 and 3 which shall be effective ninety (90) days after the enactment of this Act, the remaining Sections of this Act shall be effective immediately upon enactment.

Section 5. Severability. *If* any provision of this Act or its application to any person or circumstance is found to be invalid or contrary to law, such invalidity shall *not* affect other provisions or applications of this Act which can be given effect without the invalid provisions or application, and to this end the provisions of this Act are severable.

I MINA' TRENTAI TRES NA LIHESLATURAN GUÅHAN
2015 (FIRST) Regular Session

Bill No. 160-33 (COR)
as Substituted by the Committee

Introduced by: Brant T. McCreadie

AN ACT TO *ADD* A *NEW* ARTICLE 9 TO CHAPTER 63, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE GUAM OCEAN AND FISHERIES CONSERVATION ACT OF 2015.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. A *new* Article 9 is hereby *added* to Chapter 63 of Title 5 Guam Code Annotated, to read as follows:

"ARTICLE 9

GUAM OCEAN AND FISHERIES CONSERVATION ACT OF 2015.

§ 63901. Title.
§ 63902. Establishment of the Guam Ocean and Fisheries Management Council.
§ 63903. Council Powers and Duties.
§ 63904. Qualifications and Terms of Council Members.
§ 63905. Vacancies.
§ 63906. Election of Officers.
§ 63907. Council Meetings.
§ 63908. Compensation.
§ 63909. Advisory, Non-Voting Members.
§ 63910. Rules and Regulations; Schedule of Fees

§ 63911. Guam Ocean and Fisheries Conservation and Development Fund Established.

§ 63901. Title. This Article *may* be cited as the *Guam Ocean and Fisheries Conservation Act of 2015.*

§ 63902. Establishment of the Guam Ocean and Fisheries Management Council.

There is hereby established within the government of Guam the *Guam Ocean and Fisheries Management Council* composed of seven voting (7) members who shall be appointed by *I Maga'lahen Guåhan* with the advice and consent of *I Liheslaturan Guåhan.*

§ 63903. Council Powers and Duties.

Notwithstanding any other provision of law, the powers and duties of the Council *shall* include the following:

(a) To coordinate and promote activities in connection with the conservation and development of Guam's ocean, fisheries, and marine resources;

(b) To develop, impose, and issue permit requirements, and establish a schedule of fees in connection therewith, relative to the conduct of commercial marine operations and the harvesting of fish and other marine life in the waters of Guam;

(c) To oversee the expenditure and management of funds in the Guam Ocean and Fisheries Conservation and Development Fund established pursuant to 5 GCA § 63911;

(d) To provide advice and information to *I Maga'lahen Guåhan* and to *I Liheslaturan Guåhan,* including the legislature's Committee on

Natural Resources, on matters pertaining, but not limited to, the use and harvesting of freshwater and marine resources and their management;

(e) To review and provide advice on the impact of laws affecting the sustainable use of the marine and freshwater resources;

(f) To develop programs to enhance and promote sustainable use of Guam's marine and freshwater resources;

(g) To provide guidance and assist the Department of Agriculture in the expenditure of funds derived from marine activities, or federal grants, and other ocean, fisheries, and marine-related funding;

(h) To provide guidance to and assist the Department of Agriculture in the administration of Article 1 ("Game & Fish"), Chapter 63, Title 10 Guam Code Annotated (10 G.C.A. §§ 63101 *et seq.*), and rules and regulations adopted pursuant thereto, with the exception of provisions, rules and regulations relative to non-aquatic animal life. The Council is authorized to assume certain duties, powers, and responsibilities vested in the Department of Agriculture under Article 1, Chapter 63, Title 10 Guam Code Annotated, as may be provided for through cooperative agreements or other arrangements memorialized in writing and agreed to by the Council and the Director of Agriculture;

(i) To coordinate and promote the sustainable use of Guam's oceans, fisheries, marine and freshwater resources within various communities on Guam;

(j) To provide a report to *I Maga'lahen Guåhan* and to *I Liheslaturan Guåhan* within ninety (90) days after the end of each fiscal year

summarizing the activities and accomplishments of the Council over the past fiscal year.

§ 63904. Qualifications and Terms of Council Members.

(a) Qualifications. With the advice and consent of *I Liheslaturan Guåhan, I Maga'lahen Guåhan* shall *appoint* seven (7) voting members to the Council in the following categories:

(1) Three (3) Council members shall be appointed from the community at-large;

(2) One (1) Council member shall be an active member in good standing of the Marianas Underwater Fishing Federation;

(3) One (1) Council member shall be an active member in good standing of the Guam Organization of Saltwater Anglers;

(4) One (1) Council member shall be an active member in good standing of the Guam Fishermen's Cooperative Association;

(5) One (1) Council member shall be a faculty member of the University of Guam; and

(6) The Director of the Department of Agriculture shall serve as an *ex-officio* member, without voting rights in the meetings of the Council, although he or she may otherwise participate fully in Council meetings and activities of the Council.

(7) The President of the Department of Chamorro Affairs shall serve as an *ex-officio* member, without voting rights in the meetings of the Council, although he or she may otherwise participate fully in Council meetings and activities of the Council.

(8) All seven (7) voting members of the Council appointed by *I Maga'lahen Guåhan* shall be residents of Guam for a period of at

least five (5) consecutive years immediately preceding their appointment, and shall continue to maintain their residency during their terms on the Council.

(9) In making appointments to the Council, if no qualified person is available from the specific organization or entity identified in items (2) through (5) of this subparagraph (a), *supra,* to serve as a Council member, *I Maga'lahen Guåhan* may substitute a suitable appointee from the community-at-large.

(10) If a Council member is appointed pursuant to the categories in items (2) through (5) of this subparagraph (a), *supra*, and ceases to be affiliated or employed in the designated capacity, then that member shall be considered to have vacated his or her seat effective on the date that such employment or affiliation was terminated. The Chairperson of the Commission shall forthwith notify *I Maga'lahen Guåhan* that the vacancy exists.

(b) Terms. *I Maga'lahen Guåhan,* when making initial appointments, shall designate four (4) members to serve initial four-(4)-year terms, and three (3) members to serve initial two-(2)-year terms. All subsequent appointments shall be for terms of four (4) years, except appointments to fill a vacancy. When a vacancy occurs, it shall be filled by appointment of *I Maga'lahen Guåhan* with the advice and consent of *I Liheslaturan Guåhan* for the remainder of the vacating member's term. Initial appointments to the Council shall be made by *I Maga'lahen Guåhan* within ninety (90) days after the effective date of this Act.

§ 63905. Vacancies.

When a vacancy occurs other than by expiration of a member's term, *I Maga'lahen Guåhan* shall fill the vacancy in accordance with §§ 63902 and 63904 of this Article if the remaining term of the vacancy exceeds six (6) months. Appointments to fill a vacancy shall be for the remainder of the vacating member's term and in the same category in § 63904(a) (1)-(5) pursuant to which the vacating member was appointed.

§ 63906. Election of Officers; Subcommittees

The Council shall elect a Chairperson and a Vice-Chairperson from among its members, both to serve in those capacities no longer than for their terms of office as Council members. The Chairperson shall preside at all meetings for the Council, shall act as the spokesperson of the Council, and shall perform such other duties as the Council shall direct. The Vice-Chairperson shall succeed to the duties of the Chairperson in the absence or inability of the Chairperson. From among its members, the Council shall select a secretary of the Council and any other officers which the Council may deem necessary.

The Council may form sub-committees among its membership, as it deems necessary in order to carry out projects, research, and other activities outside of Council's meetings.

§ 63907. Council Meetings.

The Council shall meet regularly at least every other month, and at such times and in such places in Guam as the Council establishes (or by the Chairperson when the Council does not act), to transact such business as the Council determines. The Director of the Department of Agriculture shall assist the Council with the conduct and transaction of its business and the holding of Council meetings, and shall make available within the Department of Agriculture a venue for meetings of the Council. The Director of Agriculture shall also assist the Council by providing technical and

staff support as needed. A quorum of the Council shall consist of a majority of the members duly appointed and qualified. The chairperson shall be counted for a quorum but shall vote only in case of a tie. Any action taken by the Council shall be by a majority of the voting members. Special meetings of the Council may be called by the Chairperson or by a majority of the Council members in office. All notices and meetings of the Council shall comply with the Open Government Law, Chapter 8, Title 5 Guam Code Annotated.

§ 63908. Compensation.

Voting members of the Council shall be compensated at the rate of Fifty Dollars ($50) per meeting, not to exceed One Hundred Dollars ($100) per calendar month.

§ 63909. Advisory, Non-voting Members.

The Council by majority vote of its members may invite additional public and private sector members to serve on a voluntary basis without compensation as advisers in the Council's sub-committees, and may prescribe special procedures for their participation, provided that no such advisory members may vote at any meetings of the Council.

§ 63910. Rules and Regulations; Schedule of Fees.

(a) Rules and Regulations. The Council, which shall be assisted by the Department of Agriculture and the Attorney General's Office, shall from time to time promulgate rules and regulations, in accordance with the Administrative Adjudication Act, Title 5, Guam Code Annotated, Chapter 9, Article 3, to carry out the provisions of this Act.

(b) Permits and Fee Schedules. In order to preserve Guam's marine and freshwater resources, the Council, which shall be assisted by the Department of Agriculture and the Attorney General's Office, shall establish a schedule of various permits, and fees to be charged for such

permits, which shall be required for the conduct of commercial marine operations and the harvesting of fish and other marine life in the waters of Guam. Such schedules shall be established in accordance with the procedures set forth in Article 3, Chapter 9, Title 5 Guam Code Annotated, the Administrative Adjudication Act, and shall include criteria and guidelines governing the application, issuance, exemptions, and enforcement of such permits and fees.

The initial schedule of permits and fees established under this section shall be submitted to *I Liheslaturan Guåhan* pursuant to the Administrative Adjudication Act no later than 180 days after the effective date of this Act. After adoption of the initial schedule of permits and fees, the Council shall review the schedule at least once every five (5) years thereafter to determine if any fee increases, decreases, the establishment of new fees, or any other modifications, are warranted.

(c) Maintenance of Required Permits. Unless otherwise expressly exempted by this Act or by other provision of law, a person or entity shall not engage in activities requiring a permit by virtue of the rules and regulations promulgated under subsections (a) and (b) of this Section 63910, without having in his or its immediate possession such permit or a copy thereof.

(d) Penalty. Any person or entity that violates the provisions of subsection (c) of this Section is guilty of or liable for a civil violation punishable by a fine not to exceed Five Hundred Dollars ($500.00) for each violation. Any fines recovered by the government of Guam for such civil violations shall be paid into the Wildlife Conservation Fund established pursuant to 5 GCA § 63130.

(e) **Enforcement.** Except as otherwise provided by law, the provisions of this § 63910 and all rules and regulations, permit and fee schedules promulgated thereunder, shall be enforced by the Director of Agriculture, as ex officio Chief Conservation Officer, and suitable employees of the Department of Agriculture whom the Director may appoint as Deputy Conservation Officers, as well as by peace officers, as defined in 8 GCA § 5.55, all with the same powers set forth under 5 GCA § 63103. The Civilian Volunteer Conservation Officer Reserve established by 5 GCA § 63103.1 may also assist with enforcement hereunder under the same conditions specified under 5 GCA § 63103.1.

(f) **Collection of Fees.** All proceeds from fees collected pursuant to the permit and fee schedule promulgated under § 63910(a) and (b), *supra*, fines imposed under § 63910(d), and other amounts as may be authorized by law, shall be deposited in the Wildlife Conservation Fund established pursuant to 5 GCA § 63103.

§ 63911. Guam Ocean and Fisheries Conservation and Development Fund Established.

(a) **Establishment.** There is hereby created, separate and apart from other funds of the government of Guam, a fund known as the *Guam Ocean and Fisheries Conservation and Development Fund* (hereinafter GOF Conservation and Development Fund). The GOF Conservation and Development Fund shall not be commingled with the General Fund and shall be kept in a separate bank account. Monies from donations, grants, and other amounts as may be authorized by law shall be deposited in the GOF Conservation and Development Fund and shall be expended by the

I Liheslatura exclusively for purposes authorized in subsection (b) of § 63911 of this Article.

(b) **Uses.** The GOF Conservation and Development Fund shall be used to fund the following:

(1) Development and Construction of boat ramps in Northern and Southern Guam; The Council shall formulate plans for the development, construction, maintenance, and operation of a boat ramp in Northern Guam in the village of Yigo, and a boat ramp in Southern Guam in the village of Talofofo, for use by first responders and emergency personnel and the general public. Such plans shall include, but not be limited to, site identification, costs, engineering, and design. Not later than June 1, 2016, the Council shall submit its preliminary plans and recommendations for the development and construction of the Northern and Southern boat ramps to *I Maga'lahen Guåhan* and to *I Liheslaturan Guåhan.*

(2) Research and development related to the conservation of ocean resources, coral reefs, freshwater rivers, lakes, and ponds in Guam;

(3) Research and development related to the regulation and conservation of fish and other wildlife in Guam's marine and fresh waters;

(4) Marina improvement, moorings, maintenance, and related projects;

(5) The creation, improvement or beautification of access paths to shore-side resources;

(6) Funding for mitigation of surface and storm water runoff and erosion in compliance with applicable laws;

(7) Funding of public activities in support of marine activities;

(8) Funding assistance for community-related marine facilities;

(9) Funding assistance for activities related to the preservation and perpetuation of Guam's indigenous Chamorro Culture and Heritage as it relates to ocean, fisheries, and other marine-related aspects;

(10) Funding for staffing, office expenses, and other activities in support of the mission of the Council; and

(11) Other similar funding priorities as identified by *I Liheslaturan Guåhan.*

(c) **Expenditures.** All expenditures of the GOF Conservation and Development Fund shall be made exclusively by appropriation of *I Liheslaturan Guåhan.* The GOF Conservation and Development Fund shall *not* be used for any purposes other than those enumerated or reasonably inferred hereunder or for purposes other than those relating to ocean, fisheries, and other marine and freshwater related matters. The GOF Conservation and Development Fund shall not be used as a pledge of security or as collateral for government loans without prior authorization by *I Liheslaturan Guåhan.*"

Section 2. Effective Date. This Act shall be effective immediately upon enactment.

Section 3. Severability. *If* any provision of this Act or its application to any person or circumstance is found to be invalid or contrary to law, such invalidity shall *not* affect other provisions or applications of this Act which can be given effect without the invalid provisions or application, and to this end the provisions of this Act are severable.

I Mina'trentai Tres Na Liheslaturan Guåhan
Committee on Municipal Affairs, Tourism, Housing and Historic Preservation
Office of Senator Tina Rose Muña Barnes
Public Hearing Sign-in Sheet

Tuesday, November 10, 2015 • 9:00 a.m. • Public Hearing Room

Bill No. 160-33 (COR) – "An act to add a New Article 9 to Chapter 63, Title 5, Guam Code Annotated, Relative to the Guam Ocean and Fisheries Conservation Act of 2015; to add a New Subsection (d) to § 30101 to Chapter 30, Title 11, Guam Code Annotated relative to the establishment of Marine Conservation Fee; and to amend § 30107 of Chapter 30, Title 11 Guam Code Annotated, relative to deposit of fees into the Guam Ocean and Fisheries Conservation and Development Fund." – *sponsor: Brant T. McCreadie*

NAME	AGENCY OR ORGANIZATION (IF ANY)	SUPPORT? OPPOSE?	WRITTEN TESTIMONY	ORAL TESTIMONY	CONTACT NUMBER	EMAIL ADDRESS
SEC CLARK			NO	NO		Gicbond700@
Mayor Matanane	Mayor of YIGO	Support		✓	777-9446	yigomayors.office@gmail.c
Jose Chargualaf	Self	✓	✓	✓	828-4217	Jbchargualaf46@
Fred A. Aguon Sr.	Indigenous Resources Task Force	OPPOSE		✓	9698551	
TRINI T. TORRES	Taotaomona Native Rights	OPPOSE	✓	✓	969-8551	
RONALD LAGUANA	Destruct	oppose		✓	482-0458	[redacted]
Fred A. Aguon, Sr.	Indigenous Native Resources Task Force and Taotaomona Native Rights	OPPOSE		✓	969-8551	N/A
Chris Alvarez	Nasion Chamoru	oppose			828-8174	—
Carl Dekkers	Public	Support	NO	NO	687-6812	carl.dekkers@noaa.gov
Chris Stinsman	Public	oppose		✓	487-6816	Scarbydoctris@gmail
Michael Duenas	Public	Support		✓	687-5040	mpduenas@gmail.c
Aguon JohnKay	Self	~~Oppose~~ Support		✓	828806	
Joseph Cameron	DCA	Support			772-5962	joseph.cameron@doa.guam.gov
[illegible]	self	Support				
Tom Camacho	Self	Support			797-0085	tom@camachoclaw.c

I Mina'trentai Tres Na Liheslaturan Guåhan
Committee on Municipal Affairs, Tourism, Housing and Historic Preservation
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NAME	AGENCY OR ORGANIZATION (IF ANY)	SUPPORT? OPPOSE?	WRITTEN TESTIMONY	ORAL TESTIMONY	CONTACT NUMBER	EMAIL ADDRESS
Doris F. Cuyan	MCOG/Mayor's Council	support	✓			
Manuel P. Duenas	Fishermen's Coop			✓		
Catherine F. McCollum	Nasion Chamoru	oppose	✓		488.6662	pink.guam@gmail
Josephine Jackson	Nasion Chamoru	oppose			637-5894	
Danny Jackson	Nasion Chamoru	oppose			483-6610	

I Mina'trentai Tres Na Liheslaturan Guåhan
Committee on Municipal Affairs, Tourism, Housing and Historic Preservation
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Public Hearing Sign-in Sheet

Tuesday, November 10, 2015 • 9:00 a.m. • Public Hearing Room

Bill No. 160-33 (COR) – "An act to add a New Article 9 to Chapter 63, Title 5, Guam Code Annotated, Relative to the Guam Ocean and Fisheries Conservation Act of 2015; to add a New Subsection (d) to § 30101 to Chapter 30, Title 11, Guam Code Annotated relative to the establishment of Marine Conservation Fee; and to amend § 30107 of Chapter 30, Title 11 Guam Code Annotated, relative to deposit of fees into the Guam Ocean and Fisheries Conservation and Development Fund." – *sponsor: Brant T. McCreadie*

NAME	AGENCY OR ORGANIZATION (IF ANY)	SUPPORT? OPPOSE?	WRITTEN TESTIMONY	ORAL TESTIMONY	CONTACT NUMBER	EMAIL ADDRESS
Ernest Wusstig	Farmer	Support			483-5099	

Testimony on Bill 160

To the Committee on Natural Resources and Tourism, Honarable Chairman and Senators of 33rd Guam Legislature, buenas dias. My name for the record is Jose N. Chargualaf, aka. Mr."C" of Malojloj-Inarajan a local resident for 74 years. I retired from the Department of Corrections after working thirty years as division head for the Casework and Counseling Division.

I am supporting bill 160 sponsored by the Honorable Senator Brant McCreadie and co-sponsors of this bill. This bill is long over due and I recommend that all the senators of the 33rd Guam Legislature will support and pass this bill. I read the provisions of this bill and find it beneficial to the people living on Guam as well as those individuals visiting the island.

To all the senators present today, thank you very much and hope that this bill will be supported by all the senators. The cd is for more detail of the actual locations and present conditions of the bays in Inalahan. I also show a simple design for a boat ram at Talofofo Bay.

November 10, 2015

Testimony by Catherine Flores McCollum

Bill 160-33 (COR) is a very precarious approach to the Indigenous Fishing Rights, even if Public Law 29-127 is inserted into the Bill. PL 29-127 was created because historically the Chamorro people were prohibited by the Spaniards to fish outside the reef. The Naval Administration hampered the free exercise of traditional freedom practices still inside the reef. These restrictions were recognized in 1977 and brought forth in the Constitutional Convention through a draft Constitution of Guam which was approved by the US Congress and signed by the President of the US, giving "special rights" to off-shore fishing and harvesting of resources. PL 29-127 was passed in December 24, 2008. Due to complications on the play on words by the Attorney General, to date, the Rules and Regulations have yet to be approved. I continue to be a member of the Indigenous Native Resources Task Force which was created by PL 29-127 and we have taken the matter of finalizing these Rules and Regulations.

Upon hearing of Bill 160-33 (COR), we included this Bill as part of our Agenda discussion, met with Senator McCreadie who added the Public Law 29-127 into the language and added a member to the Task Force as a voting member. But still, many questions plague my mind:

- Bill 160-33 (COR) creates a new agency of the Government of Guam.
    - Subsidy to start the agency for new employees to man the office and police the areas around Guam and Guam's oceans; new land and water vehicles; basic supplies; policing supplies; payment of utilities; payment to Council Members; equipment for office, ID's, permits. The list can go on.
- Will the Bill, if passed, be the demise of Public Law 29-127?
- Under 5 GCA § 63800 a Board of Directors for Department of Agriculture - but no board is meeting.
    - Does this Council delete this Board?
    - Should the Board of Directors be active to save taxpayers money if this Council is really needed? Maybe an amendment to 63800 should be in order.
- Does the Council replace the Department of Agriculture's Fish, Game Forestry and Conservation section if Bill becomes law?
- Permit fees – fair or too much? Who will be profiting?
- Why do jet skis dominate the preserve within the reef? Shouldn't this be regulated or banned from within the reefs?
- When one profits from the sale of fish and is Chamorro, should he be exempt from these permits and takes the normal route of licensing for profit?
- Should Council members be community based – selected among all fishermen and not organized based? Having only certain organizations can be dangerous. There are other organizations that have members who are level headed thinkers. Why just these organizations that will be selected?
- The name: Fisheries Conservation Act does not fit the Bill. How can you use the word "commercial" with "conservation"?

I always believed that commercialized fishing should be licensed and should have permission to commercialize in our waters regardless if the fisherman is part of a coop or not. Fishing for subsistence is not commercializing. I make crafted arts to give as gifts but when I sell my goods I need a license. The fact that I am in an organization of crafted artists does not excuse me from getting a license to sell.

If there is an unequal and unfair treatment among our local fishermen due to this Bill, then I am totally against it. Commercial fishing for profit is just that!

Testimony of
The Honorable Doris F. Lujan
Mayor, Municipality of Inarajan
on Bill No 160-33
~~**October 30, 2015**~~
Nov 10, 2015 DL

Honorable Chair & Members of the 33rd Guam Legislature - Buenas

For the record, I am Doris Flores Lujan, Mayor of the Municipality of Inålajån. I come before you to offer testimony on Bill No. 160-33 with a request that the language of the proposed legislation be amended, in a manner which I think would make the intent and purpose of the bill more effective and responsive to immediate needs. I speak primarily of provisions of Section 63911§(b)(1) establishing the Guam Ocean and Fisheries Conservation and Development Fund.

Section 63911§(b)(1) calls for the development and construction of boat ramps in Northern and Southern Guam, specifically in Talofofo. I understand the need to provide boat access to the seas along Guam's eastern coastline. Such access is needed to ensure speedier entry ways, specifically for emergency watercraft and rescue personnel responding to distress calls from boaters or swimmers and for the use of Guam's fishermen and recreational boaters.

That there is a need to develop and construct a boat ramp in Northern Guam is understandable – because at present, there is none. That there needs to be such a facility to permit quick access to emergency first responders to the coastline and shores of Northern and Northeastern Guam is unquestionably an urgent need.

Perhaps for Northern Guam, such a facility can be constructed along the shores of Urunao, Lajuna Point, or Fadian Cove. It is desirable to have a boat ramp in at least one of these areas, and in the future, perhaps near the UOG Marine Lab on Pago Bay and in Talofofo Bay. And let's not forget that one of the major reasons for a boat ramp closer to the eastern shoreline, is quicker to the rich fishing grounds on that side of the island; abruptly taken away with the closure of the

makeshift Ylig small boat launching facility by the reconstruction of the Ylig River Bridge.

My purpose in offering my thoughts on this measure, as the Mayor of Inålahån – is to simply ask that the language of this legislation also include provisions to provide funding for the repair of the boat ramp in Akfåyan Bay, located directly across Bear Rock. Access to the eastern coastline from Akfåyan Bay is much closer and more efficient than from the Hågåtña Boat Basin.

As written, Bill No. 160-33 provides that the ***preliminary*** plans for the development and construction of boat ramps in northern Guam and in Talofofo Bay shall be submitted to the Legislature and the Governor no later than ***June 1, 2016.*** The two boat ramps envisioned by this legislation ***will not be ready*** for use for, at least, another year. The repair of the Akfåyan Bay boat ramp will ensure that during the year, or more, that the two new boat ramps are being planned and constructed, emergency rescue craft can be launched from Akfåyan Bay to provide quicker emergency response capabilities and better and better access to the Pacific fishing grounds.

As an afterthought, the Port Authority of Guam has statutory jurisdiction over the Hågatña Boat Basin and the Hågat Marina because these facilities provide access to navigable waters. The repairs of such facilities are funded through Marina berthing and launching fees, as well as, the wharfage fees contained in the Port's tariff schedule. Additionally federal funding for such work is also available. Perhaps another method of providing funding for the repairs of boat launching ramps throughout the island, because such ramps provide access to navigable waters, would be to provide, in statute, provisions that funding for such repairs will be provided by the Port.

GUAM VISITORS BUREAU
SETBISION BISITAN GUÅHAN

October 28, 2015

The Honorable Tina Muña Barnes
Chairperson on Municipal Affairs, Tourism, Housing and Historic Preservation
Senator
33rd Guam Legislature
155 Hesler Place
Hagatna, Guam 96910

RE: GVB Testimony on Bill 160-33

*HåfaAdai*Chairperson Barnes and Members of the Committee on Municipal Affairs, Tourism, Housing and Historic Preservation,

On behalf of GVB's Board of Directors, thank you for the opportunity to provide testimony on Bill 160-33: An Act to Add a new Article 9 to Chapter 63, Title 5, Guam Code Annotated, relative to the Guam Ocean and Fisheries Conservation Act of 2015; To Add a new Subsection (d) to §30101 to Chapter 30, Title 11, Guam Code Annotated relative to the establishment of Marine Conservation Fee; And to Amend §30107 of Chapter 30, Title 11 Guam Code Annotated, relative to the deposit of fees into the Guam Ocean and Fisheries Conservation and Development Fund.

The protection, preservation and conservation of Guam's natural resources are paramount to the future of our island society. Guam's waters are teaming with sea life and one of the reasons why Guam is a top choice destination for many visitors. It is part of our identity and history as Guamanians. For this reason, GVB supports the intent of Bill 160-33.

However, GVB at this time cannot provide support for provisions contained in section 2 and 3 of Bill 160-33. GVB appreciates Senator McCreadie for working with us, GHRA and our partners, as these two sections were an area of concern. We are happy to have received a letter written by Senator McCreadie to the Committee Chair agreeing to withdraw these sections in the proposed legislation.

As this is an important topic for our island community, GVB is committed to continue working with Senators and our partners in this effort.

Again Si Yu'osMa'ase for your partnership of GVB's mission and for allowing us to submit this testimony.

Senseramente',

JON NATHAN DENIGHT
General Manager

Ami Salas 924 5183

I strongly support Bill 160-33 (COR) also known as "The Oceans & Fisheries Conservation Act 2015."

We live in the present, "Year to date 2015" When Bill 160-33 (COR) is signed into Law. Our future generations of Children & their children will be called the people of Guam."

The future "People of Guam".... will look back into the past and say.... Bill 160-33 (COR) signed into Law... WAS and still IS.... As it stands..

TO PROTECT, TO PRESERVE, TO RESTORE, AND TO maintain the Marine Conservation waters for the People of Guam.

I read the introduced Bill 160-33 (COR). THANK-YOU Brant T. MaCredie for introducing the Bill to Legislature.

Bill 160-33 (COR) was written with excellency! Reason being of excellency!:
It includes 1) The Gov. of Guam
2) Legislature
3) Dept. of Agriculture
4) Attorney General
5) 7 council members which the seats are still vacant. Upon selecting qualification & duties. I ask that the Gov. of Guam will choose each member who will hold, Integrity...

honesty, trust and respect. So we may instill for the future generations that the past.... 1) Gov. of Guam
2) 1 legislature
3) Dept. of Agriculture
4) Attorney General
5) 7 council members
were indeed.....
Mature, Responsible adults.

I ask that bill 160-33 (COR) be signed into Law. So the process will begin in the year to date 2015. To include the future generations of children who will be "The people of Guam."

God Given right.. yes it is your God given right.

It is also my God given right to support this Bill 160-33 (COR),

Nature which we all know as mother nature. She destroys herself and puts all back where it is needed.

The people will destroy but it is our God given right, To Protect... To preserve... To Restore and to maintain what damage has been done.

Thank-you, Si Yuús Maáse.. Maraming Salamat po!

November 10, 2015

Honorable Judith T. Won Pat, Speaker
33nd Guam Legislature
155 Hesler
Hagatna, Guam 96910

Subject: Testimony on and Bill 160-33

Hafa Adai Dear Senators:

I am submitting this written testimony in opposition to Bill 160-33 as currently written.

First of all this legislation seems to put powers of deciding the conservation and access to our fisheries resources into the hands of council that also consists of several non-governmental groups of which I, a neither a member of nor did I vote for any of them to represent my interests through some election process. This is also named the conservation act but I don't see any representation from any purely conservation groups. I suggest that any non-governmental groups be allowed to comment like the rest of the public. Some of these groups like the Fisherman's Cooperative may have a vested interest in excluding certain groups from any fishing. Or at the least the non-government groups can be invited to be advisory but should be non-voting. However, more groups or individuals should be invited then those listed in the bill.

Secondly, the bill proposes to give these council powers to develop a schedule of fees for the public. I firmly believe that any fees developed should apply only to "commercial fishing operations". In other if you plan to sell your fish on a regular basis then you must obtain a permit. Additionally, as pointed out entities like the Fisherman's Cooperative should not be involved in deciding issuance of a permit.

Third, the Ocean and Fisheries Conservation Fund seems to be another fee imposed on the community for purposes that may seem admirable and legitimate on paper but as we have seen recently with other special funds can be misused from the original intent. It's another burden on the people. There are quite a bit of Federal funds and grants that Guam receives for Coastal Zone Management, Coral Reef and fisheries support and management projects. Let's use all of these funds wisely and completely be we start imposing new fees on the community.

I Mas Sincero,

Victor R. Torres

Si Victor R. Torres
Recreational and Subsistence Fisherman

YIGO MAYOR'S OFFICE
"OFFICINAN I TAOTAO"

Rudy M. Matanane, Mayor
Anthony P. Sanchez, Vice Mayor

Written Testimony; in support of Bill No. 160-33 (COR)

I, Mayor Rudy M. Matanane of the village of Yigo submit this written testimony in support of Sen. Brant Mcreadie's Bill, No. 160-33 (COR). I feel that it has been a long time coming and it will give an added measure of comfort to fisherman, swimmers and all water enthusiasts, knowing that in the event they find themselves over the reef they have a better chance to be rescued sooner than ever before, when our 1st. responders had to launch from the agana boat basin and depending on sea conditions it might take an hour or more to arrive and most likely it turns into a recovery operation rather than a rescue mission. We have lost to many lives at ritidian and Sen. Mcreadie's bill would definitely help save lives when we build a boat ramp up north.

Mayor RUDY M. MATANANE

Oct. 30, 2015
DATE

Office of the Legislative Secretary
Senator Tina Rose Muña Barnes
Date 10/30/15
Time 10:00 am
Received by Alan

Tel: (671) 653-YIGO (9446) & 653-5248 • Fax: (671) 653-3434 • Email: yigomayorsoffice@gmail.com

Department of Agriculture
Dipattamenton Agrikottura
163 Dairy Road, Mangilao, Guam 96913

Director's Office 300-7964, 65, 66; Fax 734-6569
Agricultural Development Services 300-7967, 71
Plant Nursery 300-7972
Aquatic & Wildlife Resources 735-0294/0281; Fax: 734-6570
Forestry & Soil Resources 300-7975,76; Fax: 734-0111
Plant Inspection Station 475-1426/27; FAX: 477-9487

Eddie Baza Calvo
Governor

Raymond S. Tenorio
Lieutenant Governor

Matthew L.G. Sablan
Director

Jessie B. Palican
Deputy Director

November 09, 2015

Honorable Senator Tina Muna Barnes
Chairperson on Committee on Municipal Affairs,
Tourism, Housing, and Historic Preservation
33rd Guam Legislature
155 Hesler Street
Hagatna, Guam 96910

Re: Bill 160-33 (Establishment of the Guam Ocean and Fisheries Management Council)

Hafa Adai Senator:

I am providing testimony in support of Bill 160-33. The establishment of the Guam Ocean and Fisheries Council will allow greater resource capacity to ensure programmatic and regulatory process for the sustainability of marine development and conservation practices throughout the coastal areas of Guam and provide monitoring efforts through permitting and harvest records enabling further use of the information for future programs in marine preservation and related activities with endangered and endemic fish and marine life.

The Council will provide the direction and timelines for an effective marine program as well as delegation of efforts in a timely manner as well as assessing penalties for violations. A whole lot can be realized from this Council as it is an added resource in addressing existing and future challenges with our oceanic, marine, coastal landscape.

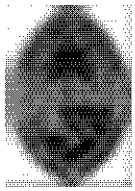
Therefore, it is for this realization and added capacity in the daily endeavor of the Department of Agriculture that the establishment of the Guam Ocean and Fisheries Management Council be supported and legislatively approved.

MATTHEW L.G. SABLAN

Office of the Speaker Judith T. Won Pat, Ed.D.
Date 11/9/15
Time 2:25
Received by

SENATOR BRANT T. McCREADIE

Assistant Minority Leader
I Mina'Trentai Tres Na Liheslaturan Guåhan
Thirty-Third Guam Legislature



Committee Member:

Committee on Municipal Affairs, Tourism, Housing and Historic Preservation

Committee on the Guam U.S. Military Relocation, Public Safety, and Judiciary

Committee on Health, Economic Development, Homeland Security, and Senior Citizens

Committee on Early Learning, Juvenile Justice, Public Education, and First Generation Initiatives

Mailing Address:
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November 5, 2015

The Honorable Tina Muña-Barnes
Senator, 33rd Guam Legislature
Suite 101, 155 Hesler Place
Hagåtña, Guam 96910

Subject: **Bill 160-33 (COR)**

Hafa Adai Senator Muña-Barnes,

As Chairperson of the Committee on Municipal Affairs, Tourism, Housing and Historic Preservation, I would like to thank you for allowing Bill 160-33 (COR) to be placed on the Legislative Calendar for a Public Hearing.

After a meeting with Director Sablan of the Department of Agriculture, the removal of the Guam Ocean and Fisheries Fund and placing the director of the Department of Agriculture or his designee as a voting member on the counsel, along with other items previously discussed in a substituted bill is the best course of action to move forward with Bill 160-33 (COR).

Respectfully,

Brant T. McCreadie
Senator

Protected Area Visitor Fees

Overview

By Kreg Lindberg

6 August 2001 Version

The author can be contacted at:

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This document is part of a set of related papers:

1. Overview – describes general issues and "lessons learned" in the context of visitor fees.

2. Country review – describes fee systems and experience in various countries.

3. Summary – a distillation of the above two documents, with a focus on Belize. Includes a table summarizing fee levels and related issues across marine protected areas.

Two important requests:

Please reference these documents appropriately if you use material from them.

We have tried to provide the most up-to-date and accurate information possible. However, fee systems change over time. Therefore, please help us maintain the accuracy of the material by emailing Kreg Lindberg (k.lindberg@mailbox.gu.edu.au) with any updates or corrections.

We will update these documents periodically, so check back for newer versions.

Notes:

These documents were prepared as part of the "Generating Revenue through Ecotourism for Marine Protected Areas in Belize" project funded by the Summit Foundation and conducted by The International Ecotourism Society and Programme for Belize.

The focus is on marine protected areas in developing countries, but terrestrial protected areas and developed countries are also covered to some extent. The focus is on entrance fees. Typically, park systems also charge several other types of fees (e.g., permits for commercial operators, mooring fees, etc.). Such fees are reported where possible, but these documents are neither comprehensive nor official statements of fee policies.

Unless otherwise noted, all monetary figures are presented in US$. The following abbreviations are used in these documents: PA=protected area, MPA=marine protected area, NP=national park, MR=marine reserve, MP=marine park

The documents are based on a combination of published and unpublished papers, as well as "personal communication" with site managers, tour operators, environmental NGOs, and others. Written documents are referenced following academic convention, and URLs are provided where available.

Lastly, we would like to thank the numerous individuals and agencies that provided information and data!

Introduction

This paper discusses the use of visitor fees as a source of revenue generation for natural areas. It was written in the context of a marine protected area (MPA) finance and management project in Belize, and therefore has a focus on MPAs and developing countries. Nonetheless, it also draws upon the more extensive experience with fees in terrestrial protected areas, as well as in developed countries. Indeed, much of the literature on this topic has originated from the US experience. Though the focus is on public parks, many of the issues are relevant to private areas as well.

As described in the appendix, many park agencies around the world are faced with the challenge of managing parks on limited budgets. This challenge exists not only in low-income countries, but also in some of the world's richest, with the US being a prime example. As noted on its Web site,[1] "the [US] National Park Service (NPS) is beset by financial difficulties brought about by increasing levels of visitation, unfunded infrastructure repair, and rising operating costs."

Though systematic data is lacking, it is believed that funding difficulties are particularly acute for marine protected areas. As noted by the World Wildlife Fund (WWF),[2] most MPAs are "under-resourced and poorly managed, offering little in the way of real protection. Global estimates suggest that as many as 70-80% of the MPAs that have been established worldwide are protected in name only and are not actively managed at all." In other words, they are "paper parks."

A natural response to the lack of government funding is to explore alternative forms of revenue generation, and visitor fees is one such form.[3] However, there is often opposition to fees, on the part of visitors, local communities, and especially the tourism industry. This paper discusses various aspects of the fee issue, including types of fees, the advantages and disadvantages of fees, and price responsiveness. The appendices provide additional background on revenue generation needs and the broader role of tourism in natural area conservation.

It should be stressed that though the focus of this paper is on fees, this is only one way for tourism to contribute to protected area management–visitors and businesses can also make donations, become involved in research, and contribute in other ways. For example, donations by former visitors to Saba Marine Park generated 9% of the park's revenue between 1993 and 1995 (Dharmaratne, Sang, and Walling 2000). In addition, tourism is, and should remain, only one source of funding for protected areas. Such areas provide a range of benefits to society, and

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[1] http://www.nps.gov/feedemo/#anchor170564

[2] http://www.panda.org/endangeredseas/mpa/. Van't Hof (1996) reports that 75% of the 130 coastal and marine parks in the wider Caribbean are "paper parks."

[3] Lack of public funding, and consideration of user fees as an alternative, is not just a nature conservation issues. Kinnucan, Ferguson, and Estabrook (1998) describe similar challenges and responses in the context of public libraries.

funding should reflect that. WCPA (2000) provides an overview of relevant issues and funding opportunities (c.f., Crosby, Geenen, and Bohne 2000:86-87; Geoghegan 1998; Spergel 2001).[4]

There is no single "correct" system for charging fees, so this paper outlines some key issues and general principles that can be considered in various contexts. Managerial decisions about fees often are based on achieving the important, but narrow, objective of revenue generation. Moreover, decisions are often made with little or no consultation with affected stakeholders, notably the tourism industry and local communities. Such narrow objectives and lack of consultation can lead to unintended effects, and even a reversal of fee decisions. Though fee decision making processes will vary across locations, it is recommended that the following four activities be part of every process:

- Explicitly consider both the advantages and disadvantages of fees.
- Consider and state fee objectives.
- Conduct research to guide decision making.
- Work with relevant stakeholders, including tour operators and local communities.

Several of the advantages and disadvantages of instituting fees are described below. It is worth considering which of the advantages and disadvantages are relevant in a given context, both in terms of which ones are important and whether fees will lead to the desired or feared result. For example, equity concerns across socio-demographic user groups may not be important in the context of international visitation. In addition, a disproportionate impact on low-income groups may be considered important in domestic visitation if it occurred, but proposed fees may not lead to such an impact.

If a decision is made to charge fees after review of the advantages and disadvantages, consideration of possible fee objectives can help guide determination of the appropriate fee type and amount. Various objectives exist, including:

- *Cost recovery*, which involves generation of sufficient revenue to cover part or all of tourism's financial costs (e.g., construction and maintenance of a visitor center) and possibly tourism's other costs (e.g., ecological damage).

- *Generation of "profit,"* with the excess of revenue over cost being used to finance traditional conservation activities (at the destination or at other sites) or to achieve other objectives.

[4] Tourism can be a fickle industry, subject to declines due to factors outside the control of natural area managers, which means funding dependent on tourism can also be fickle. These concerns must be balanced with the reality that other sources of funding, from governmental allocations to donations, can also be unreliable, as well as traditionally insufficient. Such considerations support a diverse revenue strategy.

- *Generation of local business opportunities*, which may involve low fees in an effort to maximize number of visitors and/or the earmarking of fees to enhance site or experience quality.

- *Provision of maximum opportunities for learning and appreciation* of the natural resource, which may also involve low fees.

- *Visitor management* to reduce congestion and/or ecological damage, which would involve fees high enough to influence visitor behavior.

Of course, a combination of objectives may exist. For example, in the case of a developing country, cost recovery or profit generation may be the primary objective for foreign visitation while maximum learning opportunities may be the primary objective for domestic visitation.

In some cases, initial or "ideal" objectives may not be possible to achieve, in which case they must be modified. The example of fees at the Siuslaw National Forest in the US illustrates this. Historically, the U.S. Forest Service has been authorized by the U.S. Congress to only charge camping fees. Management objectives primarily focussed on not undercutting the private sector, so market evaluation was performed and fees were set at approximately the same level as equivalent private sector campgrounds.

In 1996, Congress authorized the Forest Service, as well as other federal agencies, to conduct visitor fee "demonstration projects." This allowed the service to charge non-camping fees, including entrance fees. At the Siuslaw National Forest, the management objective was partial recovery of operating costs. The forest performed an evaluation of fees charged at other sites in the area (primarily Oregon State Parks sites), as well as the fee necessary for full cost recovery. The full cost-recovery fee was considered too high, so partial recovery was settled upon.

As this example illustrates, information gathering (research) can be a critical part of the process. Relevant research includes:

- Review of past visitor surveys (particularly those measuring willingness of visitors to pay for the experience).

- Administration of surveys specifically designed to answer questions arising from consideration of fees (e.g., will one type or level of fee have a greater effect on visitation than another type or level?).

- Review of fees charged at similar (and possibly competing) sites elsewhere.

For example, the Fisheries Department in Belize has proposed a "Marine Protected Areas Network Initiative" (MPANI) as part of its efforts to enhance funding for MPAs in that country. The fee levels proposed in that document were based in part on review of results from past visitor surveys in Belize. In addition, the document advises that "the most accurate revenue projection can only be derived from a minimum two-week comprehensive visitor survey."

Though not formally part of the MPANI effort, The International Ecotourism Society is working with Programme for Belize to conduct such a survey.

Ideally, research should continue in the form of monitoring after implementation of the fee system. For example, the US Recreational Fee Demonstration Program includes several surveys of visitor reactions to fees. McCarville, Sears, and Furness (1999) describe the Canadian Park Service evaluation of user and general public preferences for fees. Another research example comes from Australia, where

> the last time [the New South Wales state park agency] implemented a revised fee structure, market research was undertaken to compare park entry and camping fees with other attractions (museums, cinemas, and theme parks) and direct competitors. Surveys were also undertaken in the general community and with park visitors on their willingness to pay an increased fee. The outcomes of the surveys confirmed a willingness to pay a fee increase of about 20% for the existing range of facilities and services. This formed a key component of the Service's decision to raise fees by that amount (ANZECC 2000:16).

The extent and nature of stakeholder consultation can vary widely and typically is dependent on available resources, political constraints, and other factors. Nonetheless, this step is often ignored or undervalued, and in some cases this has led to an inability to implement fees as planned. For example, fee increases have been partly reversed in various countries, including Costa Rica and Australia (at the Great Barrier Reef Marine Park), due to opposition by a tourism industry that was inadequately consulted in the planning process—this highlights the importance of consultation.

Consultation can facilitate understanding of the priorities and concerns of the various stakeholders, and opportunities for addressing these. For example, a common industry concern is that fees will decrease visitation. As noted below, experience indicates that modest fees generally do not have significant effect on visitation, so the park agency and the industry may agree that visitation levels be monitored after a fee increase. It may be agreed that if visitation declines, and this decline is certified by an independent body to be due to the fee increase, then the stakeholders discuss alternatives to fees. This simple example illustrates the potential for taking an "adaptive" approach involving learning and flexibility to respond if fees have undesirable effects. If stakeholders feel there is flexibility to respond to their concerns, then they may be less likely to oppose fees. The US Recreational Fee Demonstration Program is one example of trialing and monitoring fee systems.

The four activities listed above are based on simple planning principles, principles that are part of "management-by-objectives" planning processes like the Limits of Acceptable Change (LAC) process used in the US and elsewhere.[5] Though such processes typically are applied in the

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[5]The LAC process is described in Stankey et al. (1985). In the MPA context, it was used as the basis for the Saba Marine Park management plan (documentation available at: http://www.sabapark.com/).

context of broader recreation management, they are relevant in the fee context insofar as they provide a framework for 1) involving stakeholders, 2) considering alternatives, together with their respective advantages and disadvantages, 3) discussing and specifying objectives, and 4) information gathering during decision making and monitoring in follow-up. ANZECC (2000:28) also illustrates a useful "planning and implementation cycle for user-pays systems."

Types of Fees

There are many types of fees and related revenue sources associated with visitation at parks. The following classification is from the US National Recreation and Parks Association (Loomis and Walsh 1997:322).

- Entrance fees to enter a park.
- Admission fees to enter a building offering an exhibit or show (e.g., a visitor center).
- Rental fees for use of equipment such as boats and user fees for facilities such as a campsite.
- Sales revenue from operation of retail stores and rental income from concessionaires.
- Licenses and permits, such as for fishing or rafting.
- Special service fees.

Entrance fees are perhaps the most widespread and the most controversial (since the "product" being purchased with the other types of fees is more tangible). Even within this category there is wide variety, as fees can vary across time period or type of entry. For example, Yellowstone National Park in the US charges the following entrance fees, as of April 2001:

- Private, non-commercial vehicle: $20 for 7 days or $40 annual.
- Individual (e.g., hike or bicycle): $10 for 7 days or $40 annual.
- Snowmobile or motorcycle: $15 for 7 days or $40 annual.
- Commercial vehicle: per-entry, rates vary by type of vehicle from $25 and $10 per person for a sedan to $300 for a motorcoach (bus).

However, visitors can purchase a $50 annual pass that allows entry to all national parks. This combination of per-day with annual pass options helps tailor fee systems to different types of visitors, which can be beneficial both in terms of revenue generation and of visitor acceptance of fees.

Another example is provided by the state of Tasmania, in Australia, which has the following fee system for entry to its 12 national parks (amounts in AU$):

- Daily entry: $5 per person (bike, boat, bus, or foot) or $9 per vehicle (includes occupants).
- Holiday (all parks for up to 2 months): $12 per person or $30 per vehicle.
- Annual: $18 per vehicle for one park or $42 per vehicle for all parks.

As noted in ANZECC (2000:51), which provides additional detail, the system was customized to the types of park visitors and their needs:

> The annual all-park pass and especially the annual one-park pass are targeted at the regular Tasmanian user. The one-park pass was designed specifically to satisfy holiday shack owners and local communities that hold a great deal of local "ownership" of particular parks. The holiday pass is targeted at interstate visitors who represent 70% of total park visitors, many of whom constitute the growing pre-planned "holiday package" market segment.
>
> Entry booths are staffed at five major national park entrances, while payment is made by self-registration at several other locations. Passes may be purchased from district offices, tourist information centers and travel agents (using a voucher system).

As these examples illustrate, there are various ways to collect fees, including upon entry and through passes that might be checked upon entry or spot-checked when it is uneconomic to place staff at all entries. When visitors are taken to natural areas as part of a commercial tour, it is common, but not universal, for tour operators to purchase entry tickets and simply pass along the cost to their clients, either as part of the tour cost or as an additional cost.

Though it can be expensive, direct collection upon entry allows park staff to inform, regulate, and count visitors. Sales via operators offers a "middle ground" in the sense that it reduces administration costs and still allows visitation levels to be monitored, but does not involve direct contact between park staff and visitors. The option, or combination of options, that is best for a given site will depend on various factors, including the number of visitors and entry sites, the motivation of staff to use the fee transaction to interact with visitors, the degree of compliance of visitors and/or tour operators with self-regulated payment, and so on. Regardless of the option used, there will be administrative costs involved – in staffing entry booths, spot-checking compliance, etc.

With respect to marine protected areas, some sites administer fees directly. For example, at Hol Chan Marine Reserve in Belize, reserve staff sell tickets at the dive/snorkel site, which is spatially limited. However, the revenue from this fee barely covers the cost of collecting it. At Half Moon Caye, also in Belize, most divers to the Blue Hole picnic in one location after the dive, and tickets are sold there.

However, it appears more common for tickets to be sold via operators given the large size and essentially unlimited entry points of many MPAs. For example, the "environmental management charge" of AU$4 per day at the Great Barrier Reef is sold through tour operators. Likewise, the Bonaire Marine Park charges $10.00 per diver per year. It is paid when divers check in at their resort, and the plastic tag they receive must be worn when they are diving. Spot checks are made on shore divers, but peer pressure to pay the fee ensures that checks are unnecessary on dive boats.

Visitor Fees – Disadvantages

Fees have been charged at public parks since at least 1908, when Mount Ranier National Park, in the US, imposed a visitor fee (MacIntosh 1984). There is no international database that provides comprehensive information regarding use of fees, but anecdotal evidence indicates that they have been introduced and/or increased at many developed and developing country natural areas during recent years. Responses to a survey of protected areas conducted in the early 1990s suggest that about one-half of the world's protected areas charged entrance fees at that time (Giongo, Bosco-Nizeye and Wallace 1994), and it is likely that this proportion has increased in the ensuing years. Nonetheless, many countries have resisted, or simply not considered, the use of visitor fees. To some degree this is due to inertia, but in some cases it is due to concern about the negative aspects of charging fees. Some of the disadvantages of fees are as follows.

Cultural/Political Values and Priorities

Perhaps the most common, though intangible, disadvantage is a cultural-political one. In many countries, people have viewed national parks and other public natural areas as part of their national heritage. They feel that the areas, and recreation at those areas, are "public goods" (in the broad sense), like defense, that should be provided by the government to all citizens, with funding ultimately being based on taxes or other government revenue sources. They feel that it is simply not appropriate to charge citizens to access public land.

Equity Across Socio-Demographic Groups

Another common concern, particularly in the domestic visitation context, is that of equity (Harris and Driver 1987). That is, fees may have a disproportionate effect on low-income citizens or other groups within society (e.g., ethnic minorities and/or local residents, who often are also low-income). The empirical evidence of such an effect is mixed, with some studies finding no differences in participating groups across fee and non-fee sites, but others finding that lower income groups exhibit higher price responsiveness than do higher income groups – which would suggest that they would be most affected by a fee.

Based on surveys of responses to actual fees, as well as to willingness-to-pay scenarios, More and Stevens (2000) found that fees were more likely to reduce visitation by low-income groups than by high-income groups (in that study, low-income households are represented by less than $30,000 per year). Adams et al. (1989) reached the same conclusion in their study of pheasant hunting (c.f., Reiling, Cheng, and Trott 1992). With respect to ethnicity, Bowker, Cordell, and Johnson (1999) found that blacks and hispanics in the US were less likely to support fees than were other ethnic groups. Similarly, Bowker and Leeworthy (1998) found that hispanics were more price responsive, and thus more affected by fees.

If fees are not to be increased, the question becomes one of whether services should be reduced or revenue increased through taxes or other non-fee means. In the More and Stevens (2000) study, the majority of all income groups preferred higher fees over reduced services (a result also

found elsewhere (McCarville, Sears, and Furness (1999)). Low-income groups were more likely than high-income groups to favor taxes (17% compared to 5%). However, even low-income households favored on-site fees over taxes (26% compared to 17%) (see also Harris and Driver 1987; Stevens, More, and Allen 1989).

It often is possible to devise fee systems to facilitate visitation by groups that might be disadvantaged, such as through 1) lower fees for students or the elderly or through 2) annual passes, off-peak fee reductions, or "open" days with no fees, which implicitly favor local residents. In addition, such concerns are less relevant in the case of international visitation, particularly when the visitors tend to be much wealthier than residents of the destination country. Framed in economic terms, it may be difficult to justify retaining low or nonexistent fees in order to maximize the consumer surplus of foreign visitors. Many countries, including Costa Rica, have implemented multi-tiered fee systems in order to limit equity impacts for nationals while generating revenue from foreigners.[6] However, several other countries have retained uniform fee systems, in some cases due to explicit or perceived legislative prohibitions on differential fees.

Equity Across Resource User Groups

There is also an equity issue insofar as other users of public resources, such as the mining, forestry, fishing, and agricultural industries, often use these resources without paying full market prices. Thus, visitors, and the tourism industry, might argue that they should not have to pay market price to "use" public lands for tourism. Unfortunately, because governments often do not see parks as resources for job-creating industries, they do not fund park management agencies at the same level as forestry or agricultural agencies. Thus, this equity concern is often legitimate, but the result is that parks are left without adequate funding. In such cases, the park agency and the industry have an incentive to work together to lobby for greater general government funding of parks.

Cost of Fee Collection

Inevitably, there are costs involved in collecting fees (transaction costs), and in some cases these costs will make it uneconomic to collect fees. For example, some recreation areas have many entrances, few visitors, and/or high capital costs for collection facilities (Loomis and Walsh 1997). Nonetheless, there often are ways to reduce collection costs by, for example, selling tickets or passes through tourism or other businesses and by using an honor system, with spot-check enforcement. Data in USDI and USDA (2001:8) indicate that collection costs for the US National Park Service and Forest Service are about 20% of fee revenue.

Change in the Experience

[6] For MPAs in particular, many sites/countries charge residents reduced fees, or no fees at all, including Belize (Hol Chan and Half Moon Caye), Ecuador (Galápagos), Egypt (Ras Mohammed), Kenya, Netherlands Antilles (Saba), Philippines (Tubbataha and Gilutungan), Tanzania, Thailand, and the US (Hanauma Bay).

Another consideration is that fees may change the nature of the visitor experience by making it more structured and commercialized. Similarly, fees may increase visitor expectations to be "entertained," which may diverge from management agency efforts to use visits as opportunities for interpretation and education. However, this concern may be overstated. In the case of international visitation, the experience often already is relatively structured and commercialized–as it is part of a trip that has long been planned, has cost substantial money to undertake, and has involved various business intermediaries. In addition, much visitation occurs in a "frontcountry" (non-wilderness) context, where the experience is already quite structured and commercialized.

Lastly, even in wilderness settings fees may not be problematic. For example, a recent paper by Trainor and Norgaard (1999) indicates that visitors are able to deal with the apparent contradiction between fees and wilderness experience – philosophically, they felt that fees were not appropriate in wilderness, but they understood the pragmatic reasons for fees, and thus accepted them.

Reduced Opportunities for Local Businesses and Employees

A basic microeconomic principle is that quantity demanded/consumed goes down as the price of a product goes up. In the tourism context, this means that fees may reduce visitation and thus business opportunities, which leads to opposition by tour operators.[7] For example, dive operators actively lobbied against the $10 fee at Bonaire Marine Park. Despite this opposition, there was no apparent decline in visitation due to the fee–the actual impact of fees on visitation levels is discussed further below.

Lee and Snepenger (1992) report that tour operators at Tortuguero National Park in Costa Rica considered a boycott of the park to protest an increase in fees from $0.28 to $1.11. When fees were increased more dramatically in the mid-1990s, they were blamed for a national income loss of $65 million due to reduced tourism spending (Inman et al. 1998).

This is a real concern, especially in areas with few alternative economic opportunities. In such cases, even modest decreases in visitation can be problematic for the industry and local communities, even though the fee increase is good for the park agency. Nonetheless, the effects of fees need to be carefully evaluated. For example, in the Cost Rican case, the decline in visitation at the national level may have been due primarily to other factors, including a high-profile kidnapping (Lindberg and Aylward 1999).

There are a variety of other reasons why people oppose user fees at natural areas. One common reaction is that visitors feel that they are paying twice for the same good–that they pay for a park through their taxes, but then also with an entrance fee. What needs to be explained in such circumstances is that the fee is necessary precisely because tax funding is insufficient.

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[7]In some cases, opposition may also result from industry concerns that fee systems will enable the government to more closely track the number of clients, and thus business income.

Visitor Fees – Advantages

Revenue Generation

The most obvious advantage of fees is revenue generation. The US fee demonstration program has generated substantial revenue benefits for the relevant agencies, including the National Park Service and the US Forest Service. In Fiscal Year 2000, the agencies collected $176 million due to the program, which is in addition to the $22 million collected at non-program sites. The program has more than doubled recreation fee revenue from pre-program years (for a current overview of the program, see USDI and USDA 2001; for historical data on park fees in the US, see Loomis and Walsh 1997:334-340).

Bates (1999) describes the example of one particular national forest in the US, the Mt. Baker-Snoqualmie. During 1998, $460,000 was generated through the fee project at that forest, money that was used to hire 24 trail maintenance workers, who cleared over 700 miles (1,100 km) of trails, improved drainage, and helped maintain trailhead toilets and bulletin boards.

Of course, few parks systems will collect revenue at this level–amounts will vary from country to country. The following table shows revenue raised by parks agencies in Australia, where management is primarily at the state level:

User Pays Revenue in Australia and New Zealand
(Amounts in AU$ and NZ$; Source: ANZECC 2000)

State/Region (date)	User-pays revenue	
	Entry fees	Other
Queensland (98/99)	Nil	$4,050,000
New South Wales (94/95)	$6,227,292	$6,657,172
Western Australia (98/99)	$4,540,891	$1,546,848
Victoria (98/99)	$928,000	$3,291,000
Tasmania (98/99)	$1,600,000	$1,500,000
South Australia (98/99)	$1,498,000	$5,073,000
Northern Territory (98/99)	$1,689,000	$489,000
Commonwealth/National (98/99)	$7,594,650	$1,099,950
Australian Capital Territory (98/99)	$122,875	$104,029
New Zealand (98/99)	Nil	$10,937,000

MPAs that cover most or all of their expenses through entry fees and other tourism-related income include Hol Chan (Belize), Ras Mohammed (Egypt), Bonaire (Netherlands Antilles) and Palau (as a whole).

Economic Efficiency

Fees can also lead to efficiency in the economic sense of maximizing social welfare. As noted by Rosenthal, Loomis and Peterson (1984), it is economically efficient to price recreation at a level where marginal benefit equals marginal cost. Though nature tourism is to some degree nonrival, in that a visit by one person does not preclude a visit by another, it typically generates costs of one type or another – ecological, experiential (congestion), or direct (e.g., provision of facilities). In such cases, free access will lead to overvisitation because the "marginal" user will receive less benefit than the cost his/her visit has imposed.

Unfortunately, rarely is there sufficient information on demand or, especially, on cost for a precise determination of efficient fees. Nonetheless, economic efficiency does provide one possible basis for price determination–and highlights the issue of visit-related costs and the economic losses that occur when fees are set on different bases.[8]

Equity Across Users and Non-Users

Although discussions of user fee equity often focus on concerns about access for low-income groups, there is also a countervailing equity consideration–that the users of a good or service should pay for it. If visitors do not pay the costs of providing the visitor experience, then others must pay for it, usually through taxes. This may be seen as inequitable in the case of uneven distribution amongst visitors (e.g., if visitors tend to be wealthier than non-visitors) or of visitation by those resident outside the government's tax base (e.g., international visitors, or interstate visitors in the case of state-funded agencies).

An important issue in this "cost recovery" context is what costs should be attributed to visitation, and thus paid by visitors. This is a difficult issue to resolve, as most natural areas have mandates for both conservation and visitation, and many agency activities (and thus costs) contribute to both. Moreover, there remains debate concerning the degree to which visitation should be viewed as a private good, to be paid for by users, or a public good, to be paid for by society as a whole.

Enhanced Opportunities for Local Businesses and Employees

In some situations, fees can also be beneficial for local businesses because free or underpriced access to recreation opportunities on public land may take away opportunities from private businesses. For example, many private campgrounds in the US compete with campgrounds provided in national parks and national forests, which often have been provided "below cost" by the government agencies.[9]

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[8] Economic principles of fees are presented in Lindberg and Enriquez (1994:Appendix A), Loomis and Walsh (1997), and Rosenthal, Loomis, and Peterson (1984).

[9] Though campgrounds are an obvious example of this issue, sometimes the park agencies compete with the private sector in the core attraction itself. Anon (2000) reports the case of Mammoth Cave National Park in Kentucky, US, undercutting commercial cave attractions.

In Australia, there is national legislation designed to prevent government agencies from "undercutting" the private sector–and this has affected fee levels in some cases. For example, ANZECC (2000) reports that the tourism industry (e.g., camping grounds) in Western Australia criticized the park agency for undercutting their prices, and this led to a price increase.

Visitor Management

In principle, one can use fees as a visitor management tool, and in particular to distribute visitors away from heavily used places or times, thereby reducing negative ecological impacts,[10] congestion, or user conflict. For example, Bamford et al. (1988) studied changes resulting from differential camping fees in Vermont (US) state parks. Fees ranged from $1 to $5, and the difference in fees across campsites led to shifts in favor of the cheaper campsites. This strategy will work best when demand is elastic, when visitors are price responsive. As noted below, this often is not the case at the level of whole parks. However, when one considers the role of substitutes, it may work well at the level of individual sites within a park that are similar to each other–and this was the case for the campsite example (c.f., Kerkvliet and Nowell 2000).

There are a few examples of "peak load" pricing. For instance, the White River National Forest in the US has a $5 fee per person on weekends for cross-country skiing and snowmobiling, but only a $2 fee per person during the week. However, thinking again about substitutes, it may be difficult for people to substitute week days for weekends, so this pricing schedule may be better at generating higher revenue from weekend visitors than at redistributing use.

As one study from the UK put it (Bovaird, Tricker, and Stoakes 1984):

> The generally low elasticity values identified by the analysis ... indicate that the use of admission prices as a means of rationing overall levels of demand at sites might well necessitate large increases above present price levels. [However, for] some individual sites ... quite high price elasticities have been found and in these cases demand is likely to be much more easily managed by relatively small increases in present admission prices.

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[10]However, if the visitors go elsewhere, there may be an overall increase in ecological impacts.

In short, fees used for visitor management are most likely to be effective when the site has close substitutes or when the fee represents a large percentage of total trip costs (e.g., when the fee is quite large or when visitors tend to come from local areas).

An additional, and potentially very important, visitor management gain from fees is that, as illustrated in the case of Australia, "extra staff employed to collect user charges have provided an important management presence, and the contact necessary to collect fees and arrange permits has been used to inform and educate the public" (ANZECC 2000:13).

Enhanced Site and Experience Quality

Lastly, though fees may reduce visitor numbers, they may also have the opposite effect if they are used to enhance the quality of the resource. In addition, in some cases fees can act as price signals, as indicators to potential customers that the experience will be one of quality.

The example of parks in South Australia illustrates this advantage. As noted in ANZECC (2000:14), fees led to the:

> transformation of certain parks from tired degraded reserves to steadily improving credits to the system: upgraded buildings, reticulated water, sewerage, rehabilitated recreational facilities... Also, a management presence has been established over a wide area of the state, making more efficient use of existing resources and by using user-pays funded staff to provide services in new areas – there are significant decreases in vandalism and repair costs where administrative charges are imposed.

Survey results from the Turks and Caicos Islands supports the concept that high marine site quality can be used to sustain high fees, in a virtuous cycle (Rudd et al. 2000). Results indicate that divers would be willing to pay an extra 13% in dive prices for a dive featuring 12 grouper rather than for a trip featuring one grouper. Likewise, they would be willing to pay an extra 5.6% for a trip with large grouper (30 lbs/13.6 kg) rather than a trip with small grouper (5 lbs/2.3 kg). Westmacott et al. (2000) report that surveys of divers in the Maldives indicate that they would be willing to pay an average of $87 more to visit healthy reefs than to visit reefs that had died due to bleaching. Medio (1996) provides Red Sea examples of how sustaining site quality enables marine tourism destinations to maintain an "upmarket" position, with associated high levels of profitability for the industry.

One of the reported reasons for tourism industry opposition to fees is concern that fee revenue will not be used to enhance the site (often based on a feeling that historic park management has been ineffective). For example, Rudd et al. (2000:10) report that dive operators in the Turks and Caicos Islands were "very wary of any increases in dive price that might be caused by MPA user fees. Their caution stems from a wariness of the government's ability to actually transform MPA revenue into concrete actions to protect the reefs." Such views rest on the assumption that fees should only be collected in exchange for a good or service rendered, which may be inappropriate in the context of government agencies serving conservation as well as recreation functions.

Nonetheless, it is clear that using fees to enhance site quality increases acceptance of the fees on the part of both visitors and the tourism industry.

Will Fees Reduce Visitation? The Issue of Price Responsiveness

Several of the arguments for and against fees rest on the assumption that visitation is price-responsive (price elastic). For example, fees will reduce visitation by low-income groups only if such persons stop visiting the park as a result of the fee. Likewise, fees will be most effective for visitor management if demand is price elastic. On the other hand, fees will be most effective for revenue generation if demand is price inelastic, if the increased revenue per visitor is not offset by decreased numbers of visitors.

It should be stressed that price responsiveness can be highly variable depending on the characteristics of the site and the visitors who travel to it. However, research suggests that visitation to natural areas generally is price inelastic–that is, there may be a price response, and even modest responses may be important, but the number of visits will decrease by less, in percentage terms, than the price increase.[11]

The fee demonstration project in the US provides an opportunity to evaluate the effect of fee increases at numerous sites in that country. Systematic analysis and calculation of elasticities apparently has not yet occurred, but government agencies and external researchers are tracking the effects. As the agencies note (USDI and USDA 2001:iii), "[v]isitation to recreation sites participating in the Recreational Fee Demonstration Program continues to appear unaffected in any significant way by the new fees." This lack of response is notable given the substantial fee increases at some sites. For example, Rocky Mountain National Park saw no obvious drop in visitation despite a doubling of the fee from $5 to $10 per visit. "Crown jewel" sites such as the Grand Canyon and Yellowstone, increased fees from $10 to $20 as part of this program. McCarville, Sears, and Furness (1999) report similar results for national parks in western Canada, where entrance fees doubled over three years, yet visitation levels remained constant.

Moreover, the public is not only paying the fees, but appears to accept them. Of visitors surveyed at US national parks, 89% said the fee was "about right" or even "too low" (USDI and USDA 2000). Loomis and Walsh (1997:120, based on Adams, Lewis and Drake 1973) present various US elasticities for activities (rather than sites), with the most elastic value being -0.40 for sailing day outings. Demand for individual sites, rather than activities, will tend to be more elastic, as several sites may be able to provide the same activity opportunity. Nonetheless, the reported elasticities suggest that demand for sites will often be inelastic unless there are convenient substitute sites.

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[11] If demand is inelastic (e.g., values up to -1), then visitation will decrease by less, in percentage terms, than the increase in fees. If demand is elastic (values above -1), then visitation will decrease by more than the increase in fees. For example, an elasticity of -.75 is inelastic and indicates that visitation would decrease by 7.5% if there were a fee increase of 10%.

Knapman and Stoeckl (1995) used travel cost analysis to estimate demand curves for Kakadu National Park and Hinchinbrook Island National Park in Australia. Based on their models A and C, and using an entrance fee increase from AU$5 (price at time of survey) to AU$6 for Kakadu, they estimated an elasticity of -0.014; demand was not estimated to become elastic until a fee of AU$197. Using an entrance fee increase from AU$0 (price at time of survey) to AU$1 for Hinchinbrook, they estimated an elasticity of -0.0015; demand was not estimated to become elastic until a fee of AU$166. They note that Australian empirical studies typically generate elasticity estimates of -0.033 to -0.40.

There are relatively few estimates of elasticity for developing country natural areas. In a study of wildlife viewing demand at Lake Nakuru National Park, Kenya, Navrud and Mungatana (1994) estimated price elasticities of -0.17 to -0.84 for foreigners and -1.77 to -2.99 for residents. The greater price responsiveness for residents is likely due to their lower income levels, which makes them more sensitive to prices.

Chase et al. (1998) used contingent behavior models to estimate price elasticities for international tourism at three national parks in Costa Rica. These estimates were -2.87 for Volcán Poás, -1.05 for Volcán Irazú, and -0.96 for Manuel Antonio. Note that one of these indicates significant price responsiveness and the other two roughly unitary elasticity (neither elastic nor inelastic). However, in an analysis using actual price and visitation data for the same parks, Lindberg and Aylward (1999) found elasticity values of -0.0513, -0.296, and -0.238, respectively. There may be several explanations for the difference, with perhaps the most likely being that visitors had full information on fees at the decision point (time of survey) in the contingent behavior study, while in reality most of the visitors apparently did not know the actual entrance fee at the point of their decision to visit the parks. Chase (1995) found that almost three-quarters of visitors did not know the fee at the time of arrival at the respective park. By this point, visitors had made a psychological, financial, and time commitment to their visits– these were sunk costs in reality, but variable costs in the Chase et al. (1998) survey. Moreover, substitutes were clear to respondents in the Chase et al. survey, but presumably were less apparent or available to visitors faced with a higher-than-expected fee upon arrival.

In the marine park context, a few of the parks surveyed for this project noted decreased visitor numbers due to fee increases, primarily when close substitutes were available. However, the clear majority of sites did not experience decreased visitation, and at many visitation increased as tourists were attracted by the enhanced management made possible by fee revenues.

Though typically not focussed on price-responsiveness *per se*, studies of visitor willingness to pay (WTP) can provide indications of how visitation will be affected by fees. Most studies have found that visitors are willing to pay much more than they are actually asked to pay, particularly in the context of developed country visitation at developing country parks (Lindberg and Aylward 1999). With respect to marine areas in particular, Roberts and Hawkins (2000:86) report that "divers are willing to pay significant sums to protect marine habitats, on the order of $20 - $30 per trip."

One should keep in mind that, especially in the international context, the choices of other actors, and particularly of tour operators, can play an important role. To some degree, operators probably behave like individual visitors. For instance, they may be unlikely to shift away from unique sites in the face of a price rise. However, the decision making process of operators may diverge from that of visitors, in part due to greater information about substitutes. For example, in response to a contingent valuation survey a visitor may report a willingness to pay an additional $20 in tour costs to visit the site in question. However, if the tour operator believes that a different site is a good substitute and will not be raising fees, the operator may shift the tours to that site.

Most estimates of price-responsiveness are short-run, and one might expect long-run responsiveness to be greater, as people adjust and seek new sites. However, there may also be a countervailing effect, which is that people get used to the existence of a new or higher fee, and thus are less likely to respond negatively to it (it becomes their new "reference" price).

In summary, one finds that demand for natural areas generally is not price responsive, that modest fees (e.g., of less than $10) usually has only modest effect on demand. The reasons for this may vary across locations, but a couple reasons include:

- Fees tend to be a small part of income, unlike automobiles or other "big purchases."
- Fees tend to be a small part of a larger holiday package, especially for non-local visitors.

For example, Roberts and Hawkins (2000:86) note that divers typically spend over $3,000 per trip, which means that a $10 entry fee represents less than 1% of total trip costs. However, if the charge were $10 per day of a 6-day dive trip, one might expect a greater response to the price.

However, price responsiveness may vary greatly across sites and fee levels. Sites that have many substitutes, that are not special or unique, will generally exhibit greater price responsiveness than those that are special or unique (Stevens, More and Allen 1989). For example, Schneider and Budruk (1999) surveyed visitors at a beach in a national forest in the southwestern US. There was no fee for that area, but there were fees at similar sites elsewhere in the same forest. Of the 344 people surveyed, 123 (about a third) changed their visitation in response to the fees, with changes including coming less frequently, visiting free sites rather than fee sites in the same forest, and visiting sites outside the forest. In other words, when close substitutes are readily available at lower cost, it is likely that visitation will be relatively price responsive.

Other Fee Issues

In addition to the advantages and disadvantages noted above, there are other (often related) issues that arise in the fee decision making process. An important one is that of earmarking, of retaining revenue collected at least at the agency level, and ideally at least partly at the park level. Though some governments may see fees as a way to obtain tax revenue from tourists and

tourism, from the park agency perspective the motive for charging fees is to compensate for inadequate budgets. The gap between budgetary needs and government funding will only be closed if fee revenue is retained rather than going to the general government treasury.

Of course, it is not always so straightforward. In some cases, revenues that go to government treasuries may lead to increased treasury funding of parks. Conversely, in the case of earmarking, politicians may reduce treasury funding by the fee amount received by the park agency. This actually makes the agency worse off than without fees, as there is no gain in revenue but there are additional costs associated with collecting fees.

Thus, the agency, and park supporters (ideally including the tourism industry) should make a strong case for earmarking. Past experience supports this case. For example, ANZECC (2000:3) notes that, "client services and facilities were greatly improved where user-pays revenue was retained by parks services. Local retention of revenue was most commonly mentioned [by agencies] as the key factor in creating a positive cycle from revenue to better services and facilities to positive public attitude and back to increased revenue."

Earmarking can be important for enhancing acceptance of fees by key stakeholders, including visitors, local communities, the tourism industry, and agency staff. For example, ANZECC (2000) report that a recent survey in the state of Tasmania indicated that 86% of the public felt fees were good if income is returned directly to parks, but only 36% if income is retained by consolidated revenue (the state government treasury). If fee revenues are used to hire local persons either as regular park staff or as contractors, such as for infrastructure development, then fees can benefit local communities and engender their support.

There is a concern that earmarking provides an incentive for park staff to allow or promote visitation to levels that may lead to unacceptable ecological or experiential changes (e.g., Lindberg, Tisdell, and Xue 2001). The extent to which this problem exists is unknown, but it is an issue that managers should be sensitive to.

As Geoghegan (1998) notes, the self-financing protected areas in the Caribbean tend to be managed by "extra-governmental" agencies, including environmental NGOs and quasi-governmental statutory bodies. Such groups tend to have greater legal and administrative flexibility and avoid pressures to channel fees into governmental treasuries. Nonetheless, some traditional governmental agencies have earmarking policies. Anecdotal evidence suggests that there is at least a modest trend toward earmarking – with both governmental and extra-governmental examples. For instance, the US Fee Demonstrational Project provides for 80% of the new fees collected to go into the budget of the forest or park that collects it, with the remaining 20% going to maintenance of recreation areas where fee collection would not be feasible. Another example is the Protected Area Conservation Trust (PACT) in Belize. Though not directly a park funding program, the revenues collected from departure taxes paid by international visitors to the country goes into a special fund used to finance conservation projects.

Related to the issue of earmarking is that of informing visitors how fees are used, and particularly how fees will enhance visitor services. Opposition to fees results in part because visitor may view them as unfair or feel that they will not receive benefits from paying them, such that information about the need for fees and the resulting benefits for visitors can lead to greater acceptance (McCarville, Reiling & White 1996; McCarville, Sears, & Furness 1999). The Tasmania (Australia) national parks and reserves visitors guide (1993 version) noted that "[a]ll funds raised from fees will be re-invested to ensure improved facilities such as better roads, shelters, picnic areas, toilets and walking tracks." Similar communication efforts are made in the context of the US Recreational Fee Demonstration Program.

However, it should be noted that a change in services that is seen as an improvement to some visitors may be seen negatively by others who prefer that the area be maintained as it is (Martin 1999; Vogt and Williams 1999). The optimal use of earmarked revenues will need to be considered in the context of visitor desires, agency guidelines and priorities for the specific area, and other factors. Though some studies have found that information on use of fees may not always make a difference to visitors (Laarman & Gregersen 1996), anecdotal evidence and the majority of studies indicate that communication is a cost-effective means of increasing visitor acceptance of fees (Lundgren et al. 1997; McCarville, Sears, and Furness 1999; Roberts and Hawkins 2000:86).

Another issue is the common tourism industry concern that park agencies do not provide sufficient advance notice of fee changes to allow incorporation of them into tour package prices. For example, in 1996 it was decided to increase the "environmental maintenance charge" for tourists visiting the Great Barrier Reef (Australia) on commercial tours from AU$1.00 to AU$6.00. The industry strongly opposed the increase, and this led the government to back down–the EMC was increased to $2 in January 1997 and then to $4 (rather than $6) in April 1998. In part, the opposition resulted from the magnitude of the increase, but it also resulted from the timing, which did not allow operators to incorporate the change into prices of tours that sell a year or more in advance (a similar problem occurred in Costa Rica, where fees were changed suddenly after election of a new government). A common industry recommendation is notice 18 months in advance.

Appendix: The Need for Revenue Generation and the Tourism Option

Following Dixon and Sherman (1990:15-16), the benefits of natural areas can be grouped as follows:

- Recreation and tourism.
- Watershed protection, including erosion control, local flood reduction, and regulation of streamflows.
- Ecological processes, including fixing and cycling of nutrients, soil formation, circulation and cleansing of air and water.
- Biodiversity, including gene resources, species protection, ecosystem diversity, and evolutionary processes.
- Education and research.
- Consumptive benefits.
- Nonconsumptive benefits, including aesthetic, spiritual, cultural/historical, and existence value.
- Future values, including option and quasi-option value.

As this list illustrates, tourism is but one of the benefits provided by natural areas, and thus generally should be only one of the sources of funding for them.

Of course, there are also costs associated with natural areas, including:

- Direct costs for purchase and management of the area.
- Indirect costs, such as crop damage by wildlife wandering outside the park.
- Opportunity costs, such as foregone outputs (timber, medicinals, etc.).

Public natural areas are protected based on the assumption, sometimes supported with formal evaluation, that the benefits of doing so outweigh the costs.[12] However, the costs are often financial and/or spatially concentrated in nature, while the benefits are often non-financial and diffuse in space and time. Indeed, the benefits often accrue outside the geographic boundary of the national or local region (and its government) that bears the costs. Although programs such as the Global Environmental Facility (GEF) provide international mechanisms for "gainers" to compensate "losers" due to protection of natural areas, it is widely felt that funding of public natural areas remains inadequate (James 1999; James, Green, and Paine 1999). In extreme, but not uncommon, cases, there is effectively no management at parks due to lack of funding.

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[12]Such evaluations of alternative land use and designation illustrate the important role that tourism can play by generating benefits associated with conservation of biodiversity. Examples include Ruitenbeek (1989), Hodgson and Dixon (1988), and White, Vogt, and Arin (2000).

In the early 1990s, IUCN estimated that protected area budgets totaled approximately $4.1 billion, which was only 24% of the $17 billion needed to maintain the areas (IUCN 1994 and WRI/IUCN/UNEP 1992, in Vaughan 2000). James, Green, and Paine (1999) estimate that, on average across developing countries, protected area budgets represent only 30% of the financial requirements for effective conservation. Similarly, Wilkie and Carpenter (1999a) report that government and donor investments currently meet less than 30% of the estimated recurrent costs of protected area management in central African countries, and Wilkie, Carpenter, and Zhang (2001) list actual versus recommended spending for protected areas in Cameroom, with actual spending accounting for less than 20% of recommended spending.

Citing earlier studies, James, Green, and Paine (1999) note that effective conservation in African protected areas is estimated to cost between $200 and $230 per km^2, yet James (1999) reports the following agency budgets in $ per km^2 for selected east and southern African countries:

- Angola < 1
- Botswana 51
- Kenya 409
- Namibia 70
- South Africa 2,129
- Tanzania 30
- Uganda 47
- Zambia 23
- Zimbabwe 436

Though some countries are funded above the effective conservation level, many are not–and budgets for other countries in Africa and elsewhere are often lower still.

Average per km^2 funding in developed countries ($2,058) is much greater than in developing countries ($157), but the former also face budgetary constraints. For example, the US has implemented the "Recreational Fee Demonstration Program" in order to generate revenue in the face of inadequate federal government outlays (USDI and USDA 2000). Queensland and other states in Australia also face resource difficulties (LGAQ 2000), while McCarville, Sears, and Furness (1999) report that during a period of three years in the late 1990s, the Canadian Park Service operational budget was cut by almost a third (c.f., Van Sickle and Eagles 1998). Even in Nordic countries, which have both high income levels and a strong tradition of open and free access to nature, fees have been considered. As noted by Ovaskainen, Horne, and Sievänen (1999:49), in Finland:

> the budget funding allotted to visitor services has become insufficient with the increased number of services provided. During the next few years, it has to be decided whether the basic recreation services on public lands can still be offered free of charge in the future – which might mean cutbacks in facilities – or whether they should be subject to a charge on the beneficiary-pays principle.

To the extent that 1) domestic beneficiaries of public natural areas can not be galvanized into pressuring politicians to allocate greater funding for such areas and/or 2) international beneficiaries do not pay for the benefits they receive, public area management agencies are forced to "sell" area benefits in order to expand their budget. In other words, they have an incentive to create a market in the biodiversity they manage because non-market funding mechanisms have been inadequate relative to conservation needs and the benefits that such areas bestow on society.

The challenge for protected area managers is that it is very difficult to create a market for most biodiversity benefits. As illustrated in Dixon and Sherman (1990:26), most natural area benefits are nonexcludable – that is, a parks agency can not prevent someone from receiving the benefit of knowing that a specific park or system of parks exists and protects flora and fauna. This inability to exclude beneficiaries is one rationale for public funding of such areas.

However, tourist visits are excludable in principle,[13] and such visits apparently represent the biodiversity benefit that is most commonly sold via markets. The provision of visit opportunities also often involves the most visible agency cost (e.g., construction of roads and visitor facilities), and this may facilitate public acceptance of the market, of charging entrance or other user fees.

[13]At many areas, visitation is nonexcludable in practice, as the cost of exclusion would outweigh the benefits of the market created through exclusion.

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Note: The following includes references that are not cited in the text, as additional resources, providing they contain discussion or information relevant beyond a single location (e.g., articles on tourism that simply mention a local park fee are not included). Generally, the references do not cover methodological issues in estimating price elasticity or willingness to pay. Methods are discussed in various textbooks, including the following:

Loomis, J.B., & Walsh, R.G. (1997). *Recreation Economic Decisions: Comparing Benefits and Costs.* State College, PA: Venture.

Garrod, G., & Willis, K.G. (1999). *Economic Valuation of the Environment: Methods and Case Studies.* Northampton, MA: Edward Elgar.

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The first of these books also provides a good overview of fee issues and a review of US experience with fees. The last of these is primarily for advanced economist readers.

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Tourism User Fees

Table of Contents

1 UNDERSTANDING THE MECHANISM – HOW DOES IT WORK ?

1.1 Overview

Worldwide, tourism is the largest and fastest growing industry, with **ecotourism** as one of the fastest growing segments of the market. Every year, millions of tourists around the world visit protected areas (PAs) or travel to destinations for nature-based recreation. While PAs often supply the most important part of such recreational experiences, they typically capture very little of the total economic benefits derived from ecotourism.

A number of relatively simple, market-based mechanisms – known collectively as **tourism user fees** (**TUFs**) – can capture significant revenues from tourism-based activities, which can then be directed toward supporting PAs and other conservation efforts (see Table 1 and Figure 1). The fees partially reflect the cost for supplying recreational services, the demand for natural resources, and the value that visitors place on their experience at the site. The direct link between conservation and income from user fees makes conservation a strong economic motivation.

Most TUFs are *site-level* mechanisms (i.e., specific fees for specific activities are enacted at PA sites). These site-based finance mechanisms are broadly referred to as **visitor use fees**. A few other types of fees are *national-level* mechanisms. This chapter focuses primarily on site-level fees.

TUFs can be structured around many activities. For example:

- **Entrance fees.** Visitors can be charged to enter PAs.
- **Concession fees.** Companies ("**concessionaires**") providing services within PAs – such as lodging and food – can be charged fees to operate such business concessions.
- **Licenses and permits.** Private firms operating within or outside PAs (e.g., tour operators, guides, cruise ships) and individuals participating in specific recreational activities (e.g., diving, fishing, camping) can be charged for licenses or permits.
- **Tourism-based taxes.** Taxes can be levied at hotels, airports and other collection points, and channeled into conservation.

With ecotourism growing so rapidly, and with the wide range of fees available, TUFs provide a conservation finance mechanism with perhaps the broadest application and highest overall revenue potential worldwide. Under

Glossary of Terms

Collection mechanism: Logistical arrangement for collecting user fees (e.g., personnel issuing entrance passes, voluntary "drop boxes" at entrance gate).

Concessionaire: Company or individual granted the right to undertake and profit from a specified activity on the site, such as a restaurant or eco-lodge.

Concession fee: Fee charged to a business providing a service (e.g., lodging) within a protected area (PA).

Day use: Recreational outing where the visitor arrives and departs the same day.

Ecotourism: Environmentally responsible travel and visitation to natural areas that promotes conservation, has a low visitor impact and provides for active socio-economic involvement of local peoples.

Entrance fee: Fee to enter a park or PA, typically higher for foreign tourists.

Facilities: Man-made structures and improvements at PAs that help support public usage of the areas.

Fee areas: Areas where a fee is charged upon entering and reliable counts of visitation can be made.

Fee differential: Scale of different fees charged, based upon residential and other criteria; designed to promote equity between disparate visitor income levels.

Licenses/ permits. Certificates that are sold, allowing users to participate in a specific activity (e.g., scuba diving).

Overnight use. An outing that involves an overnight stay as a sanctioned part of the recreational experience.

Proprietary income: Income from user fees that is legally restricted for use at the area of collection, rather than joining the government's general

certain conditions, TUFs have the potential to generate significant revenues for conservation, particularly in countries and specific PAs developed as *ecotourism destinations.*

In such areas, the right combination of user fees often can provide a significant portion of operating costs – but still typically not the total cost of protecting the resource. In particular, entrance fees – the most common type of TUF – have the potential to generate a large portion of the operating costs of a PA in locations where tourism volume is high and entry fees are also relatively high.

1.2 Key Actors and Key Motivations

Visitor use fees involve four particularly relevant stakeholder groups. General motivations for each of these groups are outlined below.

1.2.1 Protected area managers

PA managers are typically governmental staff but can be NGOs or community-based organizations / members. These managers are primarily motivated by conservation objectives, although in many countries / settings, corruption and profit motives can be motivating factors. Managers generally seek to maximize **proprietary income** from user fees that can directly support the operating costs of PA management. Managers need to ensure that user fee mechanisms and associated services, such as lodging accommodations within a PA, are consistent with and supportive of the overall conservation objectives of the PA.

1.2.2 Tourism-related businesses

This includes many different kinds of businesses, covering such industries as: food services; hotel and lodging; airlines; sport fishing, snorkeling, scuba diving and other water-based recreation; souvenirs and other retails sales. Generally, these businesses seek to maximize their profit and minimize the amount of user fees they are required to pay.

1.2.3 Local communities and local governments

Local communities and governments seek income benefits from TUFs. Local community members provide significant labor for tourism-related businesses, and can benefit at least indirectly when these businesses maximize their profits. On the other hand, *large-scale* businesses, in particular, can have harmful impacts on local community cultural values and traditions. Therefore, many local community members will seek to ensure that any business concession or permit schemes around PAs require that businesses be sensitive to and supportive of such cultural values and traditions. Local governments are often the primary authority responsible for PA management, and therefore are also, as with category #1, motivated to maximize **proprietary income** from user

treasury.

Tourism user fees (TUFs): Fees on tourism-based activities designed to generate revenues to support conservation.

[Eco]tourism development/ management plan. Strategy to attract appropriate volume and type of tourists, and manage tourism impacts and visitor use fees.

Visitor use fees. Generic term covering a range of TUFs charged to visitors to PAs.

Willingness to pay. Amount users are willing to pay for benefits derived from a site, relative to other competing uses of their income.

Milestone payments are attached to various stages of drug discovery (e.g. screening, identification of active compounds) and development

Promise of Future Supply: a two-way benefit by which the company is guaranteed that the source material will continue to be available in the event that successful research results occur. This condition can be linked to the economic benefits and involve up-front or milestone payments, or both.

Purchaser: Company that pays for the collection of natural resources to extract genetic information and develop commercially-valuable derivatives

Royalties: Payment for the right to use intellectual property or natural resources; can be a fixed sum, a percentage of the profits from the developed product, or both

Source country: Country from which natural resources are collected, often in the developing world

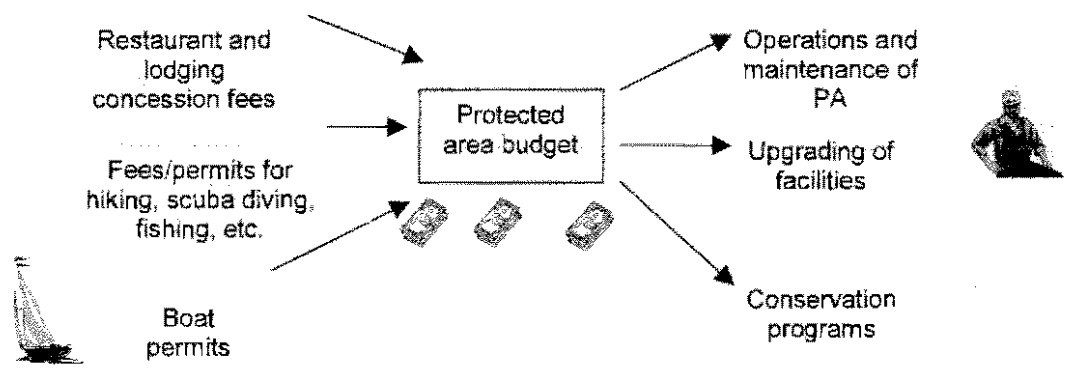
Up-front payment a) Contract Fee: It is not necessarily tied to anything in particular, but can be included in a contract as a payment to move the project forward. Typically, companies are not eager to pay such fees.

b) Research Budget: it is possible to request payments in advance for necessary items, e.g., new equipment, materials, training, travel, and so forth. Companies are likely to agree to such dedicated fees more readily than to non-specific up-front fees.

Value-added: Processing or refining a plant or other sample to increase its value when it is sold by the supplier

fees that can directly support the operating costs of PA management. In addition, some local government officials are resistant to any taxes that would be earmarked for conservation, diverting potential tax revenues from other priorities.

Figure 1: Schematic depiction of tourism user fee flows



1.2.4 Tourists

Tourists generally fall into two categories: foreign and domestic. In developing countries, there are generally large income disparities between these two groups. Fee differentials are required such that foreign tourists pay significantly higher user fee rates. Both categories of tourists are motivated to pay at least modest user fees if they are earmarked toward maintaining the PA attributes that have encouraged their visit. Many higher income tourists are motivated (willing) to pay significantly more than existing TUF rates.

1.3 Types of Tourism User Fees

While there are many ways to divide TUFs. Several broad categories are delineated below.

1.3.1 Entrance Fees

This is a fee charged to visitors in order to enter a PA or other ecotourism site. There are a number of ways entrance fees can be collected – e.g., at the entrance to the site or previously at another administrative center. They can be charged directly to the visitor or, alternatively, tour operator companies may purchase tickets in advance so that visitors on organized tours have the fee included in the total cost of their tour package. Differential fees are common. In particular, in developing countries, domestic citizens are typically charged considerably less than foreign visitors. This is widely viewed as essential for the following reasons:

- Residents of a destination country are already paying, through taxes, for PA conservation;
- Environmental education and recreation objectives of PAs will normally seek to encourage visitation by local people, which would be discouraged with higher user fee rates; and
- Foreign tourists from developed countries are generally willing and able to pay more for access to PAs.

Table 1. Types of Tourism User Fees in Protected Areas (PAs)

Fee type	Description	Examples
Entrance fees	Charge for entering a PA.	Fees collected at entry gates.
Concession fees	Charges or shares of revenue paid by businesses operating within PAs, providing services to visitors.	Fees to operate restaurants, hotels, eco-lodge facilities and souvenir shops.
General user fees	Fees paid by visitors to use facilities within the PA.	Fees to use parking lots, campsites, visitor centers, boats, shelters.
Royalties and sales revenue	Monies from sales of consumer goods.	Fees on recreational equipment, souvenirs.
Licenses and permits	Instruments required for private firms (or individuals) to conduct activities on PA property.	Permits for tour operators and guides for scuba/snorkel, kayaking, sport fishing; mountain climbing/hiking permits; licenses for cruise ship visits.
Taxes	Targeted taxes on relevant points on the market chain related to the tourism industry, that are earmarked for conservation.	Taxes on hotel rooms, airport use (entry or departure tax).

Some examples of differentiated entrance fee structures are provided below. Table 2 shows how privately managed PAs in Belize differentiate their entrance fees between local citizens and foreigners. Table 3 shows the differentiated entrance fees in effect in Galapagos National Park in Ecuador. In this case, fees are differentiated into a greater number of categories to offer lower prices to neighboring countries. Tables 4 shows entrance fees charged by the Kenya Wildlife Service. These are not only differentiated by visitor type but also by levels of visitation. Parks with similar visitation levels are grouped together, and the most heavily visited sites charge the highest entrance fees. A further differential may be made for students who are usually charged an even lower fee, as is done at Galapagos.

Table 2. Visitor entrance fees to protected areas managed by the Belize Audubon Society

Protected area	**Hectares**	**Entrance fees (US$)**	
		Belizean Citizens	Foreigners
Guanacaste National Park	20	0.50	2.55
Blue Hole National Park	232	1.00	4.00
Crooked Tree Wildlife Sanctuary	6,475	1.00	4.00
Cockscomb Basin Wildlife Sanctuary	41,278	1.25	5.00
Half Moon Caye National Monument	3,925	1.25	5.00
Tapir Mountain Nature Reserve	2,728	no access	no access
Shipstern Nature Reserve	8,903	1.00	5.00

Table 3. Visitor entrance fees for the Galapagos National Park, Ecuador	
Category	**Amount in US$**
Foreign tourist (non-resident)	100
Foreign tourist under 12 years	50
Foreign tourist of a member country of the Andean Community or Mercosur	50
Foreign tourist of a member country of the Andean Community or Mercosur under 12 years	25
Citizen or resident of Ecuador	6
Citizen or resident of Ecuador under 12 years	3
Foreign tourist non-resident attending a national academic institution	25
National or foreign children under 2 years	No fee
source: Government of Ecuador, 1998	

Table 4. Visitor Entrance Fees for Kenya's National Parks

Categories	Non Residents (US$ per day)	Kenya Residents (Kshs per day) **	Kenya Citizens (Kshs per day)**
CATEGORY A (very high use)			
Aberdares, Amboseli, & Lake Nakuru			
Adults	27	500	100
Children (from 3 to 18 years)	10	50	50
Student and organized groups*	10	50	50
CATEGORY B (high use)			
Tsavo East & Tsavo West			
Adults	23	200	100
Children (from 3 to 18 years)	8	50	50
Student and organized groups*	10	50	50
CATEGORY C (moderate use)			
Nairobi, Shimba Hills & Meru			
Adults	20	150	100
Children (from 3 to 18 years)	5	50	50
Student and organized groups*	10	50	50
CATEGORY D (low use)			
All other parks			
Adults	15	100	100
Children (from 3 to 18 years)	5	50	50
Student and organized groups	5	50	50

* Includes students over 18 years and adults from educational, conservation and civic institutions

** 70 Ksh = US$1

source: Kenya Wildlife Service, 2001

The price of entrance fees to PAs in developing countries varies widely. The Galapagos charges foreign visitors a US $100 entry fee, while national parks in Kenya, Tanzania, Uganda and Botswana charge foreign tourists US $20 – 30. Such relatively high fees are typically only found at internationally well-known parks, or at sites that have large numbers of "charismatic" terrestrial wildlife species, such as lions, elephants and primates. A few marine protected areas that have outstanding and accessible coral reef and other marine life attractions are also able to charge relatively high fees. Traditionally, entrance fees provide the greatest revenue contributions to ecotourism sites, primarily because it is the easiest fee to collect.

Entrance fee are primarily designed to increase funding available for the area's conservation activities. However, the pricing of entrance fees can also be a mechanism for facilitating or limiting *visitor access*. If managers of a PA identify the need to limit visitation because of adverse visitor impacts, raising the entrance fee is one tool to achieve this objective. There is a need to communicate changes in fees in advance to tour operators, guide book authors, etc. in order avoid surprises by foreign visitors at the gate. Such changes require a thorough knowledge of the demand for a site's attractions before the effect of changing the amount of an entrance fee can be reasonably predicted.

1.3.2 Concession fees

These fees are typically collected from companies (**"concessionaires"**) that are granted "concessions" for providing a service to visitors within an ecotourism site. Concession contracts between the concessionaire and appropriate legal authority include specific provisions specifying the pricing of the fee, the collection mechanism and other logistical, financial and legal details. Depending on the legal framework of the country, any function – including the management of the entire PA or operation of specific facilities – can potentially be contracted to a concessionaire. The most common services provided through concession contracts include: lodging, food and beverage services, horse rentals, recreational equipment rentals, guided tours and boat transportation, and gift / souvenir shops. At some ecotourism sites, the PA administration may choose to carry out all of these services in-house without involving outside concessionaires. On the other hand, most ecotourism site managers find that they either do not have the expertise or the investment capital needed to provide these services in a professional manner. This is typically a decision made by the management on a site-by-site basis.

Selection of concessionaires is usually done through a competitive bidding process in which the site's administration develops the terms of reference and interested companies apply, indicating the services they are offering and the amount they are willing to pay for the opportunity to provide these services. In the case of government-managed PAs, this process can be long and involved. Concessions can be an excellent way to involve local people in PAs – as either sole or co-owners of the concessionaire, or employees of the concessionaire. This can help build local community support for the PA.

A concession fee may not be a viable option for some sites, particularly if there is limited demand for the service. In some cases, there may be demand but not the entrepreneurs with sufficient capital, interest and risk-taking ability. A concession should not be undertaken unless a marketing study and business are prepared (in Resources Section below, see Volume 4 of *Ecotourism Development: A Manual Series for Conservation Planners and Managers*).

One particularly difficult aspect of concessions is arriving at a balance between the amount that the concessionaire will earn by exploiting the resource, and the amount that will be returned to the PA

administration. (To take one example, in the US, this figure is about 2 to 3 percent of concessionaire earnings). Concession fee income can be structured in different ways. The major options include:

- fees based on the *number of people a concession serves* during a given year;
- fess based on a *percentage of the gross or net* income of the concessionaire;
- an annual *fixed fee*; or
- a combination of the above.

In many situations, it can be difficult for the concessionaire to track and calculate profits, income and number of people served. A fixed annual fee provides a simpler way to charge a concessionaire, but lacks flexibility: the concession may be steadily increasing its business while the annual fee remains the same. It is not unusual for concessionaires to make huge profits while site administrations receive very little in fees. It is important to be creative in setting concession fees at appropriate levels for all parties and using fee income methods that are easily calculated.

It is particularly important for the site administration to retain control over the concessionaire's operations to assure that resources are not over-exploited or damaged, and that protection and management functions are not neglected in favor of profit-making functions. As such, along with fee rates, the contract for concession operations should also require adherence to *best practices* pertaining to ecotourism infrastructure development and management. The ecotourism site's manager is ultimately responsible for ensuring that all standards and contract conditions are monitored periodically and complied with. Such responsibilities entail costs, which should be factored into user fee systems.

1.3.3 Licenses or Permits

These are typically fees charged to allow the individual visitor or a company to carry out a specific activity that requires special supervision / management because (i) it is infrequently participated in; (ii) demand for this activity must be managed; and, (iii) controlling the activities is necessary to minimize resource damage. Examples of activities include: backcountry camping, sport fishing, rock climbing, boat launching, anchoring of boats, hiking, and cruise ship visits. It is common for some of these types of activities to be rationed in order to reduce human impact and/or provide for a particular visitor experience such as a high level of solitude. It is a useful mechanism for monitoring how many visitors actually carry out certain activities. Guides and tour operators may also need special permits to work within the site, for which a fee is usually charged. Trophy hunting licenses can be another source of income for conservation, as is the case in a number of African countries.

1.3.4 Other tourism-related fees and taxes

A wide range of other tourism related fees and taxes exist, such as:

Taxes on consumer items sold within the PA. In many cases, third parties may sell souvenirs, food and other products to visitors within the site. A fixed or percentage-based tax on such sales presents another potential source of income for conservation. However, third parties must make a profit before the site's administration receives a percentage.

Airport departure tax. National-level airport departure taxes are in place in many countries. A portion of these funds can be earmarked for environmental protection. For example, Belize (Central America) has a law that requires all foreign tourists to pay a US $3.75 "conservation fee" at the airport, in addition to the normal US $11.25 airport departure tax. Tourists are given an explanatory brochure and a separate receipt when paying the conservation fee. Revenues go directly to the "Protected Area Conservation Trust" (PACT), that is independent of government. A number of other countries are now considering proposals to charge airport fees earmarked for parks and conservation. For example, in 1999 the Republic of the Seychelles proposed charging all foreign tourists a US $100 fee on arrival at the airport,

for the world's first "environmental tourism visa", called the Seychelles Gold Card. This would grant free lifetime admission to all state-run PAs, including two World Heritage Sites. Depending on tax code regulations, it may also be possible to institute such departure taxes at specific airports only, or for specific provinces.

Road Tolls. Road tolls can be put in place for special scenic drives located in or near PAs. For example, Florida charges a US $3 toll to all motorists on a highway called "Alligator Alley", just north of the Everglades National Park, where it is often possible to see alligators from the road. This toll raises US $60 million annually, all of which is earmarked for conservation of the greater Everglades ecosystem.

Cruise Ship Passenger Fees. Fees on cruise ship visits to PAs or nearby gateways can generate significant income in high tourist visitation areas, such as Komodo National Park near Bali, Indonesia and in the Caribbean. In 1998, six small countries in the Eastern Caribbean (Antigua, Dominica, Grenada, St. Kitts, St. Lucia and St. Vincent) jointly decided to charge a US $1.50 per passenger "cruise ship waste disposal fee" to finance environmental clean-up and conservation. The Belize "conservation fee" described above is also collected from all cruise ship passengers, and goes to support the country's PAs. With fees such as the Eastern Caribbean example above, it is important to recognize the need for requiring the private sector to take responsibility for best management practices -- to reduce and manage its own waste.

Scuba Diving Fees. Scuba diving typically involves high-spending tourists and has the potential to generate significant income. The two Caribbean islands of Bonaire and Saba in the Netherlands Antilles use revenue from diving fees to finance 100% of the operating costs of their marine PAs. Divers are charged a flat fee of US $10 in Bonaire, and an average of US $30 in Saba, based on the number of dives they make. The Pacific island Republic of Palau charges a US $15 per person diving fee to the 60,000 to 80,000 divers who go there each year. Diving fees now generate about US $1,000,000 per year, which is used for maintaining Palau's PAs. Tubbataha Reefs National Park (a World Heritage site) in the Philippines just began charging divers a US $50 per person "reef conservation fee", after surveys showed that divers would be willing to pay such fees if the money would only be used for protecting Tubbataha's coral reefs, instead of going into the general treasury.

Hotel Room Taxes. Surcharges on hotel rooms have been used in various places around the world as a way of raising funds for conservation. For example, in the U.S., 10% of the money raised by the state of Delaware's 8% tax on hotel rooms is earmarked (by law) to finance the state's "Beach Preservation Program." In the Turks and Caicos Island (in the eastern Caribbean), hotel room taxes were increased from 8% to 9%, and the additional 1% goes directly into a PA conservation trust fund that is modeled on the one in Belize. In other places, a small, voluntary "nature conservation surcharge" of one or two dollars is added to all visitors' hotel bills, with an explanation on the bill stating that the hotel will delete the conservation surcharge, if a guest so requests (which very few guests will do).

Taxes on Hunting, Fishing and Other Recreational Equipment. Taxes on hunting and fishing equipment can be used to help conserve and manage habitat for species of game and sports fish, and for other conservation purposes. For example, the U.S. federal government imposes an 11% excise tax on all sales of hunting weapons and ammunition, which now generates more than US $300 million each year. Half of this amount is used to finance the U.S. Wildlife Restoration Fund. There is a similar 10% U.S. federal excise tax on sales of sport fishing equipment and motorboat fuel, which is used to finance the U.S Aquatic Resources Trust Fund. National and sub-national governments could impose a similar tax on sales of camping and hiking equipment, and earmark the resulting revenues to finance conservation.

Other Fees. Fee can also be charged for the use of other services or particular opportunities offered by the site that incurs a cost higher than that covered by the entrance fee. Examples include: parking fees, fees for visitor center use or for camping in organized camping or primitive areas, and admission fees for the use of a facility or special activity such as a nature museum or educational exhibit. Some PAs obtain

revenues by charging "publicity fees" to corporations using the PA as a location or backdrop for advertising, films, and posters. Some charge for installation / use of such facilities as transmission towers, marine platforms, or research stations.

Strengths and Weaknesses of Tourism User Fees

Strengths

- **Equitable "user pays" system**: Consumers of the recreation who highly value a site pay for its conservation and the cost of their activities.
- **Financial self sufficiency**. If fee-based income is proprietary (i.e. earmarked for conservation activities at the site of collection), it could offset a portion of operational costs of a PA, making it more self-sufficient and independent from the politics of a national budget allocation.
- **Public appreciation**. The public has greater appreciation for services it pays for.
- **Congestion control.** Fees allow increased management and control of park access by users, helping to address overcrowding and directing activities to appropriate areas. Visitors will pay more for a less-crowded experience.
- **Tragedy of the commons.** Pricing of a good below its market cost encourages exploitative use by its users. PAs tend to be over-used to the point where their value is eliminated; fees would limit such exploitative use.
- **Information exchange.** Fee collection provides an opportunity for information exchange between visitors and park personnel.
- **Service and innovation incentives**. Greater PA self-sufficiency from fee revenues gives managers incentives to provide attractive services to the public and maintain PAs and their natural resources in good condition. Also, fees encourage managers to be entrepreneurial, since their budgets may be dependent on fee revenues.
- **Economic value.** Fee (pricing) mechanisms can give economic value to various ecosystem services provided by PAs.
- **Motivate expansion of PA system.** High income from TUFs may motivate a government to protect more areas.
- **Public perception and external funding.** Self-generation of income enhances public perception of a site's value and its administration's competence, which can be used as political leverage and to attract national, international, and private donors to invest in larger conservation projects.
- **Commercial professionalism.** Privatization of concession services can increase commercial professionalism and reduces the site manager's business responsibilities and the associated operating costs.
- **Engaging stakeholders.** Concession rights include the private sector and their local staff, and sometimes NGOs, as service providers and site

Weaknesses

- **Unstable revenue.** Visitation rates, and thus income from fees, can be subject to seasonal fluctuation; revenues can therefore be unstable.
- **Alienating constituents.** Can alienate constituents, especially local communities who have traditionally enjoyed free access.
- **Exclude poor.** Can exclude the very poor domestic visitors from enjoying the site if priced prohibitively high.
- **Visitor experience changes.** Some dimensions of the visitor experience can be changed adversely (e.g., more structured and commercialized).
- **Commercialization risks.** Inherent risk of commercialization of sites when concession agreements are put in place. A parks agency that places its emphasis on user-fee revenues can lose sight of some of its objectives, and tend toward facilities designed to produce income rather than protect natural resources. It is particularly important to retain control over the concessionaire's operations to assure that resources are not over-exploited or damaged.
- **Personnel diversion.** Initial diversion of personnel resources to fee collection instead of site protection and conservation. (However, additional fee-based revenues should soon be able to support hiring of additional staff.)
- **Lack of marketing expertise.** Obtaining adequate marketing expertise can be a challenge for PAs in developing countries.
- **Liabilities.** With more tourists, increased exposure to legal liabilities for on-site accidents.
- **Double taxation** may be experienced since local residents must pay a user fee as well as local taxes that support the PA system.

partners, helping to engage them more actively in PA management and to increase local support for the site.
- **Employment.** TUFs can create additional local employment as collectors, guards and concessionaire staff.

1.4 Success Factors

A variety of factors will influence the likelihood of success, including:

- **Tourist volume**. Sufficient numbers of tourists to generate revenue levels that offset a significant portion of operating costs of a PA.
- **Fair pricing of fees.** Placing a fair value on uses and services of a site through fee pricing, while still generating acceptable net returns.
- **Fee adjustment.** Flexible approach by site administration to adjusting fees as needed.
- **Political acceptability of charging fees**. Acceptance by local stakeholders and domestic tourists of the advantages of and need for TUFs.
- **Proprietary use of income for conservation.** Income generated by TUFs is channeled to support *conservation at the site of collection*, rather than channeled into national or provincial general treasuries.
- **Accounting and audit systems.** Well-organized accounting systems to help in tracking and analyzing financial data. Periodic, independent audits.
- **Marketing experience.** Adequate marketing expertise to develop marketing campaigns that can attract sufficient tourism volume if it does not already exist.
- **Well-trained staff for entrance fee program**. Well-trained staff who can effectively collect fees (including differential rates for various tourist profiles) at reasonable administrative costs and provide sufficient information at the entrance gate to help enhance the tourist experience.
- **Professional concessionaire operations drawing upon local employee pool**. Professional commercial operation for delivering services and collecting revenues. Local community members hired to staff concession operations.

1.5 Step-By-Step Methodology

This methodology outlines general steps for implementing a comprehensive Tourism User Fee Program. In this illustrative methodology, two specific categories of TUFs -- entrance and concession fees – are initiated in the first phase, with other user fees brought on stream in later phases of the Program. (Detailed methodologies for these other TUFs will be developed for future versions of this Guide.) It is important to note that precise sequencing and implementation of these steps will vary considerably, depending on many circumstances specific to the locality. It is also important to note that the steps outlined below (e.g., conducting an in-depth feasibility study) should be integrated into a broader tourism management plan.

Step 1: Site administration (i.e., management authority), in consultation with other stakeholders, determines the general need for and purpose of a tourism user fee program.

- Conduct brainstorming sessions and draft papers on what types of user fees might be charged, how such revenues might be allocated, ways to evaluate the success of the user fee program, etc.

IF INTEREST IN PURSUING USER FEE PROGRAM EXISTS:

Step 2: Site administration conducts feasibility assessment (see Assessment Section below for detailed TOR).

- Profile current tourists (through existing data and tourist surveys): important elements of their visit, motivations for current and future trips, average expenditures and expenditure willingness, average duration of stay, tourist segmentation (e.g., mass tourism versus high-end tourism), etc.
- In conjunction with local tour operators, estimate current visitation rate and project future trends.
- Estimate the impact capacity of site (i.e., "limits of acceptable change").
- Assess existing ecotourism management plans and marketing plans, and identify elements for improving such plans.
- Assess feasibility (e.g., revenue potential, consistency with PA objectives, implementation feasibility, etc.) of a range of TUFs, starting with entrance and concession fees.
- Assess implementation issues, such as funds management and distribution, participation in oversight bodies, etc.

IF TUF PROGRAM DETERMINED FEASIBLE:

Step 3: Site administration meets with government officials, legal counsel and key stakeholder groups to agree on the framework for a TUF Program.

- Issues to be discussed include: types of user fees to be employed, along with prioritization and sequencing of such fees and fee differentials; the need for any changes to the existing legal/regulatory framework; principles for implementing the TUF program; allocation of income, etc.

Step 4: Site administration creates a detailed TUF Action Plan, consistent with Ecotourism Management Plan.

- *Identify key areas of action*: major services to be provided; allowed activities; fee rates and collection methods; necessary equipment, supplies, personnel, and installation efforts; administration policies; control systems; and evaluation methods.
- Identify specific steps to develop / implement an *ecotourism marketing campaign* to attract more visitors, if consistent with limits of acceptable change.
- Building on any existing zonation, identify specific steps to develop / implement a *visitor zone designation scheme*, with varying levels of visitation and other use restrictions.
- Identify specific steps (e.g., consultations with marketing experts and mangers of similar PAs) to ascertain appropriate *fee prices*.
- Develop steps that addresses the site's *liability responsibilities* towards visitors.
- Prepare a *revenue allocation plan*, designating the use of revenues from TUFs for various conservation projects or to cover more general costs.

Step 5: Initiate the TUF Action Plan.

- Concession fees: Develop concessionaire application form. Advertise for concessionaires, requesting bids outlining acceptable fee rates, and requesting information about their operations, such as: energy sources used, waste management systems, environmental interpretation programs, number of visitors to be serviced, use of local labor, supplies, natural resources, etc.
- Entrance fees: Redistribute existing or hire new personnel for fee collection. Purchase any necessary equipment and supplies. If needed, construct / install any new facilities needed for entrance fee collection, such as turnstiles and booths. (Locate collection facilities, special attractions, and infrastructure to minimize impact on natural resources.).
- Establish an accounting system to track and analyze fees being collected.
- Hire an independent firm to audit the site's accounts periodically.
- Led by appropriate tourism agencies, if appropriate, begin or expand ecotourism marketing campaign, in coordination with private sector.

Step 6: Private sector bids for concession rights and concession agreement is negotiated.

- Concessionaires submit applications to site administration, covering the information requested.
- Site administration reviews applications and selects concessionaire based on merits of application.
- Site administration and concessionaire negotiate concession agreement, including specific terms of current / future fee payments, specific provisions restricting concessionaire activity, etc.

Step 7: Site administrators conducts a controlled and small-scale implementation (e.g., 3 –6 months) of the entrance and concession fee to test the market.

- Begin controlling access points to PA: start collecting fees and data on visitation. The test could involve collection at just one or two sites, and simple fee differential scales (e.g., only 2 rates).
- For concession fees, a limited service could be tested.
- Evaluate the visitors' willingness to pay the fees and their reactions to the fee mechanisms.
- Evaluate effectiveness of collection systems and performance of concessionaire / entrance fee staff.
- Recommend and put in place any required changes based on this evaluation.

Step 8: Assuming success of small-scale test, implement full-scale entrance and concession fees.

- For entrance fees, this could entail, for example, opening multiple collection points and charging several rates for different visitor profiles.
- For concession fees, this could entail, for example, an expansion of concessionaire services.
- Begin allocation of revenues to agreed conservation activities.

Step 9: Site managers monitor and evaluate TUF system.

- Monitor visitor numbers through park entrance information cards, concessionaire receipts, etc.
- Monitor performance of concessionaire and entrance fee staff through management performance evaluations, independent evaluations, visitor surveys, etc.
- Monitor revenue flows through annual audits, and conduct further visitor willingness-to-pay studies to determine if higher fees can be charged.
- Monitor and assess tourists' overall experiences of the site, including the concession business(es).
- Assess the ecological condition of and changes to sites that have been made newly accessible by the fee system.
- Evaluate data from the above monitoring activities.
- Implement needed changes based on evaluations. Consider: (i) increasing or decreasing the fees according to visitor responses / patterns and willingness to pay studies, concession business profits, etc.; (ii) improving materials provided at entrance fee collection points and concession businesses; (iii) taking measures to prevent visitor congestion that will harm the environment and detract from visitors' experience; and (iv) taking measures to improve financial accounting systems.

As appropriate, implement other elements of a TUF system (e.g., scuba diving permits, hotel room taxes, etc.).

2 FEASIBILITY ASSESSMENT PHASE

2.1 Overview of feasibility assessment

A feasibility study can be designed to cover anywhere from one specific TUF (e.g., entrance fee) to a comprehensive system of TUFs. In the case of site-based TUFs, typically the site will commission an expert in ecotourism to conduct an in-depth feasibility study, which often takes several months to complete, and can cost in the $25,000 range. More rapid, less expensive feasibility assessments can be conducted using the tools provided below, the resources listed in this Guide, and limited technical assistance. Below are generic terms of reference covering a comprehensive feasibility study of TUF options, along with 5 worksheet tools (TUF1-5) for summarizing and analyzing data collected during the feasibility study. Depending on the level of detail of the feasibility study, some of these tools may be more appropriate for use in an Implementation Phase. These tools emphasize entrance and concession fees, given their recognition as the most broadly applicable TUFs.

As indicated in the Stepwise Methodology Section above, before proceeding with a feasibility study, the planning process should begin by defining the purposes of the user-fee program. The basic orientation may be to adequately finance environmental protection; to provide installations that promote user enjoyment or economic development; to limit use while increasing revenues; or some combination of these and other factors.
Feasibility studies can then analyze key factors that may affect the success of the program and the specific fee options to be used. Feasibility assessments need to either be carried out as part of larger efforts to develop ecotourism management plans, or need to incorporate key elements of existing plans.

2.2 Generic Terms of Reference (TOR) for feasibility assessment

2.2.1 OVERVIEW OF TOR

"Fictitious" National Park (FNP) is 100,000 ha. in size and located in [FILL IN PROVINCE] of [FILL IN COUNTRY]. It has extensive attributes which make it attractive as an ecotourism destination, including [FILL IN ATTRIBUTES]. In order to effectively protect and manage the biodiversity and other natural resources of the park, a long-term, sustainable financing system is required. Initial planning discussions have identified tourism-based user fees (TUFs) as an important potential element in such a system. Already, modest revenues are being generated through park entrance fees. Opportunities seem to exist for raising entrance fees and putting in place a variety of other user fees. To examine these opportunities in-depth [NAME OF CONTRACTING ENTITY] is commissioning a feasibility study of a range of TUF options for financing conservation of FNP.

The study will collect extensive information and evaluate key issues and conditions influencing the feasibility of TUFs in FNP. Through on-site interviews, collection of existing data and other activities, the consultant will conduct an overall analysis of the current status of ecotourism in the area. Through extensive interviews with tourism operators and other local businesses, park staff, tourists, local community leaders and other stakeholders, the consultant will collect and analyze relevant information and recommend specific options for viable TUFs. In addition, the consultant will interview relevant governmental officials to assess opportunities for the generation of *proprietary* income that is channeled directly into conservation activities at FNP.

2.3 Generic terms of reference (TOR) for feasibility assessment

2.3.1 TERMS OF REFERENCE

Objectives:

To assess the feasibility of a tourism user fee program designed to generate long-term funding to conservation of FNP. More specifically, the objectives are to:

- Assess the current status of ecotourism and identify actions required to improve the ecotourism experience and visitor flows in support of a TUF program;
- Assess specific issues regarding the feasibility of entrance fee and concession fee programs, and recommend next steps; and,
- Assess opportunities for implementing other types of TUFs.

Tasks:

1. General assessment of ecotourism conditions and issues
   - Describe the major ecotourism attractions (assets) and related recreational activities;
   - Document current visitation volume and recent visitor flow trends; provide detailed visitor demographic data as available (e.g., % and total number of high end tourists, backpackers, other categories; % and total number of foreign and domestic tourists; age group breakdowns; % and total numbers of visitors participating in key recreational activities such as diving / snorkeling, hiking, birdwatching, etc.)
   - Document acceptable limits of change from visitor impacts, and assess major environmental impact issues (e.g., identify major threats posed by ecotourism, and options for mitigating such threats);
   - Summarize tourism infrastructure issues, including reliability of and access by various modes of transport, communications, accommodations, etc.
   - Describe the quality and breadth of existing visitor services, and recommend measures for upgrading such services;
   - Identify major obstacles to expanding visitation, and recommend measures for addressing such obstacles as appropriate (e.g., more trained guides, expansion of accommodations);
   - Describe any existing TUF mechanisms, and summarize the success of such mechanisms.

2. Assessment of general conditions for a TUF Program

Describe and analyze key conditions required to put in place an effective TUF Program, including:

- Political conditions: Support for TUF Program of key national government ministries and local government agencies, local communities, domestic tourists, and other important stakeholder groups; support for proprietary income; support for needed infrastructure improvements.
- Economic conditions: Potential to generate significant revenues; strong willingness of foreign and domestic tourists to pay TUFs; existence or likelihood of funding for start-up of TUF Program and needed infrastructure improvements; accounting systems to track and monitor fee collection.
- Legal: Legal regime exists or could be put in place to support TUF Program (including specific fees such as entrance and concession fees) and to support proprietary allocation of income.
- Other: Organizational capacity of government to execute TUF Program, business expertise to operate concessions, ecotourism marketing expertise, overall potential for sustainable tourism to be developed, trained staff.

3. Assess in-depth feasibility of an entrance fee program
   - If an existing entrance fee is charged, summarize how the program is structured and document the revenue generation trends; assess the success of the program.
   - Assess visitor demographic issues correlated with revenue projections and analyze visitor marketing strategies (e.g., raising visitor flow versus attracting higher portions of high-end tourists).
   - Assess the optimal number and location of entrance fee collection points, staffing resources and equipment required, and other practical issues to consider in establishing an entrance fee program.

- Evaluate the applicability and revenue potential over a 10-year period of various pricing schemes for determining entrance charges (e.g., peak load pricing, comparable pricing, marginal cost pricing, multi-tiered pricing and differential pricing). Document key assumptions.
- Recommend an entrance fee pricing scheme and rates, and project 10-year revenue flows. Draw on willingness to pay survey results and vary key parameters (e.g., visitation flows, prices, on-site income retention rates, etc. Document key assumptions.

4. Assess in-depth feasibility of a concession fee program
   - If a concession fee program exists, summarize how the program is structured and document the revenue generation trends; assess the success of the program.
   - Assess current business services being provided to visitors (e.g., food, accommodations, equipment rental equipment, etc.); determine which services would be most appropriate for inclusion in a concession fee program.
   - Evaluate applicability and revenue potential over a 10-year period of various concession fee structures and prices (e.g. auction/bidding for licenses, flat fee, percent of gross receipts, percent of net income).
   - Recommend a concession fee pricing scheme and rate(s), and project 10-year revenue flows. Draw on comparable systems in operation at other protected areas and vary key parameters.

5. Assess feasibility of other TUFs
   - Conduct a coarse assessment of the feasibility of other TUFs (e.g., licenses, permits, recreational fees) and recommend which, if any, deserve further in-depth assessment

6. Financial projections and related issues
   - Conduct a "willingness-to-pay" survey of visitors to help calculate optimal fee pricing.
   - Based on the above, develop 10-year revenue projections drawing from all fee mechanisms determined to be viable or particularly promising.

7. Next steps

Recommend specific next steps for establishing an entrance fee program.
   - Recommend specific next steps for establishing a concession fee program.
   - Recommend other specific next steps for implementing a TUF program, including sequencing of steps.

Deliverables:

1. Feasibility report. A preliminary report capturing all of the task points outlined above will be submitted to a "Review Team" for comments and discussion prior to the finalization of the report for submission to the contractor. A final report will be submitted in written and electronic form.
2. Contact list. List of key contacts (name, title, address, email, phone number) will be attached to final report.
3. Briefings. Concluding briefings will be provided in [LIST CITIES] to summarize preliminary results for contractor and other interested stakeholders.

Staffing and timetable:

The project will be implemented during the period [FILL IN]. A preliminary report will be due on [FILL IN DATE] and a final report will be due on [FILL IN DATE].The level of effort will require a total of [FILL IN #] consultant days. [IF A TEAM OF CONSULTANTS:] The consulting team will consist of: [FILL IN NAMES, BREAKDOWN OF DAYS AND ROLES]

2.4 Worksheet tools for carrying out feasibility assessment

Five worksheets have been developed to assist the feasibility stage. Instructions for how to use these tools, followed by the worksheets themselves, are provided below. These worksheets are intended as generic tools to help summarize and analyze relevant information gathered during the feasibility stage. They will need to be customized to some degree for every site.

Instructions for TUF1: Summary of analysis of key conditions for successful TUF Program

TUF1 is designed to help analyze the key conditions needed for a successful TUF Program.

(i) Review the general structure of the worksheet, including data input categories (columns and rows) provided as defaults; modify as needed.

(ii) Column 1 lists a variety of conditions under the general headings: political, economic, legal and other. For each condition, assign a relative ranking score (1 – 5 scale, with 5 being the highest) in the appropriate column to the right.

In analyzing these conditions for success, the following key analysis questions should be answered:

Are there some conditions which are particularly important in this local setting? What are their scores? How could these conditions be improved if necessary?

Are there a sufficient number of medium (3) or higher scores, suggesting a good likelihood of success?

Instructions for TUF2: Worksheet for calculating revenues from a TUF Program

TUF2 is designed to help calculate potential revenues from a comprehensive TUF Program.

(i) Review the data input categories (rows) provided as defaults; modify as needed.

(ii) In the first two rows, input the estimated number of foreign and domestic visitors for each of the next ten years, based on key assumptions from feasibility research/analysis (e.g., ecotourism marketing, improvements in infrastructure and visitor services, etc.)

(iii) Based on feasibility study research and pricing recommendations, input revenue estimates covering Years 1 – 10 for those user fees that could be included in a TUF Program: e.g., entrance fees, concession fees, permits/licenses and other fees. Leave the "total" rows blank for now. Formulas are embedded in the worksheet to automatically calculate total revenues from the various fee mechanisms (e.g., total entrance fees). Also, formulas are embedded to automatically calculate the % of total revenues generated by individual income rows. Document key assumptions on page 2 of the worksheet.

In analyzing this information, key questions to consider include:

- Which mechanisms offer the greatest revenue potential over time?
- Which mechanisms offer the greatest revenue potential in the near-term?
- What portion of total protected area funding needs could be met through a TUF Program?

Instructions for TUF3: Worksheet for supporting concession fee pricing and structure decisions

TUF3 is designed to help calculate potential revenues from a concession fee program (comparing 4 pricing schemes) and to help decide on the most appropriate scheme.

(i) Review the general schemes and data input categories (rows) under each scheme provided as defaults; modify as needed.

(ii) Under the auction / bidding scheme, input the estimated winning bid for the concession and enter that figure in Year 1 in the corresponding row. An embedded formula will automatically calculate 3% annual increases in this fee for each of the next 9 years to account for inflation. You can change this

calculation as needed. For example, you may want to build in higher fees for license renewal in future years.

(iii) Under the flat fee scheme, input the three fee rates in the Year 1 column (low, medium and high rate). An embedded formula will automatically calculate 3% annual increases in this fee for each of the next 9 years to account for inflation. You can change this calculation as needed. For example, you may want to build in much higher flat fees in future years.

(iv) Under the percent of gross receipts scheme, input the estimated total gross income in the appropriate row. Embedded formulas will automatically calculate 3% annual increases in gross receipts for each of the next 9 years, and will automatically calculate revenues based on 2%, 5% and 7% of gross in the three rows below this. If you decide to change these percentages, make corresponding changes in the formulas built into each cells for these rows.

(v) Under the percent of net income scheme, input the estimated total gross income and operational costs in the appropriate row under Year 1. Embedded formulas will automatically calculate total net income, and 3% annual increases for each of the next 9 years. Also, formulas will automatically calculate revenues based on 2%, 5% and 7% of net in the three rows below this. If you decide to change these percentages, make corresponding changes built into each cells for these rows.

(vi) Document key assumptions behind your data.

In analyzing this information, key questions to consider include:

- Which pricing schemes offer the greatest revenue potential over time?
- Which schemes offer the greatest revenue potential in the near-term?
- How might revenues fluctuate as concessionaires grow their businesses?

Instructions for TUF4: Worksheet for supporting entrance fee pricing shemes

TUF4 is designed to help calculate potential revenues from an entrance fee program (comparing 5 pricing schemes) and to help decide on the most appropriate scheme.

(i) Review the general schemes and data input categories (rows) under each scheme provided as defaults; modify as needed.

(ii) Under the peak load pricing scheme, input the starting peak rate fee and non-peak rate fee in the appropriate rows under the column marked price.

(iii) Under the comparable pricing scheme, input the fixed fee rates for the three protected areas most analogous to the site under consideration. If one or more of these PAs have *variable* pricing schemes, the various fee rates could be shown under the other schemes in this worksheet for comparison purposes.

(iv) Under the marginal cost pricing scheme, input **[TO BE COMPLETED]**.

(v) Under the multi-tiered pricing scheme, input the various rates for the different visitor groups.

(vi) Under the differential pricing scheme, input the various rates for the different levels of service, and specify the services upon park entry.

Under the column marked # of visitors, input the estimated visitors for Year 1 of the program.

(viii) Embedded formulas will automatically calculate the total revenues based on the price multiplied by the # of visitors.

In analyzing this information, key questions to consider include:

- Which pricing schemes offer the greatest revenue potential in Year 1 and over a longer time period?
- Which schemes offer the greatest revenue potential in the near-term?
- How would entrance fees impact tourism flows and what might be the optimal fee for achieving visitor flow targets?
- In addition to pure revenue comparisons, what other key issues should be factored into such entrance fee decisions? Which pricing schemes would be most acceptable to foreign and domestic tourists, based on visitor surveys and other information?

Instructions for TUF5: Worksheet for supporting entrance fee pricing decisions

TUF5 is designed to help calculate and analyze potential revenues from an entrance fee program (varying 3 key parameters: visitor flows, pricing options and retention rates), and help decide on the most appropriate fee rates.

(i) Review the general schemes and data input categories (rows) provided as defaults; modify as needed.

(ii) Based on willingness to pay surveys, input the range and average entrance fees for foreign and domestic tourists under the Year 1 column.

(iii) In the Scenario 1 (low visitation) row, input a starting visitor flow number in the Year 1 column. Embedded formulas will automatically calculate visitor flows for Years 2 – 10, based on an average 3% annual increase. If you decide to change this rate of visitor flow growth, you will need to make corresponding changes in the formulas built into each cells of the row. As a next step, under Scenario 1, in the Year 1 column, enter values for Pricing Options #1, #2 and #3. These values can be based on willingness to pay survey data. Embedded formulas will automatically calculate the pricing values for Years 2 – 10, based on an annual 3% increase. You may want to change this 3% growth rate. Embedded formulas will automatically calculate the total annual income retained for on-site conservation programs based on the 4 retention rates: 25%, 50%, 75% and 100%.

(iv) Repeat step 3 for Scenarios #2 and #3.

(v) Analyze the data for the three scenarios; enter the optimal entrance fee price in the row so marked.

In analyzing this information, key questions and principals to consider include:

There are three principal factors to consider in determining entrance fee levels:

- Willingness to pay for access to a managed area by the visitor. This is determined by surveying visitors to the site. If an entrance fee is currently being charged that is not based on willingness to pay, visitors can be asked if it is the right amount and what the maximum is that they would pay. The survey format might provide a range of entrance fee options to choose from.
- A comparison of fees charged at other similar sites in similar circumstances. Remember to allow for differences in natural / cultural attractions, infrastructure development, etc.
- The need to cover costs associated with provision and maintenance of recreational opportunities. A minimum level of revenue to be generated from entrance fees and other user fees should be at least enough to properly finance costs incurred by area management in providing ecotourism opportunities.

Questions to consider include:

- How significant are the differentials in revenue generation between Scenarios # 1, #2, and #3.
- Under the different visitation scenarios, in order to meet revenue targets, how should pricing and retention rates be adjusted, including over time, to take into account visitor flows?
- How will the optimal entrance fee change over time?

Click here to link to TUF Worksheets

WORKSHEET TUF1: SUMMARY OF ANALYSIS OF KEY CONDITIONS FOR SUCCESSFUL TUF PROGRAM

CONDITIONS	VERY LOW [1]	LOW [2]	MEDIUM [3]	HIGH [4]	VERY HIGH [5]
Political Conditions					
Support for TUF Program within Finance Ministry					
Support for TUF Program within Tourism Ministry					
Support for TUF Program within Sectoral Ministry (specify)					
Support for TUF Program of local communities					
Support for TUF Program within local government agencies					
Support for TUF Program of domestic tourists					
Support within government for proprietary treatment of income					
Political support exists (or can be secured) for needed infratructure improvements					
Political stability (to support ecotourism)					
Other					
Economic Conditions					
Existing or potential tourism demand can generate signficant revenues					
Viable options exist for capturing more of the net economic benefits of ecotourism					
Foreign tourists indicate strong willingness to pay new or higher TUFs					
Funding exists (or can be secured) for start-up of TUF Program					
Funding exists (or can be secured) for needed infrastructure improvements					
Accounting systems exist or could be put in place to track and monitor fee collection					
Other					
Legal Conditions					
Legal regime exists, or could be put in place quickly, to support entrance fee program					
Legal regime exists, or could be put in place quickly, to support concession fee program					
Legal regime exists, or could be put in place quickly, to support proprietary treatment of income					
Other					
Other conditions					
Organizational capacity of government to execute entrance fee program					
Organizational capacity of government to execute concession fee program					
Business expertise exists for operating concessions					
Ecotourism marketing expertise can be accessed					
Well-trained staff exist or could be developed quickly					
Sustainable tourism can be developed (based on carrying capacity, best management practices, etc.)					

WORKSHEET TUF2: WORKSHEET FOR CALCULATING REVENUES FROM A TOURISM USER FEE PROGRAM											
YEAR	0	1	2	3	4	5	6	7	8	9	10	10-year totals	Notes / Comments
Total visitors													
Foreign visitors													
Domestic visitors													
Total revenues													
Total entrance fees													
Domestic tourists													
Foreign tourists													
Total concession fees													
Concession 1 (Lodging)													
Concession 2 (Restaurant)													
Concession 3 (Gift shop)													
Total permits and licenses													
License 1 (Sports fishing)													
License 2 (Hiking)													
License 3 (Camping)													
Other fees													
Scuba diving fees													
Local airport fee													
As % of total revenues													
Entrance fees													
Domestic tourists													
Foreign tourists													
Concession fees													
Concession 1 (Lodging)													
Concession 2 (Restaurant)													
Concession 3 (Gift shop)													
Permits and licenses													
License 1 (Sports fishing)													
License 2 (Hiking)													
License 3 (Camping)													
Other fees													
Scuba diving fees													
Local airport fee													

WORKSHEET TUF3: WORKSHEET FOR SUPPORTING CONCESSION FEE PRICING AND STRUCTURE DECISIONS

	YEARS								
FINANCIAL SCENARIO	1	2	3	4	5	6	7	8	9	10	TOTAL/AVG
Auction/bidding for licenses											
(Competitive, open bidding for permits)											
Expected range of winning bid											
Flat fee											
(Fixed annual fee, derived from gross receipts, operational costs, etc.)											
Fixed fee 1											
Fixed fee 2											
Fixed fee 3											
Percent of gross receipts											
(Share of gross income)											
Total gross income											
2% of gross											
5% of gross											
7% of gross											
Percent of net income											
(Share of total receipts less operational costs)											
Total gross income											
Total operational costs											
Total net income											
2% of net											
5% of net											
7% of net											

Optimal pricing scheme: _____

WORKSHEET TUF4: WORKSHEET FOR SUPPORTING ENTRANCE FEE PRICING SCHEMES

PRICING SCHEMES	PRICE	# OF VISITORS	TOTAL REVENUES
Peak load pricing			
(Different prices for different times, depending on demand)			
Peak rate fee (December - March)			
Non-peak rate (April - November)			
Comparable pricing			
Entrance fees at Protected Area 1 [FILL IN]			
Entrance fees at Protected Area 1 [FILL IN]			
Entrance fees at Protected Area 1 [FILL IN]			
Marginal cost pricing			
(Intersection of marginal costs and marginal benefit curve)			
Net profits (if supply less than demand)			
Subsidy needed (if supply greater than demand)			
Multi-tiered pricing			
(Different prices based on residency, age, location, etc.)			
Foreign tourists (non-resident)			
Foreign tourists under 12			
Resident			
Resident under 12			
Child under 5			
Other tier			
Other tier			
Differential pricing			
Level of service 1 (specify)			
Level of service 2 (specify)			
Level of service 3 (specify)			

WORKSHEET TUF5: WORKSHEET FOR SUPPORTING ENTRANCE FEE PRICING DECISIONS

	YEAR										
PRICING VARIABLES	1	2	3	4	5	6	7	8	9	10	10 year total
Willingness to pay											
Foreign tourists											
Range											
Average											
Domestic tourists											
Range											
Average											
Visitation scenarios, pricing options and retention rates											
Scenario 1: low visitation											
Pricing Option 1 = $____											
Retention (25%, 50%, 75%, 100%)											
Pricing Option 2 = $____											
Retention (25%, 50%, 75%, 100%)											
Pricing Option 3 = $____											
Retention (25%, 50%, 75%, 100%)											
Scenario 2: medium visitation											
Pricing Option 1 = $____											
Retention (25%, 50%, 75%, 100%)											
Pricing Option 2 = $____											
Retention (25%, 50%, 75%, 100%)											
Pricing Option 3 = $____											
Retention (25%, 50%, 75%, 100%)											
Scenario 3: high visitation											
Pricing Option 1 = $____											
Retention (25%, 50%, 75%, 100%)											
Pricing Option 2 = $____											
Retention (25%, 50%, 75%, 100%)											
Pricing Option 3 = $____											
Retention (25%, 50%, 75%, 100%)											
Optimal entrance fee pricing											

3 IMPLEMENTATION

If the feasibility assessment concludes that TUFs are indeed viable, then the major actors enter into an implementation phase, which can take several months to complete. The key implementation steps are outlined in the Stepwise Methodology (Steps 4 – 9) above. Worksheets TUF3-5 provide some practical tools for pricing and structural decisions for entrance and concessions fees. TUF6 below provides a practical tool for organizing the major steps in a TUF Program.

Instructions for TUF6: Worksheet for organizing TUF Action Plan

TUF6 is designed to assist a methodical approach to implementing a TUF Action Plan, organized around key actions, assignments, deadlines, status and other information.

(i) Review the general data input categories (rows and columns) provided as defaults; modify as needed.

(ii) Under each action (row) for entrance and concession fees, fill in information for the deadline, the lead person/entity assigned to the action, the current status and any other relevant notes.

(iii) Update the information on a regular basis and use the worksheet as an agenda for planning meetings.

(iv) Insert relevant actions (rows) for any other user fees being brought on stream, and follow similar steps as those described above.

WORKSHEET TUF6: WORKSHEET FOR ORGANIZING TUF ACTION PLAN *Mobilizing Funding For Biodiversity Conservation: **A User-Friendly Training Guide***				
Activity	Deadline	Assignment	Status	Notes
Entrance fees				
Determine pricing scheme and fee rates				
Establish accounting system to track/analyze financial flows				
Establish auditing procedure, hire independent firm				
Decide on fee collection sites				
Develop personnel plan (specify hiring of new staff vs. redeploying existing staff)				
Construct/install new facilities and special attractions (specify)				
Purchase necessary equipment/supplies				
Hold meetings with tourism agency, develop marketing plan				
Implement and oversee 6 month, small-scale test				
Roll out full implementation of entrance fee program				
Develop monitoring and evaluation program, and start implementing				
Concession Fees				
Determine pricing scheme and fee rates				
Establish accounting system to track/analyze financial flows				
Establish auditing procedure, hire independent firm				
Develop concessionaire application				
Advertise for concession bids				
Review concessionaire proposals and select concessionaire				
Draft concession agreement and negotiate final language				
Construct/install new facilities and special attractions (specify)				
Implement and oversee 6 month, small-scale test				
Roll out full implementation of concession fee program				
Develop monitoring and evaluation program, and start implementing				
Other fees				
Insert similar steps as appropriate				

3.1 Bibliographic references

To open a document via the internet, click on the URLs showing download locations. In addition some hyperlinked document names point to files available on this CD.

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Brandon, K. *Ecotourism and Conservation: A Review of Key Issues.* World Bank Environment Department Papers No. 33. 1996.

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Day, B. *A Recreational Demand Model of Wildlife- Viewing Visits to the Game Reserves of Kwazulu-Natal Province of South Africa.* Working Paper GEC 2000-08. London: Centre for Social and Economic Research on the Global Environment, 2000.

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Laarman, J.G. and H.M. Gregersen. 1996. Pricing policy in nature-based tourism. *Tourism Management,* 17(4): 247-254.

Leclerc, A. *User Fees in Natural Parks: Issues and Management.* Paper presented at IV World Congress on National Parks and Protected Areas. Caracas, Venezuela, February 1992. (email: leclerc@dts.mg)

Lindberg, K. and D. Hawkins (eds.). 1993. *Ecotourism: A guide for planners and managers, Volumes 1* and 2., N. Bennington, Vermont: The Ecotourism Society, 1998. (See "Economic Issues in Ecotourism Management," Volume 1; and "Economic Aspects of Ecotourism," Volume 2).

Solano, P. 2001 *Concessiones Para Ecoturismo: Econegocios para el Uevo Mulenio – Alcances Legales y Propuestas.* Sociedad Peruana de Derecho Ambiental (www.spda.org.pe)

[This is a deliberately short list of key resources, but suggestions are welcome.]

3.2 Web sites

Ecotourism CC- the Ecotourism Portal **http://www.ecotourism.cc/**

Comprehensive search engine and links for ecotourism information.

The International Ecotourism Society **http://www.ecotourism.org/**

Information for prospective ecotourists and professionals in the field, with information for the latter categorized according to research, conservation, and business.

The Inter-Sectoral Unit for Tourism, Organisation of American States
http://www.oas.org/TOURISM/home.htm

Information in Spanish on tourism issues in the Americas.

The Nature Conservancy http://nature.org/international/specialinitiatives/ecotourism/

Information about The Nature Conservancy's ecotourism program, including publications on visitor use fees.

Planeta.com: Eco-travels in Latin America http://www2.planeta.com/mader/ecotravel/ecotravel.html

Clearinghouse for practical ecotourism, with scholarly reports, online forums, and conferences.

Kenya Wildlife Service. 2001. **www.kws.org/fees.htm**

Information about Kenya's system of park entrance and other tourism user fees.Contacts

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Antoine LeClerc, Independent consultant, Email: lecirc@dts.mg;

Barry Spergel, Center for Conservation Finance, World Wildlife Fund-US; Phone: +1.202.778.9655; Email: barry.spergel@wwfus.org

3.3 Case Study references

11 African Countries – Comparison of pricing and entrance fee policies in Krug (2000). Comparison of organised safaris in Inamdar/Merode (1999: 12).

Malaysia – See Stecker (1996)

Belize/Mexico – See detailed analysis of tourism management case studies in several protected areas and recommendations in Strasdas (2000).

Costa Rica – Price elasticity for international visitors demonstrated for several parks in Lindberg 2001, Table 1.

Perú – Pricing and other issues in Machu Pichu in Andrade 2000.

Australia - A recent (2000) review of entrance, camping, and other fees conducted as part of the Nature Tourism National Review project is summarised in Lindberg (2001, Annex 3).

New Zealand - National system of concession fees, facility & service charges: (IUCN-WCPA 2000: 49-51)

U.S., Canada, Costa Rica, Belize - A study of visitor fee experience in these countries: Brown (2001).

Canada - Thorough analysis of user fee policy issues in Eagles 1999).

South Africa - The Natal Parks Board system of income generation from visitor accommodations; http://www.wildnetafrica.co.za/kwazulunatalparks/profile/contrust.html , see also Eagles 1999)

3.4 Case study summaries

Nepal – entrance fees: Sagarmatha National Park (which contains Mt. Everest and is a World Heritage site) has set up a system whereby 30% of the money collected by the park from mountaineering expeditions into the Everest is re-invested into the protection of the park. Since the mountaineering fees can be substantial (it costs about $50,000 per expedition, with a total of about 5 expeditions per year) this system has helped generate some US $400-500,000 per year for activities to conserve the park. Annapurna Conservation Area has obtained agreement from the Nepal government (by means of a special law to this effect) that the money collected from entry fees to the Conservation Area will be channeled directly to the conservation of the area via a local NGO, the King Mahendra Conservation Trust. Every visitor to the Annapuma Conservation Area pays an entry fee of US $12 which, in 1996, generated some $400,000 for the conservation of the Annapurna, more than enough to cover the costs of maintaining the site. As a result of these experiences, the Nepal government is re-evaluating how it uses the entry fees collected at other parks (Mountain Institute, 1997; For more information: **[FILL IN]**).

Ecuador: Entry fees and donations in Galapagos National Park. The Galapagos Islands in Ecuador are one of the most visited and recognized World Heritage sites in the world. Because of the islands' popularity as a tourist destination, the Galapagos National Park finds it relatively easy to finance a large part of its operations by charging a high entry fee and obtaining donations from visitors to the islands. The Galapagos Islands attract around 200,000 foreign tourists per year, each of whom pays a US $100 park

entry fee, thereby generating about US $20 million per year. In addition, tourists spend around US $700 to fly to the Galapagos from mainland Ecuador, and a minimum of US $1,000 for a typical 5-day boat trip to visit the islands. There are very few hotels on the islands where tourists can stay, so most are forced to stay on a cruise ship or rent live-aboard boats. In addition, each of the two main tour boat operators now **guarantees** a minimum of US $100,000 in tourist donations per year from their passengers to support Galapagos conservation projects. If the tourists do not make the donations themselves, tour companies pay the difference. In the Galapagos, the law which raised park entry fees also required that all revenue from this fee be used to pay for costs associated with operating the park. The law is very specific on the use of the funds; "it requires that 40% of the revenues collected from entry fees must be used to pay for salaries and other direct expenses of operating the park; 30% must go to local government authorities for construction of sewage treatment facilities; 10% must go to a Galapagos scientific research institute; 5% to the port authority for operating an inspection and quarantine system; 5% to the armed forces for patrolling the park; 5% for establishing a new Galapagos marine reserve; and 5% to the national parks agency for expenses of managing the national park system as a whole." (For more information: **[FILL IN]**).

Bonaire: Marine park scuba diving fee. The economic mainstay for Bonaire in the Caribbean is tourism, particularly scuba diving. The island welcomes some 50,000 tourists per year, half of them scuba divers. Bonaire Marine Park was created in 1979 to protect the national resources upon which tourism depends. The main attraction is coral formations and their rich marine flora and fauna. In the early 1990s, scuba diving activity was estimated at 200,000 dives per year. Research indicates that the maximum sustainable level of diving might be twice that number. When the park was established, administration was contracted by the Government of Bonaire to the National Parks Foundation of the Netherlands Antilles, an NGO. This arrangement worked for a few years, but the NGO eventually ran out of funding and was unable to continue managing the area. In 1991, bilateral assistance from the Dutch Government reactivated park management, covering the budget for two years and establishing conditions that Bonaire develop appropriate legal instruments to implement a fee system, and make the park self-financing. The fee system established a US $10 annual fee for divers, collected by the marine park through the dive operators. Operators are required to participate in annual courses. The park is now considering other fees, for guided snorkeling, windsurfing, and yacht visits, as well as a US $350 fee for private moorings. Fees may be used only for management of the park – general administrative expense, maintenance of buoys and other installations, surveillance, education and information, research and follow-up, and generation of revenue. (For more information: **[FILL IN]**).

Tourism User Fees

Table of Contents

1 UNDERSTANDING THE MECHANISM – HOW DOES IT WORK?

1.1 Overview

Worldwide, tourism is the largest industry, with **ecotourism** being an important segment of the market. Every year, millions of tourists around the world visit protected areas (PAs) or travel to destinations for nature-based recreation. While PAs often supply the most important part of such recreational experiences, they typically capture very little of the total economic benefits derived from ecotourism.

A number of relatively simple, market-based mechanisms – known collectively as **tourism user fees (TUFs)** —can gather significant revenues from tourism-based activities, which can then be directed toward supporting PAs and other conservation efforts (see Table 1 and Figure 1). The fees partially reflect the cost of supplying recreational services, the demand for natural resources, and the value that visitors place on their experience at the site. The direct link between maintaining natural areas and income from user fees is a strong economic incentive for conservation.

Most TUFs are *site-level* mechanisms (i.e. specific fees for specific activities are collected at PA sites). These site-based finance mechanisms are broadly referred to as **visitor use fees**. A few other types of fees are *national-level* mechanisms. This chapter focuses primarily on site-level fees.

TUFs can be structured around many activities. For example:

- **Entrance fees.** Visitors can be charged to enter PAs.
- **Concession fees.** Companies ("**concessionaires**") providing services within PAs – such as lodging and food – can be charged fees to operate such business concessions.
- **Licenses and permits.** Private firms operating within or outside PAs (e.g. tour operators, guides, cruise ships) and individuals participating in specific recreational activities (e.g. diving, fishing, camping) can be charged for licenses or permits.
- **Tourism-based taxes.** Taxes can be levied at hotels, airports and other collection points, and channeled into conservation.

With ecotourism growing so rapidly, and with the wide range of fees available, TUFs provide a conservation

Glossary of Terms

Collection mechanism: Logistical arrangement for collecting user fees (e.g. personnel issuing entrance passes, voluntary "drop boxes" at entrance gate).

Concessionaire: Company or individual granted the right to undertake and profit from a specified activity on the site, such as a restaurant or eco-lodge.

Concession fee: Fee charged to a business providing a service (e.g. lodging) within a protected area (PA).

Day use: Recreational outing where the visitor arrives and departs the same day.

Ecotourism: Environmentally responsible travel and visitation to natural areas that promotes conservation, has a low visitor impact and provides for active socio-economic involvement of local peoples.

Entrance fee: Fee to enter a park or PA, typically higher for foreign tourists.

Facilities: Human-made structures and improvements at PAs that help support public usage of the areas.

Fee areas: Areas where a fee is charged upon entering and reliable counts of visits can be made.

Fee differential: Scale of different fees charged, based upon residential and other criteria; designed to promote equity between disparate visitor income levels, and maximize revenue of PAs.

Licenses/ permits. Certificates that are sold, allowing users to participate in a specific activity (e.g. scuba diving).

Overnight use. An outing that involves an overnight stay as a sanctioned part of the recreational experience.

Proprietary income: Income from user fees that is legally restricted for use at the area of collection, rather than joining the government's general treasury.

finance mechanism with perhaps the broadest application and highest overall revenue potential worldwide. Under certain conditions, TUFs have the potential to generate significant revenues for conservation, particularly in countries and specific PAs developed as *ecotourism destinations*.

In such areas, the right combination of user fees often can provide a significant portion of operating costs – but still typically not the total cost of protecting the resource. In particular, entrance fees – the most common type of TUF – have the potential to generate a large portion of the operating costs of a PA in locations where tourism volume is high and entry fees are also relatively high.

Tourism user fees (TUFs): Fees on tourism-based activities designed to generate revenues to support conservation.

[Eco]tourism development/ management plan. Strategy to attract appropriate volume and type of tourists, and manage tourism impacts and visitor use fees.

Visitor use fees. Generic term covering a range of TUFs charged to visitors to PAs.

Willingness-to-Pay. Amount users are willing to pay for benefits derived from a site, relative to other competing uses of their income.

1.2 Key Actors and Key Motivations

Visitor use fees involve four particularly relevant stakeholder groups. General motivations for each of these groups are outlined below.

1.2.1 Protected area managers

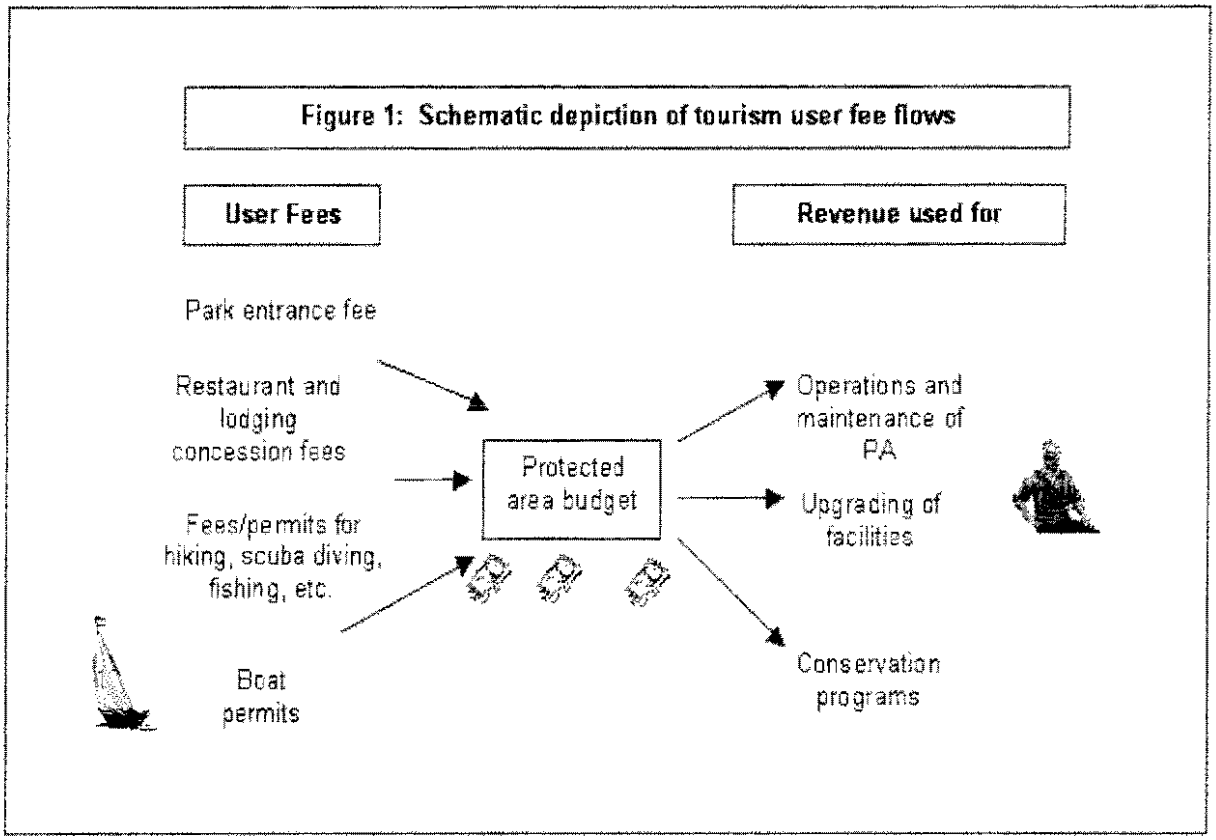
PA managers are typically governmental staff but can be NGOs or community-based organizations or their members. Managers generally seek to maximize **proprietary income** from user fees that can directly support the operating costs of PA management. Managers need to ensure that user fee mechanisms and associated services, such as lodging accommodations within a PA, are consistent with and supportive of the overall conservation objectives of the PA.

1.2.2 Tourism-related businesses

This includes many different kinds of businesses, covering such industries as: food services; hotel and lodging; airlines; sport fishing, snorkeling, scuba diving and other water-based recreation; souvenirs and other retails sales. Generally, these businesses seek to maximize their profit and minimize the r fees they are required to pay.

1.2.3 Local communities and local governments

Local communities and governments seek income benefits from TUFs. Local community members provide significant labor for tourism-related businesses, and can benefit at least indirectly when these businesses maximize their profits. On the other hand, *large-scale* businesses, in particular, can have harmful impacts on local community cultural values and traditions, especially if local participation or collaboration in management is diminished. Therefore, many local community members will seek to ensure that any business concession or permit schemes around PAs require that businesses be sensitive to and supportive of such cultural values and traditions. Local and national governments are often the primary authority responsible for PA management, and therefore are also, as with protected area managers, motivated to maximize **proprietary income** from user fees that can directly support the operating costs of PA management. In addition, some local government officials are resistant to any taxes that would be earmarked for conservation, diverting potential tax revenues from other priorities.



1.2.4 Tourists

Tourists generally fall into two categories: foreign and domestic. In developing countries, there are generally large income disparities between these two groups. Fee differentials are applied: foreign tourists pay significantly higher user fee rates. Both categories of tourists generally are motivated to pay at least modest user fees if they are earmarked toward maintaining the PA attributes that have inspired their visit. Many higher-income tourists are motivated (willing) to pay significantly more than existing TUF rates.

1.3 Types of Tourism User Fees

There are many ways to categorize TUFs. Several broad categories are delineated below.

1.3.1 Entrance fees

This is a fee charged to visitors in order to enter a protected natural area. There are a number of ways entrance fees can be collected – e.g. at the entrance to the site or at an administrative center. They can be charged directly to the visitor or, alternatively, tour operator companies may purchase tickets in advance so that visitors on organized tours have the fee included in the total cost of their tour package. The most efficient method possible should be chosen to avoid unnecessary queuing and delays.

Marine protected areas present challenges in the collection of entrance fees because there are often multiple entry points, not all of which can be monitored. Therefore it is more difficult to ensure that all those entering the park have paid their fee. In addition to purchasing entrance tickets through tour operators, MPAs can require visitors to carry their tickets at all times. For example, at Bonaire Marine Park (Bonaire) and Bunaken National Park (Indonesia), visitors are given a waterproof tag which can be easily affixed to diving or snorkeling gear or backpacks. Enforcement is conducted through spot checks by park rangers both on land and at sea.

Differential fees are widely viewed as essential for the following reasons:

- Residents of a destination country are already paying, through taxes, for PA conservation, as well as encountering opportunity costs (e.g. reduced use of resources from the land now protected);
- Environmental education and recreation objectives of PAs will normally seek to encourage visits by local people, which would be discouraged with higher user fee rates; and
- Foreign tourists from developed countries are generally willing and able to pay more for access to PAs.

Table 1. Types of Tourism User Fees in Protected Areas (PAs)

Fee type	Description	Examples
Entrance fees	Charge for entering a PA.	Fees collected at entry gates.
Concession fees	Charges or shares of revenue paid by businesses operating within PAs, providing services to visitors.	Fees to operate restaurants, hotels, eco-lodge facilities and souvenir shops.
General user fees	Fees paid by visitors to use facilities within the PA.	Fees to use parking lots, campsites, visitor centers, boats, shelters.
Royalties and sales revenue	Monies from sales of consumer goods.	Fees on recreational equipment, souvenirs.
Licenses and permits	Instruments required for private firms (or individuals) to conduct activities on PA property.	Permits for tour operators and guides for scuba/snorkel, kayaking, sport fishing; mountain climbing/hiking permits; licenses for cruise ship visits.
Taxes	Targeted taxes on relevant points on the market chain related to the tourism industry, earmarked for conservation.	Taxes on hotel rooms, airport use (entry or departure tax).

Some examples of differentiated entrance fee structures are provided below. Table 2 shows how public PAs managed by an NGO in Belize differentiate their entrance fees between local citizens and foreigners. Table 3 shows the differentiated entrance fees in effect in Galápagos National Park in Ecuador. In this case, fees are differentiated into a greater number of categories to offer lower prices to neighboring countries. Table 4 shows entrance fees charged by the Kenya Wildlife Service. These are not only differentiated by visitor type but also by levels of visitation. Parks with similar visiting levels are grouped

together, and the most heavily visited sites charge the highest entrance fees. A further differential may be made for students who are usually charged an even lower fee, as is done at Galapagos.

Table 2. Visitor entrance fees to protected areas managed by the Belize Audubon Society

Protected area	**Hectares**	**Entrance fees (US$)**	
		Belizean Citizens	Foreigners
Guanacaste National Park	20	0.50	2.55
Blue Hole National Park	232	1.00	4.00
Crooked Tree Wildlife Sanctuary	6,475	1.00	4.00
Cockscomb Basin Wildlife Sanctuary	41,278	1.25	5.00
Half Moon Caye National Monument	3,925	1.25	5.00
Tapir Mountain Nature Reserve	2,728	no access	no access
Shipstern Nature Reserve	8,903	1.00	5.00

Table 3. Visitor entrance fees for the Galapagos National Park, Ecuador

Category	**Amount in US$**
Foreign tourist (non-resident)	100
Foreign tourist under 12 years of age	50
Foreign tourist of a member country of the Andean Community or Mercosur	50
Foreign tourist of a member country of the Andean Community or Mercosur under 12 years of age	25
Citizen or resident of Ecuador	6
Citizen or resident of Ecuador under 12 years of age	3
Foreign tourist non-resident attending a national academic institution	25
National or foreign children under 2 years of age	No fee
source: Government of Ecuador, 1998	

Table 4. Visitor Entrance Fees for Kenya's National Parks

Categories	Non Residents (US$ per day)	Kenya Residents (Kshs per day) **	Kenya Citizens (Kshs per day)**
CATEGORY A (very high use) Aberdares, Amboseli, & Lake Nakuru			
Adults	27	500	100
Children (from 3 to 18 years)	10	50	50
Student and organized groups*	10	50	50
CATEGORY B (high use) Tsavo East & Tsavo West			

Adults	23	200	100
Children (from 3 to 18 years)	8	50	50
Student and organized groups*	10	50	50
CATEGORY C (moderate use) Nairobi, Shimba Hills & Meru			
Adults	20	150	100
Children (from 3 to 18 years)	5	50	50
Student and organized groups*	10	50	50
CATEGORY D (low use): All other parks			
Adults	15	100	100
Children (from 3 to 18 years)	5	50	50
Student and organized groups	5	50	50

* Includes students over 18 years and adults from educational, conservation and civic institutions
** 70 Ksh = US$1
source: Kenya Wildlife Service, 2001

Entrance fees to PAs in developing countries vary widely. The Galápagos charges foreign visitors a US$100 entry fee, while national parks in Kenya, Tanzania, Uganda and Botswana charge foreign tourists US$20–30 per day. Such relatively high fees are typically only found at internationally well-known parks, or at sites that have large numbers of "charismatic" terrestrial wildlife species such as lions, elephants and primates. A few marine protected areas that have outstanding and accessible coral reef and other marine life attractions are also able to charge relatively high fees. Traditionally, entrance fees provide the greatest revenue contributions to ecotourism sites, primarily because they are the easiest fee to collect.

Entrance fees are primarily designed to increase funding available for the area's conservation activities. However, the pricing of entrance fees can also be a mechanism for facilitating or limiting *visitor access*. If managers of a PA identify the need to limit visits because of the adverse impacts, raising the entrance fee is one tool to achieve this objective.

There is a need to communicate changes in fees in advance to tour operators, guide book authors, etc., in order avoid surprises to foreign visitors at the gate. Such changes require a thorough knowledge of the demand for a site's attractions before the effect of changing the fee can be reasonably predicted.

1.3.2 Concession fees

These fees are typically collected from companies ("**concessionaires**") that are granted "concessions" for providing a service to visitors within an ecotourism site. Concession contracts between the concessionaire and appropriate legal authority include specific provisions specifying the pricing of the fee, the collection mechanism and other logistical, financial and legal details. Depending on the legal framework of the country, any function – including the management of the entire PA or operation of specific facilities – can potentially be contracted to a concessionaire. The most common services provided through concession contracts include: lodging, food and beverage services, horse rentals, recreational equipment rentals, guided tours and boat transportation, and gift / souvenir shops. At some ecotourism sites, the PA administration may choose to carry out all of these services in-house without involving outside concessionaires. On the other hand, most ecotourism site managers find that they either do not have the expertise or the investment capital needed to provide these services in a professional manner. This is typically a decision made by the management on a site-by-site basis.

Selection of concessionaires is usually done through a competitive bidding process in which the site's administration develops the terms of reference and interested companies apply, indicating the services they are offering and the amount they are willing to pay for the opportunity to provide these services. In the case of government-managed PAs, this process can be long and involved. Concessions can be an excellent way to involve local people in PAs – as either sole or co-owners of the concessionaire, or employees of the concessionaire. This can help build local community support for the PA.

A concession fee may not be a viable option for some sites, particularly if there is limited demand for the service. In some cases, there may be demand but not the entrepreneurs with sufficient capital, interest and risk-taking ability. A concession should not be undertaken unless a marketing study and business plan are prepared (in Resources Section below, see Volume 2 of *Ecotourism Development: A Manual Series for Conservation Planners and Managers*).

One particularly difficult aspect of concessions is arriving at a balance between the amount that the concessionaire will earn by exploiting the resource, and the amount that will be returned to the PA administration. To take one example, in the US, this figure is about 2 to 3 percent of concessionaire earnings.

Concession fee income can be structured in different ways. The major options include:

- fees based on the *number of people a concession serves* during a given year
- fess based on a *percentage of the gross or net* income of the concessionaire
- an annual *fixed fee*, or
- a combination of the above

In many situations, it can be difficult for the concessionaire to track and calculate profits, income and number of people served. A fixed annual fee provides a simpler way to charge a concessionaire, but lacks flexibility: the concession may be steadily increasing its business while the annual fee remains the same. It is not unusual for concessionaires to make huge profits while site administrations receive very little in fees. It is important to be creative in setting concession fees at appropriate levels for all parties and using fee income methods that are easily calculated.

It is particularly important for the site administration to retain control over the concessionaire's operations to assure that resources are not over-exploited or damaged, and that protection and management functions are not neglected in favor of profit-making functions. As such, along with fee rates, the contract for concession operations should also require adherence to *best practices* pertaining to ecotourism infrastructure development and management. The ecotourism site's manager is ultimately responsible for ensuring that all standards and contract conditions are monitored periodically and complied with. Such responsibilities entail costs, which should be factored into user-fee systems.

1.3.3 Licenses or permits

These are typically fees charged to allow the individual visitor or a company to carry out a specific activity that requires special supervision / management because (i) it is infrequently exercised; (ii) demand for this activity must be managed; and, (iii) controlling activity is necessary to minimize resource damage. Examples of activities include: backcountry camping, sport fishing, rock climbing, boat launching, anchoring of boats, hiking, and cruise ship visits. It is common for some of these types of activities to be rationed in order to reduce human impact and/or provide for a particular visitor experience such as solitude. It is a useful mechanism for monitoring how many visitors actually carry out certain activities. Guides and tour operators may also need special permits to work within the site, for which a fee is usually charged. Trophy hunting licenses, although controversial in some quarters, can be another source of

income for conservation, as is the case in a number of African countries (e.g. the CAMPFIRE initiative) http://www.campfire-zimbabwe.org/

1.3.4 Other tourism-related fees and taxes

A wide range of other tourism related fees and taxes exist, such as:

Taxes and/or royalties on consumer items sold within the PA. In many cases, third parties may sell souvenirs, food and other products to visitors within the site. A fixed or percentage-based royalty on such sales presents another potential source of income for conservation. However, third parties must make a profit before the site's administration receives a percentage.

Airport departure tax. National-level airport departure taxes are in place in many countries. A portion of these funds can be earmarked for environmental protection. For example, Belize (Central America) has a law that requires all foreign tourists to pay a US$3.75 "conservation fee" at the airport, in addition to the normal US$11.25 airport departure tax. Tourists are given an explanatory brochure and a separate receipt when paying the conservation fee. Revenues go directly to the "Protected Area Conservation Trust" (PACT) that is independent of government. A number of other countries are now considering proposals to charge airport fees earmarked for parks and conservation. For example, in 1999 the Republic of the Seychelles proposed charging all foreign tourists a US$100 fee on arrival at the airport, for the world's first "environmental tourism visa," called the Seychelles Gold Card. This would grant free lifetime admission to all state-run PAs, including two World Heritage Sites. Depending on tax code regulations, it may also be possible to institute such departure taxes at specific airports only, or for specific provinces.

Road Tolls. Road tolls can be put in place for special scenic drives located in or near PAs. For example, Florida charges a US$3 toll to all motorists on a highway called "Alligator Alley," just north of the Everglades National Park, where it is often possible to see alligators from the road. This toll raises US$60 million annually, all of which is earmarked for conservation of the greater Everglades ecosystem.

Cruise Ship Passenger Fees. Fees from cruise-ship visits to PAs or nearby gateways can generate significant income in high tourist visitation areas such as Komodo National Park near Bali, Indonesia and in the Caribbean. In 1998, six small countries in the Eastern Caribbean (Antigua, Dominica, Grenada, St. Kitts, St. Lucia and St. Vincent) jointly decided to charge a US$1.50 per passenger "cruise ship waste disposal fee" to finance environmental clean-up and conservation. The Belize "conservation fee" described above is also collected from all cruise ship passengers, and goes to support the country's PAs. With fees such as the Eastern Caribbean example above, it is important to recognize the need for requiring the private sector to take responsibility for best management practices – to reduce and manage its own waste.

Scuba Diving Fees. Scuba diving typically involves high-spending tourists and has the potential to generate significant income. The two Caribbean islands of Bonaire and Saba in the Netherlands Antilles use revenue from diving fees to finance 100% of the operating costs of their marine PAs. Divers are charged a flat fee of US$10 in Bonaire, and an average of US$30 in Saba, based on the number of dives they make. The Pacific island Republic of Palau charges a US$15 per person diving fee to the 60,000 to 80,000 divers who go there each year. Diving fees now generate about US$1,000,000 per year, which is used for maintaining Palau's PAs. Tubbataha Reefs National Park (a World Heritage site) in the Philippines just began charging divers a US$50 per person "reef conservation fee," after surveys showed that divers would be willing to pay such fees if the money would only be used for protecting Tubbataha's coral reefs, instead of going into the general treasury.

Hotel Room Taxes. Surcharges on hotel rooms have been used in various places around the world as a way of raising funds for conservation. For example, in the US, 10% of the money raised by the state of Delaware's 8% tax on hotel rooms is earmarked (by law) to finance the state's "Beach Preservation Program." In the Turks and Caicos Island (in the eastern Caribbean), hotel room taxes were increased from 8% to 9%, and the additional 1% goes directly into a PA conservation trust fund that is modeled on the one in Belize. In other places, a small, voluntary "nature conservation surcharge" of one or two dollars is added to all visitors' hotel bills, with an explanation on the bill stating that the hotel will delete the conservation surcharge, if a guest so requests (which very few guests will do).

Taxes on Hunting, Fishing and Other Recreational Equipment. Taxes on hunting and fishing equipment can be used to help conserve and manage habitat for species of game and sports fish, and for other conservation purposes. For example, the US federal government imposes an 11% excise tax on all sales of hunting weapons and ammunition, which now generates more than US$300 million each year. Half of this amount is used to finance the US Wildlife Restoration Fund. There is a similar 10% US federal excise tax on sales of sport fishing equipment and motorboat fuel, which is used to finance the US Aquatic Resources Trust Fund. National and sub-national governments could impose a similar tax on sales of camping and hiking equipment, and earmark the resulting revenues to finance conservation.

Voluntary Donations. Visitors to protected areas are often prepared to contribute more to conservation than they are asked to do through established tourism user fees. Hotel and tour operators can play a very valuable role in soliciting voluntary contributions for protected area conservation through, for example, per night add-on fees and simply by soliciting and gathering donations (e.g. Galapagos). In some cases, where other fees are difficult to charge, perhaps for legal reasons, voluntary donations can be an attractive and viable alternative.

Other Fees. Fee can also be charged for the use of other services or particular opportunities offered by the site that incurs a cost higher than that covered by the entrance fee. Examples include: parking fees, fees for visitor center use or for camping in organized camping or primitive areas, and admission fees for the use of a facility or special activity such as a nature museum or educational exhibit. However, site administration must be mindful that a proliferation of many small visitor fees could discourage visitors and ultimately lower revenues. In this case, a small number of coordinated larger fees may be better than many small fees. Some PAs obtain revenues by charging "publicity fees" to corporations using the PA as a location or backdrop for advertising, films, and posters. Some charge for installation / use of such facilities as transmission towers, marine platforms, or research stations.

1.4 Strengths and Weaknesses of Tourism User Fees

Strengths

- **Equitable "user pays" system.** Consumers of the recreation who highly value a site pay for its conservation and the cost of their activities.
- **Financial self sufficiency.** If fee-based income is proprietary (i.e. earmarked for conservation activities at the site of collection), it could offset a portion of operational costs of a PA, making it more self-sufficient and independent from the politics of a national budget allocation.
- **Public appreciation.** The public may have greater appreciation for services it pays for.
- **Congestion control.** Fees allow increased management and control of park access by users, helping to address overcrowding and directing activities to appropriate areas. Visitors will pay more for a less-crowded experience.
- **Information exchange.** Fee collection provides an opportunity for information exchange between visitors and park personnel.
- **Service and innovation incentives.** Greater PA self-sufficiency from fee revenues gives managers incentives to provide attractive services to the public and maintain PAs and their natural resources in good condition. Also, fees encourage managers to be entrepreneurial, since their budgets may be dependent on fee revenues.
- **Economic value.** Fee (pricing) mechanisms can give economic value to recreation as an ecosystem service provided by PAs.
- **Motivate expansion of PA system.** High income from TUFs may motivate a government to protect more areas.
- **Public perception and external funding.** Self-generation of income enhances public perception of a site's value and its administration's competence, which can be used as political leverage and to attract national, international, and private donors to invest in larger conservation projects.
- **Commercial professionalism.** Privatization of concession services can increase commercial professionalism and reduces the site manager's business responsibilities and the associated operating costs.
- **Engaging stakeholders.** Concession rights include the private sector and their local staff, and sometimes NGOs, as service providers and site partners, helping to engage them more actively in PA management and to increase local support for the site.
- **Employment.** TUFs can create additional local employment as collectors, guards and concessionaire staff.

Weaknesses

- **Unstable revenue.** Visitation rates, and thus income from fees, can be subject to seasonal and annual fluctuation. Revenues can therefore be unstable.
- **Alienating constituents.** Can alienate constituents, especially local communities that have traditionally enjoyed free access.
- **Exclude poor.** Can exclude the very poor domestic visitors from enjoying the site if user fees are high-priced.
- **Visitor experience changes.** Some dimensions of the visitor experience can be changed adversely (e.g. more structured and commercialized).
- **Commercialization risks.** Inherent risk of commercialization of sites when concession agreements are put in place. A parks agency that places its emphasis on user-fee revenues can lose sight of some of its objectives, and tend toward facilities designed to produce income rather than protect natural resources. It is particularly important to retain control over the concessionaire's operations to assure that resources are not over-exploited or damaged.
- **Personnel diversion.** Initial diversion of personnel resources to fee collection instead of site protection and conservation. (However, additional fee-based revenues should soon be able to support hiring of additional staff.)
- **Lack of marketing expertise.** Obtaining adequate marketing expertise can be a challenge for PAs in developing countries.
- **Liabilities.** With more tourists, increased exposure to legal liabilities for on-site accidents.
- **Double taxation.** A weakness identified by critics in a developed country context when local residents must pay a user fee as well as local taxes that support the PA system. In developing countries however, fees are charged precisely because taxes are not adequate to cover PA management.
- **Enforcement.** Tourism user fees can be difficult to collect and enforce in MPAs where entry is difficult to restrict to specific locations.

1.5 Success Factors

A variety of factors will influence the likelihood of success, including:

- **Tourist volume.** Sufficient numbers of tourists to generate revenue levels that offset a significant portion of operating costs of a PA.
- **Fair pricing of fees.** Placing a fair value on uses and services of a site through fee pricing, while still generating acceptable net returns.
- **Fee adjustment.** Flexible approach by site administration to adjusting fees as needed.
- **Political acceptability of charging fees**. Acceptance by local stakeholders and domestic tourists of the advantages of and need for TUFs.
- **Proprietary use of income for conservation.** Income generated by TUFs is channeled to support *conservation at the site of collection*, rather than channeled into national or provincial general treasuries.
- **Accounting and audit systems.** Well-organized accounting systems to help in tracking and analyzing financial data. Periodic, independent audits.
- **Marketing experience.** Adequate marketing expertise to develop marketing campaigns that can attract sufficient tourism volume if it does not already exist.
- **Well-trained staff for entrance fee program**. Well-trained staff who can effectively collect fees (including differential rates for various tourist profiles) at reasonable administrative costs and provide sufficient information at the entrance gate to help enhance the tourist experience.
- **Professional concessionaire operations drawing upon local employee pool**. Professional commercial operation for delivering services and collecting revenues. Local community members hired to staff concession operations.

1.6 Step-By-Step Methodology

This methodology outlines general steps for implementing a comprehensive Tourism User Fee Program. In this illustrative methodology, two specific categories of TUFs – entrance and concession fees – are initiated in the first phase. Other user fees could be brought on stream in later phases of the Program. It is important to note that precise sequencing and implementation of these steps will vary considerably, depending on many circumstances specific to the locality. It is also important to note that the steps outlined below (e.g. conducting an in-depth feasibility study) should be integrated into a broader tourism management plan and linked to management strategies including protected area tourism use zoning and tourism impact monitoring. Steps 1-5 are more general in nature and applicable to establishing an entrance fee system or concession fees. Specific measures for establishing and entrance fee system are detailed in Steps 6a-8a. Specific ways of establishing concession fees are detailed in Steps 6b-10b.

Step 1: Site administration (i.e. management authority), in consultation with other stakeholders, determines the general need for and purpose of a tourism user fee program.

- Conduct brainstorming sessions and draft papers on what types of user fees might be charged, how such revenues might be allocated, ways to evaluate the success of the user fee program, etc. (see the Business Planning for Protected Areas chapter of this Guide)

IF INTEREST IN PURSUING USER FEE PROGRAM EXISTS:

Step 2: Site administration conducts feasibility assessment (see Assessment Section below for detailed TOR).

- Profile current tourists through existing data and tourist surveys (see sample price responsiveness / "willingness to pay" survey): important elements of their visit, motivations for current and future trips, average expenditures, average duration of stay, tourist segmentation (e.g. mass tourism versus high-end tourism, bird watchers, white-water rafters), countries of origin, etc. This is done for entrance fee only.
- In conjunction with local tour operators, estimate current visitation rate and project future trends.
- Estimate the impact capacity at the site (i.e., what are "limits of acceptable change"?)
- Assess existing ecotourism management plans and marketing plans, and identify elements for improving such plans.
- Building on any existing zoning, identify specific steps to develop / implement a *visitor zone designation scheme*, with varying levels of visitation and other use restrictions.
- Assess feasibility (e.g. revenue potential, consistency with PA objectives, legal and regulatory issues, implementation feasibility, etc.) of a range of TUFs, starting with **entrance** and **concession** fees (see section b below).
- Assess implementation issues, such as funds management and distribution, participation in oversight bodies, etc.

IF TUF PROGRAM DETERMINED FEASIBLE:

Step 3: Site administration meets with government officials, legal counsel and key stakeholder groups to agree on the framework for a TUF Program.

- Issues to be discussed include: types of user fees to be employed, along with prioritization and sequencing of such fees and fee differentials; the need for any changes to the existing legal/regulatory framework; principles for implementing the TUF program; allocation of income, etc.

Step 4: Site administration creates a detailed TUF Action Plan, consistent with Ecotourism Management or public-use plan.

- *Identify key areas of action*: major services to be provided; allowed activities; fee rates and collection methods; necessary equipment, supplies, personnel, and installation efforts; administration policies; control systems; and evaluation methods.

- Identify specific steps to develop / implement an *ecotourism marketing campaign* to attract more visitors, if consistent with limits of acceptable change.
- Identify specific steps to ascertain appropriate fee prices, including:
  - Calculate the cost of providing and maintaining recreational opportunities for visitors.
  - Determine whether fees should be tiered (i.e. different rates on different visitor profiles).
  - Gather information on fees charged at other similar sites nationally and internationally.
  - Develop steps that address the site's *liability responsibilities* towards visitors.
  - Prepare a *revenue allocation plan*, designating the use of revenues from TUFs for various conservation projects or to cover more general costs (see Business Planning for Protected Areas chapter)

Step 5: Initiate the TUF Action Plan.

- Determine how and where the fee will be collected (entrance gate, through tourist operators, etc.)
- Redistribute existing personnel or hire new personnel for fee collection. Purchase any necessary equipment and supplies. If needed, construct / install any new facilities needed for entrance fee collection, such as turnstiles and booths. (Locate collection facilities, special attractions, and infrastructure to minimize impact on natural resources.).
- Establish an accounting system to track and analyze fees being collected.
- Hire an independent firm to audit the site's accounts periodically.
- Led by appropriate tourism agencies, if appropriate, begin or expand ecotourism marketing campaign, in coordination with private sector.
- Be transparent about how the revenues will be allocated.

Entrance Fees	Concession Fees
Step 6a: Site administrators conduct a pilot implementation (e.g. 3-6 months) of the entrance fee to test the market. • Begin controlling access points to PA: start collecting fees and data on visitation. The test could involve collection at just one or two sites, and simple fee differential scales (e.g. only 2 rates). • Evaluate the price responsiveness (visitors' willingness to pay) and visitors' reactions to the fee mechanisms and levels. • Evaluate effectiveness of collection systems and performance of entrance fee staff. • Recommend and put in place any required changes based on this evaluation.	**Step 6b:** Develop detailed Concession Fee Action Plan • Based on tourism zoning of protected area draft parameters for sustainable operation. • Consult local stakeholders • Protected area defines services to be promoted. • Develop concessionaire application form. • Advertise for concessionaires, requesting bids outlining acceptable fee rates, and requesting information about their operations, such as: energy sources used, waste management systems, environmental interpretation programs, number of visitors to be serviced, use of local labor, supplies, natural resources, etc.
Step 7a: Assuming success of pilot, implement full-scale entrance fees. • For entrance fees, this could entail, for example, opening multiple collection points and charging several rates for different visitor profiles. • Begin allocation of revenues to agreed	**Step 7b:** Private sector bids for concession rights and concession agreement is negotiated. • Concessionaires submit applications to site administration, covering the information requested. • Site administration reviews applications and selects concessionaire based on

conservation activities.

Step 8a: Site managers monitor and evaluate entrance fee system.

- Monitor visitor numbers through park entrance information cards, etc.
- Monitor performance of entrance fee staff through management performance evaluations, independent evaluations, visitor surveys, etc.
- Monitor revenue flows through annual audits, and conduct further visitor willingness-to-pay studies to determine if higher fees can be charged.
- Monitor and assess tourists' overall experiences of the site.
- Assess the ecological condition of and changes to sites that have been made newly accessible by the fee system.
- Evaluate data from the above monitoring activities.
- Implement needed changes based on evaluations. Consider: (i) increasing or decreasing the fees according to visitor responses / patterns and price responsiveness (willingness to pay studies); (ii) improving materials provided at entrance fee collection points; (iii) taking measures to prevent visitor congestion that will harm the environment and detract from visitors' experience; and (iv) taking measures to improve financial accounting systems.

As appropriate, implement other elements of a TUF system (e.g. scuba diving permits, hotel room taxes, etc.).

merits of application.

- Site administration and concessionaire negotiate concession agreement, including specific terms of current / future fee payments, specific provisions restricting concessionaire activity, etc.

Step 8b: Pilot implementation

- Carry out a limited test application of the concession fee.
- Evaluate effectiveness of collection systems and performance of concession fee staff.
- Recommend and put in place any required changes based on this evaluation.

Step 9b: Assuming success of pilot, implement full-scale concession fees.

- For concession fees, this could entail, for example, an expansion of concessionaire services.
- Begin allocation of revenues to agreed conservation activities.

Step 10b: Site managers monitor and evaluate concession fee system.

- Monitor visitor numbers through concessionaire receipts, etc.
- Monitor performance concession staff through management performance evaluations, independent evaluations, etc.
- Monitor concessionaire fees and revenue flows through annual audits to determine whether higher or lower fees should be charged.
- Monitor and assess tourists' overall experiences of the site, including concession business(es).
- Assess the ecological condition of and changes to sites that have been made newly accessible by the fee system.
- Evaluate data from the above monitoring activities.
- Implement needed changes based on evaluations. Consider: (i) increasing or decreasing the fees according to visitor responses / patterns and price responsiveness (willingness to pay studies), concession business profits, etc.; (ii) improving materials provided at entrance fee collection points and concession businesses; (iii) taking

	measures to prevent visitor congestion that will harm the environment and detract from visitors' experience; and (iv) taking measures to improve financial accounting systems. As appropriate, implement other elements of a TUF system (e.g. scuba diving permits, hotel room taxes, etc.).

2 FEASIBILITY ASSESSMENT PHASE

2.1 Overview of Feasibility Assessment

A feasibility study can be designed to cover anywhere from one specific TUF (e.g. entrance fee) to a comprehensive system of TUFs. In the case of site-based TUFs, typically the site will commission an expert in ecotourism to conduct an in-depth feasibility study, which often takes several months to complete, and can cost in the US$25,000 range. More rapid, less expensive feasibility assessments can be conducted using the tools provided below, the resources listed in this Guide, and limited technical assistance. Below are generic terms of reference covering a comprehensive feasibility study of TUF options, along with 5 worksheet tools (TUF1-5) for summarizing and analyzing data collected during the feasibility study. Depending on the level of detail of the feasibility study, some of these tools may be more appropriate for use in an Implementation Phase. These tools emphasize entrance and concession fees, given their recognition as the most broadly applicable TUFs.

As indicated in the Stepwise Methodology Section above, before proceeding with a feasibility study, the planning process should begin by defining the purposes of the user-fee program. The basic orientation may be to adequately finance environmental protection; finance tourism management in the protected area; to provide installations that promote user enjoyment or economic development; to limit use while increasing revenues; or some combination of these and other factors.

Feasibility studies can then analyze key factors that may affect the success of the program and the specific fee options to be used. Feasibility assessments need to either be carried out as part of larger efforts to develop ecotourism management plans, or need to incorporate key elements of existing plans.

2.2 Generic Terms of Reference (TOR) for Feasibility Assessment: Overview

[FILL IN NAME] National Park (FNP) is [FILL IN NAME] ha. in size and located in [FILL IN PROVINCE] of [FILL IN COUNTRY]. It has extensive attributes which make it attractive as an ecotourism destination, including [FILL IN ATTRIBUTES]. In order to effectively protect and manage the biodiversity and other natural resources of the park, a long-term, sustainable financing system is required. Initial planning discussions have identified tourism-based user fees (TUFs) as an important potential element in such a system. Already, modest revenues are being generated through park entrance fees. Opportunities seem to exist for raising entrance fees and putting in place a variety of other user fees. To examine these opportunities in-depth [NAME OF CONTRACTING ENTITY] is commissioning a feasibility study of a range of TUF options for financing conservation of FNP.

The study will collect extensive information and evaluate key issues and conditions influencing the feasibility of TUFs in FNP. Through on-site interviews, collection and analysis of existing data and other activities, the consultant will conduct an overall analysis of the current status of ecotourism in the area. Through extensive interviews with tourism operators and other local businesses, park staff, tourists, local

community leaders and other stakeholders, the consultant will collect and analyze relevant information and recommend specific options for viable **TUF**s. In addition, the consultant will interview relevant governmental officials to assess opportunities for the generation of *proprietary* income that is channeled directly into conservation activities at FNP. There may be a need for lobbying various government agencies for allocation of these funds. **T**his should be identified in the early stages of the **TUF**'s development (see Bunaken case study).

2.3 Generic Terms of Reference (TOR) for Feasibility Assessment

OBJECTIVES:

To assess the feasibility of a tourism user fee program designed to generate long-term funding to conservation of FNP. More specifically, the objectives are to:

- Assess the current status of ecotourism and identify actions required to improve the ecotourism experience and visitor flows in support of a TUF program.
- Assess specific issues regarding the feasibility of entrance fee and concession fee programs, and recommend next steps.
- Assess opportunities for implementing other types of TUFs.

TASKS:

1. General assessment of ecotourism conditions and issues
   - Describe the major ecotourism attractions (assets) and related recreational activities.
   - Document current visitation volume and recent visitor flow trends; provide detailed visitor demographic data as available (e.g. % and total number of high end tourists, backpackers, other categories; % and total number of foreign and domestic tourists; age group breakdowns; % and total numbers of visitors participating in key recreational activities such as diving / snorkeling, hiking, birdwatching, etc.)
   - Document acceptable limits of change from visitor impacts, and assess major environmental impact issues (e.g. identify major threats posed by ecotourism, and options for mitigating such threats).
   - Summarize tourism infrastructure issues, including reliability of and access by various modes of transport, communications, accommodations, etc.
   - Describe the quality and breadth of existing visitor services, and recommend measures for upgrading such services.
   - Identify major obstacles to expanding visitation, and recommend measures for addressing such obstacles as appropriate (e.g. more trained guides, expansion of accommodations).
   - Describe any existing TUF mechanisms, and summarize the success of such mechanisms.
   - Describe support for TUFs from current tourism operators.

2. Assessment of general conditions for a TUF Program

Describe and analyze key conditions required to put in place an effective TUF Program, including:

- Political conditions: Support for TUF Program of key national government ministries and local government agencies, local communities, domestic tourists, and other important stakeholder groups; support for proprietary income; support for needed infrastructure improvements.
- Economic conditions: Potential to generate significant revenues; strong willingness of foreign and domestic tourists to pay TUFs; existence or likelihood of funding for start-up of TUF Program and needed infrastructure improvements; accounting systems to track and monitor fee collection.
- Legal: Legal regime exists or could be put in place to support TUF Program (including specific fees such as entrance and concession fees) and to support proprietary allocation of income.
- Other: Organizational capacity of government to execute TUF Program, business expertise to operate concessions, ecotourism marketing expertise, overall potential for sustainable tourism to be developed, potential of tourism operators to support TUFs, required staff training.

3. Assess in-depth feasibility of an entrance fee program
   - If an existing entrance fee is charged, summarize how the program is structured and document the revenue generation trends; assess the success of the program.
   - Assess visitor demographic issues correlated with revenue projections and analyze visitor-marketing strategies (e.g. raising visitor flow versus attracting higher portions of high-end tourists).
   - Conduct a "willingness-to-pay" survey of visitors to help calculate optimal fee pricing.
   - Assess the optimal number and location of entrance-fee collection points, staffing resources and equipment required, and other practical issues to consider in establishing an entrance fee program.
   - Assess appropriate mechanisms of entrance fee collection given the circumstances of the park.
   - Evaluate the applicability and revenue potential over a 10-year period of various pricing schemes for determining entrance charges (e.g. peak load pricing, comparable pricing, marginal-cost pricing, multi-tiered pricing and differential pricing). Document key assumptions.
   - Outline an entrance fee pricing scheme and rates, and project 10-year revenue flows. Draw on price responsiveness (willingness to pay) survey results and vary key parameters (e.g. visitation flows, prices, on-site income retention rates, etc. Document key assumptions.
   - Recommend a pilot entrance-fee program to test the fee-pricing scheme over 1 year, following by a process for adjusting the fee to the appropriate level.

4. Assess in-depth feasibility of a concession fee program
   - If a concession fee program exists, summarize how the program is structured and document the revenue generation trends; assess the success of the program.
   - Assess current business services being provided to visitors (e.g. food, accommodations, equipment rental equipment, etc.); determine which services would be most appropriate for inclusion in a concession fee program.
   - Conduct a survey of visitors to determine additional concessions required.
   - Evaluate applicability and revenue potential over a 10-year period of various concession fee structures and prices (e.g. auction/bidding for licenses, flat fee, percent of gross receipts, percent of net income).
   - Recommend a pilot concession fee pricing scheme and rate(s), and project 10-year revenue flows. Draw on comparable systems in operation at other protected areas and vary key parameters.

5. Assess feasibility of other TUFs
   - Conduct a coarse assessment of the feasibility of other TUFs (e.g. licenses, permits, recreational fees) and recommend which, if any, deserve further in-depth assessment.

6. Financial projections and related issues
   - On the basis of the above, develop 10-year revenue projections drawing from all fee mechanisms determined to be viable or particularly promising.

7. Next steps

Recommend specific next steps for establishing an entrance fee program.
   - Recommend specific next steps for establishing a concession fee program.
   - Recommend other specific next steps for implementing a TUF program, including sequencing of steps.

DELIVERABLES:

1. Feasibility report. A preliminary report capturing all of the task points outlined above will be submitted to a "Review Team" for comments and discussion prior to the finalization of the report for submission to the contractor. A final report will be submitted in written and electronic form.

2. Contact list. List of key contacts (name, title, address, email, phone number) will be attached to final report.

3. Briefings. Concluding briefings will be provided in [LIST CITIES] to summarize preliminary results for contractor and other interested stakeholders.

STAFFING AND TIMETABLE:

The project will be implemented during the period [FILL IN]. A preliminary report will be due on [FILL IN DATE] and a final report will be due on [FILL IN DATE]. The level of effort will require a total of [FILL IN #] consultant days. [IF A TEAM OF CONSULTANTS:] The consulting team will consist of: [FILL IN NAMES, BREAKDOWN OF DAYS AND ROLES].

2.4 Worksheet Tools for Carrying Out Feasibility Assessment

Six worksheets have been developed to assist the feasibility stage. Instructions for how to use these tools, followed by images of the worksheets, are provided below. These worksheets are intended as generic tools to help summarize and analyze relevant information gathered during the feasibility stage. They will need to be customized to some degree for every site.

The worksheets file is in Microsoft Excel format. To edit and change them for your use, it is recommended to first save the file to your hard drive.

Click here to link to TUF Worksheets (this will open Microsoft Excel. Click "Enable Macros" when prompted. To edit and change the worksheet for your use, it is recommended to save it first to your hard drive.)

Instructions for TUF1 ("Conditions" see next page): Summary of analysis of key conditions for successful TUF Program

TUF1 is designed to help analyze the key conditions needed for a successful TUF Program.

1. Review the general structure of the worksheet, including data input categories (columns and rows) provided as defaults; modify as needed.
2. Column 1 lists a variety of conditions under the general headings: political, economic, legal and other. For each condition, assign a relative ranking score (1-5 scale, with 5 being the highest) in the appropriate column to the right.

In analyzing these conditions for success, the following key analysis questions should be answered:

- Are there some conditions which are particularly important in this local setting? What are their scores? How could these conditions be improved if necessary?
- Are there a sufficient number of medium (3) or higher scores, suggesting a good likelihood of success?

	A	B	C	D	E	F	G	H
1	WORKSHEET TUF1: SUMMARY OF ANALYSIS OF KEY CONDITIONS FOR SUCCESSFUL TUF PROGRAM							HELP
2								
3			VERY LOW	LOW	MEDIUM	HIGH	VERY HIGH	
4	CONDITIONS		[1]	[2]	[3]	[4]	[5]	
5								
6	**Political Conditions**							
7	Support for tourism industry (tour operators, hotels, guides, tour agencies, etc.) within: **Finance Ministry**							
8	Support within **Tourism Ministry**							
9	Support within **Sectoral Ministry** (e.g. Fisheries)							
10	Support for TUF Program of local communities							
11	Support for TUF Program within local government agencies							
12	Support for TUF Program of domestic tourists							
13	Support within government for proprietary treatment of income							
14	Political support exists (or can be secured) for needed infrastructure improvements							
15	Political stability (to support ecotourism)							
16	Support of local, national and international tourism industry							
17	Other							
18								
19	**Economic Conditions**							
20	Existing or potential tourism demand can generate significant revenues							
21	Viable options exist for capturing more of the net economic benefits of ecotourism							
22	Foreign tourists indicate strong willingness to pay new or higher TUFs							
23	Funding exists (or can be secured) for start-up of TUF Program (staff, infrastructure, research, etc.)							
24	Funding exists (or can be secured) for needed infrastructure improvements - basic/optimum							
25	Accounting systems exist or could be put in place to track and monitor fee collection							
26	Other							
27								
28	**Legal Conditions**							
29								
	Legal regime exists, or could be put in place quickly, to							

Instructions for TUF2 ("Total 10-year revenues"): Worksheet for calculating revenues from a TUF Program

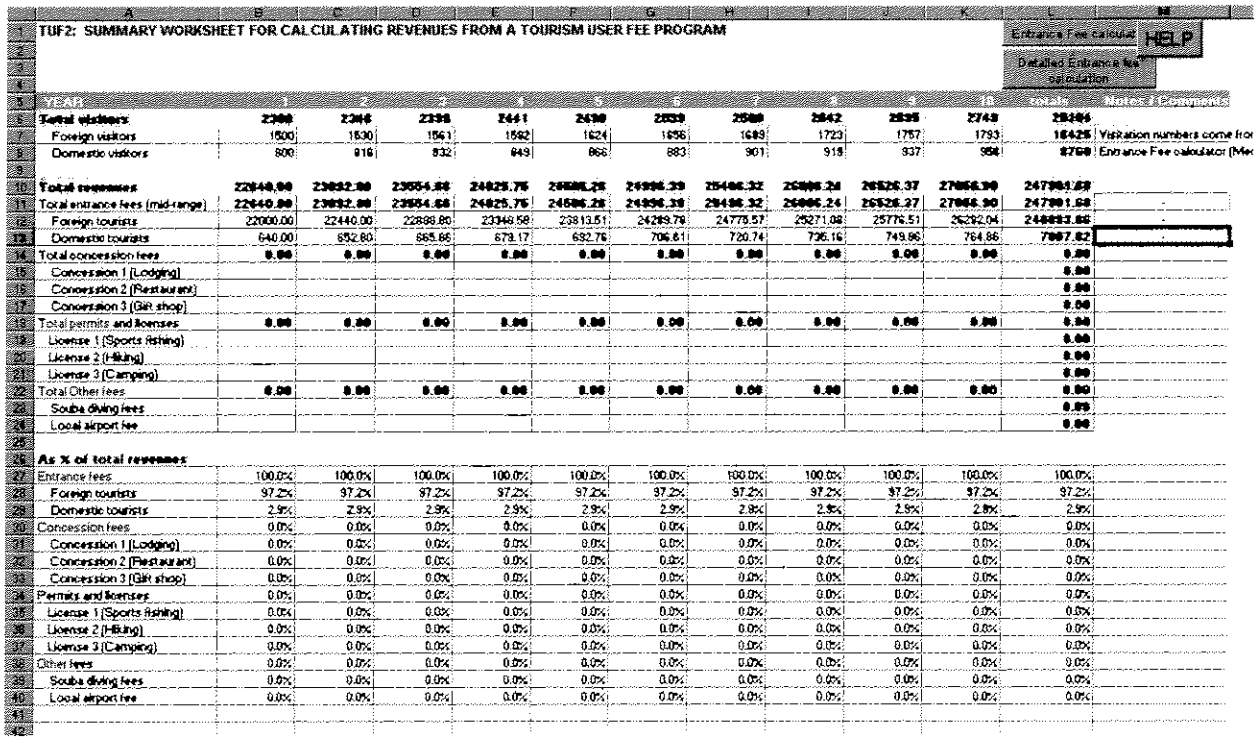
TUF2 is designed to help calculate potential revenues over a 10-year period from a comprehensive TUF Program.

1. Review the data input categories (rows) provided as defaults; modify as needed.
2. Total number of visitors and total revenues from various sources can be entered manually in the appropriate cells for years 1-10. However, the real power behind this worksheet is found in TUF3. TUF3 acts as a control panel that enables users to enter key park visitation and entrance fee parameters which will automatically calculate the numbers of foreign and domestic visitors and entrance fee revenues for TUF2. **Be aware that if you enter amounts directly into the number of visitors and entrance fee cells, you will eliminate the underlying equations and will need to download a new version of the worksheet to re-gain them.**
3. Other revenue categories found in the first column of TUF2 such as **concession fees** and **permits and licenses** are not automatically generated from other worksheets. You should enter revenue estimates covering Years 1 – 10 directly into these cells based on feasibility study research, pricing recommendations, and best estimates. Leave the "total" rows blank for now. Formulas are embedded in the worksheet to automatically calculate total revenues from the

various fee mechanisms (e.g. total entrance fees). Also, formulas are embedded to automatically calculate the % of total revenues generated by individual income rows. Document key assumptions on page 2 of the worksheet.

In analyzing this information, key questions to consider include:

- Which mechanisms offer the greatest revenue potential over time?
- Which mechanisms offer the greatest revenue potential in the near-term?
- What portion of total protected area funding needs could be met through a TUF Program?



TUF2: SUMMARY WORKSHEET FOR CALCULATING REVENUES FROM A TOURISM USER FEE PROGRAM

Entrance Fee calculat | HELP

Detailed Entrance fee calculation

YEAR	1	2	3	4	5	6	7	8	9	10	Totals	Notes / Comments
Total visitors	**2300**	**2346**	**2393**	**2441**	**2490**	**2539**	**2590**	**2642**	**2695**	**2749**	**25245**	
Foreign visitors	1500	1530	1561	1592	1624	1656	1689	1723	1757	1793	16425	Visitation numbers come fro
Domestic visitors	800	816	832	849	866	883	901	919	937	956	8760	Entrance Fee calculator (Mic
Total revenues	**22640.00**	**23092.80**	**23554.66**	**24025.75**	**24506.26**	**24996.39**	**25496.32**	**26006.24**	**26526.37**	**27056.90**	**247901.69**	
Total entrance fees (mid-range)	**22640.00**	**23092.80**	**23554.66**	**24025.75**	**24506.26**	**24996.39**	**25496.32**	**26006.24**	**26526.37**	**27056.90**	**247901.69**	-
Foreign tourists	22000.00	22440.00	22888.80	23346.58	23813.51	24289.78	24775.57	25271.08	25776.51	26292.04	240893.86	-
Domestic tourists	640.00	652.80	665.86	679.17	692.76	706.61	720.74	735.16	749.86	764.86	7007.82	-
Total concession fees	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	
Concession 1 (Lodging)											0.00	
Concession 2 (Restaurant)											0.00	
Concession 3 (Gift shop)											0.00	
Total permits and licenses	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	
License 1 (Sports fishing)											0.00	
License 2 (Hiking)											0.00	
License 3 (Camping)											0.00	
Total Other fees	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	
Scuba diving fees											0.00	
Local airport fee											0.00	
As % of total revenues												
Entrance fees	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Foreign tourists	97.2%	97.2%	97.2%	97.2%	97.2%	97.2%	97.2%	97.2%	97.2%	97.2%	97.2%	
Domestic tourists	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	
Concession fees	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Concession 1 (Lodging)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Concession 2 (Restaurant)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Concession 3 (Gift shop)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Permits and licenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
License 1 (Sports fishing)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
License 2 (Hiking)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
License 3 (Camping)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Other fees	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Scuba diving fees	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Local airport fee	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	

Instructions for TUF3: The "Entrance Fee Calculator"

Worksheet TUF3 is a powerful "control panel" that enables users to calculate entrance-fee revenues by entering data for up to 10 key park visitation parameters. Highly detailed revenue scenario spreadsheets are generated based on the user's best estimates of such variables as visitation levels and entrance fees. The resulting potential revenue streams can then be viewed in much greater detail (and further refined) in worksheets TUF2 and TUF4. TUF3 in combination with TUF2 and TUF4 can be used to help calculate and analyze potential revenues from an entrance fee program, and help decide on the most appropriate fee rates.

The 10 parameters that users can manipulate (**as illustrated on the following page**) are:

A. different levels of pricing for the four types of visitors (domestic vs. foreign; standard vs. student)
B. the rate of fee increase (for example **5%** per year)
C. the time period between rate increases (for example the rate increase occurs once every **3** years)
D. three alternative pricing options (Low, mid-range, and high-range)
E. seasonal price changes (high-season prices and low-season prices)
F. total number of years of revenue forecast (1-20 years)
G. number of visitors (separate estimates can be made for the four types of visitors)
H. rate of annual increase of visitors (separate estimates can be made for the four types of visitors)
I. retention rate (the percentage of entrance fees that the park keeps)
J. three different visitation levels (high, medium, and low visitation levels)

When you open the tourism worksheets you will be directed to TUF3 (the spreadsheet tab at the bottom of screen is named "EntranceFee–start"). Parameters A – J are set to default values at opening. You can reset all parameters to zero, or reset them to the starting sample data using the gray shaded buttons at the bottom right of the spreadsheet. **Be aware that once you start entering your own data, clicking these gray sample data buttons will reset all the parameter values and you may lose your input data!** It is highly recommended that you save a copy of the worksheets to your hard drive and **save your data frequently**.

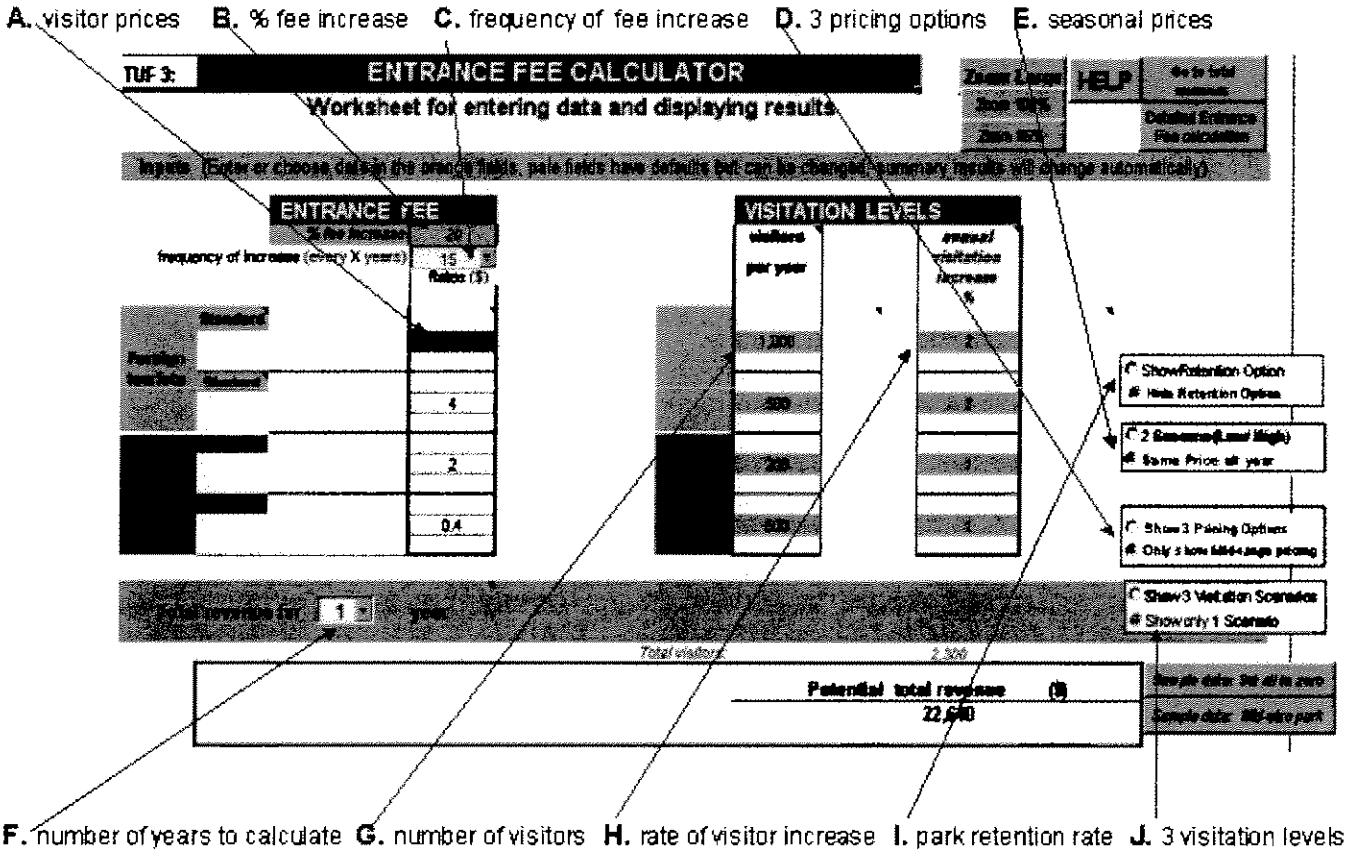
Start by familiarizing yourself with the layout of this spreadsheet. Users will note that there are many cells with small red triangles in the top right corner. If you hover your mouse over these red triangles comment boxes will open that provide further explanations.

There are two key areas where you can enter data: the "ENTRANCE FEE" levels on the left-center of the screen and the "VISITATION LEVELS" on the right-center. You can begin exploring this tool by entering new data in the orange colored fields. You will replace the default values which are entered only as examples. Pale yellow fields for prices will change automatically according to a pre-set formula (e.g. foreign students total 1/5 of standard visitors, domestic visitors account for 1/10 of the foreign), but these pale yellow fields can also be overwritten by the user.

1. Enter new numbers for the entrance fee prices **(A)**. Ideally these estimates would be based on price responsiveness (willingness to pay) surveys. Note that as you change the entrance fees the "potential total revenue" amount in the box at the bottom of the sheet will change accordingly. (note: you can change the category names for the visitor types to suit your needs).

2. Next try changing the number of visitors per year for each of the four types of visitors **(G)**. You will see that the potential total revenue will again change as well as the "total visitor" displayed above it. You can set an annual percentage growth rate for visitation levels through input **(H)**.

3. The default setting for the potential total revenue box shows the results for only **one** year. However, in the green-shaded area is a drop-down box **(F)** where you can define the number of years to display the total revenue results. For example selecting "5" will display the "potential total revenue" over 5 years.

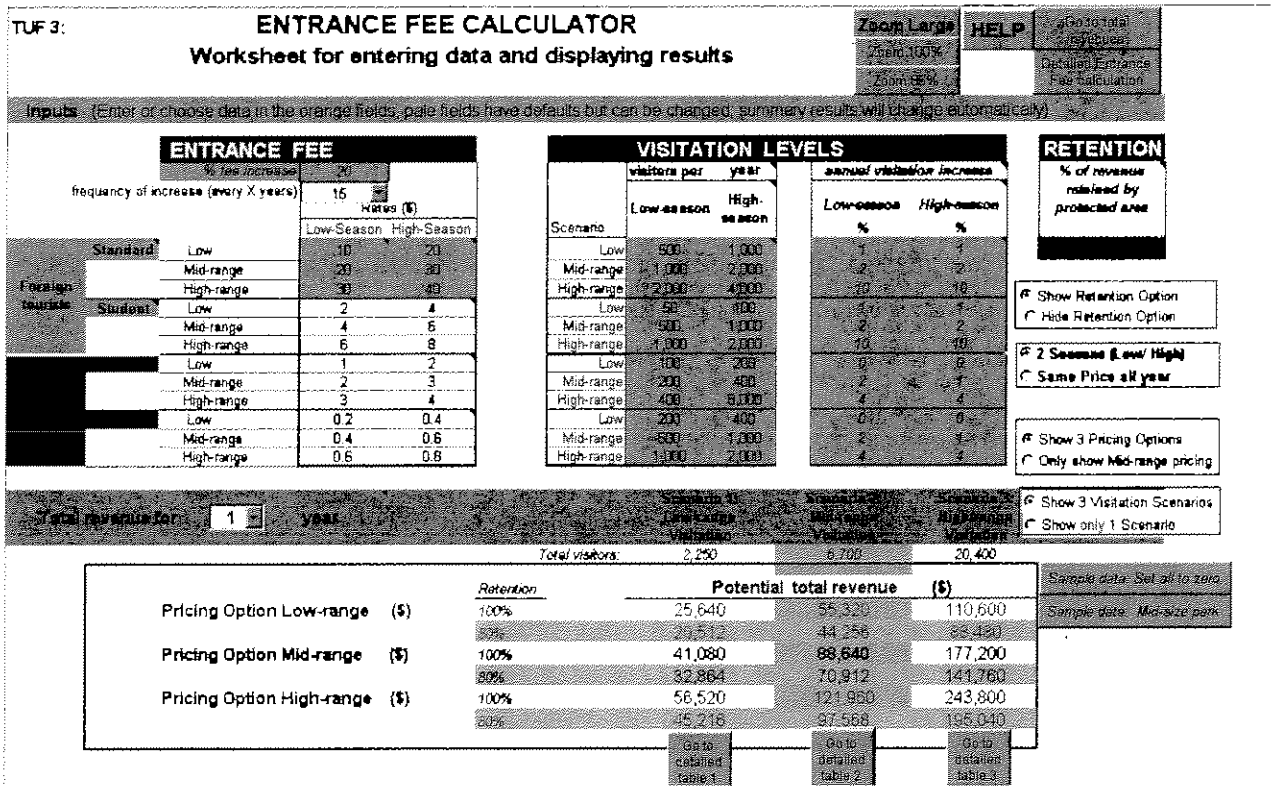


4. Parameter **(B)** enables users to set a regular percentage increase in the park entrance fee(s) and parameter **(C)** lets you define how often that increase is applied, for example every year, every other year, once every 5 years, etc. Changing these parameters as well as **(H)** will effect total revenues for multi-year projections.

5. As you familiarize yourself with entering this data continue to check and see how these changes affect the detailed revenue sheets of TUF2 and TUF4 (more details about TUF4 are found in the next section).

The complexity and level of analysis of TUF3 can be significantly expanded through the use of the "radio buttons" labelled **(D)**, **(E)**, (I), and **(J)** found on the lower right side of the screen above. The default setting for these buttons (as shown above, and when you open TUF3) is the simpler of the two available options. Choosing the more complex alternative in each case will open up new data entry windows in TUF3. The image below shows TUF3 with **(D)**, **(E)**, (I), and **(J)** set to the more complex options. You can experiment working with each of these options one at a time, or work on several at once. In the beginning it is recommended that you work on one variable at a time to fully understand the impact it has

within TUF3 as well as on TUF2 and TUF4. Note: If you use the radio button to return to the simpler option, for example show only one scenario rather than three, you will not lose the more complex levels of data you entered.



6. Click the "Show 3 pricing options" button **(D)**. The spreadsheet will automatically create data input areas for **low**, **mid-range**, and **high-range** entrance fees and insert default values for these three options for the four types of visitors. Note that the "mid-range" price option for each category of visitor is the same previous default setting. Once again, you can enter data in the orange colored field and it will calculate values for the pale yellow field, but you can change all of these default values. The potential total revenue window now displays all 3 pricing options.

7. Clicking the "Show 3 visitation scenarios" button **(J)** opens up new data input windows (low, mid, and high-range) for each visitor category. Changing these numbers will affect the potential total revenue accordingly. Total number of visitors for each of the scenarios is also displayed.

8. Clicking the " 2 Seasons" button **(D)** will double the data inputs for the ENTRANCE FEE and VISITATION LEVELS windows. You will now have the ability to define low and high season entrance fees, low and high season visitor levels and even differentiate low and high season annual visitor growth rates.

9. Finally, radio button **(I)** enables users to define the park's entrance fee retention rate. This represents a percentage of all entrance fees that is available for local conservation activities by the park. This option is important, as parks frequently cannot keep all of the fees they collect, but must return some percentage to a central government budget. You can re-set the retention rate to any appropriate percentage. The potential total revenue box will display the numbers for the retention rate you define and compare them to an ideal retention rate of 100%.

Instructions for TUF4 ("Entrance fee revenues"): Worksheet for calculating detailed revenue projections from a TUF Program

As noted, the values entered in TUF3 will be carried over into TUF4. TUF4 can show revenues at a much greater level of detail than the "potential total revenue" box in TUF3. Familiarize yourself with the structure of TUF4. Note that cells in orange are carried over from TUF3 and should be changed via TUF3. Cells in pale blue are calculated based on the values in the orange cells, but can be changed manually, although this will overwrite the embedded formula for that cell.

1. These worksheets will display entrance fees, visitation levels and their corresponding revenues for a period of 20 years. Note that upon opening this worksheet data is shown for years 1 – 10 in the pale blue cells and a total figure is given for the full 20 years. Gray colored cells in the top right of the screen enable users to expand the worksheet and show details for all 20 years.
2. In the open worksheet at the top of the screen **entrance fee prices** are broken down and displayed for: the four categories of visitors; low vs. high season; and the three pricing scenarios.
3. Towards the bottom of the screen are three control buttons that will open up worksheets that display highly detailed **revenue projections**. These three control buttons correspond to the three visitation levels (low, mid-range and high-range). You can open up these worksheets one at a time to explore and work with them.
4. Explore the Scenario 1 (low visitation) worksheet by clicking the "Show Scenario 1" button. Notice that the starting amounts and growth rates correspond to the figures in TUF3. Embedded formulas will automatically calculate values for Years 2 – 10. You can input specific values of your choice in any given cell that represents a yearly figure. Doing so will impact the values of the years that follow. Again, overwriting the formula in a cell will remove the embedded formula. You can restore the formula by highlighting the cell to the left (assuming that cell's formula is still intact) and dragging that cell from the BOTTOM RIGHT CORNER where a small black box appears. Save your work frequently to your hard drive, if you ever make a mistake you can't correct, you can revert to your last saved data set.
5. Finally, notice that the revenue sheets also display the revenues that would result from four possible entrance fee retention rates: 100%, 75%, 50%, and the retention rate that you have defined on TUF3.

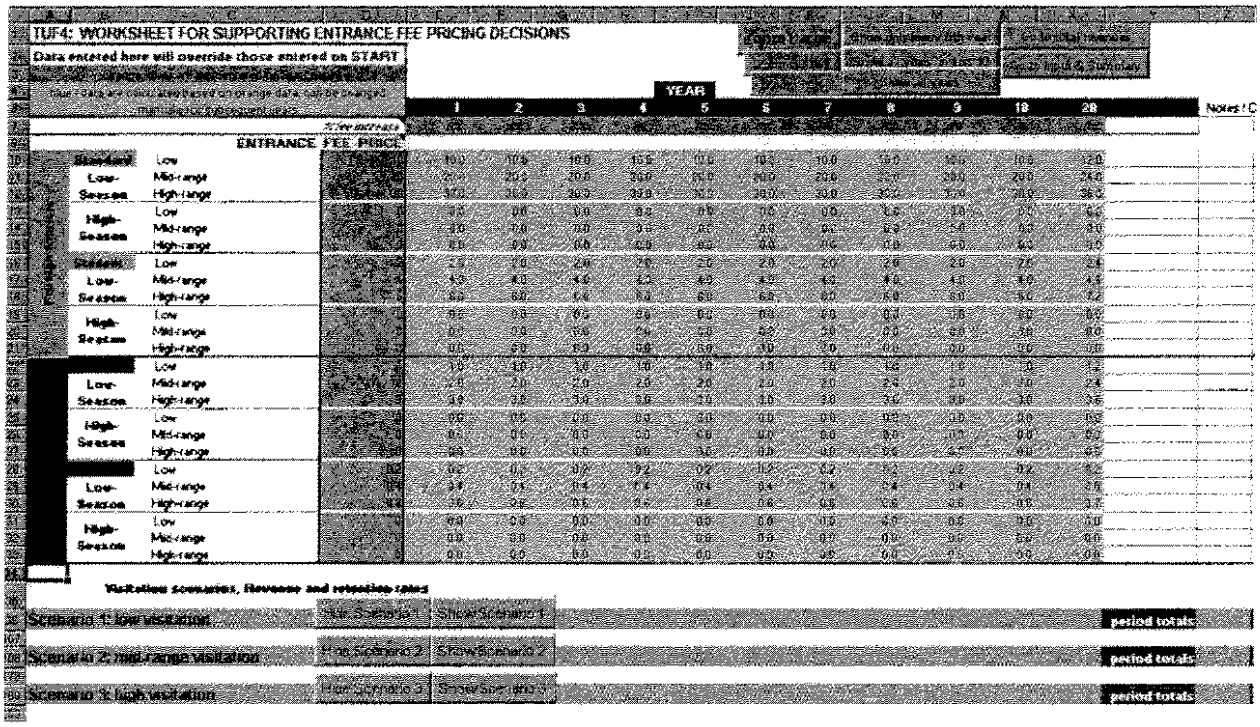
In analyzing this information, key questions and principals to consider include:

Three principal factorsin determining entrance-fee levels:

- Price responsiveness (willingness to pay) for access to a managed area by the visitor. This is determined by surveying visitors to the site. If an entrance fee is currently being charged that is not based on willingness to pay, visitors can be asked if it is the right amount and what the maximum is that they would pay. The survey format might provide a range of entrance fee options to choose from.
- A comparison of fees charged at other similar sites in similar circumstances. Remember to allow for differences in natural / cultural attractions, infrastructure development, etc.
- The need to cover costs associated with provision and maintenance of recreational opportunities. A minimum level of revenue to be generated from entrance fees and other user fees should be at least enough to properly finance costs incurred by area management in providing ecotourism opportunities.

Questions to consider include:

- How significant are the differentials in revenue generation between Scenarios # 1, #2, and #3.
- Under the different visitation scenarios, in order to meet revenue targets, how should pricing and retention rates be adjusted, including over time, to take into account visitor flows?
- How will the optimal entrance fee change over time?



Instructions for TUF5 ("Concession fees"): Worksheet for supporting concession fee pricing and structure decisions

TUF5 is designed to help calculate potential revenues from a concession fee program (comparing four pricing schemes: auction/bidding; flat fee; percent of gross receipts; percent of net income) and to help decide on the most appropriate scheme.

1. Review the general schemes and data input categories (rows) under each scheme provided as defaults; modify as needed.

2. Under the auction / bidding scheme, input the estimated winning bid for the concession and enter that figure in Year 1 in the corresponding row. An embedded formula will automatically calculate 3% annual increases in this fee for each of the next 9 years to account for inflation. You can change this calculation as needed. For example, you may want to build in higher fees for license renewal in future years.

3. Under the flat fee scheme, input the three fee rates in the Year 1 column (low, medium and high rate). An embedded formula will automatically calculate 3% annual increases in this fee for each of the next 9 years to account for inflation. You can change this calculation as needed. For example, you may want to build in much higher flat fees in future years.

4. Under the percent of gross receipts scheme, input the estimated total gross income in the appropriate row. Embedded formulas will automatically calculate 3% annual increases in gross receipts for each of the next 9 years, and will automatically calculate revenues based on 2%, 5% and 7% of gross in the three rows below this. If you decide to change these percentages, make corresponding changes in the formulas built into each cells for these rows.

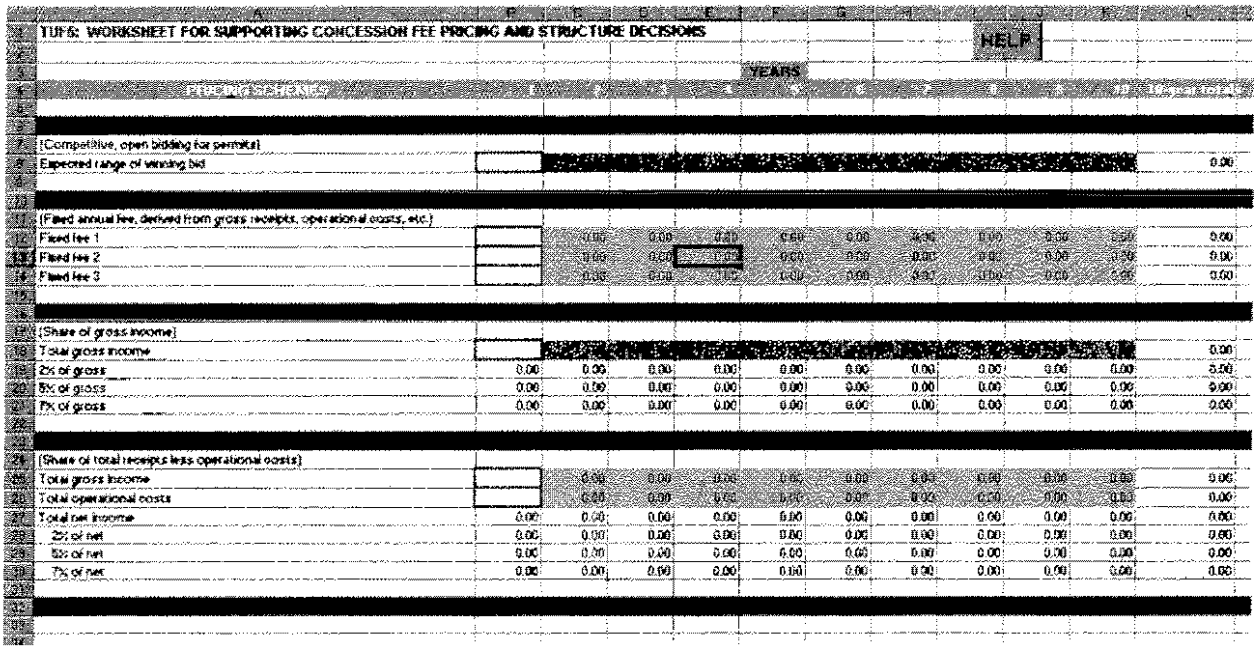
5. Under the percent of net income scheme, input the estimated total gross income and operational costs in the appropriate row under Year 1. Embedded formulas will automatically calculate total

net income, and 3% annual increases for each of the next 9 years. Also, formulas will automatically calculate revenues based on 2%, 5% and 7% of net in the three rows below this. If you decide to change these percentages, make corresponding changes built into each cells for these rows.

6. Document key assumptions behind your data.

In analyzing this information, key questions to consider include:

- Which pricing schemes offer the greatest revenue potential over time?
- Which schemes offer the greatest revenue potential in the near-term?
- How might revenues fluctuate as concessionaires grow their businesses?



TUFS: WORKSHEET FOR SUPPORTING CONCESSION FEE PRICING AND STRUCTURE DECISIONS

HELP

YEARS

FEE/PRICE SCHEME	0	1	2	3	4	5	6	7	8	9	10	Total, 10 Years
[Competitive, open bidding for permits]												
Expected range of winning bid												0.00
[Fixed annual fee, derived from gross receipts, operational costs, etc.]												
Fixed fee 1		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Fixed fee 2		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Fixed fee 3		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
[Share of gross income]												
Total gross income		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2% of gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5% of gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7% of gross	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
[Share of total receipts less operational costs]												
Total gross income		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Total operational costs		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Total net income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2% of net	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5% of net	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7% of net	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00

Click here to link to TUF Worksheets (this will open Microsoft Excel. Click "Enable Macros" when prompted.) To edit and change the worksheet for your use, it is recommended to save it first to your hard drive.)

3 IMPLEMENTATION

If the feasibility assessment concludes that TUFs are indeed viable, then the major actors enter into an implementation phase, which can take several months to complete. The key implementation steps are outlined in the Stepwise Methodology (Steps 4 – 10) above. Worksheets TUF2-5 provide some practical tools for pricing and structural decisions for entrance and concessions fees. TUF6 below provides a practical tool for organizing the major steps in a TUF Program.

Note: There may be additional steps required prior to actual implementation of the TUFs, including major stakeholder consultation (particularly with the tourism sector operating in the park, whose support is essential) and stakeholder socialization, lobbying government for allocation of funding (this can take considerable time). Additionally, it is important to implement a pilot phase of TUF implementation to

assist socialization of the process, as well as to test different assumptions and fine tune the implementation process. In most instances it will be better to start with a slightly lower fee, not to raise the expectations of those receiving revenue from the fees (in many instances government will require a percentage of the revenues from the fees). This fee can be adjusted following the pilot phase of implementation.

Instructions for TUF6: Worksheet for organizing TUF Action Plan

TUF6 is designed to assist a methodical approach to implementing a TUF Action Plan, organized around key actions, assignments, deadlines, status and other information.

1. Review the general data input categories (rows and columns) provided as defaults; modify as needed.
2. Under each action (row) for entrance and concession fees, fill in information for the deadline, the lead person/entity assigned to the action, the current status and any other relevant notes.
3. Update the information on a regular basis and use the worksheet as an agenda for planning meetings.
4. Insert relevant actions (rows) for any other user fees being brought on stream, and follow similar steps as those described above.

	A	B	C	D	E
1	WORKSHEET TUF6: WORKSHEET FOR ORGANIZING TUF ACTION PLAN				
2					
3	ACTIONS	Deadline	Assignment	Status	Notes
4					
5	**Entrance fees**				
6					
7	Determine pricing scheme and fee rates				
8	Establish accounting system to track/analyze financial flows				
9	Establish auditing procedure, hire independent firm				
10	Decide on fee collection sites				
11	Develop personnel plan (specify hiring of new staff vs. redeploying existing				
12	Construct/install new facilities and special attractions (specify)				
13	Purchase necessary equipment/supplies				
14	Hold meetings with tourism agency, develop marketing plan				
15	Implement and oversee 6 month, small-scale test				
16	Roll out full implementation of entrance fee program				
17	Develop monitoring and evaluation program, and start implementing				
18					
19	**Concession Fees**				
20	Determine pricing scheme and fee rates				
21	Establish accounting system to track/analyze financial flows				
22	Establish auditing procedure, hire independent firm				
23	Develop concessionaire application				
24	Advertise for concession bids				
25	Review concessionaire proposals and select concessionaire				
26	Draft concession agreement and negotiate final language				
27	Construct/install new facilities and special attractions (specify)				
28	Implement and oversee 6 month, small-scale test				
29	Roll out full implementation of concession fee program				
30	Develop monitoring and evaluation program, and start implementing				
31					
32	**Other fees**				
33	Insert similar steps as appropriate				
34					

4 RESOURCES

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4.2 Web Sites

- **Ecotourism Club CC- the Ecotourism Portal** http://www.ecotourism.cc/ Comprehensive search engine and links for ecotourism information.
- **The International Ecotourism Society** http://www.ecotourism.org/ Ecotourism publications from the International Ecotourism Society. Information for prospective ecotourists and professionals in the field, with information for the latter categorized according to research, conservation, and business.
- Documents specific to user fees can be found at: http://www.ecotourism.org/retiesseifr.html
- **The Inter-Sectoral Unit for Tourism, Organisation of American States** http://www.oas.org/TOURISM/home.htm Information in Spanish on tourism issues in the Americas.
- **The Nature Conservancy** http://nature.org/ecotourism/ Information about The Nature Conservancy's ecotourism program, including publications on visitor use fees.
- **Planeta.com**: Eco-travels in Latin America http://www.planeta.com/ Clearinghouse for practical ecotourism, with scholarly reports, online forums, and conferences.
- **Kenya Wildlife Service**. http://www.kws.org/newtariffs.htm Information about Kenya's system of park entrance and other tourism user fees. **You may have to cut and paste this link into your web browser.**

4.3 Case Study References

- **11 African Countries** – Comparison of pricing and entrance fee policies in Krug (2000). Comparison of organised safaris see page 12 in Inamdar/Merode (1999).
- **Malaysia** – See Stecker (1996)
- **Belize/Mexico** – See detailed analysis of tourism management case studies in several protected areas and recommendations in Strasdas (2000).
- **Costa Rica** – Price elasticity for international visitors demonstrated for several parks in Lindberg 2001, Table 1.
- **Australia** – A recent (2000) review of entrance, camping, and other fees conducted as part of the Nature Tourism National Review project is summarized in Lindberg (2001, Annex 3).
- **New Zealand** – National system of concession fees, facility & service charges: (See pages 49-51; Phillips, A. Financing Protected Areas: Guidelines for Protected Area Managers. IUCN (2000).
- **US, Canada, Costa Rica, Belize** – A study of visitor fee experience in these countries: Brown (2001).
- **Canada** – Thorough analysis of user fee policy issues in Eagles 1999).
- **South Africa** – The Natal Parks Board system of income generation from visitor accommodations; http://www.wildnetafrica.co.za/kwazulunatalparks/profile/contrust.html , see also Eagles 1999)
- **Ecuador** – Visitor use fees and concession systems in protected areas: Galápagos National Park Case Study - 04-2001

TNC Ecotourism Program Case Study Technical Reports:

- Results of The Nature Conservancy's Members Ecotraveller Survey - 09-2000
- ECOTOURISM IMPACTS MONITORING: A Review of Methodologies and Recommendations for Developing Monitoring Programs in Latin America - 05-1999

4.4 Case study Summaries

Nepal – entrance fees: Sagarmatha National Park (which contains Mt. Everest and is a World Heritage site) has set up a system whereby 30% of the money collected by the park from mountaineering expeditions into the Everest is re-invested into the protection of the park. Since the mountaineering fees can be substantial (it costs about US$50,000 per expedition, with a total of about 5 expeditions per year) this system has helped generate some US$400-500,000 per year for activities to conserve the park. Annapurna Conservation Area has obtained agreement from the Nepal government (by means of a special law to this effect) that the money collected from entry fees to the Conservation Area will be channeled directly to the conservation of the area via a local NGO, the King Mahendra Conservation Trust. Every visitor to the Annapurna Conservation Area pays an entry fee of US$12 which, in 1996, generated some US$400,000 for the conservation of the Annapurna, more than enough to cover the costs of maintaining the site. As a result of these experiences, the Nepal government is re-evaluating how it uses the entry fees collected at other parks (Mountain Institute, 1997)

Ecuador: Entry fees and donations in Galapágos National Park. The Galapágos Islands in Ecuador are one of the most visited and recognized World Heritage sites in the world. Because of the islands' popularity as a tourist destination, the Galápagos National Park finds it relatively easy to finance a large part of its operations by charging a high entry fee and obtaining donations from visitors to the islands. The islands attract around 60,000 foreign tourists per year, each of whom pays a US$100 park entry fee, thereby generating about US$5 million per year. In addition, tourists spend around US$390 to fly to the Galapágos from mainland Ecuador, and a minimum of US$1000 for a typical 8-day boat trip to visit the islands. Most visitors stay on a cruise ship or charter live-aboard boats. In addition, each of the two main tour boat operators now **guarantees** a minimum of US$100,000 in tourist donations per year from their passengers to support Galápagos conservation projects. If the tourists do not make the donations themselves, tour companies pay the difference. In the Galápagos, the law which raised park entry fees also required that all revenue from this fee be used to pay for costs associated with operating the park. The law is very specific on the use of the funds. It requires that "40% of the revenues collected from entry fees must be used to pay for salaries and other direct expenses of operating the park; 30% must go to local government authorities for, e.g. construction of sewage treatment facilities; 10% must go to a Galapagos development institute; 5% for operating an inspection and quarantine system; 5% to the navy for patrolling the park; 5% for the Galápagos marine reserve; and 5% to the national parks agency for expenses of managing the national park system as a whole." (For more information: See Benitez, 2001).

Bonaire: Marine park scuba diving fee and WTP survey.
Bonaire is a small island (288 km^2) situated in the Southern Caribbean. It is surrounded by fringing reefs that are easily accessible and have provided the island with a valuable resource for the tourism industry, the island's economic mainstay. About 50,000 tourists visit the island each year, half of them scuba divers. To protect these important resources for the tourism industry, Bonaire Marine Park (BMP) was established in 1979. The park covered the area from the high-water mark down to 60 meters, including all 2700 hectares of coral reefs, mangroves and seagrass beds. It is a multiple use park with fishing and diving restricted in certain zones. The park was started with initial four-year funding and administration assistance from National Parks Foundation of the Netherlands Antilles (an NGO), which enabled a mooring system to be installed. The park functioned until the NGO's funds ran out, when, although supported by dive operators, it became little more than a paper park. BMP was revitalized in 1991 with bilateral assistance from the Dutch Government under the conditions that the park had to be self-financing within a new 3-year term of funding. Self-financing was achieved by the end of 1992 when a US$10 diver fee was introduced following a willingness-to-pay survey (see below). This is the system under with the park currently operates. The fee is collected through the dive operators, who are required to participate in annual courses. All revenues from fees collected through the park are used only for the management of the park. The income generated through the sale of the diver badges (tags) covers the salaries and operational costs of the park. The BMP staff includes a manager, four full time rangers and three shared administrative staff with the Washington-Slagbaai terrestrial park. Operational costs include boat and vehicle maintenance and running costs, the maintenance of the 70 public dive moorings, research and monitoring programs and educational activities for the local children and teachers. For specific projects, the Park has to look to grant funding agencies for support. Income from divers has gradually increased as the number of divers has been increasing, while the US$10 fee has remained in

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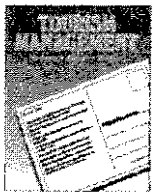

Fairness of prices, user fee policy and willingness to pay among visitors to a national forest

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ABSTRACT

Imposing user fees in Nature-Based Tourism (NBT) contexts has been a controversial issue. Based on the notions of justice and fairness, this study extended previous work examining the relationship between attitudes toward user fees and spending support. In a proposed structural model of price fairness, fee spending support, and willingness to pay (WTP), this paper identified the antecedents of WTP user fees, and empirically examined to what extent the data fit the model. Furthermore, the moderating role of place attachment in the model was investigated by using multiple-group structural equation modeling. Subjects (n = 562) were recreational tourists to a forest area in the southeast U.S. Results revealed that spending support partially played a mediating role in the relationship between perceived price fairness and WTP user fees. A multiple-group invariance test also demonstrated that while the degree of place identity moderated the effect of price fairness on spending support, the degree of place dependence did not influence the relationships among the antecedents of WTP.

1. Introduction

Since the establishment of the Fee Demonstration Program in 1996 and its replacement by the Federal Lands Recreation Enhancement Act (FLREA) in 2004, the legitimacy of charging fees in Nature-Based Tourism (NBT) contexts has been a controversial issue in the U.S. (**McCarville, Reiling, & White, 1996**; **Reynisdottir, Song, & Agrusa, 2008**). Imposing user fees for access to natural resources has been considered an effective visitor management tool in coping with social and/or environmental impacts (e.g. crowding, poor quality of facilities, or environmental concerns) on protected areas (**Cessford, 2000**; **Manning, 1999**). On the other hand, it has also been found that charges for using public leisure services could place constraints on some segments of prospective users (**More & Stevens, 2000**; **Schneider & Budruk, 1999**). Therefore, while the user fee policy of the national park and forest system has been justified from an economic perspective (i.e. alternative way to supplement insufficient government budget), the policy has been criticized in terms of social justice (**Nyaupane, Graefe, & Burns, 2009**). This is one of the main reasons why numerous researchers have studied user fees from social psychological perspectives including fairness, equity, and willingness to pay.

Research has also shown that if individuals agree with the purposes of fee spending (e.g. environmental protection), they are more likely to support user fees policy (**Kyle, Absher, & Graefe, 2003**; **Vogt & Williams, 1999**; **Williams, Vogt, & Vitterso, 1999**). **Williams et al. (1999)** argued that if people understand benefits from fees paid, they would be more willing to pay. However, **Vogt and Williams (1999)** found that park users tended to support user fees only when the revenues were used to maintain current service provision rather than to develop new service programs. That is, campers who were given the 'maintaining' fee purpose condition generally agreed with the fee purpose more than those given 'improving' condition in the experiment.

More recently, **Kyle et al. (2003)** observed that place attachment can also play a role in the way recreationists respond to fees for public land recreation. They observed that the place identity dimension of place attachment played a significant moderating role in the relationship between visitors' attitudes toward fee program and spending support. For individuals who expressed an emotional attachment to the resource (i.e., place identity), there was a stronger relationship between their attitudes toward the fee program and their support for spending fee revenue on activities related to resource conservation.

Although this previous work has contributed to building a conceptual framework for understanding the effect of attitudes toward fee program on fee spending support, it has also raised additional research question such as using alternative notions

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related to attitudes. In their study, **Kyle et al. (2003)** defined the attitudes as overall feeling about user fees, but did not deal with a fairness aspect, one of the most challenging but important factors influencing attitudes toward recreation fees (**McCarville et al., 1996**). Over the years, only a few researchers have attempted to empirically test the effect of perceived fairness on attitude toward user fees (**Ajzen, Rosenthal, & Brown, 2000; McCarville et al., 1996; Park, Ellis, Kim, Ruddell, & Agrusa, 2006**).

Therefore, the main goal of this study is to extend previous research on the moderating role of place attachment on the relationship between attitudes toward fees and spending support by adopting the notions of justice and fairness. Different from previous work, this study proposes a model of price fairness and fee spending support by adding willingness to pay (WTP) because only a few researchers have examined WTP in the context of price fairness in spite of its importance (**Ajzen et al., 2000; Schröder & Mieg, 2008**). This study also involves testing of a conceptual model in which three constructs (price fairness, spending support, and place attachment) are predictors of WTP. Technically, structural equation modeling (SEM) is used in favor of advantages of SEM which can accurately estimate latent variables by controlling for measurement error in comparison to multiple regression in previous studies. Accordingly, this study has three objectives: 1) to determine a model that better shows the relationships between the proposed antecedents and WTP user fees, 2) to examine the mediating role of spending support on the relationship between price fairness and WTP, and 3) to investigate the moderating role of place attachment on the relationships tested in the model. Based on the study objectives and literature review in the following section, four hypotheses in the conceptual model will be formulated.

2. Literature review

2.1. User fees

Entrance or user fees in a Nature-Based Tourism (NBT) context have been utilized as effective visitor management tools. From a park managerial perspective, **Buckley (2003)** argued that user fees generally can change visitors' behavior by: controlling overall visitor numbers, diverting a particular recreation activity to a specific area, and/or encouraging visitors to reduce individual *per capita* impacts during particular activities. However, he pointed out that charging fees is only one of the diverse optional tools available to achieve management goals. While, under some circumstances, a small fee can have substantial influence on visitors' behavior, under other circumstances a large fee can hardly have any influence on their behavior. This is also consistent with the contradictory results of studies about the effect of entrance/user fees on visitors' behavior, particularly, in low-income groups. While some researchers have found that individuals living in poverty are more sensitive to user fees (**More & Stevens, 2000; Schneider & Budruk, 1999**), others have revealed that moderate fees do not influence low-income peoples' visitation as they are already under-represented (**Burns & Graefe, 2006; Cockrell & Wellman, 1985; Ostergren, Solop, & Hagen, 2005**). Some researchers, therefore, have suggested that charging fees and the resultant impact should be considered in relation to other factors such as visitors' characteristics, the way in which the fees are paid, the degree of crowding, and the availability of alternative sites (**Buckley, 2003; Garrod & Fyall, 2000; Knapman & Stoeckl, 1995; Lindberg & Aylward, 1999**).

In spite of their managerial and economic benefits, entrance or user fees for natural resource recreation areas have attracted debate regarding their legitimacy and fairness. **Reynisdottir et al. (2008)** introduced a *public good view* and *user pays view* frameworks to address the justice and fairness issues in NBT contexts. The public good view suggests that natural resources for leisure services should be provided to all citizens only at the expense of tax revenue (**Crandall & Driver, 1984**). Scholars sharing this view argue that the resources are part of public goods for public welfare, and accordingly charging for user fees evokes perception of unfairness and reduce visitation among economically disadvantaged groups (**More & Stevens, 2000; Watson & Herath, 1999**). On the other hand, the user pays view suggests that individuals are responsible for paying the appropriate price for using the resources and services provided at the sites. They argue that it is reasonable that following an equity principle, only visitors who incur costs should pay the prices without non-visitors' subsidies. This view also contends that the introduction of user fees will reduce the number of visitors, which in turn can positively mitigate congestion and crowding in natural attractions (**Reynisdottir et al., 2008**).

Since the late 1990s, quite a few tourism and leisure researchers have revealed the predictors and consequences of user fees in NBT contexts (**Fix & Vaske, 2007; Kim & Crompton, 2002; Laarman & Gregersen, 1996; McCarville et al., 1996; Menkhaus & Lober, 1996; Park et al., 2006; Schwartz & Lin, 2006**). For example, **Laarman and Gregersen (1996)** proposed principles and criteria for user fee policy, and argued that pricing is an influential tool for efficiency, fairness, and environmental sustainability in NBT. **Menkhaus and Lober (1996)** estimated the appropriate entrance/user fee per park based on a travel cost model for valuating price points in protected areas of Costa Rica. **McCarville et al. (1996)** adapted fairness concepts to examine what determines visitors' responses to fees. They observed that the introduction of user fees is generally perceived unfair by those who have never paid user fees and can also make them feel victimized. They also offered some theoretical direction involving the use of social judgment theory and attribution theory for further research on user fee perceptions in NBT. **Kim and Crompton (2002)** investigated the impact of several behavioral (e.g. number of visits, level of involvement, degree of loyalty, and ownership of an annual pass) and economic factors (e.g. perceived value for the price and importance of the price) on park entrance fee perceptions, and found that economic factors were more useful predictors of price perceptions than behavioral factors.

More recently, **Park et al. (2006)** conducted a scenario-based survey of campers and observed that public input (e.g. whether public participation in the decision process of fee level is extensive or not) and fee level were the best predictors of two dependant variables; perceived social equity and fee acceptability. **Fix and Vaske (2007)** found that the beliefs about fees significantly predict the evaluation of fees, that is, the more likely visitors are to understand the reasons behind the fee program and approve of the fee program, the more likely they are to rate the fees as about right.

2.2. Willingness to pay

Although willingness to pay (WTP) is distinguished from reference price (i.e., what consumers expect to pay) (**McCarville & Crompton, 1987**), it has often been used to indicate the maximum amount that consumers intend to pay (**Kyle, Graefe, & Absher, 2002; Laarman & Gregersen, 1996**). In tourism and leisure literature, WTP has been used to estimate the value of non-market goods (**Reynisdottir et al., 2008**). Accordingly, for non-market valuation such as environmental improvement and natural attractions in NBT contexts, some researchers have used the contingent valuation method to measure WTP (**Lee & Han, 2002; Mmopelwa, Kgathi, & Molefhe, 2007; Reynisdottir et al., 2008**).

In user fee literature, WTP is one of the frequently used dependent variables, and the various antecedents of WTP have been identified; e.g., environmental concern, past payment history, and some socio-demographic characteristics such as income,

nationality, and education (Reynisdottir et al., 2008). As noted earlier, income level is one of the most widely used predictors of WTP, but the results have been mixed (Garrod & Fyall, 2000; More & Stevens, 2000; Williams et al., 1999). In addition, attitude toward the environment has been found to be a significant predictor of WTP (Carlsson & Johansson-Stenman, 2000). Laarman and Gregersen (1996) also argued that WTP significantly relies on the level of a site's attributes or qualities. For example, a place with special attractions with high scarcity value will result in higher levels of WTP than ordinary places. On the other hand, although attitude toward fee policy or perceived fairness has been considered as one of the important predictors of WTP (Mitchell & Carson, 1989), only a few studies have attempted to reveal their relationships (Ajzen et al., 2000; Schröder & Mieg, 2008).

2.3. Perceived price fairness

Because fairness in a fee or price context initially referred to a psychological perception of what is right or just in a particular setting (Stapel, 1972), quite a few researchers, more recently, have delineated a perceived price fairness concept. Accordingly, price fairness can be defined as "*a consumer's assessment and associated emotions of whether the difference (or lack of difference) between a seller's price and the price of a comparative other party is reasonable, acceptable, or justifiable*" (Xia, Monroe, & Cox, 2004, p. 3). In other words, it is a price evaluation based on the comparison between actual price to reference price, competitors' price, costs, and/or other consumers' price (Kahneman, Knetsch, & Thaler, 1986; Thaler, 1985). It is also noted that price fairness or unfairness is derived by the function of one's reference price and the actual price paid (Monroe, 2003; Petrick, 2005).

McCarville et al. (1996) introduced the fairness concept into a NBT context based on two theoretical frameworks: exchange theory and adaptation level theory. They argued that while fair fees receive little public attention, unfair fees evoke considerable hostility and displacement. With reference to the relationship between fairness and WTP, Ajzen et al. (2000) empirically tested the effects of perceived fairness on WTP for public goods or services including: a university library fund, a community outreach program, and a campus beautification project. They observed that the perceived fairness of the requested payments is positively related to WTP. More recently, Schröder and Mieg (2008) argued that when individuals are asked what amount of money they would be willing to pay for a public good, their response may depend on their perception of justice or fairness (i.e. should I pay for it, or should someone else pay for it more than what I ought to pay?). They also observed that perceived fairness significantly predicted WTP, and that equity-based fairness led to higher WTP than equality-based (Schröder & Mieg, 2008).

Instead of the terms of perceived fairness, a number of leisure and tourism researchers have used the equity concept to address the issue of public leisure and park resources allocation (Buckley, 2003; Crompton & Lamb, 1986; Nyaupane, Graefe, & Burns, 2007; Wicks & Crompton, 1986). Based on the argument that distributive fairness includes three principles such as equity, equality, and need (Deutsch, 1975; Seiders & Berry, 1998), equity and fairness may not be conceptually identical, but according to the fact that the concept of distributive justice is overwhelmingly rooted in equity theory (Adams, 1965), it can be argued that equity and fairness can be used interchangeably. Crompton and Lamb (1986) also argued that equity is substantially related to fairness and justice.

Thus, based on literature review on WTP and price fairness and the study objective 1, the following hypothesis was formulated:

H1. Perceived price fairness is positively related to WTP.

2.4. Spending support

Spending support refers to the extent individuals' support the use of fees, and has been used in various ways: fee purpose (Vogt & Williams, 1999), perceived fee benefits (Williams et al., 1999), and spending preferences (Kyle et al., 2003). Williams et al. (1999) argued that awareness of potential fee benefits (e.g. improving the natural environment, maintaining the quality of the natural attractions, and enhancing the quality of service provided) would positively increase recreationists' response to user fees. They found that perception of fee benefits was the best predictor of support for user fees. Additionally, Vogt and Williams (1999) found that park visitors are more likely to pay user fees when the fee purpose is to maintain the current level of service rather than develop new service programs. Additionally, overnight campers expressed more support for using fees to provide the current level of service than day users. With regard to spending preferences, they identified 12 potential expenditure items and measured the respondents' level of support for the spending of fee revenue. The items were categorized into three dimensions: facilities and services improvement, environmental protection, and environmental education. The findings were consistent with Vogt and Williams' (1999) findings indicating that individuals tend to be more supportive of intended fee purposes including environmental protection and education than they are of facilities improvement. Thus, based on literature review and the study objectives 1 and 2, the following hypotheses were formulated.

H2a. Spending support is positively related to perceived price fairness.

H2b. Spending support is positively related to WTP.

H3. Spending support partially mediates the relationship between perceived price fairness and WTP.

2.5. Place attachment

The study of place meanings, which originated in environmental psychology and human geography, has been applied in the leisure and tourism literature (Williams & Roggenbuck, 1989). While the study of people's attachments to the physical world has driven the development of a variety of concepts (Jorgensen & Stedman, 2001; Low & Altman, 1992; Williams, Patterson, Roggenbuck, & Watson, 1992; Williams & Roggenbuck, 1989), it is generally agreed that those constructs are somewhat mutually overlapped and the relationship between their meanings still remains vague (Hammit & Stewart, 1996). Nonetheless, three major concepts have been frequently used: place attachment, place identity, and place dependence (Kyle & Chick, 2007; Stokols & Shumaker, 1981; Williams & Vaske, 2003).

It has been argued that place attachment is a complex and multifaceted concept worthy of systematic analysis (Kyle & Chick, 2007; Low & Altman, 1992). Low and Altman (1992) used the term of place attachment to describe the affective sentiment people expressed toward landscapes and settings of various scale. Although they indicated that an affective/emotional dimension is central to place attachment, they also noted that place attachment involves interactions with emotional, cognitive, and behavioral modes. Thus, Low and Altman (1992) suggested that place attachment not only represents an affective dimension, but also involves cognition and practice. Some researchers also argued that individuals interact with places in terms of affective, cognitive, and behavioral dimensions (Kianicka, Buchecker, Hunziker, & Muller-Boker, 2006). In addition, they identified four processes associated with the development of place attachment: biological, environmental, psychological, and

sociocultural, which have been extended to major underlying components of place attachment (**Farnum, Hall, & Kruger, 2005**).

Williams and Roggenbuck (1989) explored the place attachment concept and considered the human–place bond in terms of two components: place identity and place dependence. **Proshansky (1978)** suggested that place identity involves "*the dimensions of self that define the individual's personal identity in relation to the physical environment by means of a complex pattern of conscious and unconscious ideas, beliefs, preferences, feelings, values, goals, and behavioral tendencies and skills relevant to this environment*" (p. 155). Although the affective dimension is included in the conceptualization, he emphasized that place identity is an individual cognitive structure (**Jorgensen & Stedman, 2001**; **Proshansky, 1978**; **Proshansky, Fabian, & Kaminoff, 1983**).

On the other hand, place dependence is associated with the functions provided by the geographical setting due to its ability to facilitate a desired leisure experience (**Williams et al., 1992**). **Stokols and Shumaker (1981)** defined place dependence as "*an occupant's perceived strength of association between him or herself and specific places*" (p. 457). For instance, from a leisure and recreation perspective, place dependence pertains to how much an area is able to provide activities that individuals intend to use and experience (**Farnum et al., 2005**). More recently, **Kyle, Graefe, and Manning (2005)** tested the dimensionality of place attachment and revealed that place attachment is composed of three reliable dimensions including: place identity, place dependence, and social bonding. Following from **Low and Altman's (1992)** suggestion that the meanings ascribed to some setting may be an artifact of the relationships shared in that setting. As such, the developed measures for a third dimension titled social bonding (**Kyle et al., 2005**).

The study of place attachment explores the meanings people ascribe to the landscape (real or abstract) and their sentiment toward these meaning (**Low & Altman, 1992**). While the construction of meaning most often involves the complex interaction between the individual, the setting in question, and social worlds of varying scale, it also involves the consumption of place-related media (**Kyle & Chick, 2007**; **Stokowski, 2002**). This media, often generated by the host destination, portrays the destination in a favorable manner in order to build sentiment. In this way, few tourists visit destinations without some partially developed notion of the type of setting they are visiting. Consequently, there is often pre-developed attachment; an attachment magnified by their investment of time and financial resources.

Recently, **Kyle et al. (2003)** tested the moderating effect of place attachment on the relationship between attitudes toward fees and fee spending support. They argued that in recreation and leisure behavior literatures, little has been known about the relationship between place attachment and attitudes toward recreation user fees although it has been frequently reported that psychological attachment is positively correlated with price acceptability in consumer behavior literature. In order to explain the relationship between place attachment and attitudes toward fees, **Kyle et al. (2003)** adopted **Sherif and Hovland's (1961)** social judgment theory which postulates that individuals' prior attitudes influence the encoding of attitude relevant information. Based on the conceptual similarity, they regarded place identity as value-relevant information and place dependence as outcome relevant information, and showed that only value-relevant involvement (e.g. place identity) significantly moderate the relationship between recreationists' attitudes toward the fee policy and spending support. Thus, based on literature review and the study objective 3, the following hypothesis was formulated.

H4. Place attachment has a moderating effect on the relationship between perceived price fairness, spending support, and WTP.

3. Methods

3.1. Study purpose

As noted earlier, this study is in an extension of previous research examining the moderating role of place attachment on the relationship between attitudes toward fees and spending preferences (**Kyle et al., 2003**). In contrast to this earlier work, we adopt a conceptual framework ground in concepts related to justice and fairness (**Fig. 1**).

Based on literature review and previous empirical evidences, three latent variables (i.e., price fairness, spending support, and place attachment) were proposed as the antecedents of WTP, and the relationships between the variables in the structural model were hypothesized.

3.2. Data collection

Fees were relatively a different way of providing recreation opportunities to the Forest Service – only being given permission by the government since 1997. Consequently, the public was not used to paying for access even at the low rate, and the Forest Service arbitrarily set an initial fee (e.g. $2 a vehicle) without any research to support the price point. Thus, the current study collected data from the Chattahoochee National Forest (CNF) to explore public perceptions of fees and to determine the public's response to the new fee program.

Components of several sampling protocols were utilized to obtain the sample. First, sampling points throughout the Chattahoochee National Forest (CNF) were stratified to reflect the diversity of settings and activities supported by these settings found within the forest. Consequently, sampling occurred at eight sites: two visitor centers, two trailheads, two day-use (primarily picnic and swimming) areas, and two off-road vehicle (ORV) use areas. Sampling occurred over 60 days beginning Memorial Day weekend 2002 through late October 2002. Thus, seven to eight sampling days were dedicated to each site, spread across weekdays and weekends.

An onsite systematic sampling design for sampling respondents was utilized. Sampling occurred between 8:00 am and 6:00 pm in areas situated adjacent to the site's parking lot. Every third visitor was approached to participate in a short interview, lasting approximately three minutes. For groups of more than one, the individual with the most recent birthday was selected. At the conclusion of the interview, researchers requested the respondent's name and addresses to be sent a more extensive mail back survey instrument. Consequently, 1353 useable names and addresses were obtained with 68 refusals. Of this sample, 42 names and addresses were incorrect, which finally led to 1311 valid names and addresses.

The mail back questionnaire was administered using a modified **Dillman (2000)** procedure: (a) subjects were first sent a survey instrument two weeks following their onsite contact; (b) two weeks following this, a reminder/thank you postcard was sent; (c)

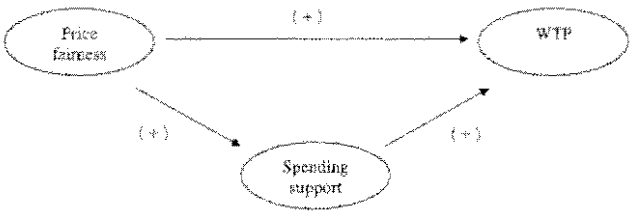

Fig. 1. Hypothesized model.

a second survey instrument was then sent to non-respondents approximately one month following the initial contact; (d) a second reminder/thank you postcard was also sent to non-respondents six weeks following their initial contact; and (e) a third survey instrument was sent to non-respondents approximately two months following their onsite contact (Dillman, 2000). This procedure yielded 562 completed survey instruments (43% response rate).

Although the response rate was consistent with recent trends (Connelly, Brown, & Decker, 2003), it was below the researchers' expectations. Two procedures to explore issues related to non-response bias were used. First, there were several identical items (e.g. previous visitation, time spent onsite, fee attitude questions) that were used in both the onsite and mail back surveys. The responses of non-respondents were compared to those of respondents for both the onsite and mail back questionnaires. Subsequently, no significant differences between respondents and non-respondents were observed.

Second, a follow-up telephone survey of non-respondents was conducted in order to test for potential non-response bias as well as to further explore reasons why respondents had not returned their survey instruments. Respondents' telephone numbers were collected from an internet-based search engine. Fifty telephone interviews were completed (eight respondents refused to be interviewed). The telephone survey lasted approximately three minutes. Questions on the telephone survey examined past visitation, fee-related issues, and visitor demographics. Again, no significant differences between the telephone and mail back samples were found.

When asked why they had not returned their survey instrument, most respondents indicated that they had no time and that the survey instrument was too long. Beyond the length of the survey (12 pages), there was also some redundancy in the survey instrument that was noted by respondents in the open-ended comments at the conclusion of the mail back survey. The redundancy was related to the use of multi-item scales to measure related constructs (e.g. enduring involvement) and fee issues. Some respondents may have grown impatient with the repetitive nature of many of the survey items.

3.3. Measures

Perceived price fairness was measured using four items on a 5-point Likert-type scale where 1 = strongly disagree through 5 = strongly agree. The items reflected the notions of equity and equality, and specifically, included two reverse coded scales: *I think that the Forest Service's fee program is inappropriate* and *Fees are inappropriate because they exclude some visitors*, and also had two other scales: *Fees are a fair way of collecting revenue from those who use the resource the most* and *Fees are fair*.

For *spending support*, subjects were asked to indicate their level of support for spending fee revenue for 10 items which were adapted from previous literature (Kyle et al., 2003). The items were measured using a 5-point scale where 1 = strongly oppose through 5 = strongly support. Items measuring *spending support* were categorized and parceled into three dimensions; facilities and services, environmental protection, and environmental education. The items for facilities and services included *improve visitor services through the extension of visitor center hours and expansion of informational resources, increase the maintenance of restrooms, exhibits, facilities and trails to provide a higher quality visitor experience*, and *update and expand written materials, handouts, and maps*.

For environmental protection, items included: *increase resource protection through visible ranger patrols within the Forest, support completion of ongoing flora and fauna restoration projects, develop additional onsite protection (e.g., fencing, trail definition, boardwalks)*, and *implement user-impact monitoring program for recreational and other area uses*.

Lastly, environmental education was measured using: *increase funding for National Forest interpretive and environmental education programs, design and install interpretive exhibits throughout Chattahoochee National Forest*, and *develop interpretive media, highlighting habitat restoration and species reintroduction projects, that includes video, exhibits, and environmental education curricula*.

Willingness to pay (WTP) was measured by asking respondents their maximum WTP for 6 different types of user fees: *parking fees at visitor centers, parking fees at trailheads, camping, program fees for interpretive talks and walks, swimming, and mountain biking*. This WTP question format was drawn from previous studies using contingent valuation methods (Kyle et al., 2002; Richer & Christensen, 1999).

Place attachment was conceptualized in terms of two dimensions including place identity and place dependence (Kyle et al., 2005). Place identity was measured using eight items and place dependence was measured with three items.

4. Results

4.1. Descriptive analysis

As shown in Table 1, more than half of respondents were male (58.4%). Most respondents were middle-aged (M = 44.9, S.D. = 13.29), White (95.5%), and educated with some college or graduate school (65.9%). In terms of household income, over one half of respondents indicated living in households with incomes ranging from $20,000 to $79,999 (55.3%).

As displayed in Table 2, both dimensions measured displayed high reliability coefficients (Cronbach's alpha = .927 and .873, respectively).

To examine the moderating effect of the place attachment dimensions on the relationships tested in our hypothesized model, data were divided into high and low groups for each factor using their median (i.e., 3.12 for *place identity* and 3.00 for *place dependence*). As a result, high (n = 273) and low (n = 265) place identity

Table 1
Respondents profiles.

Characteristics	N	%
Gender (n = 529)		
Male	309	58.4
Female	220	41.6
Age (mean = 44.9, S.D. = 13.29)		
Household income (n = 489)		
Less than $20,000	25	5.1
$20,000–$39,999	79	16.2
$40,000–$59,999	108	22.1
$60,000–$79,999	83	17.0
$80,000–$99,999	61	12.5
$100,000–$119,999	60	12.3
$120,000–$139,999	26	5.3
$140,000–$159,999	21	4.3
$160,000 to more	26	5.3
Education (n = 528)		
High school or less	68	12.9
Some college or graduate school	348	65.9
Post graduate school	112	21.2
Ethnicity (n = 523)		
Black or African American	8	1.5
Asian American	9	1.7
White	499	95.5
American Indian or Alaskan Native	7	1.3

Table 2
Place attachment.

Items	α	M	S.D.
Place identity (mean = 3.18, median = 3.12)	.927		
I am very attached to this Forest		3.46	.94
I feel a strong sense of belonging to this Forest		3.19	.96
I feel the Chattahoochee National Forest is a part of me		2.98	.97
I have little, if any, emotional attachment to the Chattahoochee National Forest		3.19	1.07
I identify strongly with this Forest		3.17	.92
The Chattahoochee National Forest means more to me than any other forest I can think of		2.64	1.03
This Forest means a lot to me		3.57	.87
Visiting the Chattahoochee National Forest says a lot about who I am		3.22	.93
Place dependence (mean = 3.23, median = 3.00)	.873		
For the recreation activities that I enjoy, the Chattahoochee National Forest is the best place		3.39	.85
I can't imagine a better place for what I like to do		3.19	.97
I enjoy visiting the Chattahoochee National Forest more than any other forest		3.13	.93

groups and high (n = 236) and low (n = 300) place dependence groups were generated. Our hypothesized model was tested among these place groups.

4.2. Two-step approach

The hypothesized model was tested using a two-step approach beginning with the testing of the measurement and then the structural models using the pooled sample (**Anderson & Gerbing, 1988**). The adequacy of the measurement model was examined using a confirmatory factor analysis (CFA) in LISREL 8.80. The results of the CFA in **Table 3** demonstrate that all scale items were significant (t-value ranging from 12.89 to 19.60) and had adequate factor loadings (λ ranging from .56 to .84).

Following the testing of the measurement model, the structural model was tested. As shown in **Table 4**, while the two models' χ^2 (242.868, df = 59; 277.528, df = 60) were statistically significant, other goodness of fit indices indicated a satisfactory model fit

Table 3
Confirmatory factor analysis.

Items	M	S.D.	λ	t-Value
Perceived fairness[a]				
I think that the Forest Service's fee program is inappropriate (reverse coded)	4.05	.85	.76	–
Fees are inappropriate because they exclude some visitors (reverse coded)	4.01	.86	.56	14.71
Fees are a fair way of collecting revenue from those who use the resource the most	3.97	.78	.62	12.89
Fees are fair	3.98	.79	.82	14.36
Spending support				
Facilities and services	3.66	.58	.77	–
Environmental protection	3.72	.58	.74	15.25
Environmental education	3.41	.73	.79	15.55
Willingness to pay (WTP)				
Parking fees at visitor centers	3.56	2.04	.70	–
Parking fees at trailheads	2.92	1.92	.67	19.60
Program fees for interpretive talks and walks	3.64	2.44	.78	16.62
Camping	7.32	4.33	.62	13.46
Swimming	3.15	2.22	.84	17.67
Mountain biking	4.24	2.71	.77	16.44

[a] The items were measured on a 5-point Likert scale where 1 = strongly disagree through 5 = strongly agree.

Table 4
Summary of model testing.

Model	χ^2	df	RMSEA	NNFI	CFI
Measurement model[a]	242.868	59	.072	.96	.97
Structural model	277.528	60	.077	.95	.96

[a] According to inspection of the modification indices, error terms (i.e. ε1 ↔ ε2, ε8 ↔ ε9, and ε8 ↔ ε13) with the observed measures were allowed to be correlated.

(RMSEA < .08) and a good model fit (NNFI and CFI > .95) (**Brown & Cudeck, 1993; Hu & Bentler, 1999**).

The test of the structural model (using the pooled sample) offered support for the hypothesized model. To examine the moderating effect of place identity and place dependence on the relationships tested in the model, multiple-group invariance testing was used to compare two (high and low) groups in each model (Model 1 – place identity, Model 2 – place dependence) (**Bollen, 1989; Bryne, 1998**). As seen in **Table 5**, the invariance test for Model 1 examined whether or not two groups (high place identity vs. low place identity) had the same factor structure (A), pattern of factor loadings (B), and structural path coefficients (C).

In sum, using the chi-square difference test to detect matrix inequality, we observed that one factor loading (i.e., *environmental education*) varied among groups in addition to the structural path from fairness → spending support. The χ^2 difference test indicated a significantly worse fit after holding factor loadings as invariant across the groups. Therefore, equality constraints were imposed on each factor loading, and subsequently, the final model (B_a) was obtained with a good model fit (RMSEA = .070, NNFI = .96, CFI = .97). Finally, the invariance test for structural paths of the model (C) indicated that the equality constraints significantly impaired fit ($\Delta\chi^2 = 10.86$, $\Delta df = 3$). Subsequent independent testing of each element within the beta matrix produced the final model (C_a) indicating that one structural path (fairness → spending support) needed to be freely estimated across the high and low place identity groups.

Thus, for Model 1 which involved the testing of place identity's moderating effect, perceived fairness (β = .34, t = 6.41) and spending support (β = .19, t = 3.78) were found to positively influence WTP for both groups. However, while the relationship between perceived fairness and spending support was not statistically significant (p < .05) in the high place identity group (β = .03, t = .42), it was significant in the low place identity group (β = .38, t = 5.51). R^2 value in Model 1 was .136 in the high place identity group and .235 in the low group, respectively.

The invariance test for Model 2 (Place dependence) was also conducted (**Table 6**). The results of the test differed from the test for Model 1, that is, the constrained models (B and C) in Model 2 did not impair model fit. All parameters (i.e., factor loadings and beta/gamma coefficients) were held constant across the high and low place dependence groups. Additionally, all path coefficients in

Table 5
Summary of invariance test – Model 1 – place identity.

Model 1	χ^2	df	$\Delta\chi^2$	Δdf	RMSEA	NNFI	CFI
A (Factor structure)	301.342	118			.073	.96	.97
B (Factor loading)	325.788**	128	24.45	10	.074	.95	.96
B_a (Final)[a]	309.643	127			.070	.96	.97
C (Structural paths)	320.504*	130	10.86	3	.072	.96	.96
C_a (Final)[b]	310.476	129			.070	.96	.97

*p < .05, ** p < .01.

[a] The following parameter was permitted to be freely estimated across both groups: factor loading – λ_{72} (environmental education).

[b] The following regression path was permitted to be freely estimated across both groups: "fairness → spending support" (β_{21}).

Table 6
Summary of invariance test (Model 2 — place dependence).

Model 2	χ^2	df	$\Delta\chi^2$	Δdf	RMSEA	NNFI	CFI
A (Factor structure)	309.277	118			.074	.95	.96
B (Factor loading)	319.036	128	9.76	10	.071	.96	.96
C (Structural paths)	320.466	131	1.43	3	.070	.96	.96

Model 2 were statistically significant ($p < .05$). Perceived fairness was found to positively influence spending support ($\beta = .23$, $t = 4.40$) and WTP ($\beta = .32$, $t = 5.88$) for both groups, and spending support also was positively related to WTP ($\beta = .16$, $t = 3.21$) for both groups. R^2 value in Model 2 was .132 in the high place dependence group and .171 in the low group, respectively.

4.3. *t*-Test

In addition, an independent-samples t-test was conducted to compare spending support for the high and low place identity groups. There were significant differences in all three dimensions of spending support. Specifically, for facilities and services, the high place identity group (mean = 3.73, S.D. = .59) was significantly more likely to support spending than the low group (mean = 3.56, S.D. = .53; $t(536) = -3.42$, $p < .01$); for environmental protection, the high group (mean = 3.77, S.D. = .57) significantly tended to support spending more than the low group (mean = 3.64, S.D. = .54; $t(536) = -2.64$, $p < .01$); and for environmental education, the high group (mean = 3.46, S.D. = .74) was significantly more likely to support spending more than the low group (mean = 3.34, S.D. = .68; $t(536) = -2.04$, $p < .05$). The results also showed that, for both groups, spending support for environmental education was slightly lower than other supports for facilities and environmental protection. However, regardless of the statistically significant results, it could be argued that the small difference in the means needs to be carefully examined because of the large sample size.

5. Discussion and conclusions

In this paper, we attempted to identify the antecedents of willingness to pay (WTP) user fees from fairness perspectives (**Ajzen et al., 2000**; **McCarville et al., 1996**; **Schröder & Mieg, 2008**). Accordingly, our hypothesized model was developed on the basis of a previous work. Multiple-group invariance testing was conducted to examine the moderating role of place attachment in the relationships tested in our model. Our findings offered support for our hypothesized model. We observed a positive and significant linear relationship between perceived price fairness, spending support, and WTP (i.e., **H1**, **H2a**, **and H2b** were supported). Because the direct path from price fairness to WTP decreased after spending support was included in the model from $\beta = .36$ to $\beta = .32$ (both were significant at $p < .05$) (**Baron & Kenny, 1986**), **H3** was also supported; i.e., spending support had a partial mediating role in relation to perceived price fairness and WTP. In other words, as individuals perceive that the user fees in the NBT context are fair, they are more likely to support spending fee revenue in targeted areas, thereby improving facilities and visitor services, increasing environmental protection, and developing interpretive and environmental education programs. Thus, perceived fairness and spending in areas aligned with respondents' preferences were found to increase the likelihood of respondents' WTP user fees.

With reference to the moderating effect of place attachment on the relationships tested in our model, there were mixed findings. While place identity was found to have a significant moderating role on the relationships between perceived price fairness and spending support, place dependence had no significant moderating role in the relationships. Therefore, **H4** resulted in mixed finding. Respondents' perceptions of price fairness positively influenced their support for spending fee revenue regardless of the degree of place dependence, whereas, fairness significantly and positively influenced fee spending support only for people who had low place identity. For visitors scoring high on the place identity dimension, there was no significant association between price fairness and spending support. Thus, based on the results showing that high place identity group were more likely to support fee spending than low group, it could be argued that those who were emotionally attached to the place tend to support fee spending regardless of their degree of user fees fairness.

People scoring high on the place identity dimension of place attachment were more inclined to consider the fee program fair (mean = 4.07, S.D. = .63) compared to those with low levels of place identity (mean = 3.93, S.D. = .69; $t(536) = -2.54$, $p < .05$). This result was not consistent with findings reported by **McCarville et al. (1996)** who observed that visitors who lived closest to recreational sites were more likely to be distressed by user fees. The discrepancy between this and previous work was possibly a consequence of CNF visitors with higher tolerance of user fees, whereas those in **McCarville et al.'s (1996)** study were not. This argument is plausible because the context of **McCarville et al. (1996)**'s study was first-time fees, and the findings were reported in 1996 when the Fee Demonstration Program was initially established in the U.S. The fact that those scoring high on place identity had visited the CNF (mean = 13.16) significantly more often than those scoring low on the place identity (mean = 8.3; $t(390) = -4.59$, $p < .01$) also supports this interpretation.

As discussed earlier, while place identity examines people's emotional ties to place (**Proshansky, 1978**; **Williams et al., 1992**), place dependence examines people's functional meanings (i.e., whether it is a right place to undertake a particular activity) (**Farnum et al., 2005**; **Stokols & Shumaker, 1981**; **Williams et al., 1992**). It could be therefore argued that affective-based place identity influences respondents' perceived fairness regarding user fees, whereas place dependence does not. In addition, t-tests showed that the degree of place identity magnifies the spending support for fees paid. The high place identity group was more likely to support spending than the low place identity group in terms of all three dimensions: environmental protection, environmental education, and facilities/services development.

The results related to the effect of place attachment is also consistent with **Kyle et al.'s (2003)** work examining the relationship between attitudes toward user fees and spending preferences based on social judgment theory (**Sherif & Hovland, 1961**). Their findings supported the hypotheses that decisions falling within individuals' latitude of acceptance are likely to be supported, and decisions falling beyond their latitude of non-commitment or rejection are likely to be denied. They observed that place identity magnifies the relationship between national park visitors' attitudes toward the fee program and spending support, whereas place dependence, does not have a significant moderating effect on the relationship between attitudes and spending support (**Kyle et al., 2003**).

Arguably, charging user fees in a NBT has been implemented as an efficient revenue source for public leisure services and as an effective visitor management tool. Although some research has argued that the introduction of fees has reduced the numbers of NBT visitors (**Schwartz & Lin, 2006**), it is also true that many researchers have observed the benefits of user fees from managerial and/or environmental perspectives (**Garrod & Fyall, 2000**; **Laarman & Gregersen, 1996**).

This study also provides some practical implications for managers and policymakers in the NBT field. As illustrated in these

findings, individuals with high price fairness are inclined to support fee spending, which in turn increases their WTP. Therefore, it is important to make a user fees policy fair and transparent based on the notions of justice and equity. Additionally, the clarification of fee charging purposes and/or the disclosure of fee revenue expenditures should enhance fee-payers' trust in the program and increase their willingness to support fee programs. Accordingly, the efforts to clearly deliver the purposes and spending procedures of user fees should be made on information and communication channel to tourists (e.g., brochure, visitor guide, website, and/or newsletter). This study also investigated the relationship between individuals' psychological dimensions (e.g. fairness, spending preferences, place attachment) and their intentions instead of relying on socio-demographic variables (e.g. income level) for understanding WTP user fees. Thus, rather than examining the relationship between income level and visitation, an understanding of nature-based tourists' psychological responses to user fees is believed to contribute NBT sites to designing and managing consumer-centric fee policy. **Laarman and Gregersen (1996)** noted that "*pricing is a potentially powerful tool to move towards greater efficiency, fairness, and environmentally sustainable NBT*" (p. 253).

However, this study is not without limitations. Despite that a stratified and onsite systematic sampling was conducted, the generalization of the results from one national forest to others needs to be carefully done. Particularly, the attitude of visitors to a national forest may be changed if they are aware of or even get used to the price structure and policy over the given period at a certain site. Thus, when the current study results are applied in the fees policy, it may be considered the fact that the data were collected a couple of years ago. In addition, coverage error could be another limitation in this study. That is, this study used only users of Chattahoochee National Forest, and it could be possible that non-users, who may be significantly impacted by user fees and also may have compelling views on perceived price fairness and spending support, show different results. A priority for future research is to examine relationships among these variables among non-user populations.

Finally, these findings point to several additional areas for further research. First, the concept of price fairness could be more delineated. Although this study operationally defined the fairness concept as a uni-dimensional variable, a multi-dimensional conceptualization of fairness could also be used. For example, as the definition implies, price fairness could be divided into distributive and procedural price fairness (**Xia et al., 2004**). While distributive fairness represents the perception of fee outcomes based on equity, equality, and/or need (**Adams, 1965; Wicks & Crompton, 1986**), procedural fairness emphasizes the fee setting process (**Lind & Tyler, 1988**). Also, in addition to willingness to pay, appropriate price (AP) could be studied. AP refers to the amount visitors consider appropriate for experiences and services. Previous studies have revealed that although individuals tend to provide WTP estimates that are greater than their AP estimates, the two concepts are strongly correlated with each other (**Kyle et al., 2002; Richer & Christensen, 1999**). Thus, it is believed that the application of AP concept instead of WTP for user fee research could provide further theoretical and practical implications. It is also expected that the further research adding other factors (e.g. age, income level, visitation frequency, and user types), which were beyond the scope and purposes of this study, could bring another meaningful findings.

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COMMITTEE ON RULES

I Mina'trentai Tres na Liheslaturan Guahan • The 33rd Guam Legislature
155 Hesler Place, Hagåtña, Guam 96910 • *www.guamlegislature.com*
E-mail: *rorysforguam@gmail.com* • Tel: (671)472-7679 • Fax: (671)472-3547

September 17, 2015

Memorandum

To: **Rennae Meno**
Clerk of the Legislature

From: **Senator Rory J. Respicio**
Majority Leader & Rules Chair

Subject: **Fiscal Notes**

Hafa Adai!

Attached please find the fiscal notes for the bill numbers listed below. Please note that the fiscal notes are issued on the bills as introduced.

FISCAL NOTES:
Bill No. 149-33(COR)
Bill No. 160-33(COR)
Bill No. 161-33(COR)

Please forward the same to MIS for posting on our website. Please contact our office should you have any questions regarding this matter.

Si Yu'os ma'åse'!

RECEIVED
SEP 17 '15 AM 11:38
GUAM LEG.

Bureau of Budget & Management Research
Fiscal Note of Bill No. 160-33 (COR)

AN ACT TO ADD A NEW ARTICLE 9 TO CHAPTER 63, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE GUAM OCEAN AND FISHERIES CONSERVATION ACT OF 2015; TO ADD A NEW SUBSECTION (d) TO § 30101 TO CHAPTER 30, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO THE ESTABLISHMENT OF MARINE CONSERVATION FEE, AND TO AMEND § 30107 OF CHAPTER 30, TITLE 11 GUAM CODE ANNOTATED, RELATIVE TO DEPOSIT OF FEES INTO THE GUAM OCEAN AND FISHERIES CONSERVATION AND DEVELOPMENT FUND.

Department/Agency Appropriation Information	
Dept./Agency Affected: Department of Agriculture	Dept./Agency Head: Matthew LG Sablan, Acting Director
Department's General Fund (GF) appropriation(s) to date:	3,424,312
Department's Other Fund (Specify) appropriation(s) to date:	90,131
Total Department/Agency Appropriation(s) to date:	$3,514,443

Fund Source Information of Proposed Appropriation	General Fund:	(Specify Special Fund):	Total:
FY 2014 Unreserved Fund Balance		$0	$0
FY 2015 Adopted Revenues	$0	$0	$0
FY 2015 Appro. (P.L. 32-181 thru 33-07)	$0	$0	$0
Sub-total:	$0	$0	$0
Less appropriation in Bill	$0	$0	$0
Total:	$0	$0	$0

Estimated Fiscal Impact of Bill	One Full Fiscal Year	For Remainder of FY 2015 (if applicable)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund	$0	$0	$0	$0	$0	$0
Special Fund 1/	$0	$0	$0	$0	$0	$0
Total	$0	$0	$0	$0	$0	$0

1. Does the bill contain "revenue generating" provisions? /X/ Yes / / No
   If Yes, see attachment
2. Is amount appropriated adequate to fund the intent of the appropriation? /X/ N/A / / Yes / / No
   If no, what is the additional amount required? $ _____ /X/ N/A
3. Does the Bill establish a new program/agency? /X/ Yes / / No
   If yes, will the program duplicate existing programs/agencies? / / N/A / / Yes /X/ No
   Is there a federal mandate to establish the program/agency? / / Yes /X/ No
4. Will the enactment of this Bill require new physical facilities? / / Yes /X/ No
5. Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: /X/ Yes / / No
   / / Requested agency comments not received by due date / / Other:

Analyst: _____ Date: 9/15/15
Raymond Rieta, BMA I

Director: _____ Date: SEP 17 2015
Jose S. Calvo, Director

Footnotes:
1/ See attached comments.

Bureau of Budget & Management Research
Attachment to Fiscal Note No. 160-33 (COR)
(for revenue generating provisions)

Projected Multi-Year Revenues					
	Year 1	Year 2	Year 3	Year 4	Year 5
General Fund	$0	$0	$0	$0	$0
GOF Cons. And Dev. Fund 1/	$26,821	$26,821	$26,821	$26,821	$26,821
Total	$26,821	$26,821	$26,821	$26,821	$26,821

Comments:

1/ See attached comments.

COMMENTS TO BILL No. 160-33(COR)

AN ACT TO ADD A NEW ARTICLE 9 TO CHAPTER 63, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE GUAM OCEAN AND FISHERIES CONSERVATION ACT OF 2015; TO ADD A NEW SUBSECTION (d) TO § 30101 TO CHAPTER 30, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO THE ESTABLISHMENT OF MARINE CONSERVATION FEE, AND TO AMEND § 30107 OF CHAPTER 30, TITLE 11 GUAM CODE ANNOTATED, RELATIVE TO DEPOSIT OF FEES INTO THE GUAM OCEAN AND FISHERIES CONSERVATION AND DEVELOPMENT FUND.

The bill serves to perform three (3) functions. The first part of the bill which adds a new article 9 to Chapter 63, Title 5, Guam Code Annotated is to establish the *Guam Ocean and Fisheries Management Council* under the *Guam Ocean and Fisheries Conservation Act of 2015*. The Council's powers and duties shall include, but not limited to, coordinating and promoting activities in connection with the conservation and development of Guam's ocean, fisheries, and marine resources; developing, imposing, and issuing permit requirements for the general public; establishing a schedule of fees in connection therewith, relative to the conduct of commercial marine operations and the harvesting of fish and other marine life in the waters of Guam and overseeing the expenditure and management of funds in the Guam Ocean and Fisheries Conservation and Development Fund established. The fiscal impact of this portion of the bill involves the compensation for the seven (7) voting members of the Council to be appointed by the Governor, the fines imposed for civil violations of the permit and fee schedule not to exceed $500 for each violation, and the establishment of the Guam Ocean and Fisheries (GOF) Conservation and Development Fund, which will include proceeds from fees collected pursuant to the permit and fee schedule established from article 9 and shall not be commingled with the General Fund. As per the bill, the voting members shall be compensated at $50 per meeting, not to exceed $100 per calendar month and shall meet regularly at least every other month, calculating to about $2,100 per year. ($50 x 7 members x 6 months = $2100).

The second part of this bill is to add a new subsection (d) to § 30101 of Chapter 30, Title 11, GCA which involves the establishment of the Marine Conservation Fee which shall be levied, imposed and assessed at a fixed amount of two dollars ($2.00) per occupancy per stay, and shall not be levied or imposed against transient occupants who are bona fide residents of Guam. The fiscal impact of this portion of the bill may be estimated on how often this fee is levied, imposed and assessed by using the total visitor arrivals in Fiscal Year 2014 (1,341,054) as obtained from the Guam Visitors Bureau. If this fee was to be levied on 1% of that total, it would have potentially generated as much as $27,000 per year. (1,341,054 visitors x 1% = 13,410 * $2.00 per occupancy per stay = $26,821)

The third part of this bill is to deposit all proceeds collected from the Marine Conservation Fee into the GOF Conservation and Development Fund and to separate this fee from the Tourist Attraction Fund. As per the response from the Guam Department of Agriculture, the agency supports this bill in its form as it will "increase the capacity of the Law Enforcement section for conservation officers to ensure that the law is enforced with regards to marine activities." In its present form however, the potential fiscal impact of this bill cannot be completely determined as the required estimated fees pursuant to the permit and fee schedules are not readily available from the Department of Revenue & Taxation to provide a revenue estimate.

COMMITTEE ON RULES

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August 13, 2015

MEMORANDUM

To: **Rennae Meno**
Clerk of the Legislature

Attorney Therese M. Terlaje
Legislative Legal Counsel

From: **Senator Rory J. Respicio**
Chairperson, Committee on Rules

Subject: **Referral of Bill No. 160-33(COR)**

As the Chairperson of the Committee on Rules, I am forwarding my referral of **Bill No. 160-33(COR).**

Please ensure that the subject bill is referred, in my name, to the respective committee, as shown on the attachment. I also request that the same be forwarded to all members of *I Mina'trentai Tres Na Liheslaturan Guåhan.*

Should you have any questions, please feel free to contact our office at 472-7679.

Si Yu'os Ma'åse!

Attachment

I Mina'Trentai Tres Na Liheslaturan Received

Bill Log Sheet

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES
160-33 (COR)	Brant T. McCreadie	AN ACT TO ADD A NEW ARTICLE 9 TO CHAPTER 63, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE GUAM OCEAN AND FISHERIES CONSERVATION ACT OF 2015; TO ADD A NEW SUBSECTION (d) TO § 30101 TO CHAPTER 30, TITLE 11, GUAM CODE ANNOTATED, RELATIVE TO THE ESTABLISHMENT OF MARINE CONSERVATION FEE; AND TO AMEND § 30107 OF CHAPTER 30, TITLE 11 GUAM CODE ANNOTATED, RELATIVE TO DEPOSIT OF FEES INTO THE GUAM OCEAN AND FISHERIES CONSERVATION AND DEVELOPMENT FUND.	08/13/15 9:49 a.m.	08/13/15	Committee on Municipal Affairs, Tourism, Housing, and Historic Preservation			

Subject: First Notice: Public Hearing on Tuesday, November 10, 2015

From: Bernice Rivera (bernice@tinamunabarnes.com)

To: annabelle_dancel@yahoo.com; marie.pdelarosa@gmail.com; mjduenas@ghura.org; david.sablan@gmail.com; bjackson@hotelsantafeguam.com; mbaldyga@baldyga.com; n.nakajima@mhiguam.com; monnaga@kona.net; carl.delacruz@noaa.gov; jcb_96932@yahoo.com; gfca@ite.net; pink.guam@gmail.com; bina@ghra.org; president@ghra.org; nathan.denight@visitguam.org; joseph.cameron@dca.guam.gov; john.calvo@noaa.gov; warrenhan01@gmail.com; mikitaxi@hotmail.com; matt.sablan12@yahoo.com; melissa.savares@gmail.com; anghet@hotmail.com; mayor.mcdonald671@gmail.com; mayorlcrivera.tatuha@gmail.com; agatmayorsoffice@hotmail.com; rudyinarte@gmail.com;

Cc: phnotice@guamlegislature.org; senator@tinamunabarnes.com; jean@tinamunabarnes.com; alan@tinamunabarnes.com; millie@tinamunabarnes.com;

Date: Tuesday, November 3, 2015 4:25 PM

FIRST PUBLIC NOTICE

FOR IMMEDIATE RELEASE
Tuesday, November 03, 2015

Hafa Adai! The Committee on Municipal Affairs, Tourism, Housing and Guam Preservation Trust will be conducting a public hearing on **Tuesday, November 10, 2015** in the Public Hearing Room. This hearing is scheduled to receive public testimony on the following

9:00 a.m. Appointment of **Joseph M. Leon Guerrero,** Resident Member, Guam Housing and Urban Renewal Authority Board of Directors.

Appointment of **Annabelle M. Dancel,** Member, Guam Housing and Urban Renewal Authority Board of Directors.

Appointment of **Marie P. Dela Rosa,** Member, Guam Housing and Urban Renewal Authority Board of Directors.

Bill No. 160-33 (COR) – AN ACT TO *ADD* A *NEW* ARTICLE 9 TO CHAPTER 63, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE GUAM OCEAN AND FISHERIES CONSERVATION ACT OF 2015; TO *ADD* A *NEW* SUBSECTION (d) TO § 30101 TO CHAPTER 30, TITLE 11, GUAM CODE ANNOTATED RELATIVE TO THE ESTABLISHMENT OF MARINE CONSERVATION FEE; AND TO *AMEND* § 30107 OF CHAPTER

30, TITLE 11 GUAM CODE ANNOTATED, RELATIVE TO DEPOSIT OF FEES INTO THE GUAM OCEAN AND FISHERIES CONSERVATION AND DEVELOPMENT FUND– *sponsor: Brant T. McCreadie*

Bill No. 161-33 (COR) – AN ACT TO *REPEAL* AND *REENACT* § 1026 OF CHAPTER 10, TITLE 1, GUAM CODE ANNOTATED; RELATIVE TO ESTABLISHING THE GUAM LIBERATION FISHING EVENTS- *sponsor: Brant T. McCreadie*

Bill No. 186-33 (COR) – AN ACT TO APPROPRIATE FUNDS FROM THE FISCAL YEAR 2014 HOTEL OCCUPANCY TAX (HOT) SURPLUS FUND TO THE GUAM VISITORS BUREAU FOR A PILOT PROGRAM TO SUPPORT THE NEEDS OF THE GROWING KOREAN VISITOR MARKET- *sponsors: T.R. Muña Barnes, Frank F. Blas, Jr.*

Bill No. 203-33 (COR) – AN ACT TO ADD A NEW § 849.10 TO ARTICLE 1 OF CHAPTER 8, 1 GCA TO DEDICATE AND NAME THE FARMER'S MARKET FACILITY, OPERATED BY THE FARMER'S COOPERATIVE ASSOCIATION OF GUAM, INC., AFTER ITS CHAMPIONING ADVOCATE AND LEADING LEGISLATIVE SUPPORTER FOR ITS ESTABLISHMENT, THE SPEAKER VICENTE (ben) C. PANGELINAN GUAM FARMERS MARKET: *"METKÅON LANCHERON I TÅOTAO"- sponsors: D.G. Rodriguez, Jr., R.J. Respicio, J.T. Won Pat, Ed.D., T.R. Muña Barnes, V.A. Ada, B.M. McCreadie, F.B. Aguon, Jr., T.A. Morrison, B.J.F. Cruz, N.B. Underwood, Ph.D.*

Pursuant to 5 GCA, Chapter 8, Subsection 8107, public hearing notices should be sent on Tuesday, November 03, 2015, which is five (5) working days prior and a second public notice on Friday, November 6, 2015, which is forty-eight (48) hours prior.

Written testimonies may be submitted on the day of, prior to, or up to ten days after the public hearing to the Office of Senator Tina Rose Muña Barnes, 155 Hesler Place, Hagatña Guam 96910, via facsimile to 472-3400 or via email to senator@tinamunabarnes.com. We comply with Title II of the Americans with Disabilities Act (ADA). Should you require assistance or accommodations please contact Jeanenne Cordero, Bernice Rivera or Alan Cepeda from our office at 472-3455/6 or via email at jean@tinamunabarnes.com, bernice@tinamunabarnes.com or alan@tinamunabarnes.com. I look forward to your attendance and participation.

Si Yu'os Ma'åse'!

cc: Sergeant-At-Arms/Protocol/AV
MIS
Clerk of the Legislature
All Media

Bernice Rivera
Senior Policy Analyst
Office of Senator Tina Muna Barnes
bernice@tinamunabarnes.com
Tel: 472-3455/56
Fax: 472-3400

Attachments

- First Notice 11-10-15.pdf (136.14KB)
- Agenda 11-10-15.pdf (113.75KB)
- Appointment of Marie P. Dela Rosa.pdf (759.25KB)
- Appointment of Annabelle M. Dancel.pdf (753.22KB)
- Appointment of Joseph M. Leon Guerrero.pdf (761.29KB)
- Bill No. 186-33 (COR) trmb HISTORY.pdf (522.97KB)
- Bill No. 160-33 (COR) btm HISTORY.pdf (827.89KB)
- Bill No. 161-33 (COR) btm HISTORY.pdf (549.73KB)
- Bill No. 203-33 (COR) dgr HISTORYa (1).pdf (574.19KB)

Subject: Second Notice: Public Hearing on Tuesday, November 10, 2015

From: Bernice Rivera (bernice@tinamunabarnes.com)

To: annabelle_dancel@yahoo.com; marie.pdelarosa@gmail.com; mjduenas@ghura.org; millie.taitano@gmail.com; david.sablan@gmail.com; bjackson@hotelsantafeguam.com; mbaldyga@baldyga.com; n.nakajima@mhiguam.com; morinaga@kona.net; carl.delacruz@noaa.gov; jcb_96932@yahoo.com; gfca@ite.net; pink.guam@gmail.com; bina@ghra.org; president@ghra.org; nathan.denight@visitguam.org; joseph.cameron@dca.guam.gov; john.calvo@noaa.gov; warrenhan01@gmail.com; mikitaxi@hotmail.com; matt.sablan12@yahoo.com; melissa.savares@gmail.com; anghet@hotmail.com; mayor.mcdonald671@gmail.com; mayorlcrivera.tatuha@gmail.com; agatmayorsoffice@hotmail.com; rudyiriarte@gmail.com;

Cc: phnotice@guamlegislature.org; senator@tinamunabarnes.com; jean@tinamunabarnes.com; alan@tinamunabarnes.com; millie@tinamunabarnes.com;

Date: Thursday, November 5, 2015 6:32 PM

SECOND PUBLIC NOTICE

FOR IMMEDIATE RELEASE
Thursday, November 5, 2015

Hafa Adai! The Committee on Municipal Affairs, Tourism, Housing and Guam Preservation Trust will be conducting a public hearing on **Tuesday, November 10 2015** in the Public Hearing Room. This hearing is scheduled to receive public testimony on the following

9:00 a.m. Appointment of **Joseph M. Leon Guerrero,** Resident Member, Guam Housing and Urban Renewal Authority Board of Directors.

Appointment of **Annabelle M. Dancel,** Member, Guam Housing and Urban Renewal Authority Board of Directors.

Appointment of **Marie P. Dela Rosa,** Member, Guam Housing and Urban Renewal Authority Board of Directors.

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Bill No. 161-33 (COR) – AN ACT TO *REPEAL* AND *REENACT* § 1026 OF CHAPTER 10, TITLE 1, GUAM CODE ANNOTATED; RELATIVE TO ESTABLISHING THE GUAM LIBERATION FISHING EVENTS- *sponsor: Brant T. McCreadie*

Bill No. 186-33 (COR) – AN ACT TO APPROPRIATE FUNDS FROM THE FISCAL YEAR 2014 HOTEL OCCUPANCY TAX (HOT) SURPLUS FUND TO THE GUAM VISITORS BUREAU FOR A PILOT PROGRAM TO SUPPORT THE NEEDS OF THE GROWING KOREAN VISITOR MARKET- *sponsors: T.R. Muña Barnes, Frank F. Blas, Jr.*

Bill No. 203-33 (COR) – AN ACT TO ADD A NEW § 849.10 TO ARTICLE 1 OF CHAPTER 8, 1 GCA TO DEDICATE AND NAME THE FARMER'S MARKET FACILITY, OPERATED BY THE FARMER'S COOPERATIVE ASSOCIATION OF GUAM, INC., AFTER ITS CHAMPIONING ADVOCATE AND LEADING LEGISLATIVE SUPPORTER FOR ITS ESTABLISHMENT, THE SPEAKER VICENTE (ben) C. PANGELINAN GUAM FARMERS MARKET: "*METKÅON LANCHERON I TÅOTAO*"- *sponsors: D.G. Rodriguez, Jr., R.J. Respicio, J.T. Won Pat, Ed.D., T.R. Muña Barnes, V.A. Ada, B.M. McCreadie, F.B. Aguon, Jr., T.A. Morrison, B.J.F. Cruz, N.B. Underwood, Ph.D.*

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Si Yu'os Ma'åse'!

cc: Sergeant-At-Arms/Protocol/AV
MIS
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Public Hearing Notice Listserv

phnotice@guamlegislature.org (Media, All Senators, and Staff)

Updated: February 15, 2016

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I Mina'Trentai Tres Na Liheslaturan Guåhan
Office of The Legislative Secretary
Tina Rose Muña Barnes

Committee on Municipal Affairs, Tourism, Housing and Historic Preservation
Confirmation/Public Hearing
Tuesday, November 10, 2015

AGENDA

9:00 a.m. Appointment of **Joseph M. Leon Guerrero,** Resident Member, Guam Housing and Urban Renewal Authority Board of Directors.

Appointment of **Annabelle M. Dancel,** Member, Guam Housing and Urban Renewal Authority Board of Directors.

Appointment of **Marie P. Dela Rosa,** Member, Guam Housing and Urban Renewal Authority Board of Directors.

Bill No. 160-33 (COR) – AN ACT TO *ADD* A *NEW* ARTICLE 9 TO CHAPTER 63, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO THE GUAM OCEAN AND FISHERIES CONSERVATION ACT OF 2015; TO *ADD* A *NEW* SUBSECTION (d) TO § 30101 TO CHAPTER 30, TITLE 11, GUAM CODE ANNOTATED RELATIVE TO THE ESTABLISHMENT OF MARINE CONSERVATION FEE; AND TO *AMEND* § 30107 OF CHAPTER 30, TITLE 11 GUAM CODE ANNOTATED, RELATIVE TO DEPOSIT OF FEES INTO THE GUAM OCEAN AND FISHERIES CONSERVATION AND DEVELOPMENT FUND– *sponsor: Brant T. McCreadie*

Bill No. 161-33 (COR) – AN ACT TO *REPEAL* AND *REENACT* § 1026 OF CHAPTER 10, TITLE 1, GUAM CODE ANNOTATED; RELATIVE TO ESTABLISHING THE GUAM LIBERATION FISHING EVENTS- *sponsor: Brant T. McCreadie*

Chairperson, Committee on Municipal Affairs, Tourism, Housing and Historic Preservation
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Office of The Legislative Secretary
Tina Rose Muña Barnes

Bill No. 186-33 (COR) – AN ACT TO APPROPRIATE FUNDS FROM THE FISCAL YEAR 2014 HOTEL OCCUPANCY TAX (HOT) SURPLUS FUND TO THE GUAM VISITORS BUREAU FOR A PILOT PROGRAM TO SUPPORT THE NEEDS OF THE GROWING KOREAN VISITOR MARKET- *sponsors: T.R. Muña Barnes, Frank F. Blas, Jr.*

Bill No. 203-33 (COR) – AN ACT TO ADD A NEW § 849.10 TO ARTICLE 1 OF CHAPTER 8, 1 GCA TO DEDICATE AND NAME THE FARMER'S MARKET FACILITY, OPERATED BY THE FARMER'S COOPERATIVE ASSOCIATION OF GUAM, INC., AFTER ITS CHAMPIONING ADVOCATE AND LEADING LEGISLATIVE SUPPORTER FOR ITS ESTABLISHMENT, THE SPEAKER VICENTE (ben) C. PANGELINAN GUAM FARMERS MARKET: *"METKÅON LANCHERON I TÅOTAO"- sponsors: D.G. Rodriguez, Jr., R.J. Respicio, J.T. Won Pat, Ed.D., T.R. Muña Barnes, V.A. Ada, B.M. McCreadie, F.B. Aguon, Jr., T.A. Morrison, B.J.F. Cruz, N.B. Underwood, Ph.D.*

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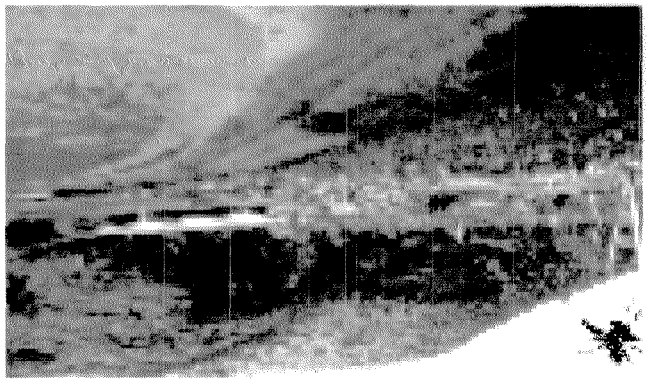
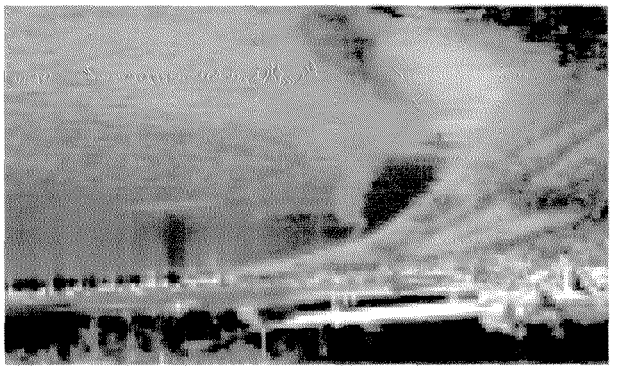
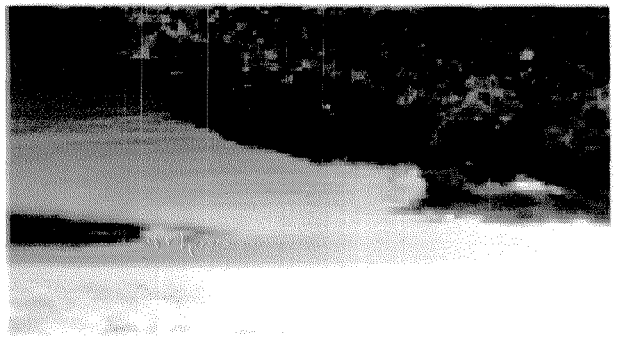
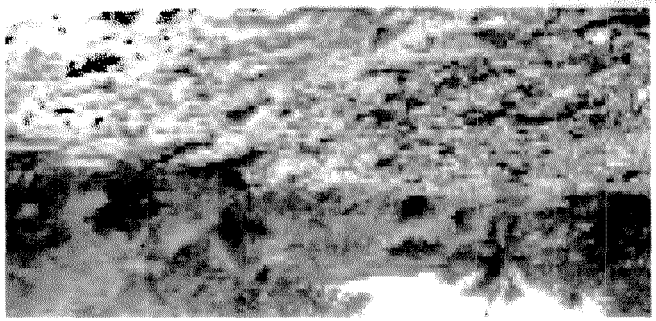
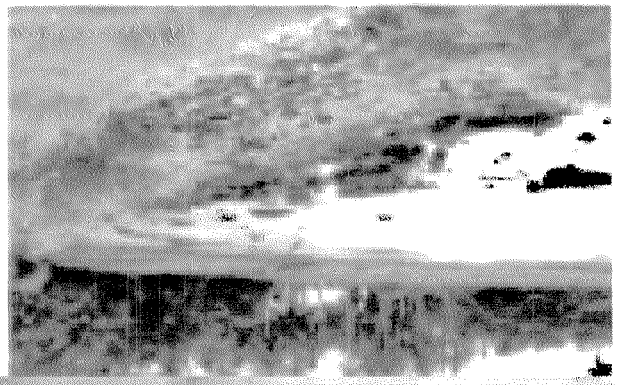
Committee Report Bill No. 160-33 (COR

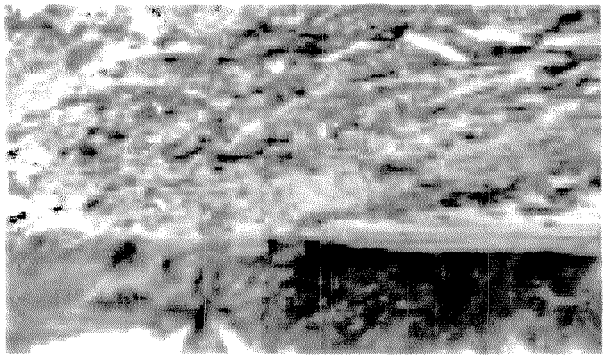


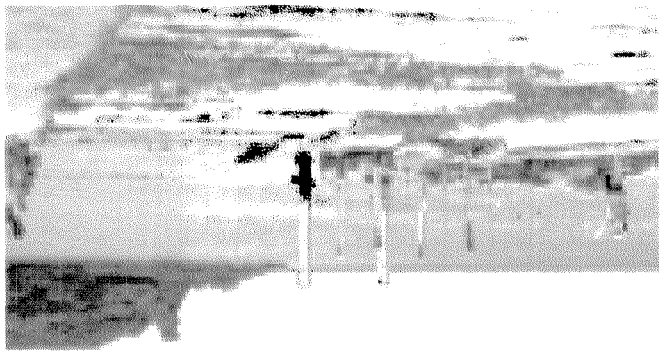












Existing Boat Ram at Agfajhan and Proposed Boat Ram at Talofofo Ba y

Composite representation of Talofofo Bay of a proposal for a boat ram and pier along side a man made jetty.

photos and designed Jose Chargualaf