The Role of Good Governance for the Lithuanian Border Regions’ Development

Rimantas Dapkus and Eugenijus Bagdonas

Kaunas University of Technology
Donelaicio 73, LT-44029 Kaunas, Lithuania

Edita Gaizauskiene

Taurage District Municipality Administration
Respublikos 2, LT- 72255 Taurage, Lithuania

Abstract

The problems of uneven economic growth and social welfare are on a dairy of National Governments and local authorities. The question of good governance becomes more crucial when we try to solve these problems in the territories remote from the country capital and other main industrial centres, especially in the regions nearby countries’ border (hereinafter referred to as border regions). Many research works have been devoted to the regional development policy. Nevertheless there is a lack of good and reasonable solutions for the fast and coordinated development at local and national levels for the sustainable development of border regions. This problem gets an outstanding meaning for the countries in transition period, moving from one block to another, like the Baltic States – from the Soviet Union to the European Union (EU). E.g. Lithuanian border with Belarus region Zarasai have been inland region, and nowadays it became Eastern border region of the all EU. That transformation has changed further development direction of such regions dramatically. Only well coordinated activities and clever solution at different levels of public administration institutions and other organizations could be helpful in finding right way for those regions further development. Good governance of such regions is necessary. In many cases the reasonable solution for these regions could be tourism industry development. The border regions are in a particularly ambiguous situation – they are at a close distance to foreign tourists and at a big distance from inland tourists and main resources, have no developed infrastructure and are lacking good planning and administrating capacities.

Therefore, this study is devoted to the analysis of border regions development, evaluation of local and national legal documents, overview and examination of statistics and implemented projects results’ analyses, expert evaluation of the public administration role for regional development, competitiveness and cooperation among different regions, tourism industry development and local welfare building in the border regions. As an outcome of this research, measures for further border region development have been proposed.

Keywords: good governance, sustainable development, regional policy, infrastructure for tourism development, development of the border regions.

Introduction

Researchers and public administration authorities are trying to find solutions for the problems of uneven economic growth and social welfare in different regions. Good governance is a kind of a catalyst of sustainable development in different regions of any country. Strategic planning issues play a vital role in defining the right way for further development of any territory on the basis of society needs and resource capacities taking into account competitiveness and integration in globalization processes.

Non-ordinary problems emerge for the countries in transition period, moving from one block to another. Some territories, previously developed like inland regions, suddenly became outer regions. Historical cooperation between neighbouring regions has been broken because of politician solutions. Cardinal change in further development direction attracts additional attention to the border regions. Good governance may play a vital role for the coordination of public administration institutions’ and other organizations’ activities, committed to prevent degradation of these border regions.

Border regions much more often have limited resources, under-developed infrastructure and insufficiently educated population – all that encounter many difficulties in competitive development. In such situations good governance and external input are highly appreciated. These issues are on dairy of many researchers worldwide. Bingham and Mier (1993) have described the theories of local economic development. The recent works have been focused on the public administration activities analyses and capacity building, as well as on regional policy building. E.g. Domarkas (2007) and Astrauskas (2002) have discussed the questions of self-government, the interaction between national governmental institutions and local public administrations and policy making; Bagdzeviciene, Rimas and Venckus (2002) have...
emphasised the importance of strategic planning for the region economy growth. Dapkus (2005, 2009) has described regional development policy, its implementation models and institutions’ role. Blakely and Bradshaw (2002) have presented theory and practice analyses of local economic development planning; Beer, Haughton and Maude (2003) have presented analyses of an international comparison of local and regional economic development. Kumssa, Terry and McGee (2001) research was focused on the questions of globalization and new regional development issues.

Quite often in the mentioned scientific works we can find suggestions how to solve problems of laggard regions by the means of better governance, knowledge society and modern infrastructure building. For the regions, lacking natural resources, gateway to the economic growth and society welfare could be high added-value production development and tourism industry building. Dapkus and Gaizauskiene (2009) have described the role of tourism development for the regional policy formation and defined the place of local authorities in this process.

As mentioned by different authors, the structure of economic activities is similar in the neighbouring countries while it has certain peculiarities in different regions. In the majority of EU member states service sector is predominant in creating the gross value added. Tourism is assuming ever greater importance to regional development promotion. Special attention, recently, has been devoted to this branch of economy as in the majority of cases tourism is beneficial to states since it promotes employment, investment growth and infrastructure development. For regions and individual districts tourism development is one of the key economic areas that may help them deal with the issues of ensuring more rapid development of their economies and social welfare and, due to their specificity, make a significant impact on the development of a number of other economic activity sectors and significantly contribute to the creation of the gross domestic product due to the effect of synergy. This is especially relevant seeking to reduce dependence on the primary agricultural activities, industries using natural resources and imported raw materials.

Tourist competitiveness of different countries and its individual regions depends on the local tourist potential and efficient management. With a view to attracting tourists to a certain region, a systematic approach to tourism and its management is needed.

Popularity of tourism industry across the world inspires different regions to compete with each other in order to attract more tourists. Taking this into account, every region must choose tourism forms which can secure competitive advantages against other regions. At the same time, tourism becomes increasingly important for the regional development itself. Recently, particular attention has been given to this branch of national economies, because in many cases tourism is beneficial to the countries and regions – it promotes employment, investment growth, infrastructure development, etc. In individual regions the crucial role is played by its authentic historical and cultural heritage, original nature and customs. The local tourism potential and effective management predetermine national and regional competitiveness. The long-term growth of tourism must be controlled and managed. The specificity of the tourism sector and its development is problematic, the tourism structure and relation with other industries and services have been examined by various authors, but the tourism situation in individual regions has been studied only in recent years. At the municipal level tourism development is often included in the strategic development plans, but due to weak administrative capacities and lack of investment resources these plans have not been implemented. Therefore, there is big necessity for the analyses of the regional development issues, focused on the evaluation of local needs and possibilities and good governance practices at local and national levels. Even though some research works in that direction are already well known, but if any one tries to analyse situation in specific territories, like border regions, a lack of suitable instruments will appear.

Strategic planning and management in different regions (counties) and local territories (district municipalities) correspond with the established long-term national strategic directions and priorities and ensure sustainable development priorities in the EU. Moreover, the development in the regions nearby national borders has diverse importance to the economies of these territories, as well very different possibilities, comparing to the inland regions. For the case study, tourism sector development in Lithuania and particularly in the problematic territory, Zarasai district, as a border region, was chosen. In many cases tourists cross border regions without a stop as their goal is to reach the main destination – the capital of the country, other highly developed places or objects of worldwide recognition (like the Hill of Crosses, Neringa and other famous resort objects in Lithuania). Similarly behave inland tourists – usually they are going by car to other countries not stopping at the national border areas, or spend their holidays in the main resorts of the country, visiting newly established national parks with natural and cultural-historical sites and are discovering new SPAs and rural tourism establishments. Therefore, additional efforts are necessary in order to make these border regions more attractive for tourists, having in mind that the economy level and infrastructure of these territories are much weaker compared to the central regions.

The aim of the article is to evaluate the role of public administration in regional development as well as challenges to tourism industry development and welfare building in the border regions.

To achieve the aim, the following objectives are set:

1. To examine the theories and legal documents regarding the planning of sustainable development planning and its implementation through tourism industry development and welfare building in the border regions.
2. To analyze the regional potential and the management role of public administration institutions in tourism development (in the case of Zarasai border region).
3. To prepare recommendations on how to improve good governance at national and local levels.
The following research methods have been employed: application of theoretical research methods – analysis and generalization of research literature, analysis of legal documents; verbal and visual content analysis (texts, photographs, scheme and implemented projects’ content-results analysis) and an expert survey.

**Good governance practice implementation to a faster development of border regions**

One of the main stages of efficient management is a strategic planning process at the national and local level, which must be based not only on the analysis of various sectors, including the tourism sector, evaluation of the potential but also on the established competitive position with regard to other regions on the grounds of sustainable development concepts. A long-term regional development and challenges to tourism industry development and welfare building in the border regions growth must be regulated and governed taking into account globalisation processes and competition in various segments of the market and be based on the principle of partnership between the public and private sectors (Mowforth and Munt, 1998).

At a local level tourism development issues are defined in strategic development plans. Some regions have developed separate locality attractiveness and image enhancement, local trademark formation and tourism development strategies, operational programmes, feasibility studies and other programming documents. Development of territorial planning documents, i.e. general and special plans, was started together with strategic planning, which focus on the prospects of tourism development. However, in the majority of cases these are fragmentary works covering single regions, which hardly match among themselves and are insufficiently synchronised with the functions executed and projects implemented by local authorities and other public administration institutions. ‘Misunderstanding’ among public administration institutions, farmers and private businesses, local populations and their communities is observed. Another problem is non-compliance of more serious research-based documents regulating tourism development in districts with the spirit of the programmes of neighbouring districts, the entire region, and the country. There are frequent cases when tourism is developed in districts without having a clear and long-term tourism development strategy and a consistent programme for its implementation, based on the appropriate financial and human resources. This area, in a good sense, is very much sensitive to a private initiative and personal relationships; however, this does not always agree with the public interest when short-term narrow political goals and/or personal interests are sought through abuse of office. Such dependence in the long term is dangerous due to a likely loss of such persons as, in particular in rural and remote areas, it is, as a rule, difficult to find an appropriate substitute. Consequently, especially relevant are the works that contribute to the rational tourism planning and management system improvement at the local, regional and national levels (Dapkus and Gaizauskiene, 2009).

Recently, the country has witnessed essential social, cultural, economic as well as related political life changes, which are significantly influenced by the global economic crisis that for the most part poses enormous challenges to Lithuania’s economy and social welfare. This forms new tasks for both the national government and all the other public administration institutions and subordinate agencies in searching for the optimum ways out of the crisis situation and long-term means of national economy development as well as prospects for further sustainable development of individual regions and districts. With natural and other resources being scarce, it is not an easy task to find the most suitable managerial solutions to ensure the recovery of the national economy and long-term competitive advantages in the global markets as well as the satisfaction of social and spiritual needs of the national population.

Nakrosis (2004) defines public administration as follows: ‘Public administration is first of all relating with the implementation of the public policy. Presently public administration is defined not only as public policy implementation but also public policy formulation. In addition, public administration covers various types of policy implementation – public administration, provision of public services or regulation of private activities. Legally, public administration ensures the implementation or the supervision of implementation of legislation as well as drafting and application of domestic legislation. The functions of public administration are executed by public administration and state agencies. This corresponds to public sector institutions and the aggregate of civil servants.’

One of the major tasks of a modern state is to set up a better-working and less cost-effective system of public administration, which would be beneficial to business development and oriented to the country’s population, its needs and welfare and would at most bring all services closer to the users and increase the role of local authorities. With regard to self-governing, the most important self-governing institutions worth mentioning are a municipality, a municipal council, a municipal administration or a ward, which ensure self-governing implementation and which should be interested in closes possible cooperation with residents and business structures. A local authority ‘A municipality is a fundamental institution responsible for the management of local affairs. It is defined as an administrative unit of the state’s territory, which enjoys a legal person’s status and the right of self-governing, which is implemented through a municipal council. For citizens the municipality is the first administrative institution and the first authority.’ (Zilinskas, 2004).

The level of municipality’s influence in one or another area depends on the group to which functions are ascribed and the level of independence granted to the municipality. Today, the examination of the possibilities of improving public administration, including tourism management, focuses on strategic planning, total quality management, society involvement in public administration and result-oriented administration. Strategic planning at the local authority level is understood as the aggregate of concepts,
procedures and measures that should help representatives from all levels (political and administrative) be capable of strategically formulating and implementing public policies, including tourism development. Efficient tourism management depends on an institutional organisational structure and its functions.

The following municipality’s functions are relating with tourism development:

- **execution of independent functions**: physical education and sport development; tourism and resident recreation organisation; designation of territories protected by the municipality; classification of natural and cultural heritage objects of local significance as the objects protected by the municipality; creation of conditions for business development and promotion of this activity.

- **execution of functions with limited independence**: territorial planning; development of population’s general culture and promotion of ethnic culture; management and protection of landscape, immovable cultural heritage properties and protected territories designated by municipalities; infrastructure, social and economic development planning, and preparation of tourism and business development programmes; environment quality improvement and protection; maintenance, repair and building of roads and streets of local significance and ensuring safe traffic conditions on them; participation in the formation and implementation of regional development programmes.

An institution implementing the self-governing right at local authority level is a municipal council to the competence of which applies dealing with the following issues pertaining to tourism development (Domarkas, 2007):

- adoption of decisions regarding the analysis of municipal territory development, and preparation of general long-term social, cultural, economic, investment, demographic, ecological, health and other programmes;
- approval of municipality’s social and economic development programmes;
- approval of territorial planning documents in the manner prescribed by law;
- designation of territories protected by the municipality in the manner prescribed in the Law on Protected Territories, classification of natural and cultural heritage objects as protected by the municipality, and adoption of decisions on environmental condition improvement;
- approval of rural development programmes;
- adoption of decisions regarding population surveys.

The mayor of a municipality has the right to analyse the situation in the municipality and propose draft decisions and recommendations regarding district development to the municipal council (Domarkas, 2007). Committees are set up from among the members of the municipal council that adopt recommendatory decisions within their competence. In summary, it can be concluded that the organiser of tourism strategic planning in municipalities is the council, whereas the majority of direct tourism management functions are executed by the municipal administration.

On the other hand, as the analysis of legal documents shows, tourism promotion activities are not mandatory at the local authority level. However, as maintained by Ambrozañitis (2006), many municipalities are well aware of the fact that only by utilizing local resources tourists’ attention can be attracted, the quality of living improved, and the district could gain the prospect for development and receive economic and social benefit. Active municipalities prepare and implement municipal tourism development strategies (programmes), tourism and recreation development projects, also prepare feasibility studies, and plan and implement measures for the protection of territories and development of recreation and tourism activities therein. They also draft and approve various regulations and procedures, maintain international collaboration, and participate in or implement international tourism development programmes or projects.

It is essential for the tourism development policy implemented at the local authority level to correspond to the needs of the neighbouring territories and the entire region as well as the interest of national level and adopted national and international documents. In recent years, strategic planning of tourism development has intensified in counties and certain municipalities. Tourism development issues, as a rule, are included in development plans and territorial planning documents prepared or being prepared by the country’s counties and municipalities. For many counties and municipalities tourism is one of the priority development areas of the locality. According to Rope (2006), prepared feasibility studies on tourism development of regional and local levels discuss actions for utilising natural, cultural and human resource potential of certain localities for tourism development lay down the priorities of preparing public tourism infrastructure projects and tourism promotion measures in municipalities.

**Development of the tourism industry in border regions: the Lithuanian case**

The analysis of the division of public authorities’ functions shows that the functions of strategic planning and management of the tourism sector often are executed by the Government, the Ministries, county governor’s administrations and municipalities. Efficient tourism development is possible only in case a sustainable organisational structure of all levels, coordination relationships and full cooperation are present. As tourism by its nature is an intersectoral activity, tourism development planning and the establishment and implementation of development measures are closely relating with inter-institutional cooperation, coordination of business and citizens’ interests and ensuring of the development of various economic sectors. In addition, associations of tourism business representatives and various independent tourist organisations are operating.

Apart from the theoretical analysis of regional development and the role of the tourism industry for it, a case study of the Lithuanian legal documents, regulating the activities of public administration institutions, is very
demonstrative. The most important tourism problems are addressed and evaluated by the Council on Tourism that is formed of the representatives of public authorities, the Association of Local Authorities of Lithuania, associations of tourism business representatives and independent tourist organizations. The activities of the State Department of Tourism are based on the directions of the Lithuanian tourism development strategy included in the Long-term Development Strategy of the State (the Seimas of the Republic of Lithuania, 2002). The main medium-term strategic document that regulates development of the tourism sector is the National Tourism Development Programme for 2007-2013 (hereinafter – NTDP) approved by the Government of the Republic of Lithuania (2007). The Programme is aimed at analysing the development trends of Lithuania’s tourism sector and, taking account of the tourism sector’s planning document of national and local levels, setting out the priorities, aims and tasks of tourism development and identifying measures for their implementation.

As the tourism sector covers various areas of economic activities, they are controlled by other public authority institutions as well. The Ministry of Agriculture and the Rural Support Fund have a major impact on rural tourism development. The Ministry of Culture regulates the possibilities of using cultural objects for tourism. The Ministry of Education and Science develops study and possibilities of using cultural objects for tourism. The Ministry of Cultural Heritage, adaptation of heritage objects for tourism is complicated and such a situation makes the implementation of projects for object management and restoration more difficult. The designation of water protected areas are actively drafting territorial management plans. However, there remains the risk of abuse of office or protection and activities in protected areas emerge. Some legal acts even restrict tourism development to some extent but on the other hand they ensure the preservation of the unique character of some localities thus increasing their attractiveness. The biggest conflicts are observed with regard to the possibilities of disposal and use of private property. Another acute problem is relating with the adaptation of cultural heritage objects for tourism. The provisions for heritage protection are established in many laws of the Republic of Lithuania aimed at preserving and transferring the immovable cultural heritage to future generations, and creating conditions for the general public to know and use it. However, due to a complicated registration procedure laid down by the Department of Cultural Heritage, adaptation of heritage objects for tourism is complicated and such a situation makes the implementation of projects for object management and restoration more difficult. The designation of water protection strips and zones and the regulation of activities in the protection zones of water bodies also cause many problems, which, in turn, restrict the organisation of recreational activities. It should be noted that recently the possibilities of tourism development in protected areas has become more regulated and purposefully oriented to the development of sightseeing tourism and sustainable provision of recreational services. The administrations of protected areas are actively drafting territorial management plans. However, there remains the risk of abuse of office or tourism disruption due to refraining from action by the staff of these institutions. Unfortunately civil servants quite often take a pussyfooting view leading to stagnation: ‘no civil servant has ever been punished for non-issuance of a permit for activities but there are many of them who were punished for making a mistake in issuing such permits even to very attractive projects.’

As the performed analysis of the legal framework shows, at local level, differently than at national and regional levels, there is still a lack of documents regulating tourism activities, which negatively affects tourism development in the territory of a particular municipality. Without having documents regulating tourism development, a clear strategy or development plans, municipalities impede the development of economic activities, including tourism, and foil private initiatives. Another problem is incoherence of the tourism development process and poor inter-institutional cooperation.
cooperation, to say nothing of a wider inter-district or even interregional collaboration.

Tourism industry in border regions: situation analysis and suggestions

As the analysis of research literature and secondary information sources shows, tourism is an integral element of regional development whereas in some localities even the key element of their development, and should be based on mutual partnership between the public and private sector. To research the practical issues of public administration activities aimed at fostering economic growth and ensuring social welfare in the border regions, the Lithuanian case study was done, as Lithuania boasts a relatively big natural tourism potential, which consists of the littoral natural complex, inland water bodies (there are 2,850 lakes and 760 rivers in Lithuania) and forests covering 33 percent of the country’s territory. In the course of development of the public tourism infrastructure for sightseeing (cultural, ecological) tourism and active recreation, national and 30 regional parks covering 7.5 percent of the national territory as well as some of 254 state and 101 municipal reserves and 410 natural heritage objects are gradually being adapted for tourism (NTDP).

As the analysis of the secondary information resources (like annual reports of public administration institutions both at the national and local levels) and interviews of experts in regional development (23 specialists from the National Tourism Development Department, the Ministry of Economy, Regional Development Departments at county administrations and district municipality administrations) show, in the recent years the following processes were observed: tourism service infrastructure modernisation, service quality improvement and growing demand for these services. It is obvious, however, that tourism development possibilities have been fully utilised neither at national nor at local levels. This in particular applies to the districts away from the country’s cities the further development prospects of which could be more related to tourism development. However, tourism development in remote areas is impeded by insufficient managerial capacities of specialists from public administration institutions and residents engaged in this activity, poor knowledge of foreign languages as well as insufficient infrastructure and range of services for tourism development (accommodation and provision of meals, access roads, water supply, leisure activity organisation, information, internet access, etc.) and a lack of marketing measures. The main problem here is seasonality. This problem might be solved by increasing employment, active recreation organisation, especially in remote areas, including border regions, provision of additional services (for instance, skiing and horse-riding, water amusement and ballooning, hunting and fishing, nature observation and forest berry and mushroom gathering, organisation of traditional festivals, folk art and old craft demonstration and teaching, promotion and dissemination of living and cuisine traditions).

As indicated in the NTDP, with tourism service and public infrastructure development both at national and local levels, there emerges a tendency of creating an infrastructure oriented to the activities of active recreation and entertainment, health promotion, ecological, sports and historical and cultural tourism, business/conference tourism, and sightseeing tourism in protected areas. These activities serve as a basis for the formation of respective tourist products, which already today are attractive to foreign and local tourists, are in great demand, more competitive have prospects for development. However, as this research shows, a network of accommodation establishments is not fully developed, whereas the main problem is a scarce supply of activities for the guests in both district centres and Lithuania’s border regions because of insufficient concentration of tourism service providers and products for tourists. As the case of Druskininkai shows, where the number of guests nearly doubled after a water park and other facilities of active recreation and leisure activities were opened, it is reasonable to continue improving and developing the infrastructure of entertainments and leisure activities seeking to achieve its critical mass for tourists to see the sense of coming here irrespective of natural conditions and the season. This once again confirms the fact that the leisure activity sector related to tourism is least developed in the majority districts of Lithuania. A lack of entertainment does not encourage guests to stay longer and reduces the competitiveness of Lithuania’s tourism products.

The research also shows that a lack of public infrastructure and services is the main obstacle to the efficient use of the cultural and natural potential in Lithuania. The public infrastructure (water and cycling tourism routes, beaches, piers, recreation sites) is not developed, and cultural and natural heritage objects, the majority of which are not adapted for tourist visits, are not included in thematic tourist routes/networks. Another problem for tourism development in individual regions and newly forming tourist attraction centres is that all potential tourism resources are not connected in a complex manner by integrating them into the tourism industry and thus seeking the efficient use thereof. As individual tourism constitutes the main part of incoming tourists it is necessary to promote the incoming tourism of this type by disseminating information on tourism in Lithuania, setting up new or modernising the existing tourist information centres, presenting them in various publications in different languages, and developing the activities of the national tourism information system helping individuals to find accommodation, entertainments, active recreation facilities and events hosted in Lithuania.

In the opinion of many experts who were interviewed, for the creation of new and development of the existing tourism products and services, and formation of the image of tourism, both the efficient management of tourism resources and funds to finance these activities are needed. One of the possibilities is to make use of EU structural aid. A major part of the aforementioned problems can be dealt with by using financial aid from EU Structural Funds as only such a district that creates innovations and is capable of offering a wide range of services to the users can compete for larger tourist flows and added value generated.
by this sector. Sustainable and efficient tourism development can be achieved by increasing the activity efficiency and managerial capacities of the public sector. National documents regulating tourism development only establish the limits for strategic options whereas the option itself and its successful implementation depend on the capacities of business and public administration institutions of a particular region to properly manage the resources available.

Taking account of the importance of the object addressed for the development of the national economy and separate regions, the analyses of tourism development role and prospects in various regions of Lithuania was conducted. This part of research was performed by analysing strategic development plans of different levels, projects and reports on their implementation results – in total about 60 documents at national and local level.

This analysis showed that tourism development could play a very important role in further development of various regions. The research also revealed very big tourism development disparities between the country’s central regions, remote regions, attraction centres and border areas. A very important factor worth mentioning is the dependence of tourism development on the country the district addressed borders on. The research shows that districts bordering Poland boast significant priorities compared to the other ones. This is preconditioned not only by big flows of motor tourists and trade exchange interests but also rapid development of the tourism sector in Poland, which is setting a leading example to the neighbouring regions in Lithuania. Quite a different situation is on the border with Kaliningrad region. Here (like in the case of Belarus) tourism development is restricted by strict requirements for crossing border with the countries not belonging to the Schengen area as well as visa requirements. Economic factors, too, contribute to the distortion of tourism purposes – a rapidly developing ‘smuggling’ tourism causing a headache to both local authorities and national institutions. Therefore, a business partnership and cultural tourism initiative and joint projects with Kaliningrad region implemented by Marijampole and Taurage counties is a welcoming contra-measure. Much was achieved through the activities of the Euroregion Sesupe and the initiatives of Hansa Road. Unfortunately, this covers only a comparatively small portion of Lithuania’s border region even though distinguished by high tourist activity. Much more districts border on Latvia and Belarus. The research revealed significantly bigger disparities in the area of tourism development. Many districts sharing border with Latvia are content with episodic cross-border cultural projects and private initiative of ‘trade’ tourism when tourists reach Riga and Latvia’s other towns, whereas Latvia’s border population in attracted to Lithuania in an analogous manner. Lithuania’s regions bordering on Belarus in fact have achieved nothing in the area of tourism development (maybe except for Druskininkai). But as the research shows, Zarasai district, bordering on both Latvia and Belarus, is quite different in the general context. Therefore, Zarasai district, with scarce resources for the development of other economic branches and average agricultural

indicators but laying much effort in the area of public administration for the promotion of tourism development, was selected for a more detail research because of its geographical location as well as the importance of tourism to its further development.

Successful tourism organisation in a particular location is impossible without a thorough knowledge of the tourist environment, assessment of its quantitative and qualitative characteristics and active participation of local authorities, treasuring social, natural and cultural environment of the locality, in the planning and regulation of tourism development. With a view to assessing the trends and specificity of tourism development in Zarasai district and the role of local authority to tourism development, an empirical study was carried out (comparative analysis of tourism, verbal and visual content (texts, photos, schemes, etc.) analysis and expert survey). The study covered the assessment of the local tourism potential and the role of public administration institutions in the following aspects:

- social and economic environment quality;
- natural environment quality;
- cultural environment quality;
- tourism infrastructure.

After making the analysis of various legal documents (national and international agreements, collaboration projects and long-term development strategic documents), a general conclusion can be made that Zarasai district is a participant of the development and implementation of regional long-term development strategies as well as international projects intended for tourism promotion (Figure 1).

On the basis of the performed assessment of Zarasai district natural and cultural environment, a conclusion can be made that the district has the original tourist potential and character, which may have a positive influence on tourism development in the district. However, the performed analysis of tourist routes and attractions offered to tourists in Zarasai district shows the absence of complexity and integrity. Sustainable tourism development in the district is hardly possible without the efficient tourism management and marketing activities. To develop tourism in Zarasai district in the future, a clear development vision and a specific plan of measures that fully complies with the obligations of Zarasai district assumed towards all the partners participating in regional tourism development at various levels are needed. A still more active role of the public sector should be highlighted in this aspect. Clear and consistent strategic planning, management and activity control are necessary. Strategic planning is understood as the aggregate of concepts, procedures and measures that should help politicians to be capable of strategically formulating and implementing public policies. The success of strategic planning largely depends on how the models, principles and procedures of strategic planning are related with the real conditions of activities. As tourism development for the major part depends on the activities carried out and decisions adopted within the public sector, it is important for the targets set by municipalities to be priorities for city or district development and create favourable conditions for tourism development across the district. Therefore, the expert
opinion survey is based on the problem issue – whether strategic planning and management of tourism in Zarasai district municipalities are in line with the set long-term strategic trends and priorities and whether they ensure sustainable tourism development in the district, reliable and beneficial partnership in regional tourism development at various levels, and sufficient business involvement in the tourism sector. The purpose of this study was to evaluate the tourism management situation in Zarasai District Municipality. The study was aimed at measuring the attention devoted to tourism management in Zarasai District Municipality and analysing the principles of tourism management and the scale of development thereof depending on the participation and inter-compatibility in the previously discussed regional formations of very diverse levels.

The peculiarities of tourism management, identified during this study, are intended for preparing recommendations on the improvement of tourism management in Zarasai District Municipality. Expert evaluation allows us justifying the provision that sustainable tourism development in a certain locality is predetermined by the available tourist potential and efficient planning and management of tourism development, cooperation between the public and private sectors and active participation of the general public. Tourism management is understood as a process that links individual resources into a single system for the implementation of common goals. The research results show that the building blocks of tourism development are tourist resources and tourism management. Therefore, all participants of the tourism development process should be aware of the need of systematic tourism resource management for successful tourism development in the district.

The results of the performed analysis of scientific literature and secondary information sources and of the empirical study highlight the problem areas and on the basis thereof a number of recommendations on further tourism development are presented. It is obvious that Zarasai district, having a relative rich and attractive tourist potential, still lacks attractiveness to foreign tourists in terms of tourism (or has lost its attractiveness to the former large numbers of tourists from Russia because of unfavourable political climate and complicated visa requirements.) Therefore, for border regions’ development, and particularly for the tourism activity development the following measures are recommended to be included in strategic development planning and good governance both at national and local levels:

1. To create a hierarchic tourism development system through smart coordination of participation in tourism development initiatives of regional formations of different levels.
2. To devote special attention to the development of the sightseeing and active recreation tourism, and the promotion of private initiatives (such as the envisaged development of sport aviation and extreme diving, and conference tourism at the Lake Aviliai, Zarasai district). It is reasonable to develop a system of specialised tourism routes (water, cycling) of local, national as well as multilateral importance and address the issues of more convenient and rapid arrival of tourists from abroad (facilitation of visa receipt and international private mini airport).
3. To highlight and display both typical and unique objects of the natural and cultural environment distinguished for their original features. The recommendation is to include the following objects, their groups or complexes into the system of tourism and manage and display them.
4. To enhance direct information means by highlighting recreational sites or cultural knowledge localities typical of the district. To intensify the activities of tourism information centres and improve the district’s tourist image internationally.
5. To take appropriate administrative and financial measures that are necessary for the preservation and presentation of tourism resources and better management of the tourism sector.
6. It is necessary to form an attractive model of tourism development and concentrate efforts on those areas

Figure 1. Zarasai District Municipality’s participation in regional tourism development at various levels
where the achievement of a competitive advantage is possible. Conduction of extensive research on the tourism market is recommended.

7. Many of the determined problems can be solved by initiating project activities aimed at tourism service development and improvement as well as bettering of the public tourism infrastructure. In this case a decisive role should be played by better execution of public administration functions and closer cooperation with private businesses in creating the public tourism infrastructure as well as promoting the provision of services to tourists and the development of new tourist products.

Taking account of the determined shortcomings and market needs, the recommendations on the improvement of tourism management in Zarasai District Municipality has been forward. The tourism industry analysis, justified on the Zarasai case study, could be used for the analysis of other economic sectors in the border regions, and the conclusions presented there are typical of the assessment of activities in many other municipalities in the border regions and the proposals presented are relevant to all public administration institutions.

Conclusions

1. Public policy should ensure sustainable development of the national economy with an increasingly important role played by the tourism sector and public institutions ensuring the improvement and implementation of the national tourism development strategy as well as the development of tourism at local level and preserving a competitive position in the market through proper organisation of the managerial activities of tourism, i.e. efficient utilisation of the existing resources (human, financial, physical, information, etc.), creation of a rational tourism planning and management system and execution of the key managerial functions: planning, organisation, management and control. However, despite the fact that legal documents do not restrict local authority initiatives, no clearly defined legal instructions for local authorities to be active in the area of tourism development are present.

2. Tourism can be considered as the accelerator of environment protection and the regeneration and improvement of urban and rural areas and the structural axis of economic development. Tourism plays a very important role in economy formation in such poorly developed border regions as Zarasai and others. The performed analysis of the specificity and problems of the tourism sector allows us to determine the essential factors of tourism sector competitiveness – tourism service quality and tourist uniqueness of the locality, and highlight the main problem areas of tourism – tourism infrastructure, supply and quality of tourism and related services, tourism information dissemination and marketing as well as regulatory framework of tourism.

3. After evaluating the tourist potential and experience of Zarasai district case, a conclusion can be made that the district is a promising and attractive land in terms of tourism. Zarasai district natural resources include natural landscapes and natural recreation territories along with their physical and aesthetic qualities. It was determined during research that the provision of the required tourism services was insufficiently developed in the district; there was a lack of specialised tourism services, in particular intended for the reduction of the seasonality impact. The entertainment and leisure sector is distinguished by special attractiveness and big supply but is lacking better tourism infrastructure.

4. The performed research on tourism management in Zarasai District Municipality highlighted the peculiarities of tourism development in the Municipality. The results show that the district is a promising and attractive land in terms of tourism but without having efficient tourism management and marketing sustainable tourism development in the district is not possible. It is determined that the municipality has not created a rational tourism planning system, there are shortcomings in the tourism management process, i.e. insufficient legal regulation of tourism development and organization of work in the municipality, and a lack of human resources and competences to perform the entrusted functions as well as the absence of initiatives; however, at the same time a significant dynamics towards improvement of the aforementioned areas is noticed.

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