

## **Case of Hotel Pallas – on the watershed of public and private interest**

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The enlargement of Hotel Pallas is a typical example of a case where environmental values face economic interests. Hotel Pallas is located in Pallas-Yllästunturi National Park in Northern Lapland and is the most popular Finnish national park receiving almost 490.000 visitors a year. Planning of the enlargement process begun in 2004 when the hotel entrepreneur presented his plan of expanding the hotel to the Environmental Committee of the Parliament. The Committee stated that the area was not suitable for expansion but the process continued and the law was revised in 2010 permitting the hotel entrepreneur to increase the number of beds to 320 and allowed 10.000 m<sup>2</sup> of floor space.

The Government justified the decision stating that it is beneficial to the local economy. However, it can be questioned whether the interest of a single hotel entrepreneur is the same as that of an entire community. Is it really government's duty to enhance one entrepreneur's interests while the nature, other local entrepreneurs, reindeer husbandry and environmentally-conscious tourists suffer?

Environmental NGOs WWF and The Finnish Association for Nature Conservation (Suomen Luonnonsuojeluliitto) opposed the enlargement together with the Green party. WWF proposed in its comment that accommodation possibilities could have been built outside the area of the national park without this having much of an impact on the financial development of the area. This solution would still have enabled expansion of accommodation facilities and increase in income deriving from nature-based tourism without jeopardizing the environmental value of Ylläs-Pallastunturi National Park.

The town plan is under preparation and it is expected to be approved by Muonio municipality in 2015. Future will show whether the fears of environmental NGOs will become reality and the same trend will take place at Koli National Park in North-Karelia. Koli is among Pallas-Yllästunturi National Park the only Finnish national park where a hotel remains inside a national park.