

THE SOCIO-ECONOMIC COSTS AND BENEFITS OF COASTAL HABITAT RESTORATION AND CREATION By James Spurgeon: Posford Duvivier Environment, Rightwell House, Bretton, Peterborough, PE3 8DW, UNITED KINGDOM:—As the number of coastal restoration initiatives increases, so too does the need and ability to determine their true socio-economic costs and benefits. Habitat restoration and creation is certainly in vogue, but does it represent an efficient use of resources? It is only after such initiatives have been undertaken that their full costs can be determined with any accuracy. Costs occur from the initial scoping stages, through the construction phase and continue in the form of on-going management and operational monitoring costs. “Opportunity costs” (*i.e.* the benefits foregone from an alternative use) must also be included. Predicting whole life restoration costs is inherently problematic given the complex and dynamic nature of the environment and the many uncertainties involved. Equally, assessing the true socio-economic benefits of restoration schemes is complex and is only now becoming possible as the outcomes of current schemes begin to unfold. Furthermore, the techniques available to place monetary values on the environment are continuing to improve, enabling more comprehensive and accurate estimates of the value of the accruing benefits. Such benefits include, for example, direct (*e.g.*, products and recreation) and indirect (*e.g.*, physical protection) uses, as well as non-use (*e.g.*, existence) values. This paper provides an objective overview of the potential socio-economic costs and benefits relating to the restoration and creation of a diverse range of coastal habitats. The habitats examined include coral reefs, mangroves, sea-grasses, salt marshes, sand dunes, mudflats and lagoons. Factors affecting the magnitude of costs and benefits are highlighted, and the potential significance of different components of costs and benefits for each habitat type are identified. The appropriateness and value of using cost-benefit analysis to help assess and improve the effectiveness of coastal habitat restoration and creation is also discussed.