

A dramatic photograph of a rocky coastline. The image shows waves crashing against dark, jagged rocks, creating a large, billowing plume of white spray that dominates the lower half of the frame. The water is a deep, dark blue-green, and the sky is a pale, overcast grey. The overall mood is powerful and wild.

Valuing our
Environment
Economic Impact
of the Coastal and
Marine Environment
of Wales

Introduction to 'Valuing our Environment'



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The **Valuing the Environment Partnership** works together to reveal hard economic evidence that the environment is fundamental to prosperity in Wales. In 2001 the Partnership commissioned research, which, for the first time, calculated the economic impact of the whole environment of Wales. It found:

- **£6 billion of GDP** in Wales is directly dependent on the environment.
- **1 in 6 Welsh jobs** is supported by the environment.
- The environment contributes **£1.8 billion in wages** to the economy of Wales each year.

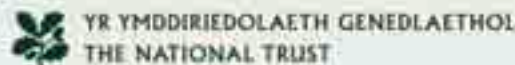
The **economic activities** relating to the environment were categorised:

- Dependent on the quality of the environment
e.g. tourism and leisure
- Intensive users of environmental resources
e.g. agriculture and water abstraction
- Protecting and enhancing the environment
e.g. conservation and waste management

The Valuing our Environment Partnership has also published research on the economic value of the historic environment in Wales as well as an analysis of the four economic regions of Wales.

The Valuing our Environment Partnership is led by the National Trust Wales and brings together major organisations working across Wales:-

Countryside Council for Wales
Environment Agency Wales
Heritage Lottery Fund Wales
National Trust Wales
Welsh Assembly Government – DEIN



The environment is fundamental to prosperity in Wales

Valuing the Coastal and Marine Environment



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The richness and diversity of the coastal and marine environment of Wales:

- Is vital to the economy of Wales
- Supports 92,600 jobs
- Produces total income of £6.8billion
- Generates £2.5 billion GDP

These are the principal findings of the research which assesses, for the first time, the economic importance of the coastal and marine environment. This study will inform the decisions of the Welsh Assembly Government, local authorities and other decision makers. For the purposes of the study the following definitions were used:

Coastal – those activities involved in the production of goods or services that take place on land but depend on proximity to the sea.
 Marine – those activities which involve working in or on the sea.

A breakdown of the headline figures shows that the coastal and marine environment directly supports nearly 52,400 jobs, £4.8billion total income to businesses and contributes £1.5billion of GDP to the economy of Wales

These direct jobs and outputs generate further indirect economic activity in Wales through their impacts on suppliers and wages spent in Wales.



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Environmentally linked economic activity in the Coastal and Marine Environment

Employment (ftes)	
Direct employment	52,365
Indirect and induced activity	40,267
Total	92,632
Output (£ millions)	
Direct income	4,779.3
Indirect and induced activity	1996.7
Total	6,776.0
GDP (£ millions)	
Direct	1,531.7
Indirect and induced activity	925.3
Total	2,457.0

The coastal and marine environment of Wales is vital to the economy of Wales

Valuing the Coastal and Marine Environment



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Employment

The coastal and marine environment in Wales provides over 52,000 direct employee jobs.

Using the three categories of environment related employment the research showed that tourism related activities, a sector that is dependent on the quality of the environment, is a major employer. Other significant sectors include metal manufacturing, followed by construction and energy.

Analysis of the coastal local authority areas shows that those in the west of Wales are the most heavily dependent on the coastal and marine environment.

Coastal and Marine Direct Jobs by Area

	Part time	Full time	FTE's	Self employment	Total
North	3,270	11,178	12,813	2,271	15,084 (29%)
West	3,684	14,529	16,371	2,693	19,064 (36%)
South East	3,998	14,459	16,458	1,759	18,217 (35%)
Total	10,952	40,166	45,642	6,723	52,365



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Ken Dickinson / Photolibrary Wales



Within the coastal and marine economy the highest number of estimated direct jobs was in Cardiff (8,300) followed by Pembrokeshire (7,600) and, more surprisingly Neath Port Talbot (6,300), reflecting the importance of the local marine-dependent steelworks.

The north Wales marine and coastal economy is predominantly, though not exclusively, tourism based. However both Metal Manufacturing and Construction provide significant numbers of jobs, followed by coast and marine-related transport.

Tourism accounts for over a third of direct coast and marine employment in west Wales and accounts for over half of coastal and marine sector direct jobs in south east Wales.

> In 2003 Wales hosted an estimated 4.4m seaside tourism trips (excluding day trips) with an average stay of 4.9 nights and an average spend per trip of £160, making a total income of over £700million (Wales Tourist Board).



Conclusions



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The research shows that the coastal and marine environment makes a significant contribution to the prosperity of the whole of Wales. Many of the jobs that are indirectly dependent on the coastal and marine environment are based in our city centres and many of the goods and services are supplied by businesses located throughout Wales.

The impact on the economy is shown, not only by the number of jobs, but also the wide variety of sectors which depend on their coastal or maritime location. Tourism is hugely important, but the range includes metal manufacturing, construction, fishing and transport.

The relative value of the marine and coastal environment to the local economy in different parts of Wales is also significant. Over a third of the jobs directly dependent on the coastal and marine environment in the west Wales economy, for example, are in tourism. Therefore public investment in facilities here will have a significant impact.

The study does more than provide quantitative estimates of jobs and incomes. It includes a review of selected coastal and marine sectors and identifies some areas of challenge and opportunities for growth.

There is potential for further tourism development, particularly for marinas and activities such as water-sports. However there is a need to ensure that these do not have a negative impact on the natural environment on which this sector depends.



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The marine environment has the potential to make an increased contribution to the economy. The offshore fishing industry has suffered a serious decline because of reduced fish stocks, mainly due to over fishing. Careful management could bring a modest revival. Inshore fisheries would benefit from investment to generate economic, social and environmental gains. There are also opportunities for responsible development of offshore energy generation projects.

Important local issues identified by the study include, the significant cost of coastal protection, high demand for coastal residential development and the extra revenue costs of providing access and amenities.

> The Teifi Estuary Environmental Management Initiative's Teifi Estuary Management Plan seeks to "safeguard the Teifi's environmental character, realise its environmental and economic potential, and to ensure the compatibility between user activities and the sustainable use of the estuary" (Otto 2001).



The Way Forward

The coastal and marine environment makes a substantial contribution to the Welsh economy in terms of jobs, incomes and GDP. The prosperity of significant parts of Wales is highly dependent on that contribution.

The coastal and marine environment continues to be under increasing, competing pressures. There is an inherent tension between the needs of coastal and marine dependent development and the protection of Wales' biodiversity, archaeology and seascapes.

Achieving sustainable development will require the careful use of resources within the capacity of the natural environment and which maximises direct and indirect jobs. This requires:

- effective delivery of an integrated coastal management strategy
- extending spatial planning to cover the marine environment
- building up the skills and training base of local people
- encouraging the use of local Welsh businesses to supply goods and services

There is a strong interdependence between economic development and environmental quality.

It is therefore vital that both economic and environmental policies consider the long term viability of any developments, to ensure the coastal and marine environment continues to be a powerful economic driver for the benefit the people of Wales.

For more information

Phone the National Trust on **029 2046 2281**.
For a copy of the full report click
www.nationaltrust.org.uk/walespolicy

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