

# LATVIA ANNUAL TOURISM REPORT 2009

## 1. INTRODUCTION

Council Decision 86/664/EEC of 22 December 1986<sup>1</sup> establishing a consultation and cooperation procedure in the field of tourism foresees that “each Member State shall send the Commission, once a year, a report on the most significant measures it has taken and, as far as possible, on measures it is considering taking in the provision of services for tourists which could have consequences for travellers from the other Member States”.

With the publication of the “Agenda for a sustainable and competitive European tourism”, the Commission announced that “in order to strengthen the collaboration with and among Member States, their current annual reporting through the Tourism Advisory Committee (TAC) will be used to facilitate the exchange and the dissemination of information about how their policies and actions safeguard the sustainability of tourism”.

This Communication was welcomed by the Competitiveness Council conclusions (22nd-23rd November 2007) and by the Presidency Conclusions of the Brussels European Council of 14th December 2007.

The main aims for the reporting process are:

- to be able to monitor the level of implementation of the “Agenda for a sustainable and competitive European tourism” by Member States;
- to facilitate the exchange of experiences among member States with regard to how they tackle issues which are important for the competitiveness and sustainability of European tourism.

MS reports referring to year  $n$  shall be sent to the European Commission by the end of February of year  $n+1$ .

If the reports are sent in English, the deadline is shifted to the end of April.

## 2. ORGANISATIONAL STRUCTURE

This section should provide an overview of the main organisational structure to illustrate how tourism is organised and managed, to identify linkages and to identify the engagement of other organisations/stakeholders.

The information required will only need to be prepared fully in year 1 as it will subsequently only be necessary to provide details of any changes.

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<sup>1</sup> Official Journal L 384, 31/12/1986 P. 0052 – 0053.

**2.1** Please identify the National Bodies responsible for tourism (Ministry and also any separate/related National Tourism Organisation), including key areas of responsibility, and their relationship to other national bodies.

**The Ministry of Economics of the Republic of Latvia**

The Ministry has the function of the National Tourism Administration in Latvia. The main functions are:

- to develop, coordinate and implement tourism development state policy;
- to develop tourism legislation and policy planning documents;
- to represent the State's interests in the tourism sector;
- to plan State aid to the tourism sector;
- to prepare and implement international agreements regarding co-operation in the field of tourism, as well as to co-ordinate the development of international projects;
- to cooperate with local and international tourism organizations and institutions .

**Latvian Tourism Development Agency (hereafter – Agency)**

The Agency is the National Tourism Organization in Latvia. The Agency is a state institution supervised by the Ministry of Economics and is responsible for tourism policy implementation: marketing and promoting Latvia as an attractive tourist destination. The main functions are following:

- tourism marketing and public relations activities;
- tourism product development and promotion.

**2.2** Please, describe what organisations/agencies are used to deliver services at the national and regional level and the services that they deliver.

Latvia is promoted as a tourism destination both in national and international level by Latvian Tourism Development Agency.

Besides, tourism is facilitated by regional tourism associations as well as tourism information, centres, and tourism points, located in the whole territory of Latvia, administrated by local municipalities and other authorities.

**2.3** Please, describe which other bodies and organisations are involved at the national level and the process for involving them.

In order to ensure effective partnership and participation of tourism industry in the development of the tourism state policy, **Latvian Tourism Advisory Council** was established in 1997.

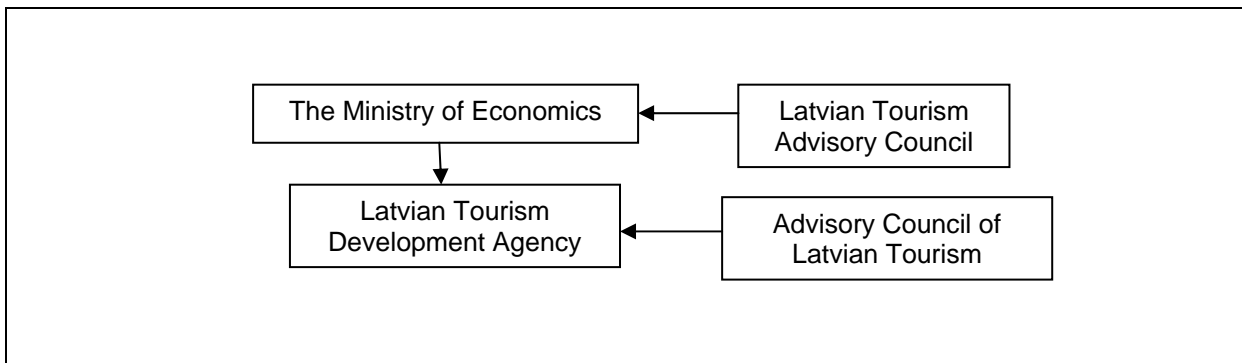
Besides participation in the Latvian Tourism Advisory Council tourism associations and other non-governmental organizations participate in elaboration and implementation of the tourism state policy nationally and locally. The major tourism associations are following:

- Association of Latvian Travel Agents;
- Latvian Hotel and Restaurant Association;
- Latvian Rural Tourism Association;
- Latvian Youth Hostels Association;
- Latvian Professional Tour Guide Association;
- Latvian Tour Guide Association;
- Latvian Association of Tourist Information Organizations "LATTURINFO";
- Latvian Campsite Association;
- Tourism Education Association of Latvia;
- e-tourism Association of Latvia;
- Ecotourism Union of Latvia;
- Latvia's Resorts Association;
- Major Cities Association of Latvia;

- 4 regional associations (Vidzeme, Kurzeme, Latgale, Zemgale).

To consult on state tourism marketing activities in 2009 there was Advisory Council of Latvian Tourism Development Agency developed. There are involved participants from the major tourism and marketing associations.

**2.4** Please provide a diagram/organogram of the organisational structure for tourism identifying the relationship between national, regional and local bodies. Provide also a short description of the core responsibilities and competencies of each of the organisations. Include also information regarding the direct and indirect links between other departments, stakeholder organisations and unions. Information about mechanisms of decision making process participation from outsider organisations, e.g. forums, advisory committees is also requested.



**2.5** Please provide information about financial data, including spend/budget on tourism as a percentage of overall government spend/budget, the level of national funding support for tourism marketing, the amount of EU funding support made available for tourism and data concerning the support to SMEs and Destinations.

As tourism is subsectoral export industry, it is financed through different sectors. In year 2009 the direct budget for the tourism, tourism promotion under Ministry of Economics was 1,4 million EUR from them spent – 1,2 million EUR.

### 3. POLICIES AND STRATEGIES

**3.1** Is there a current National Strategy for tourism? No

If yes, please, provide information in bullet point format about the key aims, objectives and priorities of the strategy highlighting those that are designed to address sustainability issues in economic, environmental and social terms in particular those related in the six aims included in the Agenda. In preparing the tourism strategy, explain how consideration has been given to the 9 principles set out in the Agenda (para2.3 p5) and given in the appendix.

Due to the economic situation in the World and especially in Latvia, there is no specific National Tourism strategy. Nevertheless Tourism has been placed as one of the priority export sectors in Latvia. The actions towards tourism further development are stated in the governmental level action plans, export development plan and other strategic documents.

Latvian Tourism Development Agency has worked out new Tourism marketing strategy for Latvia

2010.-2015, where the main tourism markets and segments are stated and a vision for the further action in promoting Latvia as an attractive tourism destination.

**3.2 Who was the initiator and who is responsible for its implementation?**

The Ministry of Economics is the responsible institution for the development of tourism policy, but Latvian Tourism Development Agency - for the implementation of the policy.

**3.3 How is the strategy monitored and how often?**

All the strategic documents are monitored according to their specific plans, but not less than once per year.

**3.4 What tourism specific legislation exists?**

- Tourism Law (17 September 1998, amendments 1999, 2002, 2003, 2006, 2009)
- Cabinet Regulations No.226 Procedures for the Completion, Storage and Transferral of Declaration Forms of Aliens (3 April 2007, amendments 2008)
- Cabinet Regulations No.67 Procedures for the Preparation and Implementation of a Package Tourism Service, Information to Be Provided to a Client, and the Rights and Duties of a Package Tourism Service Provider and a Client (23 January 2007, amendments 2008, 2009).
- Cabinet Regulations No.936 Latvian Tourism Development Agency (16 November 2004, amendments 2008)
- Cabinet regulations No.666 Latvian Tourism Advisory Council (25 November 2003, amendments 2008, 2009)

*In year 2010 new regulation has been implemented – Cabinet Regulation No.353 Regulations regarding the Rights and Duties of the Tour operators, Tour agents and a Client, Preparation and Implementation of a Package Tourism Service, Information to Be Provided to a Client and the Procedure of obtaining the guarantee for the money deposited by consumers (13 April, 2010).*

**4. MEASURES AND INITIATIVES**

This section provides Member States with an opportunity to outline specific initiatives and policies that are or are going to be adopted to manage and develop tourism activity in ways which respond to the key challenges of the Agenda and which fall within the six main aims of the Agenda itself.

**1 Economic prosperity**

- a. To ensure the long term competitiveness, viability and prosperity of tourism enterprises and destinations.
- b. To provide quality employment opportunities, offering fair pay and conditions for all employees and avoiding all forms of discrimination.

**2 Social equity and cohesion**

- a. To enhance the quality of life of local communities through tourism, and engage them in its planning and management
- b. To provide a safe, satisfying and fulfilling experience for visitors, available to all without discrimination by gender, race, religion, disability or in other ways.

### **3 Environmental and cultural protection**

- a. To minimise pollution and degradation of the global and local environment and the use of scarce resources by tourism activities.
- b. To maintain and strengthen cultural richness and biodiversity and contribute to their appreciation and conservation.

**4.1** Please set out, briefly, the steps which have been or will be taken, if any, to address the 7 key challenges for the delivery of sustainable and competitive tourism, covered in the TSG report and referred to in the 'Agenda'.

#### **4.1.1 Reducing the seasonality of demand.**

Promotion of various tourism products and services in order to meet the interests of both domestic and foreign tourists. There was organized a campaign called "The Great Baltic Marathon", the most important goal of which was to introduce new and also well known tourist spots in the Baltic States and to encourage to visit them, as well as to develop the local tourism in the region. Besides, different marketing activities to promote tourism products and services to avoid seasonality were carried out. As one of the good examples the project "See Latvia Talks" that was introduced in the off-season with the idea that everyone can inform about his domestic tourism experience, suggesting places to visit.

#### **4.1.2 Addressing the impact of tourism transport.**

After the reconstruction works of the runway and illumination system (have been lengthened till 3200 meters) in 2008, the first Boeing 747 landed in Riga International Airport in August 2009.

#### **4.1.3 Improving the quality of tourism jobs.**

To advance the performance of employees engaged in tourism, human resource development was stimulated: support and consultations about tourism educational programs and professional standards were given; accreditation process of educational institutions and programs was coordinated. Representatives of the Ministry of Economics also frequently attended the presentations of bachelor and master thesis.

#### **4.1.4 Maintaining and enhancing community prosperity and the quality of life, in the face of change.** (maximum 200 characters)

To ensure the tourism quality management, a tourism service quality system Q-Latvia is being developed. Q-Latvia will help to reduce the amount of complaints, facilitate growth of positive tourist comments, repeated visits, improve co-operation among tourism companies and create a positive image of Latvia.

There was available a free hotline "Tourist Hotline – 22033000" in order to provide safe tourism in Latvia, enabling to inform foreign tourists of different conflict situations related to tourism service providers in Latvia, as well as provide round-the-clock informative assistance.

#### **4.1.5 Minimising resource use and the production of waste.**

To raise the awareness of the significance of environment protection and the importance of environmentally friendly economic activities, broadcast program "Green Property" was implemented.

#### **4.1.6 Conserving and giving value to natural and cultural heritage.**

Regarding utilisation of ERDF resources the sub-activity 3.4.2.1.1 “Maintenance and Renewal of Town Planning Monuments of National Importance and Infrastructure Adjustment to Develop a Tourism Product” was introduced, the potential investment locations of which were – town planning monuments of national importance in compliance with the list of the State Inspection for Heritage Protection as of January 1, 2007.

#### 4.1.7 Making holidays available to all.

Significant attention was turned to the improvement of tourism infrastructure to make it friendlier to tourists.

#### 4.2 As key challenges may change over time, please identify any other areas that are becoming a new challenge.

The ability to maintain competitiveness during the time of global financial crisis can be recognized as the main challenge for Latvia. When joining the EU in 2004, Latvia gained the competitive advantage by being comparatively undiscovered, wherewith captivating and interesting tourist destination. Nowadays Latvia is no more an unknown place in Europe. Moreover, Europe itself has started of losing its position as the leading tourist destination in the world. Due to that, it is becoming more important for Latvian tourism industry to find new ways to remain competitive.

Secondly, it is significant to develop not only innovative, but also sustainable tourism products and services to stay competitive, contemporary and environmentally friendly simultaneously.

#### 4.3 Please identify and describe a specific initiative, which is related to the 7 key challenges, that is innovative/ successful and which would be of interest to or of help to other Member States.

Latvian Tourism Development Agency is working on the development of the tourism service quality system Q-Latvia. The Swiss tourism service quality system was used and adapted as a basis for establishment of the quality system. The enterprises directly and indirectly involved in the provision of tourism services may voluntarily participate in Q-Latvia. Upon introduction of Q-Latvia, particular attention within the activity of tourism service providers will be focused on hospitality and clients, their wishes and assessment, as well as on increased understanding of enterprises on importance of the service quality and means of its provision. It is expected that Q-Latvia will help to reduce the amount of complaints, facilitate growth of positive tourist comments, repeated visits, improve co-operation among companies within the sector and create a positive image of Latvia as a tourist destination. The Agency will provide marketing activities for the companies having obtained Q-Latvia certificate.

A free hotline “Tourist Hotline – 22033000” was available in order to provide safe tourism in Latvia, enabling to inform foreign tourists of different conflict situations related to tourism service providers in Latvia, as well as provide round-the-clock informative assistance. In addition, popularisation measures of the phone line are carried out.

There were also improvements of the technical system and content of the state tourism portal [www.latviatourism.lv](http://www.latviatourism.lv).

Latvian Tourism Development Agency also carries out other annual marketing activities which are updated every year to satisfy the latest needs of tourists.

## 5. MECHANISMS FOR IMPLEMENTATION

Three mechanisms for implementing the Agenda were identified in the “Agenda”: sustainable destinations, sustainable businesses and responsible tourists.

**5.1 Sustainable destinations:** What support is given to strengthen destination management at the regional/ destination level (supportive policy environment, knowledge networks, training programmes, establishment of measures/indicators for benchmarking, etc.)?

Sustainability is acknowledged as a crucial element regarding the national tourism policy of Latvia. Therefore Latvia continued participating in the EC project "European Destinations of Excellence" in the framework whereof wide publicity is ensured for the best travel destination of Latvia.

In 2009, the topic of EDEN project was "Tourism and protected areas". A project application was prepared and approved by the European Commission, and therefore a competition was also organised in 2009 on the best Latvian tourist destination..The application "Tervete Nature Park" was acknowledged as the most outstanding in Latvia in 2009.

**5.2 Sustainable businesses:** What support is given to strengthen the sustainability and competitiveness of businesses (supportive policy environment, orientation of business support services to sustainability, training, financial incentives, etc.)?

In the period of 2007-2013 it was planned to attract the financial resources of the European Regional Development Fund for Measure 3.4.2 "Tourism", the goal of which is to promote the strengthening of Latvia as a tourist destination and the increase of competitiveness creating favourable conditions for complex and sustainable development of tourism products of national importance. Two Activities were planned within the framework of the measure: "Development of Tourism Product of National Importance" and "Development of Tourism Information System".

Yet only two Sub-activities are carried out: "Maintenance and Renewal of Town Planning Monuments of National Importance and Infrastructure Adjustment to Develop a Tourism Product" and "Development of Cycling Tourism Product of National Importance".

They promote development of cultural tourism products of national importance by ensuring internationally recognised improvement of tourism infrastructure regarding Latvian cultural and historical values and facilitate development of bikeway infrastructure and observing requirements for ensuring tourist safety and tourism resource sustainability.

**5.3 Responsible tourists:** What support is given to promote responsible choices by tourists (e.g. sustainability in education, national marketing and media campaigns, promotion of certification schemes)?

Raising awareness of natural and historical heritage, as well as encouraging respectful attitude towards surrounding environment is an effective way to advance the responsibility of tourists. As a good example "The Great Baltic Marathon" could be mentioned.

This travel campaign of the Baltic States was organised jointly with the Lithuanian and Estonian national tourism organisations already for the third year with a purpose to popularise new tourism products, as well as get acquainted with the tourism supply, and facilitate local tourism development of the Baltic region. 30 tourism objects were included in the marathon (10 from each country) visited by about 25 000 tourists from all the three Baltic States.

## 6. DATA AND INDICATORS

Eurostat will provide, as an annex, the key statistical data required to support the reporting process covering around 20 indicators<sup>2</sup>. These are mainly related to the aim of 'economic prosperity'.

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<sup>2</sup> These indicators have been selected from the 50 TSG indicators on the basis of the possibility to calculate them at the European level.

Please, identify indicators that are being used or developed which could add to the range of information being provided by Eurostat, particularly in relation to social and environmental issues (other indicators from the TSG report, visitors/ residents satisfaction, etc.).

The current 20 indicators are sufficient to provide the statistical information of Latvian economic prosperity.

#### **7. COMPLEMENTARY ADDITIONAL INFORMATION**

If necessary use the following box to provide additional complementary information that has not already been covered.

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## APPENDIX

Principles of sustainable tourism:

- **Taking a holistic and integrated approach**

All the various impacts of tourism should be taken into account in its planning and development. Furthermore, tourism should be well balanced and integrated with a whole range of activities that affect society and the environment.

- **Planning for the long term**

Sustainable development is about taking care of the needs of future generations as well as our own. Long term planning requires the ability to sustain actions over time.

- **Achieving an appropriate pace and rhythm of development**

The level, pace and shape of development should reflect and respect the character, resources and needs of host communities and destinations.

- **Involving all stakeholders**

A sustainable approach requires widespread and committed participation in decision making and practical implementation by all those implicated in the outcome.

- **Using best available knowledge**

Policies and actions should be informed by the latest and best knowledge available. Information on tourism trends and impacts, and skills and experience, should be shared across Europe.

- **Minimising and managing risk – the precautionary principle**

Where there is uncertainty about outcomes, there should be full evaluation and preventative action should be taken to avoid damage to the environment or society.

- **Reflecting impacts in costs – user and polluter pays**

Prices should reflect the real costs to society of consumption and production activities. This has implications not simply for pollution but for charging for the use of facilities that have significant management costs attached to them.

- **Setting and respecting limits, where appropriate**

The carrying capacity of individual sites and wider areas should be recognised, with a readiness and ability to limit, where and when appropriate, the amount of tourism development and volume of tourist flows.

- **Undertaking continuous monitoring**

Sustainability is all about understanding impacts and being alert to them all the time, so that the necessary changes and improvements can be made.