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MARKET AND ADMINISTRATIVE REGULATORS OF HEALTH AND WELLNESS TOURISM MARKET IN UKRAINE

Yulia Yukhnovska¹, Nina Kureda², Bohdan Korneliuk³

Abstract. *The purpose of the article* is to analyze the segments and specific factors of the development of health (medical), rehabilitation, wellness and recreational types of tourism in Ukraine and the demand for their services. The authors studied the health status of the population of Ukraine during 2015–2021, as well as indicators of morbidity among the population, which allowed to conclude about the society's need for the services of sanatoriums and resorts. *Methodology.* Theoretical and methodological basis of this study are the provisions of economic theory, which are presented in the fundamental works of domestic and foreign scientists on market and administrative regulators of the market of recreational tourism in Ukraine. *Results.* The article examines the current state of the transport infrastructure, information and communication technologies, standards of medical and health tourism services that contribute to the competitiveness of the national market of health (medical), wellness and recreational tourism. Calculations were made on the basis of official statistical data on the number of tourist flows in Ukraine by purpose of trips organized by domestic tour operators and travel agents. On the basis of these data the authors identified trends in realized demand for health and wellness (medical) services of travelers in health and recreational tours to foreign countries, where their funds go not only to health facilities, but also to the foreign tourism industry as a whole. The authors analyzed the trends in the number of sanatoriums and health resorts in Ukraine during 1990–2017, which showed a significant decrease in their number, and identified the reasons for this trend. The authors investigated the legal basis for the administrative regulation of the market of health (medical) tourism in Ukraine, namely the powers of state administration of the central executive authorities, local state administrations, executive bodies of local self-government in the field of tourism. *Practical implications.* Also, the typical international models of public administration in the development of tourism and resorts have been studied and determined that in the context of market reforms of the Ukrainian economy, a model for the formation of the state institution of tourism management and the emergence of this model in the country has been investigated. The article also focuses on the process of privatization of health resorts located or created in the territories of resorts of local importance and using the natural healing resources of these territories. *Value/originality.* It would be advisable to coordinate the activities of different levels of administration in the development of regional health tourism in order to rationally and efficiently use regional resources and eventually achieve a synergistic effect.

Key words: public administration, health and wellness tourism, regulators, market, development, health resort facilities, strategy.

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1. Introduction

The development of the market of medical and health tourism as part of the country's economy occurs under the influence of objective laws and subjective regulatory activity of administrative managers of various levels. Thus, it is a unit and producer of market relations and regulatory measures of relevant institutions, economic entities and citizens. A number of important prospects for the country's development depend on the efficiency of the health tourism market, namely the health of the nation, labor productivity, business efficiency, rational use of natural healing resources, competitiveness of national health services, etc. In this regard, it is relevant to study the current manifestations of market models in the market of health and wellness tourism, as well as directions, content and evaluation of the effectiveness of administrative regulators of its development in Ukraine. The purpose of this article is to identify the directions of market models and administrative regulators, the contradictions between them and the directions of cooperation on the market of health and wellness tourism in Ukraine. The authors turned to scientific and methodological publications used for the study of the digital economy for the period from 2017 to 2021 to identify trends in market and administrative regulators of the medical and health tourism market in Ukraine.

The study of socio-economic processes in the Ukrainian market of medical and health tourism began relatively recently, since only in the 90's of last century began market reforms of the domestic economy, which continue to evolve, ideologically and in practice by introducing a market model of management.

Segments of health (medical), rehabilitation, wellness and recreational tourism were formed in the modern domestic market of medical and health tourism. They implement objective economic laws inherent in each of these market segments, in particular: demand (with specific motives and conditions of implementation), supply (with an appropriate range, quantity and quality of health services, as well as resources required for their production), competition and other regularities.

Analysis of the results of research of Ukrainian scientists in the context of the stated topic shows that the issues of effective consideration of objective patterns of development of the market of health and wellness tourism in the implementation of administrative regulation and economic activity in this area in Ukraine are not studied enough. Further research in this direction will have a practical orientation, aimed at the formation of effective management of the domestic market of health and wellness tourism.

2. A review of relevant publications

The diversity of these processes in the development of wellness tourism in Ukraine is reflected in the research of a number of domestic scientists. For instance, H. Brusiltseva researched into the features of strategic management of health and wellness tourism development at the regional level (Brusiltseva, 2015); L. Holovkova and Yu. Yukhnovska focused attention on the development of the tourism industry of Ukraine and its regions (Golovkova, Yukhnovska, 2019); O. Halachenko analyzed the formation and implementation of regional policy for the development of health resort services (Halachenko, 2016); Ye. Hnedyk looked into legal regulation of economic activity in the field of medical tourism (Hnedyk, 2019); V. Humeniuk researched into mechanism of state regulation of the resort and recreational sphere (Humeniuk, 2016); N. Kureda and Yu. Yukhnovska analyzed the systems of economic actors, their interests and levels (Kureda, Yukhnovska, 2018); I. Samoiloa looked into the government's position in this area (Samoiloa, 2018); M. Subota investigated the areas of economic regulation and social orientation of resort activities (Subota, 2014); Z. Shatska and V. Bylinina studied strategies for the development of regional medical tourism (Shatska, Bylinina, 2019); V. Holiavka, Kh. Leshko, O. Mochulska and A. Kukhtii examined the factors of its development (Kholiavka, Leshko, Mochulska, Kukhtii, 2019).

The issues of financial and economic development of resort industry were explored by M. Cheng and D. Edwards (Cheng, Edwards, 2019); R. Štefko, S. Jenčová and P. Vašaničová (Štefko, Jenčová, Vašaničová, 2020) as well as M. Košíková and V. Loumová (Košíková, Loumová, 2019). V. Čabinová, P. Gallo, P. Pártlová, J. Dobrovič and M. Stoch (Čabinová, Gallo, Pártlová, Dobrovič, Stoch, 2021) as well as G. Saravana Kumar and N. Geetha Soni (Saravana Kumar, Geetha Soni, 2020) used in their research a multi-criteria approach to assessing business performance, the effectiveness of health and wellness (medical) tourism and customer satisfaction among domestic tourists at resorts. Development issues, problems and the significant impact of medical tourism on the well-being of society were studied by T.G. Birader, A. Öztüren (Birader, Öztüren, 2019); L. Rokni, A. Turgay and S. H. Park (Rokni, Turgay, Park, 2017) as well as C. Suess, S. Baloglu and J. A. Busser, (Suess, Baloglu, Busser, 2018). The issues of the enterprise resource planning system for efficient services in the tourism industry and hospitality was brought out by V. Chauhan and J. Singh (Vinay Chauhan, Jasvinder Singh, 2017).

Fiscal decentralization of the local public sector was addressed in the studies of M. Halaskova,

R. Halaskova, B. Gavurova and M. Kubak (Halaskova, Halaskova, Gavurova, Kubak, 2021), ensuring the effectiveness of management in the tourism industry was analyzed by K. Nazarova, V. Hordopolov, S. Sakhno, M. Nezhyva and T. Furman (Nazarova, Hordopolov, Sakhno, Nezhyva, Furman, 2019).

Problems of regulation and management of the tourism industry were analyzed by A. Kniazevych (Hrynokh, Dmytruk, Diachenko, Kniazevych, 2019), I. Shkola (Shkola, 2003), O. Trehubov (Trehubov, 2013), S. Ilkevych (Ilkevich, 2018), V. Chauhan and J. Singh (Vinay Chauhan, Jasvinder Singh., 2017), R. Badola, S. A. Hussain, P. Dobriyal, U. Manral and A. K. Gill (Ruchi Badola, Syed Ainul Hussain, Pariva Dobriyal, Upma Manral, Amanat Kaur Gill., 2018) and others.

3. Survey methodology

The following general and special research methods were used to achieve the objectives of the article: analysis and synthesis of the logical structure (for the logical structuring of the scientific article and the formation of its conclusions); generalization and systematization (to systematize the views of scientists and summarize the conceptual framework, identify approaches to market and administrative regulators of the market of health tourism in Ukraine, to substantiate new conceptual provisions); analysis and synthesis (to determine the features and problems of the development of the market of health tourism in Ukraine, to consider the factors affecting it); diagrammatic and graphical representation (for visual presentation of the results of the study and visual presentation of statistical materials and analytical data); statistical analysis and calculations (when studying the main trends in tourism: the distribution of tourists in Ukraine served by tour operators and travel agents, the distribution of tourism destinations and purposes of travel, the number of health resorts and recreational facilities in Ukraine); comparison (to analyze the international and domestic experience of market and administrative regulators of the market of recreational tourism in Ukraine).

Theoretical basis of the article are practical research, scientific and methodical developments, as well as educational materials of leading Ukrainian and foreign scientists and experts in the field of medical and health (medical) tourism, health resort business and public administration. In this article the authors analyze publications and research on the development of socio-economic processes in the market of health tourism in Ukraine; issues of financial and economic development of the resort industry; business performance evaluation, efficiency of health (medical) tourism and customer satisfaction assessment among domestic tourists in the resorts.

The authors also analyzed studies on the regulation and management of the tourism industry.

The scientific paper investigates the methodological approaches of Western researchers such as V. Čabinová, P. Gallo, P. Pártlová, J. Dobrovič and M. Stoch, (Čabinová, Gallo, Pártlová, Dobrovič, Stoch, 2021), M. Halaskova, R. Halaskova, B. Gavurova, M. Kubak (Halaskova, Halaskova, Gavurova, Kubak, 2021), A. Turgay and S. H. Park (Rokni, Turgay, Park, 2017), R. Badola, S. A. Hussain, P. Dobriyal, U. Manral and A. K. Gill (Ruchi Badola, Syed Ainul Hussain, Pariva Dobriyal, Upma Manral, Amanat Kaur Gill., 2018), C. Suess, S. Baloglu and J. A. Busser (Suess, Baloglu, Busser, 2018), V. Chauhan and J. Singh (Vinay Chauhan, Jasvinder Singh., 2017) and others.

Information base of research includes legal norms; monographs and didactic researches of leading economists, specialists in tourism and civil servants; publications of foreign and Ukrainian specialists in management; materials of periodicals and conferences; collections of scientific works, abstracts, electronic sources and databases, actual statistical materials.

1. At the first stage, the authors analyzed existing theories and methodological approaches to the definition of segments of health (medical), rehabilitation, wellness and recreational types of tourism.

2. At the second stage, the authors investigated the health status of the population of Ukraine for 2015–2021, as well as indicators of morbidity among its citizens; the current state of transport infrastructure, information and communication technologies, standards of health tourism services that contribute to the competitiveness of the national market of health (medical), wellness and recreational tourism. Calculations were made on the basis of official statistics on the number of tourist flows in Ukraine by purpose of travel. Trends in the number of health resorts and recreational facilities in Ukraine were investigated.

3. At the third stage, the authors analyzed the administrative regulation of the development of medical and health tourism in Ukraine, its theoretical and practical aspects and made conclusions that systematize the results obtained.

4. The research results

Each segment of the health tourism market is characterized by specific factors of its development:

– in the segment of health (medical) tourism demand is mainly focused on treatment prescribed by doctors, elective surgery; supply of services is due to the use of high-tech medical equipment and medicines, special

treatment technologies, the involvement of specialists of high professional level;

– in the segment of rehabilitation tourism the demand of citizens is aimed at restoring impaired or lost functions of the body, preventing complications and relapses of the disease. To achieve these goals, providers of medical and health-improving services use natural therapeutic resources with appropriate properties, as well as medical equipment and medicines;

– in the segment of health tourism the demand of citizens is associated with obtaining services for disease prevention and recovery, and for this purpose often uses a wide alternative selection of natural therapeutic resources;

– in the segment of recreational tourism demand is aimed at removing nervous and physical fatigue, restoring strength and energy, which is achieved through resorts offering a variety of recreational and other types of tourist resources.

Market processes of these segments in the domestic market of medical and health tourism are multifaceted. The demand for its services is primarily formed as a derivative of general morbidity indicators (disease prevalence, primary morbidity and disability rate). Studies of the state of health of the population of Ukraine showed that in 2015 the primary morbidity of the population of Ukraine for all categories of diseases was 62.8 thousand patients per 100 thousand people, and the prevalence of diseases among the population – 171.1 thousand patients per 100 thousand people (Mezentseva, Batychenko, Mezentsev K.V., 2018). As of 2021, 2.703 million citizens with disabilities need sanatorium treatment as a vital service. About 4.7 million Ukrainians have recommendations for recovery and treatment of diseases of musculoskeletal, sexual and nervous systems, as well as gynecological diseases using sanatoriums and resorts of Azov region.

Market realities (including commercialization of domestic medicine) are also convincing an increasing part of the population of the economic benefits of disease prevention and health preservation. The perception of human health as the most important value is formed to a greater or lesser extent among different segments of the Ukrainian population. However, the market status of medical and health services as a commodity implies receiving payment for them. As for the incomes of Ukrainian citizens, official statistics indicate a low level of income of a large part of the population and a significant differentiation of effective demand. Thus, in 2020 there was the following distribution of the population of Ukraine by the level of average per capita equivalent income per month (as a percentage of the total population): 68.5% of the population received from 3 to 6 thousand UAH, and only 3.4% – over 12 thousand UAH (Official website of the State Statistics Service of Ukraine).

Modern transport infrastructure, information and communication technologies, unification of health tourism service standards create favorable conditions for competition between national health (medical), wellness and recreational tourism markets of different countries, eliminate barriers for inbound and outbound tourist flows. Ukrainian citizens turn to clinics in Israel, Germany, France, Turkey and India for treatment of critical forms of cancer, heart disease, complicated obstetric and gynecological diseases and childbirth, psoriasis, plastic surgery, hair transplants and transplants of vital organs. Motivated by lower prices and high quality of medical and health services, foreign citizens meet their needs in the Ukrainian market of health and wellness tourism in dentistry and prosthetics, treatment of eye diseases (including surgical treatment of retinal detachment and cataracts), plastic surgery, rehabilitation of patients with problems of musculoskeletal system after injuries and due to cerebral palsy in adults and children, joint arthroplasty and rehabilitation after surgery, reproductive services (due to the high level of artificial insemination services and no strict legislation on surrogacy and egg donation). For example, the average cost of varicose vein removal in Ukraine is 28 thousand UAH (abroad – 90 thousand UAH), gall bladder removal – 22 thousand UAH (abroad – 33 thousand UAH), hysteroscopy – 13-14 thousand UAH (abroad – 29 thousand UAH).

Calculations made on the basis of official statistics on the number of tourist flows to Ukraine for travel organized by domestic tour operators and travel agents revealed the following trends in demand for health and wellness services in 2020 (Table 1):

– the outbound tourist flow significantly exceeds the number of inbound tourists, which means the outflow of solvent demand of domestic travelers to foreign markets of health and wellness tourism;

– in all directions of tourist flows (inbound, outbound, domestic) the lion's share of travel motivation was leisure and recreation;

– health (medical) tourism is only a small part of tourist flows, because of the high cost, as a rule, this type of demand is initiated by the vital need and the inevitable solution to health problems.

The analysis of the resulting calculations shows a clear preference for domestic travelers' demand for health and recreational tours in foreign countries, where their funds go not only to health facilities, but also to the foreign tourism industry as a whole. After the first visit, domestic travelers are attracted to foreign resorts due to the quality of services, high organizational level of their provision, high-quality transport logistics, the presence of interesting and famous historical, cultural and tourist sites, as well as security measures. Along with these channels of promotion of tour packages (through tour operators

Table 1

Distribution of tourists in Ukraine, served by tour operators and travel agents, by destination and purpose of travel, 2020 (calculated according to data Official website of the State Statistics Service of Ukraine)

	In total	Including the extent of tourist flows according to travel motivation	
		leisure, recreation	treatment
Number of tourists (persons)	2360278	2269271	17921
including:	100%	the share of tourist flows by travel motivation (%)	
inbound tourism	0,5 %	0,4	1,5
outbound tourism	90,1 %	92,9	4,1
domestic tourism	9,4 %	6,7	94,4

and travel agencies), citizens of Ukraine on their own and without intermediaries apply to sanatoriums and resorts for appropriate services. Although official statistics on these tourist flows are not kept, but according to local information sources of domestic resorts, we can conclude about a significant increase in seasonal demand for medical and health tourism.

The other side of market relations is the supply of producers. The mechanism of economic management through the laws of market supply objectively directs suppliers of medical and health tourism services to the economic expediency of business (reimbursement of business costs, use of profits to modernize the production of services, improving their quality, expanding the range and stimulating the salaries of the best specialists, etc.) and, therefore, to the solvent demand, as well as to competition or monopoly. Official statistics on the quantitative indicators of service providers in the domestic health tourism market shows the following dynamics (Table 2).

The downward trend in the indicators of sanatoriums and recreational facilities in Ukraine gradually began in all types of institutions, mainly since 2000, significantly – since 2014 (due to the temporary occupation of the Crimea, Donetsk and Luhansk regions).

According to the authors, this trend may be due to the following reasons:

– since the 1990s, health tourism in Ukraine has developed and continues to function mainly on

the basis of available natural healing resources, created mainly in the middle of the last century, using the physical infrastructure, which is now outdated both physically and morally. Such a deplorable condition of the objects led them to bankruptcy;

– the beginning of privatization in the sphere of medical and health tourism took place without sufficient accumulated capital of entrepreneurs, in the absence of knowledge and practice of market activities, often in situations of conflict of interest (which manifested itself in unfair competition, raiding, misuse of resort and recreational land, etc.), without an orderly legal framework;

– with the reform of property relations and the emergence of various forms of ownership there was a transition from state funding to self-financing of medical and health tourism, which is still problematic because of the low solvency of the population;

– in order to ensure sustainable financial income and in response to the demand of different groups of population, providers of therapeutic and recreational services differentiate their offer depending on the range and quality of services in tour packages, service and leisure offers, their prices, thus becoming a multi-purpose health resort facilities;

– new formats of health and wellness facilities (resort hotels, SPA, wellness hotels) are introduced;

– increase of economic shadowing in the tourism industry;

Table 2

Dynamics of the number of health resort and wellness facilities in Ukraine, 1990–2017**(compiled according to Official website of the State Statistics Service of Ukraine. Tourism in Ukraine)**

Year	Providers of health and wellness services				
	Health resorts and guesthouses providing treatment	Sanatorium-preventorium	Holiday houses and boarding houses	Recreation centers and other recreational facilities	Health and recreational facilities for children
	In total (capacity, thousand)	In total (capacity, thousand)	In total (capacity, thousand)	In total (capacity, thousand)	In total (capacity, thousand)
1990	505 (154)	556 (55)	332 (115)	2213 (302)	15687 (467)
2017	284 (71)	55 (10)	67 (12)	1235 (133)	9745 (106)
Change in the indicators as of 2017 in comparison to 1990					
	44% decrease (54% decrease)	10 times reduction (5.5 times reduction)	Reduction by almost 5 times (decrease by almost 5 times)	Reduction by almost half (60% reduction)	48% decrease (77% decrease)

- the production of health and wellness services is carried out in an extensive way, i.e., by attracting new resources, often with an inefficient level of their use;
- ineffectiveness of administrative measures to regulate the development of the health and wellness tourism market;
- integration of Ukraine's economy into the world market has objectively strengthened the impact of competition from foreign providers of health and wellness services;
- there are a number of unfavorable factors for business in the Ukrainian and world economy during this period: annexation of highly productive recreational territories in Crimea and military actions in the eastern regions of Ukraine, deterioration of natural resources due to global warming, environmental pollution, financial crisis, the COVID-19 pandemic, etc.

Administrative regulation of the development of health and wellness tourism in Ukraine (this type of tourism is defined by the Law of Ukraine "On Tourism", Article 4) is carried out at the following levels (On tourism: Law of Ukraine of 15.09.1995 № 324/95-BP):

- state (through legislative and executive bodies);
- territorial (through structural subdivisions of local executive bodies).

The period of formation of statehood in Ukraine since 1991 coincides with the adoption of the concept of transition of the country's economy to a market mechanism of economic management.

Administrative regulation of the health and wellness tourism market in Ukraine is implemented on the basis of a significant number of legislative norms, in particular the Law of Ukraine "On Tourism" (1995), which defines the powers of public administration in health tourism, namely (On tourism: Law of Ukraine of 15.09.1995 № 324/95-BP):

1. The central bodies of executive power, providing the formation of state policy in the field of tourism and resorts (organize and ensure the implementation of state policy in the field of tourism; within their competence develop and approve normative legal acts, summarize the practice of legislation in the field of tourism, resort and recreational sphere (Article 10).

2. Local state administrations, executive bodies of local government in the field of tourism within their powers (perform executive, organizational and administrative functions in the organization and development of resort and recreational sphere and tourism activities, create and approve local tourism development programs, allocate local budget funds to finance these programs) (Articles 8, 11). Conceptually, the Law of Ukraine "On Local Self-Government" (On local self-government: Law of Ukraine of 21.05.1997) creates conditions for changing the

status, role and capabilities of executive bodies of local self-government in the field of tourism and resorts in the structure of socio-economic development of communities.

In world practice, there are several typical models of development of tourism and resorts, for example:

1. There is no central state administration of tourism, the activities of a small number of economic entities in the tourism sector (including health tourism) are regulated by the general economic legislation of the country and market regulators.

2. Regulation of tourism activities by the state ministry of tourism and resorts.

3. Regulation of tourism and resorts by a specialized structural unit of a particular ministry, whose activities are consistent with the objectives of the development of national tourism and resorts.

In the context of market reforms in the economy of Ukraine the third model of formation of institutions of public administration has been developed in tourism in general and in health tourism as part of it. The formation of the institutional framework of public administration in the field of health tourism in Ukraine had the following dynamics: from 2006 to 2010 the Ministry of Culture and Tourism with the State Service of Tourism and Resorts became the central governing body in the field of tourism; from 2011 to 2015 the State Agency of Ukraine for Tourism and Resorts, which was the central body of state executive power in the field of tourism, worked in the structure of the newly created Ministry of Infrastructure; since 2016 the Department of Tourism and Resorts was created under the Ministry of Economic Development and Trade of Ukraine; in 2019, the Cabinet of Ministers approved the Regulations of the State Agency for Tourism Development of Ukraine, which was under the Ministry of Culture and Information Policy and carried out state policy in the field of tourism and resorts (except for state supervision (control) in the field of tourism and resorts); since 2021, further coordination of the State Agency for Development of Tourism of Ukraine is carried out by the Minister of Infrastructure. By order of the Ministry of Health of Ukraine the State Cadastre of Natural Therapeutic Resources, these resources are used in health and wellness tourism. Direct state regulation of the spa and recreational sphere is performed by the Ministry of Health of Ukraine. The order of this executive body approved the list (valid for 2021) of regulated entities – medical and preventive care facilities under the relevant subordination, namely: health resort facilities: balneological hospitals (including ones for children), mud baths (including ones for children), children's health centers, resort clinics, international children's medical centers, health resorts (including children's, single-profile, multi-profile and specialized health resorts), health resorts

for children with parents, sanatorium-preventoriums (Order of the Ministry of Health of Ukraine dated October 28, 2002 № 385).

The activities of these institutions are regulated by the standards (clinical protocols) of sanatorium and spa treatment of the State Institution "Ukrainian Research Institute of Medical Rehabilitation and Balneology of the Ministry of Health of Ukraine" (Standards (clinical protocols) of sanatorium and spa treatment).

These institutions provide specific services that characterize the specialization of health, rehabilitation and wellness tourism. Today, within this functional area there are various organizational forms of institutions, such as recreation centers, preventive clinics with treatment, spa and wellness centers, hotel and resort complexes. Within the framework of health tourism in Ukraine, the direction of medical tourism (dentistry, ophthalmology, reproductive medicine, neurology, cardiology, cell therapy, rehabilitation) was formed.

At the level of administrative-territorial units, the powers of state regulation of spa and recreational activities should be transferred to the departments of health and tourism, exercising authority within the local state administrations. However, the provisions on the health departments of regional administrations lack guidance and measures to manage the development of resorts, even taking into account the availability and intensive use of natural healing resources, as well as the functioning of resort destinations (Official website of Odessa Regional State Administration; Official website of Zaporizhzhia Regional State Administration).

Evolution of the management mechanism of the Ukrainian economy as a whole and the sphere of medical and health tourism as part of it occurs in a short time and in a competitive external environment. The main element in the mechanism of market governance are the property relations of subjects of different institutional and legal forms (private, collective, state, joint with foreign capital). The realization of their interests is a condition for business efficiency and progress of socio-economic development. Implementation of the conceptual approach in this direction of market reform of the economy of Ukraine by administrative regulators began with the creation of a legal environment for the privatization of state property, including assets in the field of medical and health tourism. Thus, Article 5-1 "Classification of Privatization Objects" of the Law of Ukraine "On Privatization of State Property" includes health resorts, holiday homes and camps, preventative clinics in the group of socio-cultural facilities with state-owned land plots on which they are located, excluding those that are not subject to privatization (On Privatization of State Property: Law of Ukraine).

The Law of Ukraine "On Resorts" (Article 26) (On Resorts: Law of Ukraine) prohibits privatization of health and wellness facilities located in the resorts of state importance, special health resorts for children, for treating cardiological, pulmonological and gynecological diseases, for the treatment of citizens who are Chernobyl disaster victims, for treating tuberculosis patients, patients with injuries and diseases of the spinal cord and spine. It is also prohibited to privatize health resorts of local importance, as well as those that use the natural healing resources of these territories and which at the time of adoption of this Law were in state or municipal ownership. Privatization of other medical and health institutions located or created on the territories of local resorts and using natural therapeutic resources of these territories may be carried out in the manner prescribed by the legislation on privatization, provided that the profile of the privatized objects. Restrictions on privatization of health and wellness facilities mentioned in the Laws at the time of their adoption reflected the difficulties of transition from command-and-control to market methods of regulating Ukraine's economy (insufficient knowledge, lack of practice, unfavorable economic conditions for starting a business – lack of accumulated capital, inflation, low effective demand, insufficient methodological, institutional and personnel readiness for public administration in market conditions and other factors). Privatization of health and wellness facilities is carried out taking into account the requirements of the Law of Ukraine "On Resorts" (On resorts: Law of Ukraine).

After the collapse of the Soviet Union for the specialized use of the property of trade union health resorts, the Federation of Trade Unions of Ukraine created JSC "Ukrprofozdorovnytsia", whose shareholders were the Federation of Trade Unions of Ukraine and the Social Insurance Fund for Temporary Incapacity. The development of market methods of management has intensified legal and illegal changes in the structure of municipal property through the management of privatization processes by local authorities, especially in relation to health resorts, rest homes and recreation camps, preventive clinics (On approval of the Regulations on Privatization of Communal Property of the Kharkiv territorial community). A number of state sanatoriums have been transferred to the jurisdiction of various departments. For example, as of 2021, the Armed Forces of Ukraine have 6 sanatoriums.

Ownership of resort lands is determined by Article 49 of the Land Code of Ukraine (Land Code of Ukraine): since resorts are classified as recreational lands, such lands may be in state, municipal and private ownership. At the same time, in accordance with Articles 83-84 of the Land Code of Ukraine,

recreational lands with special health-improving value may not be transferred to private ownership. The Resolution of the Cabinet of Ministers of Ukraine and the Order of the Ministry of Health of Ukraine approved the procedure for the creation and maintenance of the State Cadastre of Natural Territories of Resorts (The order of creation and maintenance of the State Cadastre of Natural Territories of Resorts).

Public administrative regulation of economic activity of economic entities of various forms of ownership is carried out through a system of legal instruments and laws, in particular, the Economic and Tax Codes of Ukraine, Law of Ukraine "About Fundamentals of the State Regulatory Policy in the Field of Economic Activity", Law of Ukraine "On Protection against Unfair Competition" and others; the state classifier of various legal and institutional forms of economic entities has been put into operation. In 2017, the Cabinet of Ministers of Ukraine approved the Strategy for the Development of Tourism and Resorts until 2026 (On approval of the Strategy for the Development of Tourism and Resorts for the period up to 2026). This state strategy sets the following strategic objectives for the development of this sphere, namely: ensuring effective and comprehensive (economic, social, environmental and innovative) use of the available tourist, resort and recreational potential by addressing the issue of recreational land management, improving the environmental and territorial structure of tourism and resorts to develop tourist areas, creating or modernizing the branding of areas; systematic improvement of the quality of infrastructure of resorts and recreational areas by implementing a comprehensive program of phased development of physical infrastructure using the possibilities of cluster models, public-private partnerships and social demand; development of national standards for tourist services in accordance with international standards.

5. Conclusions

The above issues and tasks of effective development of the domestic market of health tourism requires further institutional improvement of state regulation of the market of health tourism, especially in the direction of determining its executive structure and maintaining the stability and professionalism of its activities. In modern conditions of increased

competition in the world market of health (and especially medical) tourism and in the framework of the chosen model of state administration of tourism and resorts in Ukraine may be relevant introduction of tax incentives or increase state participation in targeted programs of development of resort regions of the country.

Analysis of these conceptual documents of development of tourism and resorts leads us to the conclusion about the need for a more thorough use of methodology for the preparation of such documents.

First, it requires a thorough methodological and statistical justification of the system of directions and goals of the Strategy of development of tourism and resorts in Ukraine. Thus, the main element in the structuring of all its sections should be the analysis of quantitative and qualitative indicators of the starting resources with an emphasis on their rational use, the justification of the possibilities of producing goods and services in this area with a focus on demand. For this purpose, it is necessary to use the long-established State Cadastre of Natural Therapeutic Resources. Effective management of long-term development of tourism and resorts must take into account the objective economic law of scarcity. The long-term strategic planning period does not always require an estimate of costs, revenues or other expected quantitative indicators due to objective changes in market conditions. Therefore, strategic plans must be accompanied by tactical programs (describing the successive stages) of strategy implementation, indicating stages, measures, quantitative and qualitative indicators and expected results. It is likely that at these stages there will be both favorable and negative conditions for the implementation of the Strategy. Analyzing their causes and consequences, it is possible and necessary in the context of the Program to adjust management measures for further development of tourism and resorts.

Secondly, in the administrative activity in the market of medical and health tourism it is advisable to organize educational trainings, especially on the subject of market mechanism of management. Thus, understanding that service providers, intermediaries and consumers are the main actors in the market of medical and health tourism, will focus the administrative activities on the formation of a system of monitoring their interests and opportunities as an obligatory element of staged programs of territorial tourism and resorts development strategies.

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