## THE IMPACT OF THE TOURISM INDUSTRY ON ECONOMIC DEVELOPMENT IN TIMES OF CRISIS

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Global experience shows that the **tourism industry can be developed even during economic crises** which is important for Eastern European countries. The cost of creating one job here is 20 times lower than in industry, and the turnover of investment capital is four times higher than in other sectors of the economy. Examples include countries such as Argentina, Brazil, Mexico, Egypt and Peru.

However, the **tourism market is very vulnerable** to crises of various origins such as natural disasters, epidemics, socio-economic and political crises, and military conflicts, which lead to destabilisation within the country.

This fact is confirmed by the situation in the tourism industry in **Kharkiv**, which has undergone real changes since the start of the full-scale war.



DESPITE THE ONGOING MILITARY OPERATIONS IN MANY REGIONS OF OUR COUNTRY AND THE RESTRICTIONS THAT HAVE BEEN IMPOSED, THE TOURISM SECTOR CONTINUES TO OPERATE IN KHARKIV. HOWEVER, TOURISM DURING WARTIME HAS CERTAIN CHARACTERISTICS THAT REQUIRE ADDITIONAL CONSIDERATION.



In 2022, Ukraine became a member of the European Tourism Commission and in 2023 it headed the European Commission of the UNWTO

Development of international business tourism

Intensification of work with sister cities and partners

Health and sports tourism for Kharkiv youth

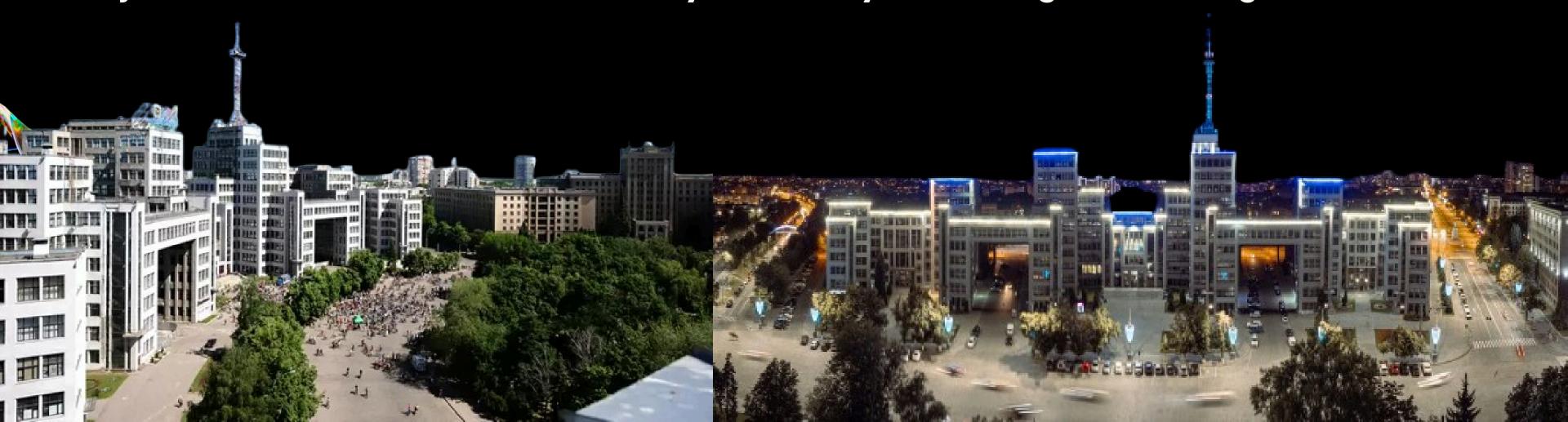
UNESCO added Kharkiv's Derzhprom to the List of Cultural Property under Enhanced Protection

Ukraine's list of UNESCO World Cultural Heritage sites has grown

Tourism diplomacy aims to increase interest in the country as a tourist destination, develop tourism infrastructure, and attract foreign tourists. Not so long ago, from 2017 to 2020, we witnessed rapid growth in the tourism industry. Ukraine was becoming increasingly attractive to foreign visitors, the industry was gaining momentum, and its contribution to GDP grew to 1.4%.

But then the pandemic hit, and the world of tourism found itself in turbulence. Airports were empty, hotels suffered huge losses, and agencies were looking for ways to survive.

And just when it seemed that the industry was finally recovering, the war began.



The military conflict has faced Ukrainian tour operators with a number of unprecedented challenges. Unfortunately, the consequences of this have been felt not only by our country but also by the entire European tourism market. In particular, the war has led to a sharp rise in fuel and logistics prices, which has immediately affected the pricing policies of carriers and tour operators. Another challenge to the development of tourism in Kharkiv is russia's terrorist tactics, which involve rocket attacks on hotels where foreign journalists or visitors to the city are staying.





As of 25 August 2025, **1,553 cultural heritage sites and 2,388 cultural infrastructure sites** had been damaged or destroyed as a result of russian aggression in Ukraine.

#### Among the damaged cultural heritage sites:

148 are of national importance,1,287 are of local importance,118 are newly discovered sites.

#### Damage has been registered in 18 regions of Ukraine.

The most damage to cultural heritage sites occurred in: Kharkiv region – 340, Kherson region – 293, Odesa region – 181, Donetsk region – 173, as well as in Kyiv region and the city of Kyiv – 112.

(According to the Ministry of Culture and Strategic Communications of Ukraine)

## ITB BERLIN

On 5-7 March 2024, Ukrainian cities and representative offices joined forces at the ITB Berlin international tourism exhibition at the national stand of Ukraine, 'UKRAINE IS HERE' to showcase the tourism potential of our destinations and tell the international community that we are preparing to welcome guests from all over the world after Victory!

It is worth noting that many of Kharkiv's partner cities also took part in the largest international tourism exhibition ITB Berlin and expressed their support and solidarity with the Ukrainian people.



## WORLD TRAVEL MARKET LONDON

On 5-7 November, London hosted the international exhibition World Travel Market London, one of the most important events in the tourism industry. In 2024, more than 180 countries took part in the exhibition. Kharkiv, together with Kyiv and Zakarpattia, was represented at the national stand of Ukraine.

Participation allows attracting new foreign partners to exchange experience and restore the tourism sector.



## FORUM "TOURISM DEVELOPMENT: PRIORITIES, PROSPECTS AND PROBLEMS

Key topics of the Forum:

Implementation of international experience in tourism and new infrastructure initiatives.

Balneology - recovery and wellness as a priority of the tourism industry.

Accessibility, inclusion and psychological recovery in tourism, culture and gastronomy.





## COOPERATION BETWEEN THE KHARKIV CITY COUNCIL AND THE UNESCO OFFICE IN UKRAINE

Currently, the International Cooperation
Department of the Kharkiv City Council has
established direct and ongoing
communication with the UNESCO Office in
Ukraine regarding research and possible
further actions related to the Derzhprom
building, as well as the preparation of a
nomination dossier for the inclusion of the
Derzhprom building (the Freedom Square
Ensemble) in the List of UNESCO sites.



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Another relevant issue is studying the experience and 'sticking points' of preparing a nomination dossier for inclusion of a site in the **UNESCO World Heritage List** and practical recommendations for managing a UNESCO site. With regard to the inclusion of the site in the World Heritage List, **UNESCO** representatives **offered assistance in managing the process and developing a roadmap**.

UNESCO representatives also offered material assistance to overcome the consequences of the emergency situation caused by russian shelling, in particular the provision of materials to cover and protect damaged structures, as well as financial support for a more in-depth study of the damaged structures of the building.



## CONCLUSIONS

Kharkiv has significant tourism potential. Despite everything, every year the city is visited by a large number of tourists from all over the world.

However, in February 2022, our country's tourism industry faced a difficult challenge the russian–Ukrainian war. The military conflict led to the destruction of tourism infrastructure in many regions of Ukraine, the loss of foreign tourists, a ban on the use of airspace, and other negative consequences.



### CONCLUSIONS

Despite difficult challenges **tourism continues to function** but with certain peculiarities caused by the situation in our country.

These include the formation of tourist routes taking into account the availability of bomb shelters, planning tourist trips in accordance with the curfew, compliance with prohibitions, which include walks and excursions near critical or military infrastructure, holding mass events, visiting forests, reservoirs and mountain routes in various regions of Ukraine.

Therefore, tourism is important for economic development, as it provides revenue for the budget, supports jobs and contributes to the preservation of cultural heritage. Even with restrictions and specific conditions, tourism remains a factor in stabilising and restoring the economy in the future.



# THANK YOU FOR YOUR ATTENTION!

