

**CURRENT STATE AND PROSPECTS OF THE DEVELOPMENT
OF LVIV REGION BALNEOLOGICAL RESORTS****СУЧАСНИЙ СТАН ТА ПЕРСПЕКТИВИ РОЗВИТКУ
БАЛЬНЕОЛОГІЧНИХ КУРОРТІВ ЛЬВІВСЬКОЇ ОБЛАСТІ**

The paper presents the analysis of current state of the development of balneological resorts of Lviv region (Truskavets, Morshyn, Skhidnytsya) and assessment of the future prospects of their economic development at the present stage. It is shown that the problem of the analysis of the status and prospects of health resort industry is one of the most relevant in the context of building the socially oriented market economy in our country. The paper highlights the role of state authorities in this mechanism, which is to create favourable conditions for activity in the tourism and recreation sector, which will create mechanisms for investments of both large-scale and small projects. Capacity building of tourist-recreational infrastructure by attracting domestic and foreign investment is one of the priorities of socio-economic and cultural development of Lviv region.

Keywords: *balneological resorts, tourist infrastructure, health resort industry.*

Problem statement. Current complex political and economic situation in Ukraine, exchange rate fluctuations, the rapid decline in living standards of the population affected the domestic tourism industry significantly. According to the Main Statistics Directorate, the number of foreign tourists in 2014 fell by 9, comprising 10658 persons compared with 97711 in 2013, the number of tourists-citizens of Ukraine who have travelled abroad decreased from 1855499 in 2013 to 1693363 in 2014, the number of domestic tourists decreased by 1.5 times, from 217971 in 2013 to 146727 2014, the number of excursionists decreased by 1.6 times, from 42807 in 2013 to 26699 people in 2014 [8]. A tendency to the decrease in the number of tourists is observed also in the current year, and it is due to the new rules of getting Schengen visas, making traveling abroad difficult for domestic tourists.

All this determines a necessity for a temporary refocusing on domestic consumers, domestic tourism development and reassessment of potential internal recreation resources of the country for the purpose of their promotion and more effective use. The establishment of partnership relations with European countries in the field of tourism with a long-term goal of establishing joint projects and attracting foreign tourists, creation of new tourist flows, and entry of the state into the world market of resort services also requires attention. Within this framework, one of the most promising tourist destinations is Lviv region, which has a powerful balneological complex. **The topicality** of the presented research is that the problem of analysis of the status and prospects of sanatorium-resort industry is one of the most relevant in the context of building in our country socially oriented market economy.

The main purpose of this research is to analyze the current state of development of balneological resorts of Lviv region (Truskavets, Morshyn, Skhidnytsya) and assessment of the future prospects of their economic development at the present stage, because Lviv region has the prerequisites for the advanced development of medical tourism.

Analysis of recent researches and publications. Y. Zinko, M. Malska, N. Antonyuk outlined the subregions of perspective tourism development in Lviv region, developed the framework for investment activities in Lviv region and competitive areas for further development of tourist infrastructure and certain services [2]. O. Belukha and L Pavlish, proposed methodology of the economic evaluation of tourist attractiveness of the territory that provides for the identification of awareness level and economic efficiency of the operation of tourism enterprises in the region after the implementation of proper advertising [1]. O. Pharat and M. Marushchak conducted the analysis of the favorable conditions and negative factors in the introduction of innovations in the tourism sector of the region [10]. The peculiarities of the investment process within the special economic zone «Kurortopolis Truskavets» was described by Y. Mironov [4]. However, current difficult situation in the country necessitates the creation of a comprehensive regional policy in the field of tourism, the invention and use of new marketing strategies based on analysis of economic indicators and prospects for the field.

Lviv region occupies one of the leading places in Ukraine as for the availability of therapeutic resources, which are represented by 200-th healing mineral water springs of 7 types, therapeutic muds, the largest deposit of ozokerite in Ukraine. The resorts of Truskavets, Skhidnytsya, Morshyn, Nemiriv, Velyky Lubin', Shklo are based on these unique resources and are well-known both in Ukraine and abroad. The resorts are developing, creating the conditions for the prevention and treatment of respiratory, gastrointestinal, nervous and cardiovascular systems deceases, musculoskeletal system. Health resort services are one of the oldest forms of recreation in Lviv region, which is undergoing qualitative change in a current market environment. Health centres and SPA resorts of the highest European level appeared and started developing in the region.

The region has a wide network of sanatorium-resort establishments, according to the number of which the region takes the 2nd place in Ukraine (100 sanatoriums and recreational establishments, among them 46 health centers, 8 boarding houses with treatment, 8 health and recreation resorts, 6 recovery centers and 32 recreation centers and other institutions).

By order of the Cabinet of Ministers of Ukraine dated from 01.08.13 No. 638-R «On approval of the concept of the State target program of development of tourism and resorts of Ukraine for the period until 2022» tourism is recognized as one of the most promising sectors and proclaimed a priority of socio-economic and cultural development. The role of public authorities in this mechanism is to create favorable conditions for activities in the tourism and recreation sector, which will create mechanisms for investments in both large-scale and small projects. Expanding capacities of tourist-recreational infrastructure by attracting domestic and foreign investments is one of the priorities of socio-economic and cultural development of Lviv region in recent years.

SWOT analysis of the region was done during the development of Strategy of the region development using the experience and knowledge of scientists and practitioners and taking into account the proposals of interested public regional organizations. This has resulted in a primary matrix of the SWOT – analysis, Part 6 of which is devoted to tourism and recreational potential [5, p. 16]:

Table 1

Potential opportunities and threats

6. Tourism, cultural, historical and recreational potential	
Strong points (advantages)	Weak points (disadvantages)
1. High recreational opportunities	1. Insufficient use of recreational resources
2. Unique historical, cultural and natural sites	2. The lack of a modern tourism infrastructure
3. Historical ties with the Ukrainian Diaspora	3. Insufficient number of hotels and range of services
4. Balneological and recreational opportunities	4. Low level of regional promotion.
5. Base for professional athletes training	5. Insufficient quality and range of tourist services, the insufficient level of the entertainment industry
6. Favorable conditions for the development of ski tourism	

From the above we can conclude that the weak points of the industry combined with the drop in the living standards of the population and fluctuations in the exchange rate resulted in a decrease in the number of tourists balneological and spa resorts, especially in Truskavets.

In the first quarter of 2015 sanatoria and health resorts of the city received 40790 people that comprises 751 persons less than last year, or 1,8 % less (The first quarter of 2014 they received 41541 people).

As for the health institutions, the number of tourists decreased by 4582 person, or 16,5 %:

- in health resorts of CJSC «Truskavetskurort» – decreased by 6390 people, or 59,2 %;

- departmental health resorts and health institutions of other forms of ownership – increased by 1808 people, or 10,6 %, among them: «Dnipro-Beskid», «Karpaty», «Moldova», «Perlyna Prykarpattya», «Truskavets», «Shakhtar».

In recreational centers the number of tourists increased by 40 people, or 7,9 %.

In hotels the number of tourists increased by 3341 people, or 26,5 % (the leaders are hotels «Rixos Prykarpattya», «Zolota Korona» and also hotel «Svytyaz'» which opened in August 2014.

In villas the number of tourists increased by 450 people, namely «Martha», «SPA Cabin», «Christine» and «Lybov» [3, p. 6].

Table 2

Dynamics of the number of tourists in the period of 2010-2015

period	quantity of tourists, thousands
1 quarter 2010	38,7
1 quarter 2011	34,6
1 quarter 2012	41,0
1 quarter 2013	46,4
1 quarter 2014	41,5
1 quarter 2015	40,8

In general, the occupancy rate in the city resorts compared with the plan is 90,2 % (the first quarter of 2014 – 85,3 %), including:

- CJSC «Truskavetskurort» – 92,9 % (the first quarter of 2014 – 87,4 %);
- departmental health resorts and health institutions of other forms of ownership – 89,5 % (83,6 %);
- recreational centers – 94,3 % (99,6 %).

The percentage of plan completion of bed-days is 78,9 % (the 1st quarter of 2014 – 76,8 %), including:

- CJSC «Truskavetskurort» – 86,2 per cent (the first quarter of 2014 and 84,7 %);
- departmental health resorts – 76,4 % (70,7 %);
- recreational centers – 94,6 % (69,5 %).

During the period under review in health resorts of the city there were 3.4 thousand of foreign citizens from 35 countries (the first quarter of 2014 – 6.2 thousand from 36 countries), most of which were tourists from Moldova, Azerbaijan, Belarus, Russia and Uzbekistan [3].

Table 3

Dynamics of the number of foreign tourists in the period of 2010-2015

period	quantity of tourists, thousands
1 quarter 2010	5,8
1 quarter 2011	8,5
1 quarter 2012	9,8
1 quarter 2013	10,7
1 quarter 2014	6,2
1 quarter 2015	3,4

Skhidnytsya is located 20 km from Truskavets, its mineral water-spring base is unique. It also experienced a lack of tourists in 2015, though not to such extent as Truskavets. There are no so-called «thousands» – high-rise buildings of resort centers designed to accept thousands of tourists. In the mountain resort of Skhidnytsya there is almost no work with social funds for which other health centers are struggling. Large recreational centers are no longer competitive with modern health and recreational facilities. Skhidnytsya focuses on private tourists who depend on their own funds.

More tourists would come to Truskavets and Skhidnytsya, if there were good roads. It's difficult to get to the mountain resort in a car. It is not easy to get to Truskavets and Skhidnytsya by rail. In Soviet times four trains ran to the city of Truskavets. Now there is only one – «Kyiv – Truskavets».

The problem of flights also needs solution as «Kyiv – Lviv», «Baku – Lviv» and «Moscow – Lviv» are the flights that air travelers from the former Soviet countries can use to get to Truskavets or Skhidnytsya. Almost everyone who arrives to resorts from Turkmenistan and Kazakhstan do it through Istanbul as it is cheaper. The price of Ukrainian airlines and fees for the services of Lviv airport named after Danylo Galitsky is one of the highest in Europe.

The poor quality of utilities, transportation, financial, information infrastructure and the problem of transport accessibility of tourist and recreational facilities is a major factor for the low efficiency of use of the tourist potential of the region.

SWOT-analysis of the city of Morshyn, performed by specialists of Morshyn city Council, provides another significant threat to the development of the tourism industry – weak regulatory and legal framework for enterprise development, that compounds the investment climate and restrains the development of the city [9].

Table 4

SWOT-analysis of the city of Morshyn

Strong points (advantages)	Weak points (disadvantages)
good geographic location - the presence of the mineral resource base - preserved national and cultural traditions - clean environment - cheap and relatively well qualified workforce - a large number of health resort facilities - good transport links	- poor infrastructure - the movement of freight trains with chemical elements - the poor state of communications and roads of the city - disproportionate budget allocation - a small number of the population - low activity of citizens - low wages - lack of free areas - no levers of power on the police - poor treatment plants - unsatisfactory provision of urban amenities
Opportunities	Threats
- professional level of employees - ecology conservation - increase the ecology of the resort - the quality of public services - development of housing and communal services - timely payment for services - consolidation of political parties (factions) - attracting investors - the development of industry - development of various elements of the tourism, recreation and infrastructure for recreation - improving the provision of medical care	- the number of political parties (factions) - the number of denominations - outflow of active and experienced people in search of work and higher incomes abroad - weak regulatory and legal framework for enterprise development

An attempt to solve some of the problems of the industry was the approval of the Lviv regional Council's programme for the development of tourism and resorts in Lviv region for 2014-2017. The strategic objectives of the programme are:

1. Formation and approval of Lviv region as a region of tourist-recreational value.
2. Development and improvement of tourist-recreational infrastructure.
3. The creation of favourable conditions for the effective management of tourism and recreational industry of the region.

4. Increase of professional level of workers of tourist-recreational sphere.

5. Creating a safe environment for tourists.

6. International cooperation and experience exchange in the sphere of tourism and resorts [6].

Priority directions of the Program:

1. Balanced and transparent administrative and legal management of tourist and resort area.

2. Creation of favorable economic, legal and organizational conditions for attracting domestic and foreign investment in tourism and resort industry.

3. Establishing of the image of Lviv region as a region of tourism and recreational significance. Creation and promotion of tourism brand of the region in domestic and international tourism markets.

4. Conducting information and advertising work on the promotion and advocacy of tourism and resort potential of Lviv region on the global tourism markets.

5. The creation of a competitive tourist and health resort product of Lviv region.

6. The creation of a unified tourist information infrastructure.

7. Improving the system of control over the operation of tourism businesses, tour guides and guide-interpreters, operating on the territory of Lviv region.

8. Promote the development of promising forms of tourism (green tourism, active leisure) taking into account the need to ensure efficient use and protection of the environment.

9. The introduction of international standards in the system of tourist signs on the active tourism ways.

10. The introduction of standardization of the accommodation facilities in accordance with international standards.

11. Ensuring organizational measures and technical requirements for the safety of tourists.

12. Modernization of the existing material and technical base of recreational centres and resorts, creation of new recreational and tourist facilities in accordance with international standards.

13. Ensuring rational and efficient use of natural, recreational, historical and cultural resources, restoration of architectural and ethnic monuments.

14. Enhancing international cooperation in the sphere of tourism and resorts.

15. Improving the quality and expanding the range of tourist and recreational services.

16. Creating competitive and interesting tourist and resort products.

17. Providing the industry with qualified personnel.

18. The establishment of interdisciplinary and international partnerships.

19. The establishment of relations between the authorities and representatives of the business community, enhancing the authority of the regional power in the region and beyond.

On 10 July, 2015 in Truskavets «Mirotel Resort & Spa» hosted a session of the Verkhovna Rada Committee on family matters, youth policy, sports and tourism on the theme: «Actual problems of development of tourist and recreational infrastructure on the example of Lviv region». In the resolution the members of the Committee accepted the resolution stating until October 1, 2015 to submit for consideration of Verkhovna Rada of Ukraine the draft law on amending the Law of Ukraine «On resorts», with the aim of establishing clear procedure of giving the natural areas the status of resort areas of the state and local level and establishment of additional advantages of economic, financial, investment, resource character for the respective cultural areas that will receive the status of a resort of national or local importance [7].

Special attention is paid to the promotion of tourism and recreational potential of Ukraine, and appropriate financing mechanisms for its implementation, to create an attractive investment climate by creating a free tourist zones with the provision of tax incentives to potential investors and preferential long-term loans to local authorities for investment development of tourist and recreational infrastructure, the allocation of state grant funds for co-financing of effective and innovative projects aimed at improving the competitiveness of the regional tourism product, simplification of procedures and reduction of terms of issuance of permits for design and construction of health resort establishments and objects of rest and wellness infrastructure.

To solve the transport infrastructure problem it was suggested in the working out of the draft law on State budget of Ukraine for 2016 to provide funding for the construction of a road to connect the ski resorts of Lviv and Transcarpathian regions in a single travel path, the improvement of the road infrastructure to the objects of tourist attendance and to develop a strategy for direct rail link to the city of Truskavets and other resorts of the Western regions of Ukraine with other regions of Ukraine.

Conclusions. The increase in the proportion of foreign and domestic tourism, sightseeing activities should become an effective instrument of economic growth of the region. Of particular relevance is the formation and approval of Lviv region as a significant region of tourist-recreational and balneological resorts:

- design and manufacture of tourist presentation and reference materials and souvenirs with tourist logo of Lviv region;

- participation in international and domestic tourism activities

- support of the tourism web page

- organizing and conducting tourism events (forums, presentations, conferences, seminars, round tables, festivals, tours and the like).

For the development and improvement of tourist-recreational infrastructure the following steps should be taken:

- improvement of road surface in the region;

- manufacture and installation of tourist signs and information boards in Ukrainian and English languages to denote automotive tourist routes

- the development, designation and implementation of ways of active tourism (Dovbush Rocks etc),

- cartographic application for tourist and recreational resources, infrastructure and tourist routes on an electronic map of Lviv region

All this involves the performance of certain activities and tasks of the Program of development of tourism and resorts in Lviv region for 2014-2017, and the resolution of the Verkhovna Rada Committee on family matters, youth policy, sports and tourism. Special attention should be paid to the implementation of

international projects, programmes and international exchange of experience with leading experts in the field of tourism and recreation, co-financing of international assistance projects.

Problems of the industry dictate the need for creation of a comprehensive regional policy of tourism and resorts development.

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CURRENT STATE AND PROSPECTS OF THE DEVELOPMENT OF LVIV REGION BALNEOLOGICAL RESORTS

The topicality of the presented research is that the problem of analysis of the status and prospects of sanatorium-resort industry is one of the most relevant in the context of building socially oriented market economy in our country.

The main purpose of this research is to analyze current state of the development of balneological resorts of Lviv region (Truskavets, Morshyn, Skhidnytsya) and assessment of the future prospects of their economic development at the present stage, because Lviv region has the prerequisites for the advanced development of medical tourism.

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Special attention should be paid to the implementation of international projects, programmes and international exchange of experience with leading experts in the field of tourism and recreation, co-financing of international assistance projects.

Problems of the industry dictate the need for creation of a comprehensive regional policy of tourism and resorts development.

Keywords: *balneological resorts, tourist infrastructure, health resort industry.*