

# Application of the principle of Open Initiatives in developing Trakai tourism infrastructure

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## Abstract

This article aims to identify the principle of open initiatives, launched by Trakai resort municipality, which is focused on infrastructure development in order to open the way for widespread participation of natural and legal persons in infrastructure projects and to define the strategic directions in tourism development and infrastructure projects that apply this principle. In addition, it aims to assess the effectiveness of this principle as well as its practical benefits to the expansion of tourism infrastructure and the development of new tourism products.

**Key words:** infrastructure, development, tourism

## Introduction

The relevance of the topic is based on the fact that the creation of new resorts as well as the development of infrastructure encounters various difficulties. Such difficulties can be attributed to: 1) the vision and mission formation of a newly established resort, 2) the preparation and implementation of strategic, specific and detailed plans in terms of the mission and vision, and 3) the attraction of required investments and the training of specialists who are able to put into practice the prepared plans. Thus, a wide range of challenges of diverse nature arise with regard to the development of new resorts. However, despite the numerous difficulties, their diversity and even the differences of their origin, it is easy to detect their single connecting link the unity of which is explained by the fact that all the challenges require higher professional qualifications, experience, special skills. Therefore, these reasons often present the need for cooperation and international collaboration in order to develop new tourism destinations, up-to-date, unique, tourism products with a competitive advantage. Naturally, a small state is not always able to provide all its areas with sufficient

professional competence, intellectual capacity and material resources in order to rapidly and efficiently overcome challenges. In other words, when addressing the difficulties and real life situations we usually face a dilemma: whether to attempt to develop new, unique products by ourselves and on this basis to compete in the market or to pass the target market over to those who already have gained experience in developing such products. Since it is not always the most rational way to re-create or replicate the products that may have already been long established and successfully tested in practice by others. Therefore, in many cases, providing suitable and attractive conditions for natural or legal persons with special knowledge and experience gained, opening ways to several new trends and ideas in tourism business can bring more practical benefits and create greater added value rather than new product development by modeling it from the starting point.

In addition, the experience shows that objectively existing or newly arising problems in the course of industrial processes of globalization of today's world can be successfully overcome by the

development of international collaboration and cooperation, by joining the already established manufacturing and service networks, by using for this purpose information technologies as namely they enable to look for investors, for new business ideas, business partners, or even operators that supply diverse tourism services from around the world. Consequently, making and developing strong contacts with interested individuals and legal persons with the necessary experience and knowledge may create opportunities to introduce the latest achievements of techniques, technologies and management sciences in tourism business sector. However, the search for reliable business partners and their attraction usually requires the accomplishment of the proposition package and a wide dissemination of the information in the global space about new opportunities that are opening for the participation in tourism infrastructure projects.

Due to the fact that the old capital of Lithuania - Trakai, in 2007 was granted a resort area status by the Government of the Republic of Lithuania, it is not surprising that the process of its development with the attempts to become a fully-fledged resort is not only hindered by various difficulties, but also the search of multiple ways and measures to overcome them is going on.

This article aims to identify the principle of open initiatives, launched by Trakai resort municipality, which is focused on infrastructure development in order to open the way for widespread participation of natural and legal persons in infrastructure projects and to define the strategic directions in tourism development and infrastructure projects that apply this principle. In addition, it aims to assess the effectiveness of this principle as well as its practical benefits to the expansion of tourism infrastructure and the development of new tourism products.

To achieve this goal, the objectives were set as follows:

1. To introduce the main facts on Trakai resort area.
2. To introduce the Trakai General Plan as the foundation for future resort development.
3. To define the principle of open initiatives aimed at Trakai tourism infrastructure development.
4. To discuss the strategic directions in tourism development and tourism infrastructure projects that can apply the principle of open initiatives.
5. To discuss the effectiveness of the principle of open initiatives.

To achieve the objectives the following methods of research were used: analysis and metasynthesis of literature sources, analysis of the documents of the Government of Lithuania and Trakai resort municipality, interviews with Trakai town authorities and representatives of the town's business associations.

### **1. Trakai - ancient capital of Lithuania and a newly developed resort**

Trakai town is the former ancient capital of Lithuania. The name of the town in historical sources was first mentioned back in 1337. According to a linguist A. Vanagas, the origin of the town's name is clear - it derives from the plural of the generic word *trākas*. So, this word has several meanings derived from each other: „ascended forest meadow, cut down or burnt forest location; the whole of bush varieties that make up the lower forest storey (Vanagas, 1996). In reality, everything looks a little different than one would imagine considering only the general origin of meaning of the word. Trakai nowadays has no resemblance of the felled or burnt forest site. In reality, Trakai is from all sides surrounded by lakes. The town is surrounded by Galvė, Totoriškių, Luka or Giluši (Bernadinų) lakes. Not far from them Lakes Akmena and Skaistis are situated. The largest and most picturesque is Lake Galve. This lake has even 21 islands. The length of the lake is 3.2 km, its maximum width is 1.75 km, and it covers an area of 3.611 km<sup>2</sup>, its shoreline length is ~ 12 km

and the average depth is 13.6 m. However, the eastern part of Lake Galve is much deeper. This depth reaches 46.7 m. [Trakų regiono gamtos ir kultūros paveldas/ Trakai Region's Natural and Cultural Heritage, 2005). So, Trakai is located amidst the lakes in an exceptionally beautiful place of nature, with great opportunities for water tourism, water sports, water attractions and recreation and residential advantages offered by freshwater reservoirs. Apart from the natural beauty bestowed, Trakai is famous for its abundant and diverse cultural and historical heritage. It should be noted that the town has retained one of the most significant monuments of the history of Lithuania, i.e., the island Castle situated in Lake Galve. It is the only castle in Central Europe that was built on the island. According to information sources, annually, around 337,000 people from Lithuania and abroad visit this castle as well as the museum it houses. More information on this significant historical and cultural monument is available on web page <http://www.trakaimuziejus.lt/#/lan=en>.

However, Trakai has not only the island castle. Other cultural monuments are also abundant there. One can see the remaining peninsular castle ruins on the shore of Lake Galve. This castle was once the residence of the Duke and later it was converted into a court headquarters, a prison, and in the 17th century it was destroyed and later has never been rebuilt.

Not only castles are outstanding in Trakai but also ancient temples of the town where intertwine several religions: Catholic, Orthodox and Muslim. Thus, Trakai became famous even for the fact that in 1397, as a result of the Lithuanian Grand Duke Vytautas march to the Crimea, Karaites and Tatars with the Muslim religion were transported to Trakai. Lithuania became their new homeland. Karaite Street in Trakai is the only place in the world where one of the smallest world nations in the world continues living in a very concentrated manner, in one place. It is no surprise that the city has retained the Karaite house of worship - Kenesa, and a distinctive

architecture of Karaites – a wooden house with three windows, which face the street. It should be noted that the Karaites living in Lithuania have enriched the culture of the country and even influenced the historical, culinary heritage. The best-known Karaite culinary dish *kybyn* gained popularity in Lithuania. This crescent-shaped yeast dough pie with lamb has become a favorite dish of a frequent visitor to Trakai as well as a kind of the town's visiting card. Thus, Trakai is a town characterized not only by the natural beauty, but also by its versatile and cultural-historical heritage that creates preconditions for the development of historical and cultural tourism.

Given the town's natural beauty and uniqueness of the historical and cultural significance to the Lithuanian and European culture, in 2007 the Government of Lithuania adopted a special resolution and granted Trakai a resort area status. So, the new status influenced the development of the old historical town Trakai as one of the tourist centres in Lithuania. It should be noted that now Trakai is approaching the modern capital of Lithuania – Vilnius. Trakai is becoming its remote suburban area within the distance of 27 kilometers. At the same time, it is becoming a favorite recreation and leisure space of Vilnius city residents. Currently Trakai town covers an area of about 11 square meters. Half of this territory is covered by lakes and green areas. Trakai town's population is 5369 (Statistics Lithuania, 2005). Ethnic composition of the population: Lithuanians - 62.7%, Poles - 21.0%, Russians - 9.3%, Karaite - 1.2%, Belarus - 1.5%, other nationalities - 4.3%. [Statistics Lithuania, 2002). Although Trakai in terms of population is not a big town, but according to separate estimates about 1 million of visitors visit the town for recreation, sports, fishing and sightseeing purposes. This number of visitors is big enough for such a small country as Lithuania. Consequently, it leads to the need for a focused and integrated development of tourism infrastructure of the resort area, making it a fully-fledged and attractiveresort.

## **2. The General Plan of Trakai town - the foundation for purposeful resort development**

After giving the town of Trakai resort area status, new challenges have emerged for its further development. It should be noted that in order to purposefully and responsibly develop the territories, on 12 December 1995 the Seimas of the Republic of Lithuania adopted the Law of the Republic of Lithuania on Territorial Planning (No. I-1120; Valstybės žinios, 1995, No. 107-2391). This law governed the territorial planning and the rights and responsibilities of the planning organizers, planning developers, natural and legal persons, state and local authorities involved in this process in the Republic of Lithuania. Thus, the adoption of the law has created conditions for the preparation of the most important territorial planning documents in order to address their sustainable development goals. Nearly a decade after the adoption of the referred legal act (15 January 2004), the document was newly edited, revised and supplemented by Law No. IX-1962 (Valstybės žinios, 1995, No. 107-2391). In addition, new subordinate legislation was revised and issued. Thus, all the legal base regulating land management processes, identifying specific purposes for the use of land and defining priorities for in the areas of environmental protection and heritage preservation, forming requirements necessary for the development of the land, water, forest fund, residential areas, manufacturing and the infrastructure system, for the regulation of employment, for defining the rights of physical and legal entities in the developed territories was established and improved.

On the basis of this legislation, Vilnius Gediminas Technical University specialists, partially financed by the European Social Fund of the European Union and partially by Trakai district municipality funds, in 2008 developed the General Plan of Trakai district municipality and defined its solutions. The researchers identified and specified in detail

the municipality's planned and spatial, housing structures, the development of

transportation system, the principles of territorial management, regulation, use and protection. Also they defined the directions of the development of the planned territory in terms of its social expansion, consumption of indigenous raw materials and waste utilization, development of energy system and renovation industry, small and medium business, agriculture, forestry, tourism and recreation as well as the demographic projections of the population.

It should be noted that the prepared Plan was considered and discussed with the public and approved by the Trakai District Municipality Council on 28 May 2009 by Resolution No S1-183. In this way, the solutions of the General Plan were validated for a 10-year period (2007-2017). They have become mandatory for the process of preparation of lower-level planning documents: specific plans designed to prepare the programmes, define conditions and solutions of one or more activity fields in land use development and management. The General Plan of Trakai District municipality is a public document. It is published on the Internet at: <http://www.trakai.lt/index.php?4114465944#>; <http://www.trakai.lt/index.php?3880556527> Thus, having conducted the general planning and established the strategic development directions of the of Trakai town, an inevitable need has arisen to put them in practice. In terms of this necessity Trakai Municipality started to look for the best options and tools to achieve new goals and tackle the current problems.

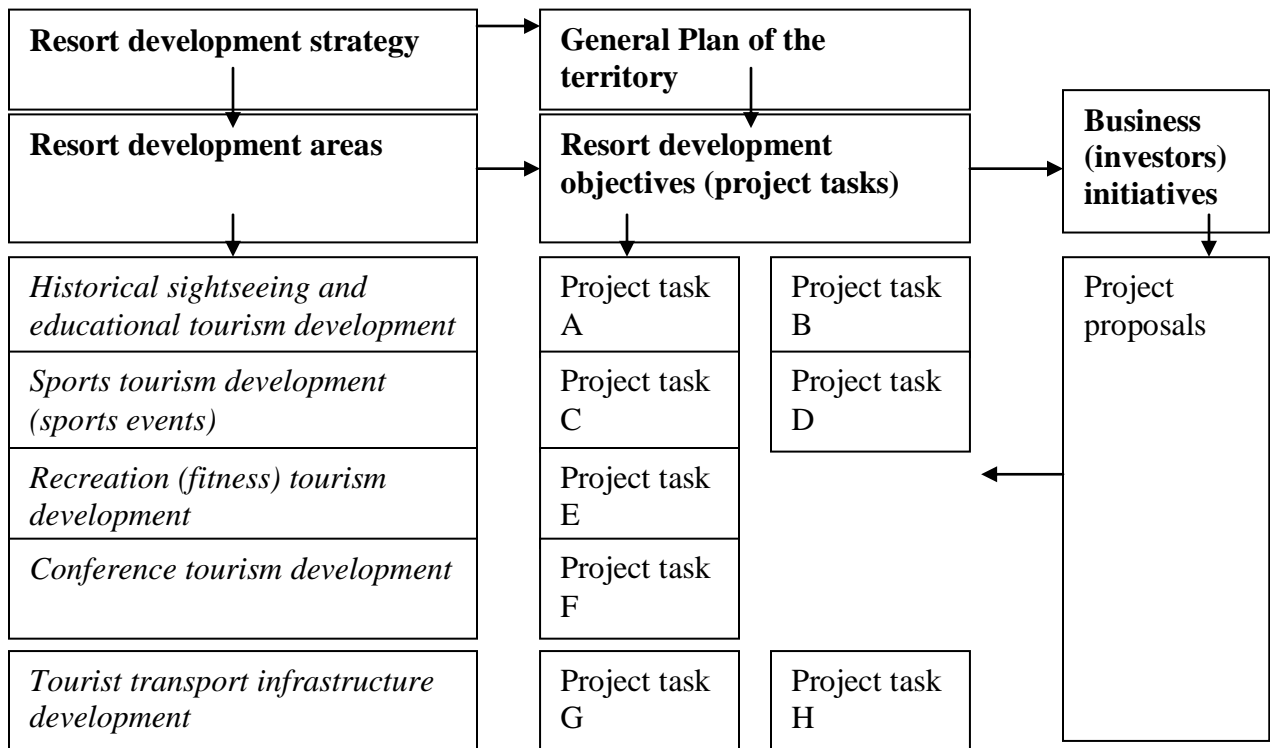
## **3. The principle of open initiatives - an integrated tourism infrastructure development tool**

This principle basically facilitates the Municipality in seeking to open the ways and allow the natural persons and legal entities from around the world to submit their

offers targeted to finding complex solutions and implementation of specific issues. Thus, the formation of this principle involves the use of information technologies. It is targeted at the aspiration to attract and create opportunities for investors from different countries in the world to apply their expertise, present their initiatives so that by means of integrated, efficient tools, in a short period of time, to address the infrastructural and service development issues of a newly emerging resort, and help interested natural and legal persons to enter tourism business in Trakai.

In other words, the municipality familiarizes general public with the problem in the context of the General Plan, or in other words, formulates the task and at the same time offers an opportunity for natural and legal persons to access the existing conditions, its resolution, limitations, or in case of need, allows access to the current situation physically and, upon request, submits additional information necessary for a specific task. The model of the use of this principle is shown in Fig. No.1.

Figure No.1: The application of the principle of open initiatives in developing Trakai resort



Consequently, the municipality leaves the possibility within the framework of working legislation, for the interested natural and legal persons to conduct their own research, prepare feasibility studies, and on their basis, prepare outlines of detailed plans and submit proposals to the municipal institutions: suggesting the ways and means to best address the problem. Thus, a

wide range of natural and legal persons are offered an opportunity to introduce their

ideas to put their gained experience in practice, to invest in a particular project and create added value by getting the profit. Thus, *firstly*, the principle of open initiatives suggests a complex look at the solution of the problem, not just by taking into account the research, feasibility studies or proposals on the best solutions of the encountered problems. It looks at the solution of problem not as that of separate parts but as a whole, seeing who will deal with a specific problem, who will invest their knowledge and money

to a specific project. *Secondly*, the principle of open initiatives prevents the way to fragmentary solutions of the task. Taking into consideration the Lithuanian experience, fragmentation appears to be a barrier in addressing infrastructure problems. When research and feasibility studies to solve a task are prepared by one institution, leaving it to be implemented by another institution, on their basis detailed plans are developed by yet another organization, which most commonly results in the absence of physical persons or organisations, able and willing to implement them to everyday life, invest their money in such projects. Therefore, many studies remain unfinished until they get morally outdated. This situation often causes public dissatisfaction due to the inefficient use of funds and prolonged solution of the problems. *Thirdly*, we have to admit that in terms of a small country, relevant specialists for small-scale solutions of infrastructural tasks are not always available or the experience and competence as well as necessary investments appear to be insufficient. So, the principle of open initiatives is oriented to fill in this gap. Therefore, it should be emphasized that one of the most important aspects in applying the principle of open initiatives for the development of the resort is an efficient cooperation between the government (especially local) authorities and other stakeholders. As can be seen from the presented model (Fig. 1) various stakeholders (including businesses) can participate not only by submitting project proposals in compliance with the project tasks and planning prepared by the municipality, but also take part in clarifying the resort areas to be developed and formulating tasks for future projects. It should be noted that such access brings additional difficulties and challenges associated with the ensured transparency of project preparation and implementation, compatibility between different interests and conflict avoidance. However, the active participation of stakeholders in the formulation of resort development tasks becomes necessary in order to ensure the

real motivation of stakeholders in providing a variety of initiatives and projects, thus increasing the range of available services and the formation of new tourism destinations.

Thus, the principle of open initiatives addressing specific tasks opens the way to a wide range of potential participants, different ideas, different experiences, different schools and different existing business theories. In addition, it provides opportunities for participants to test their ideas in practice under already new conditions and in a new location. Thus, it enables to significantly reduce the price of projects, as many participants may already make use of their experience adapting the developed and available products which provides an advantage highly attractive to the participants interested in success of the proposed project, as they risk their own money in the process of its implementation.

#### **4. Strategic directions of tourism development and tourism infrastructure projects with the principle of open initiatives applied.**

##### *Transport flow regulation and car parking project*

We have to admit that meanwhile both the municipality and visitors in Trakai are facing a huge inconvenience associated with the transport flows. These disadvantages can be divided into two parts: 1) transit traffic moving through the city and 2) car parking of tourists and guests. Inconveniences associated with transit traffic largely is the result of a considerable volume of traffic transiting through Trakai are currently running along the town's main street. This leads to the inconvenience experienced by both the town's residents and guests in terms of air pollution, noise, traffic safety. Yet, the municipality is unable to build a roundabout on its own funds so visibly the solution of this problem will require more than one year.

In addition to this problem there is another problem. It relates to the car parking of tourists and visitors. The matter is that the city really lacks car parking spaces. Lack of parking spaces requires the construction of new parking lots for passenger vehicles and tourist buses. It should be noted that a habit has developed historically for the majority of people arriving in Trakai to park their cars as close to the main city centre attraction - the island Castle. However, the options for such parking are very limited. What is more, the municipality notes that some residents of the resort, being aware of the town's car parking difficulties, for the monetary reward unofficially have started renting parking spaces in the backyards of their owned houses. This parking triggers a real threat of fires, natural disasters and so on. The police find it not easy to control such parking because every owner of the house argues that the cars parked in his yard belong to his relatives, friends, guests, etc. Thus, there is a need to solve the parking issues in a systematic way. The questions like where, what size and type of lots to build and how to build so far remain open. There is a hope that those willing to participate in the project of parking lot construction will not only provide solutions to the current situation, but also will be eager to invest in such a project and put their proposals in practice, while the local municipality will rent or sell the land in order to assist the implementation of these goals.

#### *Establishment of the town's beaches*

Although Trakai has already become a favorite resting place for more and more visitors coming to the lakes to relax, unfortunately, the resort does not have a fully-equipped, modern beach yet. Therefore, the municipality hopes that there will be investors willing to invest in the establishment of modern beaches, which have convenient road access, car parking, children's playgrounds and sports fields, public catering establishments, water bicycle, boat, kayak rental points. It expects those natural and legal persons interested in the beach establishment themselves to

provide advice how to turn it into a recreation and attraction place for local residents and town's visitors. In addition, given the climate of Lithuania, it is expected that during the winter the beach could be transformed into a skating rink, winter sports and entertainment venue. Thus, the project stakeholders are offered a huge space for creativity, depending on their financial options and the desired profit for the volume of services provided.

#### *Establishment of bicycle, ATV (four-wheeler), scooter rental and repair points*

As Trakai covers a considerable area and the distances to attractions in certain cases are long enough, many of the guests of the town would appreciate it if they could be offered a possibility to rent lightweight vehicles that would cut the length of time and give pleasure in visiting the most important historical sites, natural and architectural monuments. Taking into account the guest wishes, the municipality estimates it would be appropriate to establish rental and repair points of bicycles and other passenger vehicles and generate profit from providing this service.

#### *Excursion transport equipment*

Since Trakai is becoming a resort with numerous tourist attractions, there is a need for sightseeing vehicles that could not only allow tourists to visit the most significant places, but also to get detailed information on them in different languages. What should the vehicles be: a double-decker, a train on wheels or any other vehicle depends on the initiatives of individuals or organizations that could express their interest in implementing the project. It is important that vehicles meet ecological requirements and match the town's historic environment.

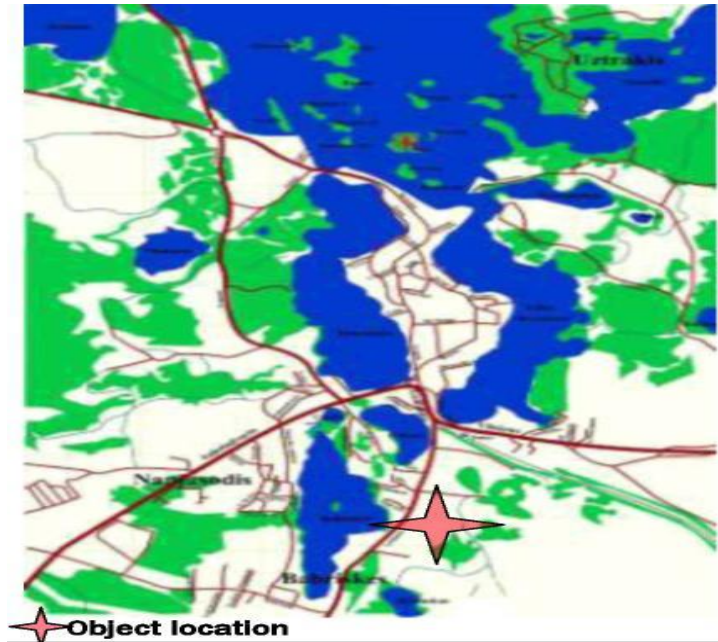
#### *Establishment of Fitness Center*

It must be recognized that the attempt of Trakai to become a fully-fledged resort, has already received a response and interest from many local and foreign businessmen to

accept the offered opportunities to participate in the preparation and implementation of infrastructure projects. Currently, a multi-functional complex named

“Trasalis“ is being developed. A beautiful and convenient location was selected for the implementation of this project. (See Figure No. 2, object location).

Figure No. 2 Geographical location of Complex “Trasalis“



The total estimated value of the complex is about 10 million Euros. It is envisaged that this complex will combine several services that are of interest to the town’s tourists and visitors. The planned service is structured and presented in Table 1.

Table 1. Joint stock company Trasalis plans to provide the following services:

<b>Building</b>	<b>Total area, m<sup>2</sup></b>	<b>No. of seats</b>
<b>Hotel (103 rooms)</b>	<b>6.920</b>	<b>250</b>
<b>Restaurant „Trasalis“</b>	<b>387</b>	<b>170</b>
<b>Restaurant „Winter garden“</b>	<b>443</b>	<b>100</b>
<b>SPA Center</b>	<b>4.500</b>	<b>120</b>
<b>Water park</b>	<b>1720</b>	<b>150</b>
<b>Beauty salon</b>	<b>159</b>	<b>-</b>
<b>Conference center</b>	<b>2.187</b>	<b>1230</b>
<b>TOTAL:</b>	<b>16.316</b>	

However, local entrepreneurs note that rapidly growing flows of tourists to Trakai on the basis of this project also stimulate the development of infrastructure and new services.<sup>1</sup>

In other words, this project is becoming a

real example of the cooperation between local government and private business. However, the principle of open initiatives is also present in this case but partners are coming from private business, not the local government.

*Extraction of drinking mineral water*



As it has already been mentioned, Trakai is famous for its surrounding abundant bodies of water so it is most likely that Trakai contain rich areas with mineral water reserves. Considering this assumption, the municipality is interested in the natural or legal persons who are willing to take up the exploration of mineral water, its extraction and distribution, actually, to do business from mineral water extraction and trade. In addition, it is assumed that the mineral water production could contribute to the development of health services, faster resort area development to a multi-functional resort.

### **5. The effectiveness of the principle of open initiatives**

Since the principle of open initiatives is a relatively new phenomenon in Lithuanian municipal activities many questions about its efficacy still remain open. However, it is anticipated that this principle will become popular over time among physical and legal persons interested in new opportunities to gain new experiences entering a new market and developing their business on the basis of their knowledge and experience.

However, the effectiveness of the principle of open initiatives depends on many factors that may impact its use in developing such municipalities as Trakai. Such factors may include:

1. Entrepreneurship, excellence of Municipal offices and their focus on long-term regional economic and social development strategy.
2. Formation of cooperation network among the municipality, business, public sector bodies and local community, because in case of the application of this principle the cooperation between business and government is not enough. If local communities are not involved in the provision of open initiatives, their discussion or coordination processes, the implementation of these initiatives

could be hindered by the local community distrust, resistance, and other related negativity.

3. Legal regulation of the introduction,

selection and implementation of open initiatives must be appropriate as to ensure transparency and fairness of the processes, but should not promote the intensive bureaucratic supervision or extensive red tape maintenance procedures.

In view of these factors, it is expected that it will be possible to carry out further research on the effectiveness of this approach in practice, under conditions where local authorities do not yet have enough experience to work directly with large investment banks, investment funds, large specialized foreign companies, as well as other natural and legal persons seeking to develop tourism infrastructure.

### **Conclusions and recommendations**

1. In cases when local self-governing institutions lack the experience, knowledge and skilled specialists for the implementation of specific infrastructure projects, the principle of open initiatives can be applied to attract private individuals and legal persons, with expertise and knowledge for the implementation of specific infrastructure projects.

2. The principle of open initiatives can be applied by using internet informational support mechanism to introduce the stakeholders with the infrastructure projects intended to be implemented and their establishment conditions.

3. The effectiveness of the principle of open initiatives depends on many factors, including the entrepreneurship and excellence of municipal offices and their focus on long-term regional economic and social development strategy, as well as formation of cooperation network among the municipality, business, public sector bodies and local community and appropriate legal regulation of the introduction, selection and implementation of open initiatives.

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