

IS TOURISM MAKING SENSE?

Building constituency and generating socio-economic benefits

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Parks & Wildlife Finland

St Petersburg, 21.3.2019

Colleagues, friends and distinguished participants, it is great to be here in Saint Petersburg. First, I want to thank the organizers for the opportunity to participate in this important event and a chance to speak. It is great to be here again. It is some time, almost 10 years, since I was here and in Moscow last time; then as IUCN WCPA vice-chair for Pan-Europe, which also included Russia.

WHAT I AM TRYING TO SAY TODAY - "MOVE FROM A NO SAYER TO A SOLUTIONS PROVIDER"

ENVIRONMENT, CONSERVATION AND PROTECTED AREAS HAVE VERY LOW PRIORITY IN POLITICS, THE ECONOMY AND IN DECISION-MAKING

HOW DO WE CHANGE THAT? - I THINK WE NEED TO RE-POSITION CONSERVATION AND PROTECTED AREAS WITHIN THE ECONOMY

- 1. PROTECTED AREAS MUST BECOME PART OF THE ECONOMY**
- 2. PROTECTED AREAS MUST OFFER SOLUTIONS AND BENEFITS**

TOURISM, HEALTH SECTORS CAN OFFER A WAY FORWARD



2

Anyway, to my theme and what I am trying to say today. As you all certainly have experienced, environment, conservation and even protected areas have a very low priority in politics, the economy and in economic decision-making.

- When the going gets rough, and there is a need for spending cuts, somehow environment always comes first - even though it is a minute part of the public sector budget.

So how do we change that? I don't think it works by just preaching the conservation gospel, the constituency is far too small for making a difference - and in any way, we speak to those already converted.

I think we need to re-position ourselves - place conservation within the economy. We also need to show the benefits that are generated and solutions that we can offer.

I am going to present a few examples on how we have tackled the challenge in Parks and Wildlife Finland First, by aligning ourselves more closely with the tourism and health sectors, and secondly, by moving from a press release communication to a strategic communication, which supports the objectives of the leadership in the organization.

Metsähallitus - Parks & Wildlife Finland

Metsähallitus

- State enterprise governing all state-owned lands and waters - 12 mill. ha and 1/3 of Finland
- Largest single landowner in the European Union

Parks and Wildlife Finland

- One national agency (cf. US NPS, Parcs Canada)
- Managed as one network (4.6 mill ha)
- Manage state-owned protected areas (95% of total)
 - 40 national parks; 19 strict nature reserves ; 5 hiking areas; 12 wilderness areas; >3,000 other PAs
- Management also in Private Protected Areas
 - >10,000 sites; 340,000 ha; 5% of total network
- **Everyman's rights** allows access for all to nature.



But first a few words about Metsähallitus, the state forest agency. And about Parks and Wildlife Finland, which is part of Metsähallitus.

Metsähallitus is a state enterprise governing all state-owned lands and waters - in total 12 million hectares and a third of Finland. We are the largest single landowner in the European Union. Metsähallitus has a business branch, mainly commercial forestry, and public administration branch, mainly management of parks and wildlife on state land

Parks & Wildlife Finland

Parks & Wildlife Finland is responsible for:

Parks

- Conservation of nature and cultural heritage
- Management of protected areas, including National Parks
- Outdoor recreation, promotion of nature tourism

Wildlife

- Sustainable game and fisheries
- Fishing and hunting permit sales



Parks and Wildlife Finland is a budget funded public authority, which manage the state-owned protected areas (which area about 95% of the total protected areas). The parks side is responsible for:

Conservation of nature and cultural heritage;
Management of protected areas, including National Parks; and
Outdoor recreation and promotion of nature tourism.

While the Wildlife side is responsible for:

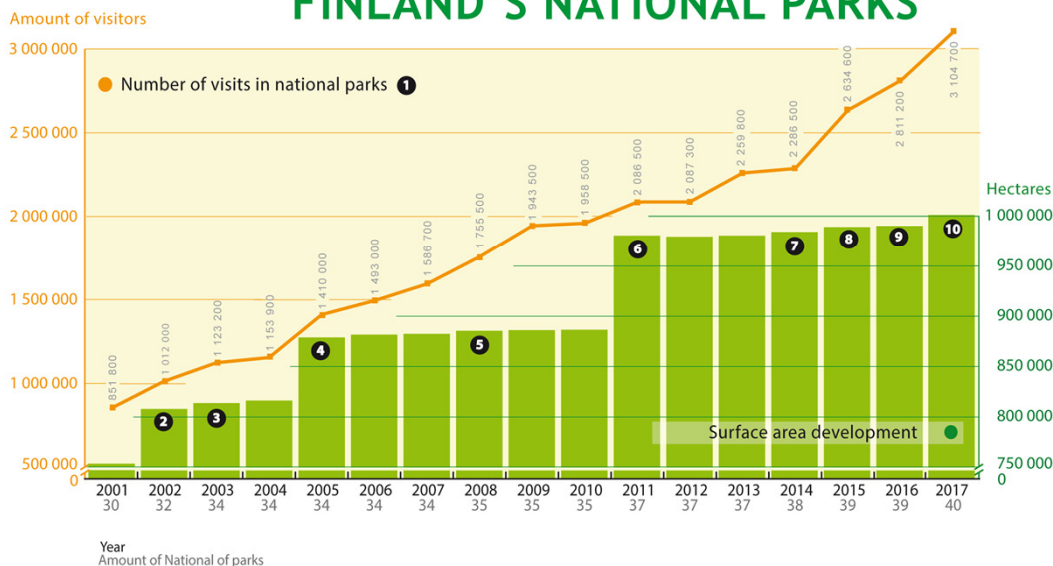
Sustainable game and fisheries; and
Fishing and hunting permit sales on state lands

It is one national agency, similar to the US National Park Service or Parcs Canada, and the protected areas are managed as a national network, rather than park by park as in so many other countries. We manage 40 national parks; 19 strict nature reserves; 5 hiking areas; 12 wilderness areas in Lapland, and more than 3,000 other PAs and cultural heritage sites. Recently we also do management in Private Protected Areas, of which there are more than 10,000 sites; 340,000 ha; and 5% of total network.

What is a bit special in Finland and Scandinavia is the Everyman's right, which allows access for all Finns to nature regardless of ownership.



CONSTANTLY GROWING VISITOR NUMBERS IN FINLAND'S NATIONAL PARKS



6

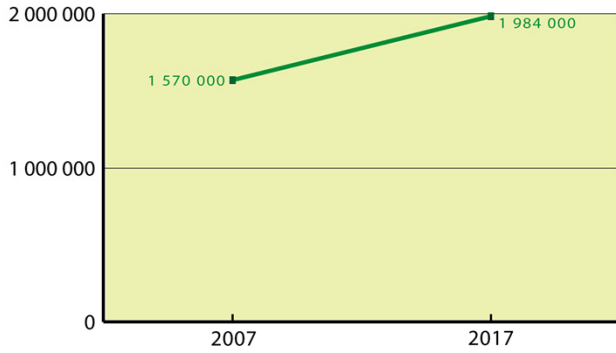
So how are we doing and what are we up against? - I am sure you all know the growing financial squeeze affecting the operations of many protected area agencies across the world.

In the positive side, probably partly due to urbanization, changes of life style, and increasing wealth, National Parks visits have gone up remarkably over the past 10 years, as we can see in this example from Finland.

1. Taulukon käyntimäärämuutos (%) on laskennallinen ja lukua ovat kasvattaneet käyntimäärien kasvun lisäksi hallinnolliset päätökset, erityisesti kansallispuistojen laajentaminen tai uusien perustaminen.
2. 2002 silloiset Pallas-Ounastunturin ja Pyhätunturin kansallispuistot siirtyivät Metsähallituksen hallintaan.
3. 2003 perustettiin Leivonmäen ja Repoveden kansallispuistot.
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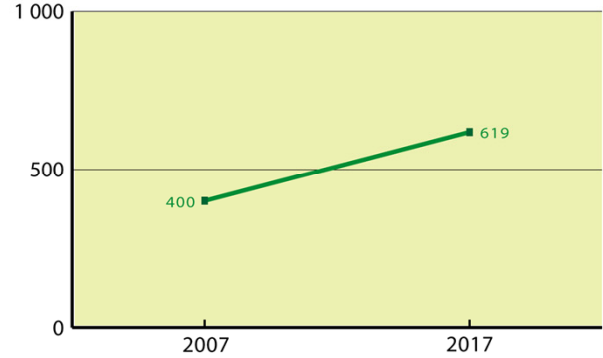
WE HAVE A GROWING MANAGEMENT CHALLENGE

hehtaaria



PA area, ha (+26%)

imäärä



Number of PAs (55%)

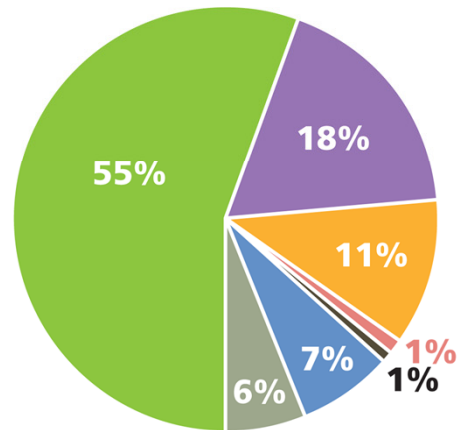
At the same time, we manage a growing estate of protected areas. In the last 10 years, the area has increased by a quarter, while the number of areas has increased by 55%.

FINANCING OF PARKS & WILDLIFE FINLAND IN 2017

P&WF largely financed from the national budget.

Additional funding from EU programs and fees paid for hunting and fishing permits.

Ministry of Environment	34,0 milj.€
Income	11,3 milj.€
Ministry of Agriculture and Forestry	7,0 milj.€
Ministry of Employment and the Economy	0,5 milj.€
Ministry of Justice	0,8 milj.€
European Union	4,2 milj.€
Other funding	3,6 milj.€
Total	61,4 milj.€



Parks and Wildlife now manage 4.6 million hectares with some 60 million euro per year and 500+ person years. 68% of the funding is from the state budget, with 55% coming from the Ministry of the Environment.

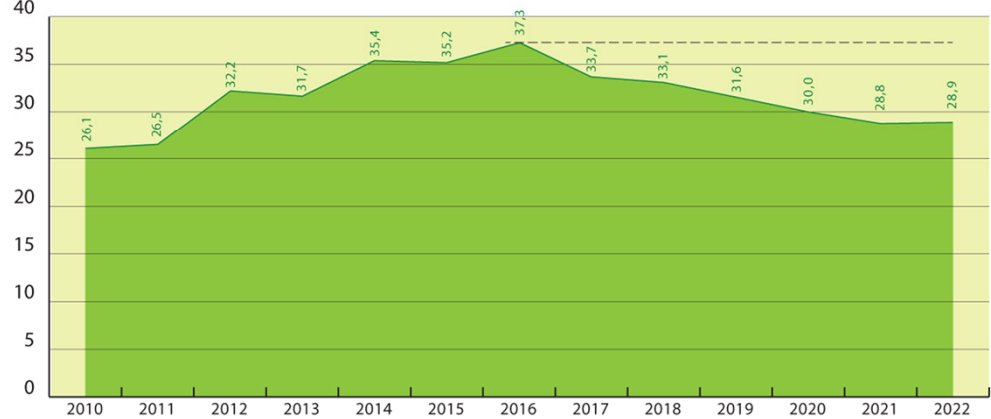
MINISTRY OF THE ENVIRONMENT FINANCING 2010 - 2022

Starting date

- 2010 - 2019 milj. €
+ 21%
- 2010 - 2022
+11%

Highest level

- 2016 - 2019
- 15%
- 2016 - 2022
- 22%



However, the trend is unfortunately trailing and heading down. From 2010 until the government projection up to 2022, funding only increased 11%. Since the peak funding in 2016 it has gone down with 15% this year and will continue to -22% by 2022 - unless we have a more favorable government after the parliamentary elections in the next couple of weeks.

HOW TO DEAL WITH THE CHALLENGE?

- Can we reconcile the growing management challenge with decreasing public funding?
- Parks & Wildlife Finland approach: “Transforming ourselves from development problem to a solutions provider”
 - Position the parks within the economy
 - Show positive economic impact & solutions
 - Show positive societal impact
 - Building a broad constituency (beyond environment sector)
 - Focus on strategic communication



10



So how do we deal with these contradicting trends? - Since already early 2000 we have systematically been trying to re-invent ourselves and become a benefit and solutions provider rather than an obstacle in the economy. We have aimed at:

Position the parks in the economy;

Showing positive economic impact & solutions;

Showing positive societal impact;

Building a broader constituency (beyond environment sector); and

Focused on strategic communication (instead of the old press-release communication)

WHAT MAKES A POLITICIAN TICK? (apart from votes and power)

National level

- Growing economy (taxbase)
- Employment numbers
- Making Finland look good and successful

Regional level

- Regional investment (taxbase)
- Regional employment numbers
- Regional competition



1



So, we were trying to figure out what makes politicians tick (apart from votes and power of course), and how to make them tick in our favor. Most politicians at the national level are thinking about the economy (and the tax base), employment and making Finland look good and successful. At the regional level we can add local politician's competition with the next-door neighbor region or municipality.

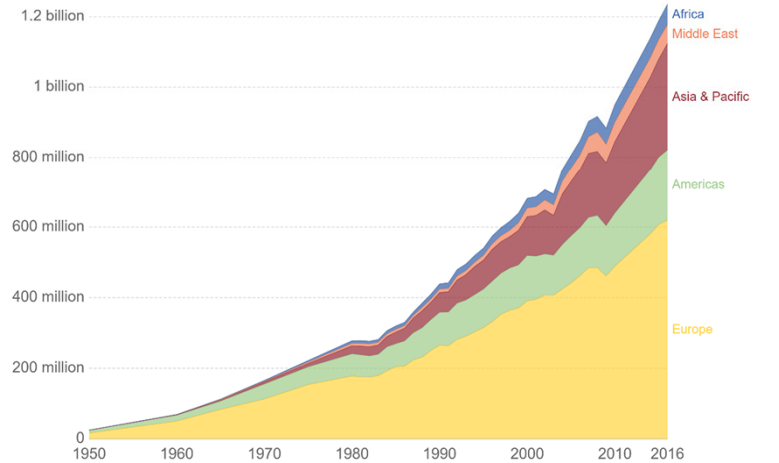
WHY TOURISM IS MAKING SENSE?



INTERNATIONAL TOURIST ARRIVALS - GLOBAL TREND

- 10% of GDP and 10% of jobs globally
- 7% of all international trade and 30% of export of services
- 2nd largest generator of Foreign Direct Investment
- Every 1 USD generates 3.2 in the economy.

International tourist arrivals by world region



So why is tourism making sense to protected area managers and organizations?

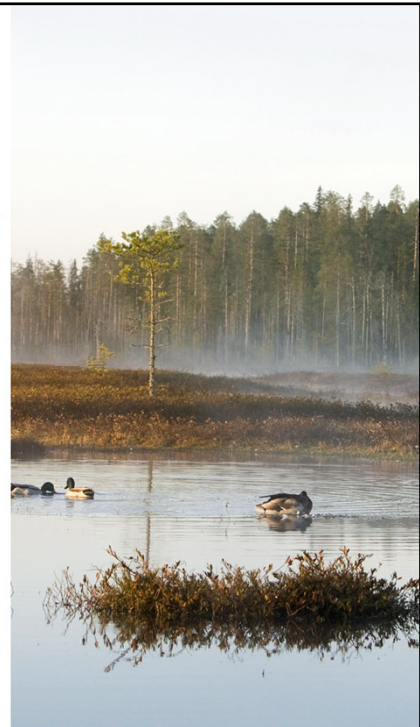
Global visitor charts are going straight up. Tourism accounts for 10% of global GDP and employment. It stands for 7% of trade and 30% of the export of services. It is the second largest generator of Foreign Direct Investments and each dollar generates 3.2 dollars in the rest of the economy.

TOURISM AND CONSERVATION

In many countries tourism is nature tourism

- 80% of Africa trips are for wildlife and parks
- 14 % of GDP in Tanzania, growing 6.6.% / year
- In India (2015) PA visits grew by 15% between 2002-2008 with 80% domestic tourism

- Worldwide Protected Areas received 8 billion visits and generated 600 billion USD (2015)
- Only 10 billion spending on protection
- Also in Finland most tourist come for the nature



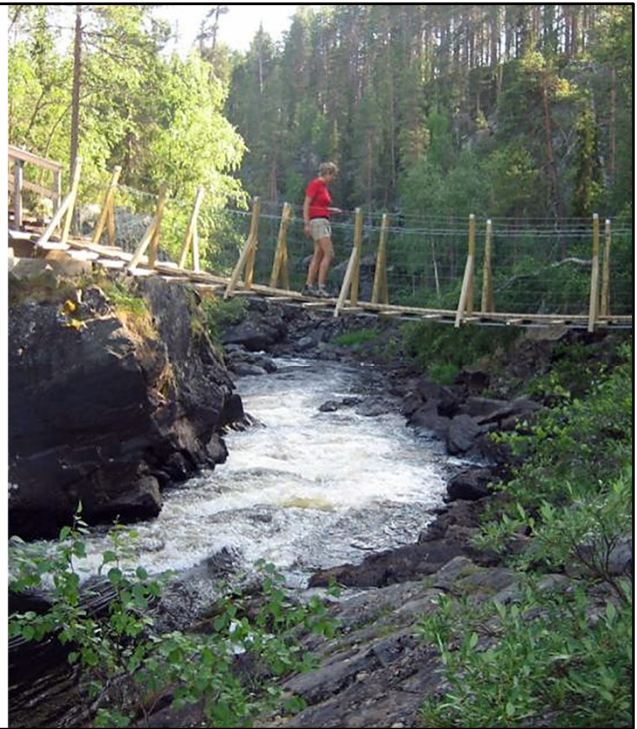
We also all know that many countries depend almost entirely on their national parks and wildlife for tourism. 80% of all Africa tourism is wildlife tourism. Tourism in Tanzania, entirely generated by parks and wildlife, make up 14% of their GDP.

Annually protected areas receive 8 billion visit and generates 600 billion US dollars worldwide; while only 10 billion, or 2%, is spent on protecting these areas.

In Finland we also know that most foreign tourists come to Finland for the nature.

UNDERSTANDING VISITORS

- Developing methodologies for visitor counting in late 1990s early 2000
- Starting to publish visitor numbers for each national park
- Showing numbers and importance to government (especially Ministry of Finance)
- Developing visitor surveys for National Parks to understand visitor preferences and behavior



We have put a lot of effort into understanding visitors - who they are, what they do and want. Since late 1990's we have perfected the methods for visitor counting and published these numbers to influence decision-makers, especially the Ministry of Finance. We have also moved to systematic visitor surveys to better understand visitor behavior and preferences and enable quantifying the economic benefits.

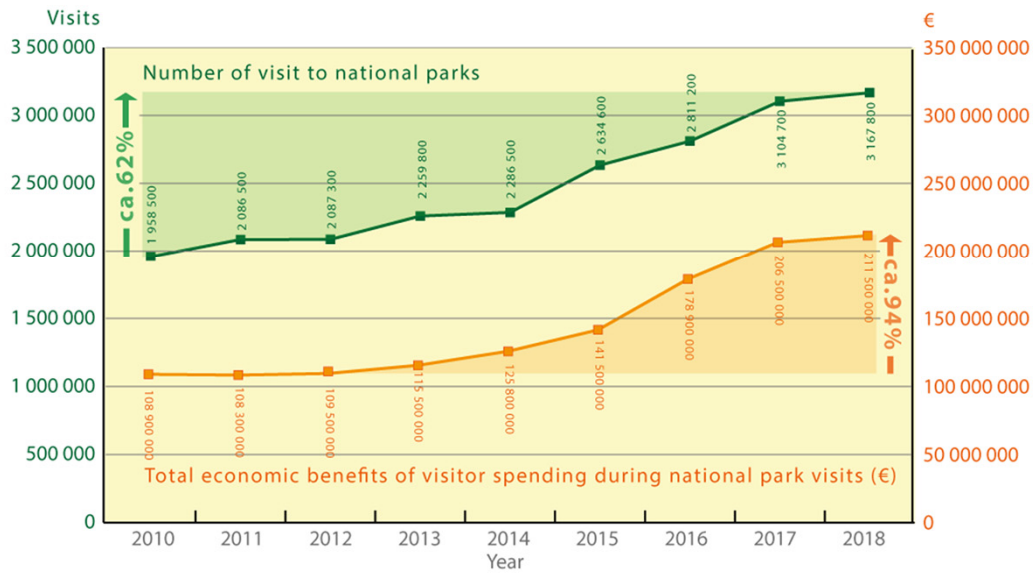
MONEY GENERATION MODEL - local economic & employment impact

- Next step was to show the economic value of park visitation
- PWF borrowed and adopted the US NPS Money Generation Model II for Finnish conditions
- Since 2010 published annually
- Hugely important in avoiding proposed government budget cuts in 2010
- Each 1 euro invested generates 10 euro (15 euro in Lapland) into local economy



As part of our international aim to develop our practices, we borrowed the Money Generation Model II, developed by the University of Michigan for the US National Parks Service, and adapted for Finnish conditions. Since 2010, we have annually been able to publish figures on local economic benefits and employment generation for each national park and for the whole country. This does not including our own staff. We also know that each euro invested in facilities and management generates 10 euros into the rest of the economy. In Lapland this is even higher - 15 euro. Such facts for example were hugely important to convince the local politicians in the parliament to reject the government's proposal for the large budget cuts for Parks and Wildlife they proposed in 2010.

INCREASING VISIT - INCREASING BENEFITS



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17

With growing visitor numbers, the benefits also grow; even faster than the visits. Between 2010 and last year numbers increased by 62%, while local economic benefits grew by 94%.

NATURE IMPROVES WELL-BEING

- Health sector is by far the largest public sector
- 5.9 million visits to national parks, hiking areas, nature centers & nature destinations.
- 87 % of visitors experience health benefits
- The estimated health benefit was 110 € per visit (2018).



With growing visitor numbers, the benefits also grow; even faster than the visits. Between 2010 and last year numbers increased by 62%, while local economic benefits grew by 94%.

SO WHAT'S THE OUTCOME

- Recreation sector speaks for us
- Tourism sector speaks up for us
- VisitFinland features us and the national parks
- Local politicians speak for us and offer political support
- Local EU funding instruments is used to support our work



So, what has been the outcome of this alignment with the tourism and health sectors?

Now the recreation sector speaks out for us:

The tourism sector speaks for us and considers us as a major partner in developing tourism to Finland. VisitFinland, the national tourism agency, features the national parks as destination.

Local politicians speak for us, provide political support and make sure EU funding instruments are used to support our work and investments in park facilities.



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Parks & Wildlife Finland Maintenance Gap study 2017 - 2018

A result of the imbalance between demand and budget is the constantly decreasing quality and decay of visitor facilities. So, the second aspect I wanted to touch is the Maintenance Gap Study that Parks and Wildlife Finland did in 2017 - 2018.

By maintenance gap we mean the cost of repairing prioritized facilities to a condition, which is safe, sustainable and can be maintained by a standard re-investment schedule.

TOTAL MAINTENANCE GAP

(=funds required to repair current visitor facilities)

Tourism and Recreation Facilities

- Total gap of 39,5 million euro
- National Parks 15.2 million or 39% of total gap

Cultural Heritage Objects

- Total gap of 70,3 million euro.

Estimates include all FWP facilities, including those that are out of use because of their poor condition

Parks & Wildlife Finland 2018



According to the recently published assessment, the maintenance gap for visitor and tourism facilities is almost 40 million euro, of which the national parks stand for about 15 million or almost 40%. The total gap with respect to cultural heritage sites managed by Park and Wildlife is more than 70 million euro.

Maintenance gap on cultural heritage objects is the result of:

The Strategy for the National Estates from 2010

(building on earlier strategies of consolidation of administration)



66 % of gap from two transfers:

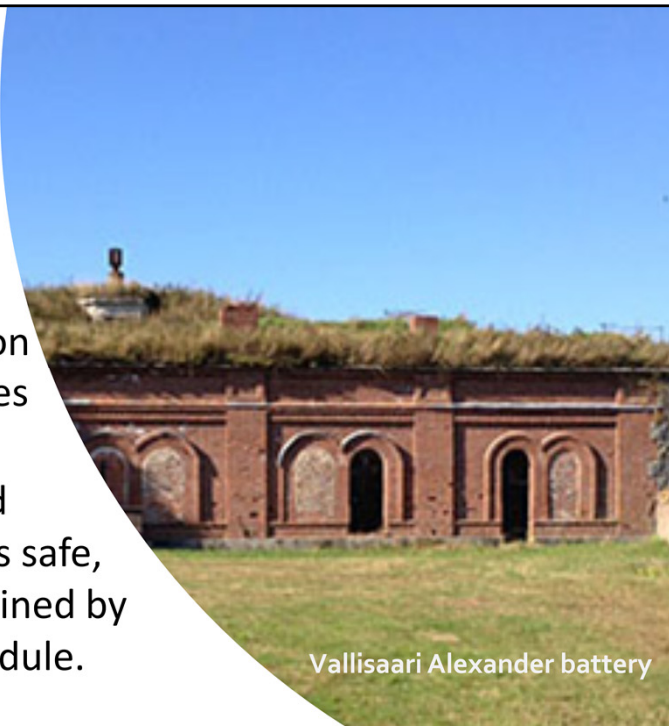
- **40% from transfers of medieval castle from Finnish Heritage Agency in 2014**
- **26% from transfer of Vallisaari from The Finnish Defence Forces.**

The challenges managing cultural heritage is partly the result of the National Strategy on Government Estates. From the 1990's the strategy directed a consolidation of state land and waters to Metsähallitus, and the updated strategy from 2010 resulted in the transfer of some cultural heritage objects from the Finnish Heritage Agency. In fact, 66 % of the gap is made up from two transfers: 40% from transfers from Finnish Heritage Agency in 2014 and 26% from transfer of Vallisaari Island outside the Helsinki harbor and buffer zone to the World Heritage Site from the Finnish Defence Forces to Metsähallitus. Vallisaari is part of the sea fortress from the Swedish-Russian wars.

ESTIMATION METHOD

- All PWF facilities recorded in the integrated ULJAS database
- The costs estimates are based on assessment and classification of more than: 23 000 structures and 15,000 km of trails
- Cost of maintaining prioritized facilities in a condition, which is safe, sustainable and can be maintained by a standard re-investment schedule.

Parks & Wildlife Finland 2018



Vallisaari Alexander battery

All Parks and Wildlife facilities are recorded in the facility management component of the integrated ULJAS database. The cost estimates are based on assessment and classification of more than 23,000 structures and 15,000 km of trails.

COST ESTIMATION

- Using current repair costs and existing restoration plans
- For objects without plans, average costs based on type, condition classification were used
- Does not include upgrading of facilities or new investments
- Costs include status, site condition, planning, permits, tendering, building and dismantling (where required) and work supervision

Parks & Wildlife Finland 2018



The assessment is using the cost experience from current repairs and based on restoration plans, where such exist. For those without plans, average costs based on type, condition classification, were used. The comprehensive cost estimates consider status, site condition, planning, permits, tendering, building and dismantling, where required, and work supervision.

The estimates do not include upgrading of facilities or new investments.

POLITICAL and PUBLIC IMPACT

- Negative impacts on tourism sector
- Significant media coverage, including main TV news
- Significant public reaction in media, social media
- Significant reaction from stakeholders (tourism sector)
- Significant political reaction, including additional funds 2018
- Discussions to include new funding in the new government program

Parks & Wildlife Finland 2018



So, what has been the impact of this study?

The message, which was already communicated based on the preliminary study in 2017, really drove home the message in the summer 2018, when one of the popular hanging bridges collapsed in Repovesi National Park.

Fortunately, no one was hurt, even if there were people on the bridge during the accident.

Because if this unfortunate but at the same time fortunate incident there was:

Significant media coverage, including in the main TV news;

There was significant public reaction in media and social media demanding funding for Parks and Wildlife;

There was considerable reaction from stakeholders in the tourism sector and among local politicians, which resulted in quite significant additional budget funding in late 2018; and

What is more important, it started a growing political understanding and discussion to include raising the base funding to a new higher level in the coming government's program, which is expected after the April parliamentary elections.

Strategic Communications



Foto: Olli Autto/Parks & Wildlife Finland

STRATEGIC MULTI-CHANNEL COMMUNICATIONS

- Communications is strategic management
- Support from the top-management
- Communications manager a member of the management team
- Communications recognized as a field of expertise and professionals hired
- Communications part of everyone's job description



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HELSINGIN SANOMAT



AREENA

 **METSÄHALLITUS**
Parks & Wildlife Finland 2018

Much of the impact would not have been possible without the important understanding and decision by Parks and Wildlife in 2005, when communications was made a strategic management tool. With that decision, we moved away from a largely press-release communication, to a strategic and targeted multi-channel communication, lead by communications professionals both at national and regional level.

BUILDING CONSTITUENCY AND SUPPORT

- Touch people’s feelings
- The beauty of nature
- Positive feelings for oneself and the loved ones;
- Joy and humor
- Doing things together
- Positiveness encourages people to take action



This communications strategy aimed at broadening the constituency for parks among the public, by changing our style of messaging from purely factual to feeling-based, without losing sight of the conservation message. The slide shows an example of the Miss Cow competition, where the purpose was to draw attention to semi-natural grasslands and featuring the cows as our labor force maintaining these habitats and their biodiversity. - Incidentally, Eufrosyne, was the second name of my late grandmother - but unfortunately Miss Eufrosyne was not my cow.

TARGETING STAKEHOLDERS AND POLITICIANS

- Don't just talk with the converted
- Think out-of-the-box
- Invest time on partnerships at all levels
- What makes partners tick? What can you offer them?
- Listen, respect and interact
- Give credit to your partners



Secondly, we were targeting stakeholders, political and other decision-makers. The aim was to make them see us as their partners and important for their own ambitions and success.

Here our former Director, Rauno Väisänen, whom many of you might have met, is seen discussing with our former President Tarja Halonen, and the Secretary General of WWF Finland, during work camp maintaining semi-natural habitats.

CELEBRITIES - SPEAKING FOR US



...and we have made Finnish celebrities speak for us, engage in our work and influence crowds that normally would not be interested in parks and nature.

Here former Paris Fashion model Saimi Hoyer, who now owns and runs Punkaharju Hotel, where presidents Putin and Niinistö met last year; Lauri Tähkä, rock musician, whose band Elonkerjuu was immensely popular some years ago or Pirkko Saisio, one of our well-known authors.

CONCLUDING REMARKS

- Keep your eyes open and follow international development
- Build your case around facts - and develop practises to generate such facts
- Place yourself in the economy and align yourself with relevant sectors
- Constructive economic solutions are always welcome and receive attention
- Make sure to build a constituency among the public and decision-makers
- Forget press-releases and focus on strategically influencing your operative environment



Thank you for your interest!

metsa.fi/web/en/nature-tourism
metsa.fi/web/en/sustainablenaturetourism

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