

Local economic impacts of national park visitation as an example of the benefits of the parks

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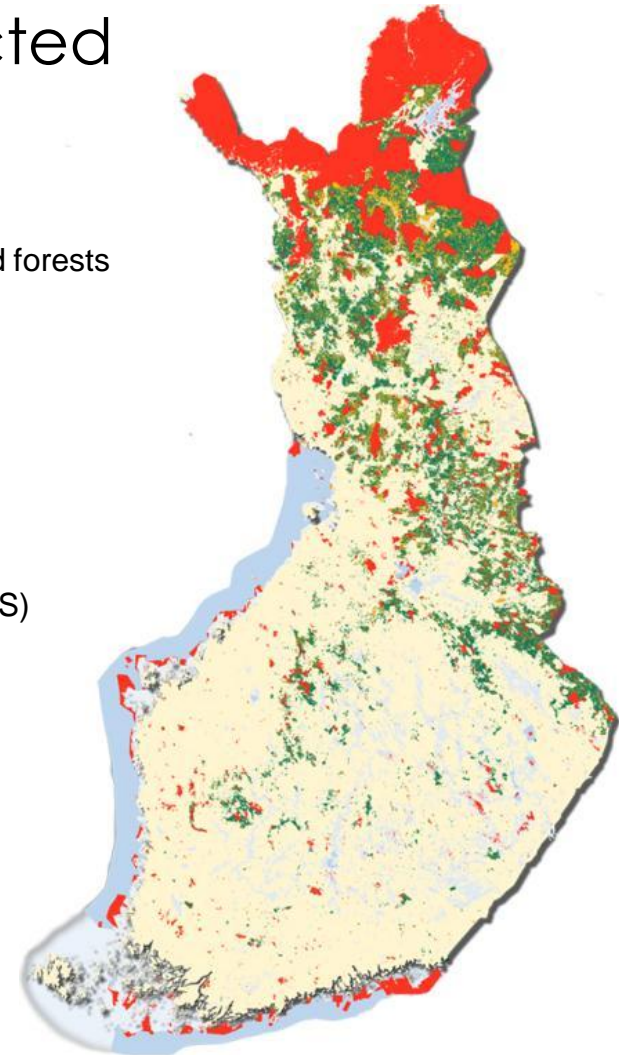
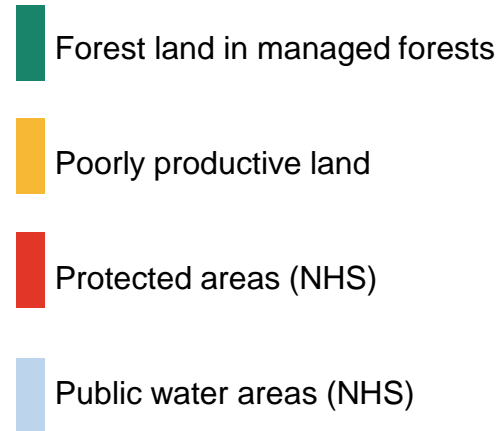


METSÄHALLITUS

Metsähallitus Natural Heritage Services manages all the state-owned protected areas in Finland

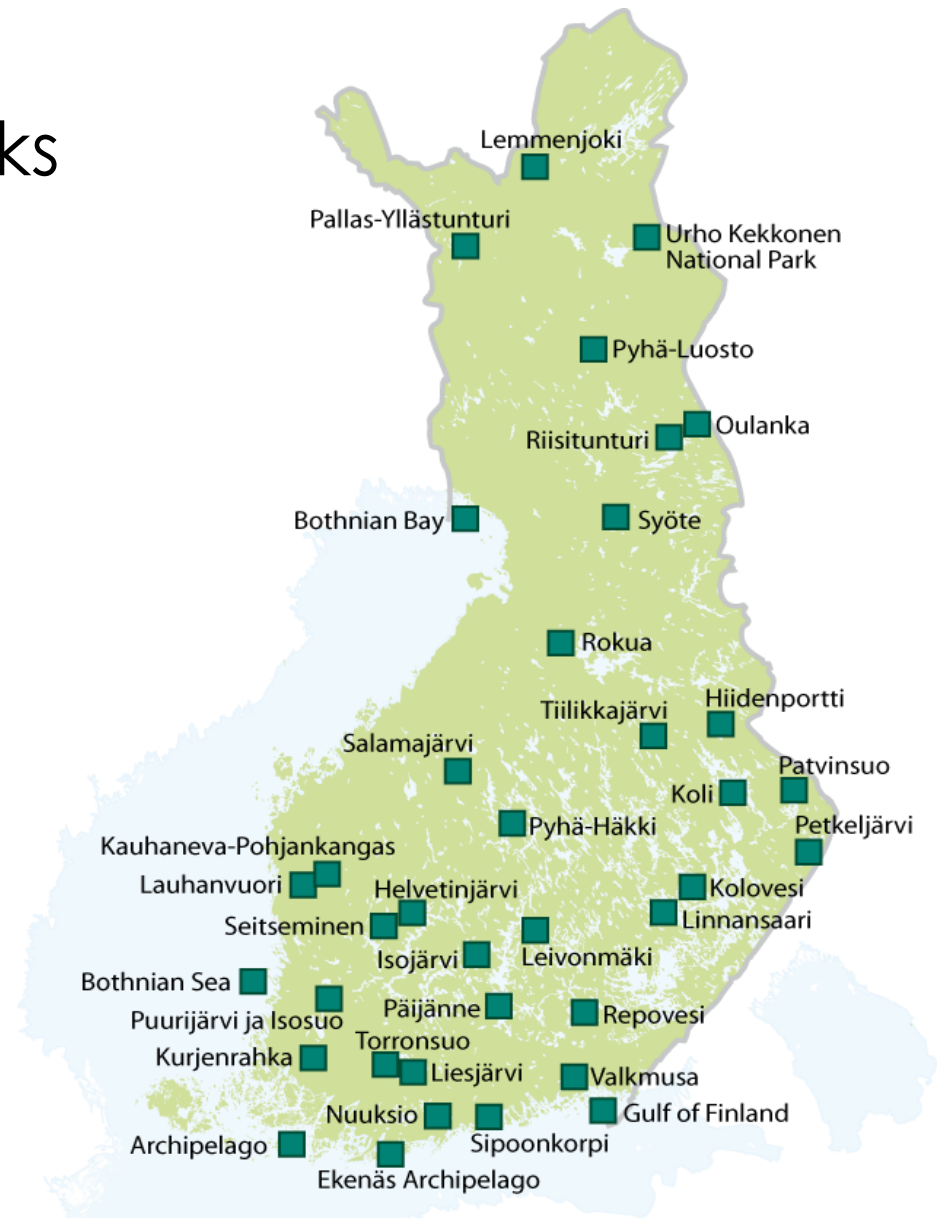
- 37 national parks
- 19 strict nature reserves
- 7 national hiking areas
- 12 wilderness areas
- almost 500 other PAs
- public water areas

Altogether over 7 million hectares,
18% of Finland's surface area



Finland's National Parks

- A total of 37 national parks
- 9 790 km²
- 2,1 million visits (2012)



The most popular national parks are part of the appeal of the tourist destinations

	Number of visits in 2012
Pallas-Ylläs NP	473 000
Urho Kekkonen NP	300 400
Nuoksio NP	183 400
Oulanka NP	162 400
Koli NP	125 600
Pyhä-Luosto NP	109 400



Why to estimate economic impacts of park visitation

1. To justify budget funding

- Benefits are not obvious
- Decision-makers prefer numbers → Euros and person years are important, easy to remember and easy to understand
- State provides facilities, local entrepreneurs benefit

2. To increase general acceptability of national parks

- Nature protection can be combined with business activities

3. To measure economic effectiveness

Where did we start and what did we do

We started by benchmarking

- U.S. MGM2 (Money Generation Model 2): a model developed by Michigan State University for USDI National Park Service to evaluate the local economic impacts of National Park tourism

We did an application of MGM2 together with Metla (Finnish Forest Research Institute)

What did we do

An application with three inputs

- Number of visits
- Average visitor spending
- Multipliers

Numbers of visits and visitor spending we get from Metsähallitus visitor information system (ASTA)

Multipliers we got from local input-output tables (Statistics Finland)

- multipliers reflect how the spending multiplies in local economy

What does the application do

The application produces

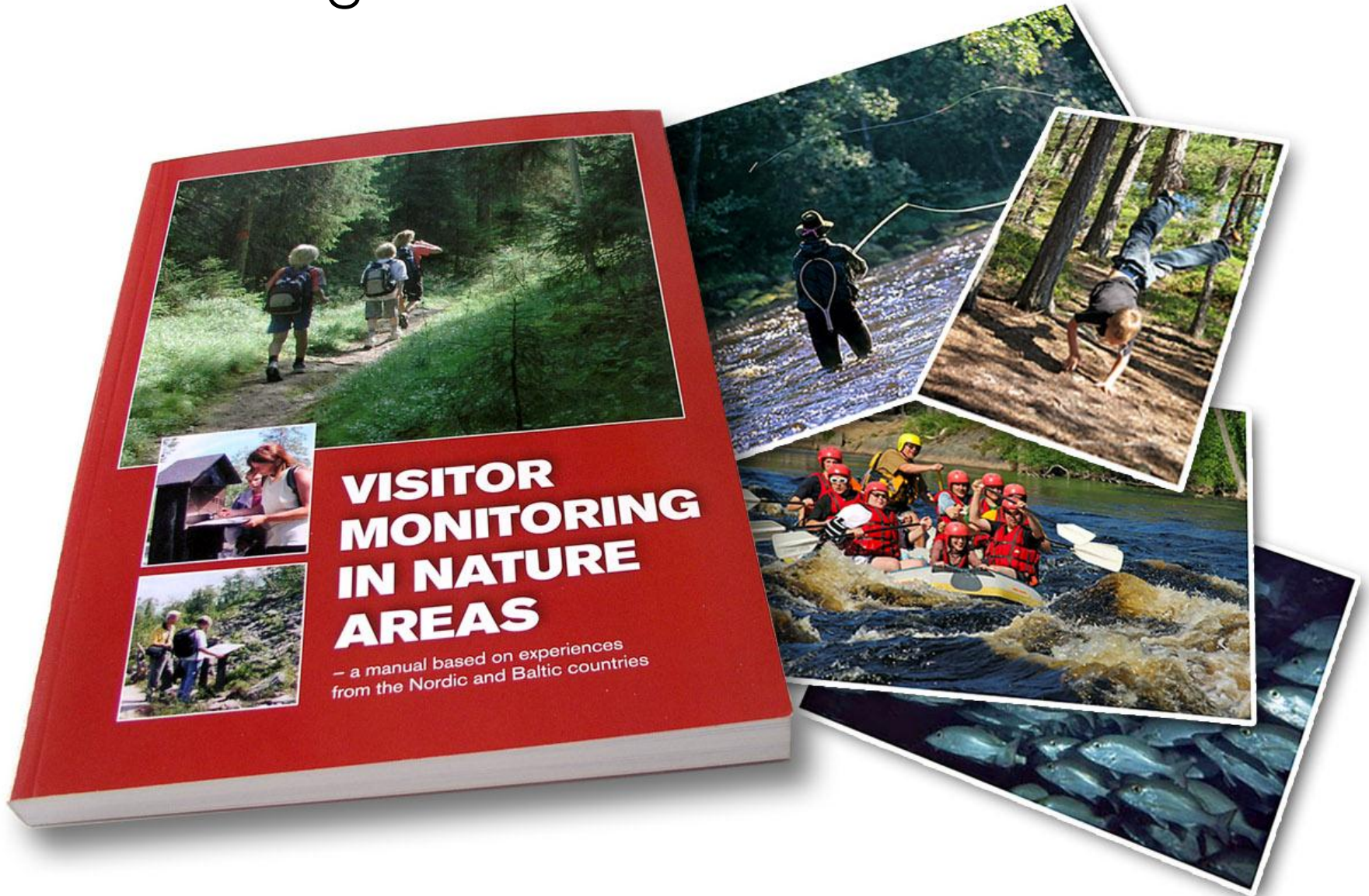
- Direct and total income effects (€)
- Employment effects (person years)
- Annual follow-up of the results
- Estimate for each National Park

Is easy-to-use, practical tool

Enables estimation of total, state-level effects annually

Enables comparisons between parks and between years

Basic Requirement: Harmonised Visitor Monitoring Methods in National Parks



ASTA visitor information forms the base of the regular economic impact estimates

Annual number of visits

Visitor spending in the parks and their surroundings

- Any spending related to the trip
- Costs per visitor / party
- In 7 categories (accommodation, restaurants etc.)

Other visitor information

- The importance of the National Park as a destination
- Municipality (Country) of residence of the visitor
- Length of stay
- Size of the party

The economic impacts of visitor spending – Total value and minimum value

	2012			
	Total value		Minimum value*	
	milj. €	person years	milj. €	person years
National parks	109,5	1 412	53,7	686

***Minimum value** indicates the spending by the visitors to whom the national park was the only or the most important reason to make the trip to the destination

Big differences between the parks

- The impacts are biggest in Northern Finland, in the national parks located close to popular tourist centers (2012)

<i>National Park</i>	<i>Number of visits</i>	<i>Economic impacts mill. €</i>	<i>person years</i>
• Pallas-Ylläs	473 000	33,3	446
• Urho Kekkonen	300 400	22,2	292
• Oulanka	162 400	14,4	186

Big differences between the parks

- In Southern Finland impacts per area are smaller (2012)
- Parks in archipelago regions significant, right after Koli NP which is a “tourist center park”

<i>National Park</i>	<i>Number of visits</i>	<i>Economic impacts mill. €</i>	<i>person years</i>
• Koli	125 600	5,2	69
• Archipelago	57 400	3,9	46
• Nuuksio	183 400	1,4	11

Reasons for differences

Differences in

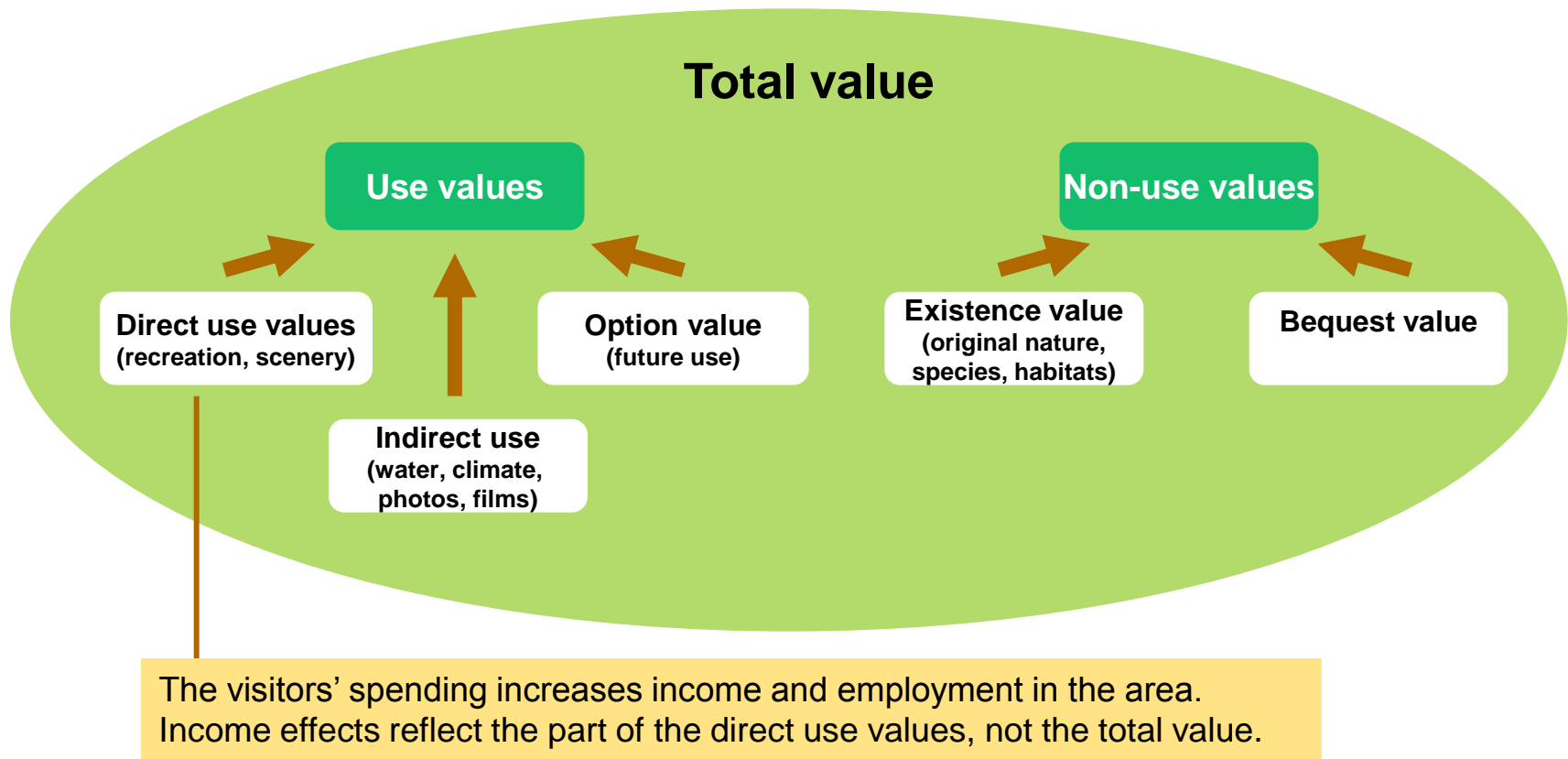
- The amount of visitation (attractivity, accessibility etc.)
- Visitor profiles
- Services in the surrounding region

Local economic impacts of national park visitation



- Money spent on management and services of national parks and other PAs comes back many-fold through local private businesses and creates a plenty of jobs

The Total Value of a National Park



Methodology and publications

Metla Working paper: Local economic impacts of national park visitors' spending: The development process of an estimation method

www.metla.fi/julkaisut/workingpapers/2010/mwp149-en.htm

www.metsa.fi/suojelualueetjapaikallistalous

Estimating economic benefits of protected areas in Finland—making a case for continued public investment (TEEB)

<http://www.teebweb.org/estimating-economic-benefits-of-protected-areas-in-finland>