

## **Developing Financing Models for Public Goods Related to Nature-Based Tourism and Outdoor Recreation**

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Public goods enable people to live together as a community, provide common benefits, and support available activities such as tourism. However, these public goods require investment, construction, and maintenance. Cities and natural areas affected by tourism are increasingly under pressure, notably nature-based tourism or outdoor activities, which have seen a surge in popularity during the COVID-19 pandemic. Higgins-Desbiolles describes tourism's problem as an addiction to growth, which is fundamentally incompatible with sustainability goals (Higgins-Desbiolles, 2018).

Apart from tourism's negative impact on nature and protected areas, global warming imposes additional costs to compensate for or protect natural areas that hold great potential for both outdoor tourism and nature conservation itself, emphasizing the need to avoid an anthropocentric approach.

On the flip side, tourism activities also create revenue for national and local governments to fund some expenditures. In the age of austerity, governments and local governments are looking for ways to deal with the funding issue for public goods fairly (Comerford et al., 2010; Crawford et al., 2010; Ortiz & Cummins, 2013). That brings us to our problem: How can we finance public goods related to nature-based tourism and outdoor activities in a sustainable way?

The aim of this doctoral research is to examine existing funding models and strategies in the field and develop sustainable funding models or tools suitable for the case of Latvia. This study aims to transform financing methods or tools to fund public goods related to nature-based tourism and understand spatial connection and restructure financing methods in the local context.

The objectives of the research can be seen below:

Identify and evaluate various existing financing models for common goods related to nature-based tourism and outdoor recreation, as defined in literature and strategy documents.

Examine various sources and mechanisms of financing and assess their suitability.

Evaluate the applicability of these financing models by assessing the balance between the identified economic and societal benefits and inputs/investments in nature-based tourism and outdoor recreation at the regional level.

The objectives mentioned above lead us to look for different dimensions of reality. Roy Bhaskar concluded that reality has three dimensions at various levels, such as the empirical level, the actual level, and the real level.

In the first stage, two systematic literature reviews will be conducted based on existing literature. Article 1 aims to examine various models of financing common goods related to nature-based tourism and outdoor recreation. In Article 2, we will conduct a systematic literature review with thematic analysis to develop a framework for categorizing public goods related to outdoor recreation and nature-based tourism.

In the second stage, a case study approach will be utilized to analyze the applicability and effectiveness of the combined financing model or models in Article 3. This phase combines

qualitative and quantitative studies with field work. It aims to examine how the nature-based tourism industry can contribute to financing mechanisms and how it can be transformed.

In article 4, visitor data will be analyzed using geographic information systems (GIS). Visitors and financing strategies will be segmented according to their motivations, and conservation areas will be classified according to their visit density.

In the final stage, we will finalize the proposal of the financial models alongside the online Delphi tool for focus group discussions. That will provide valuable insights into developing sustainable funding models for the common goods and for understanding the transformation.

To this day, a typological framework has been developed, and financing strategies for funding nature parks have been determined. These findings will be further evaluated as part of the first stage of the thesis.

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### **Keywords**

public goods, financing strategies, protected areas