The role of recreation and nature tourism in managing state-owned forests in Finland

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Metsähallitus, a state enterprise

Metsähallitus manages practically taken all the state-owned lands and waters in Finland

Metsähallitus is a state-owned enterprise that runs business activities while also fulfilling many public administration duties

We provide natural resources sector services to a diverse customer base, from private individuals to major companies
Lands and waters managed by Metsähallitus

- Forest land in commercial forests, 3.6 million ha
- Poorly productive and non-productive land, 1.5 million ha (excluded from forestry)
- Protected areas, wilderness reserves and other areas, 4.0 million ha
- Water areas, 3.4 million ha
- Public water areas

In total, 12.5 million ha = 1/3 of the country
We serve the Finnish society

- Different kinds of state-owned areas are managed as one integrated whole by Metsähallitus
- Metsähallitus strives at managing these areas in a way that benefits Finnish society to the greatest extent possible
- Three main task categories:
  - natural heritage services (state budget 54 MEUR)
  - business operations (profit 108 MEUR) => contribution to the State revenue (102 MEUR)
  - considering ecological, social and cultural benefits in business operations (decreases the profit by 48 MEUR) => multiple benefits to the society
- To ensure balanced and sustainable use of the resources, Metsähallitus uses modern planning systems and state-of-the-art information systems; a key tool in that is Participatory Natural Resource Planning
Comprehensive planning systems for multi-objective natural resources management

- Up-to-date data on natural resources, and efficient information management systems and planning methods

Site-specific operational planning

Planning of management and use at special sites

Sub-sectional ecological analysis

Regional natural resource planning
Natural resource planning

- Large-scale, multiple criteria, multiple stakeholders
- Participatory planning processes; open interaction using regional co-operation groups, local meetings and other public participation techniques and channels
- Participants include representatives of tourism entrepreneurs and recreation users
- Sum of natural resource plans should fulfil the overall aims determined by the owner, i.e. the state, via democratic system
- The plans are based on the use of advanced planning methods and tools (simulation, GIS analysis, optimisation and decision-support)
Results include: land-use guidelines, cutting budgets, biodiversity management policies, choice of areas where recreation and tourism are specially promoted as well as those for reindeer husbandry (⇒ profit & decrease of it!)

1. Analysis of the present situation
   - Natural resources
   - Operating environments
   - Success of the previous plan

2. Analysis of objectives
   - Aims and restrictions by the owner
   - Demand from the markets
   - Expectations and wishes of stakeholders and the public

3. Data acquisition
   - Analysing the available data
   - Gathering additional data needed

4. Producing and analysing alternative plans
   - Analysing the production possibilities
   - Generating alternative plans
   - Analysing the alternatives

5. Comparison and choice
   - Comparing alternative plans
   - Decision-support calculations
   - Negotiating on the choice
   - Choosing one plan as the basis

6. Elaborating a program for putting the plan into practice

Implementation and follow-up
MCDA in natural resource planning

- Multi-Criteria Decision Aid (MCDA) methods are used in participatory natural resource planning
  - First applications already 15 years ago
  - AHP, SMART, MA, MAV, voting methods
- Metsähallitus in the forefront of the practical development and application of MCDA
- Using MCDA improves the planning process
  - Transparency
  - Fairness, equality of participants
  - Discussion, understanding
  - Education and learning
- Currently especially methods based on social choice theory are of interest
Metsähallitus is proud to announce: "General social obligations"

- The general social obligations that affect the business operations are (based on the Act on Metsähallitus):
  - considering biological diversity
  - promotion of recreational use of forests
  - fulfilment of the obligations regarding the reindeer herding area laid down in the Reindeer Husbandry Act
  - securing the preconditions for the Sámi people to practice their culture
  - promotion of employment
  Many of these serve also nature tourism!

- Other objectives and needs are also widely considered, e.g. needs of regional development including tourism industry, scientific research, national defence, rescue work, etc.
Restrictions in forest management

• In practice, the obligations are taken into consideration in the treatment of managed forests by:
  – excluding forestland sites from forestry operations
  – applying certain felling restrictions to forest sites
  – appropriate scheduling of fellings
  – leaving retention trees
• In addition, no cuttings in scrub and waste lands
How much restrictions?

- **Total of 594,000 hectares (17% of the total forest land area) of forest are with restrictions on forestry due to different obligations**
  - 215,000 hectares totally excluded from forest management (or in a few cases, subjected only to selective felling)
  - 379,000 hectares with strongly restricted forest management

⇒ 1.3 million cubic metres less cuttings (annually) than would be the “normal” maximum sustainable cutting budget
In monetary terms?

- Investments in 2007

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Unit</th>
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</thead>
<tbody>
<tr>
<td>Biodiversity</td>
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<td>Recreational use of forests</td>
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<td>Reindeer husbandry</td>
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<td>Sámi culture</td>
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<td>million €</td>
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<tr>
<td>Employment</td>
<td>4.6</td>
<td>million €</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>48.5</strong></td>
<td><strong>million €</strong></td>
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Monetary summary

- Taking into account the social obligations, the significance of Metsähallitus’s services to the society can be broadly divided into three aspects, in euros:
  - EUR 102 million contribution from profits to the State revenue
  - EUR 48,5 million investment in general social obligations in connection with business operations
  - Natural Heritage Services: investment of EUR 54,5 million of State budget finance in the provision of public services

In addition: the commercial value of lands and waters when protecting them
Protected areas

- All the areas are used for multiple purposes, most often including recreation and nature tourism
- Many national parks and other protected areas, national hiking areas, wilderness areas, and visitor centres are important attractions for tourism
- A lot of State money is allocated to managing conservation areas, and to services related to recreation and nature tourism
  - Investments have positive effects on local and regional economy
  - Ecological impacts must be controlled
- Not all activities to every place
  - All kinds of State areas together form an excellent, balanced whole that can be holistically managed also from the viewpoints of recreation and nature tourism
Visitors in national parks, visitor centres, and national hiking areas

1) Syöte
2) Pallas-Ounas, Pyhätunturi
3) Leivonmäki, Repovesi
4) Pallas-Ylläs

National parks
Visitor centres
National hiking areas

Conclusion: Metsähallitus is an excellent partner for recreationists and nature tourism

- Forestry and forest management planning
- Natural parks, hiking areas, wilderness areas, visitor centres
- Recreation services without fee, such as hiking trails, campfire sites, wilderness huts
- Public water areas
- Participation in research and development
- Nature tourism services provided by Wild North
- Real estate services provided by Laatumaa
- Plenty of co-operation agreements with tourism entrepreneurs
- Fishing and hunting licenses, snowmobiling licenses
- Forest roads
- Etc.
Thank you!