



Identification of innovative fiscal models for mechanisms to integrate spatial strategies for the coast

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Corepoint Action 2.4

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Introduction and Rationale

Sustaining Integrated Coastal Zone Management (ICZM) effort and initiatives is reliant on availability of necessary financial resources. Instances of ICZM initiatives ceasing operation due to lack of appropriate funds have been well documented (Shipman and Stojanovic, 2007; Rupprecht Consult, 2006; Milne and Christie, 2005; Atkins, 2004; Hoverman et al., 2003; McGlashan, 2003; Chua, 2001). This can lead to a start – stop approach in progressing sustainable management of coastal resources, and can also undermine the future credibility of those seeking to revive the ICZM progress in a particular location. Indeed, many of the partnerships that participated in the EC Demonstration Programme on ICZM are no longer operational; and evidence from the UK suggests that coastal partnerships continue to be undermined by short-term, ad hoc and erratic funding (Entec UK Limited, 2008). The concern at European level was further illustrated by the fact that the Commission specifically asked Member States to identify within their national strategies options for long-term financing for ICZM initiatives (Shipman and Stojanovic, 2007).

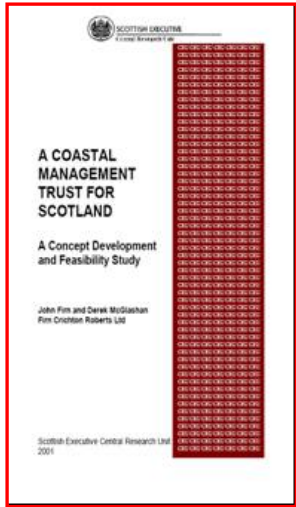
The Coastal Research and Policy Integration (COREPOINT) project was funded through the European Inter-regional (INTERREG) IIIB programme. The project's programme of work included actions to identify issues influencing capacity to deliver and progress ICZM across the North West Europe region; this report represents a contribution to COREPOINT's analysis of current coastal management in North West Europe and focuses on fiscal models for mechanisms to integrate spatial strategies for the coast.

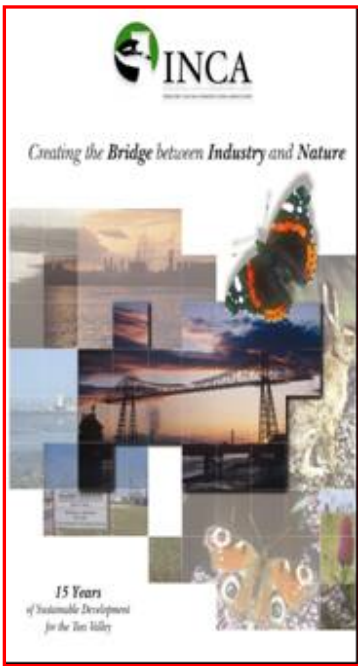
Approach

The report comprises a series of case study examples representing proposed or operational fiscal models employed at different governance scales, i.e. international, regional, national and local. The examples used include, but was not limited to, case studies from within the COREPOINT project area, and initiatives from elsewhere, e.g. North America and Australia, which provide useful insights relevant to the development of innovative fiscal models for ICZM in North West Europe. The case studies were identified through literature review, and correspondence with coastal practitioners within and external to the COREPOINT project partnership. Each case study is briefly outlined in terms of its background and approach; the functional and operational intricacies of each example are not presented in detail but references for further reading are provided for each example cited.



Case Studies

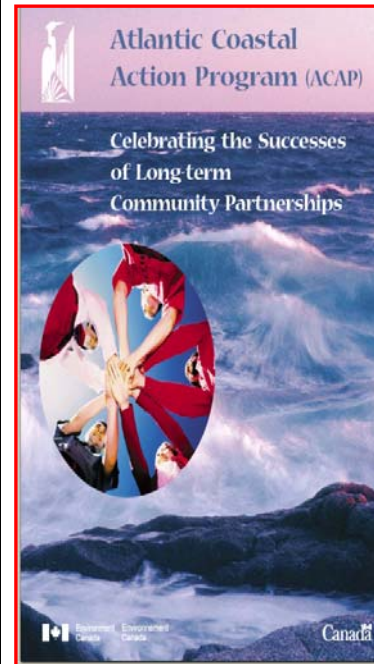
<p>A Coastal Management Trust for Scotland</p>	
<p>Background and Approach</p> <p>This report outlines an investigation of the concept of using a coastal management trust for funding the activities of Scotland's local coastal fora and the Scottish Coastal Forum to deliver ICZM. Scotland is analogous with many other European coastal States in adopting a voluntary approach to progressing ICZM; key to this are the activities of the local coastal fora who represent a wide range of public, private and voluntary organisations. Evidence indicated that the successful strategic management of Scotland's coastal areas and implementation of related activities were jeopardised by unsustainable funding mechanisms in the medium to long-term and the non-guarantee of core funding. The proposed Scottish Coastal Management Trust considers a scenario where a capital endowment fund is provided by public and private sector donors with the annual investment income from the fund is used in perpetuity to support the implementation of ICZM in Scotland.</p>	
<p>Further Information</p> <p>Finn, J. and McGlashan, D. (2001). <i>A Coastal Management Trust for Scotland: a Concept Development and Feasibility Study</i>. Scottish Executive, Edinburgh.</p>	

<p>Industry Nature Conservation Association (INCA)</p>	
<p>Background and Approach</p> <p>INCA was established in 1989 in North East England as a 'not-for-profit' company limited by guarantee. The aim of INCA was to balance the needs of conservation and development by ensuring adequate consideration of nature conservation within economic development projects and encouraging the use of industrial land for nature conservation projects. INCA represents a successful approach whereby diverse interest groups have identified a common vision of sustainability and pooled their resources and expertise to progress actions towards achieving their collective aims. A key part of this success has been the willingness of INCA members to promote their interests in a confidential membership forum to reach consensus and achieve the development - conservation balance. INCA is primarily funded through membership subscriptions; membership comprises individual businesses, conservation organisations, local authorities and environmental regulators. INCA's service portfolio includes coordination of funding partnerships for projects on the natural environment. The INCA model has been replicated elsewhere in the UK and possesses potential for progressing sustainable resource management and development in other geographical and resource settings.</p>	
<p>Further Information</p> <p>http://www.inca.uk.com</p>	

Atlantic Coastal Action Program (ACAP)

Background and Approach

The Atlantic Coastal Action Program (ACAP) is a unique community-based program initiated by Environment Canada in 1991 to help coastal communities address environmental and developmental challenges within specific catchments and adjacent coastal areas. The ACAP approach is community-based, but brings together a range of stakeholders, both statutory and non-statutory. ACAP operates on site specific basis; each site establishes an incorporated, non-profit organisation comprising Board of Directors and a full-time paid coordinator; a dedicated office is also established for each ACAP initiative. While Environment Canada contributes to project funding, community stakeholders contribute most of the resources through volunteer labour, in-kind contributions, and financial support. Following an assessment conducted in 2002 it emerged that Environment Canada obtained a substantial return on their investment into ACAP and the programme is an economic and effective way of delivering community-based activities that contribute to sustainable catchment and coastal management. Quantitative results indicated that it would have cost Environment Canada 12 times their current ACAP programme expenditures if the department had used direct delivery to accomplish what the 14 ACAP organizations accomplished during 1997-2002 (Gardner Pinfold Consulting Economists Limited, 2002).



Further Information

<http://atlantic-web1.ns.ec.gc.ca/community/acap/>

Coastcare (Australia)

Background and Approach

Sponsored by the Australian Government, Coastcare is a national coastal action programme which aims to bring together all governmental, community and industry groups with responsibility for, and interests in, the management of coastal resources. Using the partnership approach to encourage collaborative action between communities, government, and industry, the Coastcare programme provides opportunities for the development of multi-stakeholder initiatives to protect and manage coastal and marine environments. Coastcare represents community volunteers identifying planning / environmental issues on their coast and working with public and private parties to achieve practical solutions. There are currently 60,000 active Coastcare volunteers in 2,000 Coastcare groups across Australia. Funding for Coastcare activities is derived from State, corporate and donor (individual / organisation) sources. Landcare Australia Ltd. is the promotional and sponsorship marketing arm for the Coastcare group movement across Australia. In 2006, Landcare Australia generated over \$7.5million in support for local Landcare and Coastcare projects, and close to \$25 million in media advertisement value. Similar to ACAP in Canada, the Coastcare concept uses multi-stakeholder involvement to create productive partnerships that yield value for investment as well as contributing to the sustainable management of coastal resources. A similar model (also called Coastcare) involving local authorities and coastal community groups has been developed in Ireland and Wales on a pilot project basis.



Further Information

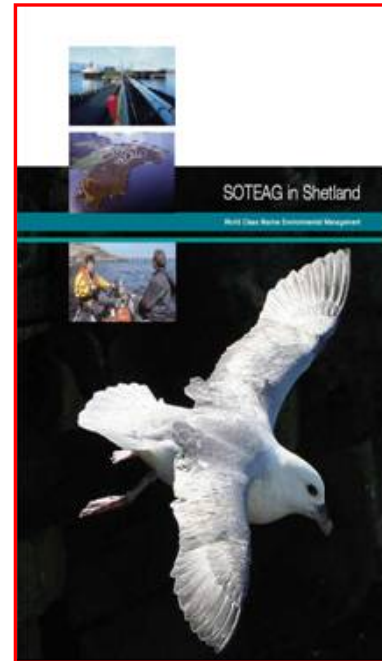
<http://www.coastcare.com.au>

<http://www.cleancoastproject.org>

Shetland Oil Terminal Environmental Advisory Group (SOTEAG)

Background and Approach

In 1974, a unique, independent, environmental management system for Europe's largest oil terminal and the port of Sullom Voe in Shetland was established through a joint oil industry/academic initiative. The management model comprises operators, local authority, scientific, government agencies and local community interests, both commercial and environmental. SOTEAG reports to, and is funded by, the Sullom Voe Association (SVA) Ltd, whose partners comprise the Shetland Islands Council and the Brent (Shell) and Ninian (BP) North Sea Pipeline Systems. SVA Ltd is responsible for policy relating to all aspects, including the eventual decommissioning of the Sullom Voe Oil Terminal. The SOTEAG model has enabled a balanced decision-making process to be created, whilst also facilitating actions to protect, minimise, monitor and evaluate the impact on the coastal and marine environment from the construction, operation and continuing development of the oil and gas industries. Both environmental and legislative changes have occurred over three decades and the SOTEAG has adapted to these challenges, but also to unforeseen events, such as major oil spills. In effect, SOTEAG anticipated the good practice principles that are now embodied in ICZM, including the necessity for open communication and, equally important, a well-funded, secure, independent science base.



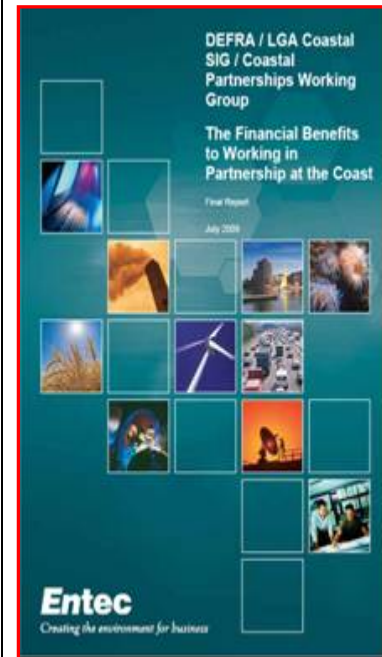
Further Information

<http://soteag.org.uk>

Coastal Partnership Survey (UK)

Introduction

The UK Department of Environment, Fisheries and Rural Affairs (DEFRA), in partnership with the Local Government Association's Special Interest Group on Coastal Issues and the Coastal Partnership Working Group (CPWG) commissioned a project that aimed to examine the benefits gained from working in partnership through voluntary Coastal Partnerships (CPs). At present, there are 41 active voluntary CPs in England; the roles of CPs are hugely varied, but they principally aim to progress sustainable development of the coastal environment using ICZM. Financial benefits were expressed through a range of services, e.g. time savings, guidance on compliance, access to information. Case studies demonstrating the financial benefit provided by CPs in terms of time saved by participants indicated that public and private sectors benefited in the range of £34,000 - £120,000 per annum. However, despite the benefits provided by CP services, funding on the whole remains short-term, ad hoc and variable, thus impeding CPs in realising their full potential through contribution to better coastal planning and management. The report does contain a series of recommendations on how CPs can achieve financial self-sufficiency through better promotion of their service portfolio.



Further Information

<http://www.defra.gov.uk/environment/water/marine/uk/iczm/>

National Coastal Zone Management Programme (United States of America)

Introduction

In 1972 the U.S. Congress passed the Coastal Zone Management Act (CZMA) which established a national policy for coastal management. The Coastal Programs Division, within the National Oceanic and Atmospheric Administration's (NOAA) Office of Ocean and Coastal Resource Management (OCRM), administers the programme at the federal level and works with state coastal zone management partners to deliver specified objectives. The OCRM oversees seven key programmes namely: coastal management; environmental technology; coral reef conservation; estuarine reserves; land acquisition; marine protected areas; and, non-point pollution. Support is provided to eligible states through financial assistance, mediation, technical services, and involvement in priority State, regional, and local forums.

While participation in the National Coastal Zone Management Programme is collaborative but voluntary, thirty-four coastal and Great Lakes states, territories and commonwealths have approved coastal management programmes. Once a State CZM programme is approved, federal government activities and those it licences or permits, must be consistent with the plan. The fact that granting of federal funds for programme development and implementation is contingent on the State meeting federal requirements set out in the CZMA, therefore acts both as an incentive to participation and as a means to regulate State programmes (Humphrey et al., 2000). For the year 2008, OCRM will distribute \$68.3 million to State coastal programmes for implementation of their management programmes and non-point source programmes. With respect to National Estuarine Research Reserves \$23.5 million will be provided, while \$6.5 million will be provided to support innovative research and the application of new environmental technologies and techniques. A further \$8 million will be provided to state and local governments to protect coastal and estuarine habitats.

Further Information

http://coastalmanagement.noaa.gov/czm/czm_act.html

Humphrey S, Burbridge P and Blatch C. (2000) US lessons for coastal management in the European Union. *Marine Policy*, Vol. 24, No. 4, pp.275-286.

Discussion

The examples cited range from international (e.g. METAP) and national (e.g. Coastcare programme in Australia, and ACAP in Canada) to regional and local (e.g. Sullom Voe in Shetland, and INCA in Teeside, NE England). Although each of the case studies vary in their focus and purpose (e.g. INCA – conservation, SOTEAG – environmental monitoring, and ACAP - economic revitalisation and environmental protection) each initiative broadly falls within the category of sustainable management of coastal environments. The case studies also contain examples from countries of fiscal support by legislative (e.g. United States of America) and non-legislative (e.g. Scotland) means.

While each of the case studies has demonstrated success and innovation in securing funding to support integrated spatial management of coastal environments and resources, it is also apparent that no one solution fits the requirements for all institutional and geographical settings. In reality a number of key criteria (e.g. coastal management as a core activity of local government, appropriate policy and investment frameworks) need to be fulfilled to establish sustainable funding mechanisms for integrated coastal management (Barker and Hewett, 2007; Chua, 2001; Humphrey et al., 2000); and in many instances these criteria are influenced by specific coastal activities, e.g. port trade (Chua, 2001).

Evidence suggests that the provision of a national policy or strategy in some guise is beneficial, as this provides practitioners, at the local and regional levels, a context for their efforts to progress integrated coastal planning and management within their jurisdictions. A national policy also implies political support and provides institutional legitimacy to plans or programmes put in place to support policy / strategy implementation. Furthermore, funding is made available to drive policy / strategy implementation.

Participation by coastal states in the National Coastal Zone Management Programme of the USA is notable - thirty-four coastal and Great Lakes states, territories and commonwealths have approved coastal management programmes. Huggett (1998) suggests participation levels are driven by the availability of funds from federal government for the development and implementation of approved coastal zone management plans; this is in contrast to many European states, where funding has traditionally been highlighted as one of the factors that has hindered progress on integrated coastal management.

A number of key requisite factors appear to be common to all of the case studies. As each of the examples have merit in terms of potential for knowledge transfer between practitioners, and regulatory and administrative institutions tasked with the management of coastal resources, these commonalities are elaborated further in the context of their use across North West Europe.

Broad Engagement

Evidence of broad representation of interests and remits is apparent in all of the case studies, with public and private sectors involved through participation by local communities, coastal industries, governmental authorities and State agencies. The multi-stakeholder approach to engagement appears to offer a greater and diverse range of funding options (e.g. State-funded programmes, corporate and individual donations, merging of public and private investments and contributions), as well as the opportunity to offset financial costs through the voluntary contribution of services and support, and provision of office space and other assets.

Partnership

As well as ensuring broad representation, an equally important factor to the long-term viability of integrated coastal management / planning initiatives is the adoption of a partnership approach. A structure whereby representatives of varying institutional and discipline profiles can interact positively is beneficial. Partnership appears to facilitate an agreed vision and objectives amongst all stakeholders and provides the basis for successful action, which in turn creates a strong argument for continued funding and investment. To assist in securing financial support it is essential to demonstrate the socio-economic and environmental benefit that can accrue from implementation of integrated coastal management and planning (Chua, 2001); coastal partnerships comprising a wide range of public and private representatives provide a ready made audience for this message.

Conclusion

Despite evidence of innovation and successful implementation as represented by the case studies presented here, models for sustainable financing of integrated coastal management are not numerous and easily identified (Chua, 2001) and the issue remains a challenge (Shipman and Stojanovic, 2007; Rupprecht Consult, 2006; Chua, 2001). Additional effort to showcase success stories and innovation across the wider coastal community would be worthwhile, e.g. using the proliferation of coastal networks in Europe to raise awareness of good practice and initiate dialogue regarding existing challenges. Similarly, providing funds to develop structures for ICZM that support national activities while also contributing to activities at the regional seas level could demonstrate the value of such investment. Audit and analysis of funding for ICZM within Member States, following the EC Recommendation which advocated the development of national strategies, would also be valuable in terms of revealing success and innovation. Actions such as these may result in convincing policy and decision-makers of the merits in directing greater attention to the examination of the sustainable financing issue within coastal spatial planning.

References

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