

The Economic Importance of Coastal and Marine Resources to Tourism in Barbados

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May 2017



Overview

Barbados is experiencing extreme degradation of its coastal and marine resources due to overfishing, coastal overdevelopment, siltation, pollution, and climate-related factors. This degradation poses a direct threat to the viability of the country's tourism product as well as its economic growth prospects. This report summarizes the results of an empirical study of tourists' preferences, activities in the coastal zone, and willingness to pay conservation fees to manage coastal and marine resources in Barbados. This information can be used to identify and develop financing mechanisms for sustainable tourism development and allocate budgetary resources to outcomes that provide the highest return on investment.

Visitors to Barbados are heavily involved in activities in the coastal zone.

While Barbados is often considered a beach destination, it is clear that visitors also enjoy underwater experiences. Nearly half of visitors reported directly viewing the underwater environment. This result suggests that Barbados could successfully market itself as a destination for underwater activities, provided that the quality of the marine environment is enhanced or maintained.

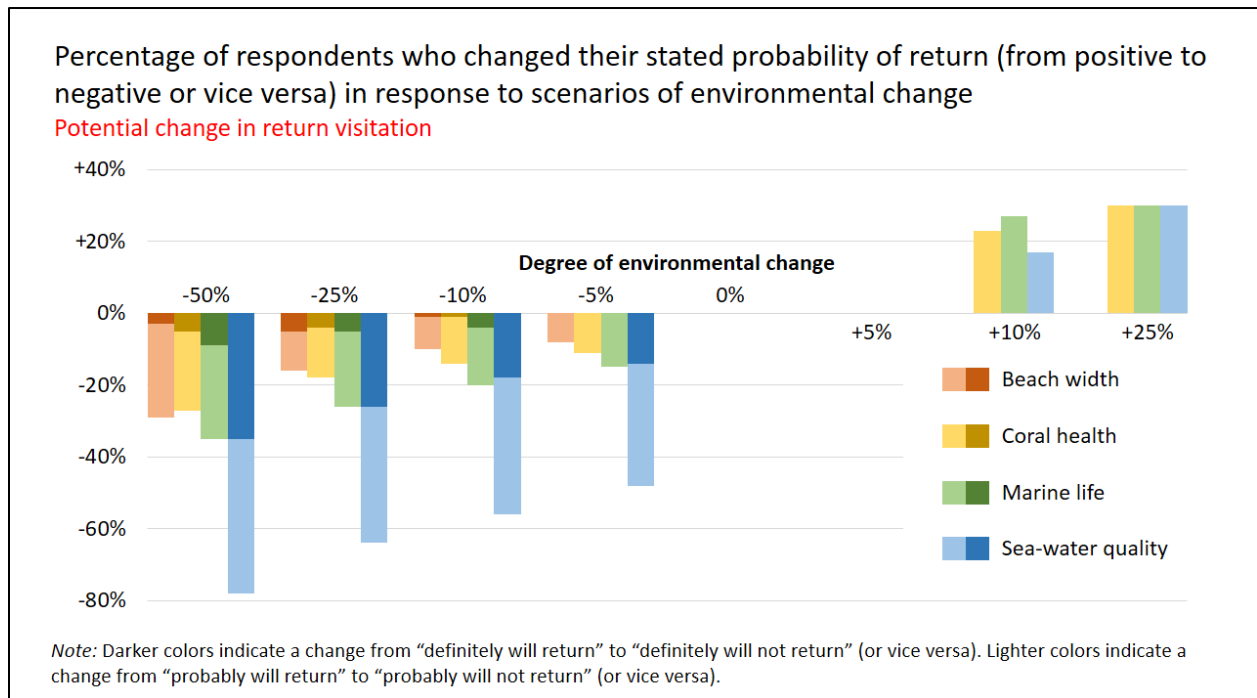
Visitors place considerable economic value on the quality of coastal and marine resources and are willing to pay more for better sea-water quality, higher-quality marine life (including coral reefs) and wider beaches.

- Visitors are willing to pay approximately US\$275 more for a one-week stay where beaches are 12–16 metres wide relative to 6–10 metres wide. However, they would pay US\$800 less for stays where beaches are very narrow.
- Visitors are willing to pay approximately US\$640 more for a one-week stay where coral reef quality allows for more marine life. However, they would pay US\$1,000 less for stays where reef quality is poor.
- Visitors are willing to pay US\$1,500 more per week for improved sea-water quality. However, if sea-water quality worsens, they may not return at all.

These results have important implications for businesses in the coastal zone and suggest that efforts to improve or maintain the quality of the coastal and marine environment will enhance visitor satisfaction and generate improved revenues.

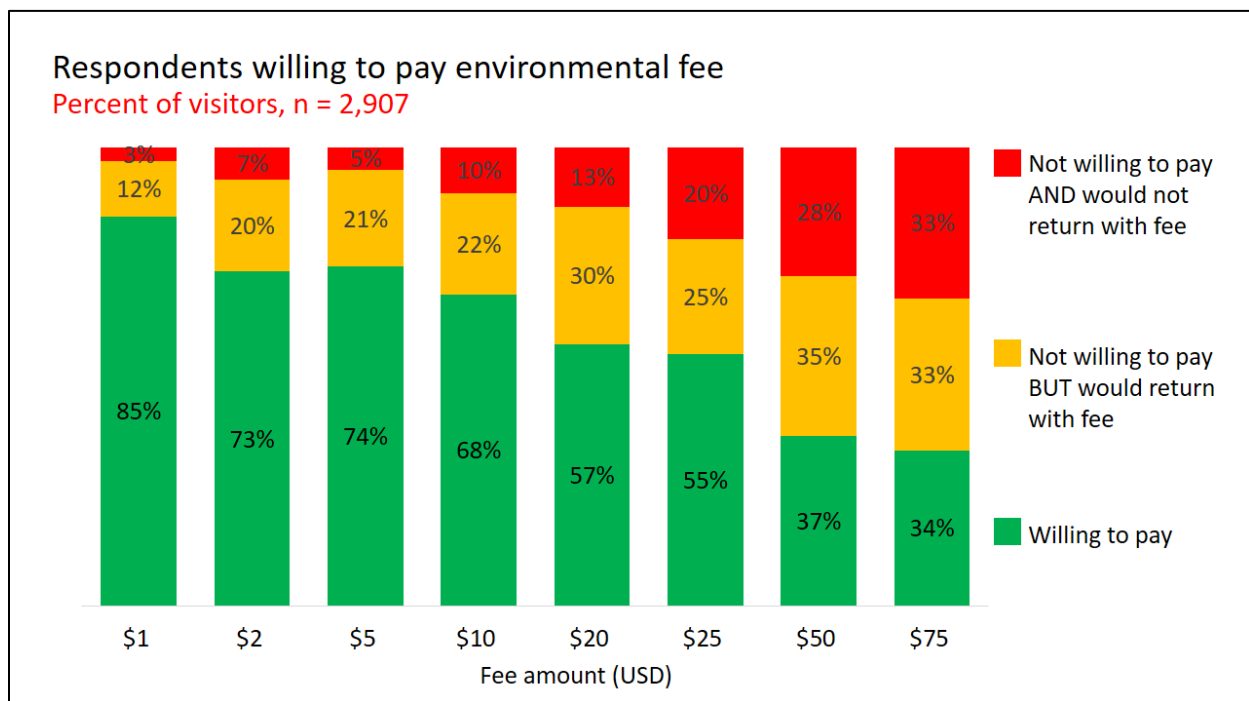
Visitors perceive the current coastal and marine environment to be of high quality. However, a significant number of visitors indicate they would “probably not” or “definitely not” return to Barbados if environmental quality declined by 5 percent or more, particularly the quality of sea-water.

Notably, nearly half of visitors who intend to return to Barbados stated they would “probably not” or “definitely not” return if the quality of sea-water were to decrease such that risk of stomach infection increased by 5 percent. Visitors are also more sensitive to environmental degradation than to improvements. Small losses in beach width, coral health, marine life and sea-water quality are likely to adversely affect return visitation, but small improvements in these aspects of environmental quality may have only a minimal impact on visitation. It is therefore critical to minimize additional degradation of coastal and marine resources.



A large majority of visitors are willing to pay a nominal fee (e.g., US\$5 or less) to help fund the long-term protection of coastal and marine resources in Barbados.

Approximately 80 percent of visitors are willing to pay an environmental fee of US\$5 per trip. Only 5 percent of visitors stated that they would not return to Barbados if such a fee were imposed. The most preferred avenues for payment of the fee were to a governmental organization involved with coastal/marine resource management and to a marine park fund dedicated to the conservation of specific natural resources.



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