Financial Provision of Investment Activities of the Subjects of the World Industry of Tourist Services

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Abstract:
The article deals with the methodological approach and practical aspects of the development of the corporate financial security system for forecasting the investment activity of the subjects of tourist services and modeling of their tourist flows for restoration of the natural and recreational potential of the state (region) of the world level. It is proved that the multiplicative effect regulates the economic and social indicators of the tourist services and under the influence of financial policy, sets the vector of their state support, suspends the information asymmetry of the financial market in the corporate financial security system, forms a stable inflow of financial resources from tourism sector, diversifies the model of financing the investment costs of the tourism industry on the basis of public-private partnership. The dynamics of changing the time trend of the integral multiplier effect of investment expenditures of the tourism sector is substantiated. A methodological approach to estimating the multiplicative effect of investment is proposed, which defines the interdependent relationship between the differential "input-output" of the tourist services industry of the meso-level using information technologies of the money generation model. The contribution of the multiplier effect of investment costs of tourism services to the country’s GDP has been determined as a complex budgetary system of financing investment projects in the regions, taking into account the conditions of employment growth and job creation. The structure of the subsidized distribution of financial resources for the investment costs and service of the tourist services industry in countries and regions of the world is analysed. The marginal
The tourist services industry is an important sector of the economy, the investment development of which is a means of foreign exchange earnings, employment, an increase in the balance of payments and GDP of the country, diversification of the economy, increased profitability of this sector and the welfare of the nation. The combination of economic, social, and cultural aspects of the development of tourism services has an inexhaustible potential for progress concerning the effect of interaction between other sectors of the economy, causing the acceleration of capital circulation between countries, playing an important role in the creation of infrastructure for international tourism, especially transport, hotel and restaurant business, trade, communication, information and communication sector, construction, agriculture, food industry, production of a wide range of non-food items etc.

Taking into account the realities of today, it must be acknowledged that the underdevelopment of the tourism business in some countries of the world, and Ukraine in particular, is caused by an unstable economic state due to the influence of military conflicts on the financial potential of states and, accordingly, on the potential of tourist services (Fedyunin et al. 2018a; Fedyunin et al. 2018b; Dunets et al. 2019). This requires increased financial policy multiplier measures to coordinate international relations between financial institutions and integrate their financial systems to attract investment in the tourism industry of the world.


The current state and dynamics of development of the world tourist industry are being explored by Ukrainian scientists, among them are V. Hrechanyk and S. Vasylychenko (2008), N. Huk (2005), L. Ivanova (2009), E. Milinchuk (2006), I. Temnyk (2011); multifaceted issues of influence of financial levers on the implementation of the investment strategy of the world tourist industry are studied by – A. Kulinska (2009), A. Limanskyi, and Ya. Ruzhkovskyi (2013), A. Muzychenko (2013), V. Poliuha (2010), M. Rypkovych (2014). Despite the considerable interest of scientists in the mechanism of organization and functionality of the tourist business in the world, most of them analyze the tourist infrastructure in terms of theoretical and subjective judgments. The process of forecasting the development of the global tourism industry with financial instruments remains poorly investigated. The priority of our research is substantiation of methodological approaches and practical aspects of development of the corporate financial security system with the purpose of forecasting the investment activity of the subjects of tourist services and modeling their tourist flows for restoration of natural and recreational potential of the state (region) of the world level.

1. Methodology

Additive methodological approach to coordinate the interconnected relationships between financial institutions, justifies the directions of investment attraction, takes into account the stages (preparatory, analytical and final) and methods of assessing the quality of the corporate financial support system of investment activity of the subjects of the tourist services industry, differentiating the level of technology. The complex perception of the quality of the corporate financial security system is aimed at servicing the tourist flows of investment activity of the subjects (hotels, tourist complexes, campsites, motels, boarding houses, catering, transport, cultural institutions, sports, etc.) and improving their attractiveness, taking into account the principles of social responsibility (Ostapiuk et al. 2017; Rudenko 2017; Rudenko 2019). The methodological approach to assessing the quality of the corporate system of financial support of investment activity involves the use of the method of expert assessments.
in order to determine the dynamic change in the temporal trend of the integral multiplier effect of investment costs of the tourism sector.

The quality of financial support for the investment activity of tourism business subjects should be judged on the criteria (indicators) of financial sustainability (ability to maintain viability); cost of resources (minimizing the weighted average cost of attracted financial resources); growth (obtaining the maximum economic, financial and social effects of tourism subjects compared to related industries); investment development (the possibility of introducing innovation-investment projects for the transition to the latest service technologies) (Plaskova et al. 2017; Metechko and Sorokin 2018). Qualitative criteria enhance the comprehensive impact on the multifunctional and multichannel system of indicators of financial analysis, planning and forecasting of commercial income, expenses for acquisition of tangible current assets, volumes of attraction and use of financial resources, contribute to activation of the investment environment in the tourism sphere.

It should be noted that the multiplier effect regulates the economic and social indicators of tourist services and under the influence of financial policy, sets the vector of their state support (Sorokin and Novikov 2019), suspends the information asymmetry of the financial market in the corporate financial security system, forms a stable inflow of financial resources from the tourism sector, diversifies the model of investment costs of the tourism industry based on public-private partnerships (Zatsarinnyi et al. 2017). This approach involves (Malska et al. 2008):

- integration into a single service flow of financial resources to maximize the aggregate effect (investment) on macro- and meso-level investment from the consumption of tourism products;
- determining the need for financing related industries;
- ensuring social impact that upgrades the infrastructure of the local population;
- financing state or local tourism development programs;
- attraction of the latest technologies in the sphere of tourism without affecting the organic capital structure, taking into account the cyclicity of crisis phenomena in the economy;
- four times acceleration of capital turnover in relation to other sectors of the world economy and increase of the profit part of budgets of different level through taxes, formation of a gross product, number of jobs in the sphere of tourism;
- separation of tourism revenues from the general financial flow of the country with the help of the Tourism Support Accounts (TSA) system, use of indicators of indirect impact of tourism consumption on the economy (generating income from tourist expenditures on the purchase of tourism services and goods, which leads to a chain reaction: input – output – input – output) and indicators that generate secondary demand for goods and services from all other production activities;
- reducing the cost of creating one job in tourism infrastructure by 20 times;
- identifying the mobility and entrepreneurial activity of small tourism businesses with small start-up capital;
- speeding up the payback period of innovation and investment projects in the tourism sector up to 2-4 years;
- optimization of the structure and composition of financial resources, as well as their sources of supply, which are conditioned by the periodicity of movement of financial flows from the sale of services and their consumption between the subjects of the tourist market;
- determining the quantitative effect of improving the attractiveness of a tourist object after investing in it.

According to experts, the multiplier effect of the investment costs of the tourism industry is significantly different depending on the country or region and ranges from 1.2 to 4.0 (The UNWTO Tourism Dashboard... 2020). According to the theory of multiplication (Kejns 2011), the coefficient of multiplicative effect is calculated by the formula:

\[
m = \frac{1}{1 - c},
\]

where \( m \) – is the multiplier; \( c \) – is the marginal level of consumption (the ratio between the growth of consumption \( \Delta c \) and the income \( \Delta y \) that caused its increase), while \( 0 \leq c \leq 1 \).

In the first stage (circle) of the investment cost multiplier, the initial impulse to increase the demand for tourist services by \( \Delta I \) leads to an increase in the volume of goods in one of the related industries used by the tourism industry (hotels, restaurants, transport, souvenirs, etc.) and the increasing of demand for \( c \times \Delta I \). In the second stage (circle) the impulse is \( c \times \Delta I \), which leads to an increase in demand in other industries for
That is, the effect of the primary impact decreases with each circle geometrically. In practice, they only use calculations from the first two stages of investment turnover, since then the effect becomes insignificant (McIntosh and Goeldne 1990).

In the world practice of tourist services, the indirect action multiplier is determined by the international standard TSA: RMF and the method of “satellite accounts” (Tourism Satellite Account... 2008), which uses a systematic approach to assess the volume of financial flows of the tourism industry, comparing the profitability of the tourism industry with the profitability of other industries of economy of different countries (or groups of countries), because of its share in GDP, employment, investment, revenue part of the budgets of national and regional levels (Muzychenko 2013). We propose a methodical approach to assessing the multiplier effect on investment, which determines the interdependent relationship between the differential "input-output" of the tourist services industry using the information technology Modeling Monetary Economies (Champ et al. 2016).

It is recommended to calculate the multiplicative effect of direct action investment costs ($m^{pd}$) on the basis of the total value added of the tourist product in the aggregate of consumed products by tourists, including those tourists who do not use the services of tourist companies, i.e. costs from the first stage.

$$m^{pd} = m^t + \frac{y \times q_t \times (v'_t - z_t)}{x} \times \frac{1}{1 - r},$$

(2)

where $m$ – is the cumulative multiplier effect of the investment costs of the tourist services industry in the gross regional product (GRP); $m^t$ – the amount of invested financial resources included in the GRP in the first cycle of rotation, taking into account the coefficient of cost of the tourist product ($s$), i.e. ($m^t = v'_t \times s$), thus $s = 1 - z_t / v'_t$; $v'_t$ – revenue from tourist services in value terms, taking into account the weighted average cost of one tourist trip ($p_t$) and the annual number of organized and unorganized tourists ($t_r$), i.e. $v'_t = p_t \times t_r$; $z_t$ – the amount of expenses for the purchase of goods and services by tourism companies from other enterprises; $v$ – gross regional product; $x$ – gross national product; $r$ – coefficient reflecting the degree of openness of the economy of a region of an individual country to international cooperation; $q_t$ – is the proportion of the costs of the tourist industry that remains in the region. It is recommended to calculate the multiplicative effect of indirect costs ($m^{nd}$) on the formula:

$$m^{nd} = \frac{y \times q'_t \times (v'_t - z_t)}{x} \times \frac{1}{1 - r'},$$

(3)

The indicator $q'_t$ corresponds to the part of the revenues from taxes on income and income ($n$) of the subjects of tourist activity, which is part of the structure of the total amount of revenues ($b$) of the consolidated budget of the region, the algorithm of calculation, which looks like

$$q'_t = n / b.$$  

(4)

The ratio $r'$ shows the correlation of two consecutive stages of turnover of invested financial resources in the tourist services sector of the region and includes the total share of invested financial resources remaining in the region in the first circle ($v^0$), i.e. $v^0 = v'_t \times q'_t$ and at the second circle ($v^1$), that is

$$v^1 = z_t \times q'_t.$$  

(5)

Accordingly, the algorithm for calculating this indicator corresponds to the formula:

$$r' = (v^0 + v^1) / v'_t,$$  

(6)
The World Travel & Tourism Council (WTTC) (Country Analysis the World Travel… 2018) considers the multiplier effect of the investment costs of tourism services on the country’s GDP as a complex budgetary system of financing investment projects in the regions, taking into account the conditions of employment growth and jobs that include such components (Figure 1):

- direct investment costs for tourists to travel (travel, accommodation, entertainment, sightseeing and museums, food). Accordingly, the international standard “TSA: RMF 2008” distinguishes between the cost of tourists living in the country, the cost of entry tourists and the cost of travel at the state level. That is, it is a direct contribution directly linked to tourists, including hotels, restaurants, travel agents, airlines and other passenger transport services; it is formed at the expense of tourism exports, domestic commercial expenses and expenditures of state and regional levels budgets for services provided on an individual basis, minus imports. Domestic consumption of goods (services) is estimated by the WTTC using the multiple linear regression equation (export and GDP per capita are the dependent variables) (Frangialli et al. 2016);

- the induced contribution to the GDP of a country is defined as the expenditure of those who directly or indirectly earn income in the tourism sector (Country Analysis the World Travel… 2018).

![Figure 1. Contribution of the tourist services industry to the country’s GDP (budgetary system of financing of investment activity of regions)](source)

Thus, the WTTC methodology makes it possible to calculate the total contribution of the tourism industry (i.e., travel and service (T&T)) to GDP (employment) as a sum of direct, indirect and induced contributions to the budgetary financing of the investment activity of tourism business entities.

2. Results and Discussion

2.1. Analysis of Economic Growth Trends in the Global Travel Services Market

According to the UNWTO, the growth rate of the global tourist services market has the highest acceleration dynamics (providing 10.4% of world gross domestic product (GDP) and 319 million jobs (or 10% of total employment), accounting for over 6.5% of total world exports, as well as 27.2% of world services exports (Premović et al. 2013)), contribute to the promotion of exports, the development of infrastructure of industries of countries around the world (ranging from retail trade, placement and transportation of food to natural recreational and cultural-historical rest). At the same time, the annual growth of gross domestic product from the tourist services industry in the total volume of world income is quite stable – 3.9-4.0% per year, due to the income from traditional holidays in Western Europe and North America. In the past 2009-2018, this trend was most pronounced in the Middle East, Latin America, Eastern Europe and parts of South Asia (The UNWTO Tourism

![Source: Formed by the authors on the base of the data (Ivanova 2009)](source)
The economic trends of 2018 indicate that the structure of the subsidized distribution of financial resources for investment costs and services of the tourist services industry in 85 countries and 25 regions of the world accounted for 78.5% of the total world gross domestic product (Table 1).

Table 1. Subsidial distribution of financial resources for investment costs and tourism services in the structure of world GDP for 2018

<table>
<thead>
<tr>
<th>Countries</th>
<th>Subsidized allocation of financial resources to the investment spend of tourism services, bln. USD</th>
<th>Subsidized allocation of financial resources to the investment spend of tourism services GDP growth, %**</th>
<th>Domestic subsidized allocation of financial resources to the investment spend, % (share of total)</th>
<th>International subsidized allocation of financial resources to the investment spend, % (share of total)</th>
<th>Investment spend at the leisure of tourists, % (share of total)</th>
<th>Private business investment of tourism services, % (share of total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>1.595</td>
<td>2.2</td>
<td>81.2</td>
<td>18.8</td>
<td>71.3</td>
<td>28.7</td>
</tr>
<tr>
<td>China</td>
<td>1.509</td>
<td>7.3</td>
<td>85.8</td>
<td>14.2</td>
<td>81.4</td>
<td>18.6</td>
</tr>
<tr>
<td>Japan</td>
<td>368</td>
<td>3.6</td>
<td>82.5</td>
<td>17.5</td>
<td>68.5</td>
<td>31.5</td>
</tr>
<tr>
<td>German</td>
<td>345</td>
<td>1.2</td>
<td>85.2</td>
<td>14.8</td>
<td>83.1</td>
<td>16.9</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>311</td>
<td>1.0</td>
<td>84.4</td>
<td>15.6</td>
<td>65.9</td>
<td>34.1</td>
</tr>
<tr>
<td>Italy</td>
<td>275</td>
<td>3.2</td>
<td>76.2</td>
<td>23.8</td>
<td>79.1</td>
<td>20.9</td>
</tr>
<tr>
<td>Franc</td>
<td>266</td>
<td>4.1</td>
<td>65.7</td>
<td>34.3</td>
<td>80.5</td>
<td>19.5</td>
</tr>
<tr>
<td>India</td>
<td>247</td>
<td>6.7</td>
<td>87.2</td>
<td>12.8</td>
<td>94.8</td>
<td>5.2</td>
</tr>
<tr>
<td>Spain</td>
<td>211</td>
<td>2.4</td>
<td>44.8</td>
<td>55.2</td>
<td>88.5</td>
<td>11.5</td>
</tr>
<tr>
<td>Mexico</td>
<td>209</td>
<td>2.4</td>
<td>85.2</td>
<td>14.8</td>
<td>94.1</td>
<td>5.9</td>
</tr>
<tr>
<td>Australia</td>
<td>154</td>
<td>3.2</td>
<td>76.1</td>
<td>23.9</td>
<td>84.4</td>
<td>15.6</td>
</tr>
<tr>
<td>Brazil</td>
<td>153</td>
<td>3.1</td>
<td>93.8</td>
<td>6.2</td>
<td>87.9</td>
<td>12.1</td>
</tr>
<tr>
<td>Canada</td>
<td>111</td>
<td>2.9</td>
<td>76.3</td>
<td>23.7</td>
<td>63.7</td>
<td>36.3</td>
</tr>
<tr>
<td>Thailand</td>
<td>110</td>
<td>6.0</td>
<td>19.8</td>
<td>80.2</td>
<td>90.6</td>
<td>9.4</td>
</tr>
<tr>
<td>Turkey</td>
<td>96</td>
<td>15.0</td>
<td>38.6</td>
<td>61.4</td>
<td>87.4</td>
<td>12.6</td>
</tr>
</tbody>
</table>

**Growth highlighted in green when it is above global tourism services industry growth of 3.9%

Source: formed by the authors on the base of the data (Manzo 2019)

At the same time, domestic sources of financial resources for the development of investment activity in tourism of underdeveloped countries of the world had a high increase (71.2% of all investment costs of tourist services) through state programs to support the regions and their economic benefits from the construction of resorts and cultural and historical monuments of the national level (Manzo 2019). For the period 2011-2018, there has been a quantitative increase in small tourism businesses (middle class households) and an increase in global consumer investment in tourism services up to 3.9%. This level is the limit criterion for all the world states (USA, China, Japan, Germany and Great Britain), which ensures the movement of tourist flows in the financial resources market for shaping the investment attractiveness of the regions. The world powers are the leaders of the tourism industry in the market, which together represent 47% of world GDP (Manzo 2019).

Although the Asia-Pacific region has increased investment costs to 6.4%, their reproduction efficiency in North Africa has exceeded this level and reached 8.6% of annual GDP growth. Such growth not only demonstrates the resilience and ability of tourism business subjects to overcome financial dangers, but also the ability to spread their benefits worldwide. We should note that the leaders in GDP growth in tourism and job creation, especially for women, youth and marginalized groups are Ethiopia, Ecuador, Saint Kitts and Nevis, Egypt and Turkey (Manzo 2019).

Constructive cooperation of world leaders and tourist operators in economic, political, social and other spheres for implementation of significant business projects on the basis of priority of interests of the states, their political support, consolidation of resources, effective distribution of risks provides for public-private partnership financial resources in the global tourism industry (Topchy et al. 2018; Topchy 2018). The use of contract and institutional models of public-private partnership (PPP) in the world of practice allows supporting private investors, to regulate and fill budgets of all levels, to increase the social responsibility of the subjects of tourist activity and to accelerate the economic growth of the country. Thus, in the Great Britain, a private financial initiative operates through private consortia that provide funding for the design, construction and further maintenance of public
sector of tourist infrastructure (operating costs, overhaul and staff remuneration). For 30 years, the state pays the private consortium the cost of construction and maintenance of the facility, including interest. In Germany, an “operating model” operates through an organizational and financial structure and is governed by legal relations (contracts) for the design, construction of the object of resort and recreation sphere, the operation of which is transferred to a private partner whose financial services are provided at the expense of the state (municipality) (Hryshchenko 2011; Kostruba 2019).

Indonesia ranks only 12th in terms of budget financing for the tourism sector among Southeast Asian countries (Singapore, Malaysia, Thailand and Vietnam). At the state level, a Regional Transfer Fund is implemented, through which 0.45% of the budgetary resources are allocated annually to support tourism business subjects. More than 90% of the investments are provided by financial resources of state-owned enterprises, which activate the system of corporate financial support for investing alternative forms of tourism-projects of small and medium-sized enterprises. Their activity is regulated through the programs of guarantee subsidized lending and the Special Fund for the allocation of financial resources in the tourism services sector (Manzo 2019). The development of the world tourist services industry and the inflow of private investment involves the use of the following forms with the participation of the state (Table 2):

- direct state participation in the implementation of major infrastructure projects in tourist centers (transport, water supply, electricity) and the development of objects of national importance (reserves, national parks, nature, history and culture) through concession agreements and targeted financing of construction infrastructure, conducting environmental measures, creating special territories with special economic activity;
- stimulating the flow of private investment in the development of tourist infrastructure (hotels, sanatoriums, entertainment facilities) by providing tax benefits, privileges for the purchase (lease) of land, guarantees for obtaining loans, reducing utility bills;
- joint financing of marketing activities to promote the tourist destination through national tourist organizations.

Using the WTTC methodology, we will evaluate the impact of the multiplier effect of investment costs of the tourist services industry on the Ukrainian economy (Table 3). Thus, in 2018, the direct contribution of this factor was 1.4% of GDP (or 1.74 billion USD). Accordingly, the aggregate contribution, given the direct, indirect and induced factors of the tourism sector’s impact on the country’s GDP, was provided in the amount of 6.46 billion USD or 5.1% of GDP. By 2026, the expected effect of a direct contribution from the multiplier to GDP is projected to be 2.9% or 1.97 billion USD (1.4% of GDP).

### Table 2. Public-private partnership of the world tourist services industry

<table>
<thead>
<tr>
<th>Sphere of application</th>
<th>Large infrastructure projects (transport, communications), national treasures (reserves, parks)</th>
<th>Objects of tourist infrastructure (hotels, resorts, entertainment facilities)</th>
<th>Marketing of tourist sphere (target markets and products, region brand)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PPP tools</td>
<td>1. Removal of legislative and structural obstacles</td>
<td>2. Preparation of investment sites and creation of coordinating organizations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Concessions of various kinds or long-term lease holding (leasing, facility management)</td>
<td>4. Selection of attractive territories for tourism development with unique concept – CEZ TRT</td>
<td>6. State benefits, subsidies, guarantees: tax and credit privileges; privileges for renting and purchasing land and state property; state guarantees and bail; state participation in investments; subsidies for construction.</td>
</tr>
<tr>
<td></td>
<td>5. Construction of transport and engineering infrastructure at the expense of the state.</td>
<td></td>
<td>7. Joint financing the national product competitiveness initiatives</td>
</tr>
<tr>
<td>Examples</td>
<td>Turkey: Creation of resort complexes in Belek and South Antalya, 6 airport terminals, 1 tunnel, 25 roads and several seaports under concessions + Special Economic Zone T&amp;T Republic of South Africa: construction and operation of tourist infrastructure in national parks under concessions.</td>
<td>Tunisia: comprehensive infrastructure development and tourist sites Disneyland Paris: Construction of a unique amusement park and related infrastructure.</td>
<td>88 countries in the world where NTOs operate, the most developed are Spain, the Netherlands, Australia, New Zealand, Canada, Ireland, South Africa, and others.</td>
</tr>
</tbody>
</table>

*Source: formed by the authors on the base of the data (International tourism, expenditures (% oftotalimports) 2017; International tourism, expenditures for passenger… 2016; International tourism, expenditures for travel items… 2017;*
International tourism, receipts... 2017; International tourism, receipts for passenger... 2017; International tourism, receipts for travel... 2017)

The aggregate effect of the tourist services spending multiplier on Ukraine’s GDP (taking into account the indirect and stimulating effect of the supply of goods, services and changes in the tourism sector's profit on the economy) in 2018 was equal to 5.3% of GDP and corresponded to the volume of tourist flow – 3.76 billion USD. In 2026, it is projected to grow at 5.4% of GDP and reach 5.46 billion USD.

Table 3. Impact of multiplier effect of investment costs of tourist services industry on the economy of Ukraine

<table>
<thead>
<tr>
<th>Years</th>
<th>Directing GDP</th>
<th>Totaling GDP</th>
<th>Direct at employment</th>
<th>Total at employment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>billion USD</td>
<td>%</td>
<td>billion USD</td>
<td>%</td>
</tr>
<tr>
<td>2009</td>
<td>2.57</td>
<td>2.2</td>
<td>9.81</td>
<td>8.4</td>
</tr>
<tr>
<td>2010</td>
<td>2.74</td>
<td>2.0</td>
<td>10.33</td>
<td>7.6</td>
</tr>
<tr>
<td>2011</td>
<td>3.35</td>
<td>2.1</td>
<td>12.27</td>
<td>7.5</td>
</tr>
<tr>
<td>2012</td>
<td>3.63</td>
<td>2.1</td>
<td>13.35</td>
<td>7.6</td>
</tr>
<tr>
<td>2013</td>
<td>3.81</td>
<td>2.1</td>
<td>14.16</td>
<td>7.7</td>
</tr>
<tr>
<td>2014</td>
<td>1.97</td>
<td>1.5</td>
<td>7.54</td>
<td>5.7</td>
</tr>
<tr>
<td>2015</td>
<td>1.30</td>
<td>1.4</td>
<td>5.06</td>
<td>5.3</td>
</tr>
<tr>
<td>2016</td>
<td>1.52</td>
<td>1.4</td>
<td>5.85</td>
<td>5.3</td>
</tr>
<tr>
<td>2017</td>
<td>1.64</td>
<td>1.4</td>
<td>6.19</td>
<td>5.2</td>
</tr>
<tr>
<td>2018</td>
<td>1.74</td>
<td>1.4</td>
<td>6.46</td>
<td>5.1</td>
</tr>
</tbody>
</table>

Source: formed by the authors on the base of the data (Travel & Tourism Economic Impact... 2018)

Capital investments in the tourist services industry of Ukraine (construction and modernization of accommodation facilities, transport equipment, restaurant facilities, establishments and leisure organizations) increased only 1.2 times during the period 2009-2018, but their share tended to decrease, i.e. from 0.5% of GDP to 0.27% of GDP (Figure 2). Such a negative dynamic trend indicates the unfilled directions of the state's financial policy on tourism and resort development programs, lack of tourism relations, the lack of opportunities to increase capital assets for the restoration of intersectional links and the expansion of circulation of financial resources, which should have a purposeful movement for the modernization base of tourist activities (hotels, tourist complexes, campsites, motels, boarding houses, catering, transport, places of culture and sports), creating favorable conditions for increasing the number of job places etc.

Figure 2. Capital investments in the tourist services industry of Ukraine (All values are in constant 2018 prices and exchange rates)

Source: (Formed by the authors on the base of the data (Travel & Tourism Economic Impact... 2018))
According to the forecast in 2029 the profit from international tourist trips will make 2096.09 thousand dollars. That will increase the overall effect of the multiplier on the investment income in the tourism sector by 3.8% and will be equal to 2483.9 billion USD (Table 4).

Table 4. Economic impact of the tourist services industry on world economy at real prices of 2018, billion USD

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>1. Visitor exports</td>
<td>1327.9</td>
<td>1397.6</td>
<td>1462.4</td>
<td>1498.8</td>
<td>1577.7</td>
<td>1643.2</td>
<td>1708.2</td>
<td>2483.9</td>
</tr>
<tr>
<td>2. Domestic expenditure (includes government individual spending)</td>
<td>3339.5</td>
<td>3427.5</td>
<td>3576.3</td>
<td>3725.8</td>
<td>3906.0</td>
<td>4060.1</td>
<td>4203.8</td>
<td>6031.9</td>
</tr>
<tr>
<td>3. Internal tourism consumption (1 + 2)</td>
<td>4667.5</td>
<td>4825.1</td>
<td>5038.7</td>
<td>5224.6</td>
<td>5483.7</td>
<td>5703.4</td>
<td>5912.0</td>
<td>8515.8</td>
</tr>
<tr>
<td>4. Purchases by tourism providers, including imported goods (supply chain)</td>
<td>-2461.8</td>
<td>-2537.4</td>
<td>-2618.1</td>
<td>-2706.9</td>
<td>-2836.9</td>
<td>-2952.7</td>
<td>-3062.8</td>
<td>-4450.8</td>
</tr>
<tr>
<td>5. Direct contribution of tourism to GDP (1 + 2)</td>
<td>2205.6</td>
<td>2287.7</td>
<td>2420.6</td>
<td>2517.8</td>
<td>2646.8</td>
<td>2750.7</td>
<td>2849.2</td>
<td>4065.0</td>
</tr>
<tr>
<td>6. Other final impacts (indirect &amp; induced)</td>
<td>2235.0</td>
<td>2323.6</td>
<td>2427.9</td>
<td>2526.0</td>
<td>2640.0</td>
<td>2730.2</td>
<td>2820.9</td>
<td>4208.1</td>
</tr>
<tr>
<td>7. Domestic supply chain</td>
<td>750.2</td>
<td>784.3</td>
<td>824.2</td>
<td>850.5</td>
<td>905.0</td>
<td>940.9</td>
<td>982.4</td>
<td>1489.5</td>
</tr>
<tr>
<td>8. Capital investment</td>
<td>412.4</td>
<td>420.2</td>
<td>433.4</td>
<td>446.1</td>
<td>456.6</td>
<td>472.4</td>
<td>486.3</td>
<td>640.7</td>
</tr>
<tr>
<td>9. Government collective spending</td>
<td>263.3</td>
<td>264.7</td>
<td>291.6</td>
<td>337.7</td>
<td>374.6</td>
<td>393.8</td>
<td>411.9</td>
<td>476.7</td>
</tr>
</tbody>
</table>
It should be noted that for the years 2018-2019, the countries of the world have attracted 1923.2 billion USD of the capital investment in the tourism services sector. Until 2029 their annual growth is expected to be 4.2%, to reach 1,499.5 billion USD (Figure 5).

Figure 5. The volume of capital investment for the development of the world tourist services industry (All values are in constant 2018 prices and exchange rates

Meanwhile, world leaders in the tourism industry have accumulated experience of tax incentives for foreign investment, and the most common of these are: providing direct financial support, lending on preferential terms, leasing land for the construction of hotel complexes for a long term with minimal VAT payment and income tax rates, tax exemption, accelerated depreciation methods for tourism investments, tax exemption for specified period (tax holiday).

In France, for example, state regulation policy is based on subsidies and loans to the business sector in order to stimulate their participation in tourism. With the construction of hotels in areas where there is a shortage of hotel facilities and excess manpower, the state sets premiums for participating in the construction and upgrading of the hotel network, subject to additional commissioning of more than 50% of the accommodation fund. At the same time, according to the national economic development program, the state crediting of investments in construction of hotel complexes provides preferential terms for a period of 20 years. During the first two and a half years, the subjects of the tourist business are exempted from the payment of credit interest (for businesses with seasonal activity, the benefit extends up to 24 years) (Lennon 2008).

In Spain and Greece, private investors are provided with a preferential tax regime and a preferential rate of depreciation, which helps to reduce turnover tax. In Greece, the VAT rate for tourist accommodation and catering is 8%, and the government has developed a system of discounts for non-seasonal tourist agencies. VAT rates on tourism business in Poland are also 8%, while for other types of business it is equal to 23% (Phillips et al. 2011). In Turkey, there are preferential tariffs for utilities, that is, a decision was made to liberalize the terms of leasing for 49 years of undeveloped land to business entities and fulfill their obligations to build hotels. Interest-free loans are issued for these purposes, with the tourist activity exempted from paying taxes for 5 years.
experience was adopted by the governments of Egypt and Tunis. The Government of Cyprus leases land to encourage the construction of new tourist sites for 99 years, with the possibility of continuing the lease for the same period.

Conclusions

Thus, the external and internal environment of the tourism industry requires a high level of financial security, taking into account the financial and credit and tax levers of influence on the activation of the investment activity of the subjects of tourist services. It is necessary to emphasize a comprehensive approach to the system of allocation of attracted funds in the revenue part of the budget of the macro level, their spending on the investment needs of the tourism sector of the meso- and micro levels. This will contribute both to the financial support of state investment programs and projects and to reducing the tax burden on tourism operators in order to shape their own financial potential and investment resources for development.

Priorities of effective forms of DPP in attracting private investment in the economy of the country (region, city) and implementation of socially significant projects on the basis of use of state property should be: reorientation in the conditions of outbound tourist flows to domestic ones; creation of new special economic zones of tourist-recreational type, reconstruction of existing recreational infrastructure in accordance with the requirements of world standards; creation of a system of small and medium-sized businesses, which ensures the comprehensive development of the tourism sector; awareness of the need for innovative development of tourism and leisure at all levels.

References


