

85 Tourism firms' perceptions on payments for ecosystem services model – Case: Landscape and Recreation Value Trade

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Countries with abundant natural environments have recently attracted growing number of tourists motivated mainly by the variety of nature-based activities and attractions. The nature is the core resource in nature-based tourism and hence quality of nature as well as its accessibility are essential for service providers (e.g. Fredman & Tyrväinen, 2010). Although tourism industry benefits directly or indirectly from nature and landscape conservation, it is not usually actively engaged in or contributing to these targets. One reason for this is the lack of diverse incentives and models that enable the contribution easily (Konu & Tyrväinen, 2020).

Therefore, new instruments, such as Payments of Ecosystem Services (PES) models, are needed in nature-based tourism areas to secure the natural environments and enhance the quality of forest landscapes (e.g. Tyrväinen et al. 2014, Mäntymaa et al., 2019). The PES policies compensate communities or individuals for taking actions that support and increase the provision of ecosystem services (Jack et al., 2008). It is noted that to be efficient and generally accepted a PES scheme should be both socially and environmentally robust and fulfil the needs of stakeholders involved (Reed et al., 2017). Hence the participatory approach and mapping stakeholder perceptions have a central role in developing PES models.

This case study introduces a tourism-related PES model that will be funded by tourism sector to support landscape and recreational values of forests in Ruka-Kuusamo tourism area in northern Finland. The main idea of the Landscape and Recreation Value Trade (LRVT) is that tourism industry would compensate the loss of income from timber sales for the private forest owners, if they commit to sustain cultural ecosystem services such as biodiversity and landscape values in their forests (Tyrväinen et al., 2014; Mäntymaa et al., 2019). The focus of the model is to safeguard older forests that are already in regeneration stage and to avoid clear cuts or other intensive logging in sites important for landscape and biodiversity protection, and for tourism. As the aim

of the LRVT is to gain funding from the tourism sector, the perceptions of tourism firms have a central role for the success of the scheme. The purpose of this study is to increase understanding of tourism firms' perspective on a suggested LRVT scheme development and implementation.

The data is collected with semi-structured thematic interviews during the winter 2019 and spring 2020 in the case area. The interviewees were selected purposively to gain perspectives from different sized tourism firms (CEOs, managers or owners of the firms). The half of the interviewees were selected by the recommendation of the CEO of local tourism association and the suggested interviewees were regarded as the central tourism actors in the area. Smaller firms were selected to represent actors using nature as their operational environment. A total 9 interviews with 10 interviewees (one interview was conducted for the two owners of one firm).

The findings show that the tourism firms were not too familiar with the idea of LRVT. However, after explaining the purpose and the basic idea of the LRVT, the tourism firms' attitudes towards the model were generally positive as it was seen to support sustainability in a tourism destination. The interviewees identified diverse benefits that the LRVT can bring to the destination and for the tourism firms, e.g. it can be linked to wider sustainability and development activities in the area, it can help to maintain and enhance the nature and the landscapes, it can influence positively to customer experiences, it can bring new business opportunities and decrease tensions between tourism and forestry sector. Identified challenges of the LRVT were connected, for instance, to the concerns of possible free-riding behaviors and practicalities in putting the model in operation.

The motivations for firms to participate LRVT were manifold. Tourism firms have often adopted sustainability practices that support ecological sustainability by saving resources, such as saving water and electricity, to gain cost savings (e.g. Font

et al. 2016). In this LRVT case, these kinds of motivations were not evident as the direct connection of LRVT to business performance was not evident. Nevertheless, it seems that the more altruistic motivations to act sustainable way are growing among entrepreneurs. The diversified motivations also influenced on the willingness and ways to involve and contribute to LRVT.

The study also has managerial contributions as it brings forth tourism firms' perspectives how the model should be organized in practice. The findings of the study can be utilized in designing the acceptable PES model and in planning the awareness raising campaign in the area. The findings brought forth insight for the hoped management structure of the process as well as ideas how the contributions could be collected. Currently, this kind of local and

non-governmental funded tourism related PES initiatives are rare. Nevertheless, there is a growing pressure to find also local solutions to tackle the global sustainability challenges and well-designed PES models can be one tool that can help to reach diverse sustainability goals at local level.

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