

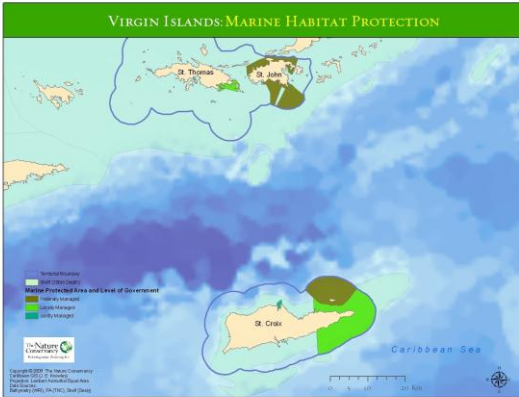
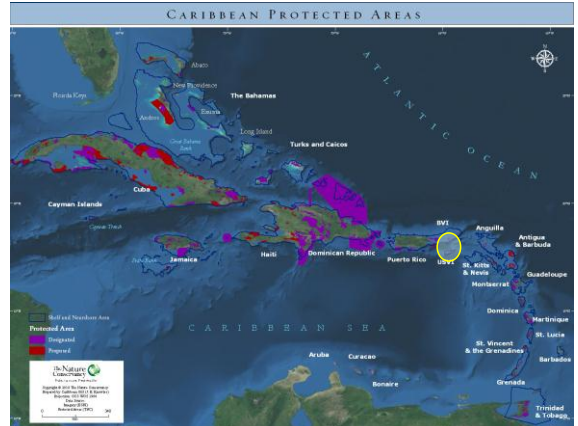


October 20, 2011
Gulf Caribbean (Bahamas, Barbados, Puerto Morelos, Mexico)



Sustainable Finance Plans for USVI

St. Thomas East End Reserves (STEER)
St. Croix East End Marine Park (STXEEMP)

About the STXEEMP

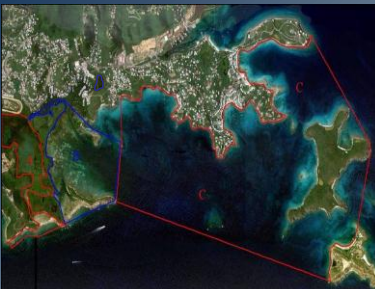
Established 2001
 Multi-use park ~ 60 mi² area
 Mechanism to implement LAS strategies
 First step toward territorial park



Management Zones
 Open Zone
 Recreational Zone
 Wildlife Preserve Zone
 No Take Zone

Scale: 0, 1.25, 2.5 Miles

About the STEER



Combines three Marine Reserves/ Wildlife Sanctuaries ~ 6 mi² area
 First time for concerted area management
 Originally established 1993

Sustainable Finance Plan Purpose

Take management actions planned, estimate how much it will cost, what funding do we have available, what funding do we need, then suggest mechanisms that will work to finance activities.

A business plan is a conduit between the management plans and program activities and will fill the gap between expenditures for administrative costs and activities and sources of revenue for the operation of the STXEEMP and STEER...addresses capacity issues

Sustainable Finance Plan Purpose

- Validates program activities by testing cost assumptions
- Identifies baseline for sustainable financing needs
- Establishes clear short and long-term targets
- Supports requests to federal and other potential funders
- Guides program budgeting
- Assists in resource allocation decisions
- Demonstrates (via scenarios) how changes may affect financial and operational needs

Sustainable Finance Plan Process

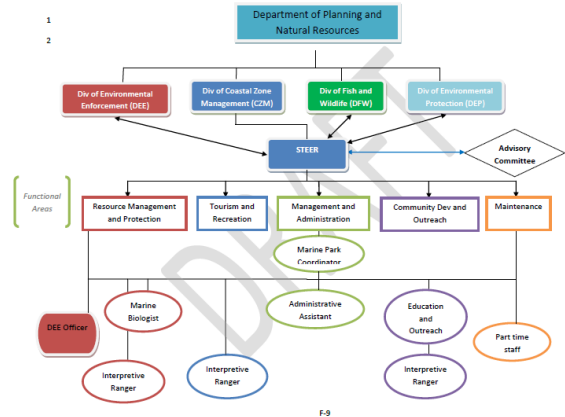
Agathe Sector

Conservation Finance Consultant

1. Revision, analysis and comments on management documents
2. Historical analysis of the protected areas' finances (achievement of objectives, critical aspects, success factors for management)
3. Identification of financial needs for basic operation, as well as optimal management, of the protected areas
4. Identification of financing sources

Sustainable Finance Plan Process

5. Projection of needs vs. sources
6. Level of sustainability (needs vs. revenue) over the long-term
7. Construction of an articulated set of sustainable finance strategies, concretely presented as a portfolio of activities for the protected areas
8. System of Monitoring and Evaluation for the long-term financial sustainability plan
9. Identification of legal and institutional barriers and gaps to implement the long-term financial sustainability plan



THE NEED

STEER

The total recurrent needs for the park total \$808,000 at a critical level and \$976,000 at an optimal level.

STXEEMP

The recurrent critical needs amount to \$633,000 and increase to \$734,000 at the optimal level.

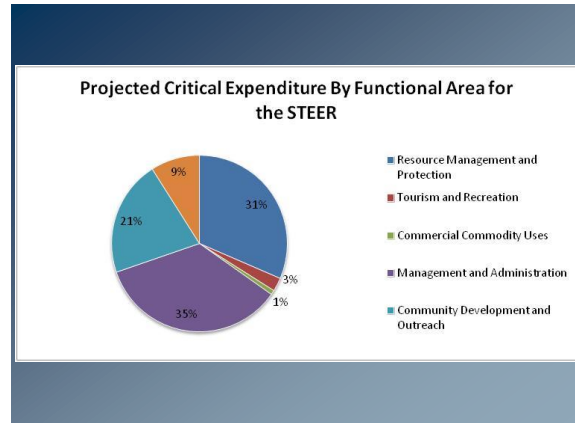
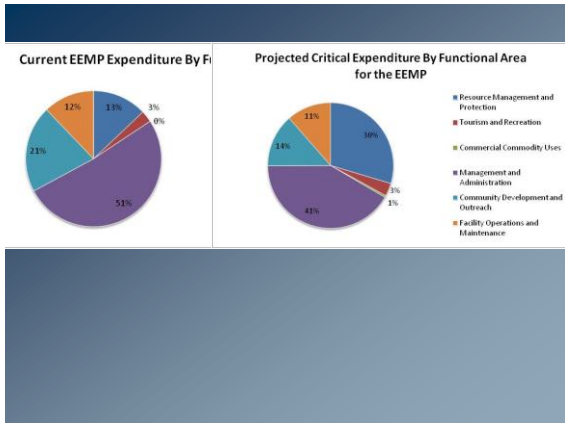
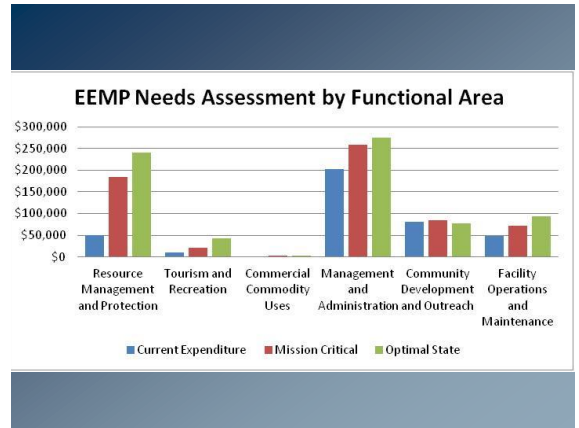
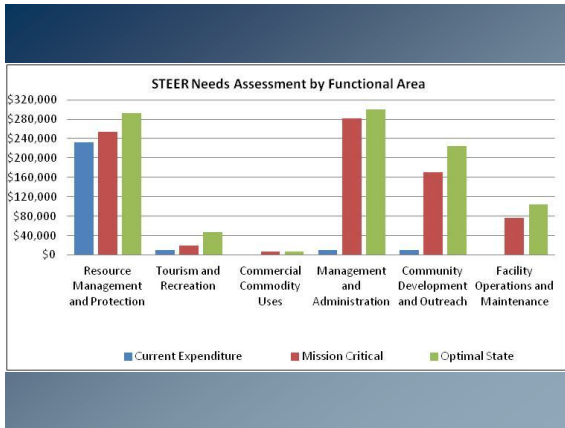
Need-Have=Gap

STEER Revenue projections for the most feasible financial mechanisms total \$658,000 per year and \$4.6 million per year for future, more complex financial mechanisms.

STXEEMP

The average funding for the park amounts to \$340,000 per year and comes mainly from Federal funding sources.

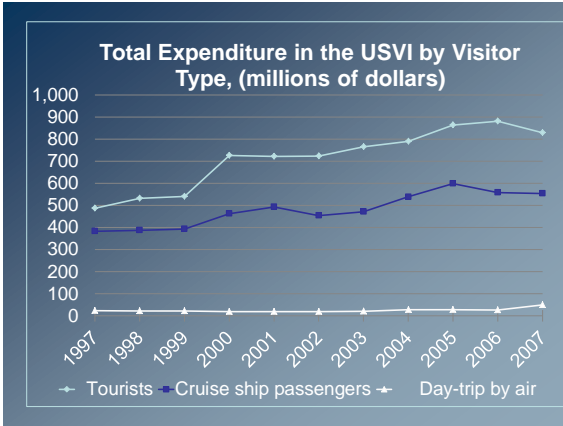
=The resulting financial gap is \$230,000 and



Financial Mechanism	Potential for revenue generation	Certainty of revenue stream	Complexity of implementation	Overall Value
<i>Rating (1 is low, 2 is medium, 3 is high)</i>	1, 2, 3	1, 2, 3	-1, -2, -3	
Fines	1	2	-1	2
Government Contribution	3	3	-2	4
Membership Dues	2	2	-1	3
Park User Fees	2	2	-2	2
PA Trust	3	3	-2	4
Payments for Environmental Services	1	1	-3	-1
Environmental Entrance Fee	3	2	-3	2
Concession fees, Permits and Licenses	1	3	-1	3
Private donations	2	2	-1	3
Special Commercial Uses	1	2	-1	2

Conservation Finance Mechanisms

Funding Mechanisms	Fee \$	No.	Total
Membership Dues	30	5,000	100,000
Private Donations	1000, 10,000	50, 5	100,000
Licenses	10	100	1,000
Permits for scientific research, photography, filming and special events	250	10	2,500
Concessions: Tours, Vending at Cramer's Park, Yacht Club	600	5	3,000
Concessions: Hotels, Condo Complexes, Rentals Co's	1,200	10	12,000
Tours	5	5,000	25,000
Mooring Fees (Divers, Sailors)	15	250	3,750
Fishing Festival	25	350	8,750
Total			256,000
Future Potential Funding Mechanisms			
Cruise Ship Environmental Fee	1	1,918,000	1,918,000
Air Tourism Environmental Fee	5	511,000	2,555,000
Protected Area Trust			150,000
Total			4,623,000
Critical Gap of STXEEMP			230,000
Optimal Gap of STXEEMP			341,000



Challenges to Implementing the Plan

Strategic activities from the management plan form the foundation of the business plan.

Estimating the amount of technical and financial assistance needed for implementation?

To Do:

Currently, the Territory is engaged in a NOAA-funded socio-economic valuation of coral reef resources. Data gathered on the valuation of the STXEEMP and STEER will be incorporated into the reserves' models.

