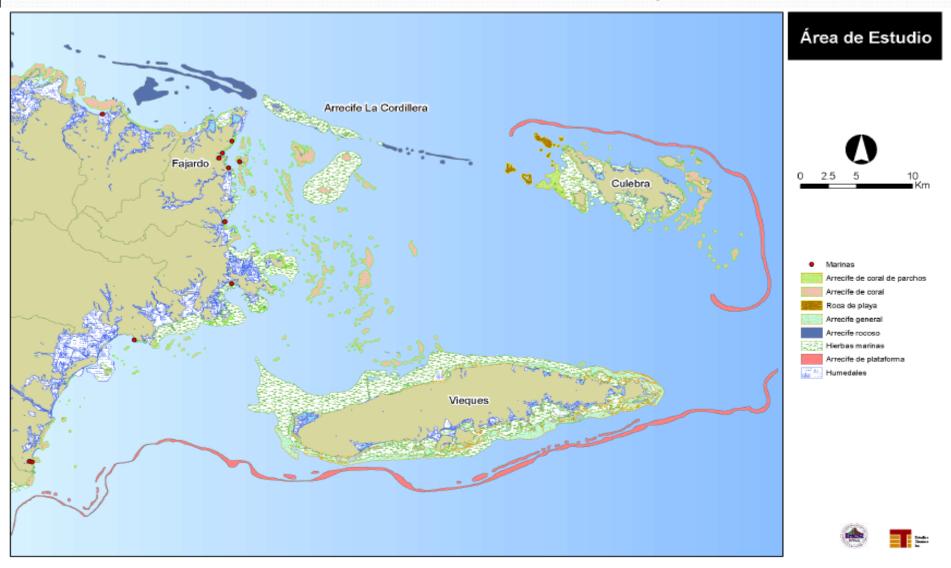
PR Coral Reef Progress Report

Aida Rosario DNER

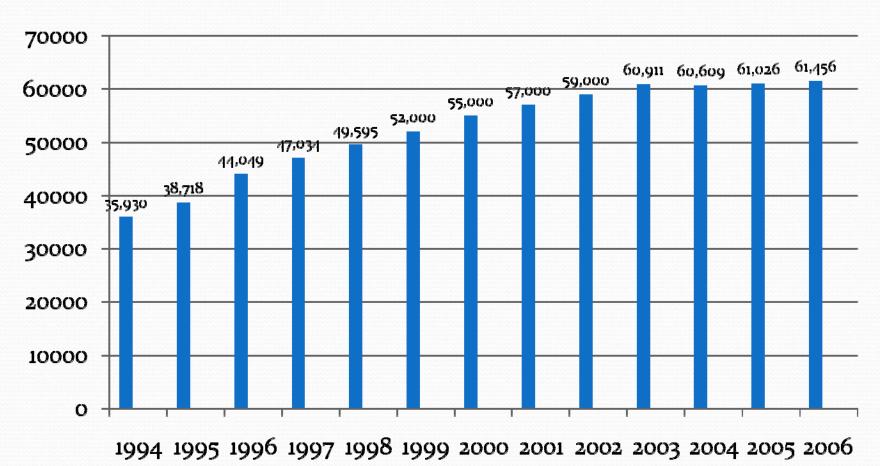
PR Coral Reef Economic Valuation Study Area Covered

- Fajardo 40,712 habitant. Several areas designated as Natural Reserves: Cabezas de San Juan, Seven Seas Reserve and Ceiba State Forrest.
- La Cordillera Reserve no habitants, several small keys off the north, northeast coast of Fajardo.
- Culebra Island- 1,900 habitants in 31.6 km2. Compose of several smaller islands and keys. Canal Luis Peña Natural Reserve.
- Vieques Island 9,106 habitant in 132 km2. Most of the island is designated as a National Wildlife Refuge (DOI) divided in two units (east and west). State reserve off south coast.

PR Coral Reef Economic Valuation Study Area Covered



Register Vessels in Puerto Rico



PR Coral Reef Economic Valuation Study

- Total value is calculated as a function of commodities, exploit and services. Sum of the exploit value (commodities and services) and the passive value (future value, present value, hereditary, etc.).
- Identify uses of the area and the users.
- Commodities considered include: commercial and ornamental fishing, materials for the construction, and artisanal or cultural uses.
- Services included tourism & recreation, erosion protection, scientific research and education.

PR Coral Reef Economic Valuation Study

- Three methods used to calculate the value: one approach include market value and two designing and implementing questionnaires for travel cost (TCM) and the contingency valuation method (CVM).
- Three different surveys were develop to implement both methodologies. One to address the general population (CVM), and two addressed to users (TMC).
- Implemented in previously identify key access points such as, marinas, boat ramps and other areas.

| Ecosystem Passive Values | | |
|--------------------------|---------------|--|
| Actual Value | \$305,555,844 | |
| Future Value | \$192,535,465 | |
| "Hereditary Value" | \$210,258,412 | |
| Bio-diversity Value | \$190,885,510 | |
| Total Passive Value | \$899,235,231 | |

Passive value is the disposition of people to pay to preserve the different values that natural resources have.

Uses or Activities Values

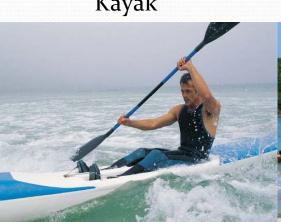
Diving Snorkeling **Recreational Fishing**



Boating & Sailing



Kayak



Beach Trips & Sunbathing



| POSSIBLE ASSOCIATE COST TO U | USES |
|------------------------------|------|
|------------------------------|------|

| EQUIPMENT RENTAL | • Kayak, Diving and/or snorkeling gear, sailing or boating and related equipment. |
|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| TRANSPORTATION (including cost to site) | Air fare & car rental (if applicable) Do not include cost of personal vehicle Gasoline, tolls, parking, taxi, tours costs and others. |
| LODGING | Hotel room or rent apartment. Applies to the persons that undertook direct activities costs and those which their main purpose was the select activity. |
| FOOD AND BEVERAGE | •Feeding costs related to the day activity. |
| OTHERS | •Other direct costs associated to the activity. |

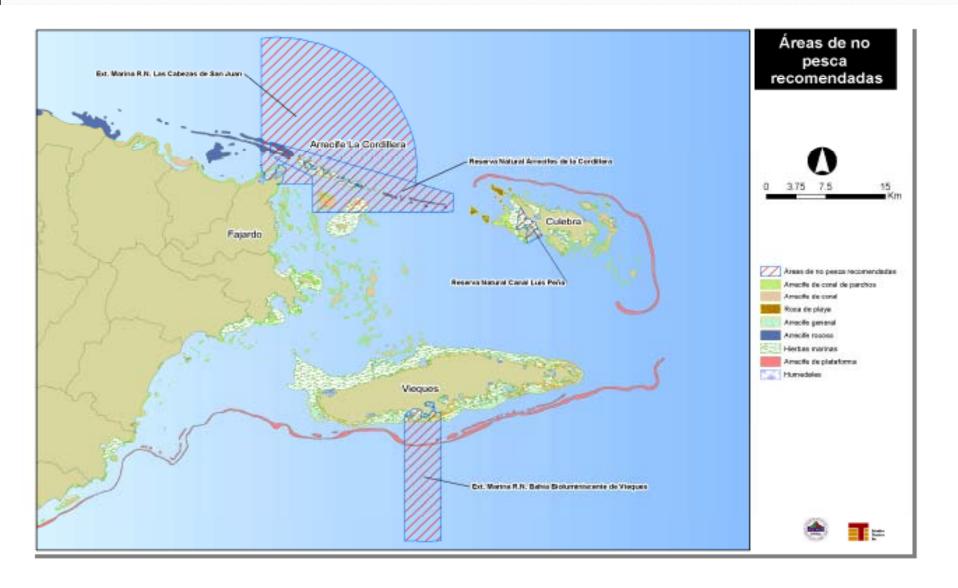
Valor del Ecosistema 2007

| Valores Estimados | Valor Anual |
|------------------------------------|-----------------|
| Valor Pesca Artesanal | \$454,367 |
| Valor Pesca Ornamental | \$0 |
| Valor Usuarios | \$192,027,166 |
| Valor de Protección | \$531,548 |
| Valor de educacion e investigación | \$928,758 |
| Valor Existencial | \$305,555,937 |
| Valor Futuro | \$192,535,517 |
| Valor Heredable | \$210,258,467 |
| Valor Bio-Diversidad | \$190,885,562 |
| Total | \$1,093,177,322 |

Management Recommendations

- Establish permanent close areas (next figure).
- Significant increase the penalties for violations of environmental laws.
- Studies of Characterization and zoning of the area.
- Surveillance and patrolling the Ecosystems.
- Establish access limits to sensitive areas.
- Deploy more buoys.
- Promote sustainable tourism practices within users.

PR Coral Reef Economic Valuation Study Area Covered



Management Recommendations

- Provide permanent restoration and monitoring programs in the area.
- Establish an access system for boats that are interested in visiting the area utilizing special DNER permits, for example.
- Establish a continuous education program, with information booths, etc..

Financial Recommendations

- Implement an environmental tax to finance a small fund.
- Incorporate the tourists and users in the protection and management of the area (users fees of natural reserves resources).
- Establish a continuous education program, with information booths, etc..