

Lithuania

Tourism in the economy

In 2018, the tourism sector was estimated to generate 4.9% of GDP, forecast to rise marginally to 5% by 2020. A total of 47 200 people were directly employed in the tourism industry in 2017, representing 4.9% of total employment in the country.

In 2018, 1.7 million international tourists visited Lithuania, staying 3.7 million nights and spending EUR 1.2 billion – amounting to 12.2% of service exports. Tourists from Germany were the largest market with 214 100 overnight visitors, an increase of 21.6% over 2017. This is a record high for the German market who spend an average of EUR 430 per trip. Russia, Poland, Belarus and Latvia are also volume markets. The United States is a high growth market with investment in overseas marketing resulting in further growth of 11.6%, China (+20.6%), Japan (+22.3%) and Israel (+27.3%). The Ukraine and the United Kingdom have also grown, with the latter due to a new direct route from London City airport.

The interest of Lithuanians in their country keeps growing. Incoming and local tourism divide the Lithuanian tourism market in half: Lithuanians who travelled within the country and stayed in tourist accommodation comprised 51.8% of the market (1.9 million tourists in total) up 12.4% against the same period last year.

Tourism governance and funding

In 2019, the national tourism administration structures were re-organised. The Ministry of Economy and Innovation has lead responsibility for tourism, and the Tourism Policy Division remains responsible for shaping national tourism policy, destination development and international relations.

A new public institution Lithuania Travel, is now responsible for raising the awareness of Lithuania as a tourism destination and for the development of inbound and local tourism. Lithuania Travel carries out marketing and tourism promotion, and reports to the Ministry of the Economy and Innovation.

The State Consumer Rights Protection Authority, under the Ministry of Justice, is responsible for the supervision of tour operators, travel agencies and accommodation providers. It represents consumer interests in the event of a tour operator insolvency.

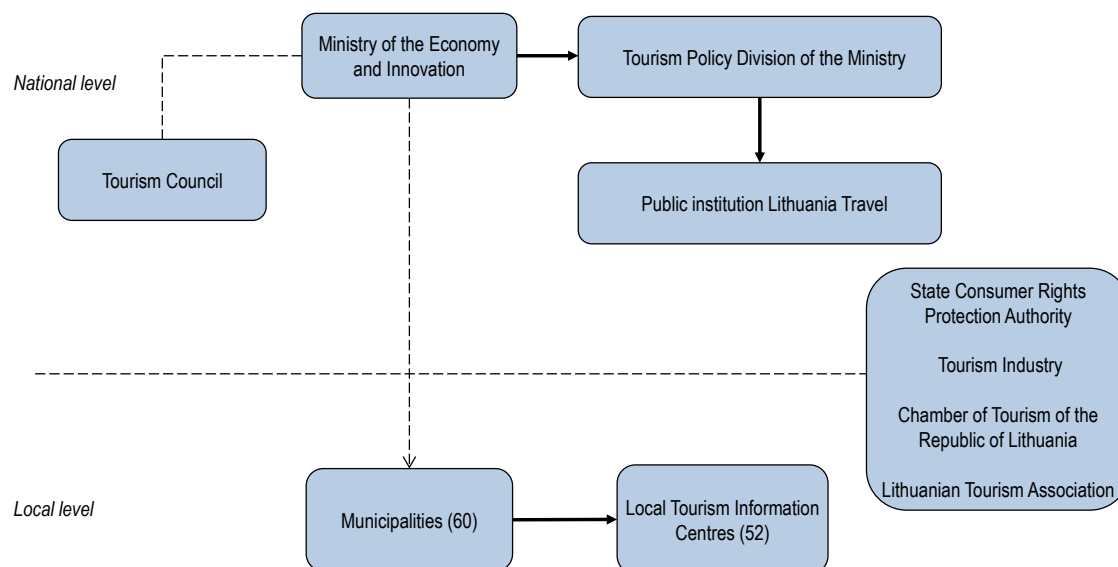
Co-ordination is assisted by the Tourism Council, whose role includes drafting policy proposals and advising on a wide range of tourism matters. This 22-member Advisory Body is chaired by the Ministry of Economy and Innovation, with membership drawn from related ministries including Agriculture, Communication, Foreign Affairs, and Culture, as well as tourism associations.

Municipalities are involved in tourism at the local level, including through the operation of Local Tourism Information Centres. The Chamber of Tourism of the Republic of Lithuania represents the country's ten principal tourism associations, and presents over 900 businesses.

The government budget for tourism is approximately EUR 1.2 million with a further EUR 3.1 million allocated from EU funding. In 2018, the City of Vilnius introduced a city tax of EUR 1 per person per night

which is levied on all visitors using accommodation services. The tax revenues will be used to fund international marketing activities and improve the city's infrastructure and quality of life for residents. A similar tax was previously applied in five other towns and resorts.

Lithuania: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of the Economy and Innovation, 2020

Tourism policies and programmes

The main challenges for Lithuanian tourism include diversifying the offer, protecting important cultural and natural heritage, improving transport connectivity, and encouraging the uptake of digital technologies. Other priorities include improving tourism education and skills, extending the season, and improving the overall quality and sustainability of the offer.

The Lithuanian Tourism Development Programme 2014-20 set out national tourism development objectives, goals and development priorities, and is supported by the Strategy for Tourism Marketing 2016-20. The strategic objective is to increase the competitiveness of the tourism sector via new product development, and improvements to tourism infrastructure and quality of service. Under the Programme, four priority tourism products were identified for development: cultural, business, health and green (eco) tourism, in priority regions for tourism development. These priorities are aligned to EU Structural Fund support.

The Ministry of the Economy and Innovation is working closely with other relevant ministries to implement the Programme, including the ministries of Culture, Transport and Communications, Health, Foreign Affairs, Agriculture, and Environment as well as the Health Resort Science and Research Centre, municipalities and the private sector. Particular attention has been paid to cultural tourism, with significant investment made to support the renovation of museums, churches and other iconic places. Investment in business tourism has resulted in Vilnius becoming the host city of the Baltic Sea region's leading annual trade show for the meeting and event industry, CONVENT. The research of natural resources has also been progressed in close co-operation with the Council of Science, while educational hiking trails and observation towers have been built to support green tourism.

A new long term Strategy for Tourism to cover the period from 2021-2031 is now in development, and will aim to tackle and prioritise key forward-looking issues, namely:

- Developing public and private tourism infrastructure.
- Creating and developing attractive tourism routes.
- Improving Lithuania's accessibility.
- Increasing qualifications and improving entrepreneurial skills.
- Developing certification and accreditation schemes for services providers.
- Developing the information database holding details of Lithuania's tourism product.
- Co-operating with neighbouring countries to implement joint marketing activity.
- Creating tourism clusters to deliver joint public and private tourism marketing projects.
- Increasing the supply of shoulder and off-season cultural events and attractions.

Growing innovation, rapid modernisation and many emerging challenges for the development of tourism require highly qualified workforce. To this end, further investment is prioritised to develop the required skills, including improved language, sales and marketing skills, professionalism and intercultural competence.

Particular efforts are needed to increase the competitiveness of rural tourism, as the development of specialised rural tourism services represent a major challenge. Small scale rural tourism appears of little interest to most tour operators and travel agencies, but it has great potential for Lithuania. In order to promote exports of rural tourism and green ecotourism services, the Government is focused on supporting and improving the existing online rural tourism promotion channels in international markets and introducing operator sales training. As more niche tourism products arrive into the market, special attention will be given to supporting areas such as gastronomy, bird watching and tourism of nuclear energy sites.

As part of efforts to identify the most effective ways to increase the competitiveness of the tourism sector, and prepare sustainable tourism development guidelines, Lithuania is working with neighbouring countries in the Baltic Sea Region to achieve the UN Sustainable Development Goals as they apply to tourism (see box).

Towards sustainable tourism in the Baltic Sea Region

Together Estonia, Finland and Germany, Lithuania is leading a project to identify how the UN's Sustainable Development Goals for tourism can be achieved in practice in the Baltic Sea Region. The project has targeted a wide number of interest groups, including national and regional tourism authorities, local associations, destination management organisations, the private sector, and academic institutions. The main aim is to develop a tourism flagship process to make the Baltic Sea region more sustainable, particularly encouraging the commercial tourism sector to operate with reference to the SDGs. One of the biggest challenges in the Baltic Sea region is to accurately measure the impact of tourism, which cannot currently be fully evaluated due to a lack of appropriate measurement tools. In this context, the countries of the Baltic Sea region have created the Baltic Sea Tourism Centre and an Expert Group on Sustainable Tourism. Based on the outcomes of a workshops, best practice assessment around the Baltic Sea, and the development of an awards scheme, the initiative will provide valuable insight to strengthen the process of sustainable tourism development. The core partners have agreed to the continuation of the co-operation to support the further sustainable development of tourism in the Baltic Sea region. A Working Group of the Baltic Sea Tourism Centre will promote the implementation of the Sustainable Tourism Award, monitor related legislation and identify topics and challenges for future projects at a transnational level.

Statistical Profile

Lithuania: Domestic, inbound and outbound tourism

	2014	2015	2016	2017	2018
TOURISM FLOWS, THOUSAND					
Domestic tourism¹					
Total domestic trips	13 894	14 148	14 224	14 247	14 678
Overnight visitors (tourists)	2 649	2 663	2 554	2 528	2 641
Same-day visitors (excursionists)	11 245	11 484	11 670	11 719	12 037
Nights in all types of accommodation	3 431	3 570	3 719	3 934	4 355
Hotels and similar establishments	1 292	1 367	1 406	1 554	1 715
Other collective establishments	2 139	2 204	2 313	2 380	2 640
Private accommodation	..	..	..	..	..
Inbound tourism²					
Total international arrivals	5 217	5 049	5 322	5 590	6 115
Overnight visitors (tourists)	2 063	2 071	2 296	2 523	2 825
Same-day visitors (excursionists)	3 155	2 977	3 026	3 067	3 291
Top markets					
Belarus	425	366	395	432	443
Latvia	229	254	274	308	362
Russian Federation	326	212	217	257	286
Poland	162	175	197	218	250
Germany	174	189	203	214	242
Nights in all types of accommodation	3 034	3 011	3 273	3 431	3 737
Hotels and similar establishments	2 251	2 247	2 429	2 527	2 725
Other collective establishments	783	764	844	904	1 012
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	4 291	3 981	4 143	4 294	4 703
Overnight visitors (tourists)	1 789	1 860	1 953	2 032	2 244
Same-day visitors (excursionists)	2 503	2 121	2 191	2 262	2 458
Top destinations					
Latvia	232	221	226	233	250
United Kingdom	205	213	211	213	215
Belarus	177	154	156	158	202
Poland	140	149	150	160	169
Germany	117	106	110	123	132
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	1 116	1 161	1 246	1 381	1 503
International travel receipts	1 042	1 041	1 090	1 169	1 274
International passenger transport receipts	74	120	157	212	229
Outbound tourism					
Total international expenditure	938	1 013	1 095	1 158	1 361
International travel expenditure	796	857	913	984	1 186
International passenger transport expenditure	142	156	182	174	175

.. Not available

1. Trips from demand side surveys; Nights from supply side surveys.

2. Arrivals from demand side surveys; Nights from supply side surveys.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888934077331>

Lithuania: Enterprises and employment in tourism

	Number of establishments ²	Number of persons employed				
	2017	2014	2015	2016	2017	2018
Total	..	..	..	..	..	..
Tourism industries	18 301	45 891	46 181	46 884	47 168	..
Accommodation services for visitors ¹	3 238	11 816	12 354	13 142	14 457	..
Hotels and similar establishments	411	11 816	12 354	13 142	14 457	..
Food and beverage serving industry	3 864	13 062	13 640	12 495	13 065	..
Passenger transport	6 798	8 973	9 346	9 643	9 124	..
Air passenger transport	28	516	609	768	824	..
Railways passenger transport	1	386	420	505	385	..
Road passenger transport	6 743	7 893	8 140	8 363	7 908	..
Water passenger transport	26	178	177	7	7	..
Passenger transport supporting services	..	544	597	670	730	..
Transport equipment rental	858	432	303	445	459	..
Travel agencies and other reservation services industry	1 245	3 117	3 286	3 308	3 377	..
Cultural industry	671	4 386	3 769	3 296	2 875	..
Sports and recreation industry	1 627	3 561	2 886	3 885	3 081	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available

1. Data for accommodation service for visitors refer to number of establishments.

2. Data refer to number of enterprises.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888934077350>

Lithuania: Internal tourism consumption

Million EUR

	2017		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	859 p	1 306 p	2 165 p
Tourism characteristic products	529 p	585 p	1 114 p
Accommodation services for visitors	104 p	174 p	278 p
Food and beverage serving services	47 p	203 p	250 p
Passenger transport services	190 p	69 p	259 p
Air passenger transport services	111 p	50 p	161 p
Railways passenger transport services	14 p	5 p	19 p
Road passenger transport services	63 p	12 p	75 p
Water passenger transport services	2 p	2 p	4 p
Passenger transport supporting services	46 p	29 p	75 p
Transport equipment rental services	38 p	21 p	59 p
Travel agencies and other reservation services industry	87 p	18 p	105 p
Cultural services	15 p	44 p	59 p
Sports and recreation services	4 p	26 p	30 p
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	330 p	721 p	1 051 p
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available; p Provisional data

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888934077369>



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