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## POLICY BRIEF

## **CONCESSIONS IN WILD PROTECTED AREAS:**

COST ESTIMATES FOR NON-ESSENTIAL SERVICES IN CHIRRIPÓ NATIONAL PARK, COSTA RICA

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Protected areas have been established for the conservation of natural resources and biodiversity worldwide. Funding for conservation activities in protected areas is not always available and this is especially true in developing countries. Thus, managers of protected areas must find alternative ways of obtaining resources.

Conservation Area Amistad Pacífico (ACLA-P) and the Executive Secretariat of the SINAC with support from The Nature Conservancy (TNC) have been proactive thrusters in the need for concession of nonessential services offered in protected areas this country. The concession of some non-essential services would substantially increase the quality of service provided to tourists and also liberate park officials from activities not from their occupation and can devote to their specific functions like control, protection and environmental education. The granting of concessions would become a new source of income for protected areas. Moreover, provide open spaces to provide the involvement of organized local groups as provided by the biodiversity law of Costa Rica.

Prior to the granting of the concession, it is important to have a study that provides a methodology to assign reference prices for services that are desired for concession. Back in 2009, a research team from the Economics and Environment for Development Research Program (EEfD) at CATIE took part in this process. The overall objective of the study was to obtain a pricing structure based on costs for non-essential services with a methodology can be adjusted to other Protected Areas in the country.

Results are a joint work between the consultants, ACLA-P personnel, TNC, authorities from Chirripo National Park (PNCh) and key informants in the community surrounding the park. The final outputs included a manual describing the steps on the methodology for the data collection needed to develop cost-based prices for services under concession and the specific results for Chirripó National Park. The manual is accompanied by a tool in Excel that allows the use this methodology in other contexts (protected areas), and can update the actual costs of providing non-essential services. In addition, the study realized a diagnosis of the communities surrounding the PNCh. This analysis provide a baseline for future research on the potential impacts of the implementation of the concessions in National Parks.

The provision of non-essential services in wild protected areas, requires that park administrators guarantee all necessary conditions for the service to be provided safely and effectively. The concession of services may not be viable in all protected areas. Demand studies for this services must determine whether the provision is cost-effective. It is also important to recognize that a change in rates without taking into account the willingness to pay of visitors can generate discontent in those with less ability to pay.

The park authorities should also determine the revenue from the concessionaire. In this case payment of is based on the number of visitors to the park. This allows monitoring income in a simple way, similar to ticket sales. It also presents low risk to both the concessionaire and the park administration.

Over-all, an extensive consultation with stakeholders involved in each protected area is recommended in order to achieve a proactive feedback and recommendations in order to have a greater chance of implementation.

The study also provide a baseline for future research on the potential impacts of the implementation of the concessions. The existing conditions of the communities is based on the Capitals Framework. In this regard, the communities surrounding the Chirripo National Park have both strengths and weaknesses in very different ways. From a financial point of view, is a region dedicated especially to agriculture and livestock. Low income and large differences in the distribution are shown. Activities around the tourism sector are not major but have allowed a diversification of household income, and its members are increasingly dedicated to activities related to National Park. The Natural Capital stands as the core of a good quality of life. It also increases the opportunities for an increasingly growing sector in the area dedicated to the activity of rural and ecological tourism.

The National Park authorities have an important commitment to the protection of the resources available to the community. Likewise, the community has much to offer to facilitate the attention of tourists who visit the place. Coordination between park authorities with the community is vital for and integration and the sustainable development of the region.



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