Economic-organizing mechanisms of strategy priority realization of tourism and recreation development in the North-West of Russia

The article is devoted to the problem of definition of organization and economic mechanisms, contributing to effective implementation of strategic priorities in tourism and recreation development at macroregion level (NWFD). The article also grounds the statement, according to which initiation of mentioned mechanisms gives essentially new possibilities for development of tourism and recreation at the level of separate municipalities and regions of NWFD. The conditions/factors that constrain and promote mobilization of organization and economic mechanisms are considered as well; it provides recommendations on improvement of current management in tourism/ recreation sector at macroregion level.

Regional development of tourism and recreation; a tourism and recreation infrastructure; tourism and recreation territories / areas; destinations; tourist corridors; tourist product; organization and economic mechanisms; strategic priorities.

The North-West of Russia has a great tourist recreational potential which makes it possible to develop almost all types of tourist recreational activity in its area. 34% of all historic and cultural monuments of the RF are concentrated in the North-West including 5 out of 15 objects designated by UNESCO as World Heritage Sites: historic center of Saint-Petersburg, its suburbs and fortifications, the architectural ensemble of Kizhsky Pogost; historic center of Veliky Novgorod and the monuments of its suburbs; cultural and historic ensemble “The Solovetsky Isles”; the ensemble of the Ferapontov Monastery. Every seventh national park and nature reserve of Russia, a lot of ancient strongholds and monasteries, archaeological monuments, memorial estates and so on are in the North-West.

Considerable areas of NWFD and first of all the territories of the Komi Republic, the Arkhangelsk Oblast and Nenets Autonomous District are the least developed European areas from the point of view of tourism and recreation. That is why they attract great interest of many domestic and foreign wildlife lovers. In particular, nature conservation complex “The Virgin Forests of the Komi Republic” (the state nature reserve “Pechyoro-Ilychevsky” and the national park “Yugyd Va”) designated by UNESCO as World Heritage Site in 1995
has a unique tourist potential (reference: the second designated natural monument in the North-West together with Lithuania is “Kurshskaya Spit”).

Table 1 presents all quantitative characteristics of distribution of main NWFD tourist recreational resources in accordance with the RF regions.

According to the Russian specialists’ estimations the total capacity of recreational informative resources of the North-West is 52 million people per year including 8,1 million people in the Murmansk, Arkhangelsk and Vologda Oblasts, the Karelia and Komi Republics; 42,1 million people in Saint-Petersburg, the Leningrad, Pskov and Novgorod Oblasts; 1,8 million people in the Kaliningrad Oblast [1].

According to the most optimistic estimations only 15 – 17% of the potential in question is being used in NWFD nowadays. Taking into account the fact that an average tourist spends about 100 dollars a day in the regional destinations the amount of non-received profit from the tourist recreational sphere of NWFD comes to hundreds of millions dollars. These non-received profits are the reserves for the effectiveness growth of the regional tourist recreational sector functioning, accelerated mobilization of such reserves is caused by scientific choice of strategic priorities of its further development.

Strategic priorities are established in the process of studying corresponding both world and Russian tendencies and factors which contribute to and deter tourism and recreation development in the region.

The main tendency in the sphere of tourism and recreation development in the North-West of the RF is to attract tourists’ attention: to environmentally safe areas which are not used as economic land; to active types of tourism, which mean attending as many destinations as possible within one trip; to event tourism, sanitaria and health tourism, sea and river cruises, club and family unorganized tourism, local tourism including the so called week-end tourism and rural (dacha, country, farm) tourism.

There are some positive factors which contribute to tourism and recreation development in NWFD: diverse and unique recreation potential; rich historical and cultural heritage; great potential of hospitality; a strong system of personnel training and retraining in the tourism and recreation industry etc.

The negative factors which deter tourism and recreation development in the region are the following: low level of intraregional cooperation in the process of tourism and recreation development; irregularity of tourism and recreation development in NWFD; lack and imbalanced development of infrastructure objects (accommodation, entertainment industry and so on); underdevelopment of transport network especially in northern parts of NWFD; slack marketing; severe competition with domestic

| Table 1. Distribution of Main NWFD Tourist Recreational Resources in Accordance with the RF Regions |
|-------------------------------------------------|-----------------|-----------------|-----------------|-----------------|
| The RF regions included in NWFD               | Natural attractions included on the list of specially protected natural territories (SPNT) | Part of SPNT relative to the whole territory of the RF region, % | Number of historical and cultural attractions |
| Number | Area, thousands of hectares | Number | Area, thousands of hectares | Number | Area, thousands of hectares |
|------------------------------------------------|-----------------|-----------------|-----------------|-----------------|
| The Republic of Karelia | 162 | 947.1 | 5.50 | 4 000 |
| The Komi Republic | 289 | 6 083.0 | 14.63 | 1 273 |
| The Arkhangelsk Oblast (including Nenets Autonomous District) | 114 | 7 218.4 | 12.29 | 3 000 |
| The Vologda Oblast | 149 | 749.4 | 5.14 | 3 500 |
| The Kaliningrad Oblast | 70 | 139.3 | 6.64 | 3 900 |
| The Leningrad Oblast | 40 | 570.0 | 6.64 | 3 900 |
| The Murmansk Oblast | 121 | 356.2 | 6.44 | 4 631 |
| The Novgorod Oblast | 28 | 364.3 | 6.59 | 3 000 |
| The Pskov Oblast | 6 | 2.1 | 1.49 | 7 783 |
| Saint Petersburg | Total in NWFD | 1 045 | 17 863.0 | 10.64 | 33 745 |
(predominantly Moscow) and foreign tourist agencies for using tourist recreation resources of NWFD and tourist streams.

The solution of many problems caused by the negative factors and tendencies mentioned above is closely connected with the process of accelerated development of the integrated tourist recreational space\(^1\) in the North-West of Russia. Intensification of this integration process is becoming of high priority for macroregion nowadays that is made for by the following:

1. The necessity of creation of the preconditions to develop general regional coordinated policy in the sphere of tourism and recreation development including its orientation towards other regions/ countries. The higher the level of intraregional integration is the stronger and economically more beneficial the positions in the strategic prospective will be achieved by certain regions of the District in the process of their collaboration with other Russian regions and foreign countries. As far as NWFD was formed not long ago on the basis of the regions which were part of the North, North-West and Baltic (the Kaliningrad Oblast) economic districts it has rather low level of intraregional cooperation. This fact makes for integration vacuousness which has a tendency to be quickly filled with not always economically beneficial integration with other Russian regions or foreign countries.

2. The necessity of creation of macroregional conditions for effective development of territorial division of labour in the sphere of tourism and recreation that will lead to progressive territorial forms of specialisation, concentration, combination and cooperation which are going to provide rapid occurring everywhere development of tourist recreational resources of the macroregion.

3. The necessity of considerable increase of tourism and recreation contribution to the macroregional economy on account of:

- as full and effective usage of the existing tourist recreational resources as possible;
- joint realisation of large-scale intraregional programs and projects on formation and development of the priority tourist recreational areas, tourist corridors, all-regional objects of tourism and recreation infrastructure;
- elimination of unjustified duplication of investments; transition of competition for tourist streams and investments from the intraregional level to the macroregional one;
- improvement of management of various processes in the sphere of tourism and recreation.

4. The necessity of transition to new principles of territorial organisation of tourist recreational activity based on cluster approaches.

The necessity of rapid creation of the single tourist recreational space makes for the following sub-priorities which are closely connected with its realisation:

- improvement of territorial organisation of tourist recreational activity in the macroregion;
- rapid development of objects of tourism and recreation infrastructure;
- creation and promotion of competitive all-regional tourist products to domestic and international markets;
- development of macroregional and international collaboration in the sphere of tourism and recreation;
- improvement of strategic territorial planning in the sphere of tourism and recreation.

1. Improvement of territorial organisation of tourist recreational activity in the macroregion.

The governing condition of rapid creation of a single tourist recreational space in NWFD is improvement of territorial organisation of tourist recreational activity on the basis of integration principles.

Macregional, intraregional and international tourist corridors which contain main

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\(^1\) According to the author, tourist recreational space is a geographic defined area («receptacle») where tourist recreational resources are located and the system of organisational economic relationships concerning their usage and development is functioning.
regional tourist streams are the basis of the organisational framework of territorial organisation of tourist recreational activity in the macroregion. Macrotegional tourist corridors are formed on the basis of the existing transport utility lines (water, railway, road) and determine the conditions (including the comfort level) of transferring tourists from one destination to another. The corridors can be short (up to 500 kilometers), middle-sized (from 500 to 1 000 kilometers) and long (more than 1 000 kilometers; tabl. 2). The geographical direction (West-East-West/ North-South-North) determines latitudinal and meridional character of tourist corridors, their total set presents territorial network with junctions in the most attractive tourist recreational territories as a rule (TRT; tabl. 3). The higher the intraregional density of tourist corridors is the more intensive the integration processes which are connected with development of tourist recreational potential in the area.

The basis of TRT including data from table 3 is specially protected natural and historic-cultural territories which provide steady tourism and recreation development.

On the whole the current level of SPNT (specially protected natural territories) development corresponds to the European level that is 10 – 12% of the total territory of the country/region (tabl. 1). However it is considerably differentiated among the NWFD regions. Thus, in most cases SPNT share is no more than 7% of the total territory but in the Murmansk and Arkhangelgsk Oblasts, the Komi Republic it makes up 9,9, 12,3 and 14,6%, respectively. Such a large scale SPNT development in the named regions is mainly caused by the needs to compensate intensive subsoils usage on their territories while running oil and gas wells, coal and other natural resources mines, logging. Moreover, according to the existing projects, it is planned to considerably enlarge SPNTs in the nearest future. In particular, the SPNT in the Arkhangelgsk Oblast and Nenets Autonomous District will be enlarged up to 33,9% of the total area of the region.

The situation is not the same in the western regions of NWFD where there is a desperate shortage of SPNTs and recreational zones. Weak control over the processes of property and mainly of high-value recreational suburban areas privatization can lead to the axe of tourist recreational potential in the regions and as a result to the possibility of the equal access of both local population and coming tourists/recreants to the recreational resources. In this connection the formation of SPNTs and recreational zones in modern Russian conditions is the form of maintenance of the land for mass tourism and recreation development. It will also allow to escape considerable economic loss for federal and regional budgets that can be connected with the necessity to buy recreational areas from landowners by the state. This item of expenditure is the most considerable one in the structure of state costs on tourism and recreation development in many countries of the world, first of all in the USA.

The most effective organisational economic mechanisms aimed at development of SPNT macroregional system are the following:

⇒ Rapid legal implementation of the revealed and planned SPNTs (receiving the corresponding status of a federal or regional nature reserve or wildlife preserve, national or natural park etc.).

⇒ Development of new SPNTs and specialized recreational zones mostly in suburban areas of NWFD cities — Saint-Petersburg, Arkhangelgsk, Vologda, Kaliningrad, Murmansk, Petrozavodsk etc.

\(^2\) According to the author TRT is a rather large area which has a considerable tourist recreational potential. In such a context the notion “TRT” is very close to the notion “destination” which is defined as a territory with high concentration of objects of tourist attraction. In its turn a tourist area is part of TRT and tourist recreational activity development is a great priority for it (even the only possible one in case of closely protected territories) in comparison with the rest types of activity. In some cases (with specially protected natural and historic-cultural territories) the boundaries of TRT and tourist area can coincide.
**Table 2. Main Operating and Potential Tourist Corridors in the North-West of Russia**

<table>
<thead>
<tr>
<th>I. Long corridors</th>
<th>Latitudinal Corridors</th>
<th>Cruise Corridors</th>
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<tr>
<td><strong>Meridional Corridors</strong></td>
<td><strong>I. Long corridors</strong></td>
<td><strong>I. Long corridors</strong></td>
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<tr>
<td>1.2. “Silver Ring of Russia” (road,railway), option: Saint-Petersburg – Pskov – Veliky Novgorod – Staraya Ladoga – Saint-Petersburg</td>
<td>1.2. “Hansa Route” (land option): “Via Hanseatica”: along the Baltic Sea coast from Lyubek to Saint-Petersburg/ Veliky Novgorod</td>
<td>II. Middle-sized and Short Corridors.</td>
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<tr>
<td>1.2.2. To the south-east: Petrozavodsk – the Volga-Baltic Route – Moscow – the Volga River – the Caspian Sea (“From Varangians to Khazars”) and the Black Sea</td>
<td>1.2.1.2. Novaya / Staraya Ladoga – Shлиsselburg – the Neva River – Saint-Petersburg/Gulf of Finland</td>
<td>2.1. “Silver Ring of Russia” (road, railway), option: Saint-Petersburg – Pskov – Veliky Novgorod – Staraya Ladoga – Saint-Petersburg</td>
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</tbody>
</table>
Table 3. Main Tourist Recreational Territories and Objects of Tourist Interest in the North-West of Russia

<table>
<thead>
<tr>
<th>NWFD Regions</th>
<th>Tourist Recreational Territories (TRTs) and Objects of Tourist Interest</th>
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<tbody>
<tr>
<td>The Republic of Karelia</td>
<td>TRT “Petrozavodskaya”: HCAM of Petrozavodsk; SCP “Kizhi”; health resort “Martsialnye Vody” and waterfall “Kivach”; HCAM of Syktyvkar including the National Museum and the Komi Republic Gallery; religious objects; Beloborsk Wildlife Preserve; SCP “Malye Karely” (25 kilometers from Arkhangelsk); the Mudiyuga Culture Preserve; the ancient Novgorod language, way of life, ethnic aspect, Old Belief are in state of preservation; the Kirillo-Belozersky and Ferapont Monasteries; NP “Russian North”</td>
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<tr>
<td>The Komi Republic</td>
<td>TRT “Syktyvkar”: HCAM of Syktyvkar including the National Museum and the Komi Republic Gallery; religious objects; Beloborsk Wildlife Preserve; TRT “The Virgin Forests of the Komi Republic”: SR “Pechoro-Ilychsky”; NP “Yugyd Va”; NM “The Weathering Columns” (1 out of the 7 Wonders of Russia); TRT “Ust-Tsilemskaya”: the most ancient settlement in the Komi Republic (1542); HCAM of resort towns of Zelenogorsk, Svetlogorsk, Otradnoye and so on; recreational sand, developed service infrastructure; the unique plant which extracts and works amber (settlement Yantarny)</td>
</tr>
<tr>
<td>The Arkhangelsk Oblast (including Nenets Autonomous District)</td>
<td>TRT “Arkhangelsk”: HCAM of Arkhangelsk; SCP “Maloye Karelo” (35 kilometers from Arkhangelsk); the Mudiyuga Culture Preserve; TRT “Solovetskaya”: SCP “Solovetsky”, the Solovetsky Monastery; masonries and labyrinths; the most ancient settlement in the Komi Republic (1542); HCAM of resort towns of Zelenogorsk, Svetlogorsk, Otradnoye and so on; recreational sand, developed service infrastructure; the unique plant which extracts and works amber (settlement Yantarny)</td>
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<tr>
<td>The Vologda Oblast</td>
<td>TRT “Vologda”: HCAM of Vologda (the Kremlin and so on); town neighborhood with the mansions of the nobility and homeland of famous Vologda butter; TRT “Kirolo-Belozerskaya”: the Kirillo-Belozersky and Ferapont Monasteries; NP “Russian North”</td>
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<tr>
<td>The Kaliningrad Oblast</td>
<td>TRT “Kaliningrad”: the cathedral with the grave of I. Kant; fortification works; the Amber Museum; theme parks; TRT “Kurskaya Spit”: NP “Kurshskaya Spit”; sand-drifts (up to 60 meters in height); one of the first in the world ornithological station</td>
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<tr>
<td>The Leningrad Oblast</td>
<td>TRT “Staroladozhskaya”: SCP “Staraya Ladoga”; HCAM of Novaya Ladoga, the first hydropower station in Russia (Volkhov); TRT “Vyborskaya”: The Vyborg Castle with St. Olaf Tower and the museum; SCP “Monrepo Park”; burying place of Swedish ships near the Krestovy Cape</td>
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<tr>
<td>The Murmansk Oblast</td>
<td>TRT “Murmansk”: HCAM of Murmansk; Russian holiday camp of sea arctic tourism; the museum-aquarium on Semyonovsky Lake; TRT “Khibini Mountains”: ski resort of NWFO (Apatity, Kirovsk, Monchegorsk); functioning NP “Lapland”; NP “Khibini” is being planned; TRT “Kandalakshskaya”: HCAM of Kandalaksha and other settlements; functioning SR “Kandalakshsky” and SCP “Kutsa”</td>
</tr>
<tr>
<td>The Novgorod Oblast</td>
<td>TRT “Velikiy Novgorod”: the Novgorod SCP with unique landmarks of the XI–XV centuries (the Novgorod Kremlin with St. Sophia Cathedral, monasteries and churches with wall painting of Theophanes the Greek and so on); NP “Vostochno-Ilimsky”; oak-groves</td>
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<tr>
<td>The Pskov Oblast</td>
<td>TRT “Pskov”: the Pskov SCP with the Krom town, the Domtov town and assembly square; numerous monuments of religious architecture (churches, cathedrals, monasteries – XII–XVII centuries) and secular architecture (stone palaty of the Pogankins, the Menshikovs, the Ruisinovs and others – XVII century); TRT “Pechoro-Izborskaya”: the ensemble of the Pskov Dormition Monastery of the Caves; SCP “Izborsk”; the museum of Setu People “Sigovo”</td>
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<tr>
<td>Saint-Petersburg</td>
<td>TRT “The Historic Center of Saint-Petersburg”: The State Hermitage; The State Russian Museum; The State Museum “Peter and Paul Fortress”; TRT “Palace-Park Museum Complexes of Saint-Petersburg Suburbs”: SCPs “Tsarskoye Selo”, “Pavlovsk”, “Peterhof”, “Oranienbaum”; museums and fortification works in Kronstadt; TRT “Kurortnaya”: sanitarium and health resorts in Zelenogorsk, Sestroretsk, Repino; recreational sand and developed service infrastructure</td>
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</table>

Development and implementation of regional targeted programs (RTPs) and later the all-District targeted program similar to the functioning RTP in the Leningrad Oblast “Support and Development of Specially Protected Natural Territories in the Leningrad Oblast till 2010”. The part of the programs connected with organisation of regulated recreation within the boundaries of every SPNT should be emphasized most of all in comparison with the existing state of affairs. Such points as the system of routine measures, organisational economic mechanisms of their realisation must be touched upon in the programs. The mentioned mechanisms are connected with the tourist recreational provision of SPNTs: a kind of zoning that is assigning of the zones in SPNT with different degree of their usage by tourists and recreants; providing special grounds for watching wild animals and birds, for halts; special trails for walking and skiing tours, riding, cycling, motor sledges, reindeer and dog teams; moorages for boats, yachts, launches and other small-size vessels; rental agencies of sports, tourist, fishing, hunting equipment; accommodation facilities (including camping zones), public catering, picnic grounds etc.

More active and large-scale involvement of federal and regional budgets resources as well as private capital including means from large domestic and foreign manufacturing companies using natural resource potential of the areas in question in formation and development of tourist recreational infrastructure in SPNTs and recreational zones.

Encouragement of small business (including family one) development in the sphere of tourist recreational infrastructure in SPNTs and recreational zones.

Large-scale usage of voluntary work while providing SPNTs and recreational zones with tourist roads, trails, halts and other components of infrastructure that is very topical under conditions of crisis and unemployment growth.

Revival of the practice of attracting student and youth construction gangs for SPNTs and recreational zones provision that is also the most effective method of patriotic upbringing.

The mechanisms mentioned above can be effectively used in rapid formation of macrorregional system of protection and reasonable exploitation of the historic and cultural monuments of NWFD. Development and implementation of the macroregional targeted program “Development of Historic Cultural Zones in NWFD” could contribute to preservation and reasonable exploitation of the historic cultural heritage of the region.

Development and rapid infrastructure provision of the mentioned elements which form the single tourist recreational network in the North-West need considerable investments. The international experience shows that special economic tourist recreational zones and concessions can be effective organisational economic mechanisms of attracting and raising funds for achieving the objectives in question.

According to Federal Law №76-FL of June 3, 2006 “On Amendments to Federal Law “On Special Economic Zones in the Russian Federation” 7 tourist recreational special economic zones (SEZ) of federal importance were established in the country, unfortunately, only one of them is located in NWFD – National Park “Kurshskaya Spit” in the Zelenograd District, the Kaliningrad Oblast. In case the current experiment gives positive results the number of tourist recreational areas including the North-West will grow. They will be given a special status which will provide the most favourable conditions for attracting investments and tourist recreational business in general.

Priority tourist recreational areas in NWFD which were not given the federal status would be able to receive the similar status of all-District (intraregional) importance within the Federal District. To do it the TRTs must have all the necessary documentation including feasibility study of the prospectives of their development as special economic zones.

Such a territorial form of organisation of tourist recreational activity as concessions which became legal in Russia in 2005 (Federal
Undoubtedly, accommodation facilities are almost the most prominent components of tourist recreational infrastructure as they determine the general rate of tourist recreational infrastructure development that is the tourist density coefficient (the number of accommodations per 1,000 of local people). The current domestic tourist statistics deals with the so called mass accommodation facilities (MAF) only (hotels, motels, holiday camps etc.) but not in full measure. For example, many mini-hotels, family hotels and so on which have appeared recently in great number turn not to be registered in the corresponding agencies on different grounds. Evidently, under such conditions the general number of MAF in NWFD can be assessed with the help of the corresponding factors which increase the number of officially registered accommodations. According to our estimations the general number is about 140,000 accommodations or 10 accommodations per 1,000 local people. The stated number of accommodations in NWFD with the average annual use of 60% can meet no more than 1/5 of macroregional requirement in accommodation facilities. It may seem that the way out is rather simple that is just to attract investors and to build the needed number of hotels. However, it is rather a capital-intensive (connected with considerable economic risks) and long-term process.

The effective way to solve the problem of the shortage of accommodation facilities rather quickly is to employ individual accommodation facilities along with mass ones. Such an approach to the solution of the problem is very urgent in the rural areas where individual accommodation facilities are the only ones. Individual accommodation facilities are becoming popular in NWFD nowadays especially in the process of country tourism development. But this development has a half-legal character so it can meet the requirements of comparatively small number of prospective tourists/recreants. The most important reasons for such a situation are the following: lack of the initial capital which is needed for the proper provision of the

2. Rapid Development of Tourist Recreational Infrastructure

Most specialists note that insufficient and unbalanced in different spheres (accommodation facilities, entertainment business) development of tourist recreational infrastructure in the region is one of the most important problems which prevent tourist recreational potential from successful development in the North-West.

Creation of such a tourist recreational territorial-sectoral association (by analogy with the emerging shipbuilding corporation) comprising tourist and transportation firms, special store chains, public catering enterprises, rental agencies, scientific educational and loan insurance establishments etc. could contribute to rapid tourism and recreation development in the region. Principles of private-state partnership, cluster ideology of voluntariness and share must be used in the process of developing and realisation of the concept of formation and development of the corporation.
necessary facilities; lack of access to favourable mini-crediting as well as expensive marketing and information services etc. The solution of the problem is closely connected with the development of the system of market integrators which will be able to stimulate and organise legal activity of the owners of the functioning and potential guest houses (flats) [2].

Along with the traditional (permanent) mass and individual accommodation facilities it is more reasonable to actively use mobile accommodation facilities on the vast territories of the North-West: “hotel ships” — sea and river cruise ships; “house ships” — yachts and launches; “mobile hotel” — specialized consists (tourist trains); various kinds of caravans etc.

The North-West of Russia is washed by 4 seas (the Baltic Sea, the Barents Sea, the White Sea, the Kara Sea). 5 out of 11 of its oblast seats are sea port junctions and tourist centers as well (except Naryan–Mar). Due to this fact and to the constantly growing demand the sea cruise tourism development is an important element of tourist development in the North-West. This statement can be proved by the example of Alaska, a relatively similar in its natural climatic conditions American state. According to American specialists the sea cruise tourism development has played an important part in economic growth of Alaska, at the same time more than 17 000 new jobs has been created with the annual salaries of more than 530 million dollars. In particular, coastal expenditure on only one ship with 2 000 passengers aboard made up average 180 000 dollars [3]. Moreover, sea cruise ships are widely used during big events (the Olympic games, world championships, festivals, carnivals, anniversary celebrations and so on) in order to cover the deficit of hotel accommodations in the destinations. Everything mentioned above concerns other mobile accommodations to a considerable extent.

The organisational economic mechanisms which contribute to rapid development of mobile accommodation facilities in the North-West are the following:

1. Updating the existing and building new passenger sea and river port complexes, launch and yacht moorages, stopping places for tourist trains and caravans equipped with the facilities necessary for tourists.

2. Developing the existing and organising new production of sea and river cruise ships, launches and yachts in NWFD. Development and usage of different programs on building cruise and small-size vessels of tourist recreational purpose within the all-federal program on formation and development of the shipbuilding corporation have all beneficial perspectives.

3. Taking into account tourist needs while designing atomic-powered icebreakers, the effectiveness of using them as cruise ships is proved now by the experience of atomic-powered icebreaker “Yamal” which has been taking tourists from Spitsbergen to the North Pole since 1993.

4. Organising tourist trains and railway routes (including international ones) on the territory of NWFD. “Russian Railroads” public company is working on the question now.

5. Organization of production of various caravans on the basis of automobile industry plants operating in NWFD such as “Ford Motor” and “General Motors”. These corporations has been taking an active part in producing caravans and other mobile recreational accommodation facilities as subcontractors of the companies.

6. Developing wide network of caravans rental and service agencies all over the Russian North-West.

Rapid and balanced development of mass, individual and mobile accommodation facilities will make it possible to provide the tourist recreational sphere in NWFD with accommodation stock on a tight timetable. Taking into consideration complicated intrasectoral character of the problem it is reasonable to solve it within the existing all-District targeted complex program “Rapid Development of Accommodation Facilities in NWFD”.

Creation of all-regional network of information tourist centers (ITCs) which are going to
provide tourists with information and comfortable staying in the region is the second strategic tendency of tourist recreation infrastructure development in NWFD. The network is being formed now and comprises the following:

- local ITC (of single destinations/TRT), for example, ITC “TRT “National Park "Kurshskaya Spit”;
- municipal ITC (for example, 7 district ICTs and 7 city ICTs are functioning in the Leningrad Oblast);
- regional ITC (regional ICTs are effectively functioning in Saint-Petersburg, the Leningrad Oblast and other NWFD regions).

The final stage is going to be creation of the all-District ITC which will contribute to effective intraregional cooperation of all kinds of ICTs in order to coordinate (including effective distribution and redistribution) of tourist flows along the federal (intraregional) tourist corridors/routes. With the help of the opportunities of geoinformation systems and other modern information technologies the all-District ITC will provide steady tourism and recreation development in NWFD in the nearest future controlling permissible anthropogenic loads on TRTs and separate objects of tourist interest and eliminating various organisational blunders, disagreements, failures and so on. This ITC network can become the key participant of tourist recreational process in the region while coordinating and promoting the tourist recreational image of NWFD and its separate products.

Entertainment business is the third priority of all-District tourist recreational infrastructure development. The world experience proves that the presence of large entertaining objects in the destination:

- considerably increases the general effectiveness of its tourist recreational potential; such objects are often become the leading tourist recreational resources of a territory (the classic example is Disneyland in France which exceeds the most part of traditional objects of tourist interest located in Paris by its attractiveness and profitability);

- contributes to rapid and considerable growth of capitalization of land and immovable objects in the destination (numerous Russian examples which are connected with construction of ski resorts, casinos etc.);

- provides the year-round use of the whole tourist recreational infrastructure, raises employment and profits of the local people and improves quality of life in general.

Recently we have observed rapid development of entertainment and recreation objects in NWFD: modernisation of old ski resorts and construction of new ones; construction of various aquaparks and museum-aquariums; construction of ethnic villages and so on. However it is not enough. The region needs unique attraction objects of international level for which it has all necessary preconditions (see below).

### 3. Creation of Competitive Tourist Products and their Promotion into Domestic and International Markets

Creation of Competitive Tourist Products. One of the most considerable reasons which prevent effective use of the enormous tourist recreational potential of NWFD is lack of modern competitive tourist products of international level. Only one new tourist product meeting the international requirements has appeared in the District recently with the help of the federal government — “A Trip to Veliky Ustjug — Jack Frost’s Homeland”. The Murmansk and Leningrad Oblasts, other areas in the North-West are trying to use both this brand and the brand “Snow Maiden” along with the Vologda Oblast. Obviously, this tourist product will hardly be able to compete with the tourist products created on the basis of the worldwide brand “Lapland — Santa Clause’s Homeland” even on condition of overactive promotion of it.

The North-West of Russia has a great historic cultural heritage. Many legends, stories and popular beliefs are associated with it. Many ethnic groups are living in the area including aboriginal ones: Russians, Karelians, Komi, Izhortsy, Vepsy, Sami, Nenets and others who preserve traditional ethnic culture (including historic cultural monuments) from the pre-Mongolian era.
Taking into account growing interest of both domestic and foreign tourists to historic and ethnic cultural heritage and the fact that the tourist sphere actively involves history and mythology for its development it is quite possible to create new tourist products of international level based on the brands which truly belong to the North-West from the historical point of view:

- **Legendary northern country “Hyperborea”**. According to ancient Greek legends the blissful life of Hyperboreans was full of songs, dances, music and feasts. There are many versions concerning the location of the mythic country but the majority of them insist that it was located on the territory of the modern North-West of Russia: in the foothills of the Urals, on the Kola Peninsula, in the Republic of Karelia, on the Solovetsky Isles and so on. The Russian Academy of Sciences finances the expeditions to the supposed area of existing of the Hyperborean civilisation — Seydozero Lake (the Murmansk Oblast) every year. The international festival “Hyperborea” devoted to this legendary country has been held in Petrozavodsk every year since 1999. We believe the tourist attractiveness potential of the idea of the reconstruction of Hyperborea within the boundaries of the corresponding tourist town with the developed entertainment infrastructure excels in attractiveness the existing European centers of the contemporary followers of Aristipp (the founder of hedonism).

- **Biarmia, “The Northern Home of Rus”** was a rich powerful well known to the ancient vikings state on the White Sea coast. The idea of historical reconstruction of Biarmia as a cultural and historical, commercial and fair center of international level can also contribute to a considerable growth of tourist recreational attractiveness of the whole region.

- **Gardaricki (“the state of Russian towns”) — old Scandinavian name for the Novgorod land including Velikiy Novgorod and Staraya Ladoga, the first capital of the Northern Rus. This brand can be actively used while developing the international tourist corridor “From Varangians to Greeks and Khazars”.

- The unique tourist product of all-District and international level can be developed on the basis of the legendary route along the White Sea and the Barents Sea coasts — “Mangazeya Sea Passage” from the mouth of the Northern Dvina/Arkhangelsk to the Pechora Bay/Naryan-Mar/Pustozersk — Vaigach Island (the only sacred island of Samoyeds in the Arctic), the Gulf of Ob and the Gulf of Taz, the Taz River/ the Mangazeya River — the places of the legendary Russian settlement (“the sovereign’s golden patrimony”, “the Siberian treasury”) which was built in 1607 and existed for over 70 years.

- An attractive tourist product of international importance can be created in the Pskov Oblast on the basis of the brand “A.S. Pushkin”. The construction of a Disneyland-type “fairy town” with the characters from A.S. Pushkin fairy-tales on the shore of Lake Pskov would considerably raise the attractiveness of the tourist recreational complex of the Pskov Oblast and the whole North-West as well.

- Due to the growing demand of tourists from all over the world for the tourist products connected with the national military subject area as well as the great popularity of the movement of historical reconstruction devotees both in Europe and Russia a specialised museum and exhibition complex on the shore of the Gulf of Kaliningrad in the Kaliningrad Oblast would become a very attractive tourist recreational object [4]. The basic components of the complex can become national military museums (museums of cold steel; of small arms; of accoutrements / armours; of waxworks of famous commanders and so on), a permanent exhibition/fair of arms with firing grounds and infrastructure objects — hotel and congress, restaurant, commercial and entertainment, production (workshops on custom tailoring of military uniform, production of cold steel, souvenirs, toy models), waterfront structures and launch and yacht moorages etc. We believe this tourist object can become one of the most popular destinations not only in the Kaliningrad Oblast but in the whole North-West of Russia.
The Gulf of Finland with its islands and coastal territories has a great potential of tourist recreational attractiveness. Greater resort to this potential can urge on tourist recreational development of Saint-Petersburg and the Leningrad Oblast as well as the whole North-West. The following projects prove the statement:

- the project of the international tourist center “Gogland Isle” (with passenger sea terminal, shopping arcade “Baltic Circle” with ethnographic structures which symbolise all Baltic countries, multifunctional complex “Crystal Globe” with 121 meters in diameter, with aquaparks, entertainment complex, hotel accommodations etc.);

- the project of a holiday health-improving entertainment complex “Orange”, the largest international tourism center on the Baltic (with high-rise hotels and cottage-hotel buildings, a yacht center, an aquarium, an aquapark, a botanical garden, restaurant and sports complexes and so on) which is going to be planned on the south shore of the Gulf of Finland.

These are only few examples of the attractive objects of international level which can be considered as the basis for creation and promotion of corresponding competitive tourist products that are able to considerably raise the effectiveness of using tourist recreational potential in the North-West of Russia.

Creation of new attractive objects and competitive tourist products of the international level is science intensiv and very expensive (the realised of the project “Gogland” can cost approximately 1 billion dollars, “Orange” – 3 billion dollars). That is why it is necessary to receive an appropriate state support in the form of development and realisation of the all-District program “Creation and Development of New Attractive Tourist Recreational Objects and Tourist Products of International Level in the North-West of Russia”. The process of the program development should include the mechanism of government order and involve the leading scientists / specialists of Saint-Petersburg and other cities in NWFD (historians, economists, ethnographers, culture experts, geographers, experts of local history, tour operators, developers, investors and others).

Promotion of competitive macroregional tourist products into domestic and international markets. Successful realisation of competitive tourist products of all-District and international levels needs appropriate publicity and marketing support and effective organisational economic mechanisms. International practice shows that such mechanisms should be functioning on continuing basis but not occasionally as it happens in practice in this country nowadays. Tourist product promotion is a costly market mechanism. At present only state-private partnership with the key role of the state can bring it into operation. Cost savings for tourist products promotion into domestic and international markets can lead to considerable economic losses provoked by the decrease of profits from tourism and recreation which come into the budgets of all levels and to lower investment activity because of extension the time of recoupment of capital investments which are aimed at the tourist recreational infrastructure and destinations in general. According to the foreign specialists’ estimations in order to attract 1 foreign visitor who provides the country economy with 1 000 euros on the average a country spends 3 – 10 euros for tourist products / destinations advertisement. At the same time Russia spends only 0,69 euros [5].

It is important to notice that the active promotion of tourist products is not only the way to achieve direct economic effect based on the growth of entrance tourist flows but it is an effective form of counter advertisement in confrontation with unfair competitors.

In order to effectively promote tourist products / destinations of NWFD into domestic and international markets it is reasonable to use all organisational economic mechanisms from the domestic and foreign experience. The most prominent of them are:
Development of the NWFD single all-District marketing strategy with the detailed investigation of potential markets (domestic and foreign) of regional tourist produce/services with attraction of specialists from the corresponding countries/regions.

Preparation of the single exhibition stand «Tourism and Recreation in the North-West of Russia» on the basis of the propositions of the marketing strategy and using it in Russian and international tourist exhibitions.

Considerable growth of number and quality of information and advertisements about tourist recreational possibilities of certain districts and the whole NWFD on the Internet. The majority of the operating regional and municipal specialised websites devoted to tourism and recreation do not meet modern requirements and therefore potential consumers can have a negative attitude to the tourist products in question. Promotion of all-District tourist products and advertisement of tourist recreational possibilities in the whole NWFD are in a poorer condition. To improve the situation it is necessary to create a high-quality constantly updating multilingual Internet site “Tourism and Recreation in the North-West of Russia”.

Usage of such an effective instrument which became greatly popular in this country and abroad as event tourism in behalf of promotion of attractive tourist recreational image of the North-West of Russia. Celebrations of cities’/towns’ anniversaries, holding international competitions, festivals and so on are a great urge for increasing tourist recreational potential in the area. In this context it is necessary to implement the all-regional program “The North-West Capitals’ Anniversaries” in all important historical cultural settlements of the region (tabl. 4) and to organise a special all-District Fund which would finance development and realisation of projects/programs of holding anniversary, sports, culture and other events accumulating investments from different resources.

<table>
<thead>
<tr>
<th>City/town</th>
<th>Anniversary</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belozersk (the Vologda Oblast)</td>
<td>1 150</td>
<td>2012</td>
</tr>
<tr>
<td>Borovichi (the Novgorod Oblast)</td>
<td>250</td>
<td>2020</td>
</tr>
<tr>
<td>Valday (the Novgorod Oblast)</td>
<td>250</td>
<td>2020</td>
</tr>
<tr>
<td>Velikiye Luki (the Pskov Oblast)</td>
<td>850</td>
<td>2016</td>
</tr>
<tr>
<td>Veliki Novgorod (the Novgorod Oblast)</td>
<td>1 150</td>
<td>2009</td>
</tr>
<tr>
<td>Veliki Ustyug (the Vologda Oblast)</td>
<td>800</td>
<td>2018</td>
</tr>
<tr>
<td>Izborsk (the Pskov Oblast)</td>
<td>1 150</td>
<td>2012</td>
</tr>
<tr>
<td>Kotlas (the Komi Republic)</td>
<td>100</td>
<td>2017</td>
</tr>
<tr>
<td>Kronshtadt (Saint-Petersburg)</td>
<td>300</td>
<td>2010</td>
</tr>
<tr>
<td>Lyuban (the Leningrad Oblast)</td>
<td>100</td>
<td>2012</td>
</tr>
<tr>
<td>Murmansk (the Murmansk Oblast)</td>
<td>100</td>
<td>2016</td>
</tr>
<tr>
<td>Opochka (the Pskov Oblast)</td>
<td>600</td>
<td>2012</td>
</tr>
<tr>
<td>Oranienbaum (Saint-Petersburg)</td>
<td>300</td>
<td>2012</td>
</tr>
<tr>
<td>Petrodvorets (Saint-Petersburg)</td>
<td>300</td>
<td>2011</td>
</tr>
<tr>
<td>Staraya Russa (the Novgorod Oblast)</td>
<td>850</td>
<td>2017</td>
</tr>
</tbody>
</table>

4. International and intraregional collaboration development in the sphere of tourism and recreation

Working out different organisational forms of international and intraregional collaboration greatly contributes to tourist recreational development of the vast territory of the North-West of Russia (it excels the total territory of all Baltic countries).

International cooperation. The North-West of Russia is the leader in the sphere of international cooperation including tourism and recreation sector due to its geopolitical location, strategically important for the whole country development prospectives (intensive commercial development of new oil and gas deposits and other raw material resources, wide usage of innovative technologies in regional economies and so on) and unique historical cultural and natural potential. The collaboration activities are carried out in different ways both on unilateral and bilateral basis. The priority forms of international cooperation in the sphere of tourism and recreation in NWFD are the following:

1. Frontier collaboration. The region borders on 7 countries (Norway, Finland, Estonia, Latvia, Lithuania, Poland, Belarus) and has a great potential of frontier collaboration due
to similar natural climatic conditions, tight historical cultural connections and minimal language barriers.

2. Joint cooperation with the EU in the process of development and realisation of international programs/projects under its aegis.

3. Long-term multilateral collaboration within the framework of the greatest in Europe megaproject of the Barents European Arctic Region development which has been under way since January 11, 1993. Among the project participants there are Norwegian provinces (Norland, Troms, Finnmark), Swedish provinces (Westerbotten, Norrbotten), Finnish provinces (Lapland, Northern Ostrobotnia, Kainuu) and NWFD regions (the Murmansk and Arkhangelsk Oblasts, Nenets Autonomous District, the Komi and Karelia Republics).

4. Multilateral collaboration in the sphere of tourism and recreation within the framework of development of the system of twin cities/municipalities.

Table 5 contains the list of the priority projects (programs) of international cooperation in the sphere of tourism and recreation in the North-West of Russia which are suggested and realised in different forms of intergovernmental collaboration.

**Intraregional collaboration.** Unique tourist-recreational potential, coastal and border location (close area to the EU countries) and ramified transportation system (railway, motor, air and water routes, which connect the region with other regions of the European part of Russia) provide NWFD with considerable potential of intraregional collaboration in the field of joint development of its tourist-recreational resources.

Tourist recreational development of the territories between Saint-Petersburg and Moscow is a complete priority, a strategically important area of collaboration. This territory comprises 7 RF regions (Saint-Petersburg, the Leningrad, Tver, Vologda, Yaroslavl, Moscow Oblasts and Moscow) where about 25 million people live that is every sixth citizen of Russia. The most important destinations of Russia - Saint-Petersburg, Moscow, Veliky Novgorod and many other attractive cultural historic and natural objects are concentrated here. The main tourist flows from the whole country and abroad are coming just here. Tourist recreational infrastructure is intensively developing and large-scale federal investment transportation-related projects are being realised here (construction of a new passenger port in Saint-Petersburg, construction of the second circular road around Saint-Petersburg, updating and expansion of airport “Pulkovo”, construction of a new express railway route and a toll highway from Saint-Petersburg to Moscow, rebuilding of the locks in the Volga-Baltic Route, the capacities development of airport «Sheremetievo», construction of a circular road around Moscow in the Moscow Oblast etc.).

In prospect it would be quite reasonable to build specialised tourist roads and water routes within the areas in question. In particular, to reach the goal it would be necessary to restore the Mariinskaya and Vyshnevolotskaya Water Systems which connect Saint-Petersburg and Moscow. Along with tourist recreational development of the territories it would favour social economic development of villages and small settlements which are located along these water transportation routes.

The scale of the problems which are solved within the boundaries of the territory and considerable social economic benefits which are connected with the decision of these problems cause the necessity of development and realisation of the long-term intraregional megaproject of federal importance (in its way the Russian variant of the mentioned above Barents-Project). Development and realisation of the project should be carried out by the North-West Federal District and the Central Federal District together.

Another prospective area of intraregional collaboration would become the joint (with...
Table 5. Priority Projects and Programs of International Collaboration in the Sphere of Tourism and Recreation in NWFD

<table>
<thead>
<tr>
<th>Forms of collaboration</th>
<th>Priority projects and programs of international collaboration</th>
</tr>
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| Frontier collaboration                 | • with Norway:  
- development and realisation of the projects on joint usage of tourist recreational potential of the border areas of the province Finnmark and the Pechenga District of the Murmansk Oblast  
- development and realisation of the projects on joint usage of tourist recreational potential of Spitsbergen Isle  
- joint realisation of the project “Murmansk Corridor”  
• with Finland:  
- development and realisation of the pilot projects on joint development of the border area of “Paanayarvi” (national parks “Paanayarvi”, “Oulanga”, “Kuusamo”, “Vuokatti”) and Rakhmovskaya Tundra  
- development and realisation of the projects on joint designing of water tourist routes from Southern Finland along the Saimensky Chanel into the Gulf of Finland and through the system of lakes and rivers Vuoksa into Northern Ladoga  
- development and realisation of the projects on joint creation of common tourist products for border towns Imatra and Svetogorsk  
• with Estonia:  
- development and realisation of the projects on joint designing of water tourist routes including Lake Pskov and Lake Chudskoye, the Narva River and the Gulf of Narva areas of water  
- development and realisation of the projects on joint creation of common tourist products for border towns Narva and Ivangorod (realisation of the project “Waterjoy” – “Organisation and Construction of the International Year-Round Recreational Hotel Complex in the Narva River Water Area on the border of Estonia and Russia”)  
• with Latvia:  
- development and realisation of the projects on joint usage of tourist recreational potential of the border areas of Latvia (Latgalsky Land) and the Pskov Oblast  
• with Lithuania and Poland:  
- realisation of the project on joint creation and development of Vishynetsko-Suvalskaya transboundary closely protected territory  
- development and realisation of the projects on joint usage of tourist recreational potential of the delta of the Neman River, the Kurshsky Gulf, the Kurshskay Spit (together with Lithuania)  
• with Belarus:  
- development and realisation of the projects on joint usage of tourist recreational potential of the border areas of the Pskov and Vitebsk Oblasts  

| International megaproject of the Barents European Arctic Region development | • creation of international landscape ecological network “Ecological Framework of the Barents European Arctic Region” and realisation of the project “Green Walls of the Barents European Arctic Region”  
• development and realisation of the projects on creation of the national parks “The Onega Coastal Area”, “Kulysko-Belomorskskoye Plateau”, “Khodini”, “Kutsa” and others  
• development of international tourist corridor “The Barents Route”: Bode (Norway) – Khaparanda (Sweden) – Rovaniemi (Finland) – Alakkurtti – Kandalaksha – directions to Apatity – Murmansk and the Solovetsky Isles – Arkhangelsk  

| International programs and projects under the aegis of the EU | • development and realisation of the projects on creation of international tourist corridors/routes in the priority tourist recreational areas of NWFD and on creation and promotion of tourist products of all-okrug/international levels  

| Collaboration between twin-cities/towns | • programs/projects in the sphere of promotion of tourist products of twin-cities in their own regions and countries  
• programs/projects on joint participation in preparation and holding various events (big sports competitions, festivals, anniversaries an so on)  
• programs/projects on exchange of experience in the sphere of tourism and recreation including personnel training and retraining  

the participation of the North-West, Central, Privolzhsky and South Federal Districts) development and infrastructure provision of the water tourist route “From Varangians to Greeks and Khazars” which could be the Russian part of the combined cruise route “Around Europe” at the same time (see tabl. 2).  

Intraregional cooperation of NWFD with the regions of Siberia and the Far East concerning joint tourist development of “The Northern
Sea Route” on the whole and “Mangazeya Sea Passage” in particular has a great potential too.

Absolutely new possibilities of tourist recreational potential development in NWFD (the Komi Republic and the Arkhangelsk Oblast) by the inhabitants of Ural and Western Siberia are connected with the completion of the construction of the railway route Perm — Kudymkar — Syktyvkar — Arkhangelsk.

Finally, the priority of intraregional collaboration for NWFD is joint (with the participation of establishments and organisations of Ural and Western Siberia regions) designing and realisation of the projects in the sphere of water tourism development (construction of passenger port complexes, moorages for ships, launches and yachts an so on) and health-improving tourism (updating the existing and construction of new sanatoria and health establishments, mostly in the Kaliningrad and Leningrad Oblasts and in Saint-Petersburg).

5. Improvement of territorial strategic planning in the tourist recreational sphere

The most effective form of activation of the stated above organisational and economic mechanisms for realisation of tourist recreational development priorities in NWFD is elaboration of territorial strategic planning documents: concepts, strategies, targeted complex programs.

The North-West of Russia is the leader in the whole sphere of strategic regional social economic development and tourist recreational sphere in particular. Nowadays not only NWFD Districts but their municipalities as well possess concepts, strategies, targeted complex programs. Development and realisation of these strategic documents have greatly contributed to the formation of tourist recreational spheres of the regions as one of the leading sectors of their territorial specialisation. Yet complicated intraregional problems (including those examined in this work) considerably impede effective tourism and recreation development and still remain unsolved on the local and regional levels. All this makes for the necessity of rapid completion of developing the corresponding strategic documents of the all-District level. The existing experience will allow to eliminate a number of drawbacks characteristic for regional/ municipal documents in the process of their development and to provide:

❖ Long-term character of the documents which are developed in prospect till 2020 and their compliance with the basic items of the RF development program for the same period.
❖ Same-time interrelated development of the whole set of strategic documents (all-District concepts, strategies, targeted complex programs).
❖ Harmonization of sectoral/ intrasectoral and territorial/ inter-territorial aspects of salvation of different all-District problems connected with tourism and recreation development by designing and interpreting corresponding minor programs.
❖ Taking into consideration the main participants in the process of realisation of priority tourist recreational development of NWFD.
❖ Optional character of the process of problems salvation and use of scenario approaches.
❖ Attracting of investment and financial resources to realisation of the main strategic measures at the expense of working out and using corresponding organisational economic mechanisms (creation of all-District system of loans and guarantees, investment risks insurance, effective leasing and mechanism of conventional pledge that is pledge of property rights on the constructed object and so on [6]).
❖ Effective monitoring of realisation of all-District tourism recreational development program.

The organisational economic mechanisms of realisation of macroregional priorities of tourism recreation development in NWFD
can be used nowadays as crisis management ones because entrance (internal) tourism is able to involve a great number of available employees; to replace the demand for expensive tours abroad saving a considerable part of currency resources at the same time; to economize municipal and regional budget funds aimed at infrastructure objects development (transportation communication lines, entertainment and recreation objects and so on).

References