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SPECIFIC FEATURES OF TOURISM DEVELOPMENT IN UKRAINE: REALITY AND PERSPECTIVES

This article explores the current trends and mechanism of tourist services development market in the post-crisis period in Ukraine. The comprehensive analysis of international tourism development in Ukraine is conducted. The priority directions of state support for tourism industry development in Ukraine are defined. A mechanism for international tourism improvement in Ukraine by working out a targeted state program of tourism development in the country is offered.

Keywords: tourism development; crisis and post-crisis periods; international tourism; government support for tourism development.

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ОСОБЛИВОСТІ РОЗВИТКУ ТУРИЗМУ В УКРАЇНІ: РЕАЛІЇ ТА ПЕРСПЕКТИВИ

У статті досліджено сучасні тенденції та механізм розвитку ринку туристичних послуг у посткризовий період в Україні. Проведено комплексний аналіз розвитку міжнародного туризму в Україні. Визначено пріоритетні напрями державної підтримки розвитку туристичної галузі в Україні, запропоновано механізм удосконалення розвитку міжнародних туристичних послуг в Україні за рахунок розробки єдиної державної цільової програми розвитку туризму в країні, використовуючи програмно-цільовий метод.

Ключові слова: розвиток туризму; кризовий та посткризовий періоди; міжнародний туризм; державна підтримка розвитку туризму.

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ОСОБЕННОСТИ РАЗВИТИЯ ТУРИЗМА В УКРАИНЕ: РЕАЛИИ И ПЕРСПЕКТИВЫ

В статье исследованы современные тенденции и механизм развития рынка туристических услуг в посткризисный период в Украине. Проведен комплексный анализ развития международного туризма в Украине. Определены приоритетные направления государственной поддержки развития туристической отрасли в Украине, предложен механизм совершенствования развития международных туристических услуг в Украине за счет разработки единой государственной целевой программы развития туризма в стране, используя программно-целевой метод.

Ключевые слова: развитие туризма; кризисный и посткризисный периоды; международный туризм; государственная поддержка развития туризма.

Introduction. The role of international tourism within global economy is constantly growing. The experience of many countries demonstrates the great potential and high profitability of tourism (Bhatia, 2002; Smeral, 2001). Therefore, the constant support for international tourism from the state must be one of strategic directions of socioeconomic development of Ukraine. International tourism has a positive impact on the sociocultural development of Ukraine, stimulating the growth of the related sectors, and having a positive impact in shaping the image of Ukraine as a tourist state (Voroshylova, 2012). For the analysis of international tourism development in Ukraine, the potential of this industry should be analyzed and the institutions and instruments of its regulation should be examined.

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Literature review. The potential of international tourism development in Ukraine is really significant. Ukraine has all the prerequisites for intensive development of both international and domestic tourism, related primarily to our historical and cultural heritage (monuments of national and international importance), natural environment – the presence of sea coasts of the Black and Azov Seas, landscapes, especially the geographical location and favorable climate etc. The UNESCO World Heritage is also a component of the tourist attractiveness of Ukraine. As of January 2014, there are 981 object of the world cultural and natural heritage from the UNESCO list of which 7 are located in Ukraine (UNESCO World Heritage Centre).

There are wide opportunities for the development of various kinds of international tourism in Ukraine. Scientific and industrial potential of Ukraine is the basis for the development of scientific and business travel. A significant contribution to shaping the image of Ukraine as a tourist state is made by the holding of finals of the football championship "EURO-2012", which took place on the territory of the two host countries Poland and Ukraine in June 2012. Preparation of Ukraine for the EURO-2012 served as a powerful incentive for large-scale reconstruction of transport infrastructure. In the period of preparations to "EURO-2012", such international hotel business operators as Radisson, Intercontinental, Hyatt International, Hilton, Accor Group, Holiday Inn, Ramada Encor entered the Ukrainian market.

These conditions are the centers of gravity that attract tourists and create a potential tourism sector in Ukraine, contribute to the formation of the investment climate and stimulate the inflow of public, private and foreign investments into the renovation and construction of tourist infrastructure facilities in order to profit from international tourism.

Effective functioning of international tourism is impossible without planning, management, coordination and control of central and local executive bodies, local authorities engaged in its development. The need for state regulation of international tourism is caused by, first, specific features of tourism as an economic activity that requires the formation of a strategy in regulation of its operation, and secondly, the main trends in the development of international tourism in today's conditions, thirdly, strengthening economic, social, cultural and political role of tourism at the national and international levels, which is of great importance. The important thing in the development of tourism in Ukraine was the adoption in 1995 of the Law "On tourism" (Law # 324/95-VR, 15.09.1995) and in 2000 "On resorts" (Law # 2026-III, 5.10.2000) that are common legislative basis regulating tourism in the country.

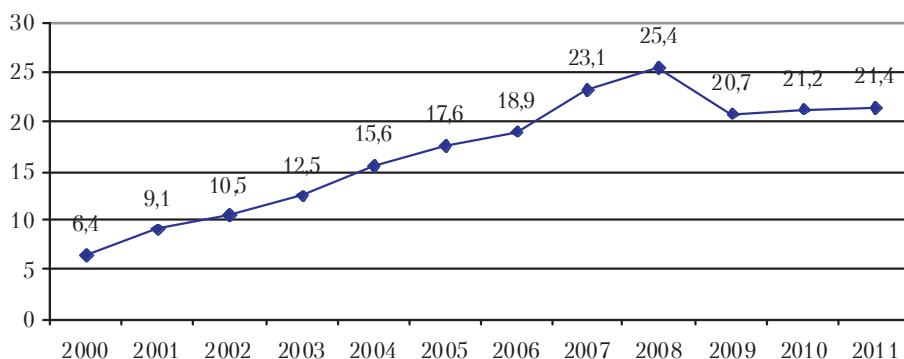
The objective of the Law "On tourism" is to create a legal framework for the establishment of tourism as a highly profitable sector of the economy and an important means of cultural development of citizens, employment, increase foreign exchange earnings, protect the legitimate rights and interests of all sides involved in tourism, the definition of their rights and responsibilities. In the Law "On tourism" tourism is described as "one of the priorities of the national culture and economy of the state" (Law # 324/95-VR, 15.09.1995).

The Ministry of Infrastructure of Ukraine is the central body of executive power in the sphere of transport, roads, tourism and infrastructure. The State Agency of Ukraine for Tourism and Resorts is the central body of executive power, which is realizing the public policy in the sphere of tourism and resorts. Activities of the State

Agency of Ukraine for Tourism and Resorts is coordinated by the Cabinet of Ministers of Ukraine through the Minister of Infrastructure of Ukraine (www.tourism.gov.ua).

The international level of organizational and management structure allows for bodies of international organizations, especially the World Tourism Organization (UNWTO) – a leading international organization in the field of tourism, which aims to create optimal conditions for the development of tourism in all participating countries. In 1997, Ukraine became the full member of the UNWTO.

Key research findings. Let us consider the dynamics of the main parameters that characterize tourism activities in Ukraine. During the period 2000–2011 the volume of inbound tourist flows to Ukraine increased almost twice (Figure 1). Thus, if in 2000 6.4 mln foreign tourists visited Ukraine, in 2011 more than 21.4 mln people became the guests of our country. The worldwide trends during the global economic crisis of 2008–2010 had a negative impact on tourism, particularly with respect to international tourist arrivals. There was a decline in its level, about -18.3% in 2009 (the total volume of international tourist arrivals amounted to 20.8 mln people, while in 2008 it was 25.4 mln people).



Source: Tourism Statistics of Ukraine (2000–2011).

Figure 1. Dynamics of inbound tourism to Ukraine in 2000–2011, mln people

To the leading countries where foreign tourists mostly came from in 2011 we should mention Russia (34%), Moldova (19.2%), Belarus (12.2%), Poland (8%), Hungary (4.2%), Romania (3.3%) and Slovakia (2.8%).

Problems and ways of mechanism optimization for the international tourism market in Ukraine. The analysis of foreign and national experience shows the need to strengthen the state's role in the formation and development of the tourism sector to improve its functioning. Development of tourism industry stimulates the growth of the related industries, especially construction and retail trade. The global economic crisis of 2008–2010, the consequences of which affected Ukraine much more than neighboring countries, has shown that many sectors of Ukrainian economy have exhausted their potential. Ukraine needs new points of economic growth, which would become the new major sources of replenishment of the national budget and would also help create jobs. According to many experts, international tourism is the sector of Ukrainian economy, the potential of which has not yet been implemented, and which can demonstrate the needed accelerated growth.

In many countries international tourism accounts for a significant share of GDP. For example, the share of tourism in the economy of France is 7.1%, Croatia – 17.0%, Greece – 15.8%, Spain – 10.2%, Russia – 6.5% (OECD, 2012). The share of tourism in the economy of Ukraine is only 1.6% of GDP, indicating that the country's tourism potential is not fully realized yet.

According to the Travel and Tourism Competitiveness Report 2011 of the World Economic Forum in 2011, Ukraine was ranked 85th among 139 countries in terms of its tourism sector competitiveness (whereas in 2010 the country was ranked 77th), the quality of roads – 74th place, by the number of places in hotels – 113th, and in terms of their affordability – 115th, openness to tourism – 88th, effectiveness of marketing and branding – 120th, by the priority of tourism for the state – 101st place (Blanke & Chiesa, 2011). In 2011, Ukraine was placed between Namibia (84th place) and Guatemala (86th). This situation requires new approaches to formation, first of all, of tourism development policy and security.

The analysis results obtained indicate that the main problem today is the lack a unified targeted tourism development program in the state of justification not only benefits the tourism industry in the country and a clear strategy spelled out a list of effective measures at the national, regional and local levels. Some other negative factors influencing the development of international tourism in Ukraine can be pointed out:

- inadequacy of the regulatory framework, which should be based on consideration of the accumulated international experience, but with amendment according to the national specifics of the tourism industry;
- lack of transport and services;
- need to improve the system of staffing in the sector, to increase professionalism;
- instability of the taxation system, especially with regard to investment in the tourism industry;
- the lack of consistency in managing the development and operation of the tourism industry and separate tourism organizations in their interaction with other entities (transportation companies, hotels etc.);
- the absence of a clear mechanism for attracting investments into the industry and nearly none regulation of this process etc.

State regulation of the tourism industry should be aimed primarily at achieving the following objectives:

- adoption of a common target program of tourism development in the country with the release of key strategic priorities and activities;
- develop an integrated concept of tourism, international tourism industry in Ukraine based on financial needs, as well as real and consistent action;
- development of regional tourism development programs and their alignment with the general purpose of the tourism development program;
- formation of regulatory support for international tourism business, and Ukraine's membership in international specialized organizations, associations and structures, signing and implementing bilateral intergovernmental agreements with respect to tourism;
- achievement of the needed quality of training in the tourism industry through changes in the education system in order to meet the needs of particular regions with consideration the peculiarities of their development;

- acceleration of the transition to a higher level of tourism organizational management and service, improving the quality of tourist services;
- a gradual increase in the number of tourists entering the country and growth in domestic tourist traffic;
- encourage investments in the tourism industry.

Due to a large number of problems the state policy should be based on the principle of separation of state regulation of the industry and the functions this industry is performing.

Thus, the mechanism of international tourism improvement in the country should assume an active influence on the situation by using the program-based method. State promotion of tourism activities in this case is realized in two areas – economic and organizational. Economic measures of state support cover direct incentives and stimulation of financial activities though (taxes, grants, investments), institutional – creating favorable conditions for tourism activities and the latter can be divided into those that define safety and those, which regulate the tourism market (easy access credit, infrastructure proximity etc).

Conclusion. Thus, only systemic state support and stimulation of the industry's development can provide a stable basis for the formation of a highly competitive national market of tourist services. To ensure public support for tourism development in Ukraine we need to take a common targeted program of tourism development in Ukraine, balancing the priority strategic objectives and resource capabilities of Ukraine, and this should be spelled out as the main objectives of the tourism industry in the short and long terms, means and methods of achieving them, sources of financing, deadlines and program-based regional development strategies.

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