AdriGov
ADRIATIC GOVERNANCE OPERATIONAL PLAN

Tourism in the Adrigov Area: competitiveness, internationalization and sustainability.

volume V

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ADRIATIC GOVERNANCE OPERATIONAL PLAN

A European strategy for the tourism sector in the Adriatic and Ionian Region (EUSAIR): competitiveness, internationalization and sustainability

This publication has been produced with the financial assistance of the IPA Adriatic Cross-Border Coopera- tion Programme. The contents of this document are the sole responsibility of Regione Puglia and can under no circumstances be regarded as reflecting the position of the IPA Adriatic Cross-Border Cooperation Programme Authorities.

The following study has been carried out by CERPEM (Research Centre for the Mediterranean Area) within the project Adrigov, sponsored by Regione Puglia (Mediterranean, Culture and Tourism Department) within the IPA Adriatic (Instrument for Pre-accession Assistance) 2007-2013.
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"One's destination is never a place, but a new way of seeing things"
Henry Miller

Introduction

The success of a tourist destination is determined by its capacity to gather, analyze and use information regarding its actual and potential customers, to value its assets and to act rationally on the weaknesses that limit development. In this way, this study examines the socio-economic data gathered over the last decade both internationally and within the Adriatic and Ionian Region.

The aims is to measure the factors and policies that have been successful in developing the travel and tourism sector in the different countries and across the Region as a whole, in addition to identifying the possible barriers to competitiveness for the tourism sector. In the last decade tourism has continued to be a main sector for economic development and for sustaining employment, in both advanced and developing economies.

A strong travel and tourism sector contributes in many ways to development and the economy. According with the results of this study, in the Adriatic and Ionian Region, the quality of transport infrastructure, the formation of the human resources and price competitiveness are identified as the most relevant barriers to competitiveness for the tourism sector. A public infrastructure that supports Travel & Tourism expansion is identified to serve rural and regional development purposes and greatly aid employment generation, economic growth and foreign investment.

In order to keep up with the increasing position of larger international countries it is necessary to initiate a common strategy for all partners in the Region to establish a clear vision, strategy and follow-on implementation. A more effective and more extensive industry engagement, reforms of an antiquated labor law and fiscal system, and active environmental protection.

The value of this study is that it identifies the key trends over the last decade for what is beneficial and detrimental to the travel and tourism industry and it identifies the main priorities in order to keep the Adriatic and Ionian Region in the higher rankings in the world tourism competitive charts, namely the creation of a unified image, a unique brand will enable new foreign market shares and the ability to compete on a global level. These issues have recently begun to be addressed by some Government and the private sector jointly and will continue to require investment of funds, energy and time in order to succeed. It is also necessary to break down the markets into smaller groups to enhance the effectiveness of the marketing strategy. Given their differential characteristics, heterogeneous markets are difficult to manage.

Through development of brand and touristic identity - that can be express from the brand VISIT. AIR (Adriatic and Ionian Region) - , brand positioning on national and international markets and a worldwide high value promotion of integrated tourist products and services, by 2025 the Adriatic and Ionian Region could become a unique, compact and homogeneous destination, able to offer the same quality and promote itself on the world market.

SECTION ONE: The analysis

1 - The EU Strategy for the Adriatic and Ionian Region (EUSAIR): partners and objectives

The Adriatic and Ionian Region is a functional area, primarily defined by the Adriatic and Ionian Seas basin. It is composed of 8 countries (four EU members and four non EU members) and 14 Italian regions represented, and it also covers an important terrestrial surface area of 555.000 km² and has 71 million inhabitants (around 14% of EU) – Table and Figure 1. It treats the marine, coastal and terrestrial areas as an interconnected system.

After Croatia's accession to the EU, trade and tourism intensified and increased rapidly. For this reason, along with the prospect of other countries accession to the EU, port hinterlands plays a prominent role in strengthening geographical continuity in Europe. The EUSAIR strategy builds upon the Adriatic-Ionian initiative, which concerns 8 countries.

The strategy intends to consolidate the integration process, both between and within states, by improving cooperation and defining more concrete regional dimensions. It promotes the involvement of local authorities and civil society in the decision making process and also in the implementation of EU regional policy.

In this way, the project - Adriatic and Ionian Governance Operational Plan - will contribute significantly to the improvement of cross-border cooperation by focusing on the following main objectives:

- Promote the adoption of a common, innovative and inclusive development plan, designed to constitute an effective governance model in the area;
- Implement skills share conferences, trainings and lectures for the representatives of the participating local and regional authorities in order to improve knowledge and awareness on European integration and EU accession;
- Improve local authorities planning capacity, structural fund management, fund-raising and networking activities;
- Define new cross-border cooperation agreements in the post-IPA planning; Set up a pilot action on multilevel governance[1].

This research focuses on pillar 4 "Sustainable Tourism". The main aim of this research is to provide a platform and to put 'words to actions' by identifying concrete priorities and development plans for the Macro-region. Once an action or development plan is completed, the countries and the stakeholders concerned should implement it. The EUSAIR strategy was devised by a wide range of stakeholders from the Adriatic and Ionian Region in an extensive, bottom-up consultation process. These stakeholders included national, regional and local authorities and also representatives from the private sector, academic and civil societies. This approach allowed stakeholders at all levels to comment on and to endorse the selected four pillars, as well as to point to actions/projects under each pillar that appeared promising for responding to challenges and opportunities shared by participating countries.

The first part of this study analyses the socio-economic data concerning tourism supply and demand, and also travel behavior within the participating regions. The following main factors and indices will be reconstructed and examined: GDP, employment, expenditure, arrivals, nights spent, internationalization

1 POSIZIONE DELLE REGIONI E DELLE PROVINCE AUTONOME SUL PIANO DI AZIONE PER LA STRATEGIA DELLA MACROREGIONE ADRIATICO-IONICA (EUSAIR), Roma, Giugno 2014 and low season estimate, employment in the tourism sector, air transport and land transport. It aims to highlight the capacity and the importance of the social and economic developments that the participating regions have achieved through the implementation of the strategy, specifically concerning the tourism sector. It also intends to measure and adapt future development dynamics by examining the results and identifying key points for improvement based on the region's characteristics.

Table 1 - Adriatic and Ionian Region: some data

8 Countries	**4 EU Members States:** Croatia, Greece, Slovenia, Italy (14 Regions: Lombardia, Provincia Autonoma di Trento, Provincia Autonoma di Bolzano, Veneto, Friuli Venezia Giulia, Emilia Romagna, Marche, Umbria, Abruzzo, Molise, Puglia, Basilicata, Calabria, Sicilia). **4 Not-EU Countries:** Albania, Bosnia and Herzegovina, Montenegro, Serbia
Population	More than 71 million (14% of the EU)
Area	555.000 km^2
Tourists (Arrivals)	More than 110 million of tourist (about 13% of EU)
Nights Spent in touristic accommodations	421 million
Tourist accommodations	About 313.000 (Hotels, B&B, Camping, Villages and similar)
UNESCO Heritage	76 sites (21% of the EU)
National Parks	65 parks (15% of the EU)

AREA	Population	Surface (km^2)
Italian Adriatic and Ionian Regions	37.500.000	179.000
Greece	10.903.000	131.000
Croatia	4.246.000	56.000
Slovenia	2.061.000	20.000
Albania	2.895.000	28.000
Serbia	9.146.000	77.000
Bosnia & Herzegovina	3.830.000	51.000
Montenegro	621.000	13.000
Total Adriatic and Ionian regions	**71.202.000**	**555.000**

Source: Eurostat

Figure 1 - Geographic Map

Source: http://www.adriatic-ionian.eu/

The current state of Adriatic and Ionian regional cooperation regarding management of sustainable tourism is rather limited. This, in turn, causes limitations in common organizational structures, human resources and even financial issues.

It is necessary to implement an action plan, aimed at the better understanding of 'sustainable development amongst stakeholders'. This should include the establishment and promotion of generally accepted standards and rules, and the improved cooperation between public and private tourism associations.

The net gains of such an approach would include an increase in tourist flow, access to new tourism markets, more business opportunities and diffusion of new technologies and know-how. It would also lead to an increase in employment by creating positions and enterprise development by improving resource efficiency. Finally, it would have positive effects on the preservation of natural capital and cultural heritage[2].

2 COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIALCOMMITTEE AND THE COMMITTEE OF THE REGIONS CONCERNING THE EUROPEAN UNION STRATEGY FOR THE ADRIATIC AND IONIAN (Brussels, 17.6.2014).

1.1- Development Pillars 2014 - 2020: sectors

The strategy for the economic, social and cultural development in the Adriatic and Ionian partners is based on four main Pillars, showed below:

A. BLUE GROWTH (Blue technologies, Fisheries and aquaculture, Maritime and marine governance and services)

The overall objective of Pillar 1 is about driving innovative maritime and marine growth in the Adriatic and Ionian Region by promoting sustainable economic growth and jobs as well as business opportunities in the blue economy sectors. This requires building on the regional diversity in the Adriatic and Ionian Region and taking into account that there are various pathways to innovative maritime and marine growth. At the same time, a number of challenges and development opportunities need to be approached through cooperation among the countries, regions and cities.

B. CONNECTING THE REGION (Maritime transport, Intermodal connections to the hinterland, Energy networks)

The overall objective of Pillar 2 is to improve connectivity within the Region and with the rest of Europe in terms of transport and energy networks. This requires thorough coordination of infrastructure works and the improved operation of transport and energy systems between the countries.

The Macro-region is facing huge infrastructure disparities, notably between 'old' EU member states and the other countries, following years of isolation and conflict. Better transport and energy connections are compelling needs for the macro-region and a precondition for its economic and social development. Infrastructure projects should be embedded in a wider sustainable transport plan linked to local and regional air quality plans.

Efficient and sustainable transport connections, capable of coping effectively with increased traffic flows, will create attractiveness for both foreign direct investments and for tourism, hence jobs and prosperity.

Better use of intermodal transport will reduce the costs of delivering goods in Central and Eastern Europe, improve the eco-balance and restore the competitive position of the North Adriatic ports as natural gateways to Central and Eastern Europe.

Better interconnected energy networks will benefit the whole South East Europe region, and beyond. A better working and interconnected energy market will reduce wholesale prices and attract investors.

C. ENVIRONMENTAL QUALITY (The marine environment, transnational terrestrial habitats and biodiversity)

The overall objective of this Pillar is to address the issue of environmental quality, with respect to marine, coastal and terrestrial ecosystems within the Region. Environmental quality is essential for promoting activities in the region and for ensuring economic and social well-being for the people. This Pillar deals with environmental issues that can only be adequately tackled through cooperation and planning at the level and scale of the Macro-region.

D. SUSTAINABLE TOURISM - Diversified tourism offer (products and services); Sustainable and responsible tourism management (innovation and quality)

The last Pillar, which is the focus of this article, proposes a strategy for developing the sustainable and responsible tourism potential of the Adriatic and Ionian Region through innovative and quality tourism products and services.

It also aims to promote responsible tourism behavior on the part of all stakeholders (wider public, local, regional and national private and public actors, tourists/visitors) across the Region.

Facilitating the socio-economic perspective, the processes of removing bureaucratic obstacles, creating business opportunities and enhancing competitiveness within the Area are essential for the development of tourism.

In particular, the main objectives of this Pillar are:

- Enhance value and exposure for the lesser represented artisanal sectors (rural environment, food farming, seafood production, handicraft);
- Improve and distribute promotional material linked to the locations of The First and Second World War, with the aim of being recognized with the UNESCO heritage status;
- Enhance cruise and nautical tourism in line with local sustainable development plans, in order to strengthen the themes and characters identified by the Adriatic and Ionian culture;
- Create promotional programs concentrated on the Adriatic and Ionian selling point, by executing strategic actions for matchmaking on target areas through new technologies and social networking;
- Improve the image and brand of the Adriatic and Ionian Region (#VisitA.I.R.) in order to consolidate an improved image of sustainable quality, which includes giving support to cooperation and intercultural dialogue forms;
- Establish a balance between the systems and practices of environmental certification, with clear quality and performance measurement guidelines;
- Increase youth employment rate, reduce long-term unemployment number and properly support people at risk of long-term unemployment by the creation of new job opportunities in agricultural areas;
- Fulfillment of KICs (Knowledge and Innovation Communities) by structuring intermodal information systems for the Adriatic and Ionian Area;
- Improve multi-level governance by observing and identifying better ways to implement and to manage the operational programs and tourism management;
- Improve awareness and knowledge of index and common statistics creation, including the dissemination and appreciation of existing ETIS value (European Tourism Indicators System);
- Establish and maintain a "Creative District" which supports cultural and creative enterprises. Support the Smart Specialization and the Smart Communities processes, by enhancing the existing innovative platforms (starting with access to credit process activation, continuative training and mobility workshops, creation of business and enterprise incubators and visual & musical art grants and initiatives)[3].

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3 CONFERENZA DELLE REGIONI E DELLE PROVINCE AUTONOME - 14/076/CR07/C3. POSIZIONE DELLE REGIONI E DELLE REGIONI E DELLE PROVINCE AUTONOME SUL PIANO DI AZIONE PER LA STRATEGIA DELLA MACRO-REGIONE ADRIATICO-IONICA (EUSAIR). Roma, 12 giugno 2014.

1.2 - Funding 2014-2020

Between 2014-2020, the new regulatory framework for European Structural and Investment Funds (ESIF) along with the Instrument for Pre-accession Assistance (IPA), for non-EU countries, provide significant financial resources, tools and technical opportunities (the summary is shown in Table 2).

The Macro-regional approach has already been included in the new generation of regulations for the programming period of 2014-2020. In addition to the involvement of international financial institutions, the Western Balkan Investment Framework (W.B.I.F.) provides finance and technical assistance for strategic investments, particularly in infrastructure, energy efficiency and private sector development.

By capitalizing on the work of two other macro regional strategies on innovative financing and implementation of projects, benefits from innovative options involving, among others, the WBIF become available. The European Investment Bank (EIB), for its part, stands ready to mobilize its financing tools and expertise in support of suitable projects under the topics included in the Action Plan. The EIB can extend support to both public and private sector activities in the form of lending, blending and technical advice. It offers a variety of financing instruments, ranging from investment loans for both direct and indirect financing to equity funds via the European Investment Fund.

Relevant and appropriate funding for the other Pillars is also available. These include the European Maritime and Fisheries Fund, as well as Horizon 2020, which target Blue Growth as one of its focus areas for RTD. These examples can lend key support to the implementation of actions and projects under Pillar One.

Subsequently, the Connecting Europe Facility (CEF) supports the development of high- performing, sustainable and efficiently interconnected trans-European networks in the field of transport, energy and digital services. The Facility focuses on projects with high added EU value, such as building missing cross-border links and removing bottlenecks along main trans- European transport corridors. This is beneficial and linked with Pillar 2 aims.

As for Pillar Three, funding by the LIFE programme is available also to non-Member States. This programme explicitly mentions cross-border actions and includes mitigation as well as an adaptation Pillar. Pillar Four may, among others, benefit from the COSME programme, which is in line with the integrated approach encouraged by the EUSAIR strategy. This Pillar focused on 'Sustainable Tourism' is strongly linked and forms a connection to the other three pillars. Successful implementation of the Action Plan for Pillar Four could thus be reinforced thanks to increased and better intermodal connectivity, which is the focus of other Pillars, play an evident role in ensuring the integrated sutainability sought through the Pillar[4].

4 COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL AND THE COMMITTEE OF THE REGIONS CONCERNING THE EUROPEAN UNION STRATEGY FOR THE ADRIATIC AND IONIAN REGION (Brussels,.6.2014).

Table 2 - The main European Structural and Investment Funds in 2014-2020

5 European Structural and Investment Funds (ESIF)	Brief Description	Global Budget (Billion - Euro)
European Regional Development Fund (ERDF)	The ERDF aims to strengthen economic and social cohesion in the European Union by correcting imbalances between its regions. Sectors: -Innovation and research -The digital agenda -Support for small and medium-sized enterprises (SMEs) -The low-carbon economy	18
ESF (European Social Found)	The ESF is Europe's main instrument for supporting jobs, helping people get better jobs and ensuring fairer job opportunities for all EU citizens. It works by investing in Europe's human capital – its workers, its young people and all those seeking a job. ESF financing of EUR 10 billion a year is improving job prospects for millions of Europeans, in particular, those who find it difficult to get work.	83
European Agricultural Fund for Rural Development (EAFRD)	The EAFRD is financed under Pillar II of the Common Agricultural Policy (CAP). It shall contribute to the Europe 2020 Strategy by promoting sustainable rural development throughout the Union in a complementary manner to the other instruments of the common agricultural policy (hereinafter "CAP"), to cohesion policy and to the common fisheries policy. It shall contribute to a more territorially and environmentally balanced, climate-friendly and resilient and innovative Union agricultural sector.	95
European Maritime and Fisheries Fund (EMFF)	It is one of the five European Structural and Investment (ESI) Funds which complement each other and seek to promote a growth and job-based recovery in Europe.	6,4
Cohesion Fund	The Cohesion Fund is aimed at Member States whose Gross National Income (GNI) per inhabitant is less than 90 % of the EU average. It aims to reduce economic and social disparities and to promote sustainable development. For the 2014-2020 period, the Cohesion Fund concerns Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia and Slovenia.	63,4

Other Resources	Brief Description	Global Budget (Billion - Euro)
IPA (Instrument for Pre-accession Assistance)	Current beneficiaries are- Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Iceland, Kosovo, Montenegro, Serbia, and Turkey.	11,5
Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME)	COSME is the EU program for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (SMEs).	2,3
CREATIVE EUROPE	Creative Europe is the European Commission's framework program for support to the culture and audiovisual sectors.	1,4
HORIZON 2020	Horizon 2020 is the biggest EU Research and Innovation program ever with nearly €80 billion of funding available over 7 years (2014 to 2020) – in addition to the private investment that this money will attract. It promises more breakthroughs, discoveries and world-firsts by taking great ideas from the lab to the market.	80
Connecting Europe Facility(CEF)	Under the Connecting Europe Facility (CEF), €26.25 billion will be made available from the EU's 2014-2020 budget to co-fund TEN-T projects in the EU Member States. Of this amount, €11 billion will be available only for projects in Member States eligible for the Cohesion Fund. The Connecting Europe Facility regulation sets out the rules for awarding EU financial support, priority projects and the maximum limits of EU co-financing per type of project. It also includes a pre-identified list of projects where most CEF investments will be placed.	26
LIFE	It is divided into two sub- program: • LIFE sub- program for Environment, including as priorities areas environment and resource efficiency, nature and biodiversity, and governance and information • LIFE sub- program for Climate Action, including as priorities areas adaptation, mitigation and governance and information	3,2

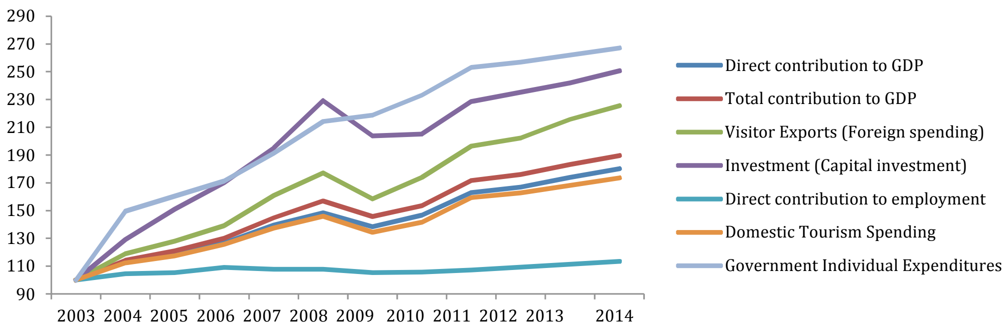
Source: European Commission; http://ec.europa.eu/

2 - Why to invest in the tourism sector: positive outlooks and economic indicators for 2020

The number of international tourist arrivals within the Adriatic and Ionian region reached 1.1 billion in 2014 (51 million more than in 2013). According to the latest UNWTO World Tourism Barometer, this shows a 4,7% increase since the previous year. UNWTO forecasts a further growth of international tourism by 3% to 4% in 2015, which contributes significantly to global economic recovery. In 2013, international tourism receipts reached US$ 1.000 billion, US$ 230 billion more than in 2008, the pre-crisis year. Last year, the expenditure from international tourism and emerging source markets, especially in China, India and South-East Asia, compensated for the slowdown of the larger traditional markets, which had been driving tourism expenditure in previous years (Germany, France, Italy).

Observing Chart 2.1, it is possible to abide by a growth of the seven assets examined from 2004 to 2009, the year in which the effects of the financial crises rose. However, world tourism was able to revive itself in a couple of years, in spite of investment contraction and internal consumption, by boosting its aptitude to generate employment. Tourism has been the most resilient sector against the blows of the financial crisis.

Figure 2 - Economy and Travel Performance of the world. % Value Growth in 2003-2014 (Index Numbers 2003 = 100)



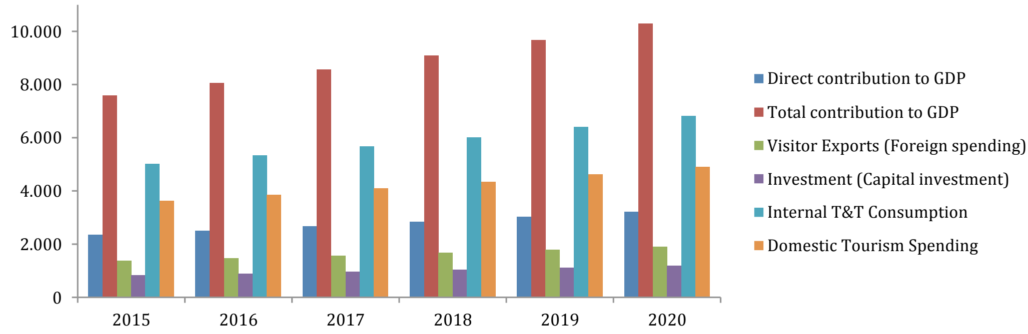
Source: WTTC (World Travel and Tourism Council). Units: Value in Thousands of people for Direct contribution to employment ; US$ in bn (Nominal) for the other values.

According to World Travel & Tourism Council data, the direct contribution of Travel & Tourism sector to GDP was about US$ 2.100 bn (2,9% of total GDP) in 2015 (Figure 3), and was forecasted to rise by 4,3% in 2015, growing by 4,2%, from 2014-2020 the growth will be US$ 3.000 bn (3,1% of total GDP). Travel & Tourism investment was US$ 754 bn or 4,4% of total investment. It rose by 5% in 2015, and should increase by 5,1% over the next ten years to US$ 1.310 bn in 2020 (4,9% of total).

Total global Travel & Tourism GDP is now expected to grow by 4% in 2015, according to WTTC's latest analysis. With the global economy forecast to grow by 2,5%, the Travel & Tourism sector will continue to outperform the wider economy, as it has done for three consecutive years.

In 2015, it was estimated that the total contribution of the sector would be US$ 7.800 billion to world GDP (2013 prices and exchange rates) and that it would support 274 million jobs across the globe. These figures proved correct, and underline the economic significance of the tourism sector.

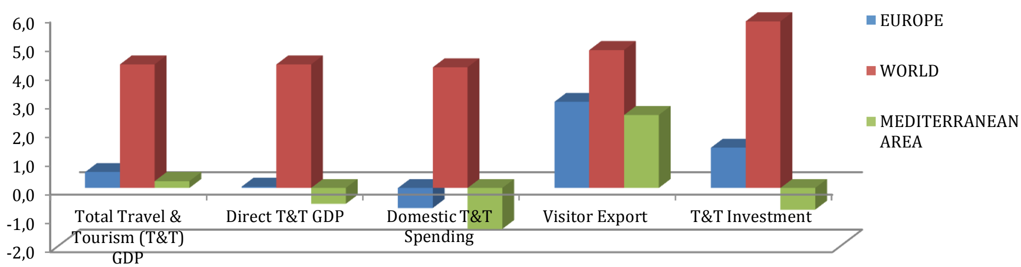
Figure 3 - World Travel & Tourism Performance - Forecast of 2020 (Absolute Values in US$ bn)



Source: WTTC (World Travel and Tourism Council).

In 2020, in accordance with the increasingly conducive macroeconomic climate, it is expected that Travel & Tourism activity will increase, with total Travel & Tourism GDP growth of 3,9%. However, Europe is seizing only part of this opportunity, especially visible when assessing the performance of the Mediterranean regions (Figure 4) where Italy is still in recession and France is also stagnating, and even Germany performing weaker than expected.

Figure 4 - Total Tourism Growth: World, Europe and Mediterranean countries in 2014 (%)



Source: WTTC (World Travel & Tourism Council).

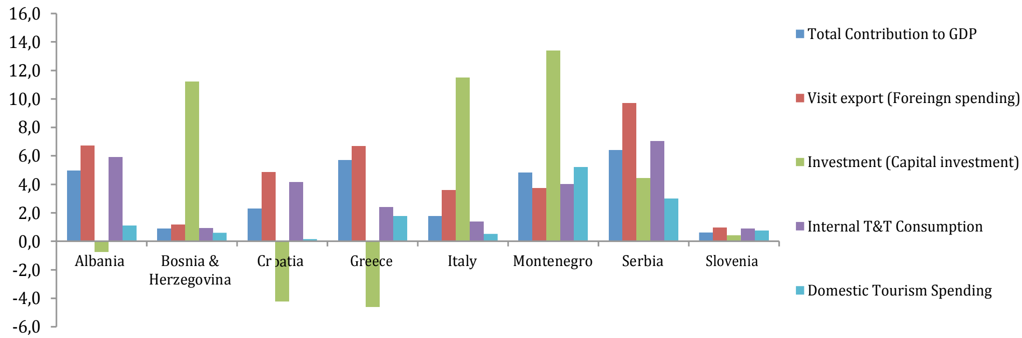
On the other side of Adriatic sea, after a decade of war and subsequent political crises, the East Adriatic Area is now rebuilding its Travel & Tourism economy. Yet its full potential as a tourist destination remains untapped. Reconciling its central location and abundant natural and cultural resources, together with a supportive regulatory, legal and business framework, will help the East Adriatic Regions to develop its tourism product into one with wide appeal for new target markets.

2.1 - Adriatic and Ionian Region: Country Highlights

According on WTTC, in 2014, Italy, Bosnia & Herzegovina and Montenegro were the countries increasingly investing in tourism in 2014 (% growth), more so than any of the others in the region (Chart 2.4). Since the boom between 2010-2011, Albania has been facing an investment and financial setback. Similarly, Italy steps off and stays behind in the queue to other Adriatic and Ionian Countries in terms of growth (2013/2014) of total Contribution to GDP, internal consumption and domestic tourism spending. This performance is even worse than that of Greece.

Observing the total contribution of tourism to the GDP (Table 3), the value of Italy (220 billion in US$ - Real Price) is five times higher than that of Greece (40 bn), and eighty times that of Albania (2,7 bn). However, in Italy, the incidence on total GDP has declined by 15% compared to 2003, while it grew by 75% in Albania, 40% in Bosnia & Herzegovina, 16% in Croatia, 5% in Greece, 200% in Montenegro, 135% in Serbia and 40% in Slovenia (Table 3).

Figure 5 - % Real touristic growth in 2013-2014 in the Adriatic and Ionian Region



Source: WTTC (World Travel & Tourism Council).

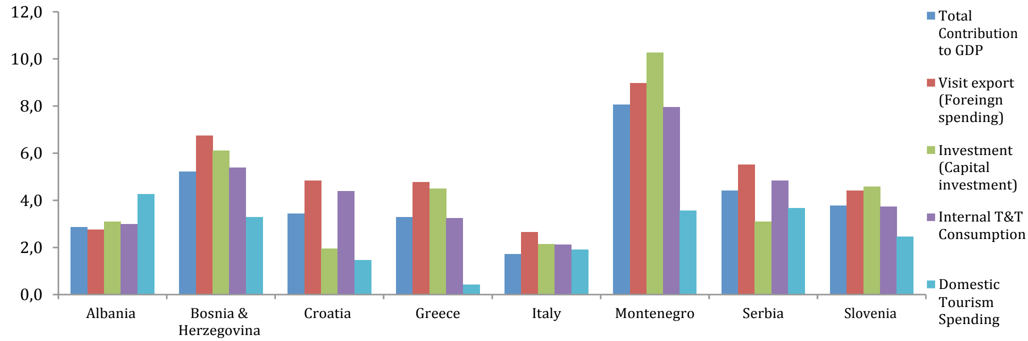
Table 3 - Total contribution to GDP, 2003 – 2014 (US$ in billion – Real price)

Total contribution to GDP (US$ in bn - Real prices)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Albania	1,6	1,6	1,9	2,2	2,5	2,6	2,9	2,9	2,7	2,7	2,6	2,8	2,7	2,7	2,9	3,1	3,2	3,3
Bosnia-Herzegovina	1,2	1,5	1,6	1,7	1,9	1,9	1,7	1,6	1,6	1,6	1,6	1,7	1,7	1,8	1,9	2,1	2,2	2,3
Croatia	12,3	12,4	13,8	14,7	15,1	15,8	13,2	13,9	13,5	13,9	13,8	14,1	14,4	14,9	15,5	16,2	16,7	17,3
Greece	37,9	40,8	44,7	47,4	48,5	47,7	44,1	42,9	38,8	35,6	36,9	39,1	40,3	41,5	42,8	44,2	45,6	47,4
Italy	256,6	257,3	249,5	258,4	260,5	241,2	218,9	221,2	221,9	217,4	212,9	216,7	220,3	224,0	227,0	231,1	235,2	239,8
Montenegro	0,3	0,4	0,5	0,8	1,0	1,1	0,8	0,8	0,8	0,8	0,9	1,0	1,1	1,1	1,2	1,3	1,4	1,6
Serbia	1,1	1,2	1,4	1,5	2,0	2,2	2,2	2,2	2,3	2,4	2,5	2,6	2,7	2,8	2,9	3,1	3,3	3,4
Slovenia	4,5	4,7	5,2	5,5	5,6	6,0	5,9	6,0	6,3	6,2	6,2	6,3	6,4	6,6	7,0	7,3	7,6	7,8

Source: WTTC (World Travel & Tourism Council).

Forecasts for 2020 (Figure 6), indicate growth rates between 4% and 10% for the areas of recent tourism development, in particular in Bosnia & Herzegovina and Montenegro. Slower the performance of Italy, Croatia and Greece.

Figure 6 - Forecast of 2014-2020 (% growth)



Source: WTTC (World Travel & Tourism Council).

In the future, all EUSAIR countries will record, in the next years, an increase in employment (Direct Contribution) between 2% and 6% for 2014-2020, with a peak growth for the two-year period 2016-2018. In Montenegro, the average growth for this period is forecast to exceed 5% (Table 4).

Table 4 - Direct contribution to employment, forecast of 2014-2020 (Thousands of jobs)

Direct contribution to employment (Thousands of	2014	2015	2016	2017	2018	2019	2020	% Average Growth 2014 - 2020
Albania	51	50	50	53	55	57	57	2,1
Bosnia-Herzegovina	20	21	22	23	24	24	25	3,2
Croatia	139	145	147	150	155	157	159	2,2
Greece	340	353	360	369	377	384	393	2,4
Italy	1.082	1.100	1.122	1.146	1.173	1.203	1.235	2,2
Montenegro	15	16	16	17	19	20	21	5,6
Serbia	35	36	36	37	38	39	39	1,9
Slovenia	31	32	32	33	34	35	35	2,1

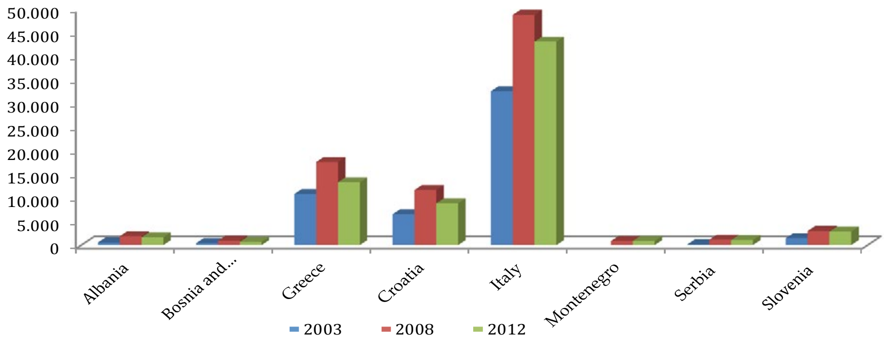
Source: WTTC (World Travel & Tourism Council).

2.2- *The dynamics of tourism receipts and expenditur*

According to World Bank Data, tourism receipts from 2003 to 2012 have increased over the past years (from 2003 until 2012) particularly in Serbia (46,3% of annual growth rate), Slovenia (14,8%) and Albania (13,1%) - Figure 7.

However, in absolute values, Italy leads the chart by 43billion US$, while Montenegro appears at the bottom of the rank by 860million US$. Tourism receipts decreased in all Adriatic and Ionian countries starting from 2009, partly due to the financial crisis, clearly seen in comparison to the high rates during 2008 that has produced a drop in tourism consumption by countries of the usual top spenders in tourism (US, Germany, France, Japan, Italy, Spain).

Figure 7 - Receipts from international tourism (current USD $ - thousand) and CAGR[5] (Compound annual growth rate)



	CAGR Compound annual growth rate (2003 - 2012)
Albania	13,1
Bosnia and Herzegovina	5,7
Greece	2,3
Croatia	3,5
Italy	3,1
Montenegro	12,4*
Serbia	46,3*
Slovenia	14,8

Source: World Bank Development Indicators.

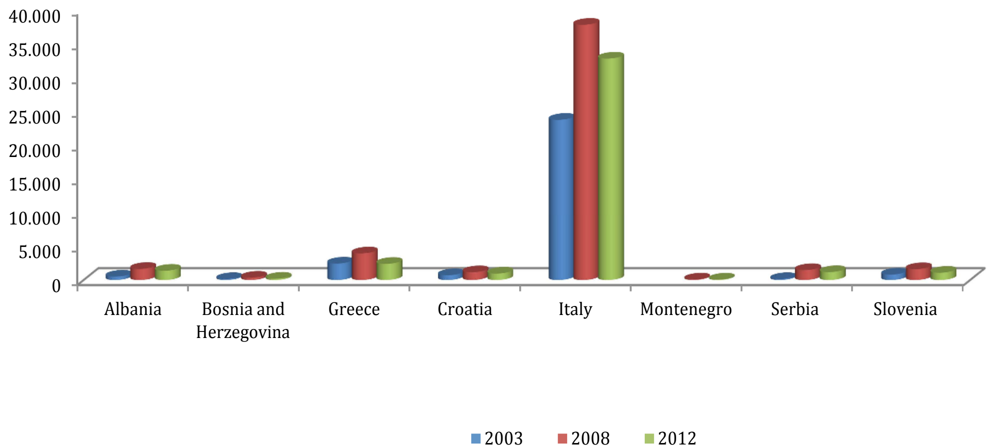
** For Montenegro and Serbia CAGRS is 2008-2012.*

5 The compound annual growth rate (CAGR) is a growth rate average over several years. It is a geometric average of annual growth rates

Furthermore, Serbia was the best performer in generating international tourism expenditure (about 26,2%), followed by Albania (11,7%), with Italy lower in the rank (only growing by 3,7%) - Figure 8.

Yet, in absolute values Italy is at the top of the chart, with 32 billion US$ in 2012, ranking much better and highest out of all the other countries. The weight of the thirteen italian regions on contribution of Italy in tourism expenditure is estimated to be one-third of the total amount, about 11 billion US$.

Figure 8 - Expenditure from international tourism (current USD $ - thousand) and CAGR



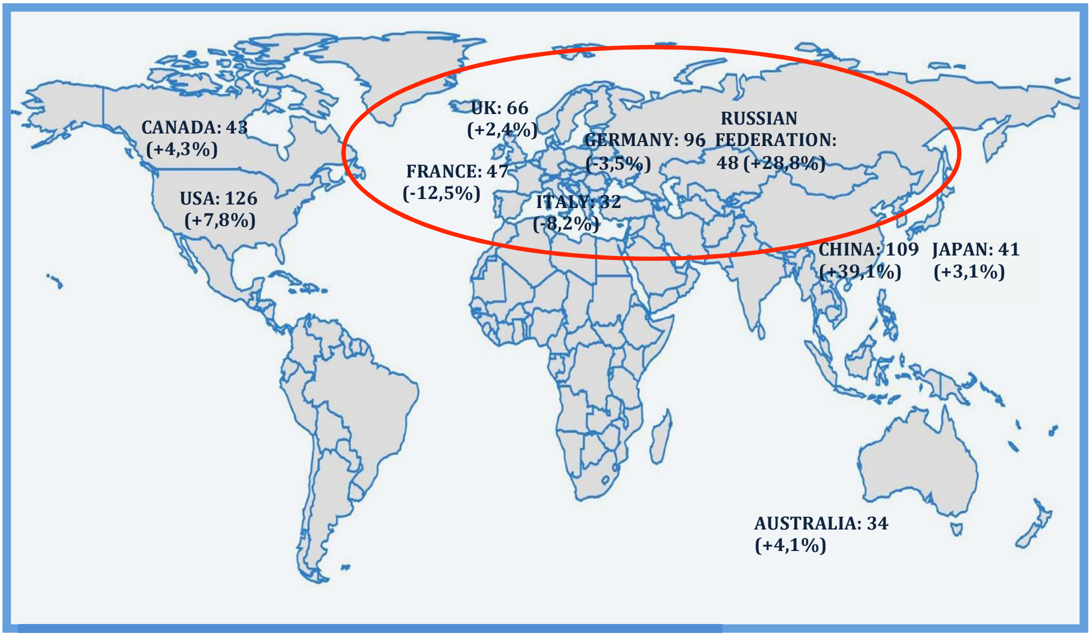
Countries	CAGR Compound annual growth rate (2003 - 2012)
Albania	11,7
Bosnia and Herzegovina	3,3
Greece	-0,2
Croatia	3,4
Italy	3,7
Montenegro	1,2*
Serbia	26,2*
Slovenia	3,3

Source: World Bank Development Indicators.

**For Montenegro CARGS is 2008-2012.*

Investing in international tourism is an effective strategy both medium and long term, especially given that the Adriatic and Ionian Region contains a lot of the trade market in which spend most on tourism, according with World Bank Data (Expenditure in 2012 – Figure 9). However, in the future it will be important to understand, match and intercept the demand for non-European countries (China, United States, Brazil, Russian Federation, Canada, Japan, Australia), where a clear increase in tourism and tourism expenditure has been observed.

Figure 9 -Expenditure on outbound tourism in 2012 and Changes % 2011-2012 - (current US$ billion)

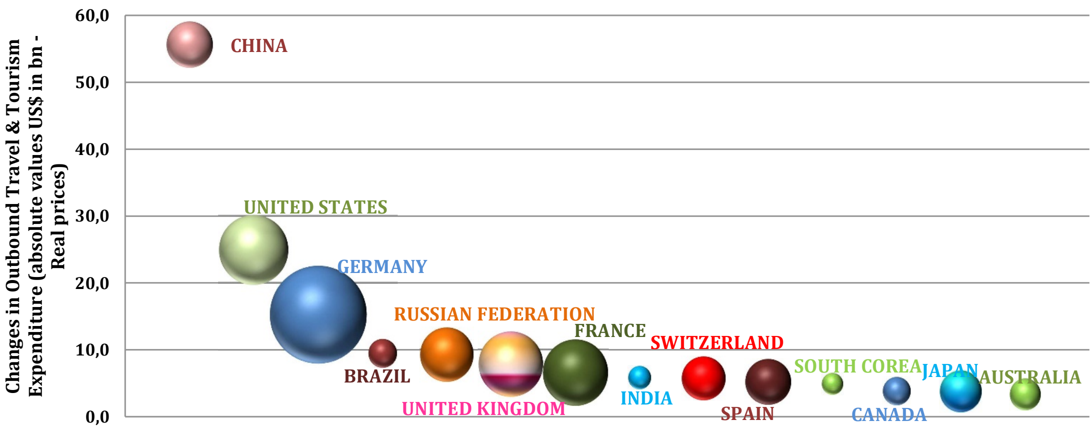


Other Countries (Rank)		Expenditure 2012 (million)	Change (%)
11	Brazil	26.202	4,5
12	Belgium	23.784	-1,8
13	Singapore	22.412	4,5
14	Rep. Korea,	22.386	0,8
15	Spain	21.749	-7,8
16	Netherlands	20.346	-2,6
17	Hong Kong SAR, China	20.246	5,6
18	South Asia	19.111	4,3
19	Saudi Arabia	17.986	-1,2
20	Sweden	17.664	2,8

Source: World Bank data.

Looking to the future and observing the spending trends of the main foreign tourist markets, China emerges as the highest competitor. China is on track to achieve this, as it plans to increase its tourism expenditure by US$ 55 billion by 2020 (Figure 10). A leadership gained in little more than a decade at the expense of United States and Germany, which now rank respectively second and third.

Figure 10 – Changes 2015 – 2020 in Outbound Travel & Tourism Expenditure (absolute values US$ in bn - Real prices) and the actual value of arrivals by Country in the Adriatic - Ionian Region



The ball size expresses the % weight of tourist arrivals by country of origin in the Adriatic Ionian Region (2012/2013)

Source: WTTC for Outbound T&T Expenditure data (Δ 2015 - 2020); EUROSTAT for arrivals by country data (years 2012/2013). Arrivals includes Italy, Greece, Croatia, Slovenia, Montenegro and Serbia.

China's dominance as a destination country and as a tourism ''generator'', is by far the most relevant data of tourist statistics (and more) in the last years. In 2013, China, which gained top position in the ranking of top spenders 2012, has reinforced its leadership by increasing its expenditure by US$ 27 billion. All of this was made possible thanks to the increase of disposable income, fewer restrictions on travelling abroad and currency appreciation. China's tourism expenditure from year 2000 to date has increased ten times and now surpasses that of Germany and the United States by US$ 42 billion. The Chart 2.12illustrates the spending power (Δ 2015 – 2020) and the current percentage weight (2013) of each foreign market per number of arrivals into the Adriatic and Ionian Region.

A future strategy in choosing the target markets in which to promote tourist products of the Macro-region, should be directed and oriented towards markets with high spending potentials and a greater tourist impact. This means giving priority to North European markets (Germany, France, Switzerland, Spain and United Kingdom), but also undertaking promo-marketing measures for seaside tourism, culture and nature products, focusing on China, United States, Russia, Japan and Australia. Brazil and India are also markets with a high spending potential, even though they still have small market shares.

By measuring expenditure, destination stakeholders are able to analyze:

- the most profitable origin markets that should be promoted;
- the type of product and service that should be developed, and how;

- how to attract 'high yield' visitors;
- assess relative importance of both 'mature' and 'emerging' source markets.

On the other hand, measuring expenditure does not give help to identify the "ideal tourist" for the following reasons:

- Expenditure measurements ignore the indirect and induced economic and social impact of tourism expenditure, such as contribution to Gross Domestic (or regional) Product, Gross Value Added, and employment;
- Expenditure does not provide information on the geographic spread of revenue;
- Expenditure injections *per se* tell us nothing about the social or environmental costs and benefits associated with different visitor market segments;

Thanks to global connectivity and consumer access to information, power has shifted from producer to consumer, and the marketing function has turned upside down. All tourism stakeholders can combine to attract the kind of guest who will most value what the destination has to offer.

The challenge is to attract the right customer depending on what the region has to offer. This involves creating the type of destination that 'ideal tourists' will wish to visit in order to experience meaningful encounters with hosts and destination features. For this reason, it is important to develop a new way of thinking (Table 5), which favors sustainability of development choices as well as an approach to the promo-marketing of tourism products and features.

Table 5 - A change of the mindset: from an industrial to a sustainable model

Industrial Mindset	Sustainability mindset (target 2020)
Anthropocentric Ethic	Environmental Ethic
Profit	Benefits
Product	People
Destination	Place
Price	Value
Promotion	Pull
Exploitation	Protection

Source: "Who is the Ideal Tourist? - and Who Cares?", Larry Dwyer - School of Marketing, Australian School of Business University of New South Wales (Australia).

2.3 - Demand side: some information about touristic flows

Three Countries of the Adriatic and Ionian Region entered into the more visited Top Ten index of European Destinations in 2014 (Table 6). Italy sits 5th in the 2013 ranking of World's BestTravel Destinations and ranks 6th among the best incomes generated by tourism (43,9 billion dollars in 2013). Other information about the country ranking is available on the table 2 and 3 in the appendix of chapter two.

Table 6 - International Tourist Arrivals in European Countries in 2014 (Jan - Oct)

Rank		ARRIVALS - Million	Change (%) 2013-2014
1	Spain	47	4,7
2	**Italy**	**43**	**0,1**
3	France	42	0,3
4	Germany	28	4,3
5	United Kingdom	20	2,8
6	Austria	19	1,9
7	**Greece**	**13,4***	**-**
8	Netherlands	12	10,4
9	**Croatia**	**11**	**5,9**
10	Portugal	8	10,8

*Source: EUROSTAT. * For Greece touristic arrivals: data 2013.*

By observing the international arrivals by country in each Adriatic and Ionian Region (Table 7), it is possible to highlight an important increase in the number of tourists travelling from the northern European regions (Germany, France, Netherlands, United Kingdom). These tourists are looking for a climactic escape, authenticity, and unspoiled nature. Germany is the main market for Croatia, Italy, Greece, Montenegro, Croatia whereas and Bosnia & Herzegovina welcome tourists from Russia and Eastern Europe. Within Greece and Bosnia-Herzegovina, Turkish tourism is a strong presence and contributor.

Within the French market, Croatia is still an undiscovered gem. Italy gains most arrivals from a single market with Germany representing 30% of the international influx.

In Albania, 70% of international arrivals comes from the neighboring countries, especially from Kosovo, which represents 49% of the influx.

Slovenia, a destination renowned for wellness tourism and thermal Spa, is a privileged destination for the neighbouring regions (Italy, Austria, Germany and Russia) also a result of more affordable prices.

At present, with the exception of the Russian Federation and Turkey no other extra- EU market (also in the enlarged EU) ranks in the top ten per number of arrivals.

Table 7 - Top 10 of foreign arrivals in the Adriatic and Ionian Region (2013)

MONTENEGRO	Share of international arrivals by Country	CROATIA	Share of international arrivals by Country	ITALY	Share of international arrivals by Country	GREECE	Share of international arrivals by Country
Russia	24,6	Germany	24,1	Germany	29,6	Germany	12,6
Serbia	10,4	Slovenia	11,2	France	11,1	United Kingdom	10,3
Bosnia and Herzegovina	9,4	Austria	9,6	United Kingdom	8,5	Russia	7,5
Ukraine	8,8	Czech Republic	8,6	Switzerland	6,6	France	6,4
Poland	8,4	Italy	8,4	Austria	6,1	Italy	5,3
France	4,1	Poland	6,7	Netherlands	5,5	Turkey	4,6
Kosovo	3,9	Netherlands	5,5	Russia	5,5	Serbia	4,3
Italy	3,8	Slovakia	4,5	Spain	4,6	Bulgaria	3,8
Germany	3,5	Russia	3,3	Belgium	3,3	Netherlands	3,2
Belarus	3,2	United Kingdom	2,1	Poland	2,8	Albania	2,8
SERBIA	**Share of international arrivals by Country**	**BOSNIA & HERZEGOVINA**	**Share of international arrivals by Country**	**ALBANIA**	**Share of international arrivals by Country**	**SLOVENIA**	**Share of international arrivals by Country**
Bosnia & Herzegovina	7,7	Croatia	16,3	Kosovo	48.8	Italy	15,7
Russian Federation	7,1	Turkey	12,7	Macedonia	11.4	Austria	11,8
Montenegro	6,3	Poland	7,8	Italy	5.2	Germany	11,2
Croatia	5,8	Slovenia	7,3	Montenegro	5.1	Russian Federation	5,8
Germany	5,1	Italy	6,1	Greece	4,7	Croatia	4,9
Slovenia	4,9	Serbia	4,9	**	-	United Kingdom	4
Italy	4,7	Germany	4,1	**	-	Serbia	3,7
Bulgaria	4,1	Austria	3,1	**	-	Belgium	3,2
Romania	3,8	France	2,4	**	-	Czech Republic	3
Greece	3,5	Netherlands	1,3	**	-	Hungary	2,5

*Source: for Italy - ISTAT, for Bosnia & Herzegovina – FZS, for Montenegro - MONSTAT, for Croatia - National Tourism Board, for Greece STATISTIC.GR. FOR Albania OECD data 2012 (** Data not available), for Serbia and Slovenia: Statistical National Tourism http://webrzs.stat.gov.rs/WebSite/ and http://www.stat.si/.*

2.4 - The main trends of Arrivals in the Region

The Adriatic and Ionian Area accommodates about 13% of the arrivals and nights spent in the whole EU 28 area. Beach resorts, by strong tradition, where a leisure feature is promoted, are characterized by a long-term stay, longer than European average (3,8 nights vs. 3, shown in the Table 8).

Table 8 - Main touristic indicators in the EUSAIR Area (2013)

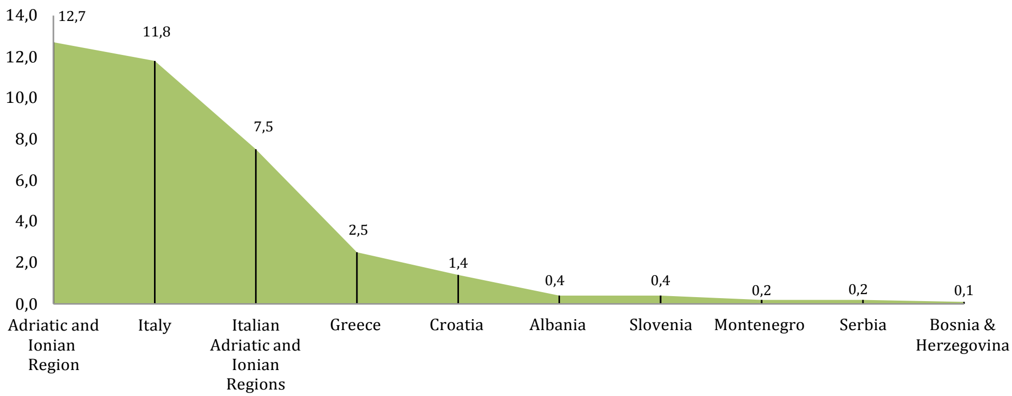
Country	Arrivals 2013 (Million)	Nights spent 2013 (Million)	Length of stay (LOS)	International Rate (Arrivals)	Arrivals (% Average annual growth rate)	Nights Spent (% Average annual growth rate)	International Arrivals (% Average annual growth rate)
Italy	104	377	3,6	48,4	2,3	0,9	3,7
Adriatic and Ionian italian regions	66	238	2	46,2	2,4	-0,4	4,1
Croatia	12	64	5,3	88,3	5,9	7,3	6,8
Bosnia & Herzegovina	0,5	1	2,1	76,5	9,2	8,6	11,7
Albania	3*	6,5*	2,1*	80,9*	14,5*	6,6*	13,2
Greece	22	92	4,2	63,2	6,4	5,9	7,8
Montenegro	1,5	9	6,3	88,8	6,7	9,2	5,4
Serbia	2	6	3,1	41,5	8,1	7,8*	9,3*
Slovenia	3	9	2,8	66,6	4,5	5,4	5,5
EU 28	876	2.641	3	36,9	4,2	2,3	4,1
Macroregion	110	324	3,8	65,5	3,5	2,1	4,5

*Source: Eurostat. *Estimated Value.*

Furthermore, the internationalization quote (strangers compared to the total arrivals) is about 30 points over the EU average (65,5% vs. 36,9%). This value is influenced by a low level of domestic tourism in regions such as Croatia, Bosnia & Herzegovina, Serbia and Montenegro. In these regions inbound tourism represents only 20% of the overall tourism industry (in Italy, for instance, the percentage ratio between national and international tourism is almost 50%). With 11,8 % of EU flow, Italy amounts to a total amount of 103 million arrivals and 376 million overnights in 2013. Despite Italy being the country with the most touristic weight inside the Adriatic and Ionian Macro-region, it only grew at a developing average rate of 2,3%.

From 2003 to 2013, in the Adriatic and Ionian Region the annual growth rate in arrivals was about 3,5% compared to 4% in EU. International arrivals average growth was 4,5% in the Adriatic and Ionian Area and 4,1% in EU. In a decade, the best performance in incoming growth average was recorded by Bosnia & Herzegovina (13,7%) and Albania (11,2%). These are tourism developing countries where the incoming flow represents only 0,4% and 0,1% of the overall incoming flow for the EU (Chart 2.18).

Figure 11 - % of arrivals by Adriatic and Ionian partners on the total Europe 28



Source: Eurostat 2013. For Albania and Bosnia & Herzegovina (http://www.instat.govand http://www.fzs.ba/).

Italian Adriatic Regions take 63% of the total incomings in Italy, 56% of the nights spent and about 60% of visitor flows in the Adriatic and Ionian Region. Yet, these numbers don't take into account the wide world of tourism that does not appear - tourism generated bysecond homes and other unofficial forms of hospitality.

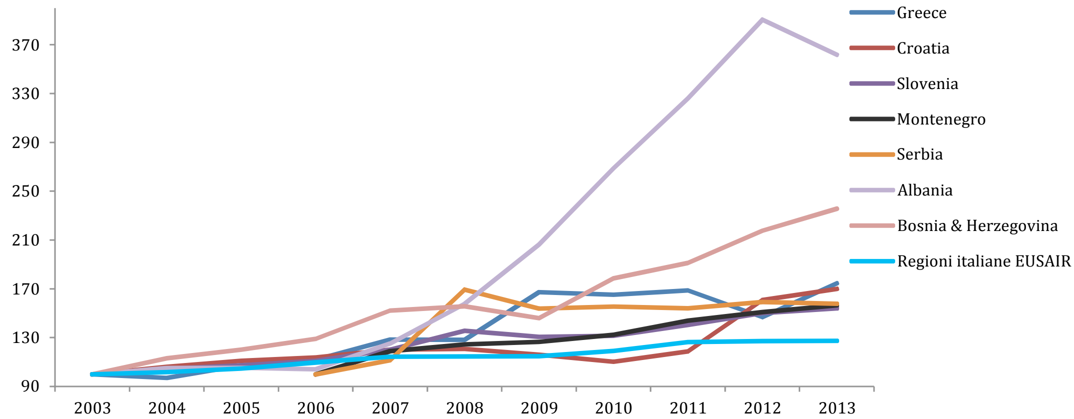
In Italy it has been estimated that for the total number of arrivals and nights spent (including all forms of accommodation), the multiplier is equal to 2.8, and in the case of regions with a strong seasonal features multiplier exceeds 5.2[6].

Observing the Chart 2.20, from 2004 to 2013, all countries of Adriatic and Ionian Region had a positive trend of incomings flow (arrivals). Only Albania's flow in 2013 fell sharply downward by 21%, compared to previous years (the descent has been stable throughout 2013). This is after recording a big growth throughout the decade - 270% from 2003 to 2012.During the review period Albania was one of the fastest-growing travel destinations in Europe (Figure 12).

The year 2012 represents a record annual growth for Croatia of 35% (11,5 million arrivals). For Serbia and Bosnia & Herzegovina, the country's negative image as a war zone, along with a publicized struggle to hold onto the autonomous province of Kosovo, has proved a difficult legacy to shake off. As a result, Serbia has until now remained virtually off the radar for travel-hungry tourists of the 21st century. This is in sharp contrast to its more fortunate neighbors, Croatia, Slovenia and – the most recent to re-emerge onto the tourism scene – Montenegro, which also declared its independence from Serbia in 2006.

6 XVII Rapporto sul Turismo Italiano, Mercury

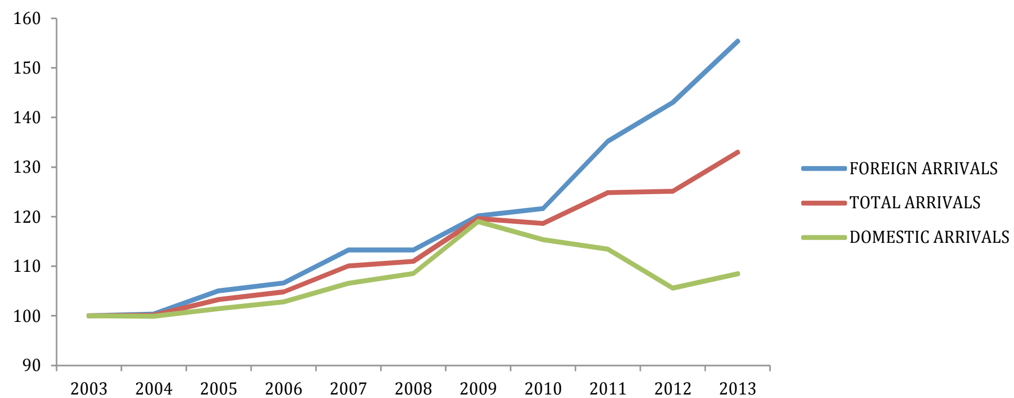
Figure 12 - Arrivals in the Adriatic and Ionian Area (Index numbers 2003=100)



Source: Eurostat; for Albania the value is estimated on Nights spent of foreigners and Albanians in hotel accommodation and balanced on World Bank Data: http://www.instat.gov.al/en/themes/tourism.aspx. For Serbia and Montenegro: from 3 June 2006, Montenegro and Serbia became independent States, proclaimed following a referendum on independence on 21 May 2006.

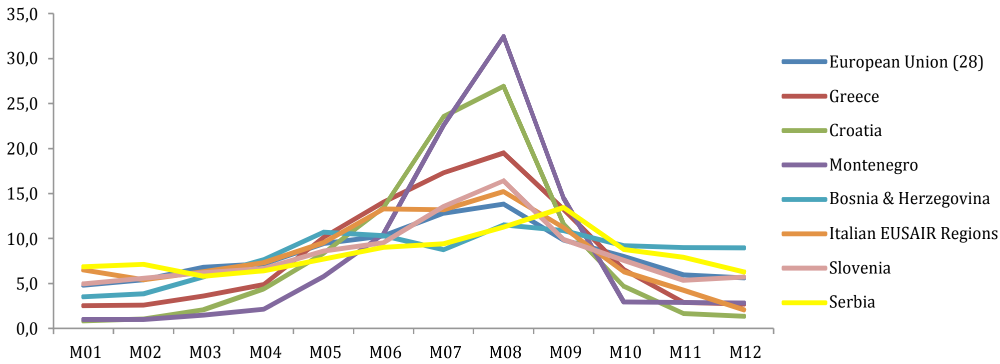
Starting from 2009, the international growth of flow stopped contraction of domestic demands in several Adriatic and Ionian countries (Figure 13).

Figure 13 - Total, Domestic and Foreign Arrivals in the Adriatic and Ionian Region (Index numbers 2003 = 100)



Source: Eurostat. For the years from 2003 – 2008 estimated value for Italian Adriatic Regions & Montenegro.

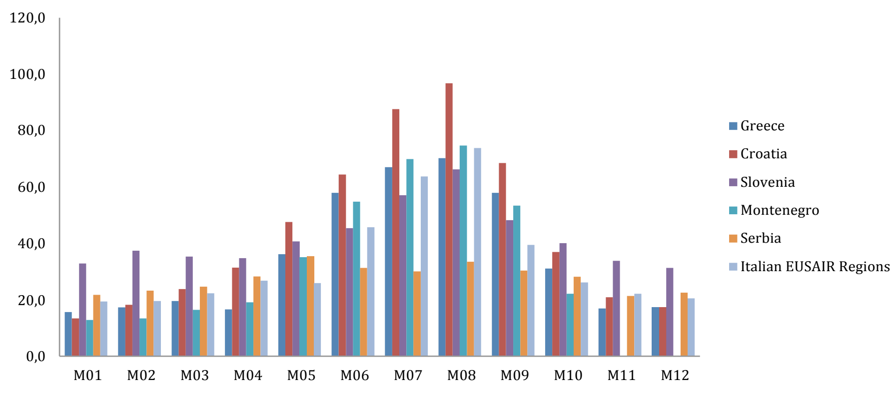
Figure 14 - Monthly Arrivals in the Adriatic and Ionian Area, 2013



Source: Eurostat. For Albania data not available.

In the Adriatic and Ionian Area, the tourism sector is characterized by strong seasonal demand fluctuations. In 2013, about 65% of arrivals were concentrated in June to September and 32% in August. Arrivals are particularly high in the summer months for Croatia and Montenegro. Serbia and Bosnia & Herzegovina is the most seasonally adjusted (Figure 14). The tourist promotional product "Sea" is not enough to achieve good levels of seasonal adjustment. Only through the development and reorganization of culture, nature and food and wine products will be possible to achieve in the future good levels of seasonal adjustment.

Figure 15 - Monthly Net Occupancy Rates of bed places, 2013



Source: Eurostat, for Albania and Bosnia & Herzegovina data not available.

Observing the monthly Net Occupancy Rate, the possible months to achieve 50% rate of net occupation of beds are June, July and August (Figure 15). On the whole, a higher rate of annual occupationis reached by Croatia (44%), followed by Greece (35%), and in ex-aequo by the Adriatic Italian regions and by Montenegro (34%). In the winter months, the rate of net occupation of beds in the hospitality sector reaches just 20%.

In conclusion, the regions on the eastern shores of the Adriatic are going through a strong development phase, whereas Italy has been facing stagnation for more than three years now. It is a growth mainly brought about by seaside tourism, characterized by a high degree of seasonality. Consequently, little importance has been given to other types of tourism which could contribute to the increase of tourist inflows during spring and autumn months.

Listed below are some universal trends which have characterized the demand over the last years. They must be taken into account when adopting a shared strategy for the sustainable development of the Macro-region.

2.5 – The World tourism trends: demand side

The last two years were characterized by some important trends which influenced worldwide consumer behavior:

- New touristic demand from the rising middle class of the RDEs (Rapidly Developing Economies), where there is an increasing and steady economy: China, India, East and Central Europe, Latin America;
- Growth in global economy and an increase in airline connections; creating routes and short- and long-haul flight frequencies, also low cost flights;
- The European population is getting old, it requires increasingly targeted, innovated and original touristic packages and offers;
- Polarization of tourist expenditure by trading-down and trading-up effects: the claim for flights and low cost travels will still grow and at the same time the high level accommodations' demand will do;
- Fitness, health and the research on psychological well-being are constantly increasing;
- On-line and social network presence is essential for guiding the choice. More weekend breaks and a necessity for faster connections;
- Users' feedback has become crucial to the success of a tourism product. The range insight towards smart phones (mobile first) amplified the possibility of accessing contents (being permanently connected);
- The Millennials, or Generation Y, is growing up. People born between the 80's and2000's in the western world, are part of a generation recording an increase in birth rates similar to the Baby Boomers in the 60's. The Millennials are outpacing the Baby Boomer's 76 million population and by 2030 the gap between the two groups will be even greater 78 million vs. 58 million. Constantly online and tech-savvy, the Millennials plan their trips by making the most of the new technologies. Booking on-the-go, from mobiles or tablets, they have a shorter booking window of 75 days, compared to 93 days, the rule for older generations[7];

7 "Il turismo internazionale: comportamenti di consumo e scenari di sviluppo". CISET (Centro internazionale di studi sull'economia turistica, Università Ca' Foscari di Venezia), Mara Manente. "Piano strategico nazionale del turismo - Turismo Italia 2020", Presidenza del Consiglio dei Ministri: http://www.ontit

- More sharing economy also in the tourism sector: it increases the transactions C2C (Consumer to Consumer) and the new forms of hospitality founded upon the sharing of means and resources helped by the functionalities of the web 2.0 that it allow the tourists to use internet for the sale, the exchange, the sharing and the autonomous purchase of tourist services bypassing other forms of brokerage.

Understanding this trends can helps public operators to adopt strategic policies. Despite a pre- crisis decline, the growth of international tourism, along with a solid forecast for 2020, allow us to predict excellent opportunities of development for the future. In the following pages, a mapping of tourism supply (UNESCO heritage sites, natural resources in the Adriatic and Ionian Region) is presented. It provides a benchmarking analysis in order to identify the main oddities and issues in the area which actually present strong non homogeneous features.

This discrepancy needs to be solved by mid to long term strategies and instruments; by starting a system of regional tourism that enables the guidance and government of all territorial policies, according to the system's views and efficiency of services. For the future development of tourism in the Adriatic and Ionian Area it is necessary to identify the strategy of "destination marketing" (tourism promotion) inside a wide, clear and accurate strategy of "territorial marketing" in favor of investment attracting.

The following chapter contains a recognition of the natural and cultural tourist offer, agreement as intrinsic endowment of every Area: from the sites Unesco to the natural resources. An operation of benchmarking among the interested territories has underlined, once more, unbalances and points of strength.

3 - The competitive position of the tourism sector in the Adriatic and Ionian Region

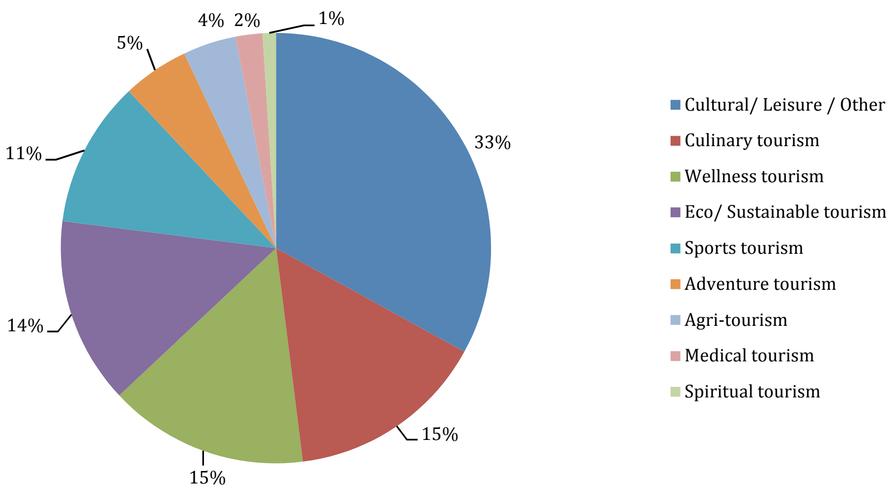
3.1 - Various tourism segments with important contributions to sector turnover

Every tourist is different. Every tourist feels attracted to different tourist destinations likes to engage in different activities while on vacation, makes use of different entertainment facilities and complains about different aspects of their vacation. While all tourists are different, some are more similar to each other than others: many people enjoy culture tourism, many tourists like to ski during their winter holiday and many tourists require entertainment facilities for children at the destination. Acknowledging that every tourist is different and that the tourism industry cannot possibly cater for each individual separately forms the basis of market segmentation.

Stephen Smith (1956) introduces the concept of market segmentation as a strategy. He states that "Market segmentation […] consists of viewing a heterogeneous market (one characterized by divergent demand) as a number of smaller homogeneous markets". When segmenting a market, groups of individuals are developed which are similar with respect to some personal characteristic. The particular personal characteristic with respect to which similarity is explored is the segmentation criterion or segmentation base.

For the Stanford Research International Institute, leisure tourism can be shared in various tourism segments with important contribution to sector turnover[8]:

Figure 16 - Segmentation of the global tourism industry. Share in sector turnover, (Leisure - 2013)



Source: Stanford Research Institute International, 2013. www.oecd.org.

8 Market Segmentation in Tourism "University of Wollongong, Australia".

Culture/leisure and food & wine tourism make up about 50% of the entire tourism industry, reaching 70% if wellness tourism is included. All tourist products from the Adriatic and Ionian Regions are able to meet the demand of the entire world tourist market by focusing on and investing in each country's specificities. There are, however, top products which are more popular and able to meet a large part of the tourist offer. These should be prioritized, while the others should be considered transversal and secondary, albeit with a clear growth potential.

Figure 17 – Dominant and secondary products in the Adriatic and Ionian Region

Source: Cerpem

The expression 'tourism product', in international literature, was taken over by Smith from the Anglo-Saxon marketing approach and represented by Philip Kotler. The concept has now become widely used. 'Tourism product' was seen as the primary category for the development of the tourism supply. It was considered as a set of services aimed at the full satisfaction and the needs of tourists. It was also focused on the attractions within the region. Within the latter aspect, factors considered included transport and access to the attraction, accommodation, catering, entertainment, health, security, banking, communication and other services. 'Tourism product' can most accurately described by four 'A's. Each tourism product has four basic constituents:

- Attraction
- Access
- Accommodation
- Attitude

Aimed at the promotion of the four A's, the development policies coordinated by the EU and implemented by partner countries, will also prompt the qualitative standardization of the tourist services offered[9].

According to Goeldner and Ritchie, the success of a tourist destination is determined by its capacity to gather, analyze and use information regarding its actual and potential customers. Without this information, the marketing of the tourist destination will be poorly supported, affecting its competitive performance.

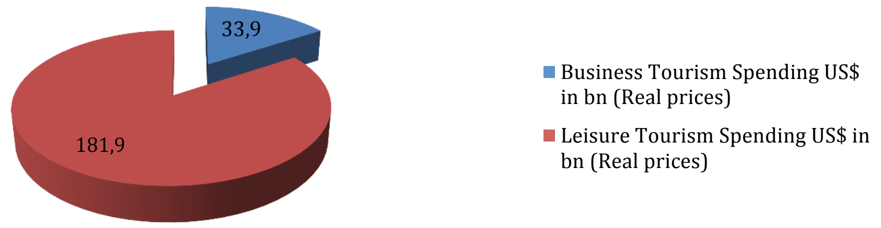
However, the demand of any one product is not homogeneous, comprising individuals with differential purchasing and consumption patterns, including different needs, expectations and behaviors. Given their differential characteristics, heterogeneous markets are difficult to manage. Thus, there is a need to break down the markets into smaller groups to enhance the effectiveness of the marketing strategy[10].

9 "Design and development of touristic products", Gábor Michalkó, Szilvia Boros, János Csapó – University of Peck, 2011.
10 "Multidimensional segmentation of gastronomic tourists based on motivation and satisfaction", Antónia Correia, Miguel Moital, Nuno Oliveira, Carlos Ferreira da Costa, 2009.

3.2- Leisure and Business Tourism in the Adriatic and Ionian Region

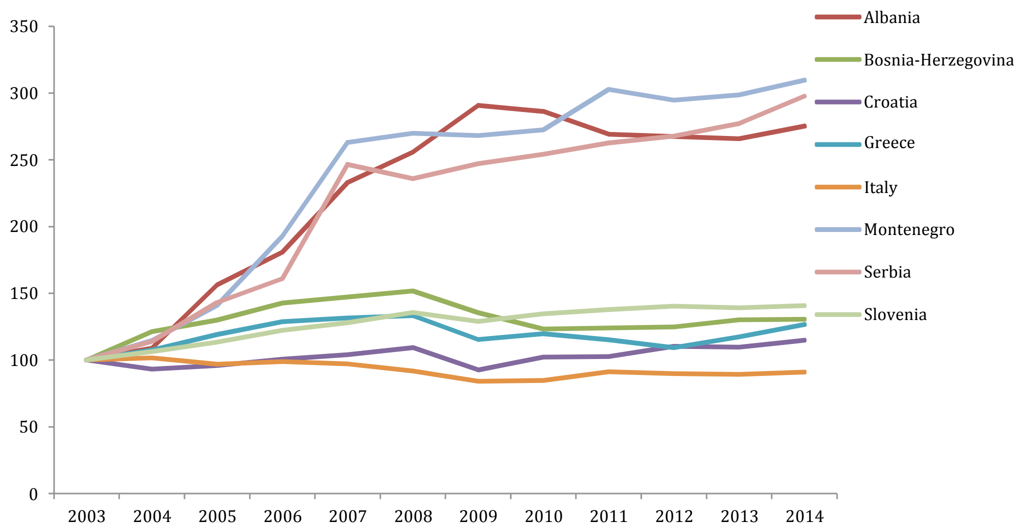
In the Adriatic and Ionian Area, leisure tourism covers more than 84% of the global tourism expenditure with different dynamics within each of the eight partner countries. During the last few years, Montenegro, Serbia and Albania have been the countries that have recorded the best performance (167 million of $ in 2003 and 1 billion $ in 2014 with a growth of about 600%).

Figure 18 - Leisure & Business Travel & Tourism Spending in the EUSAIR Area in 2014



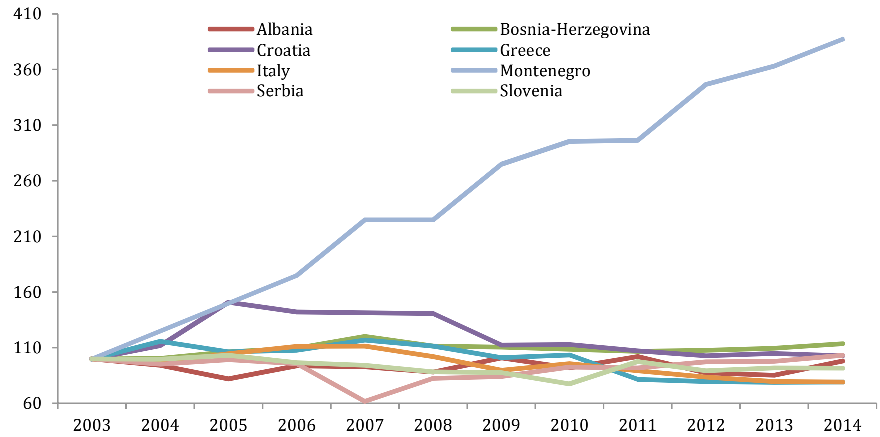
Source: WTTCdata.

Figure 19 - Leisure Travel & Tourism Spending in the Adriatic and Ionian Area: (Index numbers 2003 = 100)



Source: WTTCdata.

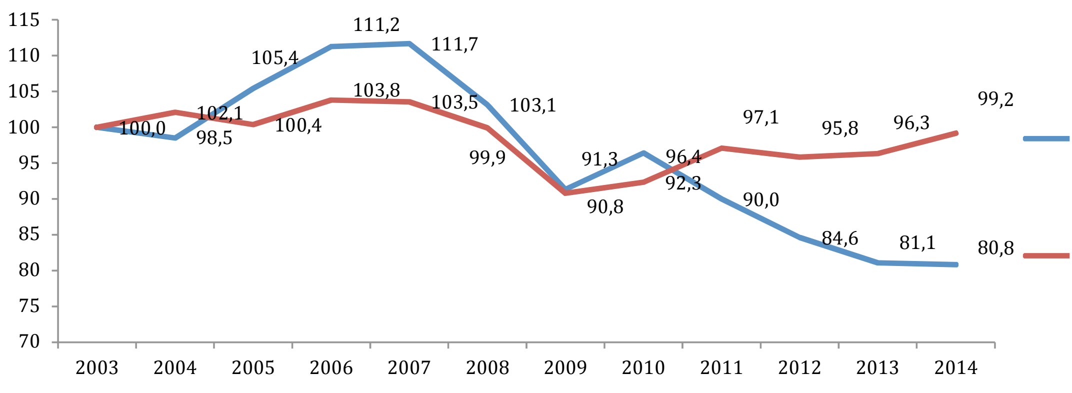
Figure 20 - Business Travel & Tourism Spending in the Adriatic and Ionian Area (Index Numbers 2003= 100)



Source: WTTCdata.

Concerning business tourism, by looking at the trends in spending, it is possible observe a large increase in Montenegro, where a large number of business travelers from Russia are welcomed. Overall, the negative trend of the expenditure, particularly from the business sector, is defined by the performance of Italy (Figure 21).Future measures are necessary in order to recover the sector which can be achieved through initiatives targeted at M.I.C.E (Meeting, Incentive, Congress, Events).

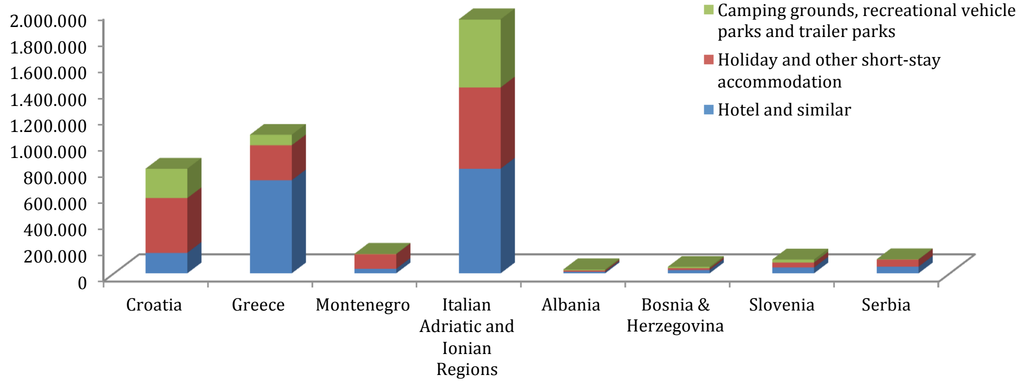
Figure 21 - Leisure and business to comparison (Index Numbers 2003 = 100)



Source: WTTCdata.

Finally, regarding the range of accommodation is possible to observe that Italian Adriatic Regions and Greece have the greatest accommodation capacity in the EUSAIR Partners, with the highest number of hotels. With around two million of bed places, the Italian regions drives the other partners, followed from Greece (1.200.000 places bed) and from the Croatia (more than 800 thousand).

Figure 22 - Number of beds by type of establishments, 2013



Source: Eurostat, for Albania and Bosnia & Herzegovina short holiday and camping bed-places estimated value.

3.3 - The cultural and natural heritage: performance evaluation

Heritage is a broad concept and includes the natural as well as the cultural environment. It encompasses landscapes, historic places, sites and built environments, as well as biodiversity, collections, the past and continuing cultural practices, knowledge and living experiences. It records and expresses the long processes of historic development, forming the essence of diverse national, regional, indigenous and local identities and is an integral part of modern life. It is a dynamic reference point and positive instrument for growth and change.

The particular heritage and collective memory of each locality or community are irreplaceable and an important foundation for development, both now and into the future. Sustainable heritage management represents an approach for managing the resources of a property by integrating environmental, economic, and social issues. It aims to provide sustainable benefits for future generations while protect the property and minimize the possible adverse social, economic and environmental impacts.

A natural link exists between tourism and cultural heritage management, yet little discourse and debate occurs between them on the sustainability of heritage tourism. What is missing is a process whereby elements of both areas can be included in the identification and actualization of the tourism potential of cultural and natural heritage places[11].

With 76 UNESCO sites, the Adriatic and Ionian Region hosts about 21% of European Heritage. The 13 italian regions partner of the Macro-region encompass 51% of the cultural heritage (39 sites), followed by Greece with 17 sites and Croatia with 7 sites. Besides the routes crossing Unesco sites, one of the priorities of the strategy is to promote the enhancement of itineraries linked to locations of The First and Second World War, in order to become included in the UNESCO list (the complete list of the heritage is in the appendix of this text).

The creation of common routes throughout the Macro-region, capable of networking the vast resources available, is among the priority policies of this government. There are some international markets, such as Japan, which are particularly interested in the cultural routes and consider the UNESCO brand a synonym of quality assurance.

Another precious resource for the development of sustainable tourism is the enhancement of natural heritage. For many nations, particularly in the developing world, protected area tourism either generates, or has the potential to constitute, a significant proportion of national GDP, foreign exchange earnings and employment figures. Quoting the International Cultural Tourism Charter (ICOMOS - International Council on Monuments and Sites 1999): "The natural and cultural heritage, diversities and living creatures are major tourism attractions. Excessive or poorly managed tourism and tourism related development threaten their physical nature, integrity and significant characteristics. The ecological setting, culture and lifestyles of host communities may also be degraded, along with the visitor's experience of the place". Therefore, it is necessary to preserve and enhance the natural and cultural heritage of the Adriatic and Ionian Region in accordance with its uniqueness. The Adriatic-Ionian Region includes over 65 National Parks (15% of EU parks) and an infinite variety of protected areas (marine and terrestrial).

Many of these areas have already implemented a process through which to reconcile preservation and development. Many protected areas of the Adriatic and Ionian Region have begun the run of adhesion at the European Charter for Sustainable Tourism in Protected Areas. It is a practical management tool for ensuring that tourism contributes to a balanced economic, social and environmental development of protected areas in Europe.

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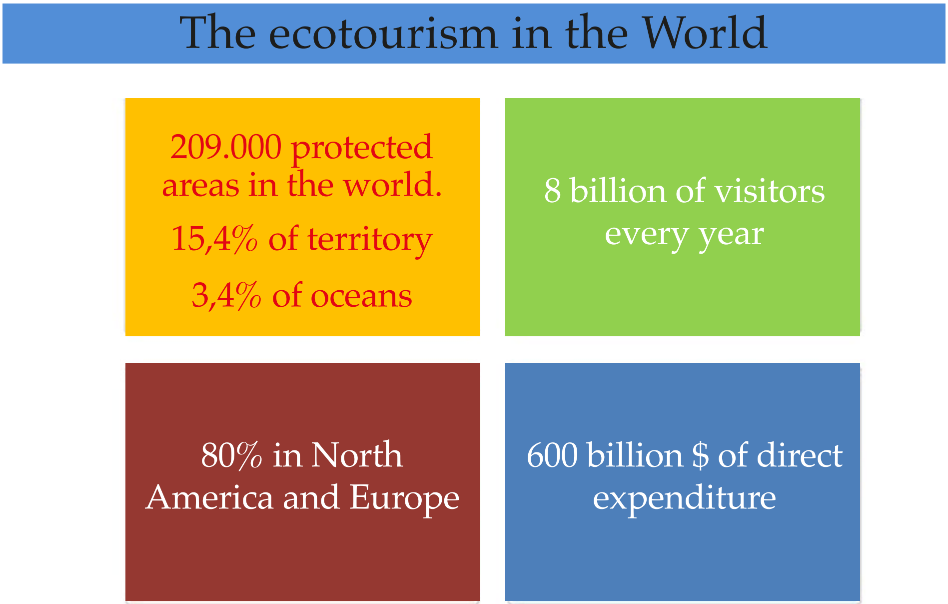
11 INTERNATIONAL CULTURAL TOURISM CHARTER (Managing Tourism at Places of Heritage Significance , 1999), Adopted by ICOMOS at the 12th General Assembly in Mexico, October 1999

Figure 23 - How much is nature worth? Some information about Natural & Adventure tourism



Source: «Walk on the wild side: estimating the global number magnitude of visits to protected areas», Plos Biology.

The Charter is a voluntary agreement and aims to encourage good practice by recognizing protected areas, which are meeting agreed requirements for the sustainable development and management of tourism. Safeguarding nature and curbing overbuilding is essential for the strategy 2020. After all, the potential of nature and cultural tourism speaks through statistics: in Italy, for each presence, cultural tourism generates € 105.4 of GDP 38% more than the figure for seaside tourism (€ 76.3). If it is linked to food and wine the value increases further[12].

On the other hand, the numbers related to ecotourism and visitors of the protected areas are impressive. The researchers of "Walk on the wild side" estimate the global number magnitude of visits to protected areas - Plos Biology - has quantified in 8 billion visits per year in the protected areas of the planet. Of these, approximately 80% is related to North America and Europe. According to this estimate, these visits generate about $ 600 billion of direct spending and $ 250 billion annually in consumer surplus. According to the "Adventure Tourism Market Study 2013", the economic impact of Natural & Adventure Tourism was realized in a study by researchers of The George Washington University.

The study provided a view of the adventure travel market by looking at three key regions: Europe, North America and South America. According to the United Nation World Tourism Organization (UNWTO), these three regions account for 69% of overall international departures.

12 "Il turismo culturale e l'analisi dell'impatto economico nelle regioni meridionali", Salvio Capasso – SRM, Gruppo Intesa.

Table 9 - Hard and Soft adventure and nature activities

Activity	Type of Adventure
Archeological expeditions	Soft
Birdwatching	Soft
Camping	Soft
Canoeing	Soft
Caving	Hard
Climbing (mountain, rock, ice)	Hard
Cycling	Soft
Eco-tourism	Soft
Fishing	Soft
Hiking	Soft
Horseback riding	Soft
Kayak	Soft
Kite surfing	Hard
Orienteering	Soft
Sailing	Soft
Scuba Diving	Soft
Surf	Soft
Snorkeling	Soft
Trekking	Hard
Volunteer Tourism	Soft
Skiing/Snowboarding	Soft

Source: «Adventure Tourism Market Study 2013», The George Washington University.

The size and nature of this kind of travel market from these three regions were estimated using the result of a representative survey of 838 international travelers. In the study each activity was categorized as "hard adventure" and "soft adventure".

Adventure traveler per trip spending (excluding airfare and gear) increased from US$ 593 in 2009 to US$ 947 in 2012, a yearly increase of nearly 20%. The average length of an adventure trip was ten days. Spending per trip increased for both soft and hard adventure trips across all regions.

The largest increases in average spending came from South American travelers, who increased their hard adventure trip spending by 85% per year, and soft adventure trip spending by 25% per year.

The Table below shows the average trip spending of soft and hard adventure travelers by region.

Table 10 - Hard and Soft Adventure Trip Spending

Soft Adventurer Average Trip Spending	2012	Growth per year 2009-2012
Europe	$ 897	24%
North America	$ 1.152	9%
South America	$ 1.501	25%
Hard Adventurer Average Trip Spending	**2012**	**Growth per year 2009-2012**
Europe	$ 924	28%
North America	$ 875	25%
South America	$ 1.333	85%

Source: «Adventure Tourism Market Study 2013», The George Washington University.

The growth in the natural and adventure travel market can have a significant implication for destinations and travel businesses alike. Many travelers are no longer satisfied with sitting on a beach or shopping. They seek adventure experience that highlight the natural and cultural assets that make a place distinct from any other. Destinations and business that can bring those experiences of life with a wide range of unique activities will see the greatest success in capturing this lucrative market.

3.4 - Nautical Tourism: the big resource of the Adriatic and Ionian Region

The European Union affirms that the general objective of the new strategy is to promote sustainable economic and social prosperity of the region through growth and the creation of jobs, by improving its attractiveness, competitiveness and connectivity, while preserving the environment and ensuring healthy and balanced marine and coastal ecosystems. Four main pillars have been identified, focusing on different topics, among them "Driving innovative maritime and marine growth" and "Increasing regional attractiveness (tourism). The Adriatic has experienced intense activity in all maritime tourism dimensions, which can clearly be seen in the following few pages. In 2013, more than 24 cruise ports recorded 6.3 million cruise passengers, a value that includes both cruisers in transit or embarking and disembarking operations.

Table 11 - The main cruise ports of the Adriatic and overall traffic, absolute values and % (2013)

Cruise Port		Country	Cruise traffic		Share % on total	
			Passengers movement	Calls	Passengers movement	Calls
1	VENICE	ITA	1.815.823	548	28,5	14,8
2	DUBROVNIK	HR	1.086.925	692	17,1	18,6
3	CORFU	GRE	744.651	480	11,7	12,9
4	BARI	ITA	604.781	171	9,5	4,6
5	MESSINA	ITA	501.316	223	7,9	6,0
6	PALERMO	ITA	410.999	189	6,5	5,1
7	KOTOR	MON	317.746	387	5,0	10,4
8	CATANIA	ITA	231.765	102	3,6	2,7
9	SPLIT	HR	189.107	225	3,0	6,1
10	ANCONA	ITA	109.492	68	1,7	1,8
11	RAVENNA	ITA	97.041	74	1,5	2,0
12	TRIESTE	ITA	70.244	32	1,1	0,9
13	KOPER	SLO	65.434	54	1,0	1,5
14	ZADAR	HR	34.575	69	0,5	1,9
15	SIBENIK	HR	29.784	100	0,5	2,7
16	KORCULA	HR	24.786	151	0,4	4,1
17	ROVINJI	HR	8.889	59	0,1	1,6
18	REGGIO CALABRIA	ITA	5.200	11	0,1	0,3
19	IGOUMENITSA	GRE	4.650	14	0,1	0,4
20	BRINDISI	ITA	4.628	15	0,1	0,4
21	PULA	HR	4.541	20	0,1	0,5
22	OPATIJA	HR	2.280	15	0,0	0,4
23	PIRAN	SLO	2.154	12	0,0	0,3
24	OTRANTO	ITA	780	4	0,0	0,1
TOTAL			**6.367.591**	**3.715**	**100**	**100**

Source: Risposte Turismo (2014), Adriatic Sea Tourism Report. Note: the Albanian cruise ports (mainly Durres and Saranda) data for 2013 were not available at the time of the publication.

Nearly 17 million sea travelers used a ferry, a hydrofoil or a fast catamaran in the Adriatic, with additional passengers crossing domestic channels and reaching islands by sea. Regarding nautical tourism, this latest update reveals more than 320 structures dedicated to this form of tourism that could host up to 80.000 boats. Venice leads, with more than 1.8 million passenger movements - Table 11 - which lists the main cruise ports of the Adriatic and Ionian Sea, and showing as being also in the world top 10. Dubrovnik is second in terms of passengers and leads for cruise calls.

Table 12 - Density of boat structures and berths per Adriatic region, 2014

COUNTRY	REGION	COASTLINE (KM)	BERTH/KM *	KM PER STRUCTURE *
ITALY	Puglia (Adriatic and Ionian coast)	860	15	12
ITALY	Molise	35	23	18
ITALY	Abruzzo	133	20	19
ITALY	Marche	180	32	14
ITALY	Emilia Romagna	130	51	5
ITALY	Veneto	170	66	4
ITALY	Friuli Venezia Giulia	130	89	3
ITALY	Calabria	725	24*	-
ITALY	Sicilia	1639	27*	-
CROATIA	Istarska	539	7	45
CROATIA	Primorsko-goranska	1.065	3	89
CROATIA	Zadarska	1.082	5	18
CROATIA	Šibensko-kninska	806	6	40
CROATIA	Splitsko-dalmatinska	1.064	2	66
CROATIA	Dubrovačko-neretvanska	1.025	1	171
MONTENEGRO	Montenegro**	294	12	37
ALBANIA	Vlorë	244	1	244
GREECE	Corfù	200	9	100

*Source: Risposte Turismo (2014), Adriatic Sea Tourism Report. Notes: (*) the values have been rounded either up or down to whole numbers. (**) overall Montenegro coastline. Table does not include some regions without structures as in Croatia Ličko-senjska county (200km of coastline), in Federation of Bosnia and Herzegovina (23.5km), in Albania Lezhë (38km) and Durrés (62km), in Greece Epirus (200km). * estimated values.*

The first 10 positions remained the same as in 2012 with a total Adriatic traffic that overtakes the 5 million (5.22) achieved with nearly 3.200 cruise calls[13]. With regard to the number of berths per km of coast in Adriatic, the table shows that Friuli-Venezia Giulia could count on 89 berths per km, followed by Veneto (66) and Emilia Romagna (51).

Croatia presents lower values, due to its numerous islands and coastline kilometers. Paying attention to the km per structure figures, it is possible to notice that apart from Albania which only has one marina, Croatia shows high values and hopes, more so than if compared to Italy.

13 Risposte Turismo (2014), Adriatic Sea Tourism Report .

4 - The most relevant barriers to competitiveness for the tourism sector

4.1 - Adriatic and Ionian Heritage: a SWOT analysis

The Travel & Tourism industry has managed to remain relatively resilient over the recent year despite the uncertain global economic outlook. This has been characterized by fragile global economic growth, macroeconomic tensions, and high unemployment in many countries. Indeed, the sector has benefitted from the continuing globalization process: travel has been increasing in mature markets and, particularly, has been driven by the rising purchasing power of the growing middle class in many developing economies.

In such a context, Travel & Tourism has continued to be a main sector for economic development and for sustaining employment, in both advanced and developing economies. A strong T&T sector contributes in many ways to development and the economy. It makes both direct contributions, by raising the national income and improving the balance of payments, and indirect contributions, its multiplier effect and by providing the basis for connecting countries, through hard and soft infrastructure —attributes that are critical for a country's more general economic competitiveness.

In this regard, are listed below some evidence emerging from the study:

- The Adriatic and Ionian Region has a vast cultural and natural heritage: 76 Unesco sites and 65 National Parks;
- A rich set of ports and other coastal infrastructures: more than 20 cruise ports and 6.3 million passengers movement in the Adriatic Sea;
- A coastline of almost 11,000 km (Italy, Croatia, Slovenia, Bosnia and Herzegovina, Montenegro, Albania and Greece);
- More than 1.300 islands mostly along the Adriatic and Ionian coast;
- Some of the least-touched alpine regions on the continent;
- Mediterranean climate along the coast;
- Mild winters at the coast and in the Southern part of the region;
- Snowy winters in the mountains (ski-tourism);
- Excellent outlook concerning the growth of incoming arrivals in the East-bank Adriatic regions (Eastern coast Adriatic regions) - a growth rate of over 5% has been recorded in the last years;
- The weight of the Italian regions is actually excessive compared to other partners (more than 50% of the total amount);
- A rich natural heritage, food and wine cultural important drivers for facilitating the process of seasonal adjustment;
- Not only sea: besides the fabulous coastal landscapes, each of the eight Countries from the EUSAIR area offers a great deal of touristic development opportunity even in the hinterland areas (Medjugorje, Mountain of Ioannina & Meteora, Mostar, and so on) and beyond summer months;
- Improving the road infrastructures is particularly important since tourists tend to arrive by road in the East Adriatic (more than two-thirds of international tourists arrive by road).

The Adriatic and Ionian Region cohesion process has become more and more indispensable in order to face some evident issues:

1. Touristic receipts declined in all of the countries due to financial crises, it's necessary an immediately reset the pre 2008 standards;

2. Countries which handle bigger number of incoming touristic flows and a wider receptive capacity (Italy, Greece e Croatia) are nowadays stagnating due to low investment, poor GDP and employment

growth, very low rate of accommodations beyond the summer months;

3. On the contrary, Montenegro, Albania, Serbia, Slovenia and Bosnia & Herzegovina are passing through a period of fledged touristic development and the 2020 WTTC outlooks indicate a further growth.

Looking at the Global Travel & Tourism Competitiveness Index (TTCI) - Table 13 -, it is clear that it aims to measure the factors and policies that can attract and develop the T&T sector in different countries. It is possible to highlight that in the Adriatic and Ionian Area, Transport Infrastructure, Human Resources and Price Competitiveness have been identified as the most relevant barriers to competitiveness for the tourism sector.

Table 13 - Top 10 most problematic areas based on average rank (Out of 140 Countries)*

Pillars	Albania	Croatia	Bosnia & Herzegovina	Montenegro	Italy	Serbia	Greece	Slovenia	Adriatic and Ionian Region Average
Air and Ground Transportation	92	61	133	75	32	113	39	50	74
Human Resources: Education and Training	53	83	94	63	41	94	50	55	71
Price Competitiveness	64	109	107	62	134	119	127	111	104
Natural and Cultural Resources	98	44	93	61	31	98	33	57	64
Prioritization of Travel and Tourism (Marketing and Branding)	59	61	116	44	79	108	28	50	68
Policy Rules and Regulations	69	96	104	22	100	103	98	92	86
Environmental Sustainability	62	44	113	33	53	115	72	24	65
ICT Infrastructure	97	30	64	51	31	49	33	29	48
Health and Hygiene	69	31	59	55	29	46	13	26	41
Tourism Infrastructure	76	5	65	19	1	56	3	14	30
Country Average	77	56	95	49	53	90	50	51	65

Source: World Economic Forum, Travel and Tourism Competitiveness Report 2013. http://www3.weforum.org/docs/WEF_TT_Competitiveness_Report_2013.pdf. For more details about the index design, check the appendix on page 57.

As the Governments are already aware, access infrastructure especially remains a critical component in Travel & Tourism development, if its full potential is to be achieved. In most cases public infrastructure that supports Travel & Tourism expansion will also serve rural and regional development purposes and greatly aid employment generation, economic growth and foreign investment.

Other peculiarities highlighted by the TTCI indexes include the following:

➢ Some rather expensive countries in international comparison and compared to neighboring countries (Croatia, Slovenia, Serbia, Bosnia & Herzegovina, Italy and Greece);

➢ Natural and Cultural Resources are not truly valued in Albania, Bosnia & Herzegovina and Serbia;

- ➢ Low level attention to the development of tourism strategies and policies in Bosnia &Herzegovina, Italy and Greece;
- ➢ Italy, Croatia and Greece are in the world top-five Touristic Infrastructure Ranking (Hotel rooms, Number of hotel rooms per 100, Presence of major car rental companies, ATMs accepting Visa cards);
- ➢ Bosnia & Herzegovina and Serbia don't give priority to tourism yet and pay little attention to creating an appropriate marketing and branding plan. Similarly, Italy is above the global average;
- ➢ Across all areas, the biggest challenges are identified: the development of Air and Ground Transportation, the improvement of Human Resources, Education and Training, and more awareness and control over Price Competitiveness and connect Policy Rules and Regulations;

Tourism is playing an increasingly important role in the future of the Adriatic and Ionian Region. The Adriatic and Ionian Region enjoys a great variety of landscapes and rich diversity of natural, cultural and social heritage. Therefore, it will become increasingly more appealing to the affluent, discerning traveler looking for an 'authentic experience'. There are still challenges to overcome, including the need for a clear vision, strategy and follow-on implementation, more effective and more extensive industry engagement, reforms of an antiquated labor law and fiscal system, and active environmental protection. These issues have recently begun to be addressed by some governments and the private sector jointly, and it will continue to require the investment of funds, energy and time in order to succeed.

An analysis of the strong and weak points, of the opportunities and threats that characterize tourism in the Macro-region in its totality, is summarized in the following SWOT matrix, derived from the analysis by OECD (Organization for Economic Co-operation and Development) laid down in the section «Overview of tourism sector in See». The matrix has been integrated with the main trends that have emerged from this study. The forecast analysis of policy makers and stakeholders for the period up to 2020 can therefore be based on these benchmarks.

Table 14 - A SWOT (Strengths, Weaknesses, Opportunities, Threats): an analysis of tourism sector in the Adriatic and Ionian Area

Strengths	Weaknesses
• Location in (and proximity to) Europe as the highest-spending region on tourism	• Lack of sufficient entrepreneurial and managerial skills
	• Labor market rigidities hampering in particular self-employment
• Large diversity in natural habitat/ natural resources (offer potential for different kinds of tourism)	• Country image sometimes negatively influenced by previous conflicts
• Rich cultural heritage	• Lack of regionally integrated tourism strategy
• Some economies are price competitive in the tourism sector	• Partially outdated tourist infrastructure (e.g. museums, transport, but also lack of medium-sized hotels common in Western Europe) • Low share of business travel and stagnating growth rates in business travel spending
• Increasing investments in the Eastern Adriatic Area	• Full potential to attract tourists from WE not tapped (a majority of tourists come from neighboring countries)
	• Fragmentation of and insufficient coordination across value chains due to dominance of micro-enterprises, potential for long-distance tourism limited due to rather a poor airport infrastructure

Opportunities	Threats
• MICE - Meetings, Incentives, Congresses and Events – tourism, etc.)	• Increasing global competition among companies and regions worldwide
• Higher environmental awareness of tourists (can be leveraged for ecotourism, and away from mass tourism)	
• Tourism selected as a priority sector by some economies in the region	• Declining price competitiveness (e.g. Croatia)
• Long-distance travel almost fully untapped	• Tourism as a cyclical activity (strong seasonal fluctuation, economic recession, specific shocks)
• Rising purchasing power in emerging economies	• Stagnating purchasing power in region
• Technological change (Internet/ smart phones as major source of information and distribution)	• Expensive air travel (low price competitiveness of airlines) hampering growth in price-sensitive segments
• Demographic change (aging population wanting closer and safe destinations)	• Lack of sustainable planning (e.g. construction boom in Montenegro)
• Increasing demand for innovative and customized products (potential to focus on specific target groups)	• Weak image of tourism industry as an employer
• Mostly untapped high-value segments (e.g. adventure, culinary, medical/health tourism, music festivals,	• Environmental pollution and climate change
• Demand for “authentic”, and “special” experience	• Governance and brand positioning

Source: OECD «Overview of tourism sector in See». Next Generation Competitiveness Initiative, First Meeting of the Tourism Expert Group, Dubrovnik, 28 e 29 April 2014.

4.2 – A multidimensional approach of tourism sector: a new way of network governance

Governments of destination countries have a major role to play in the development, management, and promotion of international tourism. They take responsibility for developing, modernizing and managing the tourism infrastructure, such as airports, roads, and national parks, and establishing the regulatory systems that prevent uncontrollable growth that may damage the environment, historic sites and monuments.

In addition, governments are supposed to act to enable tourists to leave the destination countries with a favorable opinion. This can be achieved by forward planning in order to avoid the bottlenecks that disrupt the everyday tourists' plans and schedules. For example, if airports, air flights, or roads are too inadequate to meet tourist demand, those affected would be stranded and may never consider repeat visits to such a destination. Governments also have a primary responsibility in ensuring fair treatment of tourists as well as protecting their and their property's safety[14].

On the other hand, tourism is also a collective phenomenon which is linked to other sectors such as politics, society, technology, the environment and the anthropological aspect of the territories.

CO-OPETITION - a model in which a network of stakeholders cooperate and compete to create maximum value. This is one of the most important business perspectives of recent years, especially in the tourist sector. Internet and mobile technologies have made it even more necessary for companies and government to both cooperate and compete, by enabling relationships through information sharing as well as integrating and streamlining processes. In today's networked economy, co-opetition is a powerful means of identifying new market opportunities and developing business strategy[15].

By 2025, with the cooperation of all the tourism operators, the Adriatic and Ionian Region could become a unique, compact and homogeneous destination, able to offer the same quality and promote itself on the world markets. Milan, Venice, Bologna, Palermo, Belgrade, Lubiana, Athens, Dubrovnik, Tirana, Podgorica, Sarajevo will become part of a unique tourist network called the Adriatic-Ionian Macro-region: A great, competitive and sustainable tourist destination committed creating a unified image, a unique brand will enable new foreign market shares and the ability to compete on a global level.

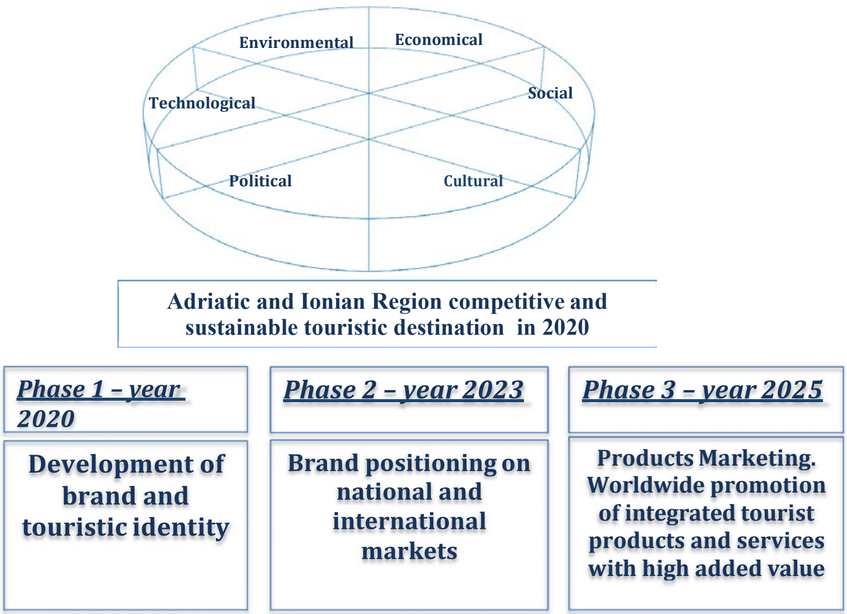
The idea of branding a destination is a relatively new one and the academic investigation of such a process is still in its infancy[16]. Although the words 'brand', 'branding' and 'destination image' have already appeared in many academic studies and industry conferences, no apparent effort has been made to distinguish between destination image and destination branding.

The most frequently cited definition for destination image is: 'the sum of beliefs, ideas and impressions that a person has of a destination'[17].

***

14 The Multi-Dimensional Impact Of International Tourism, Hany H. Makhlouf, University of the District of Columbia, USA (2012).
15 Strategic co-opetition: the value of relationships in the networked economy. Julie Bowser, IBM. Basic principles of co-opetitive structures have been described in "Game theory", a scientific field that received more attention with the book Theory of Games and Economic Behavior in 1944 and the works of John Forbes Nash on non-cooperative games. It is also applied in the fields of political science and economics and even universally (works of V. Frank Asaro, J.D.: Universal Co-opetition - 2011), The Tortoise Shell Code, a novel (2012), and A Primal Wisdom, a non-fiction corollary to the novel (2014).
16 "The Structure of Destination Brands", J. Gnoth, 1998.
17 Crompton, J. "Motivations of pleasure vacations. Annals of Tourism Research", 1979

Figure 24 - The multidimensional approach of tourism sector: an operating model



This involves an individual's mental picture of a place based on their knowledge and other global impressions. The image a person has of a tourist destination is a function of various points of reference. Successful destination branding involves establishing a mutual relationship between destinations and tourists by satisfying tourists' emotional ('relaxing', 'pretty') and basic needs (e.g. eating). In particular, branding of a destination helps to establish a link between destination image and consumer self-image. One of the most important determinants of branding is the brand personality: this emphasizes the human side of the brand image.

In practical terms, brand personality uses human personality traits to describe a destination image (e.g. family-oriented, friendly, exciting, interesting, original). A destination that forms a clear identity in tourists' minds can be easily branded. By the same token, brand personality brings the destination image alive. Looking forward, the Adriatic and Ionian Region will have to aim at building a unified image, a unique brand - VISITAIR.com – able to gain new foreign market shares and compete on a global level.

SECTION TWO: The strategy

5 - A joint strategy for a sustainable tourism development in the Eusair Area

5.1 - Introduction

This section of the document presents a shared strategy for tourism development in the EUSAIR area. In fact, from previous analyses emerges how, despite a huge potential, the Adriatic and Ionian Region is still facing considerable disparities, in terms of infrastructure, perspectives, and business opportunities, which can jeopardize the integration process, both between and within the states of the Region, and reduce attractiveness for investments and tourists. All of these, with negative repercussions in terms of jobs and prosperity. On the other side, a number of challenges and development opportunities have been identified, which need to be addressed through innovative but sustainable approaches, based on the enhancement of awareness and information exchanges.

With the aim to make tourism a leverage for strengthening territorial cooperation in the Adriatic and Ionian Region and to capitalize on the existing cooperation networks already set in the Area, the shared strategy here proposed intends to remove bureaucratic obstacles, create business opportunities and enhance the competitiveness of the Region, by building on its wide range of internal resources and attractors. In detail, the diversification of the EUSAIR Area's tourism products and services along with tackling seasonality of inland, coastal and maritime tourism demand, and the improvement of the quality and innovation of the tourism offer across the Region are here suggested, through a greater involvement of local authorities and civil society in the decision-making process and in the implementation of the EU regional policy, then conferring to the cooperation and integration activities a concrete regional dimension. Moreover, horizontal interventions promoting establishment of generally accepted standards and rules are recommended, as well as an improved cooperation between public and private tourism associations. This is the reason why a multi-level governance model is here depicted and a series of pilot actions are set up, which may be able to enhance knowledge-transfer, in particular among the representatives of the involved local and regional authorities (this, even through a raised awareness on European integration and EU accession), and to improve the local authorities planning capacity, by making them able to implement specific sets of skill concerning European project cycle management, structural funds management, fund raising and networking activities, through training courses and experience exchanges.

The net gains of this kind of joint approach are expected in terms of an increased tourist flows and access to new tourism markets, in the spread of peaks and troughs of demand so that Regional assets can be better utilized in time and space, in the diffusion of new technologies and know-how, in the preservation and valorization of EUSAIR Partners' natural, cultural and social heritages, which could promote more business opportunities while increasing employment and fostering enterprise development.

In order to reach these goals, the three mutually reinforcing priorities (smartness, inclusivity and sustainability in growth) the European Commission put forward within the Europe 2020 strategy have been taken in consideration, as well as the Communication from the European Commission to the other EU Institutions concerning the European Union Strategy for the Adriatic and Ionian Region (COM(2014) 357 final), and in the Action Plan which complements the Communication.

The latter, in particular, identifies four pillars for the Adriatic and Ionian Region development to be reached: a) a blue growth (that is to say, an innovative approach to the maritime and marine ecosystems, which could promote sustainable business opportunities in the Blue Economy sectors, in line with the Barcelona Convention); b) an improved connectivity within the Region and with the rest of Europe, first of all in terms of infrastructure and energy networks; c) a focus on the environmental quality, due to its ability to underpin human activities in the Region and to ensure economic and social well-being for its peoples; d) a sustainable and responsible development of the Regional tourism potential, through innovative and quality tourism products and services.

These pillars are at the basis of the joint set of actions here proposed, which are grouped into a series of lines of intervention. Both strategy and actions result from the study of strategies, models of governance, best practices and initiatives adopted within the Area for the enhancement of tourism, as described in policy documents collected from EUSAIR Partners. Moreover, an analysis of EU documents has been carried on, with a particular regard to: the Treaty of Functioning of the European Union where, as laid down by Article 195, the promotion of competitiveness, the exchange of good practices, the development of an integrated approach to tourism are considered the main triggers for a smart, sustainable and inclusive growth; the Communication (COM(2010)352) Europe, the world's No 1 tourist destination – a new political framework for tourism in Europe, in which the Commission focuses on the need to boost competitiveness in the European tourism sector with a sustainable approach; and the Communication (COM(2014)86) A European Strategy for more Growth and Jobs in Coastal and Maritime Tourism, that sets the framework for current challenges and proposes a collection of actions to unlock the full potential of this growing and promising sector. Finally, the strategy here proposed has been fine-tuned by a bottom-up consultation process, which involved a wide range of stakeholders from the Adriatic and Ionian Region representing national, regional and local authorities, but also the private sectors, academia and civil societies. This, with the aim to allow stakeholders at all levels to comment on and to endorse the selected priorities and lines of interventions as the most promising for responding to challenges and opportunities shared by the EUSAIR countries.

5.2- A shared strategy for cooperation in tourism. Priorities

The strategy here proposed aims at contributing to smart and sustainable growth in the EUSAIR Area, through the promotion of a more resource-efficient, responsible and high-quality tourism offer, while delivering social and territorial cohesion.

Two are its general objectives:

a. to boost competitiveness of tourism supply chain in the Region, while being aware that in the long term competitiveness itself is closely linked to the sustainable way in which it is developed;

b. to support the evolution and transformation of the EUSAIR Area into a proper tourism destination, whose integrated and coordinated activities provide customers with the experiences they expect.

With regard to point (a), it is perhaps not surprising that much of the interest in managing competitiveness in tourism from a sustainable perspective focuses on the ecological dimension, given the level of concern expressed globally about human pressure on the earth's environment. In this sense, tourism industry is called to play an important role, by ensuring that any development in terms of arrivals or presences minimizes harm to the Regional habitats and ecosystems. However, with a view to dynamic growth, in addition to protecting the environment an effective tourism policy has to be capable of meeting the economic needs and aspirations of residents over the long term, by providing job security, attractive wages, salaries and benefits, and economic incentives that encourage preservation and protection.

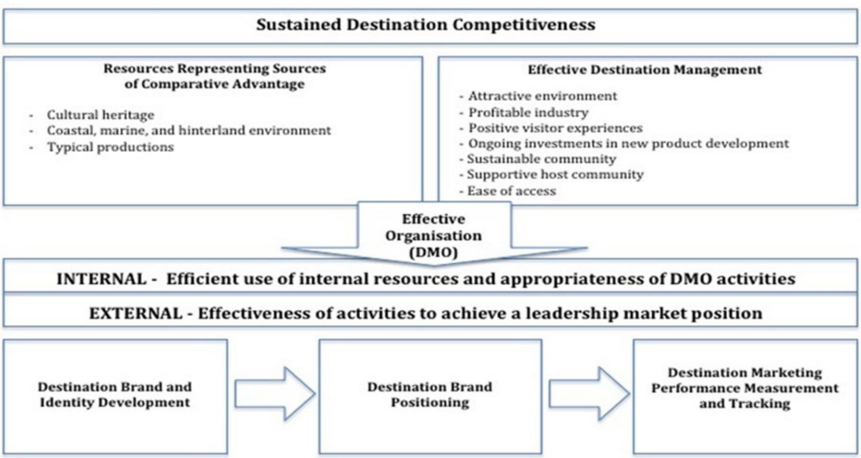
Finally, to be properly sustainable a tourism development strategy has to be addressed to its sociocultural impacts. In fact, when tourists travel, the desire to see, experience and learn something of the area's sociocultural fabric is typically a central element of their motivation. However, if from the one side tourism contributes to border cultural understanding by creating awareness, respecting the diversity of culture and ways of life, from the other the presence and influence of tourists can create negative impacts on the host societies, for instance in terms of commodification of those things that define their culture, crime or environmental deterioration, which can bring about irritation and stereotyping. This is the reason why a bottom-up approach is highly recommended, in which residents may be empowered, through consultation and participation, on the number of aspects covered by a strategy for sustained competitiveness in tourism, like: the responsible use of natural resources, taking account of the environmental impact of tourism-related activities (first of all, in terms of waste production, pressure on water, land and biodiversity) and the use of "clean" energy; the protection of integrity and the preservation of the full range of heritages in the area; the quality and durability of jobs created, as well as customer hospitality and care.

Within this framework, the strategy here proposed is based on the assumption that what makes the EUSAIR Area truly competitive is its ability to increase tourism expenditure, to increasingly attract visitors while providing them with satisfying, memorable experiences, and to do so in a profitable way, while enhancing the well-being of residents and preserving the natural, social and cultural capitals of the Area for future generations.

In order to achieve this goal, a meta-managerial action is required, by the development of an EUSAIR Destination Management Organization, making the Region to emerge as a geographical space in which exists, under the same brand name, a cluster of tourist resources and attractions, infrastructure, equipment, service providers, other support sectors and administrative organizations, whose integrated and coordinated activities provide customers with the experiences they expect. The Destination Management Organization (DMO) here defined should be both entangled with a better connection between the supply and demand aspects of tourism, through an integrated promotion of the Regional tourism offer, and with a maximized use of its cultural, natural, maritime and agri-food heritages towards tourism development. This, by encouraging a horizontal approach, which could highlight interdependence between the tourism industry and other complementary sectors along the value chain.

Then, it follows that the focus of DMO activities lies in developing and leading collaborative practices that match internal (destination) resources with macro environment (market) opportunities. The remainder of this proposal is based on the structure depicted in Figure 1.

Figure 1 – The proposed Destination Management Framework



Source: Adapted from Pike, S., & Page, S.J. (2014). Destination Marketing Organizations and destination marketing: A narrative analysis of the literature. Tourism Management, 41, 202 – 227.

At the pinnacle is what is believed to be the quintessential goal of the EUSAIR Destination Management Organization, which is a sustained destination competitiveness. Any attempt to achieve this requires two core elements, the first of which are resources that represent the most effective sources of comparative advantage[18] and that are here identified in the intrinsic variety of cultural, natural (in terms of coastal, marine, and hinterland environment), and agri-food Regional heritages. The second requirement is effective destination management. Common to both elements is the need for organization and leadership of the amalgam of stakeholders associated with the tourism itself and the tourism-related industries, by the definition of an impartial coordinator, able to pool destination resources, to promote transnational synergies, and to create a bigger collective impact in the market, while ensuring a seamless, hassle-free interface among all elements of the total travel experience. With this regard, destination management organizational activity can be viewed from two perspectives: internal (through an appropriate and efficient use of resources) and external (as search for effectiveness, in order to establish and hold a leadership market position in both traditional and emerging source markets); both of them, involving the development of a brand identity and the coordination of brand positioning marketing communications, the success of which requires performance measurement and tracking.

In this perspective, tourism has not to be considered a sector on its own: a joint development of tourism and other industries is needed, through the activation of synergies with sectors like the Blue and the Green ones, as well as those of cultural and creative industries[19] or typical productions. In this way the cultural, natural and agri-food heritages of the EUSAIR Area will be not only protected or valorized, but rather used as drivers for innovation and creativity, that is to say sustainable competitiveness. Then, a series of actions are here proposed, which are grouped under the following lines of intervention:

- Line 1: ***Improve quality and innovation in tourism supply chain***, by supporting an entrepreneurial approach whose goal is to reduce the sector's dependence on the seasonal model;

- Line 2: ***Create an integrated tourism offer***, by providing high value-added products and services;

- Line 3: ***Bring about a flexible interface management system***, able to promote responsibility, cooperation and exchange of good practices among the amalgam of stakeholders associated with the tourism itself and the tourism-related industries;

- Line 4: ***Increase physical and informative accessibility to the Area,*** as well as internal mobility, by adjusting tourism products and services to the needs of both residents and visitors.

These suggested lines of intervention are hoped to provide the skeleton for a new action framework for tourism, which the EUSAIR Partners may implement in close cooperation with principal operators in the industry, in order to promote tourism and strengthen territorial cooperation in the Region.

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18 For a resource to be considered a source of comparative advantage, the following criteria are identified: it should be "valuable", in terms of either reducing costs or increasing revenues; it should be "rare", relative to rivals in the competitive set for a given travel situation; it should not be "imitable" by competitors; it should be "organizable" by firms in order to maximize its marketplace impact.

19 In defining the "cultural" and "creative" industries, this documents adopts the approach from the European Commission's Green Paper *Unlocking the potential of cultural and creative industries* and the 2005 UNESCO *Convention on the protection and promotion of the diversity of cultural expressions*. On these premises, "cultural industries" are intended to be industries producing and distributing goods or services which at the time they are developed are considered to have a specific attribute, use or purpose which embodies or conveys cultural expressions, irrespective of the commercial value they may have. They may include film and video, television and radio, video games, new media, music, books and press, besides the traditional arts sectors like performing arts, visual arts, and cultural heritage, including the public sector. On the other side, "creative industries" are those industries which use culture as an input and have a cultural dimension, although their outputs are mainly functional; in these terms, they include architecture and design, which integrate creative elements into wider processes, as well as subsectors such as graphic design, fashion design or advertising.

6 - Action framework

In accordance with the analyses and objectives set out above, on the basis of the feedbacks emerged from the bottom-up consultation process, and taking full account of the institutional framework on tourism provided by the Communication (COM(2010)352) *Europe, the world's No 1 tourist destination – a new political framework for tourism in Europe*, the Communication COM(2014)86) *A European Strategy for more Growth and Jobs in Coastal and Maritime Tourism*, the *Europe 2020 Strategy* and the *EUSAIR Action Plan*, a set of actions are now proposed that can be carried out within a sustainable and smart approach of tourism, in order to enhance and strengthen cooperation between and within the EUSAIR Region.

6.1 - Line 1: Improve quality and innovation in tourism supply chain

It has been hitherto pointed out how tourism activities are already considered by EUSAIR Partners as an effective and profitable leverage for sustainable growth. However, they are not always managed soundly yet, and this can have negative effects on heritage valorization or environmental protection, as well as in terms of customer satisfaction, which in turn means employment and enterprise development.

By integrating quality and innovation approaches into their activities, tourism supply chain operators may increase business by protecting the comparative advantages that make the EUSAIR Region an attractive tourist destination. Then, the objectives of this line of intervention are: a) fostering competitive and (eco) innovative tourist SMEs; b) tackling the seasonality issue; and c) improving intra-Regional cooperation. A series of actions promoting a better understanding of the concept of "sustainable development" among tourism stakeholders are therefore needed, including horizontal interventions that aim to:

- Action 1.1 - *Establish a harmonized set of standards and classification systems for the hospitality industry*, which may act towards the definition of a joint destination offer, as well as an important benchmarking instrument. Classification may thus support both consumers in information seeking, giving them confidence before, during and after the stay, and tourism intermediaries, giving a reference they can use when preparing their catalogues, or negotiating wholesale deals, or putting together a customized product.

- Action 1.2 - *Define a joint label for high-quality tourism accommodation products* from the EUSAIR Region which, based on existing national experiences, may encourage continuous improvement within a coherent framework. The latter, in particular, could make it possible to evaluate in a consistent manner a sector that is characterized by an extreme diversity of accommodation units, the vast majority of which, in both number and volume, are managed by individual entrepreneurs or by enterprises with fewer than 10 employees. By rewarding rigorous efforts by tourism professionals whose aim is quality of tourism service for customer satisfaction, the high-quality label may thus increase consumer security and confidence in tourism products, acting as an instrument for marketing based on the "certification platform". Moreover, it would support promotional efforts by hotel and non-hotel structures, which by featuring the label may be able to promote their specific characteristics, and their additional services. Finally, the high-quality label would be useful for improving cooperation between public and private tourism associations, and for fostering the development of a competitive tourism supply chain, showing the EUSAIR Partners desire to bring the quality of their products and services up to a higher level.

- Action 1.3 - *Develop long-life training programs and e-learning platforms*, in order to update and homogenize (even through a joint Sector Skills Alliance) competences in product/service design, accessibility, hospitality, marketing and promotion in the tourism and tourism-related industries supply chain, with a particular regard to SMEs. As tourism in the Area is experiencing a gap in qualified skills and strategic information on new market trends and new management concepts, the development of vocational training and e-learning platforms is here supported. In detail, an open learning approach, which combines the principles of learner-centeredness, lifelong learning and flexibility of learning can be widely applied in the construction of educational programs where the learners are encouraged to develop professional skills for effective management. Moreover, the professional mobility of workers in the sectors of tourism, Green and Blues economies, cultural and creative industries, and agri-food is encouraged, by a joint promotion of opportunities offered alongside various EU programs such as COSME and ERASMUS +. This with the aim to allow the industry to adapt to social developments which will influence tourist demand, by fostering know-how transfer and good practices exchange on the themes of destination and hospitality management.

- Action 1.4 - *Digitalize communication and available tourism offer data storage*, by the development of an EUSAIR Area-wide B2B online platform working as a backbone for information audit and transfer. The main functionalities provided by the platform should be the following: a) a unified database, in order to identify and network the existing resources and attractions in the Area that represent potential sources of comparative and competitive advantage (using these concepts differently, when pondering whether Regional stars are made or born) in the various markets of interest to stakeholders, even providing suggestions for the development of advanced tourism products and thematic itineraries on an EUSAIR-Area scale, as described in Action 2.1; b) a facilitated dissemination of tourism knowledge and innovation, by linking the Region's business actors among themselves, in order to promote the exchange of good practices among the Region, or allow the supply chains operators to respond to market demands and requests quickly, engineer experiences to match specific market expectations, and build long-term relationships with them by understanding their needs and preferences; c) an effective connection between travel businesses (such as providers of accommodation, transport and complementary services, as well as operators working in the field of cultural and creative industries, the Blue and Green sectors, or in that of typical products) with travel agents and tour operators, making them able to upload all available tourism offer; d) a joint database of support services, to be filled in cooperation with local Chambers of Commerce.
  Moreover, the integration of this platform with the ICT systems already in place in Partners' regions, as well as the provision of a wider support towards the adoption of Information Technology in tourism providers' operational, marketing and promotional activities are here proposed. This with the aim to make the EUSAIR-Area tourism supply chain operators understand that, with the maturity of Internet users, simply providing information about products and services is not sufficient; hence, a more sophisticated and interactive Web-based destination informative system is needed, in order to take full advantage of opportunities to grow their businesses in the digital market.

- Action 1.5 - *Create a business friendly environment for innovative sustainable tourism start-ups and potential entrepreneurs,* stressing on the development of programs, joint ventures and innovation incubators aiming to help start-ups, SMEs and university spin-offs in: a) bringing new products and services into the sector; b) accessing to market information or overcoming legal obstacles; c) taking advantage of opportunities offered by the Green and Blue economies, as well as those from creative industries and typical productions; d) identifying potential business, technology, or research partners across the Area. The aim of this action is, indeed, to reignite the Regional entrepreneurial spirit by educating people about creativity, innovation, risk taking, ability to plan and manage projects in order to achieve objectives, thus encouraging to set up their own businesses. Certain groups, such as female entrepreneurs, family businesses, liberal professions, migrants, seniors or social economy enterprises may be particularly targeted.

- Action 1.6 - *Provide incentives, under the form of additional funds or tax reduction, to support investment in eco-efficiency improvements*, in terms of sustainable construction, retrofitting, waste management and recycling. It has been already underlined that the quality of the EUSAIR tourist destination is strongly influenced by its natural and cultural environment and its integration into the local community; moreover, the adoption of quality management and environmental management would permit the improvement of competitive advantage in terms of both costs and differentiation, with highly positive tourist responses to them. Then, initiatives which promote environmentally-friendly practices through a responsible management of such resources as energy, water, raw materials and guarantee optimum conditions for services and safety, particularly when catering for elderly people or those with reduced mobility, are here encouraged. In particular, incentives towards the average water use reduction are recommended: in fact, water demand from tourism-related hospitality is recognized as a major environmental challenge for the EUSAIR Area, as it may be responsible for significant impact via its contribution to the depletion of groundwater and associated problems such as salinization and subsidence, and demand for energy-intensive desalination and water importation, all problems which can lead towards social tensions within the Region.

6.2 - Line 2: Create an integrated tourism offer

In order to boost competitiveness and develop the potential of the tourism supply chain in the EUSAIR Area, sustainability needs to be strongly linked to commercial perspectives. This is the reason why an integrated tourism offer has to be created, here defined as that which is explicitly linked, through a participatory community, to the localities in which it takes place and which has clear connections with Regional resources, activities, products, production and service industries.

By improving the existing and delivering new high value-added products and services, a "heritage economy" approach to integrated tourism is proposed, which emphasizes the importance of local identity, the strategic valorization of resources and place, and the importance of extra-local forces in enabling local activities. Then, a series of actions are here proposed, aiming to:

- Action 2.1 - *Develop advanced tourism products and thematic itineraries on an EUSAIR-Area scale*, as key pull factors motivating tourists to visit it. The joint capitalization of cultural heritage, natural and maritime heritage, and agri-food heritage is here proposed as one of the main leverages for both encouraging intra-Regional flows, and motivating extra-Regional tourists to visit it, while differentiating the EUSAIR destination from competing places. On the basis of the EUSAIR Area-wide resource audit, as well as in coherence with the main trends in world-wide tourism previously discussed, the suggested tourism products and thematic itineraries should be particularly based on the:

a) Establishment of a network that will direct visitors to the various UNESCO sites across the Region, in coherence with the Ljubljana Process;

b) Establishment of a network that will direct visitors to the various Natural Parks and Reserves across the Region, in coherence with the *EU 2020 biodiversity strategy* and the *Natura 2000 Network*;

c) Enhancement of the yachting sector, by defining common procedures for berth allocation, by delivering joint visas and nautical licenses within the EUSAIR Region, as well as by optimizing port interfaces, infrastructures and procedures/operations;

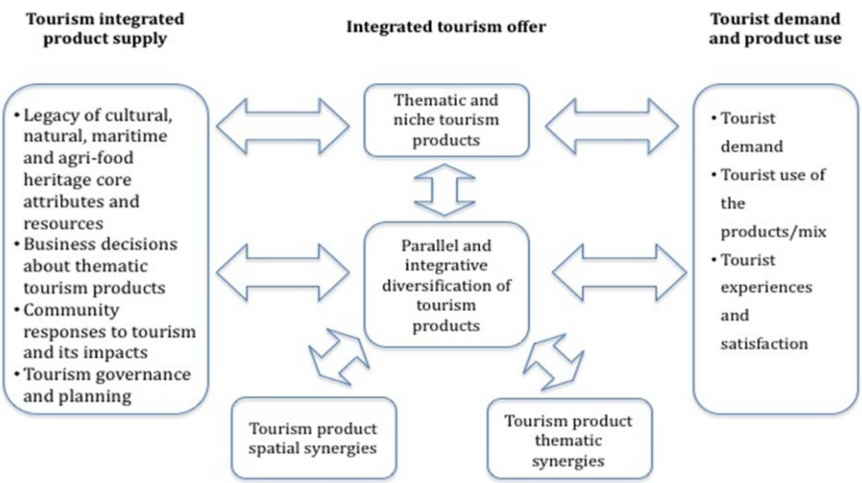
d) Development of an EUSAIR destination Card, which should include a detailed Regional map, unlimited use of the public transport system, free entrance to best destination attractions, discounts for Intra-Regional mobility, and special offers for buying EUSAIR agri-food products.

Such linkages, even on the base of the available tourism offer data storage as described in Action 1.4, could package destination attractions together, thereby enhancing competitiveness by offering varied experiences and activities, greater potential for customized products that meet tourists' individual needs and interests, and enhanced flexibility in response to changing tourist tastes and demand. A parallel and integrative diversification of tourism products could also encourage "alternative" products that potentially are more socially and environmentally sustainable for the EUSAIR destination, such as because they encourage appreciation of its special character, or involve businesses that are locally owned, or because the products are small-scale in terms of tourist numbers and infrastructure requirements.

With this regard, enhancement of itineraries linked to religious tourism, locations of the First and Second World War, as well as a tourism offer addressing specific targets, such as seniors, youth or people with disabilities, would be of interest. Moreover, with experiences seen as central to tourist choice and satisfaction, a higher profile for the EUSAIR Area tourism offer may be ensured by interconnecting, through synergistic relationships and cooperative arrangements, existing niches of excellence, in particular with regard to luxury, culture and the agri-food. The promotion of joint coastal and rural tourism packages is finally proposed, in order to make tourists experiencing the EUSAIR destination from the water and attract them to the hinterland.

The development of tourism products and itineraries in the EUSAIR destination may be complex due to the amalgam of elements, such as physical plant (including natural features and weather), the input of services, hospitality, choices for tourists, tourist involvement in the delivery of services, and also experiences associated with them. Moreover, among these elements some are more tangible and others are more intangible, the latter of which include, for example, the representations and images of primary tourism products, which the tourism industry or other communication channels may promote, as well as the cultural and symbolic meanings tourists associate with these products. This is the reason why a broad conceptual framework identifying elements, connections and processes related to the proposed development of advanced tourism products and thematic itineraries is presented in Figure 2. An integrated tourism offer, and notably the balance between parallel and integrative diversification, are the key concern here, so they are at the diagram's center. However, in order to be properly understood, the advanced tourism product features have to be considered in relation to other associated elements and processes, which are tourism product supply as well as tourist demand and product use.

Figure 2 – The proposed framework for the development of advanced tourism products and thematic itineraries



Source: Adapted from Benur, A.M., & Bramwell, S.J. (2015). Tourism product development and product diversification in destinations. Tourism Management, 50, 213 – 224.

Tourism integrated product supply is described on the left side of Figure 2, with this substantially affected by the legacy of physical, environmental and socio-cultural characteristics or attributes of the Region. Market forces are also vitally important, notably through destination governance or businesses making commercial decisions about products based on current and potential future levels of demand. The character of that supply can also be influenced by Regional civil society and interest groups, according to their views about tourism's impacts and desirable forms of development, including affecting tourism.

Tourist demand for tourism products and the tourist uses of those products occupy the right side of Figure 2. Tourist demand reflects interactions with tourist needs and motivations, including tourists' desires to build their wellbeing in ways which may be consonant with their expectations, images, experiences and eventual previous level of satisfaction with the destination products. There are also important influences on tourism product processes from the ways in which tourists decide to use the products that destination offers, including how they combine the mix of products.

All meaning that what tourists are looking for is largely the experiences provided by destination attributes and infrastructure, rather than attributes and infrastructure in themselves. The two-way arrows linking integrated tourism offer, tourism product supply, and tourist demand and product use suggest that relationships described in Figure 2 are fluid, dialectically interrelated, and mutually constituted, so that each embodies its reciprocal relationships with the others, and they should not be seen as rigidly divided or as binaries. Tourist demand and consumption experiences, for example, are inseparable from tourism production and supply, as they are constantly feeding back on one another, thereby influencing the development of tourism products and their appeal to customers.

In all parts of the framework, the elements and their interconnections also bring together the varied tangible and intangible elements of tourism products. For example, it is here argued that, while tourism products in the EUSAIR destination have to be based on a complex set of physical, environmental and socio-cultural attributes and infrastructure, the product images and their meanings are also highly important. This is the reason why key features and processes in EUSAIR destination offer include spatial synergies between the tourism products, and the presence and types of thematic synergies between the products. The latter emerge between diversified tourism products in the Region based on their thematic compatibility and complementarity, that is to say on the degree to which businesses may interchange customers, with that often based on the linkages of appeal and symbolic meanings between the attractions. Moreover, tourism products may form spatial clusters, and their co-located agglomeration may have an enhanced appeal for tourists, by assembling a narrative structure that will lead visitors through thematically interrelated sub-attractions and create business opportunities and extend length of stay. Then, the combination of spatial proximity among products and attractions, combined with synergies of appeal between them, can result in multiplier and externality effects, increasing likelihood that tourists who visit one attraction will visit others, and accelerating opportunities for new forms of economic wealth by creating a demand for a host of complementary activities which in turn generate their own growth effects.

- Action 2.2 - *Develop a joint destination brand,* based on the EUSAIR Region's common values, core resources, and identity, which could be able to posit the Area as a whole and make it attractive in the eyes of visitors, residents and stakeholders. In particular, this Action supports the creation of a name, symbol, logo, word mark or other graphic that readily identifies and differentiates the Region as a proper and unified destination, while consistently conveying the expectation of a memorable travel experience and reinforcing the emotional connection between the visitor and the destination itself. In order to be effective, the joint destination branding process will have to comprise the assessment of three key elements: a) brand identity, which is the image aspired to in the marketplace for the destination itself (with preparatory steps requiring targeting global travel, as well as the portfolio analysis of value-added products and services); b) brand image, through the measurement of all objective knowledge, impressions, prejudice, imaginations, and emotional thoughts an individual or group might have of the EUSAIR Area as a tourism destination; c) brand positioning, by identifying those attributes allowing the destination to maintain a favorably distinctive place in current and potential target markets, in comparison with close competitors.

- Action 2.3 - *Define a coherent on-line and off line marketing and communication plan, for the promotion and commercialization of integrated tourism products and itineraries,* in both established and emerging markets. Improving the attractiveness of the EUSAIR destination is needed for increased tourist flows, in order to allow tourists to discover its rich heritage, beyond the mainstream attractions of Europe. With this regard, preparatory steps require: a) the identification and selection of target tourist groups, both actual and potential; b) the identification and selection of the key messages to be conveyed, in order to ascertain and influence targets' wishes, needs, motivations, likes and dislikes, on regional, national and international levels; c) the adaptation of EUSAIR integrated tourist products in view of achieving optimal tourist satisfaction thereby fulfilling tourism supply chain operators' objectives.

The enhancement of awareness towards the Region as a whole destination and the joint promotion of its tourism products and itineraries should be particularly based on the participation, as a proper destination and under the same brand (see Action 2.2), at major international events or large-scale tourism fairs and exhibitions, as well as on the organization of edu-tour for writers, artists, journalist and opinion-leaders, led by expert EUSAIR ambassadors who know the Area and the nuances of its rich and diversified heritage. Moreover, the development of on-line and off-line international campaigns, both providing information about the tourist offer and promoting excellences in the Region is here suggested, coupling with the development of on-line and off-line intra-Regional campaigns, targeting both residents and operators in the field, in order to make citizens sensitive of potentialities related to tourism development, as well as to foster the exchange of good practices. With this regard, and in coherence with Action 4.3 and 4.4, the representation the EUSAIR Area's cruise ports is highly recommended, even with the aim to make tourists experiencing the EUSAIR destination from the water and attract them to the hinterland.

6.3 - Line 3: Bring about a flexible interface management system

Exchange of information, use of synergies and coordination of action are here supposed to positively affect the EUSAIR destination development, and are considered to be the building blocks for innovation and a versatile competitive base. In principle, however, one cannot assume that a-priori the EUSAIR destination's actors are willing to work together: in fact, transaction costs and the existence or non-existence of social ties have to be taken in consideration. This is the reason why a flexible interface management system, able to foster responsibility, cooperation and exchange of good practices among the amalgam of stakeholders associated with tourism itself and tourism-related industries, is here proposed. This, in order to identify and articulate collective interests, establish links as well as coordinate negotiations, develop joint strategies and action, carry on a series of intervention relying on a form of self-governance. A proper shift from place management to destination management should result, from the accomplishment of the following actions aiming to:

- Action 3.1 - *Create an EUSAIR Destination Management Organization (DMO),* which may act as organizer and facilitator for tourism marketing and development in the Region, while reflecting the expectations of all groups within the destination by developing, managing and promoting the EUSAIR destination in a manner that is sensitive to both the needs of quite often disparate tourism stakeholders and the future needs of the marketplace. However, representing stakeholders' interests and promoting networking capability (i.e. the ability to interact and collaborate effectively with stakeholders in the destination, which includes developing and sustaining inter-organizational relationships) within the Region, are just two of the main functions the DMO should be enrolled in. In fact, to better serve the interests of the tourism industry in the destination, the EUSAIR DMO should cover the following main areas of function:

a) *Information provider*, making businesses aware of what opportunities are available, being a contact point for people who want to visit the Area and drawing residents' attention to tourism;

b) *Community brand builder*, with the aim to make the destination attractive and competitive, by performing the operational activities (marketing, service provision, product development, etc.) in a professional manner and by assisting external organizations to bring visitors to the destination. In these terms, the DMO should even act as the "marketing representative" of the Area, promoting and positioning the destination as one place for potential visitors over a larger geographical range as well as at a bigger business scale than an individual business can afford to do;

c) *Organizer of marketing campaigns*, with a primary interest in understanding what marketing activities are viable for the local destination, how the constituents proceed with the marketing activities, which marketing activities should be at the decision-making table and, in particular, how to include as many partners as possible. Moreover, this role should include an ongoing search for good marketing and promotion ideas, and the welcoming and sustaining of participation by community-based, destination-based and constituency-based organizations and individuals;

d) *Convener and facilitator for collaborative community problem solving*, acting as a source of fairness and encouragement, and a resource for all those who might need it in the collaborative process. The DMO will also be the liaison between national tourism industries and governments, advocating the establishment of a joint, stable and simplified legislative and fiscal framework in the industry, as well as between the visitor and the community, in order to convey information back and forth, with the aim to empower residents while keeping the visitors satisfied.

e) *Catalyst of collaborative initiative*, by stimulating discussion with a long-term strategy in mind or eventually providing supporting and matching funds. In these terms, the EUSAIR DMO should be involved in an early and clear commitment to participate in community problem solving that begins with an initial discussion of issues, using its influence and resource base to make the collaborative initiative "real" in the minds of various other potential partners who may be waiting for leadership before creating commitment to an action agenda;

f) *Partner and team builder*, by creating the interest for the tourism and tourism-related industries to work together, or making sure that the empowering partners share risks, responsibilities, resources and rewards in collaborative managerial efforts so that they establish mutually respectful, trusting relationships, take the time to understand each other's motivations and expectations, and state problems in a manner that provides opportunities for all the others involved in the process, while guaranteeing the quality of the management activities and the likely outcomes of such activities;

g) *Network manager*, by coordinating the diverse group of industry stakeholders in the EUSAIR Area. In fact, in the domain of management, it was widely agreed that networks in which individual businesses that consciously collaborate and cooperate with one another are more effective at providing a complex array of community-based services than the same organizations are able to do when they go their own ways. In other words, such networks are called to be vehicles that provide value to local community in ways that could not have been achieved through uncoordinated provision of services by fragmented and autonomous businesses;

h) *Human resource developer*, which encourages and stimulates education and training programs designed to meet the specific needs of the tourism and hospitality industries. Although quality education systems are a fundamental element of the facilitating resources, education programs are essential in order to specifically address the skills required by employers in tourism and hospitality, just as other industries or economic sectors have cooperated with educational institutions to develop graduate skills in other fields.

Through a clear understanding of its roles and functions in general and of its working relationship with the tourism and tourism-related industries, the EUSAIR DMO will finally act a proper resource steward. This, stressing the importance, indeed the obligation, that destination managers have to adopt a caring mentality with respect to the resources that make up the destination, involving effective maintenance of those resources and a careful nurturing of those that are particularly vulnerable to damage that may be caused by tourism.

- Action 3.2 - *Institute an EUSAIR Observatory on Tourism*, focusing on joining forces among university departments, research centers, innovation and technology transfer networks in the Region, together with the business community, in order to provide policy makers, managers and operators with a framework for regular gathering, analysis and communication of information related to tourism in the Area. Then, a systematic application of evaluation and information management techniques is suggested, as the key supporting tool for the formulation and implementation of responsible tourism policies, strategies, plans and managerial processes.

In detail, the here proposed EUSAIR Observatory on Tourism main functions are identified in: a) regularly monitoring, analyzing, reporting and getting feedback from the sector stakeholders on key issues and latest trends, thus matching supply and demand in specific labor skills; b) harmonizing national statistics on tourism for more detailed, comparable and comprehensive data; c) measuring the impact of the sector on Regional economy, thus providing transparent evidence of performance (where a broader approach to performance is needed, considering financial indicators like profitability, non-financial operational indicators like product quality, and organizational effectiveness including conflicting goals and diverging stakeholder views); d) realizing new researches and studies about tourism in the Area, which should include (but not be limited to) studies on the carrying capacity of the call ports, for the application of sustainability criteria and the decongestion of cruise ports; e) organizing forum and seminars, as well as contribute to the update of the EUSAIR Area-wide online platform described at Action 1.4, in order to identify and disseminate good practices, while fostering information transfer.

- Action 3.3 – *Define a joint framework for performance measurement, tracking and reporting,* which could allow to objectively define to what extent destination marketing and managerial activities, under the coordination of the suggested DMO, are actually working over the long-term. In fact, it is widely recognized that policy-makers need better access to high-quality information, to use as evidence for policies aiming to improve the quality of tourism offer and to reduce its potentially detrimental impacts, while the wider public – including citizens, business, and academia – needs regular, timely and credible information in order to make conscious decisions and to be empowered to make changes. Then, the provision of a joint framework, which may help each individual tourism operator defining what to measure and how to measure it is here suggested.

The aim is to promote the use of shared indicators to measure sustainable development at a destination level, to train tourism companies to evaluate and report their performances, to reduce unnecessary duplication of data, even for the sake of comparability and destination improvement, and to increase public access to information.

To foster the development of global standards in tourism data collection and statistics, the WTO manual *Tourism to the year 2000 and beyond* may be a reference point, due to its ability to provide a comprehensive guide to a range of data issues, including: visitor surveys, measuring outbound tourism, measuring domestic tourism, describing tourism supply, and measuring economic costs and benefits of tourism. While length of stay may be another key performance metric for destination competitiveness, research into market performance should be spread across other additional themes, besides those of arrivals and presences in the EUSAIR destination, like (but not limited to) those of: the ratio of DMO marketing spend and spending by visitors from target markets, visitor spending, tourism expenditure growth and employment growth, return on investment, DMO technical efficiency (even in terms of marketing communication effectiveness, and branding performance), social and environmental performance. With this regard, a strong cooperation with the *EUSAIR Observatory on Tourism* described in Action 3.2 is needed.

Finally, Action 3.3 should include the establishment of an EUSAIR Charter to encourage responsible tourism practices in the Region, with a set of principles and guidelines to be easily taken up by the sector actors, and especially SMEs. This, even through the implementation of the *European Tourism Indicator System - ETIS* for Sustainable Management and the application of the EU *Eco- Management and Audit Scheme* (EMAS). In these terms, the joint framework here suggested will effectively relate the issue of accountability to that of sustainable competitiveness, even start assessing the synergies and critical relationships which may exist between businesses and the DMO.

6.4 - Line 4: Increase physical and informative accessibility to the Area

Given the role, recognized by European Institutions, of tourism in strengthening the feeling of European citizenship by encouraging contacts and exchanges between people, regardless of differences in language, culture or traditions, line of intervention 4 is specifically focused on the freedom of movement and the right to travel. This, by adjusting tourism products and services in the EUSAIR Area to the needs of both residents and visitors (especially if senior groups, young people and schools, disabled people, families with low income), thus seeing tourism as a force for the common good. Under an informative point of view, a stronger engagement between the destination and the consumer is here proposed, built from a high-quality exchange of information and timely communication. Under a physical point of view, the willingness and ability of EUSAIR Partners to support destination attractiveness and foster participation in tourism is stressed. Then, for a joint increase of both physical and informative accessibility to the Area, as well as internal mobility, the following actions are suggested:

- Action 4.1 - *Develop a common destination web portal.* The declining effectiveness of traditional media and the wider use by consumers of information and communication technologies has radically changed the relationship between the tourism industry and its customer base, by having a profound effect on information dissemination in the tourism domain. In particular, the shift from broad based marketing to well designed and highly targeted positioning is needed, in order to afford EUSAIR destination the opportunity to engage customers in active communication, to build a direct and meaningful dialogue with potential visitors in source markets and, through this dialogue, to build strong relationships and customer loyalty.

Then, the development of a common destination web portal which should be able to overcome the clutter that is inherent in traditional mass- media communications and eliminate the need for multi-layer contacts between consumers and suppliers is here proposed. In particular, the destination portal here defined should act as:

a) *Virtual information space*, that is to say as one major ubiquitous information resource about EUSAIR destination's tourism attractions, products and services for tourists;
b) *Virtual communication space*, thus allowing marketing efforts to be targeted, persuasive information to be transmitted, participative decision making to be fostered, and commitment and loyalty to be encouraged;
c) *Virtual transaction space*, working as an electronic marketplace, while assisting potential visitors with hotel availability, providing transportation and other tourist services, with all the associated financial transactions being conducted through it.

- Action 4.2 - *Set up a network of Tourist Information Centers (TICs).* The advent of on-line and cloud access through mobile devices has led to a reconsideration of the traditional role of Tourist Information Centers; however, they can still respond to demands for travel information by the adoption of the O2O business model, according to which consumers are firstly attracted and make payments by way of online platform, and then visit real stores to gain the purchased products. In these terms, the aim of Action 4.2 is to provide a more realistic, personalized and destination-based travel information about the EUSAIR destination to visitors who previously obtained knowledge from a variety of online channels.

In fact, if from one side a wealth of information is accessible anywhere and at any time these days, not everyone is able to find what desired. Moreover, scientific managerial literature[20] has provided supportive evidence that a large proportion of tourists express significant dissatisfaction and confusion about travel information obtained from diverse Internet sources. With this regard, tourists are willing to use the classic knowledge brokers to check the quality and reliability of travel information they already obtained by using online sources. Then, the mission of the network of Tourist Information Centers here proposed is the direct and tailored provision of travel information about the EUSAIR destination and its specific attractions, which visitors may find helpful for making their optimal decisions.

These tourism facilities are also called to play a key role in tourism promotion, encouraging tourists to stay for a longer period of time and spend more money within the EUSAIR territories, in determining tourists' first impressions of the destination, and ultimately in improving the quality of their experiences, by avoiding potential dissatisfaction and confusion about travel information obtained from diverse Internet sources.However, in order to provide a successful and cost-efficient travel information to tourists, as well as to increase TICs visit demand and user satisfaction, a better understanding of what types of travel information are searched by tourists is needed. This is the reason why an active interaction with the EUSAIR Observatory on Tourism described in Action 3.2, as well as the use of social network sites (where users effortlessly upload their travel experiences and photos, as well as broadcast real-time content) by tourist information centers operators are recommended.

- Action 4.3 - *Make the destination easier to be reached.* The aim of Action 4.3 is to boost competitiveness by improving the connectivity between the EUSAIR destination and the main international source markets. This, due to the emerge of new countries attracting increasing numbers of tourists and in coherence with the *South East Europe 2020 Strategy*, which sets ambitious targets, including decrease of the cost of transport, and improvement of transport infrastructure utilization rates. As the needs of senior groups and disable people, as well as those of young people and families with low income are here recognized of great interest for adjusting tourism products and services in the Area, two are the main topics the present Action should be focused on: a) the creation of accessible and safe marinas, mainly for people with reduced mobility, in particular in the field of leisure boating; and b) the definition of commercial agreements with low-cost air companies, in order to increase flight connections and airport activity. In terms of expected outcomes, as seniors and young people have been identified by the European Commission as groups that can travel easily during the low season, the reinforcement of their contribution to tourism by making the EUSAIR area a more accessible tourist destination may help overcome the challenge of seasonality, with a significant contribution to Regional growth and employment.

- Action 4.4 - *Increase destination mobility.* The aim of Action 4.4 is to improve intermodal connections within the EUSAIR Region, by combining the strengths of various transportation, reducing dependence on the automobile as the major mode of ground transport, and increasing use of public transport. In fact, this would hopefully allow to encourage intra-Regional tourism flows, thus increasing growth and jobs in the Area, while taking in consideration environmental impacts

20 See Wang, Y., Park, S., & Fesenmaier, D. R. (2012). The role of smartphones in mediating the touristic experience. *Journal of Travel Research*, 51(4), 371-387.

of tourism mobility. In order to reach these goals, the implementation of intra-regional railway packages, even in coherence with the *Trans-European Transport Network (TEN-T)*, and its integration with *EuroVelo* routes for the promotion of cycle-tourism, are here suggested.

Moreover, the design of possible alternative sea routes, even by boosting short-sea shipping capacity and cross-border ferry connectivity, is needed. This may happen through a network of innovative coastal facilities and ancient maritime routes, following the example of the *Odyssea project*, as well as through the creation of an accessible maritime transport database, matched with feasibility studies and market analyses. Finally, the establishment of a dialogue amongst stakeholders on charter flight connections, with the aim to propose a more flexible and customizable tourism offer is here suggested, and the development of a joint sustainable mobility plan, with a particular regard to air and water quality, are recommended.

7 - An overview of tourism in the Eusair Area: National Strategies

7.1 - Introduction

With the aim to propose a shared strategy for strengthening territorial cooperation in tourism, and to build the reference frame for tourism development in the EUSAIR Area, a preliminary analysis of national tourism strategies has been led for each of the Participating Countries. For this purpose, different kinds of document have been taken in consideration, including planning instruments like general and sectorial programs, development and environmental plans, and feasibility studies. The process followed a path divided into three phases:

a) Summary of the main goals as emerged from the analysis of each national strategy, taking in consideration also the type of instruments suggested for their realization, as well as their field of interest;

b) Identification of shared goals in different strategies, in order to identify which objectives are the most common and which the less considered in the analyzed instruments;

c) Analysis of the compatibility among the various strategies and instruments, aimed to assess the overall consistence of the plans and programs involving the EUSAIR Region, and verify the possibility to create synergy among them, in order to suggest a shared strategic plan as a coordination tool for Regional tourism development.

At the end of this process, emerges how the leading role of tourism in the development of national economies and societies is widely recognized and encouraged to through direct and indirect forms of support. In particular, the activation of broad synergies with several sectors, such as culture, sports, education, and gastronomy is jointly called for in the analyzed documents, where common goals are focused on four main topics: "Environment protection and infrastructure network", "Cultural heritage", "Agro-food production and rural tourism" and "Social issues".

In terms of strategic approach, this choice is connected to the need for differentiation in product development, which is clearly stated by all Participating countries: the aim is to offer an all-year attractive range of products based on authenticity and emotions, through the creation of portfolios that go beyond the offer of sun and sand; the challenge is to improve and coordinate a rich national offer, and to carry different tourist products out all simultaneously, in a complementary manner.

In the same way, the development of integrated tourism territorial systems (which properly become tourism clusters in the case of Montenegro and Serbia), where different territories and sectors are interconnected in a coherent tourist offer, is a widely-recognized priority. In this process, interventions at a destination level are commonly called, as well as an on-going stakeholder engagement in long-term tourism planning and implementation. National DMOs, in particular, are seen as the most effective instruments for leading participatory process in tourism development strategies, as well as for defining a proper national positioning, on the basis of their knowledge of tourism and tourist spending. This, even if at the national level, tourism as an industry in the various Participating Countries falls under the jurisdiction of different ministries: for example, in Greece and Croatia there are separate Ministry of Tourism, while in Bosnia-Herzegovina, Albania and Montenegro tourism policy is created in ministries where the tourism industry is combined with other sectors such as culture, youth and sport, environment and sustainable development, while in Slovenia and Serbia tourism is managed by the Department of Tourism and Hospitality Management within the Ministry of Economy and Energy, Regional Development and Administration, Technology and Finance. In general, these institutions are engaged in performing activities such as: control and regulation of tourism sector, collecting relevant sector information, preparation of national strategy for tourism development, developing a national tourism advertising campaign and defining all instruments of tourism policy (these, divided into four main groups: legal regulations, administrative instruments, economic instruments, contracts and agreements).

All countries, with the exception and Albania - whose main goal is a leading position in the Balkans- are developing their marketing strategies in a global-market perspective, stressing on the experiential dimension. However, with this regard different nuances are registered, as Montenegro puts an accent on the "cleanness" of places, the Republic of Slovenia on recreational activities, Greece on a pleasant atmosphere, while the Republic of Serbia considers typical products as a representation of its "warm hospitality".

The presence of an unspoilt natural heritage is also widely recognized as an opportunity to pursue a tourism development model based on the enhancement of local resources. From one side, the need to protect the environmental uniqueness of each area is expressed, with the aim to keep and increase tourist attractiveness, while from the other a series of lines of interventions are designed, sharing the common goal to ensure a better quality of life to locals. The assumption being that quality of life is crucial to create the basic conditions for tourism development as well as to ensure safety, security and comfort to visitors. In fact, while promoting integrated tourist packages and itineraries under the umbrella of unified national images, EUSAIR partners are committed to assuring that tourism catalyzes and generates a smart, sustainable, and balanced growth and that the benefits of tourism development are not only maximized, but broadly distributed socially and geographically. In these terms, the issue of sustainability becomes the common denominator to integrate different typologies of tourism like ecotourism, cultural tourism, and rural tourism, if not a "state of mind" inextricably intertwined with all aspects of the strategy, as in the case of Montenegro, Serbia, Slovenia and Croatia. Then, tourism products to which EUSAIR countries dedicate special importance are the following:

- *Marine tourism*, which includes activities such as swimming, sunbathing, water sports and more and where a developed tourist infrastructure is set in motion;
- *Mountain tourism*, covering winter sports, active holidays, and cycling;
- *Cultural tourism*, which includes visits to cultural and historic sites, attendance at events and festivals or visiting museums;
- *MICE tourism*, which covers journeys arising because of work responsibilities or
- activities related to work like corporate meetings and incentives trips;
- *Rural tourism*, involving visiting rural areas, tasting local gastronomy, or enjoying traditional crafts, hospitality and specific architecture of the villages;
- *Health and spa tourism*, which includes treatments to improve the health, stay spas, using various massage techniques and more, and which leverages the lower the costs of health services and the availability of thermal mineral waters.

EUSAIR Countries additionally create and develop other types of tourism such as: sports, golf, active, eco, hunting, religious, wine, lake, river, where a review is provided in Table 1.

Table 1– Review of National tourism products of EUSAIR Participating Countries

Albania	Cultural tourism; Rural tourism; Nature tourism; Sun, Sea and Sand tourism
Bosnia-Herzegovina	Health and Spa tourism; Ecotourism; Ski and Mountain tourism; Cultural and Religious tourism; Rural and Agro tourism; Adventure tourism
Croatia	Nautical and Yacht tourism; Bike tourism; Agro tourism; Rural and Mountain tourism; Cultural tourism; Adventure and Sport tourism; Ecotourism; Golf tourism, Health tourism
Greece	Nautical tourism; City break; Medical tourism; Cultural and Religious tourism; MICE
Italy	Cultural and Religious tourism; Rural tourism; Agro-food tourism; Wellness and Spa tourism
Montenegro	Nautical tourism and water sports; Mountain tourism; Golf tourism; Wellness and Spa tourism; MICE; Agro tourism; Wilderness tourism; Cultural and Religious tourism
Serbia	City breaks; Cruise tourism; MICE; Wellness and Spa tourism; Mountains and lakes tourism; Touring; Events; Rural tourism; Special interests
Slovenia	Health tourism; Nature tourism; MICE; Agro tourism; Cultural tourism; Entertainment tourism and Gaming; Cruise tourism

Capacity building and a constant quality advancement, the development of a legal and institutional framework for transparency and simplification, introduction and certification of quality standards and infrastructure development (both in terms of accessibility and accommodation) are a common concern in order to add value to the tourism value chain. Coupled to this, strong consideration is paid to Information and Communications Technologies, generally seen as the backbones of national tourist marketing activities, with perspectives ranging from that of Albania – which considers ICTs as a proper infrastructure – to that of Greece and Serbia, where they are mainly seen an instruments for online marketing and the development of a more efficient banking system. Finally, some differences among the EUSAIR Partners may be revealed in terms of transportation: in fact, if both Montenegro and Albania prioritize road mobility (combined with low-cost flight connections in the first case, and with railways in the second one), all the other Participating Countries consider the development of flight routes and marina capacity the most effective ways for connecting their regions.

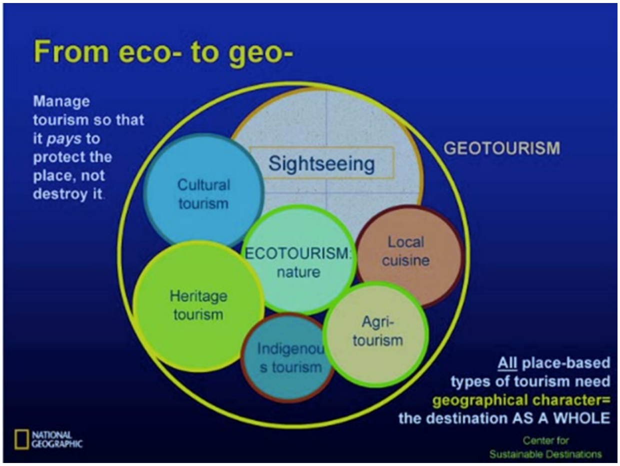
Private investors are even called to play an important role in tourism development. So, their initiative is strongly encouraged, and placed in an overall reference framework which gives adequate financial support with particular regard - for what is about Albania, Croatia and Montenegro in particular - to the field of greenfield investments (mainly in terms of wastewater, solid waste management, as well as energy efficiency and supply), and the development of Private-Public partnerships, as suggested in the Serbian and Bosnian strategic documents.

7.2 - Albania

Tourism development strategy in Albania relies on the principles of: a) sustainable growth, which is seen as the vehicle for national development and to future European accession; b) orientation toward the market, by quality improvement and focus on what is unique in the country; c) diversification, by the development of an integrated tourist offer where nature, traditional and biologic products, as well as cultural and sports activities are coordinated and improved. This, with the aim to position the country as distinct from its neighbors in the Balkans, to entice tourist to spend more days in the area and to make them fully experience the local lifestyle, by adequately enhancing all regional potentials under the national brand "Discover Albania", as well as by establishing a network of tourism promotion offices, that could promote tourist values and resources in the targeted markets.

In particular, within the National Strategy for Development and Integration (2014 - 2020), an idea of tourism that involves and connects different territories (coast, rural areas, mountains) and sectors (sport, culture, education and production), while acting as an instrument for environmental protection, is one of the two pillars on which the enhancement of national competitiveness relies on, where agriculture is the other one. In these terms, typical products are seen as able to add value to tourist experiences, while the link between tourism, the preservation of natural and cultural heritages and urban requalification are considered as an important source for economic growth. This is the reason why, in terms of marketing positioning[21], Albania's strategic goal is to both attract educated, independent travelers and specialized group travelers, who wish to experience the cultural heritage of the countries they visit as part of their growing engagement with, and desire for, direct access to all authentic aspects of the destination - what they define "the geotourist" (see Figure 3).

Figure 3 – The "geotourism" framework



Source: Albania Culture Marketing Strategy (2010).

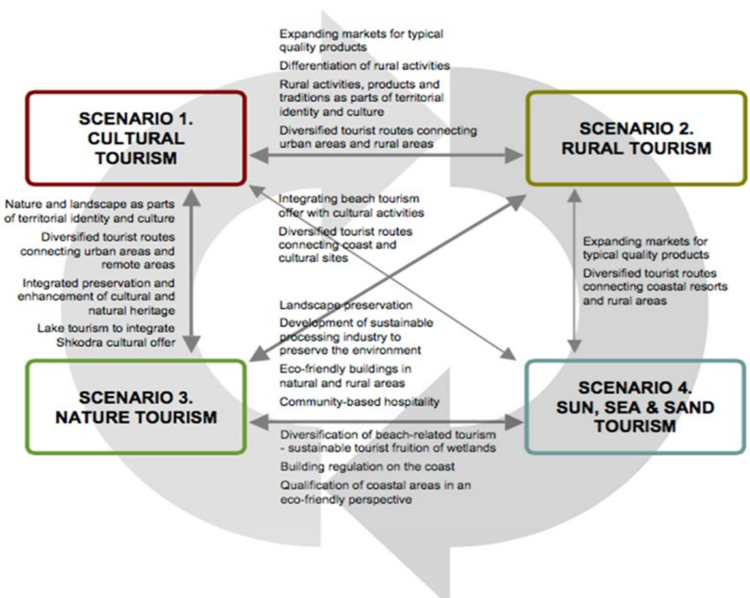
21 The whole national strategy is focused on two main kinds of target markets: first of all, those at a regional level (like Kosovo and Macedonia and, secondarily, Montenegro and Serbia); then, in an international perspective, the upper-middle income individuals from Europe (namely, from Greece, Italy, Germany and the United Kingdom) and Russia.

This is also the reason why, besides the Sun, sea and sand offer, Albania sets three additional scenarios for tourism development: Cultural tourism, Rural tourism, and Nature tourism. In order to create a high quality, sustainable and environmentally friendly tourism all around the year, able to unlock the still largely unexploited national potential, the approach is to identify opportunities for integration and synergy among each scenario. Coherently, the core concepts of the national tourism offer are related to:

- UNESCO World Heritage Sites;
- historical places, fortresses, and artworks;
- places of worship and pilgrimage, thus straddling the border between Europe's Roman Catholic West and the Orthodox East;
- unspoilt mountain terrains and mountain lakes, where to rafting, fishing and hiking;
- folklore festivals and traditional hospitality;
- the creation of new tourist routes and circuits in rural areas rich in natural and cultural resources, where to taste typical cuisine (prepared with safe, high-quality, branded and certified typical food products) or buy handicraft objects.

An example of such integration is provided in Figure 4.

Figure 4 – Integration among the scenarios for tourist development



Source: Strategic plan for sustainable tourism in the Shkodra Region (2011).

Being aware of the fact that there still are a large number of planning and programming instruments at municipal, inter-municipal, regional and interregional levels, where it is worth noticing the general consistency among them, Albania is also carrying an effort in order to design comprehensive though integrated strategy and instruments, by contrasting fragmentation of interventions and concentration of investments in the main tourist destinations, thus neglecting other areas with tourist potentials. Then, while a structural reform towards inter-ministerial collaboration and the strengthening of both the Ministry of Tourism, Culture, Youth and Sports, and the National Tourism Agency are suggested, a complementary Law on Tourism has been depicted, which harmonizes the work of the government, first of all by providing a clear division of powers for institutions which are responsible in the domain of tourism, as well as that between the central and local government. This is also the reason why, besides product diversification and the defense of ecosystems biodiversity (where natural parks and reserves are considered as crucial) a highly participatory process in strategy development and implementation is recommended. In these terms, the creation of tourist destination management organizations is considered to be at the core of development, not only in order to promote inclusive mechanism for public stakeholders, business and tourism community, while encouraging democratic decision making by providing continuous information support, but also in order to increase awareness about the value of the relational capital while entering new markets.

Moreover, the removal of any constraints in terms of infrastructure provision (with particular regard to accessibility, internal mobility and public utilities such as electricity and water supply) is considered a priority, in both areas of current and potentially high tourist demand: then, the improvement of roads and railways is planned, as well as the creation of a network for wastewater and solid waste disposal. Among this line of intervention, the development of a solid and extensive Information and Communication Technology (ICT) infrastructure is even included, through which increase overall economic efficiency thanks to a rapid and free flow of information.

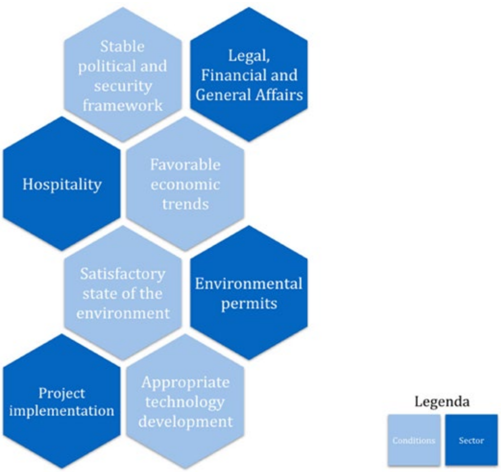
With the aim to achieve EU standards in public administration, ensure transparency in the public sector, as well as expand decentralization and local democracy, the definition of a stronger legal and regulatory framework for businesses and individuals is even planned, coupled with: a) the introduction of an accommodation registration scheme, able to enforce minimum standards for the different grades and types of commercial lodging facilities to be used by tourists; b) the establishment of a National Register of tourist resources, in order to carry on data collection or analysis at local, regional and national level according to international standards; and c) the securing of property rights, by completing the inventory of state immovable properties, properties for environmental protection, properties that could be used for generating income, properties to be transferred to the physical fund for expropriated owners, properties to be privatized, and properties for constructions for tourism promotion.

The final pillar on which Albanian tourism development strategy is based on is the promotion of entrepreneurship and capacity building: with this regard, and with the aim to encourage private investors' initiatives and to ensure that funded projects really satisfy territorial needs, the increase of microcredit funds is planned, as well the promotion of Public-Private partnerships and the certification of professional courses in colleges and universities, which could extend professional skills in line with EU practices. In particular, trains regarding the collection, processing and entry of tourism data, as well as awards of national prizes or success, are highly recommended.

7.3 – Bosnia & Herzegovina

Due to a complex national internal structure[22], in Bosnia-Herzegovina tourism is not dealt with at State level. However, an effort is being made to establish a State tourist association, able to coordinate the development of the tourist industry in both Federation of Bosnia-Herzegovina and Republika Srpska. This, because in the *Strategy for development of tourism of Bosnia and Herzegovina for the period 2008 – 2018,* tourism is considered an asset in the framework of the economic, material and human territorial capital, as well as a branch with an enormous potential for smart, inclusive and sustainable growth, playing as one of the top priorities of the overall national development policy thanks to its significant share of knowledge and high value added, which in turn contributes to social prosperity, growth of GDP, employment and investments. Moreover, tourism is recognized to have a particular developmental influence through external effects on numerous activities, starting from food and beverage production, road, rail and air traffic, infrastructure development and investment destination capacities, through the adoption of modern hospitality management approaches, trade and entertainment industry to start developing a series of financial, marketing and educational services, and changes in the rural, the environmental spatial development in the country, raising prosperity and living standards. Then, the aim is to fulfill, in some crucial sectors, a series of conditions necessary for the smooth and proper functioning of tourism as a system (see Figure 5).

Figure 5 – Conditions and sectors for tourist development in Bosnia-Herzegovina



Source: Adapted from the Strategy for development of tourism of Bosnia and Herzegovina for the period 2008 – 2018 (2007).

22 Bosnia-Herzegovina is composed by two highly independent entities (Federation of Bosnia-Herzegovina - FBiH and Republika Srpska – RS), plus one district city (Brcko). FBiH consists of 10 cantons which are further broken down into municipalities, while RS consists of municipalities only, with no middle level government. Both FBiH and RS have their own respective authorities: the Federal Ministry of Environment and Tourism in FBiH and the Ministry of Trade and Tourism in RS. The tourism strategy that is being finalized as a contribution to the State's development strategy is an effort at State level to which the two competent ministries in the entities are contributing.

Warranty of marketability, innovation in technologies, and the creation of a favorable legal, business and investment environment for potential private investors are considered the main line of interventions for future growth, while capacity building and the introduction of training programmes for people in the tourism sector, with a particular regard to environmental awareness and sustainable tourism, are recommended in supporting reforms on the way to EU membership. This, having as a starting point the Bosnia-Herzegovina geographic location in the center of Europe, which creates opportunity to attract large number of potential tourists within range of up to three hours flight, and its status as a still unknown tourism destination for major markets. In fact, after being awarded the leisure destination in the outside world by the National Geographic, Bosnia-Herzegovina has been defined by the World Tourism Organization as one of only three tourism destinations in the world with overall tourism market growth potential in excess of 10% annually through 2020. Its natural wealth and diversity, unique cultural and historical heritage including religious sights, rich gastronomy offerings, as well as warm hospitality of local people are considered the major opportunities for development of creative tourism offer, even by leveraging such internationally recognized and important event as the Sarajevo Film Festival, which already attracts significant number of tourists, as well as relatively low cost of services and good food and drink offer, which make Bosnia-Herzegovina a destination recognized as good value for money.

For these reasons, being flanked by significant efforts for reconstruction after war, relevant strategies for attractiveness of investments (where individual private project, direct foreign investments, joint ventures, concession, privatization and long term loans are the most common investment modes and approaches) are developed on the topics of small and medium enterprises, agriculture, information technologies and energy, toward the opening of new tourism resorts, as well as the upgrading of accommodation, entertainment and recreation facilities of existing resorts, hotels privatization, and the development of tourism supporting infrastructure (with this regard, capital projects in improving highways are underway). The adjustment of national legislation with the European Union legal framework is even in progress: with this regard, the adoption by the Government of Republika Srpska of amendments to the law on consumer protection may be considered, in order to approximate with the *acquis communautaire* on timeshare and long-term holiday products. Moreover, the education and training of tourist guides and other tourism and hospitality workers with the aim of capacity-building, the raise of public awareness of sustainable development and tourism (where hotel managers, tourist agencies, tourists and municipal authorities are recognized as the main targets), the boost of infrastructure construction and accommodation facilities (which should be designed and offered a certain segment of tourists like children, athletes, etc.), are called to act as main lines of intervention, across the whole tourism offer.

Finally, an effort is made to invest in promotional activities, with advertisements airing globally, in order to build a destination image that could be recognizable in the international tourism market, and to position Bosnia-Herzegovina as an interesting destination for travelers intrigued by a mix of adventure and culture, eastern and western influences, and traditional and modern lifestyles[23]. In detail, and with the aim of a better establishment of Bosnia-Herzegovina as a distinctive tourist destination, that is differentiated in the market by offering tradition, diversity and richness, the most promising tourism products are identified in:

- *Health and Spa Tourism*, in relation to the general trend of increase in the number of elderly people seeking for health care facilities, the national richness in high-quality thermal and mineral springs, health resorts and spas, as well as in coherence with the *Law on Health Protection of the Federation of Bosnia and Herzegovina* (*Official Gazette of Bosnia-Herzegovina*, number: 46/10), which does not distinguish between the private and public sector, then allowing the domestic or foreign persons or companies to be founders of health institutions. With this regard, investments in upgrading

23 Target markets are identified both within Europe (Croatia, Serbia, Italy, Slovenia, Malta and Germany) and in such countries as Kuwait, the Russian Federation and India.

and modernization of existing facilities and programs, seeking for potential strategic partners to readjust their business models, management philosophy and marketing strategy are supported, with the aim to make resorts offer true rest and relaxation, in addition to health care.

- *Ecotourism*, leveraging the already established number of national and nature parks, natural reservations and bird habitats. In detail, the *2010 – 2020 Tourism Development Strategy of the Republika Srpska* recognizes unexplored and untouched canyons, lakes, rivers, waterfalls, and springs, as the core resources on which a unique product can be created, with the double *ratio* of protection of ecological balance ("stability") and care of the permanent preservation of origin of biological diversity ("diversity"). In these terms, the coordination of a State strategy for sustainable tourism as an integral part of the development strategy for tourism is recommended, with the aim to provide a cohesive framework and ensure that sustainability criteria are consistently applied in all laws and regulations affecting tourism development, even addressing the problem of unreliable statistics and the introduction of sustainable tourism indicators.

- *Ski, Mountain and Sport Tourism,* including fishing and hunting. With this regard, the aim is the promotion of Bosnia-Herzegovina as the country with some of the best-and cheapest-alpine skiing in all of Europe, like the Olympic Mountains Jahorina, Bjalasnica, Igman, Trebevic and Vlasic, as well as recreation centres of Kupres and Risovac, and ski resorts on Kozara, Busovaca, Ostrelj, Vlasenica, Vranica, Borje and others, which offer more than 60 kilometers of perfect ski slopes. Great emphasis is even posed on Sarajevo, the national capital hosting the 1984 Winter Olympics, which, at that time, were the largest Winter Games ever (in terms of athletes and media).

- *Cultural Heritage and Religious Tourism,* where a unique and mix of cultures and religions (Judaism, Roman Catholics, Christian Orthodox and Islam) existing in harmony can be experienced. An inventory of all sites of tourist interest (including sites with a potential for rural tourism, industrial heritage, nature tourism and spas, as well as those related to national cultural heritage in addiction to Medugorje, which has become one of the most popular pilgrimage sites for Catholics, and those included on UNESCO World Heritage List) is planned, on the basis of which a general master plan and a series of individual master plans for specific sites are expected to be developed.

- *Rural and Agro Tourism,* in relation to the villages in mountain regions, where tourists are offered the possibility to enjoy the special rural ambient with traditional hospitality, and rich culinary offer of domestic products. With this regard, the development of local production related to the tourist sector such as locally grown and possibly organic food and crafts is widely mentioned.

- *Adventure Tourism,* including more equipment and more complex systems for the safety of tourists in the contents of experience, where excitement becomes the basis of demand. In detail, excellence is recognized in whitewater rafting on the Una and Neretva rivers, while promotional efforts are done by the ATA (Association of Adventure Tourism of Bosnia-Herzegovina), which represents the outdoor tourism in international fairs (i.e. 2011 Outdoor Retailer Summer Market (ORSM) - Salt lake City, Utah; Adventure World Travel Summit – Luzerne, Switzerland), offering diverse programs that include: hiking, rock climbing, mountain biking, kayaking, rafting, canyoning and fly-fishing.

As the role of maritime area over the total national economy is very small (less than 1% of the total Bosnia-Herzegovina GDP, according to the *Strategy for development of tourism of Bosnia and Herzegovina*), coastal tourism, yachting and marinas tourism, and cruise tourism are not considered as strategic tourism products at a national level[24], with even limited data available. However, in such UE documents

24 An exception is given by Neum municipality, whose strategy for local development covers tourism and marine aquaculture through space planning.

as EUNETMAR *Studies to support the development of sea basin cooperation in the Mediterranean, Adriatic and Ionian, and Black Sea* (2014), coastal tourism is recognized to have a valuable growth potential, which could be exploited through a better organization of the sector and cooperation with other tourism areas (also inland) in Bosnia and Herzegovina or Croatia, in coherence with the Blue Growth objectives and the Smart Specialization strategies.

Table 2 – Policies/interventions towards Coastal tourism development

Strategies	Objectives	Link to Blue Growth objectives	Link to Smart Specialization Strategies
Neum Development strategy (Level: local)	- Economy growth, with focus on tourism and its compatible branches of the economy; - Development of social services with focus on education, health-care, social-care, veterans, sport, culture, etc; - Infrastructure development, space planning and environmental protection; - Strengthening of local authorities, with focus on projects and activities that need to provide their efficiency.	-Healthy environment; - Increase the growth potential of activities; - Increase the attractiveness of coastal areas	- Innovation friendly business environments for SMEs - Cultural and creative industries
National tourism strategy Chapter on Herzegovina-Neretva Canton (Level: national / regional)	Valorization of heritage and use for conservation and protection from the tourism devastation; - Improvement of life quality at the local level; - Open possibilities for stronger development of entrepreneurship (direct or indirect in tourism function); - Tourism as dominated economic activity.	-Healthy environment; - Increase the growth potential of activities; - Increase the attractiveness of coastal areas	- Innovation friendly business environments for SMEs - Cultural and creative industries

Source: Studies to support the development of sea basin cooperation in the Mediterranean, Adriatic and Ionian, and Black Sea (EUNETMAR, 2014).

7.4 - Croatia

In considering the development of tourism, the Croatian strategic plan starts from the observation that the demand is actually focused on the narrow coastal belt and the islands, and the predominating product is the "Sun and sea" one. The effect of which is a short, but intensive tourism season with a series of negative consequences, like insufficient utilization of existing capacities, high pressure on utility infrastructure, and the problem of workforce.

In order to increase its attractiveness and competitiveness, resulting in bringing Croatia into the 20 most competitive tourist destinations in the world, a long-term, persistent action at the destination level is identified, on the basis of three aspects: "conceptual", "operational" and "manufacturing". The "conceptual" aspect gives an answer to the question of what Croatian tourism should be like. The "operative" aspect answers the question of the key prerequisites for the development of Croatian tourism, and identifies basic goals of its operating strategies. "Manufacturing" aspect gives an answer to a third question: what will Croatian tourism do to attract attention, pointing out key components of the Croatian tourism product.

Figure 6 - Value system in the tourism national development strategy of Croatia

Source: Proposals for tourism development strategy of the Republic of Croatia until 2020 (The Government of the Republic of Croatia, 2013).

Accordingly, marketing, development of the tourism offer, human resources development and a process management able to guarantee a better cooperation at the destination level, by rationalizing and transforming the network of tourism boards into proper destination management organizations, are identified as the main operative strategies for tourism development until 2020, which are put into practice on the basis of the following ten key directions.

- *Deregulation*, on the assumption that a significant simplification of existing legal and legislative frameworks is vital in order to create prerequisites for the development of entrepreneurship and to develop a positive investment climate.
- *Partnerships* among the public governing bodies (including environmental protection institutions, culture, traffic, health, and security ones), the private sector (entrepreneurs) and the civil sector, as well as in terms of horizontal (inter-resource) and vertical (national-regional-local) cooperation.
- *Environmentally sound development,* to be reached first and foremost by the implementation of technological solutions in construction and furnishing (e.g. heat waste reduction, energy-efficient cooling and heating systems, use of renewable energy sources), the rational usage of existing space and facilities which are not deployed for tourism yet or which are used inadequately (such as abandoned industrial facilities, abandoned military facilities, non-privatized companies of the tourism industry or companies which were

privatized, but not in function), and the offering of incentives for greenfield investments. Special care is also paid in promoting solutions that lead to low-carbon development of Croatia and the participation of the tourism sector in the implementation of proactive measures of the *Strategy for the Preservation of the Sea Environment with the aim of its Conservation and Permanent Protection*.

- *Besides the sun and the sea*, by developing and commercializing a range of new, differentiated tourism products such as nautical tourism and yachting, cultural tourism, cycling tourism, adventure and sports tourism, eco-tourism, wine and food tourism, but also golf, health, rural and mountain tourism. Each of them are proposed as primary, secondary and tertiary products for the ten marketing regions Croatia has been divided into: six litoral (Istria, Kvarner, Dalmatia-Zadar, Šibenik, Split, Dubrovnik) and four continental (Lika-Karlovac, Slavonija, Continental, Zagreb-the capital). Such a diversified tourism offer is founded to allow Croatia to reach a wider visitor segment structure whose affinity to various types of travel, different price points and tourism activity, as well as all-year-round travel, opens new possibilities for a significant extension of tourist activity and tourist spending. Key segments on which Croatian tourism is targeted can be found in eight groups: Young (18-24), DINKS (Double Income, No-Kids couples), Families (with both smaller - up to 7 years old- and older children - from 7 to 14 years old), Empty-nesters (working population whose children have left home and live on their own: 50 to 65 year- olds), Golden age (pensioners without any significant health problems, 65+ years), and Specialized tourism travel organizers.
- *Innovative market appearance*, by rebranding Croatia on the interpretation of its central identity as the "country of beauty and fulfillment", thus emphasizing value characteristics such as diversity, substance, authenticity, preserved environment, abundance in water and good food and wine, hospitality and beauty. In these terms, branding and promotional activities (in particular the online ones, which are highly recommended) are called to move away from the slogan level and towards the level of emotional stories that describes the primary tourist experience.
- *Authenticity and creativity,* that is to say nurturing a natural, socio-cultural, climate and production authentic experience, which requires a focus on traditional cuisine, local wines and different culturalattractions, as well as creativity in the development of products, destination positioning and market communication.
- *Production through a cluster approach,* due to recognition of the "tourism product" as an aggregate category. In these terms, from an internal point of view trans-sectorial cooperation (for instance by making local products to be used to the greatest possible extent in the Croatian tourism industry) is encouraged as a way for gradually influencing the strength of the Croatian producers' competitive ability, while cross-border cooperation (in particular in the field of nautical tourism) is promoted as an instrument for capitalizing on the maritime and sub-aquatic cultural heritage.
- *Culture of quality,* by emphasizing the improvement of the existing tourism education system, and the introduction of compulsory programs in life-long education for various parts of the tourist industry. Moreover, the introduction of increased quality standards across all categories in the tourist offer is planned, with an emphasis on smaller family hotels, the introduction of certificates and signs of quality, and the publication of a lists of best service providers.
- *Support of the hotel trade as key initiator of the investment cycle,* by fostering the privatization process and investments in the field, for both supporting the new construction of hotels and resorts, which includes individual but also so-called integrated mixed-use resorts, and the renovation or reconstruction of existing hotels. In these terms, the development of a high quality accommodation offer is intended above all in terms of themed and boutique hotels, owned by small and medium enterprises, as well as in terms of development of integrated resort projects, "diffuse hotels", small family hotels and B&Bs, where to live a special "home" experience.

Different facilities which are able to upgrade other elements of tourism offer and infrastructure, such as golf courses, theme parks and congress centers, as well as food and drinks facilities, fun, sport and recreation activities, trading, and public infrastructure standards are even objected in terms of the development of a proper investment strategy. With this regard, significant investments are also planned in nautical tourism ports, which involve the improvement of quality levels, primarily in attractive destinations that provide an all-year-round service, and the construction of berths in new and existing marinas and ports. Finally, in order to improve accessibility to the destination, the increase of technological and technical level of the international airports, the improvement of connections that airports have with their catchment area, and the improvement of tourist facilities in the ferry ports are recognized as more than enough room for investment.

7.5 - Greece

The new development model for Greek tourism economy is basically a policy proposal, which manages or even better imposes a major cultural change not only from the public sector - that is called to a shift towards a "technocratic" approach, characterized by *continuity* and *consistency* - but also from the perspective of the private entities, whose inter-sectoral introversion is called to be developed into an extrovert leading role. Thus, the utilization of private tourism business is just considered as a necessary tool for development, in coherence with a model that prioritizes the destination, with almost no exceptions.

The goal is Greece to be included in the word's top ten tourism destinations, first of all by improving high standards of living, that make it a pleasant country to live on a temporary or permanent basis. Three in particular are the main areas of intervention:

- organizational and institutional reforms;
- tourism supply management;
- tourism demand management.

With reference to the first area, the design of one modern and unified regulatory framework is suggested, with the aim of boosting Greek tourism competitiveness and pushing towards the simplification of bureaucratic procedures, as well the shortening of the Schengen visas issuing procedure. Moreover, a number of institutional and non-institutional reforms are required, just like: an independent Ministry of Tourism; the establishment of a Tourism Secretariat in all co-competent Ministries; Secretary-Generals for Tourism who are permanent or at least serve for a five-year fixed term; the coordination of the co-competent Ministries and bipartisan consensus between an the Ministry of Tourism and the Office of the Prime Minister concerning the manner of administration and management of tourism. All of the aforementioned aiming at a smaller and more effective public sector, along with the assumption of more competences by the private sector, as well as the development of networks.

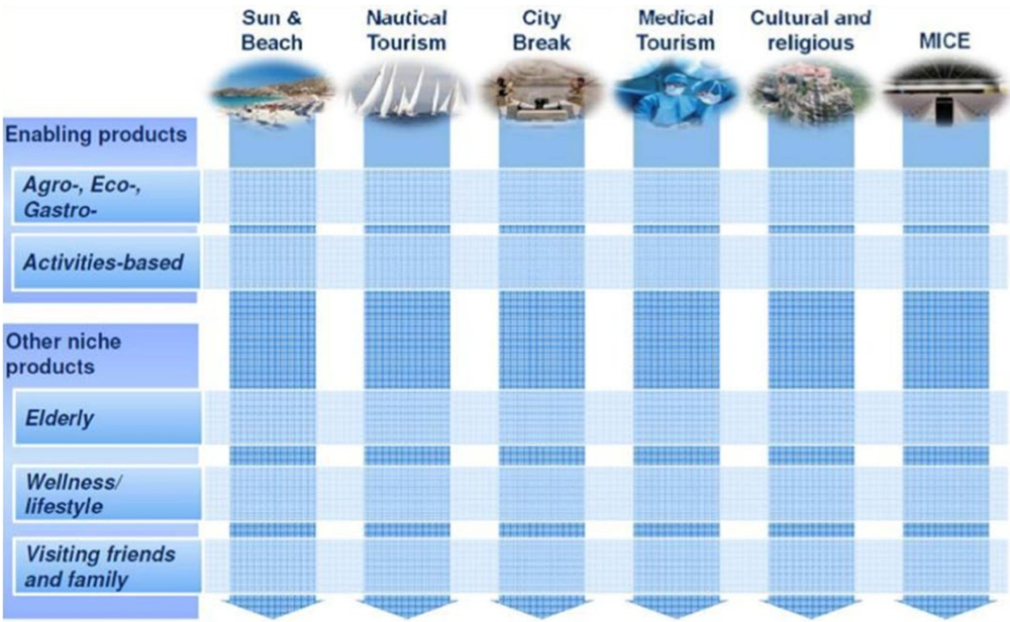
In these terms, a strengthened cooperation between the public and the private sector is required, to be realized through the creation of a Destination Management Organization in each of the seven Administrations (Attica; Thessaly and Central Greece; Epirus and West Macedonia; Peloponnese, West Greece and Ionian, Aegean; Crete; Macedonia and Thrace), the development of shared investments, with a particular regard to human resource training, the scale-up and change of mix of the country's accommodation capacity, the upgrade of tourism sites infrastructure and border entrance points, in terms of both flight routes and marina capacity, and the creation of strategic alliances with airlines for the creation of new direct flights to the Greek tourist destinations.

When dealing with tourism supply management, the adoption of an inter-sectoral approach is clearly described. In fact, tourism is considered as the part of a wider system which includes the social, cultural and natural environment, and that is integral to the development of society as a whole. Therefore, as tourism products are not only defined by the supply of services within the framework of sights, accommodation and dining, the creation of synergies and economies of scope in areas or sectors such as culture, sport, education, medical services and gastronomy are called to be created.

Then, the strategy is that to maintain the "sea and sun" product and to develop other specialized types of tourism (nautical tourism, city break, medical tourism, cultural and religious tourism, and MICE), which are identified through a thorough segmentation of actual demand. In particular, two "enabling" (the "Agro-, Eco-, Gastro-" and the "Activities based") and three "niche" ("Elderly", "Wellness/lifestyle" and "Visiting friends and family") products are defined, which can alternatively act as core products in selected geographies which do not possess strong affiliation to or proposition based on the core products (see figure 7).

For each of the core priority products, the main lines of interventions aim to both improve quality (through the development of integrated standards, and the training of human resources, both on initial and ongoing level of training and specialization) and value for money (through the design of customized services, in line with the concept of luxury as self actualization, distinctive experiences and well being feelings), while the development of a comprehensive event calendar, the definition of thematic walks integrating and promoting distinct offerings and the leverage of the coastline are identified as the key priorities when dealing with the enabling products.

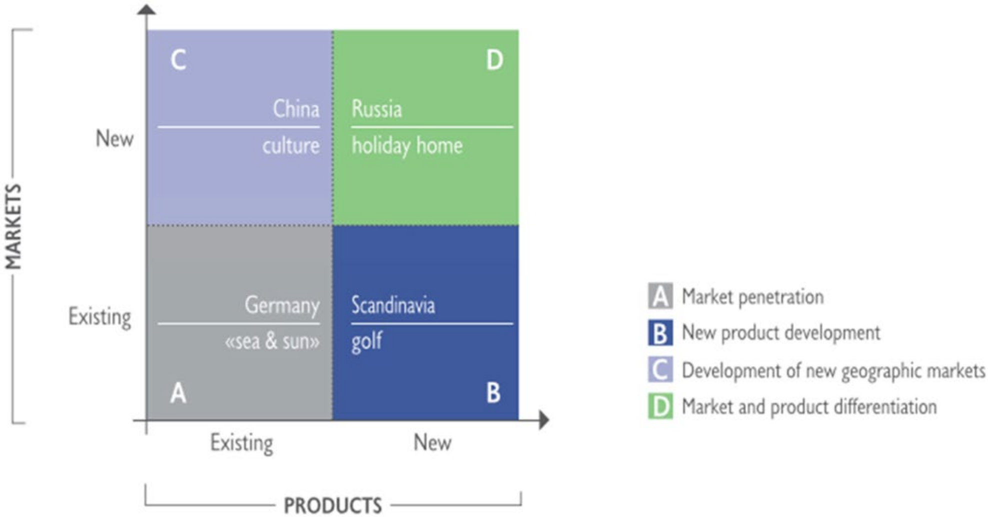
Figure 7 – Core priority products in the Greek Tourism Strategic Plan



Source: Greek Tourism Strategic Plan: 2021 Growth Roadmap (SETE, 2014).

In terms of strategic choices, this is converted in a mix, whose aim is the maximization of demand. Then, for what is about the current market (like the German one), a strategy of further penetration is chosen, while continuing the offer of the existing "sea and sun" product; instead, for those current markets with a greater development potential (like the Scandinavian), the supply is enriched with new products, with particular regard to sport tourism and golf. On the other side, the offer related to cultural tourism is founded to be eligible for penetration in such new markets like China, while new and differentiated products, based on the concept of "holiday home" experience, are planned to be designed for attracting new geographic markets like Russia.

Figure 8 – Product / Market matrix



Source: Greek Tourism 2020 - Proposals for the new development model (Association of Greek Tourism Enterprises, 2010).

Finally, the main aim in approaching demand in the Greek strategy for the development of tourism is to create structures and culture of marketing, as well as changes in attitude and in organization. The continuous research and study of markets is recognized as the minimum prerequisite for success, while the establishment of a company focusing on the online marketing of Greek tourism by adopting a creative and aggressive orientation, as well as the adaptation of crisis management methods and techniques, are included among strategic priorities. The design of a digital strategy is even advanced, on the assumption that digital strategies do not focus on technology in itself: they focus on humans and their desire to be connected with the things they like.

7.6 - Montenegro

The strategy for tourism development points out the vision Montenegro has to become the market leader in the Mediterranean when it comes to tourism oriented in nature. In these terms, the "Wild Beauty" brand is strengthened and the integration of all regions into a single high-quality destination is called, in order to ensure permanent presence at major source markets. Priority objectives are:

- the *retention* of Montenegro current position in the price-sensitive segment (in particular with regard to the neighboring markets like Serbia, Bosnia and Albania), while shifting the focus to a vigorous development of the high-yield hotel sector and its specialization on a multifaceted, attractive leisure infrastructure and on staging scenic, cultural and historical highlights;

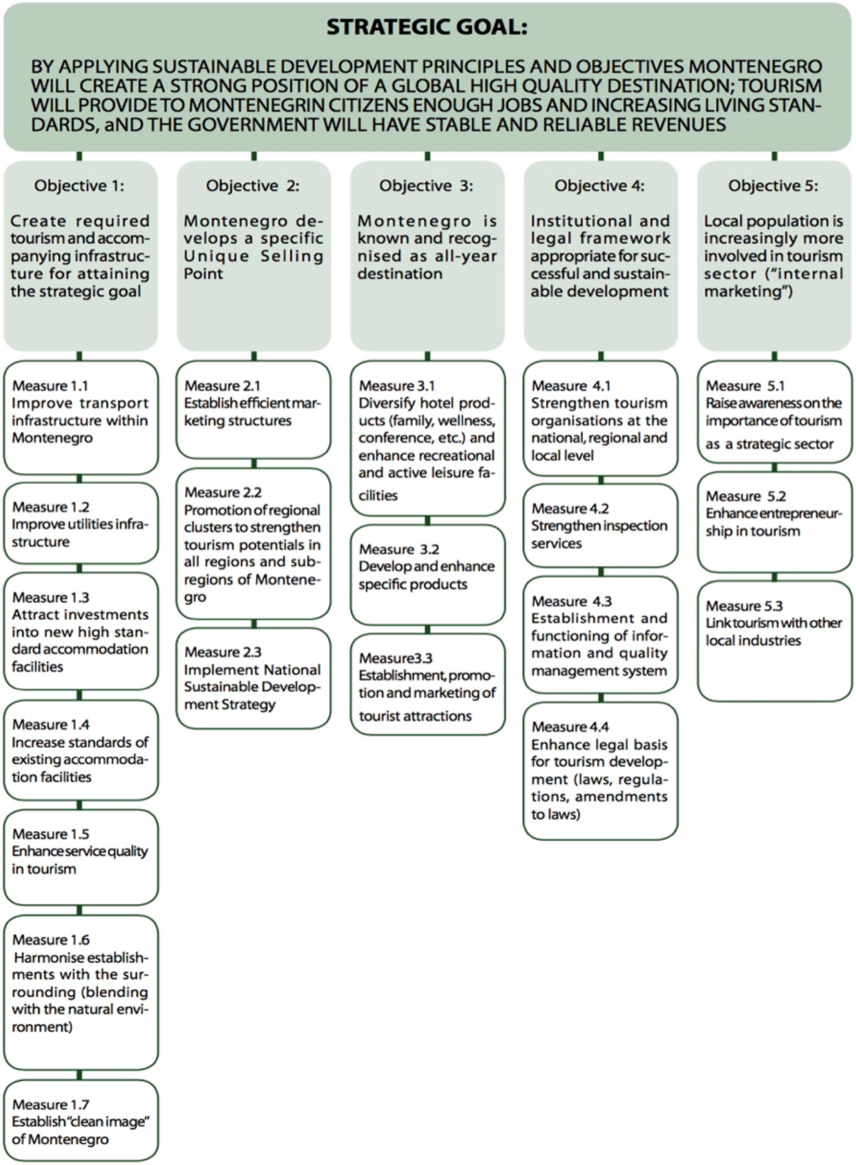
- the *diversification* of tourist offer (by developing village, agro-, eco-, mountain, cultural, and sports tourism and by nourishing national multi-ethnicity, landscapes and protected biodiversity) in support to the extension of the tourist season and attraction of guests from both Russia and Western and Northern Europe (Germans, Frenchmen, Britons, Dutchmen and Scandinavians in particular) with higher purchase power (the final aim being the increase of direct and indirect revenues from tourism);

- the *integration* of sustainability criteria in sanctioning tourism development projects (i.e. for the adoption and assessment of plans), especially when it comes to coastal and winter mountain tourism. Indeed, in coherence with *The National Strategy of Sustainable Development of Montenegro*, sustainability (which is intended not only for environmental characteristics and impact, but in terms of social, cultural and economic dimensions as well) is not properly a part of the strategy, but rather a guideline which is inextricably intertwined with all aspects of the strategy.

In detail, the goal of tourism development is attained through a set of objectives (see Figure 9, on next page), that respond to the requirements for the product "tourism" that needs to be improved in terms of high-quality infrastructures and services, unique selling proposition, and recognition of an all-year-round destination (objectives 1 to 3), but also the task that, seen from the long-term perspective, a strong and reliable base, in terms of institutional framework and involvement of the local population, is to be created (objectives 4 and 5).

Aspiration to provide good accessibility (which is recognized as a general precondition for the development of priority economic sectors) is put into action by the improvements in cross-boarder roadways and the protection of road infrastructure from the damages caused by excess load of freight vehicles, the suggestion of a network of panoramic roads for visitors coming by cars, the request for low-cost flight connections and the development of a tighter flight network, which is expected due to the development of a large, diversified and marketable hotel capacity. The latter to be reached even by both the upgrade of existing accommodation facilities and the development of new high-quality ones, in particular in terms of sports, health, family and entertainment amenities networked at the coast and in the hinterland, while boutique hotels and wellness and congress facilities are in place or in planning.

Figure 9 – Objectives and measures for further tourism development



Source: Montenegro Tourism Development Strategy to 2020 (Montenegro Ministry of Tourism and Environment, 2008).

The harmony of the new or renovated buildings with the conditions in their wider context, and the respect for nature protection, are called to be considered with regards to ensuring sustainable development and preserving ecological balance; moreover, wastewater and solid waste management, energy efficiency, the use of renewable energy and the boost of greenfield investments, as well as the suitability for the disabled, are the main criteria for guaranteeing high quality capacities.

A good example in these terms is provided by nautical tourism: a selective, favored type of tourism, which comprises all pleasure or recreational trips on water, with a cruise ship, sailing or motor yacht, and which is pushed for further development due to natural values, advantages of the sea and lakes' shores, and the position of the Montenegrin coast. In fact, special attention is paid to transformation of former military and industrial facilities and devastated areas into marinas which show positive impacts to ecology (because the function of marina is less harmful for the environment than their current function and no additional land is used), to the image of the destination and to investment capital (because they already have solved communal infrastructure).

Existing ports and marinas are even planned to be improved in terms of service quality: in particular, politeness, availability of information and ability to give advice to guests are decisive factors for attaining the specific goal of high-quality tourism, while another aspect is that of the qualifications and skills of the guide, for instance, in rafting. Then, in cooperation with the competent education ministry, the work on defining the standards of new occupations, training programs are going on.

In terms of product diversification and development, the "product portfolio" approach is widely adopted, in which a diverse range of different products, both in terms of physical facilities and guest experience, is created, with each matching the circumstances, attractions, resources and sense of place of each area and region. Then, mountain skiing, hiking and biking, golf, wellness and health, MICE, wilderness camping, agro-tourism, national parks and UNESCO World Heritage Sites products are combined into the following six clusters, which are considered the main parts of the high-quality and all-year tourism development strategy, even thanks to their ability to provide generosity, quality and variety in the whole tourism offer, while meeting sustainability requirements:

- The *Budva–Bar cluster for bathing tourism*, to be repositioned as a high-quality all-year-round destination with a Mediterranean flair at a subtropical coast;

- The *Ulcinj bathing and nature tourism cluster*, a place with an oriental flair and the most expansive sandy beach on the eastern Adriatic with Ada Bojana and Valdanos. Velika Plaža, in particular, affords the greatest development prospects in the Montenegrin tourism sector with precise directions on sizes and protected areas based on an environmental impact assessment. The goal is to make the area a destination for international tourism with modern holiday facilities (600-800 beds) for various target groups and other facilities with all-year appeal (marina, conference facilities, shopping, schools, kindergartens, theatre, etc).

- The *Boka Kotorska cluster*, especially designed for bathing, cultural, sports, health individual and package tourism. The focus is then on nautical – yachting tourism, health with light fitness activities, demanding but also challenging sports such as sailing, diving, rowing, mountain biking and hiking, cultural programmes, events and festivals. The main attraction being the Bay of Kotor, surrounded by steep rock faces rising sharply out of the sea and the heritage of Venetian culture, unique at the Mediterranean and eminently suited for developing a particularly high-yield and diversified product (nautical tourism, golf courses, etc).

- The *capital Cetinje and Skadar Lake cluster*, which is devoted to nature, sports and village tourism and MICE, thanks to its historical significance, the diversity of local species and the scenery at the Cetinje-

Skadar Lake. The latter in particular is prospected to become one of the most important showcases for the touristic theme of sustainability, protection and care of nature, as well as preservation of local identities: in fact, only ecologically compatible activities like solar boats, hiking and biking are planned to be permitted, while strict framework conditions (local style, traditional architecture and materials) for all new buildings are settled.

- The *Bjelasica & Komovi Prokletije–Plav, Rožaje cluster*, to be developed into a regional holiday area at medium to higher quality. Due to the Tara canyon, the Biogradska Gora National Park, monasteries and mosques, its main products are related to relaxation, sport like hiking and biking, wellness and cultural experiences, to be provided in a family atmosphere.

- The *Durmitor–Sinjajevina Žabljak–Plužine–Šavnik cluster*. The strategy is to develop a new mountain product encompassing the whole cluster, building on active nature tourism for families, nature and mountain-sports enthusiasts, even by upgrading the national park through nature, experience and activity programmes.

Figure 10 – Touristic clusters

Source: Montenegro Tourism Development Strategy to 2020 (Montenegro Ministry of Tourism and Environment (2008).

On account of their proximity, the coast and the mountains blend to form one single experience, where the distance is proposed to be bridged with the help of two tourism corridors: the one from the coast to the Durmitor (which is even defined "Cluster 7"), where specific development of panoramic roads and trails is proposed, and the corridor from the coast to Bjelasica and Komovi ("Cluster 8"), to be devoted to the development of small and medium-sized initiatives on the trail grid as well as in the destination region. In these terms, the improvement of the legal framework and combat of the gray economy are even requested throughout the whole strategy, and described as indispensable tools towards the creation of a favorable private investment environment, as well as a closer cooperation of public sector at all levels.

7.7 - Serbia

Expected results from the implementation of the Serbian tourism development model are to transform the Republic of Serbia into a competitive tourist destination, and to increase both foreign exchange earnings and domestic tourist traffic. This, by offering the world a variety of products, which combine attractive natural and historical elements, coupled with a distinctive Serbian lifestyle that can be best experienced in the cultural, spiritual and emotional environment of a friendly people. Competitiveness is designed to be built on the following strategic assets:

- *Human resources*, to be valorized through the professionalization of hotel and tourism managers, as well as staff in the new tourist occupations (like animation, entertainment, events, and theme parks). This to be reached by developing vocational training, by encouraging partnerships with high quality and internationally recognized institutions able to support the transfer of innovation and know-how, and by increasing mobility and flexibility in the employment system.

- *Geo-strategic position*, which provides the Republic of Serbia, and Belgrade in particular, a central place in European traffic flows and, in general, which constitutes a clear link with the European background.

- *Natural resources*, especially in terms of ground and surface waters, mountains and forests, as a source for creating new products and innovation. With this regard, Vojvodina, with Novi Sad as its center, which proudly emphasizes its central European urban tradition, is especially dedicated to the valorization of water flows, and to the accelerated development of rural tourism, hospitality- based gastronomic heritage and authentic culinary experience of many ethnic groups that inhabited the area. Moreover, a fully capitalization of the Danube river, in terms of infrastructure development for river cruisers and floating restaurants, is highly recommended by the *World Travel & Tourism Council Development Potential Report*.

- *Rich archaeological and architectural heritage*, with emphasis on monasteries, historic towns and traditional architecture, giving Serbia strong arguments for the recognition and presentation as a destination with a valuable historical and cultural heritage.

- *Spiritual creativity and preferences festivals*, celebrations and other events, providing residents the possibility of presenting its own style of living.

This is the reason why the strategy is not to arrange predominantly homogeneous tourism products, but to set up, as a proper portfolio, different products ("City breaks"; "Cruising"; "Business tourism and MICE"; "Spa and wellness tourism"; "Mountains and lakes"; "Touring"; "Events"; "Rural tourism"; and the "Special interests"), which are assessed and ranked in the context of the key success factors and priorities in development and commercialization. That is say, each product is labeled as a "priority product" (see Table 3, on the next page), which is almost ready for the international commercialization and that is recognized as the first step towards the development of the other tourism products, or as a "bottlenecks" product (see Table 4), which due to high initial investment in hardware and software can not be immediately commercialized in the international market and for which a development processes is needed. The approach is that to boost priority product and to remove constraints in bottlenecks products, in order to produce best results with the smallest effort and in the shortest possible timeframe.

Table 3 – "Priority" Serbian tourist products

Priority tourism products	Short-term strategy	Medium-term strategy	Main areas of intervention
City breaks	low-costs approach	differentiation and specialization	- housing availability - level of destination management
Business tourism and MICE	low-cost and specialization	intensive penetration of the international market of congresses and conventions	- competitive infrastructure - accommodation facilities - packages that include additional activities and facilities
Touring	low costs and specialization	differentiation	- entry of low-cost airlines on the domestic market - facilities for charter air transport - investments in the tourism superstructure and infrastructure
Special interests	low cost with small investment and moderate prices	differentiation (ranging from rafting, hunting, fishing, horse sports, and eco hunting)	- professional management - development of infrastructures - ease of accessibility
Nautical tourism	low cost	differentiation (segments: river cruises and nautical charter)	development of marinas
Events	maximization of the effects of existing events of international significance	differentiation	- professional management - creation of other events that are attractive in the international context

Table 4 – "Bottlenecks" Serbian tourist products

Priority tourism products	Medium-term strategy	Main areas of intervention
Health tourism	specialization (Medical Spa and Mineral Spa, with high quality but low cost)	- raise of quality standards - development of a DMO, which should take over the management resource base destinations
Mountains and lakes	specialization (cluster of a dozen integrated mountain winter-summer destinations in the areas of Western and Eastern Serbia)	- planning and project management - international financing - infrastructure and superstructure - support to small and medium entrepreneurship
Rural tourism (ethnic destinations)	specialization (linkages with the food and agriculture sectors, through the development or consolidation of formal networks of destinations)	- environmental management of tourism facilities, and especially hotels - internal control standards - introduction of quality labels certifying a product as a genuine Serbian artifact - community engagement

The 2005 tourism strategy divided the country into four main regional clusters for tourism purposes (namely; Vojvodina, Belgrade, West Serbia and Eastern Serbia), each of them enjoying a rich heritage, natural and cultural attractions, in order to spread demand, increase variety and bring diversification into the tourism offer, implementing a positioning strategy that represents the Republic of Serbia as a country able to offer a diversity of authentic experiences. Today, is recognized as critical for the success of Serbian Tourism that clusters' distinctiveness and uniqueness is highlighted to visitors; however, after a decade of war and subsequent political crises, in the international market a proper awareness of the Republic of Serbia as a tourist destination is still lacking. This is the reason why an overall national branding policy is highly recommended, in order to allow to both battle against a negative international image, and to develop a unified tourist brand, whose benefits may be extended to individual regions of Serbia. The following three are the main lines of intervention in these terms:

- investing in actionable initiatives such as Belgrade2020 European City of Culture Candidacy;
- developing ambassador-type programs and focusing on the Serbian Diaspora and Visiting Friends and Relatives tourism as a platform to engage with important source-markets and to extend tourism to the regions;
- capitalizing on new technologies, social media in order to refresh the National Tourism Organization website with more interactivity and links to direct bookings.

Starting a new era of cooperation and partnership among the private, the public sector and local communities, and working to create an open, inclusive, constructive and systematic dialogue where industry can input into the National Tourism Organizations' and Government-driven initiatives, is another pillar defining Serbian policy framework for tourism development.

High is the awareness that, is order to be successful, this partnership must be based on mutual interests and maximum transparency, trust and accountability on each side. The latter to be reached through the creation of a system of both core and optional, and quantitative and qualitative indicators for sustainable tourism development, to be monitored, measured and regularly communicated to all stakeholders, and the production of a register of tourism associations which may be regularly updated. Taking all this into account, a kind of "interventionist" model of development of competitive tourism products and tourism clusters is chosen, creating operational and professional state an interested party, and not only an initiator and partner to the public sector at destination. Moreover, in order to encourage and proactively plan on-going stakeholder engagement in long-term tourism implementation, as well as to generate (both domestic and foreign) investor confidence, government bureaucracy is aimed to be reduced, systemic reforms about labor law and the system for the collection and payment of taxes are fostered, interventions to bring those in the grey or unobserved market fully into the economy are planned, and an ethical business is encouraged, through a multifaceted approach including performance management and reviews and incentives on quality controls.

As well as in the other EUSAIR Participating Countries, one of the main pillars of the tourism development strategy is that of infrastructure development, both in terms of maintenance and upgrade, to be achieved going hand in hand with quality and sustainability. In the case of Serbia, four are the critical components:

- physical accessibility, with a particular regard to road and air access (both in terms of low-cost and charter connections), where the transformation of the military airports is recommended, as well the development of the enormous potential of the Danube river;

- visit and MICE accommodation, where the implementation of national standards among Serbia's many small and privately owned hotels is suggested, as well the adoption of certification and online booking facilities, that would help to raise the quality of the tourism offering in the country;

- water and waste management, which appears to be a particularly sensitive issue in some areas such as mountain resorts;

- telecommunications for banking systems, in order to ensure that small business owners can sell their products freely online.

Finally, long term planning and research is recommended. It is meant as the collection and strategically use of accurate and relevant data to measure and monitor domestic travel (where now Serbian citizens appear to have regained a positive confidence and pride in their country, they want to stay in and explore) and international tourism arrivals (where the countries of the Balkans and Russia are the main travel markets) as well as tourism's economic and employment impacts, even through the establishment of regular programs of seminars and workshops to share data and knowledge with the private industry.

7.8 - Slovenia

Pursuant to Article 5 of the *Promotion of Tourism Development Act* (*Official Gazette of the Republic of Slovenia*, No. 2/04), the Ministry of Economic Development and Technology with the *2012-2016 Slovenian Tourism Development Strategy* aims at the design of an efficient development model of Slovene tourism, that could even raise the culture of evaluation and competency, by means of providing measurement methods and indicators for supervising all key attributes and potentials of national tourism.

In detail, Slovenia is planned to become a developed tourist destination with a modern, diverse and attractive tourist offer, based on innovative and quality products and high value-added services. All of these meaning an increase in the volume of tourism activity, in terms of traffic, revenues and profits from catering and tourist activities, number of tourists, and number of overnight stays. However, basing on the assumption that development is not only measured by quantitative indicators, the monitoring of tourism industry performance at national and entrepreneurial levels is accompanied by the basic orientation towards sustainable development, the concern for the economic, socio- cultural and natural environment, environmental impact management and quality, and transfer to a low-carbon society. In these terms, sustainable tourism is indeed considered the leverage that forms the strategic basis dictating steps and projects to be taken, and that is expected to become an important part of economic and socio-cultural well-being (with relevant outcomes in revenues and jobs), reinforcing cultural identity and allowing the international expert and wider community to identify Slovenia as an excellent, green, active, healthy and pleasurable destination to visit and do business with.In coherence to that, three main development areas are settled, whereby the task of the national tourism strategy is to achieve synergy between all of them:

- *increase competitiveness,* meaning improving innovativeness, quality, and safety in tourism products, towards tourist satisfaction and de-seasonalization. This, by facilitating research and development, both in the public and private sectors, which provides appropriate bases for business decision making, as well as by raising the qualifications of employees in hospitality and tourism and by encouraging innovations in the up-scaling and development of high value- added tourist products.

- *ensure a favorable business and normative environment,* with a stress on coordination and cooperation at an inter-ministerial level (in order to both eliminating obstacles for a more efficient development of tourism and exploiting all policies and financial instruments provided by the Republic of Slovenia and EU), as well as on developing strategic partnerships within the sector and external stakeholders, even in a public-private perspective, towards the raise of quality in tourist products and services. This, even by promoting the image of tourism as a priority in the eyes of other activities, able to guarantee the well-being of the local population and regional development.

- *set up an intensive, efficient and innovative marketing and promotion* (both in real and digital world) of Slovenia as an attractive, recognizable and highly positioned tourist destination at the targeted segments. Adequate resources for internationalization, integration of e-marketing and classic marketing, a more consistent use of the brand of Slovenia in the entire tourism industry and, at the same time, in cooperation with other implementation fields (such as agriculture and forestry, transport, health care, environment and spatial planning) are called as the main measures to be developed to achieve synergy effects. Moreover, a cover story of Slovenia as "green", "active" and "healthy" destination to be experienced through the harmony of all senses has been designed, stressing on the fact that in national tourism offer the concept of "green" is more than a color.

Figure 11 – Overall Slovene brand design as a tourism destination

Source: Slovenian Tourism Development Strategy 2012 - 2016 (2012).

Promotion is indeed one of the seven main kinds of obstacles (together with *Means for development and marketing of Slovenian tourism*, *Accessibility*, *Tourist offer*, *Human Resources*, *Business Environment*, and *Legislation*) the Government identified for what is about the process of attaining greater competitiveness (Table 5, on the next page). With this regard, besides encouraging cooperation with EU and international institutions such as UNWTO and OECD, Slovene strategy sets out the role and the importance of individual stakeholders in the field of tourism, defining them as true bearers or participating parties in the implementation of particular tasks.

Then, an enhancement of joint planning and excellence in all areas and at all levels of Slovenian tourism[25] is clearly called as basic strategy with the aim to generate an additional tourist offer and enable a faster development of individual tourist destinations, while a great emphasis is placed, among other interventions, on green tourist infrastructure[26] as well as on supporting the development of appropriate flight, rail and traffic connections, in order to make Slovenia more accessible (see Figure 12, on the next page).

25 Beside the Slovenian Tourist Board, which forms an integral tourist information structure at a national level, while also carrying out the facilitation of destination development as a whole, there are thirteen regional destination boards established at present, with the fourteenth being established. Both national and local boards perform the same four functions (promotions, distributions, development and operations, not disregarding a connective role between all stakeholders), in order to form top-quality and interesting tourist products and act jointly on foreign markets, both in the field of promotion and marketing as well as forming integral tourist products.

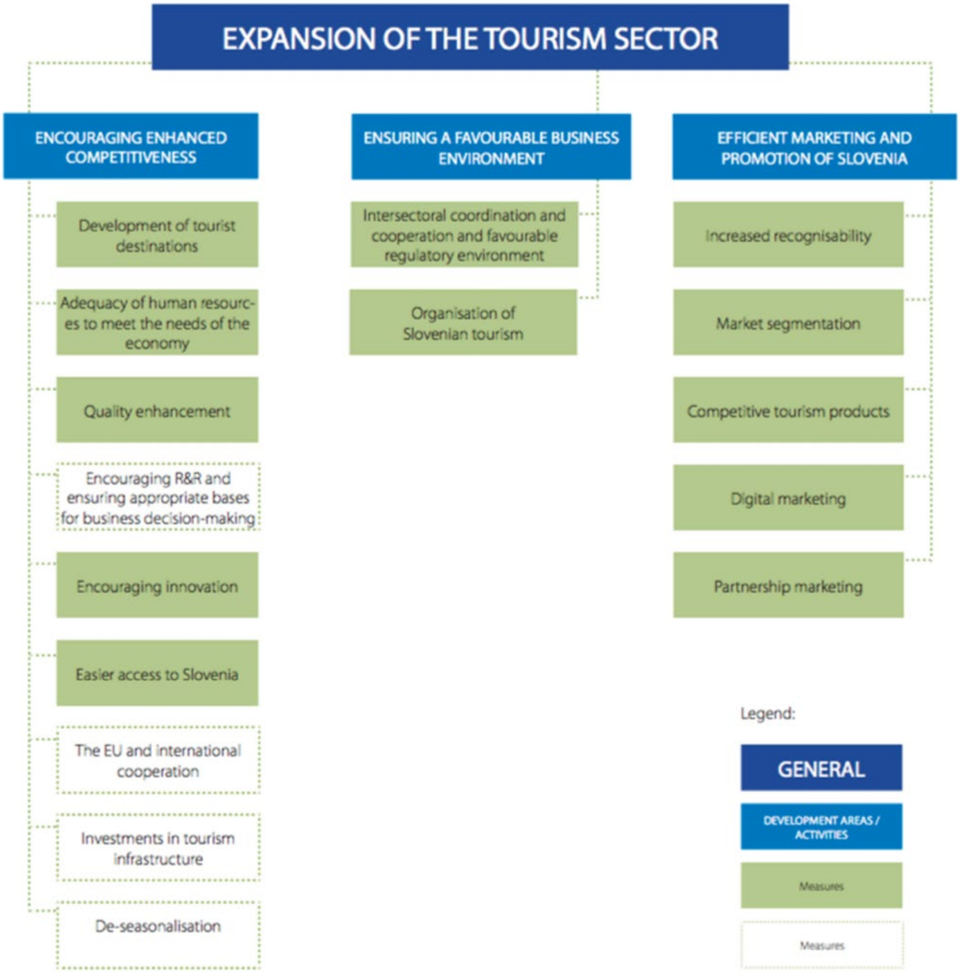
26 The objectives set in this period are planned be achieved by continuing the policies from the previous strategic period (2007 – 2011), when the majority of funds were intended to stimulate private sector investments, which had a major contribution to the rise in the level of tourist capabilities, both in light of quantity as well as quality. Incentives were primarily aimed at tourist infrastructure in the narrow sense and succeeded in lessening the bottlenecks in the field of accommodation capabilities, skiing capacities and the wellness and congress offer.

Table 5 – Identified obstacles in achieving greater competitiveness of Slovenian tourism

Means for development and marketing of Slovenian tourism	limited amount of financial means intended for tourism in light of the significance it has on the Slovenian economy (in the fields of investments, development and promotion)
Accessibility	- small number of direct flight connection with the key markets of Slovenian tourism - poor and outdated railway infrastructure - poor road connections from motorways to some most important tourist centers; - the vignette system unfriendly to visitors and tourists - unorganized visa policy on promising markets
Promotion	- inconsistent use of the national brand "I FEEL SLOVENIA" within the frame of promotional activities on foreign markets (primarily by other sectors and economy aiming to achieve the synergy effects of Slovenia's standing-out) - low level of recognition of Slovenia on target markets
Tourist offer	- lacking competitive tourist products - lacking added value or attained price of tourist products - non-cooperation of tourist providers and unconnected tourist offer - unsatisfactory situation and insufficient action in the field of green or sustainable development in tourist and other sectors - gaming poorly integrated in the tourist offer
Human resources	- lack of quality, qualified and motivated human resources in catering and tourism - rigid labour legislation
Business environment	- discouraging investment environment for capital - inadequate business environment that fails to facilitate innovations and competitiveness - properly - inefficient inter-ministerial coordination for the needs of faster development of tourism
Legislation	- inconsistent implementation of the *Gaming Act* in terms of ensuring the earmarked use of funds from special games of chance concession fees - ministerial regulations important for tourism that do not follow the interests and needs of this area adequately

Source: Declaration on Partnership for the Sustainable Development of Slovenian Tourism (2011).

Figure 12 – Development areas and measures or activities



Source: Slovenian Tourism Development Strategy 2012 - 2016 (2012).

In terms of business strategy, this is connected to a detailed market segmentation and action planning within the following three clusters of foreign markets: key European markets (mainly B2C activities), other European markets (mainly B2B activities), and overseas markets (B2B activities). Core areas of the offer are focused on the sets of leisure time, within which a number of specialized, niche tourism products are being developed, marketed, and adapted to individual target groups in view of demographic characteristics (e.g. youth tourism, senior tourism, families), narrow market segments for "nature lovers" (e.g. lovers of adrenaline adventures), market segments in view of the forms that are given priority (e.g. lovers of camps, vineyard cottages, farms) and other market segments.

Then, the following core tourist products are identified:

- *Health and well-being* (health resorts, wellness, medical tourism), where main objectives in the five-year planning period include the development of health maintenance and preventive programmes that are based on a holistic approach, the specialisation of individual health resorts and the development of new programmes for relaxation and entertainment. The aim is Slovenian natural spas to intertwine, in a well-balanced ratio, wisdom, experience, the natural environment and the distinct features of the country with the expertise and friendliness of hosts.
- *Active holidays* (winter and summer activities, like hiking and biking, golf tourism, and fly fishing), with the aim to create a strong product association to make Slovenia visible on the map of Europe as a developed, active, green, and sustainable tourist destination, offering a variety of outdoor activities.
- *Adventures in nature* (countryside tourism, tourist farms, natural parks and protected areas, ecotourism, camps), even through the participation in the EDEN – "European Destinations of ExcelleNce" project, in order to draw attention to the value and diversity of the most sustainable or green destinations that follow the principles of environmental, socially responsible, and cultural sustainability, thus stimulating their further development and integration in the whole national tourism offer.
- *Business tourism*, leveraging the vicinity of primary markets, a favorable balance between the price and quality of services, as well as the reputation of the profession and science in international associations.
- *Gastronomy*, where the emphasis on regionality and locality is connected to the integration of regional and local cuisine in the offers of hotels and restaurants, the valorization of protected foods and dishes in tourism offer and promotion, and the encouragement of Slovenian and European culinary trails, also in association with the EDEN project.
- *Culture*, seen as an ideal way to extend the season through the improvement and better integration of heritage sites (churches, castles, palaces, monuments), various presentations of the living heritage (concerts, festivals, crafts, cuisine), and heritage events (exhibitions, museums). Moreover, leveraging the membership to the *Europe of Tradition* consortium, Slovene action plan envisages the preparation of adventure packages which will include the accommodation in traditional facilities, cuisine, learning about the nature and cultural heritage of the place and the immediate vicinity of the house and the integration of all the elements of the offer into the entire tourism product of houses of tradition. In this case, marketing is focused on the sales at information and reservation portals and the introduction of business systems to support operations, which would enable access to specialized travel agents.
- *Entertainment tourism and gambling industry*, by promoting the development of strong capital concessionaires of special games of chance, which have a capacity to construct socially more acceptable gambling centers, and significantly invest in tourism infrastructure on certain local destinations.
- *Cruising*, as Slovenia wishes to become known to ship owners as a new destination for cruise ships for its unique tourist offer found in no other passenger terminals in the Adriatic Sea or Mediterranean area, by developing the project in a base passenger terminal (with a possibility of passenger boarding/landing) and not merely a port of call.

Finally, *Youth tourism* is seen with a particular interest, through the design of a network of youth lodgings, together with other accommodation capacities and camps. Therefore, attention is placed on providing support to the Hostelling International Slovenia (which represents Slovenia in the International Youth Hostel Federation) in marketing and integration of its tourism products, as well as in offering other elements of youth tourism such as events, sports activities, cultural events, natural features and similar.

Conclusions

As far as the EU Policy is concerned, tourism has been widely considered one of the major economic activities with a positive impact in Europe, even providing a textbook example of the need to reconcile economic growth and sustainable development, including an ethical dimension. This is the reason why, in coherence with the *Europe 2020 Strategy*, the aim of this document is to both propose a shared strategy, which may capitalize on the existing cooperation networks already set in the EUSAIR Area, and a joint set of actions, grouped into four lines of intervention, EUSAIR Partners may adopt in order to promote tourism.

Both strategy and actions reflect the *Lisbon Treaty* and the *Madrid Declaration*, which both establish a series of recommendations concerning the implementation of a consolidated European tourism policy, as well as the Communication (COM(2010)352) *Europe, the world's No 1 tourist destination – a new political framework for tourism in Europe*, in which the Commission focuses on the need for a sustainable approach in order to boost the competitiveness of the European tourism sector. In addition, they take good note of the Communication (COM(2014)86) *A European Strategy for more Growth and Jobs in Coastal and Maritime Tourism* that sets the framework for current challenges and proposes a sets of actions to unlock the full potential of this growing and promising sector. Furthermore, the strategy and actions here proposed are in line with the EUSAIR *Action Plan*, by highlighting cross-cutting issues related to Research and Innovation, with a particular attention to SMEs development, and life-long learning, vocational training, and development of skills (the *Capacity Building* process), both for private actors and public bodies who need to engage in a much closer cooperation.

The stimulation of competitiveness and the promotion of a more resource-efficient, responsible and high-quality tourism offer are here suggested to be two of the main triggers that could make a significant contribution to re-launch the tourism market, while responding to concerns related to social matters, employment, territorial cohesion, as well as the capitalization on natural, cultural, maritime and agri-food heritages in the Area as drivers for innovation and growth.

Finally, in order to face the challenge of bundling a fragmented supply into a consistent tourism product, as well as to reduce the sector's dependence on the seasonal model, a support for an entrepreneurial approach is here suggested, thus linking sustainability principles (referring to the environmental, economic and socio-cultural aspects of tourism development, and the establishment of a suitable balance between these three dimensions in the long-term) to a strong commercial and business-oriented dynamic, based on destination management activities, best practices (mainly at transnational and/or interregional level) exchanges and integrated territorial development action plans, where the local population as well as tourists/visitors, is seen as a part of a sustainable tourism concept.

Methodological notes and appendix of section one

Methodological notes

The difficulties in analyzing the tourist sector in the eight Countries members of the Adriatic and Ionian Region derive from the different methods of data harvest used by each of the National Institutes of Statistic. For the countries partner of the European Union, that has also picked up the data of Montenegro and Serbia since 2011, the homogeneity and quality control of the data is directly realized by Eurostat http://ec.europa.eu/eurostat (primary source of this document).

For the other Countries (Albania and Bosnia and Herzegovina) and for Montenegro and Serbia (for the preceding years at 2011) the data on the international arrivals have been used furnished by the UNWTO (International tourism trends in EU-28 member states. Current situation and forecasts for 2020-2025-2030), from the World Bank (http://data.worldbank.org) and from the WTTC (World Travel and Tourism Council -http://www.wttc.org/).

Other macroeconomic indicators, and the forecasts to 2020, have been measured with the data of the WTTC. They bring following the contents:

Direct contribution to GDP – GDP generated by industries that deal directly with tourists, including hotels, travel agents, airlines and other passenger transport services, as well as the activities of restaurant and leisure industries that deal directly with tourists. It is equivalent to total internal Travel & Tourism spending within a country less the purchases made by those industries (including imports).

Total contribution to GDP – GDP generated directly by the Travel & Tourism sector plus its indirect and induced impacts.

Visitor exports – spending within the country by international tourists for both business and leisure trips, including spending on transport, but excluding international spending on education.

Domestic Travel & Tourism spending – spending within a country by that country's residents for both business and leisure trips. Multi-use consumer durables are not included since they are not purchased solely for tourism purposes.

Government individual spending – spending by government on Travel & Tourism services directly linked to visitors, such as cultural services (eg museums) or recreational services (eg national parks).

Business Travel & Tourism spending – spending on business travel within a country by residents and international visitors.

Leisure Travel & Tourism spending – spending on leisure travel within a country by residents and international visitors.

Capital investment – includes capital investment spending by all industries directly involved in Travel & Tourism. This also constitutes investment spending by other industries on specific tourism assets such as new visitor accommodation and passenger transport equipment, as well as restaurants and leisure facilities for specific tourism use.

Government collective spending –government spending in support of general tourism activity. This can include national as well as regional and local government spending. For example, it includes tourism promotion, visitor information services, administrative services and other public services.

Other World Bank Data:

International tourism, number of arrivals - International inbound tourists (overnight visitors) are the number of tourists who travel to a country other than that in which they have their usual residence, but outside their usual environment, for a period not exceeding 12 months and whose main purpose in visiting is other than an activity remunerated from within the country visited. When data on number of tourists are not available, the number of visitors, which includes tourists, same-day visitors, cruise passengers, and crew members, is shown instead.

International tourism, receipts (current US$) - International tourism receipts are expenditures by international inbound visitors, including payments to national carriers for international transport. These receipts include any other prepayment made for goods or services received in the destination country. They also may include receipts from same-day visitors, except when these are important enough to justify separate classification.

International tourism, expenditures (current US$) - International tourism expenditures are expenditures of international outbound visitors in other countries, including payments toforeign carriers for international transport. These expenditures may include those by residents traveling abroad as same-day visitors, except in cases where these are important enough to justify separate classification.

CHAPTER 2

Table 1 – Country Highlights

ALBANIA	BOSNIA & HERZEGOVINA
GDP: DIRECT CONTRIBUTION	**GDP: DIRECT CONTRIBUTION**
68 bn LEK (Albanian Lek; 1ALL=0,01EUR) (4,8% of total GDP) in 2013, and is forecast to rise by 5,5% in 2014, and to rise by 5, 6%, from 2014-2020, to ALL 123 bn (6,1% of total GDP) in 2024.	670 mn BAM (Bosnian Mark; 1BAM=0,51EUR) (2,5% of tota GDP) in 2013, and is forecast to rise by 2,3% in 2014, and t rise by 5,3%, from 2014-2024, to BAM 1.149 mn (3,0% of tota GDP) in 2024.
GDP: TOTAL CONTRIBUTION	**GDP: TOTAL CONTRIBUTION**
239 bn LEK (16,7% of GDP) in 2013, and is forecast to rise by 4,6% in 2014, and to rise by 5,4% pa to ALL 424 bn (20,9% of GDP) in 2024.	2.465 mn BAM (9,3% of GDP) in 2013, and is forecastto rise by 3,3% in 2014, and to rise by 5,4% to BAM 4.297 mn (11,4% of GDP) in 2024.
EMPLOYMENT: TOTAL CONTRIBUTION	**EMPLOYMENT: TOTAL CONTRIBUTION**
15,2% of total employment (**146.500 jobs**). This is expected to rise by 4,1% in 2014 to 153.000 jobs and rise by 3,2% to 210,000 jobs in 2024 (19,5% of total).	10,7% of total employment (**114.000 jobs**). This is expected to rise by 3,9% in 2014 to 118.500 jobs and rise by 2,2% pa to 147.000 jobs in 2024 (13,5% of total).
VISITOR EXPORT	**VISITOR EXPORT**
Visitor exports generated ALL 154 bn (23,2% of total exports) in 2013. This is forecast to grow by 6,3% in 2014, and grow by 5,6% pa, from 2014-2024, to ALL 282.5bn in 2024 (22,2% of total).	Visitor exports generated BAM 1.071 mn (10,1% of total exports) in 2013. This is forecast to grow by 2,8% in 2014, and grow by 6,5%, from 2014-2024, to BAM 2.076 MN in 2024 (11, 8% of total).
INVESTMENT	**INVESTMENT**
Travel & Tourism investment in 2013 was ALL 15,4bn or 4, 3% of total investment. It should fall by 2,2% in 2014, and rise by 4,1% pa over the next ten years to ALL 22 ban in 2024 (4,4% of total).	Travel & Tourism investment in 2013 was BAM 232 MN or 4, 2% of total investment. It should rise by 14, 6% in 2014, and rise by 5, 9% over the next ten years to BAM 474 MN in 2024 (5, 8% of total).
CROATIA	**GREECE**
GDP: DIRECT CONTRIBUTION	**GDP: DIRECT CONTRIBUTION**
35.077 MN HRK (Croatian Kuna; 1HRK=0,13EUR) (12, 1% of total GDP) in 2013, and is forecast to rise by 6, 0% in 2014, and to rise by 5, 4%, from 2014-2024, to HRK 63.051 MN (17, 1% of total GDP) in 2024.	EUR 11 ban (6, 5% of total GDP) in 2013, and is forecast to rise by 3, 1% in 2014, and to rise by 3, 4% pa, from 2014-2024, to EUR 16 ban (7, 4% of total GDP) in 2024.
GDP: TOTAL CONTRIBUTION	**GDP: TOTAL CONTRIBUTION**
HRK 80.332 MN (27, 8% of GDP) in 2013, and is forecast to rise by 5, 2% in 2014, and to rise by 5, 1% to HRK 139.012 MN (37, 6% of GDP) in 2024.	EUR 28 ban (16, 3% of GDP) in 2013, and is forecast to rise by 3, 0% in 2014, and to rise by 3, 7% pa to EUR 41.8bn (19, 1% of GDP) in 2024.
EMPLOYMENT: TOTAL CONTRIBUTION	**EMPLOYMENT: TOTAL CONTRIBUTION**
29, 9% of total employment (**311.500 jobs**). This is expected to rise by 4,2% in 2014 to 324.500 jobs and rise by 2,3% pa to 406.000 jobs in 2024 (36,9% of total).	18, 2% of total employment (**657.000 jobs**). This is expected to rise by 2, 7% in 2014 to 675.000 jobs andrise by 2, and 3% to 846.000 jobs in 2024 (21, 4% of total).
VISITOR EXPORT	**VISITOR EXPORT**
Visitor exports generated HRK 63.983 MN (45, 1% of total exports) in 2013. This is forecast to grow by 6, 7% in 2014, and grow by 5, 3%, from 2014-2024 to HRK 114.610 MN in 2024 (46, 8% of total).	Visitor exports generated EUR 11 ban (24, 0% of total exports) in 2013. This is forecast to grow by 6, 6% in 2014, and grow by 3, 8%, from 2014-2024, to EUR 17 ban in 2024
INVESTMENT	**INVESTMENT**
Travel & Tourism investment in 2013 was HRK 6.606 MN or 10, 3% of total investment. It should riseby 1, 7% in 2014, and rise by 2, 6% over the next ten years to HRK 8.660 MN in 2024 (10, 5% of total).	Travel & Tourism investment in 2013 was EUR 2 ban or 13, 7% of total investment. It should rise by 0, 9% in2014, and rise by 5, 4% over the next ten years to EUR 4 ban in 2024 (14,2% of total).

MONTENEGRO	ITALY
GDP: DIRECT CONTRIBUTION	**GDP: DIRECT CONTRIBUTION**
EUR 348.mn (9,8% of total GDP) in 2013, and is forecast to rise by 12,6% in 2014, and to rise by 8,6% pa, from 2014-2024, to EUR 892 mn (17,7% of total GDP) in 2024.	EUR 64 bn (4,2% of total GDP) in 2013, and is forecast to rise by 2,6% in 2014, and to rise by 2,3%, from 2014-2024, to EUR 83 bn (4,7% of total GDP) in 2024.
GDP: TOTAL CONTRIBUTION	**GDP: TOTAL CONTRIBUTION**
EUR 714 mn (20,0% of GDP) in 2013, and is forecast to rise by 13,2% in 2014, and to rise by 8,8% pa to EUR 1.877 mn (37,2% of GDP) in 2024	EUR 159 bn (10,3% of GDP) in 2013, and is forecast to rise by 2,1% in 2014, and to rise by 2,0% pa to EUR 198 bn (11,3% of GDP) in 2024.
EMPLOYMENT: TOTAL CONTRIBUTION	**EMPLOYMENT: TOTAL CONTRIBUTION**
18,3% of total employment (**30.500 jobs**). This is expected to rise by 14,4% in 2014 to 35.000 jobs and rise by 6,2% pa to 64.000 jobs in 2024 (34,5% of total).	11,6% of total employment (**2.619.000 jobs**). This is expected to rise by 1,3% in 2014 to 2.652.500 jobs and rise by 1,6% to 3.094.000 jobs in 2024 (13,4% of total).
VISITOR EXPORT	**VISITOR EXPORT**
Visitor exports generated EUR 699 mn (51,4% of total exports) in 2013. This is forecast to grow by 10,0% in 2014, and grow by 7,9%, from 2014-2024, to EUR 1.641 mn in 2024 (50,9% of total).	Visitor exports generated EUR 33 bn (7,0% of total exports) in 2013. This is forecast to grow by 3,6% in 2014, and grow by 1,6%, from 2014-2024, to EUR 40 bn in 2024 (6,0% of total).
INVESTMENT	**INVESTMENT**
Travel & Tourism investment in 2013 was EUR 208 mn or 28,0% of total investment. It should rise by 14,3% in 2014, and rise by 8,7% pa over the next ten years to EUR 549 mn in 2024 (52,3% of total).	Travel & Tourism investment in 2013 was EUR 8 bn or 3,2% of total investment. It should rise by 4,3% in 2014, and rise by 2,3% over the next ten years to EUR 11 bn in 2024 (3,5% of total).
SERBIA	**SLOVENIA**
GDP: DIRECT CONTRIBUTION	**GDP: DIRECT CONTRIBUTION**
78 bn RSD (1 Euro = 120.4 RSD) (2.1% of total GDP) in 2013, and is forecast to rise by 1,1% in 2015, and to rise by 5,2% pa, from 2015-2025, to RSD 131 bn (2,5% of total GDP) in 2024.	EUR1.296 mn (3.5% of total GDP) in 2013, and is forecast to rise by 2,9% in 2015, and to rise by 3,7% pa, from 2015-2025, to EUR 1.910 mn (3,8% of total GDP) in 2024.
GDP: TOTAL CONTRIBUTION	**GDP: TOTAL CONTRIBUTION**
RSD 231 bn (6.1% of GDP) in 2014, and is forecast to rise by 1,1% in 2015, and to rise by 4,8% pa to RSD373 bn (7,2% of GDP) in 2024.	EUR 4.707 mn (12,7% of GDP) in 2013, and is forecastto rise by 2,5% in 2015, and to rise by 3,8% pa to EUR 7.027 mn (13,8% of GDP) in 2024
EMPLOYMENT: TOTAL CONTRIBUTION	**EMPLOYMENT: TOTAL CONTRIBUTION**
6,4% of total employment (**87.500 jobs**). This is expected to rise by 0,7% in 2015 to 88.000 jobs and rise by 1,3% pa to 100.000 jobs in 2024 (7,5% of total).	13,0% of total employment (**103.500 jobs**). This is expected to rise by 0,9% in 2015 to 104.500 jobs and rise by 1,6% pa to 122.000 jobs in 2025 (14,6% of total)
VISITOR EXPORT	**VISITOR EXPORT**
Visitor exports generated RSD 117 bn (6,5% of total exports) in 2014. This is forecast to grow by 2,1% in 2015, and grow by 5,7% pa, from 2015-2024, to RSD 208 bn in 2024 (7,0% of total).	Visitor exports generated EUR2,240.7mn (8.0% of total exports) in 2013. This is forecast to grow by 5.0% in 2015, and grow by 3.7% pa, from 2015-2025, to EUR3,378.3mn in 2024 (8.8% of total).
INVESTMENT	**INVESTMENT**
Travel & Tourism investment in 2014 was RSD 28 bn, or 4,4% of total investment. It should rise by 2,9% in 2014, and rise by 2,6% pa over the next ten years to RSD 37 bn in 2024 (4,2% of total).	9,4% of total investment. It should rise by 4,3% in 2014, and rise by 4,4% pa over the next ten years to EUR1.137 mn in 2024 (10,0% of total).

Source: WTTC (World Travel & Tourism Council), Country Reports

Table 2 - International Tourist Arrivals in the World in 2013, Change (%) 2012-2013

Rank		ARRIVALS	Change (%)
1	France	83	2,2
2	United States	70	4,7
3	Spain	61	5,6
4	China	56	-3,5
5	Italy	48	2,9
6	Turkey	38	5,9
7	Germany	32	3,7
8	United Kingdom	31	6,4
9	Russian Federation	28	10,2
10	Thailand	26,5	18,8

Source: UNWTO – Tourism Monitor Highlights 2015.

Table 3 - International Tourism Receipts in the World in 2013, Change (%) 2012-2013

Rank		RECEIPTS - Billion	Change (%) 2013-2014
1	United States	140	10,6
2	Spain	60	3,9
3	France	56	1,3
4	China	52	1,4
5	Macao (China)	52	18,1
6	**Italy**	**44**	**3,1**
7	Thailand	42	23,1
8	Germany	41	4,5
9	United Kingdom	41	13,2
10	Hong Kong (China)	39	17,7

Source: UNWTO – Tourism Monitor Highlights 2015.

CHAPTER 3

Table 4 – List of Unesco heritage

Countries	SITES	HERITAGE
Eusair Italian regions	39	Lombardia (9 - Incisioni rupestri della Val Camonica, Chiesa e Convento Domenicano di Santa Maria delle Grazie con "L'Ultima Cena" di Leonardo da Vinci (Milano), Crespi d'Adda, Sacri Monti del Piemonte e della Lombardia, Monte San Giorgio, Mantova e Sabbioneta, Ferrovia retica nel paesaggio dell'Albula e del Bernina, Longobardi in Italia: i luoghi del potere, Siti palafitticoli preistorici attorno alle Alpi)
		Trentino Alto Adige (2 – Dolomiti; Siti palafitticolipreistorici attorno alle Alpi)
		Friuli Venezia Giulia (4 - Zona archeologica e Basilica patriarcale di Aquileia, Dolomiti, Longobardi in Italia: i luoghi del potere, Siti palafitticoli preistorici attorno alle Alpi),
		Veneto (6 - Venezia e la Laguna, Città di Vicenza e leville palladiane del Veneto, Orto botanico di Padova, Cittàdi Verona, Dolomiti, Siti preistorici attorno alle Alpi) Emilia Romagna (3 -Ferrara città del Rinascimento e ildelta del Po, Monumenti paleocristiani di Ravenna, Cattedrale, Torre Civica e Piazza Grande di Modena),
		Umbria (2 - Assisi, la basilica di San Francesco, Basilica di Santa Maria degli Angeli e Palazzodel Capitano)
		Marche (1- Centro storico di Urbino) Abruzzo (0); Molise (0) Puglia (3 - Monte Sant'Angelo, Castel del Monte, Trullidi Alberobello)
		Calabria (1 - Celebrazione delle grandi strutture processionali a spalla)
		Sicilia (8 - Villa romana del Casale, Area archeologicadi Agrigento, Isole Eolie, Città tardo barocche del Val di Noto, Siracusa e la necropoli rupestre di Pantalica Teatro dei Pupi siciliani, Etna, Pratica agricola tradizionale di coltivarela 'vite ad alberello' della comunità di Pantelleria
Bosnia & Herzegovina	2	Old Bridge Area of the Old City of Mostar & Mehmed,Paša Sokolovic Bridge in Višegrad
Albania	2	Butrint & Historic Centres of Berat and Gjirokastra
Greece	17	Temple of Apollo Epicurius at Bassae, Acropolis, Athens, Archaeological Site of Delphi, Medieval City of Rhodes, Meteora, Mount Athos, Paleochristian and Byzantine Monuments of Thessalonika, Sanctuary of Asklepios at Epidaurus, Archaeological Site of Mystras, Archaeological Site of Olympia, Delos, Monasteries of Daphni, Hosios Loukasand Nea Moni of Chios, Pythagoreion and Heraion of Samos, Archaeological Site of Aigai (modern name Vergina), Archaeological Sites of Mycenae and Tiryns, The Historic Centre (Chorá) with the Monastery of Saint-John the Theologian and the Cave of the Apocalypse on the Islandof Pátmos, Old Town of Corfu
Montenegro	2	Natural and Culturo-Historical Region of Kotor, Durmitor National Park
Serbia	4	Gamzigrad-Romuliana, Palace of Galerius, Medieval Monuments in Kosovo, Stari Ras and Sopoćani, Studenica Monastery
Croatia	7	(Historical Complex of Split with the Palace of Diocletian, Old City of Dubrovnik, Plitvice Lakes National Park, Episcopal Complex of the Euphrasian Basilica in the Historic, Centreof Poreč, Historic City of Trogir, The Cathedral of St Jamesin Šibenik Stari Grad Plain
Slovenia	3	Heritage of Mercury. Almadén and Idrija Prehistoric Pile dwellings around the Alps Natural: Škocjan Caves
EU 28	**326**	
Adriatic-Ionian Region	**76**	

Table 5 – List of national Parks

Albania (15)	Croatia (8)	Greece (13)	Montenegro (5)	Italian Adriatic and Ionian Regions (15)
Bredhi i Drenoves	Brijuni	Lake Mikri Prespa	Scadar Lake (Skadarsko Lake)	Alta Murgia
Bredhi i Hotoves	Kornati	Mount Olympus	Lovcen	Gargano
Butrinti	Krka	Vikos-Aoos / Zagorohoria	Biogradska Gora	Abruzzo, Lazio e Molise
Llogara	Mljet	Valia Calda / Pindos	Durmitor (with 2 great rivers - Tara and Piva)	Gran Sasso e Monti della Laga
Lugina e Valbone	Paklenica	Vikos-Aoos / Zagorohoria	Prokletije	Majella
Lumi Buna dhe territoret ligatinore perreth tij	Plitvice	Valia Calda / Pindos	**Bosnia & Herzegovina (3)**	Monti Sibillini
			Kozara	
Lura	Risnjak	National Marine Park of Alonissos, North Sporades	Sutjeska	Appennino Tosco-Emiliano
Mali i Dajtit	Sjeverni Velebit	Mt Parnassos	Una	Foreste Casentinesi, Monte Falterona, Campigna
Mali i Tomorrit	**Serbia (5)**	Mt Oiti	**Slovenia (1)**	Dolomiti Bellunesi
Pisha e Divjakes	Đerdap	Mt Parnitha	Triglav National Park	Dolomiti Friulane
Pjesa shqiptare e Liqenit te Shkodres	Kopaonik	Sounion		Prealpi Giulie
Prespa	Tara	Ainos (Cefalonia)		Stelvio – Stilfserjoch
Qafe-Shtame	Šar Mountain	Gole di Samaria		Appennino Lucano - Val d'Agri – Lagonegrese
Thethi	Fruška Gora			Aspromonte
Zall-Gjocaj				Pollino

Table 6 – Details of Index of Global Travel & Tourism Competitiveness Index (TTCI),

Policy rules and regulations	**ICT infrastructure**
Prevalence of foreign ownership	ICT use for B-to-B transactions
Property rights	ICT use for B-to-C transactions
Business impact of rules on FDI	Individuals using the Internet, %
Visa requirements	Fixed telephone lines/ pop
Openness bilateral ASAs	Broadband Internet subscribers/ pop
Transparency of government policymaking	Mobile telephone subscriptions/ pop
N° of days to start a business	Mobile broadband subscriptions/ pop
Cost to start a business, % GNI/capita	**Price competitiveness in T&T ind**
GATS commitment restrictiveness (–)*	Ticket taxes and airport charges (–)
Environmental sustainability	Purchasing power parity
Stringency of environmental regulation	Fuel price, US$ cents/liter
Enforcement of environmental regulation	Extent and effect of taxation
Sustainability of T&T industry development	Hotel price index, US$
Carbon dioxide emission, million tons/capita	**Human resources**
Particulate matter concentration, μg/m^3	Education and training
Threatened species, %	Primary education enrollment, net %
Environm treaty ratification (–)	Secondary education enrollment, gross %
Health and hygiene	Quality of the educational system
Physician density/ , pop	Local availability specialized research & training
Access to improved sanitation, % pop	Extent of staff training
Access to improved drinking water, % pop	Availability of qualified labor
Hospital beds/ , pop	Hiring and firing practices
Prioritization of Travel & Tourism	Ease of hiring foreign labor
Government prioritization of the T&T industry	HIV prevalence, % adult pop
T&T gov't expenditure, % gov't budget	Business impact of HIV/AIDS
Effectiveness of marketing to attract tourists	Life expectancy, years
Comprehensiveness of T&T data (–)	**Natural resources**
Timeliness of T&T data (–)	N° of World Heritage natural sites
Air transport infrastructure	Quality of the natural environment
Quality of air transport infrastructure	Total known species
Airline seat kms/week, dom , millions	Terrestrial biome protection (– %)
Airline seat kms/week, int'l, million	Marine protected areas, % n/a n/a
Departures/ , pop	**Cultural resources**
Airport density/million pop	N° of World Heritage cultural sites
N° of operating airlines	Sports stadiums, seats/million pop ,
International air transport network	N° of int'l fairs and exhibitions
Ground transport infrastructure	Creative industries exports, % of world total*
Quality of roads	**Tourism infrastructure**
Quality of railroad infrastructure	Hotel rooms/ pop
Quality of port infrastructure	Presence of major car rental co (–)
Quality of ground transport network	ATMs accepting Visa cards/million pop
Road density/million pop	

Source: World Economic Forum, Travel and Tourism Competitiveness Report 2013.

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This publication has been produced with the financial assistance of the IPA Adriatic Cross-Border Cooperation Programme.
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