SUBMISSION BY MARINE INSTITUTE

TO

TOURISM POLICY REVIEW GROUP

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1. BACKGROUND

1.1 ROLE OF MARINE INSTITUTE

The Marine Institute is the national agency charged with the co-ordination of marine research and development in Ireland. The Institute aims to maximise the contribution of the marine resource to sustainable economic development and employment growth. In this context the Marine Institute supports a tourism and leisure R&D programme. The programme is aimed at highlighting the major contribution that Ireland's natural resources of 4,000 miles of high quality coastal waters, 4,000 lakes, 75 major river catchments and over 450 miles of navigable inland waterways, play in supporting overseas tourism and domestic leisure activities.

1.2 NATURE OF TOURISM & LEISURE ACTIVITIES

The marine and inland waterways resource provides for a wide range of tourism and recreational opportunities.

Active water-based pursuits	Passive water-based pursuits
Pleasure boating	Beaches and coastal recreation
Sail training	Visits to islands
Wind/board surfing	Coastal passenger boats/pleasure cruises
Water skiing	Inland passenger boats/pleasure cruises
Scuba diving	Aquaria
Sea Angling	Maritime Museums/Interpretative centres
Game Angling	Nature Tourism
Coarse Angling	Marine Mammal Watching
Sea Kayaking	Marine Archaeology
Canoeing	Coastal/lake touring routes
Swimming	Cruise ships

1.3 OVERSEAS MARKET

Based on the most comprehensive figures available for the overseas water-based tourism market in 1999, the Marine Institute estimates that some 240,000 overseas visitors spent £89 million on water-based tourism and leisure activities, equivalent to 6% of total overseas revenue earnings from tourism. About 160,000 of these visitors were engaged in specialist activities, spending £58 million. (Statistics were limited to angling, sailing, cabin cruising and general watersports see table 1 appendix A).

1.4 DOMESTIC MARKET

In 1996 the Institute commissioned the ESRI to undertake a National Marine Leisure Survey (which is being repeated in 2003). Results highlighted that the domestic market spends £303 million per annum on water-based leisure activities (see table 2 appendix a). Analysis showed that boating, angling and watersports demonstrate a high "value added " component. In addition, development of a strong domestic market for these activities is directly linked to the potential to further develop leisure services and products for the overseas tourism market.

Trips to the beach are by far the most important leisure related marine activity. In 1995/96, Irish people made 16 million day trips to the beach. They also went on 629,000 overnight trips of an average duration of 5 days; expenditure on day and holiday trips to the beach reached £161m supporting some 3,200 jobs.

Domestic boating on the coast and inland waterways generated £43m contribution to the Irish economy, supporting an estimated 1,600 jobs. Boating enthusiasts made 1.58 million day trips in the survey period, with 162,000 overnight trips averaging 3-4 days. Angling is the next most valuable activity after trips to the beach and boating. Over 190,000 Irish people are involved in angling.

During the survey period, watersports enthusiasts spent £8.6m on expenditure related to their isport, 45% of which was spent on equipment, 14% on day trips and 41% on overnight trips. Watersports enthusiasts make the highest average annual number of overnight trips of all marine leisure activities, with 74,000 overnight trips of an average of 2 days.

The Marine Institute is particularly keen that the wealth potential of water-based tourism and leisure should be fully realised. The best way of achieving this is to work towards preserving the natural environment of our coast and freshwater resources, to improve facilities, to improve access to the water and to encourage and support young people from a wider range of socio-economic backgrounds to participate in water-based sports and leisure activities. Such a strategy will benefit the local communities throughout Ireland in the areas where the opportunities for development are most concentrated.

1.5 Economic Impact

Using the revenue estimates provided in the tables in appendix a, an estimate was derived for the impact of the water-based tourism sector on Gross National Product (GNP @ 1996). This figure was limited by the non-availability of statistics for many activities.

	Total revenue £m)	**Annual FTEs**	**GNP contribution (£m)**
Beaches, Resorts, Coastal Recreation	167.1	5,921	122.5
Swimming	53.4	1,892	39.1
Angling	84.0	3,397	70.5
Sailing	15.0	557	11.6
Inland Cruising	26.3	1,022	21.3
General Boating	19.4	688	14.2
Watersports and other Activities	26.7	1,049	21.9
Total	**392.0**	**14,525**	**301.0**

The Marine Institute has reported from studies that a typically small/medium-sized marina (50-80 berths) in a regional location can generate between 380K Euro –800K Euro annually and support 20-30 full time equivalent jobs. In addition, depending on their location, a small marina can pay a crucial role in building a local tourism economy e.g. see Appendix B for estimates of direct expenditure for Dingle and Kilmore Quay marinas.

Ireland has been a destination for International cruises for many years and since the 1990's cruising has emerged as a tourism activity with significant growth potential. From almost 60 cruise ship calls in 1994, carrying approximately 55,000 passengers and crew, the business has grown to over 140 calls in 2002 carrying over 120,000 passengers and crew. The benefits to Ireland are substantial. An economic impact study undertaken by the Port of Cork in 1997 quantifies the economic contribution to the region (direct and indirect) of cruise traffic business is £5.7 million and 76 full time jobs, based on 18,000 passengers.

1.6 PRODUCT DEVELOPMENT

While up to date statistics are limited both for the overseas and domestic market, there are very positive investment and development trends in the sector, which clearly demonstrate confidence in the growth potential of marine recreation. Recent analysis for example highlights a number of developments in particular:

- In 1996 a total of 6 coastal marinas were recorded in Ireland – today there are 19 marinas. This represents a significant level of both public and private investment in the sector.
- In 1996 there were permanent berths for 525 boats – today there are 2,350 and a provision for 600 visitor moorings. The 250 visitor mooring buoys deployed in a joint initiative of our Department, the Marine Institute and Bord Failte has proved a widely popular and well-utilised investment.
- There has been a significant growth in international water-based sport events, which play an important role in the promotion of the sector in the international marketplace. We have had some spectacular success in this regard through Ford Cork Week, the EFSA European Boat Championships Angling event in Caherciveen and the Quiksilver Masters World Surfing Championship event in Bundoran. Collectively these events portray Ireland as a dynamic and attractive country with good quality marine recreational facilities and infrastructure.
- There has been a marked increase in the number of activity centres, which offer water-based activities such as scuba diving, canoeing, and wind surfing. The richness of our natural marine resource also provides opportunities for the more passive pursuits of birdwatching, coastal walks, and increasingly, nature-based boat trips to view whales and dolphins and visit remote islands. Indeed, many registered sea angling boats are tapping into this niche market. This wide range of marine recreation activities now on offer reflects changes in society and lifestyle and in tourism trends.

1.7 IMPORTANCE OF THE SECTOR IN NATIONAL POLICY CONTEXT:

The vision of the National Development Plan (2000-2006) is to ensure that Ireland will remain competitive in the global international marketplace; that the fruits of economic success will be shared more equally at regional level and throughout society and that an appropriate balance between the environment and development will be achieved. The Tourism Programme aims to contribute towards the achievement of the National Development Plan objectives and these objectives are also reflected in Board Fáilte's Tourism Development Strategy 2000-2006 and national marine policy.

Within this context, the water-based tourism and leisure sector offers a genuine opportunity to foster balanced economic development and job creation. Ireland's coastal regions have traditionally been among our premier tourist destinations. The marine tourism sector is a spatially well distributed and environmentally friendly. In addition to the contribution, which the sector makes to our GNP, further added value is derived from the jobs (14,500) that the sector supports, due to their spatial location. Marine tourism provides employment in areas where other employment opportunities are few or where it presents a useful supplement to low incomes from other activities.

2. FUTURE STRATEGIC APPROACH

2.1 MARKET RESEARCH

Changing markets and tastes are contributing to the demand for a more activity focussed, interactive tourism experience. At the present time, the lack of detailed market research into key water-based tourism activities such as: boating, angling, inland cruising, diving and wind surfing, island visits; and health related marine tourism, is an issue which needs to be addressed. There is a need in particular to develop an activities user-profile and benchmark visitors' perceptions and satisfaction levels for these niche markets. The absence of specific market research to guide policy also impacts on the development of innovative products and opportunities to strategically promote marine tourism in the international market place.

2.2 MARKETING & PROMOTION

The marine tourism sector has traditionally suffered from a low level of marketing and promotion in the domestic and international marketplace, partly due to the small scale of many of its firms and their limited resources. While product marketing groups exist for sailing, angling and inland cruising, there remains a need to capitalise on these initiatives by consolidating the smaller groups and developing marketing strategies which will be more inclusive of the range of products and activities on offer.

As mentioned above, while specialised marine leisure activity may not be a primary overseas visitors attraction, our diverse marine natural resource, our coastline and accessible islands, are key factors which attract the overseas visitor to Ireland……Non-specialist use of strong island themes and exciting marine pursuits could be used more extensively to promote Ireland as an island destination……….A niche market or special interest activity exists and has potential for development and promotion in the international marketplace for island visiting, theme visits related to our strong maritime culture in particular our traditional sailing craft, and our fishing culture.

2.3 DOMESTIC TOURISM

The Marine Institute's survey of the domestic water-based leisure market (1996) found that there are large numbers of Irish people who would either take up water-based leisure pursuits or increase their involvement in them if facilities improved. 347,000 people would take up water-based activities if facilities were improved, while 306,000 existing participants would increase their participation level. Access to information is vital in terms of tapping into this latent potential.

It is often difficult for visitors to put together the elements of an activity holiday package. A Holiday Information Strategy needs to be packaged and sold into the domestic market highlighting short breaks and year round activities, regionally differentiated.

In terms of water-based tourism the creation of user-friendly water-based tourism resource maps and databases would help address the current information deficit. National and regionally based websites featuring the above information would benefit both the overseas and domestic market and help promote more effectively this niche tourism sector.

Young People and Sport and Recreation: While a number of school programmes exist to introduce young people to marine leisure pursuits i.e. through the VECs and Youthreach programmes and ISA training programmes, further support should be available to schools and colleges to encourage involvement in marine based activities such as kayaking, canoeing, dinghy sailing, water sking, windsurfing, surfboarding and angling. The objective should be to provide sustainable, quality opportunities for those that want to be involved in marine recreation so that they will become the future domestic marine tourism market. There is evidence in the angling sector in particular of a decline in interest from the younger age group.

2.4 PRODUCT DEVELOPMENT

INVESTMENT UNDER NDP 2000-2006

In 1999 it was recognised that the marine tourism and leisure sector showed considerable growth potential. However the developing status and fragmented character of the sector justified the need for public investment. This was sought on the basis of the ‘public goods’ which will be produced including investments whose characteristics inhibit their optimal provision by the private sector e.g. investments in angling and marine infrastructure.

The NDP Tourism Measure (2000-2006) provides for €170 million in tourism capital development, which includes a specific allocation of €77 million to marine and angling tourism (Measure 4). Due to the current downturn in the economy, this Measure is suspended. The mid-term review of the NDP should assess the impacts of this suspension. The present cutback represents a 45% cut of the stated national capital investment programme for the tourism sector as a whole. In view of the fact that national tourism policy identifies marine tourism as a sector with specific investment and development support needs, the present cutbacks and uncertainty of future investment support to the sector should be clarified.

Measure 3 of the Tourism Programme allows for support for special interest tourism projects. Currently thirteen marine related projects (9 in the BMW and 4 in the S&E) are being considered for funding by Bord Failte have successfully passed through the first stage of evaluations. This demonstrates a strong level of private sector confidence in the sector.

Infrastructure is the key target for public investment in the marine tourism sector. The lack of an adequate/sufficient infrastructure has been cited as a key development constraint to water-based tourism and leisure. The geographical distribution of current leisure boating facilities reflects the physical attributes of the Irish coastline, in addition to past population trends and activities. While some significant developments have emerged over the last 5 years there is a continuing requirements to invest in better facilities at more locations. In 2002 the Institute published a National Strategy for the Development of Marine Leisure Infrastructure. The requirements set out in this document are still relevant.

The pilot Tax Relief Scheme for Certain Resort Areas (1995-1999) was implemented because seaside resorts did not appear to be capitalising on the new expansion and opportunities for growth in tourism. The physical fabric of many of these resorts was visibly deteriorating. Declining visitor numbers and a short season exacerbated the investment problems in these resorts. It was felt that investment was badly needed if they were to retain their share of the domestic tourism market against increasing competition from inexpensive sunshine destinations and to become more attractive to discerning foreign investors. While a review of the scheme has identified certain flaws, nevertheless it has made a significant impact, especially in pure physical terms, in almost all of the designated resorts and has achieved it original objectives i.e. it has stimulated private sector investment in the 15 areas. A case can be made to stimulate development and investment in the rejuvenation of small ports and harbours through the integration of marine tourism activity. The availability of land is a valuable asset that small ports and harbours can draw on for marine recreational development. Many harbours have disused buildings or warehousing that could be refurbished as centres for sailing or watersports, cafes or restaurants.

Initiatives such as the Urban and Village Renewal scheme and the Fishing Villages Renewal Scheme (Northern Ireland) have brought considerable development and enhancement of public areas. This type of rejuvenation scheme could lead to visual and amenity improvements at small or disused ports and harbours. However the lessons learned from the Urban Renewal Schemes and the Small Town Renewal scheme would need to be incorporated into any proposed scheme for the rejuvenation of small ports and harbours, in particular the scheme would need to demonstrate an integrated and planned approach to development and operate in line with best practice for development in local area plans and national development strategies.

INTEGRATED DEVELOPMENT:

At operational level, recent Marine Institute research has determined that an integrated approach towards development of marine tourism is fundamental towards the sustainable development of the sector. The reports, *Special Interest Marine Tourism in the West Clare Peninsula (1999)* and *A Framework for the Development of Tourism and Leisure on the Marine and Inland Waters of County Donegal (1999),* highlight what can be achieved at local level by increasing the extent and quality of interaction between small companies, local people, official bodies and technical advisors. Collaboration and partnership at a local level can generate a strong framework and an integrated approach for development of marine tourism. In addition, both reports demonstrate that marine tourism offers a genuine opportunity to foster economic development and sustainable employment growth in regional communities where dependency on the marine resource is high but where efforts are fragmented.

2.5 BUSINESS CAPABILITY

Training remains a critical area that warrants an appropriate level of investment. Training should focus on the opportunities to improve operator profitability and the capability of people working in the sector. A measurable connection between quality and profitability is needed in all aspects of tourism development.

Many tourism companies are small and do not have access or the ability to leverage technology, investment, learning and development tools and leading practises to the same extent as the big players. Training, legislation and other employment issues often pose problems in terms of knowledge and advice for the many small employers in tourism. The Tourism Training Authority has an important role in assisting the industry to develop its expertise to:

- become more competitive by improving the management and professionalism of the sector
- Provide training opportunities geared to industry needs
- Develop stronger links between individual tourism businesses and local colleges.
- Encourage local networking and linkages between tourism businesses for mutual benefit and support and improved communications.

2.6 ENHANCING INTERNATIONAL COMPETITIVENESS

The quality of the natural marine resource is the main factor, which attracts visitors to engage in marine tourism. It is therefore essential that the quality of the marine and coastal environment should be maintained and that visitors continue to enjoy a quality experience encouraging them to return. Much of the responsibility for managing and protecting the popular coastal resorts and beaches falls on the public sector with local authorities taking a leading role. It will be important to enhance the quality of our coastal resorts and waterways, including beaches and bathing waters to the highest standard possible. It equally important to maintain and enhance the quality of the infrastructure associated marine tourism and recreational activities.

Destination marketing: consideration should be give to branding marine tourism as a distinct sector, reinforcing the "island" image with our extensive coastal scenery. While this branding theme would form part of the "all-Ireland" promotional approach, here should be a consistent marine tourism theme incorporated in all regional tourism promotional material.

2.7 STATISTICS, RESEARCH AND PLANNING

Tourism is a knowledge and information based sector. It is important that opportunities to extract value form tourism research and information and to build on this for marketing and product development purposes are maximised. On-going research is vital and the level of funding should reflect the social and economic importance of this sector. The marine tourism industry has clearly identified the need for up-to-date statistics for the sector. Both qualitative and quantitative information is needed for the overseas and domestic market on specialist marine-based tourism activities including: sailing; diving; wind-surfing, kayaking; and angling. Statistical information on the wide range of active and passive pursuits undertaken by the "non-specialist" marine tourism is also necessary in order plan and provide for adequate infrastructure, identify new markets and develop environmental management strategies. Information gathered at regional level would better inform local and regional tourism development plans and strategies.

Research is needed to identify international marine tourism trends; determine strategies for development against competing (overseas) destinations; develop new products and services by building on our natural marine resource strengths and ultimately to determine a long-term strategy for the development of marine tourism sector in Ireland.

2.8. INSTITUTIONAL FRAMEWORK

The National Tourism Development Authority: the appointment of a new Tourism Development Authority is welcomed as a significant step towards strengthening the support framework for the development of tourism in Ireland for the future. Feedback from Marine Institute seminars and workshops, has identified the need for a "one-stop-shop" service for tourism marketing, promotion and business development. The establishment of the National Tourism Development Authority will be expected to address key development issues and obstacles and provide a streamlined service to support the future development of the tourism sector. Through polices, plans and partnerships the NTDA should focus on creating an environment that is conducive to healthy, sustainable and responsible growth of the tourism industry.

Because of the multi-faceted nature of tourism, and the nature and scale of the marine tourism sector in particular, a culture of partnership with the industry should be promoted. It will be important for strong links to be established between the National Tourism Development Authority; Tourism Ireland Limited and the Regional Tourism Authorities. In addition links should be developed with key agencies, which can deliver support services such as the Marine Institute. The Marine Institute will be actively supportive of the new national Tourism Development Authority and will at the earliest opportunity seek to establish how, through an agreed and co-ordinated effort, we can achieve our mutual objectives to promote and support the sustainable development of the marine tourism and leisure sector.

Regional Tourism Authorities: play an important role in co-ordinating the promotion and development of tourism at regional and local level. In this capacity, there is potential for the RTAs to identify the tourism development needs and opportunities of the region and encourage the necessary investment. The availability of sound sectoral tourism socio-economic impact indicators at regional level would greatly support the strategic tourism development and planning process; enabling relevant agencies to identify priority infrastructure needs and highlight significant tourism developing areas. Close co-operation between the RTA's and Local Authorities is essential to ensure that tourism planning and development is better co-ordinated and managed for the benefits of all. There is a key role to be played by the RTA's in destination management i.e. delivering on the product and the visitor experience at regional level.

Local Authorities: In our experience Local Authorities are key players in promoting marine tourism development however their involvement is not consistent in terms of approach or funding. Local authorities play a key role when it comes to the development or maintenance of appropriate facilities and the management of the environment. They also have a very significant role to play in supporting private and community backed development. Greater impacts could be achieved through the provision of a dedicated co-ordinator within each council to support sustainable development of marine and inland waterway resources for tourism and leisure. The Institute had funded a pilot project in Donegal County Council to evaluate the potential of this approach. The appointment of a full-time Marine Leisure Development Officer has resulted in the preparation of a County Development Board

Marine Strategy, which includes a marina development strategy, an angling strategy, integrated coastal zone management initiatives, improved beach management, and feasibility studies for the development of innovative tourism products. The marine tourism co-ordinator liases closely with the local authority, the county enterprise board, the regional tourism authority, the regional fisheries board, Leader Groups, community groups and industry to deliver a strategically focussed marine tourism programme. The net effect is the strengthening of relationships, structures and processes at county level to align strategy with local services and the needs of the sector.

APPENDIX A

Activity	Visitors	Specialists	Visitor Spend £m	Specialist Spend £m
Angling	170,000	97,000	68.0	39.0
Sailing	14,000	7,000	4.3	2.2
Cabin Cruising	35,000	35,000	10.9	10.9
Watersports	18,000	18,000	5.6	5.6
Total	**237,000**	**157,000**	**88.8**	**57.7**

TABLE 1: The Water-based Tourism and Leisure Sector (Overseas Numbers and Spend)

Activity	Day Trip/Equipment spend (£m)	Holiday Spend £m	Total Spend £m
Angling	23.7	3.3	27.0
Sailing	10.0	1.5	11.5
Cabin Cruising	4.8	8.1	12.9
General Boating	16.1	3.3	19.4
Watersports	5.1	3.5	8.6
Nature-based tourism	4.2	4.9	9.1
Coastal recreation/swimming	100.7	113.7	214.4
Total	**164.6**	**138.3**	**302.9**

TABLE 2: Domestic Spend on Water-based Tourism and Leisure Activities

APPENDIX B

DINGLE MARINA

	Totals £ 000	Overseas £ 000	Domestic £ 000
Marina annual income:			
Total	48.4		
(Overseas @ 48.5%)[1]		23.5	24.9
Associated spending from:			
Boats visiting marina[2]			
Total	112.0		
(Overseas @ 57.5 %)[3]		64.4	47.6
	Totals £ 000	**Overseas £ 000**	**Domestic £ 000**
Cumann Badoin Naomh Breannain - Summer sailing courses[4]			
(12 children and 6 adults by 8 weeks)			
Course fees @ £ 10 per day	10.1		
(Overseas @ 30 %)		3.0	7.1
Estimated associated spend @ £ 30 per day	30.2		
Overseas (@ 30 %)		9.0	21.2
Dingle Dive Centre - diving trips and courses[5]			
(12 adults by 6 weeks)			
Fees @ £ 45 per day	22.7		
(Overseas @ 50 %)		11.35	11.35
Estimated associated spend @ £ 50 per day	25.2		
(Overseas @ 50 %)		12.6	12.6
Angling trips[6]			
(3 boats by 12 adults by 10 weeks)			
Fees @ £ 30 per day	75.6		
(Overseas @ 80 %)		60.5	15.1
Estimated associated spend @ £ 50 per day	126		
(Overseas @ 80 %)		100.8	25.2
Yacht Charter[7]			
(7 boats by 6 adults by 27 weeks; @ 75 % estimated average take-up)			
Fees @ £ 1,500 per boat per week	212.6		
(Overseas @ 85 %)		180.7	31.9
Estimated associated spend @ £ 100 per boat per day for two days[8]	28.4		
(Overseas @ 85 %)		24.1	4.3
Total associated spend	**642.8**	**466.45**	**176.35**
TOTALS	**691.2**	**489.95 (71%)**	**201.25 (29%)**

TABLE 3: Estimated revenue arising from Dingle marina

KILMORE QUAY MARINA

	Totals £ 000	Overseas £ 000	Domestic £ 000
Marina annual income:			
Total	50.0		
(Overseas @ 50.0 %)[9]		25.0	25.0
Associated spending from:			
Boats visiting marina[10]			
Total	181.1		
(Overseas @ 54.6 %)		98.8	82.3
Angling trips[11]			
(9 boats[12] by 8 adults by 90 days)			
Fees @ average of £ 160 per boat per day	129.6		
(Overseas @ 60 %)		77.8	51.8
Estimated associated spend @ £ 50 per day	36.0		
(Overseas @ 60 %)		21.6	14.4
	Totals £ 000	**Overseas £ 000**	**Domestic £ 000**
Diving Club trips and courses[13]			
(2 boats by 10 adults by 70 days)			
Total fees @ average of £ 220 per boat per day	30.8		
(Overseas @ 50 %)		15.4	15.4
Estimated associated spend @ £ 50 per day	35.0		
(Overseas @ 50 %)		17.5	17.5
Total associated spend	**412.5**	**231.1**	**181.4**
TOTALS	**462.5**	**256.1** (55%)	**206.4** (45%)

TABLE 4: Estimated revenue arising from Kilmore Quay marina

Dingle Marina

1 Calculated as total income minus income from permanent berth holders by average percentage of overseas visiting yachts (48.4 - 7.5) x 57.5 %.

[2] Averaged over five-year period from 1994 - 1998; based on local estimate of £ 100 per boat per day over 3 days.

[3] Averaged over three-year period from 1996 - 1998.

[4] Figures estimated based on local information.

[5] Figures estimated based on local information.

[6] Figures estimated based on local information.

[7] Figures estimated based on local information, and details at http://www.charterireland.com/tariffs.htm

[8] At beginning and end of charter.

Kilmore Quay Marina

[9] Harbour Master's estimate

[10] Averaged over three-year period from 1996 - 1998; based on local estimate of £ 100 per boat per day over 3 days.

[11] Figures estimated based on local information.

[12] Four full-time seasonal and ten part-time seasonal (4 + $^{10}/2$).

[13] Figures estimated based on local information.