



Tourism and recreation economy development plan for the Matsalu sphere of influence for years 2004-2007

Collaborative partners: Hanila, Koonga, Lihula, Martna, Ridala and Varbla municipalities, Matsalu Nature Park, State Forest Management Centre, Haapsalu Tourism Association and ERKAS



Lihula 2004

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INTRODUCTION

Tourism is considered to be one of the biggest branches of economy in the world. In Estonia tourism economy makes up 8,2% of the Gross Domestic Product and 8,2% of employment (Statistikaamet 2003). In 2000 turnover of tourism services was about 11,5 billion EEK, while internal tourism was making up 3,4% or 400 million EEK (Statistikaamet 2004a)

In 2003 there were 3,37 million foreign visitors visiting Estonia, 42% of whom (i.e. 1,43 million) were staying overnight, that means they were tourists in statistical sense (EAS Turismiarenduskeskus 2004). To characterize internal tourism it may be hereby pointed out that in 2003 there were 417 000 internal overnight tourists staying in fee-charging accommodation establishments and this figure shows growing tendency year after year.

Estonia's most important external markets of inbound tourism comprise Finland (64% of total number of tourists), Sweden (6%) and Germany (6%). On balance of visitors' arrivals there are somewhat different countries dominating – Finland (53% of total arrivals number), Latvia (12,3%), Russia (8,8%) and Sweden (4,4%) (Ibid, 2004).

In different districts and smaller localities increasing importance is attached to treating local visitors. According to Statistical Board (Statistikaamet 2004b) 80% of overnight tourists in Pärnumaa County (excl. Pärnu city) were domestic visitors while the same indicator in Läänemaa County (incl. Haapsalu city) was 46%. Those figures are confirming the great relative importance of domestic tourism for given districts. Approximately half of similar trips were undertaken having vacation in mind.

In the Estonian National Tourism Development Plan for years 2002 – 2005 economic growth of the tourism sector via enhancing competitiveness in the international level is underlined as the main objective of the plan, whereby it has to be based on increasing Estonia's reputation, also branching out and enhancing the quality of tourism products. Following faults are pointed out as major ones: Estonia as a travel target is relatively unknown both in Western European countries and in long distant markets; clearly accented travel target reputation is missing; tourism product as a whole is monotonous and concentrated to Tallinn; overreliance on Finnish market; not enough investments into tourism infrastructure (especially outside of Tallinn); absence of entrepreneurs and know-how in rural districts.

Three courses of action were proposed to accomplish the objectives: (1) increase Estonia's reputation as a travel target and enhance the availability of tourism information concerning Estonia, both nationally and abroad, (2) enhance the assortment of tourism products, expanding geographical and seasonal distribution of tourism and (3) improve the quality of tourism products.

The existing situation does not fulfill the expectations of four municipalities in Läänemaa County (Lihula, Hanila, Martna and Ridala) and two municipalities of Pärnumaa County (Varbla, Koonga) on implementation of tourism and recreational potential in the district, for which reason and also for strengthening market positions a cooperation district was established under a provisional designation Lihula/Matsalu sphere of influence.

This present development plan has been compiled with a purpose to generate an applicative strategical document on the sphere of influence of Matsalu National Park (which has almost always been outlying hinterland of Lihula), accepted by tourism-bound stakeholders, and which proceeds from the strategical activities of the national tourism development plan and figures on environmental, social and economic influences in the district, inflicted by tourism and recreational economy.

METHODICAL PRINCIPLES

In the Development plan of Lihula rural municipality it is emphasized, that Lihula rural district together with the town of Lihula constitutes a distinctly established center-hinterland system, while Lihula is playing the role of economic, educational and cultural centre of the entire South-Läänemaa – rural districts of Hanila and Lihula, Southern part of Martna rural district – and also some areas from Pärnumaa County – Western part of Koonga rural district and Northern part of Varbla rural district. Upper mentioned municipalities from Läänemaa are having one common affinity (tension) factor – Matsalu National Park and appending some municipalities from Pärnumaa County will give them the opportunity to take part in tourism development processes of Läänemaa County (Pärnu city with its influences is situated relatively far away) and provide some betterment in the field of historical tourism to Läänemaa's nature tourism.

Development Plan was compiled under supervision of project leaders from Estonian Regional and Local Development Agency (ERKAS) and a group of tourism-bound stakeholders was invited together to draw up the plan (see Appendix 1). The process was carried on and the final result was achieved according to the principles of sustainable development, trying to find the optimal balance between environmental, social and economic influences, provoked by the development of tourism and recreational economy.

Following phases were undergone during the compilation process of the development plan:

- inventory of existing tourism and recreational resources and products,
- SWOT analysis of the district,
- Vision of the stakeholders about the region in 2015,
- drawing up portfolios of possible client groups to whom the efforts in tourism and recreational economy are canalized,
- setting up objectives for 2007,
- tactical goals for period 2007,
- action plans to achieve the goals,
- associate activities with budgets and potential performers,
- public discussion of the development plan,
- final formalisation of the development plan.

Implementation of the development plan will be covered in the chapter "Principles of implementation of the development plan"

Compilation of the development plan was supported by Enterprise Estonia from County Development Centres programme.

CONCEPTS (TERMINOLOGY)

In the current document concepts are used in following meanings:

Tourism - combination of components, related to several different economic sectors (Riiklik turismiangukava... 2003):

- accommodation with catering;
- travel transport – air, maritime, road and rail transport;
- natural and artificial (man-made) places of interest together with their custodians;

- travel management – tour operators and travel agencies;
- destination management – organisations and institutions of public, private and third sector.

In statistical treatments according to the definition of World Tourism Organisation tourism is considered to be people's travelling outside their everyday living environment either for vacation, business or other purposes with the term up to one calendar year. Travellers, corresponding to the definition are called visitors and they are divided into two categories – day-trippers and tourists.

Recreation – sector, that is dealing with refreshing, re-establishing capacity for work, active resting and diverting in nature, especially in specifically founded, detached or adapted recreation areas. Recreation can be differentiated into following categories: day-to-day recreation (in the garden or greenery), weekend recreation (recreation ground or green belt, adjacent to the settlement) and long-time leave (summer-resort and tourism trip). In case of recreation the state (tax-payer) is paying for resource usage (Ökoloogia leksikon 1992).

Tourist – or overnight visitor is a person, whose trip outside his everyday living environment is including at least one staying overnight in the destination.

Day-tripper – a person, who is visiting a location outside his or her everyday living environment without staying overnight.

Tourism development plan – a process of gradual assessment of resources and market at the destination level, action plan and monitoring, with the purpose of pointing out drawbacks of the local product or market, submitting project proposals to fill the gaps and bringing forth necessary activities to put into practice (Godfrey, Clarke 2002).

Tourism service (product) – (1) rendering travel service by tour operator or travel agency; (2) rendering accommodation and catering service; (3) rendering accommodation service; (4) rendering conference service; (5) rendering accommodation and medical rehabilitation service; (6) rendering tour-guide service, services of guide-interpreters and services of tour-escorts (Turismiseadus, § 2).

Domestic tourism – travelling of residents to the destinations, located on the territory of the country, but outside their everyday living environment.

Foreign tourism – travelling of non-residents to the destinations, located on the territory of the country.

Target group – human groups with shared common attributes. For segmenting the general volume of people (dividing into groups) many different methods and techniques are available, in tourism the most often used ones are segmenting according to personal data (sex, age, nationality, education level, income etc.) or travel variables (travel object, distance from place of habitation to place of destination, disbursement in the place of destination, price sensitivity, used information sources etc.).

Client portfolio – selecting target groups that are most appropriate for the development of the place of destination and transmitting to them different activities (product development, marketing) to protect the sustainability of the destination in the longer perspective and also for efficient and wise usage of limited funds.

Audit of tourism resources – assessment of tourism destination offering (characters that fascinate tourists in the community. Tourism resources are divided into natural, historical and cultural resources, non-formal activities and actions, also tourism specific and supporting activities (Godfrey, Clarke 2002: 7)

Influences of tourism – there are several influences to different environments of the

destination, caused by development of tourism. Usually the influences are divided to economic, socio-cultural and ecological influences. Economic influences are connected with jobs, budget and foreign currency inflow in the destination. Socio-cultural influences are connected with the impact of tourism to culture, lifestyle of the community and mutual relationships between the people. Influences, connected with ecological environment, include changes in landscape, also natural and man-made environment.

Endurance limit – maximum number of people, who may visit the destination without causing unacceptable changes in the physical and social environment and without any quality downtrend of the visiting experience, perceived by the visitors (Mathieson, Wall 1982).

Heritage communities – a.k.a. seminatural communities are ecosystems with natural species composition, and which are undergone prolonged mowing or grazing (wooded meadows, alvars, coastal, flood-plain, dry and swampy meadows and wooded pastures) (Talvi 2001:5).

AUDIT OF TOURISM RESOURCES OF THE DISTRICT

GENERAL DESCRIPTION OF THE DISTRICT

Rural communities of Varbla, Koonga, Lihula, Hanila, Martna and Ridala (henceforth Matsalu sphere of influence) are constituting a remarkable part of Estonian space of tourism (almost 5% of the territory of Estonia) embracing large historical and nature potential both in form of Matsalu National Park and rich historical heritage (see Figure 1). At the same time we have to do with the historical Lihula district, that covered rural communities of Lihula and Hanila, Southern part of the rural district of Martna (up to Rõude village), rural district of Koonga in the surrounds of Oidremaa and the Northern part of the rural district of Varbla, making even nowadays up the outlying hinterland of Lihula.

Figure 1. Location of collaboration district on the map of Estonia



There were 11 655 inhabitants living in the district as at 01. January 2003 (see Table 1), that makes up 0,8% of the total population of Estonia (Statistikaamet 2004c)

Table 1. Population number of the communities of the district as at 01. January 2003.

Municipality	No. of people
Hanila community	2099*
Lihula community	2806
Martna community	1032
Ridala community	3337
Koonga community	1336
Varbla community	1045
TOTAL	11655

Source: Statistical board (2004c)

* as at 01. January 2001, Source: Website of the Hanila community

In the initial elaboration phase of the tourism and recreation economy development plan of the collaboration district none of the village communities had any individual tourism or recreation development plan of their own, although virtually every general development plan of the municipalities included paragraphs or chapters on tourism development as almost every community recognized the chance for themselves to diversify and expand their economy.

The district holds high potential of visitations due to traversing main roads, holding connection with Estonian large islands Hiiumaa and Saaremaa. On the other hand the district has relatively favourable location between two tourism magnets Haapsalu and Pärnu. Former element gives the opportunity to increase the number of visitors on account of transit passengers who currently simply traverse the district. The second element – big summer resort towns find this district as a beneficial heartland where to send the visitors to elongate their residing in the locations.

The main tourism resources of **Hanila community** are diverse nature – reserves, elongated coastline and rich historic inheritance (there are several early settlement locations: Hillfort of Vatla, Salevere Grove Hill, Stronghold of Virtsu). Some of these are already advanced for receiving visitors, but Hillfort of Vatla and Stronghold of Virtsu need good concept and investments to be turned into tourism attractions in the nearest future. Recent history is presented by several manor houses, that are currently in rather bad condition. Bigger hopes are associated with the Manor of Vatla – a seminar and training center is planned to build up there with full service and facilities. Puhtu peninsula and Laelatu Wooded meadow are also tourism and recreation attractions, while in Puhtu there is a marked hiking trail under development. There is also a guest-house on the peninsula. By now it is possible to reach Laelatu with larger buses as well.

Important strengths in development of tourism and recreation economy are well developed infrastructure (state owned roads, harbour) and favourable location at a road with high traffic intensity (access from Virtsu Harbour to Saaremaa island).

Existing attractions are supported by several local activities. One of the most important of them has been the Virtsu Maritime Days and in addition to that also several activities with ethnographical background, as fairs and handicraft days in villages. Workshops and seminars, held in Polli Talu Arts Center, have gained international notoriety, while in Hanila Museum there are also exciting events going on. The community is not very rich in available tourism services – accommodation is offered by Virtsu Guest house, Pivarootsi Childrens' camp and Kõrtsi Farm in Kuke Village. Catering services are offered by several bars and cafes, all situated in Virtsu. The only gas station of the community is also situated in Virtsu.

The weakness of the Hanila community is the lack of quality catering establishments and also the lack of services in the outlying districts. Although the community holds long shoreline, there is no decent beach area, natural attractions are in lousy situation and the access to them is quite difficult. There are no guides in the district, who would help to find a way about the

tourism sites and there is also no cooperation with travel agents who would be interested in drafting travel packages and bringing visitors to the Hanila community.

In addition to aforesaid objects that need development there is a more general wish in the community to deal with the improvement of nature tourism – making new hiking tracks to improve access to natural resources – and consequently after extending Virtsu yachting harbour to improve yachting tourism.

Potential high priority objects and events: Virtsu yachting harbour, Vatla seminar and training center, management works on heritage landscapes, development of hiking trails, Hillfort of Vatla, Stronghold of Virtsu, Virtsu Maritime Days.

Lihula community is the largest municipality unit of the Läänemaa county. It has a big potential in the field of nature and history of culture. This will help to develop in the region tourism and recreational economy, while the majority of Matsalu National Park is situated in the Lihula Community, covering approximately 29% of the territory.

A main road is traversing the community, connecting Virtsu with Risti and Tallinn. This road is in relatively good condition, while the side-roads are relatively poor – narrow and mostly covered with gravel. That means huge dust-clouds when tourist coaches pass by and also non-safe traffic conditions.

To better access natural sights several hiking trails have been set up (Kirikuküla, Penijõe, Suitsu, erratic boulders Näärikivid, Kirbla hill, Metsküla) that have gained big popularity among visitors. In the context of history of culture the most important sight is Lihula hill with stronghold remains and manor house, that needs big investments to turn it into an attractive place of sensations for visitors. Really peculiar sights in addition to the nature are old stone bridges (Kasari bridge, Vanamõisa stone bridge, Rumba railway bridge), that make up an integral whole. The most important events of the Lihula community are Lihula culture days in August and Matsalu Nature Film Festival in the autumn. The latter is expected to be advanced into an internationally recognized event.

In addition to natural and historic resources several services are afforded in the community, helping to make visitors' travel sensation more perfect. Among accommodation service providers Luige hotel should be mentioned (situated in the center of Lihula) as well as two guest-houses – in Penijõe and in Matsalu. Several bars, cafes and the only restaurant of the region – Vesiroos in Lihula – provide catering service. Outside the town it is possible to have a meal in Kasari and Tuudi bars. In the Lihula community one can find the only tour operator of the district who is dealing with foreign and domestic tourism, offering visitors both ready made and open packages, the latter being readily custom-adjustable.

Possible high-priority objects and events in the Lihula community: Hillfort of Lihula with the manor house, surrounds of the Kasari bridges, surrounds of Penijõe manor-house, manor of Matsalu, Keemu Harbour, peninsula of Saastna, Kirbla hill, surrounds of Suitsu watchtower and Kirikuküla village, Matsalu nature film festival, Lihula culture days.

Koonga community is situated in the outlying district of the Pärnu County – the most important tourism resources of the community are natural and historic resources. From the geographic point of view the most important connections are rather with Lihula than with Pärnu (Lihula is merely dozen kilometers apart while the distance to Pärnu is about 40 km). The most notable sights are the Hillfort of Soontagana (that is connecting history and nature), Kalli-Nedrema wooded meadow and Mihkli oak-groves. The two first ones are RMK's well developed attractions with resting sites and hiking trails. One of the most well known events is certainly the traditional Mihkli Fair.

Among the weaknesses of tourism and recreational economy we should mention faintly

developed tourism entrepreneurship (currently only one service provider, who is offering full package – accommodation, catering , activities and guided tour service in the region), that is also explainable with extreme seasonality of tourism – one is not able to earn the living purely from tourism service. The solution would be to provide tourism service in addition to the dayjob.

Possible high priority objects and events in the Koonga community:the surrounds of the Hillfort of Soontagana (including the mire and preparing the boarded track from the mire to Kurese village and Salumäe; bringing the lime-kiln in Salumäe into order to increase attractiveness and planning a watchtower to the same place), Pärdimägi watchtower and bringing the camp-place into order, marking the hiking route from Oidrema to Soontagana and producing other smaller routes (in Oidrema, Mihkli and Kalli villages), marking hiking trails and targets in Oidrema and Tõitse villages and Tuhu mire. Among the events complementing the peculiarity and originality of the Mihkli Fair. Organizing periodic village days in different villages of the community in the principle of rotation, events of traditional folk calendar in the villages of the Koonga community (St. Georges Day or 'moving day', St. John's Day or 'midsummer day', Michaelmas, Martinmas, Christmastime in the manor). Supporting two private museums.

The main resources of tourism and recreational economy in the **Martna Community** are natural resources and active people of the community. Several manor-houses (e.g. Manor of Suure-Lähtru and Manor of Keskvare) are already restored or in the middle of the restoration process, in the summer period it is possible to share original theatre project, taking place in Saueaugu Theatre Cottage. Martna Community is also holding the attention while there is the only bird watching tower in Estonia, which is visitable by people in wheel-chair (in Rannajõe). Based on existing resources and potentialities the people of the community wish to develop nature tourism – bird watching and hiking in the nature (with or without guidance) – in the first place.

Tourism specific and supporting services are currently quite limited in the community – lodging service is completely missing, catering service is only possible in Suure-Lähtru manor when booked in advance and several activities are enabled in the Kirsioja Farm.

Potential preferentially developed projects and events in the Martna Community: developing nature tourism in the district of the River Kasari (both infrastructure and services), building a campsite/picnic site to the birdwatching tour in Rannajõe, promoting tourism farms.

Ridala Community is a circular community surrounding the Haapsalu city. The community is rich in its natural resources and there are 78 islets within its borders. About one half of the territory is belonging to the Matsalu sphere of influence while the other half stays rather in the sphere of influence of Haapsalu tourism.

The most important resources of the district are natural resources – valuable natural landscapes and meadows rich in species (juniper stands, wooded and coastal meadows, Pullapää foreland, Puise peninsula) and also cultural resources (e.g. traditional way of life in Kiideva, Haeska and Puise coastal villages).

Ridala Community is among the districts with most developed tourism service networks – various accommodation and catering services as well as different possibilities of spending leisure time are provided there. Accommodation facilities of the community are often used for arranging seminars and meetings and as the municipality region is surrounding Haapsalu, then the visitors of the city can often find lodging with bargain price right outside the town.

The infrastructure of the community area is also quite well developed – there is ferry link between mainland and Hiiumaa Island from Rohuküla Harbour and two roads of national supporting level (Ääsmäe-Haapsalu-Rohuküla and Haapsalu-Laiküla roads) are traversing the community. Kiltsi airfield is waiting for suitable implementation.

The main failings of the tourism and recreational economy are inadequate marking of villages and roads, also insufficient number and low quality of bicycle and hiking trails. Among the problems awaiting for solution we may also point out the problem of people's access to islets (although the islets are under protection, moderate and reasonably constrained admittance possibilities are desired) and the way to find the balance between the bulk of visitors and the local socio-economic tolerance margin. Besides there is a need to increase the share of local inhabitants in providing the tourism service – be it simply as extra activity in addition to the payjob.

Potential preferential projects and events in the Ridala Community: Making signs to villages and village roads; developing Ungru nature trail (including Ungru oaks, remains of Ungru manor house, old Ungru bridge and the erratic boulder of Peetri on the route); developing the nature trail on Pullapää foreland; organizing Ridala culture days and village fair (summer project that introduces valuable features of different areas of the community).

Varbla Community, situated in the Pärnumaa County, has been a renowned summer resort area for decades and that fact is illustrated by the network of well developed tourism services (especially lodging facilities). We may count up to 500-600 beds in the Varbla community (the majority of them being located in resort villages and holiday camps). Furthermore, at the lodging quarters catering and leisure time activities are also provided.

The major attraction that draws people to the Varbla district to spend their leisure time there, is the sea-shore (Matsi, Varbla and Paatsalu-Pivarootsi shore), that in one hand is renowned resort and in the other hand is favourite area for naturalists, while there are possibilities for birdwatching and studying diverse vegetation.

The shortcomings of the area are considered to be as follows: lack of small scale lodging facilities, suitable for smaller companies or families to spend their holidays (all existing accommodation places are relatively big and with many beds – visitors are lacking privacy); lack of finished and marked bicycle and hiking trails; lack of competent guide service.

Potential preferential projects and events in the Varbla Community: Matsiranna resort, Matsi harbour, hiking and cycling trails (developing trails to Illussaare protection forest and shore, dunes of Kolga stream, coastal landscape of Sõmeri-Raespa).

In the following chapters an integral overview is given about the region by tourism resources and products, based on inventarisation, carried out by the municipalities.

Natural resources

One of the most important natural resources of the region is the Matsalu National Park (further Matsalu NP) (see fig. 2). The nature reserve was founded in 1957 to protect nesting, moulting and migrating birds (Matsalu Rahvuspark 2004). In 2004 the reserve was renamed as Matsalu National Park and in addition to bird monitoring nature education is carried on there. For long years the administration of the reserve has been busy in managing the tourism business of the region, submitting necessary information to the tourism enterprisers of the area, concerning different activities in the territory of the park, but also developing hiking trails and installing watching towers in order to deliver to every visitor of the area the possibility of sharing the wonderful nature without leaving any visible marks of being there.

Figure 2. The location of the Matsalu NP in the area. From: Eesti Atlas [<https://atlas.ibs.ee>]



In addition to the Matsalu NP there are several natural resources in the region, that can be used as the basis of tourism products. Among others we should mention sand beaches in the Varbla Community, a great number of prepared hiking trails in Hanila and Koonga communities, bird watching towers in the Matsalu NP and wooded meadows, that serve simultaneously as the holders of natural and cultural heritage (see Appendix 2).

Most of the resources are with medium or good quality, but there are still quite a lot of objects and sites that need development projects in order to be prepared for exposing them to the visitors.

Active practices

In offering active practices Lihula, Varbla and Ridala communities emerge, while the rest are represented in a relatively modest way (see Appendix 3). Wide assortment of activities are presented in the region, beginning with the great number of bird watching towers (each of them being already pointed by signmarks or being in preparatory stage). Moreover it is possible to make reservations for boat-trips on the rivers of Matsalu region or canoeing in the surrounds of Lihula. In the territory of the Ridala municipality boat trips on Vänameri (Moonsund) are offered in addition to those taking place in Matsalu Bay; hunting, range shooting, guided tours on nature trails and rental bicycles are also available. Four municipalities (Lihula, Varbla, Koonga and Ridala) are providing tenting or camping sites. There are fishing possibilities (no service provided) at the Paadrema River (Varbla community), on the Topu Bay (Ridala community) and at the Kasari River (Lihula community), while downstream from the road overpass the river is in the territory of the national park already.

Horseback riding is provided in Lihula, Ridala and Varbla and in addition to that there are several playing fields for different ballgames in Lihula and Ridala municipality territories, that could be used by visitors as well. The conditions in both places differ from each other in

supporting facilities – in Ridala municipality shower and washing facilities are also provided (the playing fields are situated next to enterprises with accommodation facilities and clubhouses e.g. Tooraku guesthouse, Lauri-Antsu farmlands and Kiideva clubhouse), but in Lihula supporting facilities (shower etc.) are missing.

Most of the active practices take place in the open air, which means stopping the action or relatively uncomfortable practices in rainy or cold weather.

Cultural and historical resources and events

Although the strongest feature of the region is rich natural heritage (as in many other places in Estonia), there is relatively lot in the field of culture and history in the area to be offered to the visitors (see Appendix 4): beginning with strongholds and hillforts and ending with fishermen's villages, which still operate on the same pattern as in the beginning of the 20th century. In addition to that there are historical and peculiar sacramental buildings (churches of Mihkli, Kirbla, Hanila, Ridala, Varbla-Urbanuse and Martna), exciting bridges (Kasari, Vanamõisa and Rumba bridges in the Lihula municipality) and great number of manor houses, among which some have received their previous glory, but some are still waiting for the hosts' investments)

From this region several famous people are coming, e.g. Kristjan Palusalu and Karl Ristikivi (Varbla Community), Cyrillus Kreek is born in the Ridala Community, while internationally renowned ornithologist Erik Kumari come from the Lihula Community.

The midtown of Lihula, originating from the 19th - 20th century, is quite of a special kind. There are several museums, providing an overview of the local history and in addition to that there are also museums of more specific kind such as the museum of the Matsalu NP in Penijõe, Kiideva village museum in the Ridala municipality (the latter is introducing habits of life of one of the most native fishermen's village in Estonia).

In addition to the historical heritage it is possible to participate in present-day cultural events – one of the most peculiar attractions is the Saueaugu Theatre Cottage in the Martna Community, furthermore – the Lihula culture club together with the open-air stage for singing enable unlimited possibilities to organize different cultural events. There are exciting self-improvement courses, held in the Polli Talu Arts Center, which provides diverse program for the summer period, while the Folk University in Lihula provides different courses throughout the whole year.

In addition to the above analysed options there are still a great lot of culturally bound national events in the region, e.g. midsummer days (=St. John's Days), Shrove Tuesdays (=Mardi Gras) and handicraft fairs in the villages, modern car races, concerts and a special nature films' festival in Lihula, that helps to prolong the tourism season, being held in October (see Appendix 5).

Tourism specific and supporting services

As far as recreational economy can be advanced and developed without tourism specific services (that means without lodging, travel agencies and in some extent without catering) then we cannot speak about successful tourism business without lodging, catering, transportation and travel agent (courier) services

Lodging services may be provided up to 900 people within the region, the major part of this figure (approximately 500-600 beds) coming from resort villages and holiday camps of the Varbla Community (see Appendix 6). In addition to the Varbla Community we can find relatively fine lodging service coverage also from the Ridala Community (an orbicular community, surrounding Haapsalu), but there is no lodging service or it is very negligible in Martna, Koonga and Hanila communities.

There are different kinds of lodging from hotels through private room and board service, and as it was mentioned afore, the largest number of beds can be found from resort villages and holiday camps. In addition to the lodging opportunities of the 6 municipality regions, there are also accommodation facilities of Pärnu and Haapsalu freely available to the visitors, whilst both large summer resorts are located within one hour of driving by car.

Catering services are provided in Lihula, Virtsu and in local bars or cafes elsewhere. In addition to especial catering establishments it is possible to cater at almost any accommodation quarters (NB! Catering is quite often available only when booked in advance). The biggest number of visitors (up to 110) can be catered in "Vesiroos" - a restaurant in Lihula, all other establishments are remarkably smaller, being able to house 20 – 40 visitors.

Shopping potentiality of the district is adequate in frequency and quality. Grocery stores can be found in every community and in larger settlements (Lihula and Virtsu) it is possible to buy local souvenirs, while Haapsalu is also contributing to the trade and commerce.

Individual travellers, preferring to use their own transport, are certainly in need of gas stations and car maintenance shops. Gas stations of the district are situated in Hanila, Ridala and Lihula communities and their service quality is perfectly adequate for the needs of demanding guests. Moreover, there is a fully professional car maintenance shop in the Ridala Community.

In case of emergency there is first aid available for visitors in all municipality centres and in larger settlements (Virtsu, Lihula, Martna) there are also drug stores. Visitors can obtain various information in the public libraries of the centres, that serve also as public internet points, but there is currently no official tourism information points in the region (the gap is bridged by the Penijõe museum/information point in the centre of the Matsalu National Park, also by the tourism information points of Pärnu and Haapsalu).

One local tour operator is dealing with travel service and packages, so all travel agents and tour operators (both Estonian and foreign), interested in this district, can contact directly particular service providers.

ANALYSIS OF PROGRESS ASSUMPTIONS

Orientations in European tourism

In a research paper "Trends in European Tourism", compiled by the European Travel Commission, a large number of orientations have been pointed out, all having certain influence on the development of tourism and recreational business of the region in the nearest future (European Travel Commission 2004). Changes in the society usually have the strongest influence on the manners of travelling. If the progress of tourism was previously determined mainly by the supply, then now we are speaking about demand-controlled tourism market – the market is more or less satiated and accomplishing the maturity stage, customers become more and more knowledgeable and they have more excess money and leisure time, free of duties.

Supply and demand are influenced by changes in the demographic situation, people's education level and lifestyle and increasing leisure time and travel experience. Tourism economy is also biased by infotechnological advancement (mainly by new use of advancements by travel and tourism commerce), progress of traffic sector, responsibility of destination sites for sustainability and ever increasing requirements to ensure in destination sites security and safeness of local population as well as visitors. Next we shall inspect more closely some of the most significant tendencies.

Among the demographic changes more attention should be paid to **the increasing number of aged people** and **the decreasing number of members of an average household**. The first change brings us to the tendency where the demand of senior travellers for tourism service will grow much faster than the average demand for tourism services. It will mean growing demand for high quality, comfortable and safe travel services. Owing to senior travellers it will be possible to even out the seasonal pattern of the destination sites, while this group of people is willing to travel in transition seasons, in Estonian conditions it means in spring and in the autumn when the weather is not too hot and when there are less tourists in the destination sites.

The other significant demographic tendency – the decreasing number of members of an average household – means increasing average income and purchasing power per one person. In tourism bound context it means higher demand for luxury merchandise and desire to buy wares of special interest, aimed for smaller destination groups, which – due to the small market – are more expensive than the traditional "sun-tan-tourism-products".

One important tendency is also **increasing health-awareness of people**. Although the latter does not influence the scope of demand, it still has an effect on choosing the destination sites and it also biases the behaviour of people during their vacation time. People will avoid destination sites which seem to be unhealthy, active recreation will gain more popularity and the demand for "wellness" commodities (spas and other kind of health centres) will increase. Not only health-awareness, but also the **average education level of the customers** is showing the growth tendency, which means in turn higher interest to fine arts, culture and history – it will bring along higher demand for special products and it is prognosticated, that the demand for Middle- and Eastern European destination sites is increasing as well.

Tourism market is also influenced by **the improving travel experience of the visitors**: people are more knowledgeable about their needs and rights and that in turn rises critical outlook to quality and cost-effectiveness. Alternative possibilities to spend the money and spare time (internet and other kinds of entertainments) increase competition between destination sites – those sites that do not correspond to generally accepted standards will suffer for decreasing demand. More experienced tourists are owing more critical attitude to fake products and **prefer authentic products**, which provide deeper emotional satisfaction. Regions, which will be able to provide holistic concept, will be in advantage and there is growing for such kind of destination sites.

Status becomes less important for people. According to one investigation there is a growing demand for small-scale lodging facilities (small authentic tourism farms and family housing). Service providers should submit to the market completely new products, services and concepts, to differentiate themselves from the offers, being on the market already. In connection of that a requirement will emerge for specialization of service providers.

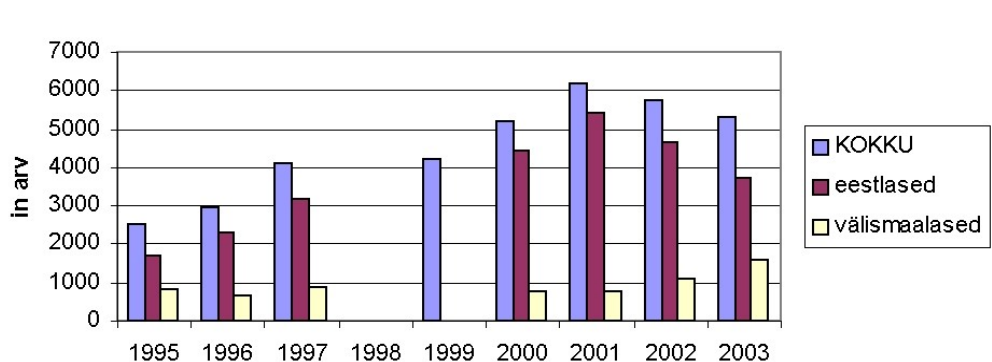
In addition to aforementioned factors supply and demand are influenced by **infotechnological progress**, while the importance of internet is particularly increasing for searching of information and purchasing tourism products. When marketing the destination site considerably big attention should be paid to e-marketing, i.e. The homepage should be efficient and operational. On the other hand the visitors are seeking for thorough information about particular products – cursory and casual pages will rather scare potential visitors away, than force them to seek further information.

Visitors' concern about environment is constantly growing, that is expressed in tourism as a demand for sustainable destination areas, while terrorism, regional wars, pollution and other similar crises have very big influence to peoples' everyday life, increasing the need for feeling safe. In tourism it indicates the need to turn more attention to visitors' safety and security in the destination site.

Portfolio of clients, currently visiting the region

In its Management Plan (Matsalu LKA 1996) Matsalu National Park is pointing out that the maximum number of people, visiting the Park, was in the middle of 1960-ies. From that time on the number of visitors has been constantly decreasing. The first foreign guests, worth mentioning, arrived to the nature reserve in 1990. In 1992-93, there was the absolute minimum of visitors (only 1000 visitors, most of them foreigners), caused by hard times in intrinsic economy. In 1994-95 there was a rapid ascent. Having a glimpse on the dynamics of the visitors' number in the latest years, it is obvious that the proportion of internal tourism is growing again (see Figure 3). Well-considered planning and investments would give the potentiality to increase the number of visitors/tourists remarkably. According to the opinion of the specialists of the Matsalu NP, normal ratio of foreign and inland visitors would be 1:2 and with the assistance of high-level planning the potential tolerance limit would be at least 15-20 thousand people per year. These days there are more than 5000 people visiting the centre of the Park per year, but the estimated total visiting of the whole territory may reach 10 000 people. Furthermore there are about 5000-6000 people visiting the surrounds of the reserve.

Figure 3. The number of visitors of the visiting centre of the Matsalu Nature Reserve in the period 1995-2003*



- Data of 1998 is missing and there are no detailed data for 1999

From the analysis, carried through by the functionaries of the development plan, it may be concluded that currently the **overnight tourists form 10%** of the total clientel while **domestic** or one-day **tourists form 90%** of the total number of visitors. The situation is more exceptional in the Varbla Community, where the ratio of domestic and overnight tourists is approximately equal (50:50).

90:10 is also the estimated proportion of internal and foreign visitors of the region (**90%** of the visitors are of **internal** and **10%** of **foreign** origin). In Matsalu NP this division pattern is slightly different, while foreign visitors form approximately 1/3 of the total clientel, that is about 3 times higher number than the region's average.

If we divide the visitors into categories according to their **travel destination**, following categories can be separated: **vacationers** (independent tourists), nature **spotters** with more **general interests, participants of seminars and events** and **"bird tourists" with specific interest**. It's not easy to bring out proportions among the target groups, because the situation is different in different communities – in the Ridala Community, unlike the others in the region, quite a big target group is formed by visitors, whose main purpose is to visit events and seminars (we have to remember that Haapsalu is very close, and some people come out from Haapsalu to stay overnight when there are big events in the town. Almost 70-80% of the target groups of the region are formed by nature spotters with general interests, who need the assistance of a tour guide (=excursionists) and about 1% of the visitors are "birdwatchers" with serious specific interests. The visitors' group of the Varbla Community is relatively uniform – virtually all the visitors are individual vacationers or participants of the summer days of different enterprises.

If we analyse the proportions between the **organized package travellers** and **independent individual travellers**, the ratio is **80:20** or **70:30** with the clear accentuation towards package travellers.

The most important positive and negative development tendencies

Matsalu sphere of influence has been a popular recreation and excursion area already for decades. Aforementioned inventory of tourism resources pointed out the main potentiality of the communities, while the working group for the compilation of the development plan considered several internal and outer environment bound processes as the main positive developments of the latest 5 years.

Good condition of the infrastructure was considered to be one of the important strengths – the district is traversed by traces, which enable rapid access from the urban areas to the rural districts (the nature is far away but also so close). As these roads are of national importance, the state has the obligation to invest into the infrastructure and currently the main national roads are in very good condition.

Matsalu National Park has been well-known among the people and it has been another important factor, supporting the development of the region and offering to the rest of the district the opportunity to commit themselves to a well-known and well selling destination site.

The municipality level emphasized the compilation of **general plans and development plans** as a remarkable process, which is giving the municipalities of the district very clear objectives and aims and enables optimal resource usage. The Varbla municipality has even worked out a partial general plan of a resort area (Matsiranna), which defines the usage of the space and includes suggestions to develop the region, decreasing the pressure to fragile areas.

One of the internal development processes that supports the objectives, established in the current development plan, is the **mutual cooperation of the communities** and the cooperation of the municipalities with the RMK (especially in the Varbla and Koonga municipalities), which is the largest administrator and developer of the resorts in the country. There is also the internal **willingness to develop new products**, which would help to diversify the choice of the products, offered by the region, and simultaneously prolong the season of tourism and recreational business. Although some criticism can be found intended for the certification of the lodging facilities (too hard demands etc.), the working group members of the development plan emphasized, that due to the certification process the quality of the lodging facilities of the region has increased, what is important for offering high quality resting experience.

Among the outer environment bound processes **increase of human knowledge about conservancy** and the **need to get out of the ordinary urbanized environment** were considered to be important. Both the first and the second need can be perfectly fulfilled in the given district: Matsalu National Park is carrying through education activities on conservancy and all the communities of the cooperation district offer intact natural environment together with wonderful cultural and historic heritage.

In addition to positive tendencies negative trends were also revealed, while the majority of them were intrinsic by origin and should be easily cleared up. If on one hand it is a strength, that Matsalu's name is well known, then **there's practically no information about the rest of the region** and people do not know the resources, that the region virtually holds. There has been some improvement in the **product development**, but **its direction and velocity do not suit the region's functionaries** in the moment: "nests by the road" or supporting infrastructure elements, needed by the travellers (such as resting places, eateries, toilets, tenting grounds) are missing, there are still not enough attractive activities or events, the number farms, qualified for family housing, is still too small. It is still questionable – **can a villager be good in service business?**

The **lack or malfunctioning of supporting structures** was admitted both from **the municipality level and the national level**. It was also declared, that environmental protection has often negative reputation among ordinary people – mainly due to restrictions on entrepreneurship.

Portfolio of liked visitors and potential progress orientations

The biggest change in the portfolio of clients is desired to follow in the group of one-day and overnight visitors - providing that the current ratio is 90:10 (in favour of one-day visitors), then by year 2015 the number of **overnight visitors should likely be increased** and their **ratio to one-day visitors should be evened up to 50:50**.

Bigger changes are wished to be seen in the ratio of domestic and foreign visitors' numbers – the desired **share of international visitors from the total number would be 40%** (current estimation is appr. 10%).

If dividing visitors by their travel destination, then the desired categories to be increased would be the **visitors with multiple purposes**, who consequently would stay in the region for longer period (**50%** of the total number of visitors), **naturalists/bird-watchers** approximately **20%** and **vacationers** about **30%**. By communities the portfolio would be slightly different, as the resources of the communities are different. The Ridala Community wishes to see increase among the participants of seminars and events, which in its turn creates the potentiality to tourism farms to be in business even in low and transition period.

The proportion among the organized package travellers and independent individual

visitors is satisfying the needs of the region's functionaries (70:30 in favour package travellers) – since it is possible to channel the visitors' flow more efficiently via organized travels.

When trying to characterize more precisely the visitor, wanted to the region, then he/she should be interested in nature, history and culture. In the key of demographic segmentation the most wanted category in the region is the schoolchildren (who do not leave much money in the region today, but who are the so-called future market, as they hopefully come later back with their friends and families) and also families. Visiting frequency should be a 2-3 days trip once in a couple of years.

The product, provided to the visitors, involves both local nature and local history. For sure the product should contain enough information to make several items and resources, that won't "talk" in the beginning, to "talk" to the visitors later – the tour guides or the guides to the excursions will play an important part in it, as will the regional information. One of the strengths of the region is silence – the urban masses are offered peace and quiet, nourishing their minds, and local food, feeding their tired bodies... Visitors are expected in the city, in the nature, in the woods and at the seaside, wondering at the objects of interest in the nature reserves or take in the historic sights (manor houses, hillforts etc.).

Among the vehicles the most desirable ones in the region are those, being the most sparing to the nature, such as bicycles and horse transport. On the water-bodies there should be boats and canoes, and of course there are allowed motor-coaches for groups and cars for individual visitors, but the "green" vehicles are always preferred.

The product, provided in the region, is relatively seasonal: the high season is from April till October (with some decline in hot midsummer months), which is remarkably longer, than the usual season of a resort, providing beach holidays, but then it is much shorter than the season of a destination sight, offering cultural programmes and attractions all the year round. In the spring and in autumn, in the bird migration seasons, the main destination group is bird-watchers and visitors, interested in birds. The season could be prolonged into the winter by providing seminar and conference arranging and fishing opportunities.

The money, spent potentially in the region, might be in the order of 150-1000 per person per day, depending on the amount of used services (lodging 250-300 kroons per person, food 50-120 kroons per person per day, besides museum tickets and fees for guide services).

Sources, where visitors should get the information about the region before going to a journey, are the internet (in our case the visitors should use the forthcoming portal of Läänemaa), the press, travel agencies and the word of mouth. Being in the location the visitors' need for information should be fulfilled by local tourism information points (potential locations being Lihula, Virtsu and Rohuküla harbours, centers of the nature reserves) and information stands.

A requirement to engage local population into the decision making process and thereby awaken their interest to providing services was pointed out as a so far unused tourism and recreational economy potential. Besides, exceptional efficiency is expected from **improving the mutual cooperation** and **establishing a cooperation network** (to some extent operating already in the area of the Matsalu National Park).

Great potential is expected from **product development**, in order to **resurrect the old traditions** and to introduce them to the visitors (traditional working skills – reed handling, handicraft workshops and barns with possibilities of practical involvement, haymaking, attending horses, learning to build stone fences and wells) with the purpose of **providing new experiences**. Serious contribution to the availability and marketing in the region is provided by the **Eurovelo** bicycle routes, traversing the region – bicycle tourist is a nature tourist, who is minded to stay in the region for a longer time, if he/she is provided interesting attractions, sightseeing and services. In expanding the service package great benefit can be expected from the improvement of the **Virtsu Yachting Harbour** and the **Matsi Yachting and Fishing Harbour** and new services deriving from this process.

There are many water-bodies in the region and thereby it would be reasonable to provide more of that resource – i.e. **canoeing and kayaking trips; bird tourism**, that is currently

concentrated to the Matsalu National Park can be potentially expanded into several other communities. **The local guides** should assist in exploring the abundant cultural heritage of the region, being helpful in avoiding intensive usage of fragile areas and guiding the visitors into the areas with necessary infrastructure.

Results of the SWOT analysis

The analysis of the region's strengths – weaknesses – opportunities – threats was finished in two phases:

- 1) the municipalities compiled the analysis of their community and their territory independently,
- 2) the separate analyses were merged into one integral paper, while the factors were prioritized (the strongest factor was adding 10 points and the weakest factor 1 point; the maximum possible score in every sphere was therefore 110 points)

Next the five factors will be discussed, which gathered the highest score, (see Table 2), while the complete list of the factors is given in the appendices (see Appendix 7).

Table 2. The SWOT analysis of the region

STRENGTHS	WEAKNESSES
Clean diverse nature, heritage communities, nature reserves	Lack of people, educated in tourism and service field
Matsalu as a trade mark is well-known	The bad condition of roads, especially the local ones.
Historically interesting area, existence of historical monuments, historical and cultural heritage	Too little command skill and experiences in the field of tourism and recreational economy.
Sparse settlement – enough space for tourists and local people.	Not known as a tourism region.
Harbours (Virtsu and Rohuküla) and major highways with adjacent infrastructure, traversing the area	Lack/need of recreational infrastructure
OPPORTUNITIES	THREATS
Trends: "Back to the nature" and "away from the city noise"	Slow development of the national infrastructure
Increase in tourism of special interest – broadening of the choice of tourism product	Superseding the ecological tolerance
Increasing share of tourism (international and domestic) in Estonian economy	Vulnerability, caused by economic comedown and other economic tendencies, that may influence tourism
Opening new potential markets and new segments	Inappropriate cooperation
Opening of EU structural funds	Lack of interest of potential investors

The flagship of the region is unquestionably clean and diverse nature – the Matsalu National Park is standing for preserving heritage landscapes, while the RMK is giving its share to the management

of landscapes. The next highest score was given to the reputation of Matsalu's trademark, that gives the region good premises for going to the market – there is no need to start to introduce a new trademark, better to bound oneself wisely with the existing one. The third score was given to historical resource of the region, that adds up surplus value to the natural resource and helps to diversify the tourism product of the region. Another strength of high priority was sparse human settlement, that enables the visitors of the area and also the local inhabitants to feel comfortably in the region and enjoy solitude, if desired. The last strength, having the fifth rank, was well developed and in a good working order infrastructure, having mostly in mind the large supporting highways, traversing the region.

The main weakness was lack of people, educated in tourism and service field – there was even a doubt if a villager can be good in service business. If among strengths the infrastructure aspects were getting high ranks, mainly concerning national highways, then the local roads are in very bad condition, therefore from the point of view of tourism development they would need dustfree covering to enable visitors' servicing in summer conditions without disturbing local inhabitants (currently there are huge dustclouds on many roads when the coaches or cars pass by).

Understanding, that in the region there are predominantly deficient management skills and experiences, was gathering high rank as a weakness. The point is, that tourism as economy branch is a very new direction on the municipality level and these structures are lacking appropriate posts, that would deal with the mentioned field. Currently this task is given to development or culture counsellors.

Although in the strengths section it was declared, that trademark "Matsalu" is widely acknowledged, still the region as a tourism area is relatively unknown – the functionaries of the region are guessing, that public opinion does not associate birdwatchers and other naturalists, visiting the region, with tourism and therefore no specific marketing is carried out to entice more visitors to the region. Lack or poor development stage of tourism and recreational infrastructure was pointed out as the fifth weakness. It concerns the lack of intended buildings and means for tourism and recreational economy.

Among the processes, that might have positive influence towards the regional development, the highest rank was given to the increasing desire of the urban society to leave their environment and spend their leisure time in the nature. The second rank was given to the increasing need for products of special interest (ordinary everyman vacation in seaside resorts is always popular, but those target groups, who want to discover something new and have their holiday apart from the crowd, are increasing).

The development plan compilers group had also faith in the fact, that tourism economy is an increasing sector of economy, both globally and in Estonia and it has positive impact on the development of Matsalu's sphere of influence. Disclosure of new potential destination markets, both in geographical and demographical sense, was a tendency, holding the fourth rank. EU accession has given the impelling force to the so-called Old Europe to find for itself the so far undiscovered Middle and Eastern Europe, including Estonia. Whilst the financial means of the region itself are relatively constrained, then the opportunity to claim for additional project money from the EU Structural Funds achieved the fifth rank.

Among the external factors the highest rank was achieved by the threat, that the state will not be able to finance the development of the infrastructure (especially what concerns highways and roads). That will decelerate the development of regional tourism and recreational economy, while without proper roads there will be no proper access to unique attractions and sights. The second threat was, contrary to the first one, the possibility, that so many tourists will visit the region, that they will go across the ecological tolerance of the environment. As it was already pointed out formerly – natural environment is one of the most important resources of the region and any damage, or – what is even worse – destruction would place entire

improvement of regional tourism economy in doubt.

The third in the list threat factor was the tendency, that overall economic decline could affect the further improvement of tourism economy. The World practice demonstrates, that if the economic situation of a country deteriorates, then the residents examine their expense categories and reduce consuming of luxury services or services not necessary for everyday life, purchasing foreign trips therein.

The fourth and the fifth threat were respectively: inappropriate potential cooperation and lack of interest of potential investors. 'Cooperation' denotes here common (or communal) activities of different institutions with other functionaries of the region, also with the institutions of the county and national level.

The current SWOT analysis is used as a basis for regional vision, mission and development strategies to increase the influence of strengths and opportunities and decrease the influence of threats and weaknesses to the region.

DEVELOPMENT STRATEGY FOR THE YEARS 2004-2007

Development vision and goals

Vision for 2015:

In 2015 Hanila, Koonga, Lihula, Martna, Ridala and Varbla communities constitute Matsalu tourism and recreational district, recognized by Estonian population and foreign visitors, appreciating the natural heritage, as a unified tourism space, where one can find:

- persistent settlement, developed in the course of centuries;
- preserved clean nature and heritage landscapes;
- comfortable access to sights;
- well-developed tourism entrepreneurship and
- local population having good life.

The mission

Matsalu tourism and recreational district stands for promoting sustainable usage of nature and heritage, also for raising environmental and natural awareness of naturalists, vacationers and local community.

General aims for accomplishing the vision by year 2007:

- Developing unified product in the district and diversification of the product portfolio;
- Common marketing of the district both on internal and external markets;
- Refinement of the availability of the product;
- Optimization of the effects, accompanying tourism.

Goals, arising from they aims by year 2007:

1) Developing unified product in the district and diversification of the product portfolio

- There will be carried out at least **2** common **information days on tourism** and **1 training on tourism** in the district.
- **There has been created a network of tourism functionaries and it is operating** via "information list" and regular meetings.
- **At least one thorough research on tourism** has been carried out in the district.
- **An action plan on the possibilities of prolonging the tourism season** has been worked out

2) Common marketing of the district both on internal and external markets

- **The district** has been interpreted as an **integral tourism and recreational space** and **the trademark of the district** has been worked out.
- Professional **marketing of the** district (permanent and systematic) is going on.

3) Refinement of the availability of the product

- **All the information, needed for visiting the district, is available to tourists.**
- At least **2 information issues on tourism** will be published
- **Tourism objects** are marked, brought into order and freely accessible.

4) Optimization of the effects, accompanying tourism

- Regulations of ethical behaviour (**codebook of "good behaviour"**) has been worked out for local entrepreneurs, owners of natural resources, local inhabitants, tourists/vacationers, municipalities.
- All the **communities** of the district have **general planning**, where the infrastructure of tourism and recreational economy has been explained in detail.

Principles of implementation of the development plan

One major shortcoming of the development of local tourism right now is development and diversification of the product portfolio. In the course of preparing the development plan it was found, that preferred products should be "green" in nature, i.e. supply should not decrease quality and quantity of necessary inputs (natural, cultural and human resource). More likely they should add surplus value to the existing resources, that should distinguish the product from other similar ones in Estonia.

In order to develop the product in the aforementioned direction, it is necessary to strengthen the cooperation of municipalities with entrepreneurs – these are the mediums who can develop products and bring them to the market. Municipalities can create supporting environment and background for them. To develop collective action it is necessary to make the organizing of information days in the whole region more efficient, organize training and seminars (both general and more specific ones) and include local inhabitants and entrepreneurs in greater extent to elaboration and implementation of development plans.

Next important field where the participation of every party (local community, municipalities, entrepreneurs, nongovernmental organizations and nature reserves) is necessary, is unified marketing of the district in the internal and foreign market. In the beginning it is more optimal to work with the internal market and gaining success to move boldly on to the foreign market. The marketing conception of the internal market should follow the idea of EAS Tourism Development Centre and Estonian Association of Ecotourism to divide Estonia into five regions, where this district remains into the borders of two regions – Land of Straits and Land of Coasts (Eesti Ökoturismi Ühendus 2004). Combining these two regions with each other we get two common factors – the sea and the land. The functionaries of this development plan have submitted a new concept - "Lands adjoining with the Sea" or "*Terra Maritima*" in Latin. The concept will not restrict the communities without direct exit to the sea.

The conception of going to the foreign market should be more specific, concentrating on the peculiarities of the district in European context and here the leading ideas should be bird migration and the national park.

Working out the marketing plan should be launched with compiling a unified information portal, which would help to carry the common message to potential target groups (if speaking about *benchmarking*, then it would be useful to follow the portal "Come and escape to the swamp" - Soomaa.com), where it would be possible to publish updated and active information about bird migration and other exciting events that are going on in the district. For sure much more effort should be put to the work with press and travel agencies – e.g. organizing introducing trips to the district (both for journalists and tour operators), because they are one major key agents in taking the district to the market.

In addition to non-material means much attention should be paid to printed matter, that can easily hand out to clients and middlemen to materialise the product (on trade fairs, meetings

etc.). When issuing the printed matter, the district should follow some common conception and all the community-based publications should be combined with some general publications, introducing the whole district. The district needs its own "sign", which would be handy when differentiating this district from others, who are also providing similar nature products.

In the beginning of drafting the development plan it was recognized, that extremely fragile resources are used for the tourism product (nature) and in case of successful marketing there will arise the question of going across the tolerance limit. In order to find out the tolerance limits of the district (both natural and socio-cultural), it would be necessary to carry out some research work, which should either reject or confirm the alerts. This in turn would be the footing for further preventive steps. Two studies are planned for the beginning – one would be a survey of local tourism entrepreneurship, which should reveal the bottlenecks of developing the tourism product from the point of view of entrepreneurship and also the possible means to overcome these. The second study would be a survey of visitors, which would help to reveal the expectations of the visitors and their impressions about the district, which in turn would create a basis both for entrepreneurs and municipalities for improving their subsequent steps and decision making. One of the aims was to elaborate "code of ethical behaviour" for entrepreneurs, municipalities, local communities and visitors. This demands thorough mutual cooperation to consider the opinions of all parties.

To make the cooperation on the municipality level more efficient there is a wish to make an inter-community long-term agreement on tourism and recreational economy, which would be a basis for the sustainability of development activities in the district. Collective actions and teamwork in this field are necessary first and foremost for development of infrastructure, inasmuch as bad conditions of the roads was repetitively stressed during the drafting process of the development plan and lobbying in the parliament and other mandatory institutions will demand effort far beyond the capabilities of one municipality.

One of the results of the agreement should be a inter-community foundation with the purpose of implementation of the development plan and answering for required activities. One particular tasks should be launching the regional tourism information point.

The process of drafting this current development plan has in turn initiating a similar process among the municipalities of the Northern part of the Läänemaa County who have expressed their wish to act corporatively and draft their development plan of tourism and recreational economy in order to prioritize activities and utilize the constrained resources in a more optimal way. After launching this process the so-called Southern Läänemaa a.k.a. Matsalu sphere of influence could cooperate with the Northern region to improve their significance on the national market.

This development plan will be examined once a year to adjust the budget, draft the yearly agenda and make necessary refinements and changes.

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Conjunction of the present development plan with national and regional development plans and strategies

The fundamental national document for developing Estonian tourism in the moment is the National Tourism Development Plan for years 2002-2005, on basis of which the tourism chapter of the National Development Plan for years 2004-2006 (further RAK) has been compiled (Eesti riiklik arengukava... 2004). On the county level there are tourism chapters in the planning documents of the Läänemaa County and the Pärnumaa County, while on the community level one can find references on the great potentiality of tourism and recreational economy in the territories of respective communities from almost every local development plan of the cooperation district.

According to the **national tourism development plan** the strength or competitive advantage of Estonian tourism is the reputation of the fast developing country. However there are much more bottlenecks: Estonia as a travel destination is practically unknown in Western Europe or distant markets; clearly expressed reputation of a travel destination is lacking; amplification of bad reputation due to increasing crime hazard; unilateralism and Tallinn-related urbanocentrism of Estonian tourism product; redundantly high percentage of short-term visits, prevalently in Tallinn; strong dependence on Finnish market; deficient investments into tourism infrastructure, especially outside of Tallinn; lack of entrepreneurs and know-how in rural districts.

In RAK there is underlined, that tourism in Estonia has become a considerable economy branch, concurrently the growth of tourism is decelerated. The main growth reserves are better marketing, supply of new products and prolongation of visiting duration. Accomplishment of these aims is closely connected with channeling the tourism flow increasingly out of the capital, that is favoured by historic and architecture heritage, cultural life based on traditions and undamaged nature.

In the Läänemaa County planning (Lääne Maavalitsus 1998) major strengths of the district are underlined, including nature reserves, natural communities (wetlands of the Southern Läänemaa, woods and lichen communities of the Northern Läänemaa), coastal areas (clean water in the previously closed coastal zones, shallow coastal sea predisposing warm sea water early in the summer), architectural and cultural sights (churches, Haapsalu Stronghold, Lihula Stronghold remains, museums, cultural events). Among the problems there are listed the following: too few products during the extra-seasonal period (it's crucial to provide different events in spring and in the winter to attract visitors), several provided products do not reach tourists, because there's no cooperation between different providers (e.g. lodging provider, museum, reserve) and the seller, marketing conception of the products is deficient (while creating a product there is no idea how to sell it and who is the potential consumer), insufficient advertising of the products, e.g. the information about birdwatching possibilities should go to tourists' homeland, instead of surprising the visitors here in the location with the fact, that West Estonia is one of the most species rich areas in Europe, what concerns migrating and nesting birds and no potential niche tourism options (e.g. train-watchers, birdwatchers etc.) are developed.

In the Pärnumaa County planning (Pärnu Maavalitsus 1999) main strengths of tourism field are as follows: strong potentiality for developing different tourism products – rich cultural heritage and traditional way of life, varying landscape beginning with islets and seashore, ending with inland primeval forests and impassable bogs, there are lots of rural population who are perfectly able to act as tourism entrepreneurs (education, openness, enterprisingness), starting with tourism business does not always need immediate large investments into means of production or raw materials (means of production are existing valuable sights and objects, the product is locally provided experience as a whole and the consumer himself/herself comes to the product, in the tourism market there is a growing tendency to spend the holidays away from overcrowded areas and to see or experience during the trip something authentic and different from usual conditions, domestic tourism is expanding – it is a stream of fashion

among the city inhabitants to spend the vacation in the countryside and foreign tourists discover more and more Estonia outside of Tallinn.

Among the problems, that hold back development, were mentioned the following ones: organisational problems (inadequate cooperation between private and public sectors, insufficient competence of the involved people and lacking statistics), bottlenecks concerning product development (seasonality, weak cooperation inside private sector, shortage of niche products and insufficient information among potential investors about possibilities) and shortages of marketing (scarce and sometimes ineffective advertising, insufficient PR work, insufficient market surveys).

As a result of implementation of the current development plan the district can give its contribution to the effort of diversification of Estonian tourism product, diminishing Tallinn-related urbanocentrism and increasing investments outside the region of the capital. In addition to the aforementioned aspects the know-how of entrepreneurs should be improved and the number of entrepreneurs in tourism field should be increased. In the field of domestic tourism the present development plan should help to realize the Estonian domestic tourism concept, which divides the land into fifths – Land of Hills, Straits, Coasts, Woods and Rivers. On the regional level the cooperation of different functionaries, outlined in planning documents, will be tightened, more attention will be paid to the development of specialized and extraseasonal products. Moreover, additional attention will be paid to possible different projects of improvement of the infrastructure, increasing attractiveness and availability of the attractions of the district.

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Appendix 1. Team Members

Aavik, Tiit	Martna community, organisation of land exploitation
Erismaa, Riho	Koonga community, entrepreneur, Oidremaa Manor
Huul, Heli	NGO Haapsalu Tourism
Källe, Margus	Lihula community, development counsellor
Kärme, Liis	Varbla community, counsellor of development and environment
Lotman, Kaja	Matsalu National Park, deputy manager
Mann, Marika	entrepreneur, OÜ Kumari Reisid (Kumari Travels)
Paas, Marju	Centre of National Forest Management
Pajumets, Marju	Matsalu National Park, specialist in nature education
Täht, Kersti	Hanila community, entrepreneur, Virtsu Guest House
Vilbas, Maire	Ridala community, counsellor of education and culture

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Appendix 7. SWOT analysis of tourism and recreational economy of the district

STRENGTHS	
Clean, diverse nature, heritage communities, nature reserves	80
Matsalu as a trademark is well-known	58
Historically interesting area, existence of historic monuments, historic and cultural heritage	53
Sparse settlement – enough space for tourists and local inhabitants	28
Rich fauna and bird fauna	28
The district is close to important centres (Tallinn, Pärnu, Haapsalu), at the same time there is enough intact nature to feel oneself far from towns and urban environment	27
Harbours (Virtsu ja Rohuküla) and traversing main highways, surrounded by proper infrastructure	27
Sustainable attitude of mind of local inhabitants	26
Traditional way of life in seaside villages	24
Opportunities for product innovation	22
Eurovelo traversing the district	20
Restful environment and low crime	19
Good cooperation with RMK	19
Existence of specialists and enthusiasts	18
Special objects. Vatla airfield, Rapla-Virtsu railroad dam	12
Good reputation among the clients	11
The district has a central town-type settlement	10
Existing tourism superstructure and services	10
Work already done in tourism field	8
WEAKNESSES	
Lack of people with education in tourism and service.	47
Bad condition of roads, especially local roads	46
Deficient ability to lead and lack of experience in tourism and recreational field	43
Seasonality of possible activities	41
Insufficient/inadequate differentiation of the product	39
Insufficient marketing skills	37
Lack of tourism services	36
Lack of financial resources	34
Lack of/inadequate infrastructure of recreational economy	32
Lack of necessary self-financing for requesting grant money from structural funds	24
Being unknown as a tourism region	23
Lack of strategical orientation and suitable competition strategy	16
Abandoned heritage landscapes	15
Unsolved land ownership and administration problems	15
Administrative fragmentation	13
Bad common weal	12
Constraints arising from the regulations of nature reserves	4
No access to Internet outside the centers	2
Lack of tourism-specific skills	2

OPPORTUNITIES	
Tendency "Back to the Nature"	70
Growing interest towards special interest tourism – broader choice of tourism products	60
Opening new potential markets and segments	55
Increasing importance of tourism (both domestic and foreign) in Estonian economy	54
Opening of EU Structural Funds	45
Faster market enlargement	39
National investments into the development of infrastructure	35
New projects for reducing seasonality	35
Contact with competitors	26
Increasing the amount of nature management endowment funds	21
Cooperation with international societies	19
Amount of transit travellers	17
Vertical integration	15

THREATS	
Slow development of national infrastructure	63
Exceeding ecological tolerance	59
Adverse cooperation	43
Fragility as a consequence of economic decline and other economic tendencies, that can influence tourism	39
Surpassing the social tolerance of local community	38
Lack of interest among potential investors	34
Insufficient interest of destination markets towards the district	33
Growing crime	31
Destruction/demolishing of the heritage	25
Decreasing or expiration of nature management endowment funds and fade-out of seminatural landscapes	24
Engrossment of seasonality	19
Degradation of Estonian and regional economy, caused by globalisation, disappearance of local enterprises, increasing unemployment	18
Reinforcing of negative demographic changes	16
Deceleration of market growth or decreasing of the market	13
Changes in clients' wishes and needs	13
War, natural catastrophies	11
Increasing number of transit travellers	6
Protection-bound constraints in nature reserves' territories	5
New competitors entering the market, growing competition pressure	4