

**User fees across ecosystem boundaries: Are SCUBA divers willing to pay for terrestrial biodiversity conservation?**

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1 **Abstract**

2

3 While ecological links between ecosystems have been long recognised, management rarely  
4 crosses ecosystem boundaries. Coral reefs are susceptible to damage through terrestrial run-off,  
5 and failing to account for this within management threatens reef protection. In order to quantify  
6 the extent to that coral reef users are willing to support management actions to improve  
7 ecosystem quality, we conducted a choice experiment with SCUBA divers on the island of  
8 Bonaire, Caribbean Netherlands. Specifically, we estimated their willingness to pay to reduce  
9 terrestrial overgrazing as a means to improve reef health. Willingness to pay was estimated  
10 using the multinomial, random parameter and latent class logit models. Willingness to pay for  
11 improvements to reef quality was positive for the majority of respondents. Estimates from the  
12 latent class model determined willingness to pay for reef improvements of between \$31.17 -  
13 \$413.18/year, dependent on class membership. This represents a significant source of funding  
14 for terrestrial conservation, and illustrates the potential for user fees to be applied across  
15 ecosystem boundaries. We argue that such across-ecosystem-boundary funding mechanisms  
16 are an important avenue for future investigation in many connected systems.

17

18 **Keywords:** choice experiment; user fee; coral reef; diving; sedimentation; Caribbean

19 **1. Introduction**

20 The application of user fees to fund environmental conservation is well established within  
21 National Parks, and when managed correctly can generate significant gains in environmental  
22 protection (Thur, 2010; Wielgus et al., 2010). Implementing user fees requires an  
23 understanding of how users value, and benefit from, ecosystem quality, to enable fees to reflect  
24 user preferences. However, an under-investigated issue is whether there is scope for  
25 implementing fees “across ecosystem boundaries” in order to finance environmental  
26 improvements. In this paper, a stated preference method is used to investigate the scope for  
27 such across-boundary financing mechanisms. Specifically, we identify fee levels consistent with  
28 users’ stated maximum willingness to pay for well-defined environmental improvements that  
29 result from costly terrestrial conservation actions.

30

31 Stated preference methods are frequently used to estimate the willingness of users to fund  
32 environmental improvements. Among the set of stated preference methods, choice experiments  
33 allow valuation of ecosystem attributes, drawing direct links between willingness to pay and  
34 environmental change, and permitting comparisons of alternative management options. A  
35 number of options for modelling choice experiment data exist. While the multinomial logit  
36 model is the simplest approach, random parameter or latent class logit models enable  
37 incorporation of individual preference heterogeneity, that better reflects preferences across the  
38 population of users (Train, 2009).

39

40 Though user fees have seen some success in conservation funding, they remain limited by the  
41 small spatial scales of their application. Fees typically relate directly to the resource under use,  
42 despite ecosystem health depending on ecosystem functions and services supplied on a much  
43 larger spatial scale. This is well illustrated through fees charged to divers visiting coral reefs.  
44 Coral reef health is intrinsically linked to its terrestrial catchment, high sediment levels entering  
45 the marine system reduces light availability causing declines in coral growth rates (Fabricius,

46 2005; Pollock et al., 2014; Rogers, 1990). Coral mortality rises (Fabricius, 2005), while  
47 recruitment and fecundity fall (Edmunds and Gray, 2014; Rogers, 1990; Wenger et al., 2014).  
48 Small fish abundance, fish productivity (Rogers, 1990), and fish species richness (DeMartini et  
49 al., 2013), also decline. Increased nutrient loads compound coral reef degradation through  
50 increasing algae growth (Fabricius, 2005).

51

52 Though the link between ecosystem health in terrestrial and marine systems is well established  
53 (Álvarez-Romero et al., 2014; DeMartini et al., 2013; Edmunds and Gray, 2014; Fabricius, 2005;  
54 Pollock et al., 2014; Rogers, 1990), joint management and funding is rarely achieved in practise  
55 (for exception see Hawaii's 'ridge to reef' environmental program). The user base provided by  
56 divers, coupled with the tight connection between the terrestrial ecosystem and coral reefs,  
57 present the opportunity to investigate a user fee designated for protection of supporting  
58 systems, and provide an opportunity to investigate how much divers are willing to pay to fund  
59 terrestrial conservation actions that lead to improvements in reef health, as well as generating  
60 other benefits.

61

62 Choice experiments are widely employed to value coral reefs, with divers targeted due to the  
63 direct use values obtained from coral reefs. Choice experiments have been used to value reef  
64 attributes (Grafeld et al., 2015; Parsons and Thur, 2008; Rodrigues et al., 2015; Schuhmann et  
65 al., 2013; Wielgus et al., 2003), reef management options (Sorice et al., 2007; Yacob and Shuib,  
66 2009), or a combination of the two (Christie et al., 2014; Gill et al., 2015; Schep et al., 2013).  
67 Throughout these studies, divers have been found to have a positive willingness to pay for reef  
68 attributes and management. Willingness to pay remained positive even where management  
69 increased requirements on divers, such as education courses (Sorice et al., 2007), or limiting  
70 site access (Sorice et al., 2007; Yacob and Shuib, 2009). These studies illustrate that divers not  
71 only recognise reef decline, but appreciate that as users they have a responsibility for funding  
72 reef protection activities. Previous studies on Bonaire (our case study system), found divers and

73 tourists to have positive willingness to pay to protect marine health (Parsons and Thur, 2008;  
74 Schep et al., 2013). Divers were found to have an estimated welfare loss of \$45 to \$192  
75 (2002USD) per person per trip for “small” to “large” declines in reef health (Parsons and Thur,  
76 2008).

77

78 In this paper, we estimate divers’ willingness to pay for improvements to specific coral reef  
79 attributes, and link these payments to management options related to reducing terrestrial  
80 sediment run-off. This enables results to feed directly into a wider ecosystem service protection  
81 policy. As far as we are aware, our study represents the first attempt to estimate divers’  
82 willingness to pay for terrestrial conservation in the Caribbean region. We also show how  
83 choice experiments can be used to estimate the contribution that users can make to  
84 environmental conservation actions that cross ecosystem boundaries, in this case between the  
85 marine and the terrestrial.

86

## 87 **2. Methods**

### 88 *2.1 Study system*

89 Bonaire, Caribbean Netherlands, is situated in the Southern Caribbean (12° 10' N 68° 17' W).  
90 The island’s economy is based on dive tourism to its coral reef. Stay-over tourists numbered  
91 over 126,000 in 2014, and direct tourist spending made up 16.4% of the island’s GDP (Statistics  
92 Netherlands, 2015). Though Bonaire is well known for its marine biodiversity conservation, the  
93 island has a highly degraded terrestrial ecosystem (Freitas et al., 2005), which threatens the  
94 health of the island’s coastal waters (Slijkerman et al., 2011; Wosten, 2013).

95

### 96 *2.2 Survey development*

97 Literature review (DeMartini et al., 2013; Fabricius, 2005; Pollock et al., 2014; Risk, 2014;  
98 Rogers et al., 2014; Rogers, 1990; Schep et al., 2013; Uyerra et al., 2009), discussions with  
99 Bonaire’s dive operators and experience of diving on Bonaire, were used to identify choice

100 experiment attributes that described the condition of coral reef dive sites in Bonaire. These  
101 attributes were likely to be negatively impacted by sedimentation.

102

103 The attributes selected were horizontal visibility, percentage coral cover, and percentage fish  
104 decline. An annual user fee is already in place, therefore the fee mechanism was an increase in  
105 this fee (Table 1). Each choice task included a status quo (business-as-usual) option, with the  
106 current fee of \$25 and the largest potential declines arising from increased sedimentation. To  
107 assist with comparison between choice alternatives, choice cards included photographs of the  
108 coral reef to illustrate percentage coral cover, with levels of visibility and fish decline indicated  
109 using numbers of stars (as a common icon to indicate rating, as no icon for visibility could be  
110 identified) or fish icons, respectively (Figure 1.). An opt-out option of taking no diving trip was  
111 not provided, as the number of divers continues to increase (PADI, 2010), despite reef health  
112 decline worldwide. It would therefore not be expected that Bonaire’s divers would cease taking  
113 dive holidays in response to continued decline.

114 **Table 1.** Levels of attributes presented to divers during choice experiment on Bonaire. On each  
115 choice card (Figure 1) reef attributes could take one of four levels, while the fee attribute could take  
116 one of seven levels.

117

Attribute	Number of levels	Levels
Visibility	4	8m, 15m, 25m, 30m
Coral Cover	4	Under 25%, 26%-50%, 51%-75%, Over 75%
Fish Decline	4	35%, 25%, 15%, 5%
Fee	7	\$25, \$30, \$40, \$55, \$75, \$100, \$125

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125 **Figure 1.** Example choice cards. Respondents were presented with eight successive cards.

<b>Grazer Management</b>	<b>Grazer Management</b>	<b>No Management - current</b>
Visibility 75ft (25m) 	Visibility 100ft (30m) 	Visibility 25ft (8m) 
Coral Cover Over 75% 	Coral Cover Under 25% 	Coral Cover Under 25% 
Fish Decline 5% 	Fish Decline 35% 	Fish Decline 35% 
Fee \$55	Fee \$55	Fee \$25

126

127 Choice cards were designed in Ngene, using the multinomial logit form and D optimisation. In  
 128 the final design visibility included as a non-linear dummy-coded attribute, because results from  
 129 the pilot study indicated a non-linear relationship between choice probability and visibility,  
 130 with all other attributes treated as linear. Design restrictions confined the lowest fee level to the  
 131 status quo option, and also prevented all reef attributes taking the lowest form within a single  
 132 card. Two alternative choice experiments were presented during the pilot study, including  
 133 either four blocks of six cards or three blocks of eight cards. The final study used three blocks of  
 134 eight cards.

135

136 The survey instrument was refined following feedback from five dive instructors and ten divers.  
 137 47 pilot surveys were carried out between 11<sup>th</sup> July and 11<sup>th</sup> August 2015, at two dive centres,  
 138 enabling further clarification of the questions and provision of information.

139

140 The survey used a combination of multiple choice and Likert style questions to collect  
 141 sociodemographic and trip characteristic data. Respondents were also presented with  
 142 information detailing proposed management options to reduce sedimentation prior to  
 143 completing the choice experiment section of the survey (Appendix 1). We collected data on

144 certainty of answers and understanding of the survey. The final survey also assessed level of  
145 diving experience and familiarity with Bonaire, importance of reef attributes to choosing a site,  
146 reasons for choosing Bonaire as a destination, alternative activities undertaken on Bonaire, and  
147 demographic characteristics.

148

149 Surveys were conducted between 18<sup>th</sup> August and 24<sup>th</sup> September 2015. As no central record of  
150 visiting divers on Bonaire exists, random sampling was not possible. Instead a convenience  
151 sampling strategy was employed, approaching divers between dives at shore accessible dive  
152 sites, and when disembarking from boats. These locations were chosen to ensure the sample  
153 included both 'resort' divers, who are restricted by boat schedules to dictate location of dives,  
154 and 'independent' divers, who rent vehicles and have flexibility to visit dive sites at choice. We  
155 anticipate that there are slightly more 'independent' divers than 'resort' divers, based on  
156 Bonaire's reputation for providing this 'independent' option, communication with dive  
157 operators, and observations at dive locations. Dive centres were selected to represent the full  
158 range of services available on Bonaire.

159

160 For clarity in estimating willingness to pay for improving reef health 'fish decline' was  
161 reclassified during analysis as 'fish remaining' through subtracting percentage fish decline from  
162 100. Coral cover was assigned as the midpoint for each range.

163

164 Parameters were estimated initially using the multinomial logit model. Following this  
165 heterogeneity across individuals was incorporated using the random parameter logit model,  
166 that enables variation across all individuals, and the latent class logit model, that categorises  
167 preferences into classes with similar preferences. Models were compared using Akaike  
168 Information Criterion (AIC) values (Burnham and Anderson, 1998). Multinomial and random  
169 parameter logit models were estimated in R (R Core Team, 2016), selected as this is open  
170 source, and therefore readily accessible, software, with the package 'mlogit'. 95% confidence

171 intervals were estimated using the delta method. As R does not have packages for latent class  
172 modelling, this model was estimated in STATA, using packages 'mixlogit', 'llogit', 'gllamm', and  
173 'fmlogit'.

174

### 175 **3. Results**

176 We conducted 299 surveys (72% success rate, 58% shore dive sites, 42% from boats).

177 Respondent characteristics are reported in Table 2. Respondents reported high certainty about

178 their choices, believed they have enough information to make a choice, and had high

179 understanding of the choice task (Table 3). They reported all reef attributes as highly important

180 and the annual fee of mid-level importance (Table 4).

181

182

183 **Table 2.** Choice experiment respondent characteristics. Population characteristics are also shown  
 184 where known.

185

	Proportion	Median	SE	Min	Max	Population (Statistics Netherlands)
Age	-	49	12	18	73	50 – 54 (Mode)
Gender – female	41%	-	-	-	-	
Home country – North America	56%	-	-	-	-	19%
Home country - Netherlands	23%	-	-	-	-	58%
Home country – Europe (excl. Netherlands)	15%	-	-	-	-	10%
Home country – South America and Caribbean	7%	-	-	-	-	6%
Education – Bachelor degree or above	65%	-	-	-	-	
Monthly income	-	\$9,000	\$440.67	\$999.5	\$20,000	
Dive certification – PADI open water (or equivalent)	24%	-	-	-	-	
Diver certification – PADI advanced open water (or equivalent)	35%	-	-	-	-	
Diver certification – PADI rescue diver and above (or equivalent)	41%	-	-	-	-	
Number of years diving	-	11	0.65	<1	56	
Number of logged dives	-	200	18.19	10	1001	
First visit to Bonaire	44%	-	-	-	-	
Taken 5 or more dive holidays in the last 5 years	49%	-	-	-	-	
Anticipate returning to Bonaire	90%	-	-	-	-	

186

187 **Table 3.** Reported understanding of choice experiment. 1=strongly disagree, 2= disagree, 3=neutral,

188 4=agree, 5=strongly agree.

	Mean	Standard Error
I am certain of my answers	4.22	0.034
I had enough information to make a decision	4.09	0.042
I understood the questions	4.34	0.038

189

190 **Table 4.** Importance of choice experiment attributes in decision making. 1=very low, 2=low, 3=mid,  
191 4=high, 5=very high.

	Mean	Standard Error
Visibility	4.11	0.04
Coral Cover	4.36	0.04
Fish Decline	4.39	0.04
Annual Fee	3.12	0.06

192  
193 Protest bids were made by 38 participants (12%), with the most predominant reason provided  
194 being that they should not be responsible for payment (11 protests), or that the current fee is  
195 not used correctly (9 protests). These bids were removed from all further analysis.

196  
197 The multinomial logit model showed that each attribute was statistically significant in terms of  
198 explaining choices, with positive coefficients for the reef attributes and status quo, and a  
199 negative cost coefficient (Table 5). Respondents who were more likely to not plan to return to  
200 Bonaire within the next five years, more likely to have be highly qualified, and have lower  
201 income were more likely to chose the status quo option (Table 5).

202

203 **Table 5.** Results summary of choice experiments with divers on Bonaire, analysed using multinomial  
 204 logit, random parameter and latent class logit models. Attributes visibility, coral cover and reduced  
 205 fish decline were treated as random with normal distribution. Sample size = 261 \*\*\* Indicates  
 206 significant result at the 0.05 level.

		Multinomial Logit		Random Parameter Logit			
		Coef.	SE	Coef.	SE		
Visibility		<b>0.012***</b>	0.0014	<b>0.013***</b>	0.0018		
	SD			<b>0.014***</b>	0.0049		
Coral cover		<b>0.014***</b>	0.0019	<b>0.017***</b>	0.0019		
	SD			<b>0.013***</b>	0.0052		
Reduced fish decline		<b>0.029***</b>	0.0031	<b>0.037***</b>	0.0052		
	SD			<b>0.033***</b>	0.014		
Cost		<b>-0.008***</b>	0.0014	<b>-0.01***</b>	0.0018		
Status quo		<b>1.34***</b>	0.17	<b>1.5***</b>	0.02		
Return within 5 years: SQ		<b>-1.31***</b>	0.008	<b>-1.49***</b>	0.19		
Advanced certification: SQ		<b>0.40***</b>	0.011	<b>0.47***</b>	0.15		
Income: SQ		<b>-0.00005***</b>	0.000006	<b>-0.00002***</b>	0.000009		
Latent Class Logit							
		Class 1		Class 2		Class 3	
		Coef.	SE	Coef.	SE	Coef.	SE
Visibility		<b>0.023***</b>	0.003	<b>0.021***</b>	0.005	0.032	0.034
Coral cover		<b>0.021***</b>	0.002	<b>0.018***</b>	0.004	0.040	0.028
Reduced fish decline		<b>0.027***</b>	0.005	0.002	0.009	-0.063	0.056
Cost		<b>-0.007***</b>	0.003	<b>-0.058***</b>	0.005	-0.141	0.081
Status quo		<b>-3.04***</b>	0.5	<b>-2.31***</b>	0.30	<b>2.91***</b>	0.81
Return within 5 years		<b>1.5***</b>		<b>1.7***</b>		-	
Advanced certification		-0.42		-0.57		-	
Income		0.00		0.00		-	
Class share		0.65		0.20		0.16	

208 The random parameter logit model identified all reef attributes as random, modelled with a  
209 normal distribution. The standard deviations of the cost and status quo were not significantly  
210 different from zero, and were thus treated as non-random. All attributes was significant, with  
211 positive coefficients for the reef attributes and status quo, and a negative cost coefficient. The  
212 significant standard deviation values indicate significant preference heterogeneity in the reef  
213 attributes (Table 5). In line with the multinomial logit model respondents that were less likely  
214 to plan a return trip to Bonaire within the next five years, had high diving qualifications, and had  
215 lower income were more likely to select the status quo option (Table 5).

216

217 For the latent class analysis, investigation of model errors, class share, and consideration of the  
218 data identified the appropriate number of latent classes as three. Though AIC values showed  
219 small improvement with increasing numbers of classes, classes added above the three selected  
220 had very small class shares, and were therefore not seen to add information to the model.  
221 Attributes in all classes show the expected sign, and negative cost coefficients (Table 5). Class  
222 one, with the highest class share (0.66), have a positive preference for all reef attributes, and a  
223 negative preference for the status quo. Respondents more likely to belong to Class two (class  
224 share: 0.20) show a positive preference for visibility and coral cover, no significant preference  
225 for reducing fish decline, and a negative preference for the status quo. Respondents more likely  
226 to belong to Class three (class share: 0.16) have no significant preference for any reef attribute,  
227 but a positive preference for the status quo. Classes one and two are characterised by being  
228 more likely to return to Bonaire within the next five years (Table 5).

229

230 Model fit was best for the latent class logit model, followed by the random parameter and  
231 multinomial logit, including individual variables, when considering AIC values (Table 6).

232

233

234

235 **Table 6.** AIC values for multinomial, random parameter, and latent class logit models

Model	AIC
Multinomial logit	3926
Multinomial logit: Including individual specific variables	3836
Random parameter logit	3919
Random parameter logit: Including individual specific variables	3828
Latent class logit	2501

236

237 Willingness to pay estimates were calculated for all models (Table 7). Willingness to pay was  
 238 positive for each reef attribute in the multinomial logit and random parameter logit models,  
 239 with higher estimates in the multinomial logit model. In the latent class model class one (class  
 240 share: 0.66) were willing to pay for improvements for all reef attributes, with willingness to pay  
 241 higher than in class two or estimated through the multinomial or random parameter logit  
 242 models. Class two had a positive willingness to pay for improvements in coral cover and  
 243 visibility only (class share: 0.20). Class three were not willing to pay for reef health  
 244 improvements achieved through terrestrial conservation (class share: 0.16) (Table 7).

245 **Table 7.** Estimate of willingness to pay to reduce reef health decline through control of terrestrial  
 246 overgrazing. 95% confidence intervals presented in brackets. 2015USD.

	Multinomial Logit	Random Parameter Logit	Latent Class Logit		
			Class One	Class Two	Class Three
Visibility increase (per m)	\$1.50 (1.26-1.74)	\$1.30 (1.09-1.51)	\$3.29 (2.13-3.50)	\$0.36 (0.20-0.50)	-
Coral cover increase (per % point)	\$1.75 (1.31-1.99)	\$1.70 (1.49-1.91)	\$3.00 (2.13-3.13)	\$0.31 (0.16-0.41)	-
Fish decline reduced (per % point)	\$3.63 (2.78-4.48)	\$3.70 (2.93-4.47)	\$3.86 (2.13-4.63)	-	-

247

248 **4. Discussion**

249 Tourist divers on Bonaire have a positive willingness to pay for terrestrial conservation  
 250 measures that reduce sedimentation, where this is expected to reduce reef health decline.  
 251 Taking estimates from the most conservative latent class, divers would be willing to pay an

252 annual fee of up to \$31.17 to maintain high marine quality (30m visibility, over 75% coral  
253 cover), that is \$6.17 (24.6%) above the current \$25 fee.

254

255 As noted above, a lack of recording of tourist divers on Bonaire prevented random sampling,  
256 meaning convenience sampling was used. We sampled divers at resorts and shore dive sites, to  
257 capture both 'boat' and 'independent' divers. Our final sample shows a larger proportion of  
258 independent than boat divers, as we anticipated from the expected proportions of each diver  
259 type. Our sample is male biased, however though no data on gender of Bonaire's divers was  
260 available, personal observation suggests this to be representative. Median age was 49,  
261 representative of divers on Bonaire (Statistics Netherlands, 2015). Our sample shows over  
262 representation of North America and non-Netherlands Europe, and under-representation for  
263 the Netherlands (Statistics Netherlands, 2015), likely due to the survey being presented in  
264 English. Due to the lack of representativeness of our sample for the total population of divers,  
265 we did not generate aggregate maximum willingness to pay estimates from the sample data.

266

267 All models estimated positive willingness to pay for improvements in reef condition, with  
268 variation between models. This variation arises partly from the way in which models account  
269 for individual heterogeneity. The multinomial logit presumes homogenous preferences, while  
270 the random parameter logit accounts for individual variation. The latent class logit model  
271 estimates preferences for classes of respondents, though preferences are presumed  
272 homogenous within classes. The latent class model provides the best fit of the presented  
273 models. This model is perhaps of most use to policy makers and environmental managers, as it  
274 enables tailoring of fees to preference variation in cases where latent class membership derives  
275 from observable visitor characteristics.

276

277 Planned return within five years was associated with positive willingness to pay in the  
278 multinomial, random parameter and latent class logit models. In the multinomial and random

279 parameter models anticipated return within five years decreased the likelihood of selecting the  
280 no-improvement status quo, and in the latent class model increased likelihood of membership  
281 of a class with a positive willingness to pay. This is to be expected, as repeat visitors will  
282 continue to gain utility from coral reef protection into the future. In the multinomial and  
283 random parameter logit models income was also negatively associated with selection of the  
284 status quo, as higher income is associated with lower economic constraints. Unexpectedly in  
285 both models, higher levels of dive qualification was associated with higher preference for the  
286 status quo. This may be a result of Bonaire's reputation for 'easy' diving, with little in the way of  
287 currents, and simple navigation. For divers with higher qualifications they may be less  
288 constrained to 'easy' locations, and therefore have more options for 'high quality' reef diving.  
289 Those divers with fewer qualifications may feel they have fewer substitutes, and therefore more  
290 to gain in protecting Bonaire's reef in particular.

291

292 Divers who are more likely to belong to latent classes one and two have a positive willingness to  
293 pay for maintaining reef health, with a larger willingness to pay in class one. Class two were not  
294 willing to pay to reduce fish decline. This may relate to the unfamiliarity of rating fish  
295 abundance, when compared to visibility and coral cover. Both visibility and coral cover are  
296 routinely included numerically in dive site reports, and divers will estimate visibility when  
297 logging dives. Fish abundance, however, is typically only included in reports when it differs  
298 from the average for the area. The largest decline presented (35%) may be an acceptable level  
299 of decline, with disutility not arising until larger declines are seen. Alternatively, the use of  
300 abundance as the attribute to represent fish populations may not capture what respondents  
301 value about fish, in that diversity, size or rarity may have been more highly valued (Uyarra et al.,  
302 2005).

303

304 Divers belonging to class three were not willing to pay to maintain reef health. Excluding protest  
305 bid 32 respondents stated they were not willing to pay for improved reef quality through

306 terrestrial conservation. Follow up questions illustrated that the most common reason was that  
307 they could not afford more than the current fee (18/32 respondents), and/or that they did not  
308 agree with the proposed conservation measures (19/32 respondents). This identification of  
309 groups with objections to proposed management options is important to enable early measures  
310 to manage conflict to be established (Estévez et al., 2014) .

311

312 Worldwide, we are aware of only two papers linking valuation of coral reefs to terrestrial  
313 conservation. Residents on the catchment of the Great Barrier Reef were found to have a  
314 positive willingness to pay for reef protection through changing agricultural practises (Rolfe  
315 and Windle, 2011), while divers in Guam were estimated to have a willingness to pay of \$10 to  
316 reduce sedimentation onto coral reefs (Grafeld et al., 2015). Our study broadly agrees with  
317 these findings, though we estimate higher willingness to pay from divers. This difference likely  
318 arises through Guam offering a number of attractions beyond diving, and therefore attracting a  
319 more casual diver than those visiting Bonaire purely for the purpose of diving. It would be  
320 reasonable to expect therefore that these divers have reduced willingness to pay when  
321 compared to the committed divers visiting Bonaire.

322

## 323 **5. Conclusions and policy implications**

324

325 Divers are willing to pay for protection and improvement of Bonaire's coral reef through  
326 terrestrial conservation. In 2014 Bonaire saw over 126,000 tourists (Statistics Netherlands,  
327 2015), with an average of 71% of tourists purchasing a dive tag annually (STINAPA Bonaire,  
328 2010) this presents a significant source of revenue. A three year-long pig control program  
329 initiated in 2016 by local NGO, Echo, is estimated to cost \$38,000, and \$20,000 in annual  
330 running costs (S. Williams, pers. comm.). With an estimated 89,460 dive tags sold in 2014  
331 funding the project would require only \$0.42/diver for the first year, and \$0.22/diver/year in  
332 subsequent years.

333

334 This positive willingness to pay for terrestrial conservation illustrates the potential to  
335 implement fees across ecosystem boundaries. Though the terrestrial and marine systems are  
336 intrinsically linked (Fabricius, 2005; Risk, 2014; Rogers, 1990), management rarely crosses  
337 these boundaries (Álvarez-Romero et al., 2011; Beger et al., 2010; Klein et al., 2014, 2012, 2010;  
338 Makino et al., 2013; Mateos-Molina et al., 2015), despite modelling of this link increasing in  
339 recent years (Álvarez-Romero et al., 2014; Klein et al., 2010; Maina et al., 2013). This study  
340 supports this research through illustrating a potential source of funding to bridge this gap. Joint  
341 management will improve conservation of the coral reef, as well as in the less charismatic dry-  
342 forest, while making explicit the link between ecosystems for users, policy makers and  
343 practitioners.

344

## 345 **6. Acknowledgements**

346

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## 7. Appendix One

Information cards presented to respondents prior to completing choice experiment.

Bonaire is internationally renowned as a high quality SCUBA dive destination (SCUBA Diving Magazine, 2015). However, like coral reefs worldwide, the health of Bonaire’s reef is declining over the long-term.

Studies carried out on Bonaire’s reef by the University of Maine (Steneck and colleagues 2003-2013) have shown the number of young corals is falling, and the diversity of fish species is changing. This will reduce the quality of the coral reef for diving.



**SCUBA**  
DIVING



Soil run-off from land is one cause of reef health decline. On Bonaire this is increased due to grazing by introduced goats, donkeys and pigs.

Goats, donkeys and pigs were introduced to Bonaire by Spanish settlers, they are not native to the island. Grazing by these animals reduces plant numbers, meaning that there are fewer roots to hold the soil, and it is washed onto the reef.

Increased soil on the reef reduces the number of young corals. In time this will lead to reduced coral cover and fish diversity. Increased soil in the water also reduces visibility for divers.

One way to maintain the health of Bonaire's coral reef is therefore to reduce grazing. This could be done by:

- Restricting movements of grazing animals;
- Reducing the number of grazing animals on Bonaire;
- Restricting where goat farmers can graze their goats.



To maintain the reef requires funding. You already pay an annual nature (dive tag) fee of \$25 to STINAPA, which is used for the running of the Bonaire National Marine Park. This study is to find out if you would be willing to pay a higher fee in the future, to be used to reduce grazing. This fee would be collected at the same time as the current nature (dive tag) fee, but would be administered by a new non-governmental organisation. The fee would be guaranteed to be used for this purpose.

The following questions will present you with a choice of three dive sites under different management conditions:

- The first two dive sites show diving conditions where grazing has been reduced
- The final dive site shows diving conditions where grazing has been allowed to continue

In each round you will be asked to choose which of the three dive sites you would like to visit. You should assume that the sites are identical except in the ways presented on the card.

Each site has a different annual fee associated with it. Remember to pay close attention to the fee, and take into account the cost of your holiday, and other economic constraints before making a decision. If the prices of the dive sites with management are too high, choose the option with no management.