



We must protect those, who are building Greenland's future

By Mayor Lars Erik Gabrielsen (S), Avannaata Kommunia

"Local tourism operators have invested everything they have, not just money, but belief, time, and heart. As mayor, I feel responsible for ensuring they are not overrun in an unfair race, but that we create equal conditions for all."

"Now is the time for us to stand together and ensure that Greenland is built from the ground up, with the involvement of local stakeholders," says Lars Erik Gabrielsen, Mayor of Avannaata Kommunia.

Local responsibility in a growing industry

Tourism in Greenland is on the rise, and the potential is enormous. In 2024, total tourism spending was estimated at nearly 3 billion DKK, and tourism accounted for 4.9% of GDP, according to Visit Greenland's tourism accounts. However, growth does not automatically lead to local welfare, and currently; many of the benefits generated is not anchored in Greenland or its municipalities.

Tax Rules create unequal conditions

One of the challenges is that some larger tourism operators, such as those with Danish parent or group companies, take advantage of Danish tax legislation and deferred taxation.

"This means they can operate in Greenland, earn money here, and defer their taxes—effectively avoiding paying local taxes. As I see it, this especially harms the municipalities, and that's not fair," says Lars Erik Gabrielsen.

In 2024, Avannaata Kommunia—one of the country's major tourist destinations—received 7 million DKK in corporate tax revenue.

"Doing business in Greenland should be attractive, but not free. Those who use our society and infrastructure must also contribute more to the community," the mayor emphasizes.

Fair competition- not conflict

The mayor is clear that his criticism is not about creating conflict for its own sake or for personal gain.

"I'm not against competition, but it must be fair."

The personal income tax law allows incoming workers to work for up to six months in Greenland without paying local taxes. This includes guides, boat operators, and seasonal staff in restaurants and hotels.

"Of course, they contribute to the economy by shopping locally, going to cafés, and hiring local tradespeople. But so do our residents and local operators—and they do it year-round. It's the locals who maintain an attractive community for all tourism operators, all year long."



Transparency and distribution

Gabrielsen also highlights a growing issue with a lack of transparency in how tasks and activities are distributed—especially in connection with package tours sold by government-owned tourism companies. He believes there should be a requirement for such companies to be open about their criteria for selecting providers.

“We are seeing cases where a few providers get the entire season’s city walks or kayak tours, while others are left watching from the sidelines. That creates uncertainty and inequality in business opportunities.”

He proposes that Greenland take inspiration from Tromsø and Reykjavik, where municipalities and the industry have established joint agency companies that distribute tasks and customers more fairly among local tourism operators.

“We have spoken with major cruise companies, and they actually support the idea. They want to work with a neutral agency that ensures quality and fair distribution. That would strengthen quality, transparency, and local involvement,” says Lars Erik Gabrielsen.

Development across the municipality

Currently, most attention is focused on Ilulissat, but the mayor emphasizes that the rest of the municipality also has big ambitions.

“We have 3 other towns and 21 settlements in the municipality, where many dream of taking part in the tourism industry. It’s important that we don’t let unequal conditions spread.”

Urgency

The Naalakkersuisut and Inatsisartut must act quickly, both in the area of taxation and in the structural regulation of the tourism sector.

“When American investors showed interest in Greenlandic assets, a bill was rushed through the Parliament. That is the exact kind of decisiveness we need now. Otherwise, we risk tourism becoming a race to the bottom—with low prices and profits concentrated among a few.”

“We have a unique opportunity to create sustainable and locally rooted tourism. But it requires political courage and structural action to protect those building it from the ground up.”