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FEATURES AND PRIORITIES OF TOURISM DEVELOPMENT IN UKRAINE

The article discusses the role of tourism in the social and economic development of the separate regions and the country in general. It has been defined that in Ukraine, tourism's development significantly influences different sectors of the economy, including transport, trade, connection, construction, agriculture, manufacture of consumer goods, etc. The current state of the national tourism industry has been characterised based on analysing the dynamics of tourist flows in Ukraine. It has been determined that despite the preconditions for tourism development in Ukraine, the sector is fully growing its potential not due to the country's complicated political and economic situation. It has been established that tourist flows in Ukraine are represented by outbound, inbound, and domestic tourism, which is gradually becoming more widespread in current conditions. It has been proven that to encourage (facilitate) the development of domestic tourism in Ukraine, it is necessary to consider the set of actions which, as implemented together, would ensure the priority of domestic tourism in the context of the economic development of the country and replenishment of budgets of all levels. It has been specified that to encourage the development of domestic tourism, it is also crucial to create and ensure the efficient functioning of all required elements of the modern tourism industry, which would enable the possibility of providing excellent tourism services, as well as manufacturing and delivering consumer goods that would meet the requirements of tourists. It has been concluded that positive results of the suggested recommendations for encouraging (facilitating) the development of domestic tourism can be achieved only if implemented comprehensively and with respect to the changes in the market environment. This will allow converting the sector of tourism services into a highly profitable and competitive industry. In its turn, the transformation will guarantee the acceleration of social and economic development of not only separate regions but the country in general, contribute to the improvement in the quality of life of the population, enhance the harmonious development and consolidation of the society, and boost the promotion of Ukraine in the world.

Keywords: *tourism, tourist flows, domestic tourism, rural green tourism.*

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ОСОБЛИВОСТІ ТА ПРІОРИТЕТИ РОЗВИТКУ ТУРИЗМУ В УКРАЇНІ

Висвітлено роль туризму у соціально-економічному розвитку окремих регіонів і країни в цілому. Визначено, що в Україні розвиток туризму істотно впливає на різні сектори економіки, зокрема транспорт, торгівлю, зв'язок, будівництво, сільське господарство, виробництво товарів широкого вжитку тощо. На основі аналізу показників динаміки туристичних потоків в Україні охарактеризовано сучасний стан розвитку вітчизняної туристичної галузі. З'ясовано, що незважаючи на всі передумови розвитку туризму в Україні, внаслідок складної політичної та економічної ситуації, дана сфера розвивається не в повному обсязі. Встановлено, що туристичні потоки в Україні представлені виїзним, в'їзним та внутрішнім туризмом, який у сучасних умовах набуває дедалі більшого поширення та значення. Доведено, що для підвищення (стимулювання) розвитку внутрішнього туризму в Україні потрібно здійснити ряд заходів, які у комплексі забезпечили б його пріоритетність в аспекті економічного зростання країни та наповнення бюджетів усіх рівнів. Визначено, що для стимулювання розвитку внутрішнього туризму також необхідно створити та забезпечити ефективне функціонування усіх необхідних елементів сучасної туристичної індустрії, які б забезпечували надання якісних туристичних послуг, а також виробництво і реалізацію товарів для задоволення потреб туристів. Узагальнено, що позитивного ефекту від реалізації запропонованих напрямів підвищення (стимулювання) розвитку внутрішнього туризму можна досягти лише при комплексному їх використанні з врахуванням змін ринкового середовища, що дозволить перетворити сферу туристичних послуг на високорентабельну, конкурентоспроможну галузь, що забезпечить прискорення соціально-економічного розвитку не лише окремих регіонів, але й держави в цілому, сприятиме підвищенню якості життя населення, гармонійному розвитку і консолідації суспільства, популяризації України в світі.

Ключові слова: туризм, туристичні потоки, внутрішній туризм, сільський зелений туризм.

Tourism constitutes an integral component of world market development and is one of the most profitable industries; constantly and dynamically developed and, thus, contributes to solving a range of significant social and economic problems. Tourism generally influences the rate of economic growth, improvement of trade balance indexes, decrease in unemployment, and stability of the exchange rate in the country.

According to World Tourism Organization (UNWTO), back in 2019, the share of tourism in the world GDP was 10,4% (USD 9,2 trillion); also, it constituted 28,3% of the world export of services and 6,8% of the international trade volume. The number of industry workers exceeded 330 million people (one in ten working places worldwide), and the number of tourists was more than 1,5 billion people. However, in 2020, due to the COVID-19 pandemic, the tourism industry's contribution to the world GDP was halved [1].

Given the importance of tourism, it should be emphasised that today the industry is suffering considerable losses due to Russia's full-scale war against Ukraine. Therefore, it becomes significant to determine the potential areas of supporting and developing the tourism industry under current circumstances, as well as to search for opportunities to resume international tourist flows in the near future.

The research of theoretic and practical foundations, content, and peculiarities of tourism development in Ukraine was highlighted in the works of many native scientists, including H.V. Balabanov, I.I. Boryshkevych, I.I. Vynnychenko, L.B. Vorotina, N.A. Huk, O.M. Kalchenko, V.F. Kyfiak, O.I. Korkuna, O.P. Korolchuk, L.V. Martseniuk, T.S. Smovzhenko, T.I. Tkachenko, V.K. Fedorchenko, L.S. Kharchevnikova, L.B. Tsubov, L.M. Shulhina, O.Ya. Shcherban, V.M. Yakubiv, and others. The authors have comprehensively studied the sustainable development of tourism in Ukraine using the theoretical and applied contexts of modern tourism through the prism of the global perspective. T.I. Tkachenko (2006) suggested modifications and models of existing mechanisms of tourism administration based on active, crisis, innovative management and quality provision, which aim to ensure competitiveness in each segment of the tourism industry [2]. V.K. Fedorchenko (2002) determined the specificity of tourism infrastructure organisation and described the main stages of tourism evolution on the territory of modern Ukraine [3]. V.F. Kyfiak explored the organisation of tourism activity, which includes legislative regulation of tour operators, constituent components of tourism, and activity of travel agencies, and determines the opportunities for tourism development in the country [4]. O.I. Korkuna and others (2020) analysed the world experience and scrutinised the possibilities of applying the world practice in the development of green tourism in Ukraine; also, they outlined the set of objectives for the united territorial communities, which would ensure the development of rural green tourism in the united territorial communities of Ukraine [5]. V.M. Yakubiv and I.I. Boryshkevych (2020) analysed the role of strategic behaviour of restaurant business chief executives in expanding the competitive advantages and increasing the level of profitability of the tourism industry [6]. L.V. Tsubov and O.Ya. Shcherban (2020) investigated the peculiarities of tourism company management and outlined the major objectives for ensuring its economic security [7]. T.S. Smovzhenko and others (2020) described the existence of inter-industry connections between tourism and hotel and restaurant business and determined the benefits of investment activities in the researched industry for both the country's economy and investors themselves [8]. Nonetheless, despite the considerable quantity of work dedicated to the problems and tendencies of tourism industry development in Ukraine and the certain progress in studying tourism as the driver of social and economic development of the country, some questions within the specified area remain open for discussion and require more detailed study and analysis.

The article aims to highlight the major aspects of the modern state of tourism in Ukraine and discuss the opportunities for its development in the future by outlining certain practical recommendations. Based on the aim of the article, the following objectives have been delineated:

- Determine the role of tourism in the social and economic development of separate regions and country in general;
- Analyse the major indexes of the state of development of the tourism industry in Ukraine;
- Outline the priority areas of tourism development in Ukraine in the post-war period.

We have used a set of general scientific and special research methods to achieve the specified aim. Dialectical methods, methods of comparison and generalisation, grouping and systematisation, analysis and synthesis, and tabular and graphical representation of research results have been applied. With the help of the methods of analysis and synthesis, comparison, and generalisation, we have determined the peculiarities of the modern state of tourist flows in Ukraine in the context of outbound, inbound, and domestic tourism.

Considering the results of the conducted analysis, we have outlined the practical recommendations concerning the direction of encouraging domestic tourism as one of the defining mechanisms of developing not only the tourism industry in Ukraine but also ensuring the social and economic growth of separate regions and country in general.

Works of native and foreign scientists, data from international and national organisations, and periodicals constitute the informational basis of the research.

Tourism in Ukraine and in the world, in general, can be defined as one of the most dynamic industries that is not only constantly developing itself but also contributes to the acceleration of activities in other adjacent industries and supports the social and economic development of separate regions and country in general. According to the research data, the positive impact of tourism on economic activity is constantly increasing [9]. Tourism development in Ukraine significantly influences such sectors of the economy as transport, trade, connection, construction, agriculture, and manufacture of consumer goods. It is one of the most promising areas of structural transformation of the economy, which supports national traditions, encourages the development of national crafts and revival of recipes of interesting and delicious meals, and requires the preservation of nature and creation of favourable social conditions for its functioning.

There are all necessary preconditions for the development of the tourism industry in Ukraine. Ukraine has a favourable geopolitical location and possesses significant recreational capacities, such as favourable climatic conditions, diverse relief and landscapes, a network of transport connections, cultural heritage, etc. However, the country's complex political and economic situation hinders the tourism industry's development to the maximum possible extent. The assumption is supported by analysing the dynamics of tourist flows in Ukraine (Fig. 1).

In general, the current analysis (Fig. 1) suggests that before 2014 Ukraine had witnessed a positive tendency for growth in both inbound and outbound tourism. In 2014, the indexes related to these two tourist flow directions decreased; what is more, the index of inbound tourism decreased almost twofold (as compared to 2013, the number of foreign citizens who visited Ukraine decreased by 12 million people, i.e. by 48,48%). The main reasons for the decrease in the number of inbound (foreign) and outbound tourists are the annexation of Crimea and the military actions in eastern Ukraine.

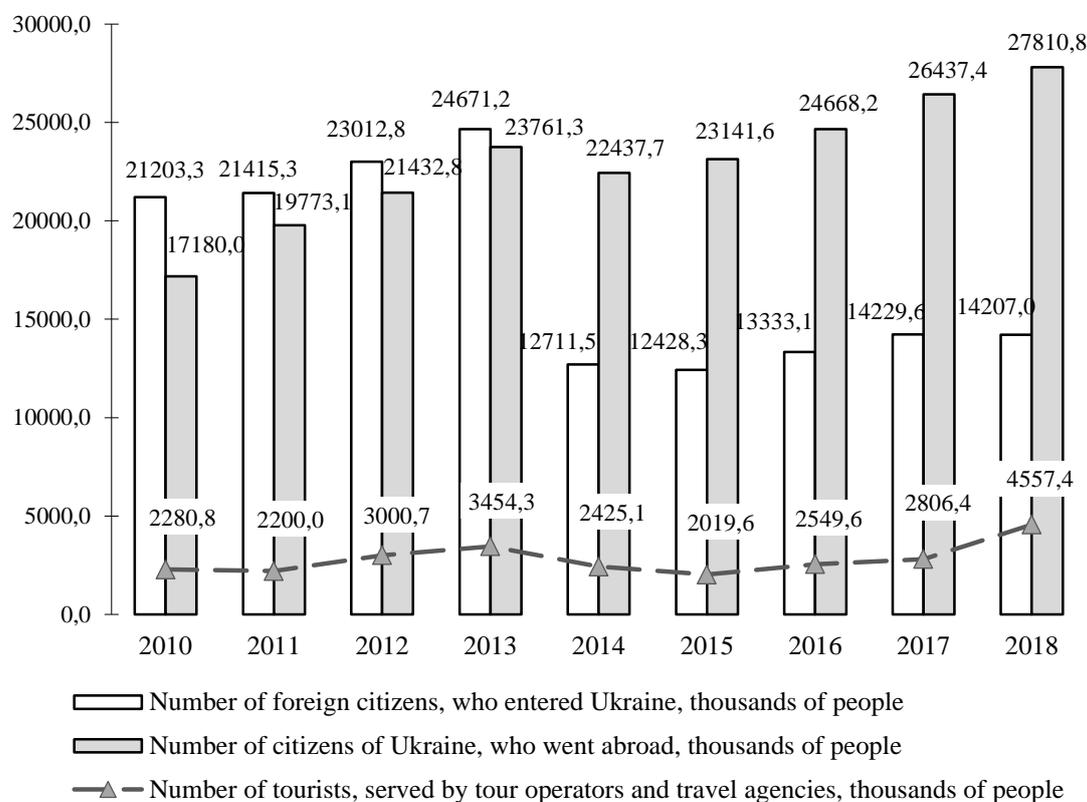


Fig. 1. Comparative dynamics of tourist flows in Ukraine in 2010–2018

Source: Compiled as based on data. *Tourism*. URL: <http://www.ukrstat.gov.ua/>

Nonetheless, the decrease in the indexes related to outbound tourism was not long-term. In 2015, the tendency for an increase in the number of outbound tourists was renewed and acquired stable and positive dynamics. Thus, in 2015, the number of citizens of Ukraine who went abroad was 23,1 million people (which is 0,7 million people (3,04%) more as compared to 2014). In 2018 – 27,8 million people (which is 5,4 million people (23,95%) more as compared to 2014 and 4,7 million people (20,18%) more compared to 2015) (Fig. 1). According to State Border Guard Service Administration, citizens of Ukraine who go abroad choose primarily trips to neighbouring (border) countries, namely Poland, Russia, Hungary, and Moldova (Table 1).

Despite the prevalence of trips to border countries, their share in the total quantity of outbound tourist flows is gradually decreasing (compared to the first half of 2017, the share of outbound tourist flows during the same period of 2019 decreased by 7,46%). Such redistribution in the structure of outbound tourist flows is explained by the introduction of visa-free regime with countries of the European Union and the amendments to the Customs Code of Ukraine.

Table 1

Top 20 countries most visited by citizens of Ukraine

№	Recipient countries	The first half of 2017		The first half of 2018		The first half of 2019	
		Thousands of people	% from the general number of outbound tourists	Thousands of people	% from the general number of outbound tourists	Thousands of people	% from the general number of outbound tourists
Border countries							
1	Belarus	570,7	4,57	627,8	4,87	559,4	4,10
2	Moldova	753,9	6,04	793,4	6,15	694,4	5,10
3	Poland	4341,8	34,77	4813,6	37,32	4599,1	33,75
4	Russia	2673,6	21,41	1847,3	14,32	2106,6	15,46
5	Hungary	1447,1	11,59	1539,4	11,93	1586,8	11,64
6	Romania	460,5	3,69	564,0	4,37	528,6	3,88
7	Slovakia	385,0	3,08	485,7	3,77	512,6	3,76
Total for border countries		10632,6	85,15	10671,2	82,73	10587,5	77,69
Non-border countries							
8	Austria	52,5	0,42	54,6	0,42	140,3	1,03
9	Bulgaria	24,0	0,19	30,1	0,23	42,9	0,31
10	Greece	40,8	0,33	49,1	0,38	70,6	0,52
11	Georgia	50,2	0,40	50,6	0,39	59,9	0,44
12	Egypt	350,1	2,80	503,00	3,90	734,4	5,39
13	Israel	71,3	0,57	70,0	0,54	69,0	0,51
14	Spain	43,4	0,35	65,3	0,51	98,0	0,72
15	Italy	71,4	0,57	138,5	1,07	180,8	1,33
16	Cyprus	24,4	0,20	34,0	0,26	42,1	0,31
17	Germany	151,7	1,21	205,6	1,59	330,9	2,43
18	UAE	90,3	0,72	87,6	0,68	99,8	0,73
19	Turkey	510,3	4,09	500,4	3,88	573,2	4,21
20	France	48,6	0,39	55,9	0,43	60,6	0,44
	Other countries	325,7	2,61	383,9	2,98	537,4	3,94
Total for non-border countries		1854,7	14,85	2228,6	17,26	3039,9	22,31
Total		12487,3	100,00	12899,8	100,00	13627,4	100,00

Source: Compiled as based on data. *Tourism*. URL: <http://www.ukrstat.gov.ua/>

In general, significant tourist flows of Ukrainians to Poland and Russia are conditioned by labour migration (temporary or seasonal) because, as citizens of Ukraine declare, the primary aim of their crossing borders is a private trip (over 85%)¹. Apart from that, it is generally known that Ukrainians frequently go to work abroad not as based on the corresponding visa but using tourist or guest visas, vouchers or invitations (based on data from the State Statistics Service in 2017 the number of citizens of Ukraine, who went abroad

¹ *Tourism*. URL: <http://www.ukrstat.gov.ua/>

with the aim of organised tourism, constituted 120,9 thousand people; meanwhile, the number of tourists using the services of tour operators and travel agencies who crossed the border for leisure and recreation, sports and specialised tourism was 2218,3 thousand people (Fig. 2, Table 2). As a rule, after the expiration of such visa, workers keep their presence in a foreign country out of public exposure because their status becomes illegal. It is impossible to make accurate estimates and calculations concerning labour migration in a separate country because migrants do not always work in the country where they planned to go or even went initially. Thus, for example, trips of Ukrainian citizens to Poland do not necessarily mean that this country is their destination. Having officially entered the Schengen area, migrants can illegally go to any other country that is a party to this agreement. In many situations, Poland becomes a transition point from which people head for Italy, Spain, Portugal, or Austria [10, p. 73].

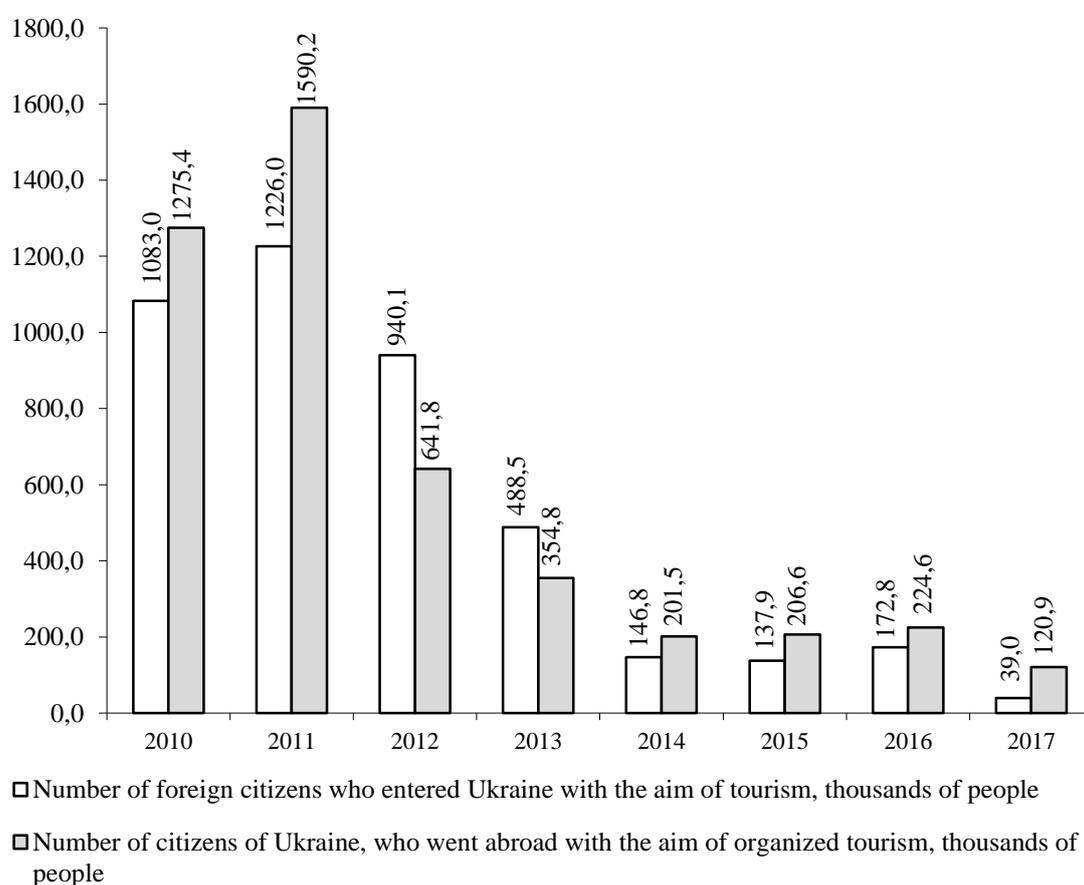


Fig. 2. Comparative dynamics of the entrance of foreign citizens and departure of citizens of Ukraine with the aim of organized tourism in 2010–2017

Source: Compiled as based on data. *Tourism*. URL: <http://www.ukrstat.gov.ua/>

Table 2

Classification of tourists served by tour operators and travel agencies as based on the types of tourism in 2017–2020, thousands of people

Category of tourists	2017		2018		2019		2020	
	Total	With the aim of leisure and recreation, sports and specialised tourism	Total	With the aim of leisure and recreation, sports and specialised tourism	Total	With the aim of leisure and recreation, sports and specialised tourism	Total	With the aim of leisure and recreation, sports and specialised tourism
Inbound (foreign) tourists	39,6	30,9	75,9	61,5	86,8	78,1	12,0	11,2
Outbound tourists	2289,8	2218,3	4024,7	3928,8	5524,9	5411,2	2125,7	2108,5
Domestic tourists	477,0	273,2	456,8	261,6	520,4	298,2	222,6	155,8
Total	2806,4	2522,4	4557,4	4251,9	6132,1	5787,5	2360,3	2275,4

Source: Compiled as based on data. *Tourism*. URL: <http://www.ukrstat.gov.ua/>

It is worth noting that the trends of developed tourism in Ukraine have undergone significant changes due to the COVID-19 pandemic. In 2020, the number of tourists served by tour operators and travel agents decreased by almost half. However, the number of incoming tourists in 2020 was only 14% (12,0 thousand tourists) of 2019 (Table 2, Fig. 3).

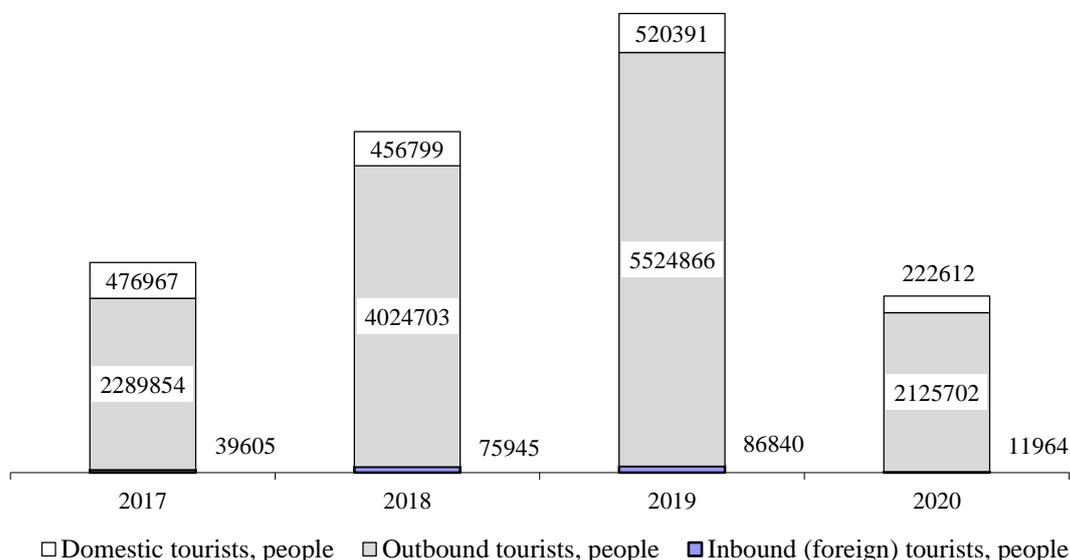


Fig. 3. Comparative dynamics of the number of tourists served by tour operators and travel agencies in 2017–2020

Source: Compiled as based on data. *Tourism*. URL: <http://www.ukrstat.gov.ua/>

The dynamics analysis of the number of tourists served by domestic tour operators and travel agencies (Fig. 3) gives us a chance to conclude that domestic tourism is widespread among the citizens of Ukraine based on data from the State Statistics Service of Ukraine, half of domestic tourism (50%) is constituted by tourist flows organised with the aim of leisure and recreation, as well as sports and specialised tourism². Apart from that, it should be emphasised that unlike outbound and inbound tourism, domestic tourism is included in statistics not fully. This fact is primarily connected with the peculiarities of organisation and execution of internal flows [11, p. 851]:

- Domestic tourists do not cross any state borders;
- Frequently, domestic tourists do not use the services of tourism industry companies (including tour operators and travel agencies) but prefer self-organised (non-organised) tourism;
- In most cases, domestic tourists use private houses or rooms as places of temporary accommodation (residence);
- There is no necessity to purchase any tourist health insurance;
- The practice of using the services of excursion bureaus is absent.

In general, domestic tourism can be defined as trips within the territory of Ukraine conducted by Ukrainian citizens and people who permanently reside in the country³. Domestic tourism aims to recreation, satisfaction of cognitive interests, sports, etc. [11, p. 849–850; 12, p. 389]. In Ukraine, domestic tourism is represented primarily by two major types: visiting places of interest (including cultural and historical monuments) and rural green tourism. The latter is becoming more widespread, and its level is improving year by year. Thus, for the sake of earning money, natives from villages offer tourists to try different sports, entertainment, cultural, and educational activities, such as hiking and horseback riding, road trips, contemplation of historical monuments and places, visits to ancient village houses, museums, observation of wildlife, relaxation, etc. It is a common practice to involve tourists in agricultural jobs, such as vegetable growing, beekeeping, and gathering berries, fruit, herbs, and mushrooms. It is always exciting for guests to get acquainted with rural life, local cuisine, traditions, and cultural heritage [13, p. 162].

The analysis of the rural green tourism map of Ukraine proves that tourist zones and routes are connected with the most valuable elements of the ecological carcass of Ukraine, i.e. forestland, crystal-clear rivers, sea coast, lakes and water storage reservoirs, as well as architectural complexes of small towns and villages. Today the main regions of rural green tourism in Ukraine include resort areas. In particular, this kind of tourism is actively developing in the Carpathian area, namely Ivano-Frankivsk, Zakarpattia, and Lviv regions. The quantity of “green” homesteads is also increasing in Chernivtsi and Volyn regions. Such homesteads also appear in the central part of Ukraine in Kyiv, Cherkasy, and Vinnytsia regions [14, p. 126–127].

² The same.

³ Law of Ukraine “On Tourism”. 15.09.1995. № 325/95-BP. URL: <https://zakon.rada.gov.ua/laws/show/324/95-%D0%B2%D1%80#Text>

It is necessary to emphasise that the development of domestic tourism is particularly important nowadays. Under the conditions during a full-scale war, this kind of tourism is becoming more widespread among the citizens of Ukraine, including those who used to opt for having their vacation abroad. Apart from that, domestic tourism remains the defining factor for increasing the quality of life in Ukraine, creating additional working places, replenishing the country's foreign exchange reserves, and promoting its authority in the international field [15, p. 192–194]. Additionally, this direction has a positive influence on increasing revenues to the state budget of Ukraine. Thus, in 2018, the consolidated state budget of Ukraine received 4,2 million UAH from companies in the tourism industry, which is twice and a half as much as in 2017⁴.

In our opinion, the set of actions needs to be implemented to encourage (facilitate) the development of domestic tourism in Ukraine (Fig. 4) [16, p. 145–146]. Once taken comprehensively, these actions will ensure high priority of this kind of tourism in the context of economic development of the country and replenishment of budgets of all levels.

According to the suggested scheme (Fig. 4), potential recommendations for encouraging (facilitating) the development of domestic tourism in Ukraine include the following [16, p. 145–148]:

1. Organisation and supplementation of tour packages of different domestic tour operators who provide services for both domestic and foreign tourists on the territory of Ukraine with festive, thematic, and excursion programs for weekends across famous sites of Ukraine. As it is known, Ukraine can offer interesting tourist routes and trails to tourists, including foreign ones, because it possesses a significant natural capacity, sufficient leisure infrastructure, numerous historical and cultural places, etc.

2. Enhancement of the role of local authorities in the area of advertising and promotional activity; contribution to promotion and popularisation of the expediency of conducting tourist trips to different regions of Ukraine among citizens of Ukraine and people who reside on the territory (description of tourist and recreational potential of regions through mass media, Internet, etc.; organisation and conduct of large-scale press tours for mass media and different entities of the tourism industry, including foreign ones).

3. Regular organisation and conduct of festivals, fairs, promotional tours, methodological seminars, conferences, and other educational and informational events in different tourist regions concerning exchanging practical experience in tourism. Diverse festivals, sports competitions, and national entertainments play an important role in tourism development. Execution of similar events will allow the increase of inbound and outbound tourist flows in separate tourist regions.

4. Facilitation of the process of organisation and/or participation of representatives of local authorities, tourism industry companies, and businesses of separate tourist regions in domestic and international tourist fairs, exhibitions, festivals, and other events at different levels.

⁴ Last year, revenues to the budet from the tourism industry increased by 2,5 times. URL: <https://www.ukrinform.ua/rubric-tourism/2678086-torik-nadhodzenna-do-budzetu-vid-turisticoi-galuzi-zrosli-u-25-raza.html>

Potential areas of encouraging domestic tourism development	
	Organization and supplementation of tour packages of different domestic tour operators with festive, thematic, and excursion programs for weekends across famous sites of Ukraine
	Enhancement of the advertising and promotional activity; contribution to popularization of the expediency of conducting tourist trips to different regions of Ukraine among citizens of Ukraine and people who reside on the territory (description of tourist and recreational potential, etc.)
	Regular organize and conduct of festivals, fairs, promotional tours, methodological seminars, conferences, and other events in different tourist regions concerning the exchange of practical experience in the realm of tourism
	Facilitation of the process of organization and/or participation of representatives of local authorities, tourism industry companies, and businesses of separate tourist regions in domestic and international tourist fairs, exhibitions, festivals, and other events at different levels
	Public authorities should conduct training of specialists in compilation and analysis of business plans of investment projects, form special delegations (out of representatives of authorities and businesses of separate tourist regions) that would visit potential donor countries and attend target conferences together with the presumptive corporate investors
	Creation of conditions required for the promising kinds of tourism (including ecotourism, cycling, and rural green tourism), as well as establishment of agro-homesteads and favorable conditions for the reception of tourists
	Local authorities of tourist regions should conduct liberal administrative and tax policy; and carry out regional branding with the aim of encouraging private investment initiatives

Fig. 4. Potential areas of encouraging domestic tourism development in Ukraine

5. Public authorities should conduct training of specialists in the compilation and analysis of business plans of investment projects, form special delegations out of representatives of authorities and businesses of separate tourist regions that would visit potential donor countries and attend target conferences together with the presumptive corporate investors.

6. Creation of conditions required for the promising kinds of tourism, as well as establishment and development of the network of agro homesteads and provision of favourable conditions for reception and recreation of domestic and foreign tourists.

It is known that nowadays, ecotourism, cycling, and rural green tourism are the most popular and widespread kinds of the tourism industry. Although they are curious and promising, these kinds of tourism have not been equally developed in all tourist regions of Ukraine yet. That is why, to increase the development of the tourism industry in their

regions, local authorities should pay significant attention to the strategic directions of these kinds of tourism formation.

7. Local authorities of separate tourist regions should conduct liberal administrative and tax policy and carry out regional branding to encourage private investment initiatives.

In our opinion, the conduct of liberal administrative and tax policy aimed at raising investments in tourism development in the post-war period should, first and foremost, presuppose the following:

- Application of discounts or minimum rates during calculation and payment of tourist tax for newly created companies in tourism industry (tourism companies involved in the organisation and selling of tours and companies providing hospitality services, such as hotels, motels, guest houses, campsites, recreation facilities, etc.) during a certain period;

- Annulment of tourist tax for tourism industry companies which are working on the development of ecotourism and rural green tourism;

- Exemption from land rent for business entities which plan to construct new tourist objects (including those with involvement of foreign investments) on the territory of tourist regions for the period of object construction and the period of payback of tourist infrastructure object;

- Application of discounted rates for public utility services of tourist infrastructure objects of a certain tourist region that belong to national and communal property (sanatoriums, recreation facilities, museums, etc.);

- Reduced inspections of all tourist infrastructure objects and simplification of the system of obtaining permit documents at district levels.

As far as actions concerning rebranding (one of the most efficient marketing tools, which gives a chance to develop sustainable regional development strategy aimed at ensuring the competitiveness of a region, positioning of tourist products in Ukraine and abroad, formation of positive image) at a regional level are concerned, they should presuppose creation of the following:

- Legal and regulatory framework for raising investments for tourist regions;

- Regional fund for insurance of investment resources;

- Specialised regional agency for coordination of investment activity of a region.

Apart from the specified directions of encouraging (facilitating) the development of domestic tourism in Ukraine, it is also crucial to create and ensure the efficient functioning of all required elements of the modern tourism industry (food and beverage establishments, transport, trade, cultural and educational institutions, etc.), which would enable the possibility of providing excellent tourism services, as well as manufacturing and delivering consumer goods that would meet the requirements of tourists. Unless the suggested recommendations are implemented, the transition to a full-fledged market of tourism services and the comprehensive development of international investment activity will remain practically impossible. In general, the development of domestic tourism is not only relevant but also quite attractive for foreign investors because their initial (primary) expenses will be repaid in a relatively short time, and simultaneously the material basis for a further business activity of foreign capital will be created.

Conclusion. Thus, in order to encourage (facilitate) the development of domestic tourism in Ukraine, it is necessary to do the following: use natural and recreational resources and competitive advantages of separate domestic tourist regions with maximum efficiency; expand the database of investment resources through preferential mechanisms of tax, customs and crediting policy; simplify the procedures of organisational and bureaucratic character; develop and modernise tourism infrastructure at regional levels.

In general, it can be concluded that each of the suggested areas of encouraging (facilitating) the development of domestic tourism in Ukraine has a significant impact on establishing (assuring) a sufficiently dynamic level of tourism industry development in the country because, as it is known, the services of domestic tourism can be used not only by domestic but also by outbound tourists. Apart from that, domestic tourism facilitates the development of adjacent industries and areas, which generally allows for improving the economic situation through increasing revenues to local budgets. Nonetheless, the specified recommendations should be implemented comprehensively and with respect to the changes in the market environment. This will allow converting the sector of tourism services into a highly profitable and competitive industry that is oriented at the world tourism market. In its turn, the transformation will guarantee the acceleration of social and economic development of not only separate regions but the country in general, contribute to the improvement in the quality of life of the population, enhance the harmonious development and consolidation of the society, and boost the promotion of Ukraine in the world.

Considering the importance of domestic tourism, it is obvious that its role and popularity will only increase in the post-war period. Therefore, already today, it is important to work on implementing the proposed measures to achieve a rapid recovery of the tourism industry in Ukraine as soon as possible after the end of the war.

In our opinion, further research should be focused on the elaboration of the investment program for developing domestic tourism in the post-war period, which should include the complex of practical recommendations concerning the development of tourism services area, particularly in the context of creating favourable conditions for involving investments (including foreign ones) into the development of material and technical basis and the creation of tourist goods and services, which would fully correspond to the needs of domestic and world market of tourism.

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