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COMMUNICATION FROM THE COMMISSION

Agenda for a sustainable and competitive European tourism

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1. INTRODUCTION

Recognising the crucial role that tourism plays for the EU economy, the Commission adopted in March 2006 a renewed Tourism Policy¹ with the main objective to contribute to "improving the competitiveness of the European tourism industry and creating more and better jobs through the sustainable growth of tourism in Europe and globally". The Commission also explicitly recognised that "making growth and jobs the immediate target goes hand in hand with promoting social or environmental objectives" and announced the preparation of a European Agenda 21 for tourism drawing on the results of the work of the Tourism Sustainability Group² (TSG) presented in the report "*Action for more sustainable European tourism*"³ published in February 2007.

Tourism is indeed one of the economic activities with most significant potential to generate future growth and employment in the EU. In its narrow definition⁴, tourism currently contributes some 4% to EU GDP, varying from about 2% in several new Member States and 12% in Malta. Its indirect contribution to GDP creation is much higher - tourism indirectly generates more than 10% of EU GDP and provides about 12% of all jobs.

Tourism is particularly important when it comes to offering job opportunities to young people, who represent twice as much of the labour force in tourism than in the rest of the economy.⁵ Employment growth in the tourism sector has been significantly higher than in the rest of the economy in recent years, making the sector a significant contributor to the Lisbon objective to create more and better jobs. The importance of tourism in the EU economy is likely to continue to increase in the coming years with the expected annual growth of tourism demand slightly above 3%⁶ in the coming years.

Finding the right balance between an autonomous development of the destinations and the protection of their environment on the one side and the development of a competitive economic activity on the other side may be challenging. The work of the Tourism Sustainability Group however confirmed that more than any other economic activity tourism can develop synergies in close interaction with environment and society. That is because the development of tourist destinations is closely linked to

¹ COM(2006) 134 final of 17.03.2006

² See COM(2003) 716 final and COM(2006) 134 final for further details on its composition and role.
³ http://ec.europa.eu/enterprise/services/tourism/tourism_sustainability_group.htm

⁴ Traditional travel and tourism providers (hotels, restaurants, cafes, travel agencies, car rentals, airlines etc.) that supply goods and services directly to visitors

⁵ See "Promoting young people's full participation in education, employment and society" COM(2007) 498 final of 05.09.2007

⁶ World Travel and Tourism Council (WTTC) - TSA Regional Reports - European Union 2007

their natural environment, cultural distinctiveness, social interaction, security and wellbeing of local populations. These characteristics make tourism the driving force for the conservation and development of the destinations – directly through raising awareness and income support to them, and indirectly by providing an economic justification for the provision of such support by others.

Global trends and priorities change – more than ever the overarching challenge for the tourism sector is to remain competitive while also embracing sustainability recognising that, in the long term, competitiveness depends on sustainability. In particular, climate change is now seen as a fundamental issue also requiring the tourism industry to reduce its contribution to greenhouse gas emissions and the destinations to adapt to changes in the pattern of demand and in the types of tourism they offer.

The future of European tourism relies on the quality of the tourist experience – tourists will recognise that places that care for the environment, their employees and local communities are also more likely to care for them. By integrating sustainability concerns into their activities, tourism stakeholders will thus protect the competitive advantages that make Europe the most attractive tourist destination in the world – its intrinsic diversity, its variety of landscapes and cultures. In addition, addressing sustainability concerns in a socially responsible manner⁷ will help the tourism industry to innovate its products and services and increase their quality and value.

The “*Agenda for a sustainable and competitive European tourism*” presented in this Communication therefore fulfils a long-term commitment taken by the European Commission⁸ and further supported by the other European institutions⁹. It builds on the Tourism Sustainability Group report and on the results of the ensuing public consultation exercise¹⁰. The agenda represents a further contribution to the implementation of the renewed Lisbon Strategy for Growth and Jobs¹¹ and of the renewed Sustainable Development Strategy¹².

2. THE AGENDA FOR A SUSTAINABLE AND COMPETITIVE EUROPEAN TOURISM

Creating the right balance between the welfare of tourists, the needs of the natural and cultural environment and the development and competitiveness of destinations and businesses requires an integrated and holistic policy approach where all stakeholders share the same objectives.

⁷ See also “Opportunity and Responsibility. How to help more small businesses to integrate social and environmental issues into what they do”, January 2007

⁸ This commitment was first announced in COM(2001) 665 final of 13.11.2001 (Measure 8) and further confirmed in COM(2003) 716 final of 21.11.2003 and COM(2006) 134 final.

⁹ Council Resolution of 21.05.2002 on the future of European tourism (2002/C 135/01), Council conclusions on the sustainability of European tourism (8194/05, 19.04.2005), European Parliament Resolution on new prospects and new challenges for sustainable European tourism (2004/2229 INI)

¹⁰ See http://ec.europa.eu/enterprise/services/tourism/index_en.htm

¹¹ COM(2005) 24 final of 2.2.2005

¹² Renewed EU Sustainable Development Strategy as adopted by the European Council on 15/16 June 2006

2.1. The objectives for the sustainability of European tourism and the challenges to be tackled

The existing EU framework for the development of economic, social and environmental policies based on the Partnership for Growth and Jobs and on the Sustainable Development Strategy provides an adequate background for achieving the objectives of this "agenda": deliver economic prosperity, social equity and cohesion and environmental and cultural protection.¹³

These objectives should also guide European tourism stakeholders in their policies and actions affecting the impact of outbound tourism from Europe and in supporting tourism as a tool for the sustainable development of the host countries.

When pursuing these objectives, a number of challenges¹⁴ proper to the tourism sector will have to be addressed. These mainly include sustainable conservation and management of natural and cultural resources, minimising resource use and pollution at tourism destinations including the production of waste, managing change in the interests of the well being of the community, reducing the seasonality of demand, addressing the environmental impact of transport linked to tourism, making tourism experiences available to all without discrimination, and improving the quality of tourism jobs – also by addressing the issue of employment of illegally staying third country nationals in the framework of the Commission migration policy¹⁵. Ensuring that tourists as well as the local communities where tourism services are offered are safe and secure is a further challenge and also a basic condition for a successful development of tourism.¹⁶

These challenges are not fixed in space or in time. The priority that will be given to them, the way they will be tackled and the arising opportunities that can be seized may vary from place to place.

Stakeholders must continue anticipating and keeping abreast of changes. Policies and actions need to take into account how demand and supply will be affected by environmental challenges – such as climate change¹⁷ and water scarcity¹⁸ –, technology developments or other topical political, economic and social issues. Therefore, a regular update of the set of challenges will be done with the collaboration of all stakeholders.

¹³ These objectives are further elaborated in the TSG report (p. 3).

¹⁴ These key challenges have been elaborated in the TSG report (p. 8-17) and are related to the seven challenges identified in the renewed Sustainable Development Strategy.

¹⁵ See also Proposal for a Directive providing for sanctions against employers of illegally staying third-country nationals, COM(2007)249, p.2; Impact assessment report, SEC(2007)603, p.7.

¹⁶ Member States could benefit from the identification and sharing of best practices concerning the protection of relevant sites and mass-events through the European Programme for Critical Infrastructure Protection which would allow appropriate coordination of the relevant actions.

¹⁷ See also Green Paper “Adapting to climate change in Europe – Options for EU action” COM(2007) 354 final of 29.6.2007

¹⁸ See also “Addressing the challenge of water scarcity and droughts in the European Union” COM(2007) 414 final of 18.7.2007

2.2. A framework for action

Achieving the objectives of this agenda and tackling the above mentioned challenges will require a coherent action which can be supported by appropriate public policies: sustainable management of destinations, integration of sustainability concerns by businesses and sustainability awareness by tourists.

Sustainable destination management is critical for tourism development, especially through effective spatial and land use planning and development control and through investment decisions on infrastructure and services. In ensuring that new tourism development is of a scale and type in keeping with the needs of the local community and environment, a sustainable management can reinforce the economic performance and competitive positioning of a destination in the long-term. It requires a supportive framework with the involvement of all regional and local stakeholders and an efficient structure within which partnership and effective leadership are facilitated.

A primary requirement of businesses is to remain competitive. Actions taken in support of this should be seen as part of the process of delivering sustainability which is set to represent one of the most important competitive advantages. In order to ensure their long term competitiveness, viability and prosperity, businesses should therefore better than before integrate sustainability concerns fully into their decision-making and management practices and tools. In this process, business support services and associations have a major role to play.

Finally, in order to achieve a tangible progress, the demand side of both the leisure and the business market should show stronger and more consistent signals. Tourists need to be addressed in order to develop and strengthen their critical capacity to make choices in favour of sustainable development. Sustainability awareness and ethics can facilitate the creation of responsible individual attitudes and practices of tourists. The growing understanding of sustainability of consumers might vice versa influence businesses to demonstrate this concern and act accordingly.

2.3. Principles for achieving a competitive and sustainable tourism

To achieve a competitive and sustainable tourism the Commission invites all actors to respect the following principles¹⁹:

- **Take a holistic and integrated approach** - All the various impacts of tourism should be taken into account in its planning and development. Furthermore, tourism should be well balanced and integrated with a whole range of activities that affect society and the environment.
- **Plan for the long term** - Sustainable development is about taking care of the needs of future generations as well as our own. Long term planning requires the ability to sustain actions over time.

¹⁹ Report of the Tourism Sustainability Group “Action for more sustainable European Tourism”, February 2007, p. 3-4

- **Achieve an appropriate pace and rhythm of development** - The level, pace and shape of development should reflect and respect the character, resources and needs of host communities and destinations.
- **Involve all stakeholders** - A sustainable approach requires widespread and committed participation in decision making and practical implementation by all those implicated in the outcome.
- **Use best available knowledge** - Policies and actions should be informed by the latest and best knowledge available. Information on tourism trends and impacts, and skills and experience, should be shared across Europe.
- **Minimise and manage risk** (the precautionary principle) - Where there is uncertainty about outcomes, there should be full evaluation and preventative action should be taken to avoid damage to the environment or society.
- **Reflect impacts in costs** (user and polluter pays) - Prices should reflect the real costs to society of consumption and production activities. This has implications not simply for pollution but for charging for the use of facilities that have significant management costs attached to them.
- **Set and respect limits, where appropriate** - The carrying capacity of individual sites and wider areas should be recognised, with a readiness and ability to limit, where and when appropriate, the amount of tourism development and volume of tourist flows.
- **Undertake continuous monitoring** - Sustainability is all about understanding impacts and being alert to them all the time, so that the necessary changes and improvements can be made.

3. MOVING FORWARD TOGETHER

Several stakeholders have already recognised the importance of the sustainability challenge and are working to improve their performance. Despite these efforts, more progress is needed. In order to achieve more significant results, existing – and future – initiatives should unite their efforts and act together, in a more visible and synergic way.

This “Agenda” aims at strengthening such a voluntary and continuous process. It should be promoted by all tourism stakeholders in Europe: the different levels of government – local authorities, destination management organisations, regions, Member States – and the European Commission itself, businesses, tourists and all other bodies²⁰ that can stimulate, support and influence tourism.

The tourism sector involves many different private and public stakeholders with decentralised competencies. It is therefore of major importance to respect the principle of subsidiarity and to work with a bottom-up approach, involving those

²⁰ Among others: educational and research establishments, Trade Unions, consumer associations, NGOs and international organisations.

stakeholders who have the competence and power to act and who are voluntarily contributing to the implementation of the Agenda.

That is why the focus will be placed on joint action at the destination level but within the context of supportive national and European policies and actions.

3.1. The role of stakeholders

The Tourism Sustainability Group created a framework for action assigning broad responsibilities²¹ and specific roles²² for the different groups of stakeholders in implementing the agenda vis-à-vis the three above-mentioned key elements – sustainable destinations, sustainable businesses, and responsible tourists – and the identified challenges.

Tourism stakeholders are called to accept these respective responsibilities and are invited to embrace the opportunities that the sustainability challenge offers as a potential driver for innovation and growth.

The stakeholders should share their knowledge by communicating the positive and negative results they achieve on the way, in order to build a stronger bridge between the creation of knowledge, its dissemination and the implementation of sustainable and competitive practices. To that end, they should build a structured and regular cooperation at the levels where they mostly operate – be it the destination, regional, national, European or international one – and bring sustainability into discussion in these cooperation structures. An example of such cooperation is the social dialogue between employers and employees and their representative organisations.

Small and micro businesses play an indispensable role in European tourism, but their size could make them less well equipped to integrate sustainable development aspects and market them as part of their business. Therefore the relevant intermediaries are called to convey the core messages of this Agenda to them and to facilitate their contribution to its implementation.

3.2. The role of the European Commission

The Commission recognises its responsibilities for action and will implement initiatives at European level with a step-by-step approach, providing tourism stakeholders with added value at European level, while fully respecting the division of competencies as laid down in the Treaty.

This Agenda will guide the Commission future activities in the tourism domain and in all other policy areas which exert an impact on tourism and on its sustainability. To this end, the Commission will rely on the Tourism Sustainability Group.

The Commission will further cooperate with neighbouring (Eastern Europe and the MED region) and ENP (European Neighbourhood Policy) countries in the field of tourism and will further support Low-Income and Middle-Income Developing

²¹ TSG report, p. 27-30

²² TSG report, Tables 1a and 1b, p. 31-39

countries through the European Union foreign direct investment and joint ventures in the area of tourism.

3.2.1. *Mobilising actors to produce and share knowledge*

The European Commission will aim at achieving a better visibility and recognition of good practices by the EU citizens and society and at strengthening the knowledge and understanding of practices that link sustainability and competitiveness in a mutually reinforcing way.

The Commission is already organising conferences and undertaking research studies in order to raise awareness on challenges such as facilitating travel for youths, seniors and persons with special needs through social and accessible tourism initiatives and on the working methods which could be applied at local and regional level (e.g. a study on the impact of major cultural and sporting events on tourism-oriented SMEs). In particular, the tourism learning area handbook is a practical initiative that advocates the involvement of knowledge-based institutions within the framework of a consensus building approach aimed at improving SME performance and human potential in the tourism sector at destination level.

The Commission will further seek to drive the attention of those actors who create knowledge (e.g. universities, research institutes, public and private observatories) towards the challenges for the sustainability of European tourism. It will facilitate their cooperation and promote the provision of formal and non-formal tourism education. It will encourage mobility across Europe through the support of trans-national training and work placement, of exchanges and the development of training methods, materials and contents, including the integration of sustainability principles in training programmes.

Local and regional levels' engagement will be supported through alliances between different types of destinations (e.g. rural, coastal, mountain, urban) committed towards sustainable destination management set up by the forerunners and opened to the participation of all other interested parties. The European Commission will support the strengthening or the creation of platforms – by also using new technologies – where lessons drawn by good and bad practices can be exchanged and where collaboration between tourism and other related sectors can be improved. The promotion of best practices exchange towards sustainable destination management (e.g. addressing the issue of seasonality and the prolongation of the tourism season) can contribute in a significant way to the competitiveness of the tourist destinations. These platforms could allow a more specific approach reflecting the territorial and economic characteristics of destinations.

The annual European Tourism Forum also provides a platform where all stakeholders can exchange views and strengthen their collaboration on the issues related to the links between sustainability and competitiveness of European tourism.

In order to strengthen the collaboration with and among Member States, their current annual reporting through the Tourism Advisory Committee (TAC)²³ will be used to

²³ Council Decision 86/664/EEC of 22 December 1986

facilitate the exchange and the dissemination of information also about how their policies and actions safeguard the sustainability of tourism.

The need to know better and faster how tourism evolves in Europe can be addressed partly through the collection and provision of statistical and geographic data²⁴ and partly through the activity of existing or new observatories. Such information could facilitate the monitoring of the key challenges, especially those important for SMEs which are linked to employment and seasonality.

Finally, the Commission invites International Organisations (UNWTO, UNEP, UNESCO, etc.) to contribute to this process by identifying synergies between their field of activities and the European Agenda.

3.2.2. *Promoting destinations of excellence*

The Commission will continue to implement the “European Destinations of Excellence” (EDEN) pilot project. EDEN promotes emerging European destinations and offers support to those where the development in tourism is being pursued in such a way as to ensure social, cultural and environmental sustainability. Every year a different theme for the award is selected. The Commission will facilitate the creation of networks between awarded destinations, with the aim of facilitating the exchange of good practices at European level and encouraging other destinations to adopt similar sustainable tourist development models.

The Commission will also reinforce the image and the perception of Europe as a tourist destination characterised by high quality and sustainability. To this end, the Commission will work with the European Travel Commission and the National Tourism Organisations to devise a proper strategy that will involve also the use of the European Destination Tourism Portal²⁵.

3.2.3. *Mobilising the EU financial instruments*

The European Commission acknowledges the need of stakeholders to financial aid with a view to foster the implementation of the Agenda. The opportunities at European level are already there to be seized, such as the possibility for Member States and all Regions to finance tourist projects through the European Regional Development Fund. Sustainable and innovative tourism practices are already highlighted as priority criteria in the different objectives of the various European financial instruments – in particular the Cohesion Policy funds (the European Regional Development Fund and the European Social Fund), the European Agricultural Fund for Rural Development, the European Fisheries Fund, the 7th EC Framework Programme for Research, Technological Development and Demonstration activities (where the key priority on climate change includes impacts on tourism) – and in the ‘Leonardo da Vinci’ programme, through the introduction of a specific measure for apprentices and young persons in vocational training and a project currently underway, analysing and developing qualifications in the sector.

²⁴ For instance through the revision of the Tourism Statistics directive and/or through GMES (Global Monitoring of Environment and Security) delivering Europe-wide uniform geospatial information services.

²⁵ www.visiteurope.com

The ‘Competitiveness and Innovation Framework Programme’ (CIP) also supports the competitiveness of EU enterprises and especially SMEs.²⁶ The Commission will facilitate the spreading of knowledge on how these existing EU financial instruments have been and can be used to this end by the different tourism stakeholders.

3.2.4. *Mainstreaming sustainability and competitiveness in Commission policies*

Several existing European policies and actions can have a strong influence on tourism and its sustainability and can make an important contribution in tackling the key challenges. General policies such as environment, transport, employment or research can have different impacts on diverse territories because of their specific characteristics. The Commission is taking and will take into consideration the needs of these different territories.

The substantial response from stakeholders to the consultation process on the future EU Maritime Policy has demonstrated their interest and support for action at EU level towards more sustainable and competitive maritime and coastal tourism. In response to their concerns, the integrated approach of the Maritime Policy will provide the basis for elaborating further action to enhance sustainability and competitiveness in the sector. As a first step, the Commission will focus its attention on the coastal tourism sector by assessing the effects of fast growing segments such as cruise tourism, examining the interlinkages between the cruise industry, port facilities, marinas and other maritime industries, and of issues concerning competition between land and maritime uses in coastal environment.

Mountain areas need prospective policies of rural development that integrate both the conservation requirements of this particular natural environment as well as the sustained welfare of its inhabitants.²⁷ The Commission recognises the need to preserve the rich natural heritage of many of these vulnerable mountain spaces.

Rural areas are investing in tourism in order to diversify their economies, which is necessary for growth, employment and sustainable development. They offer real opportunities in terms of their attractiveness as a place in which to live and work, and their role as a reservoir of natural resources and highly valued landscapes. This implies the need to ensure coherence and synergies in Community policies and to preserve the environment and safeguard the countryside.

Tourism can also contribute to the sustainable development of urban areas by improving business competitiveness, meeting social needs and preserving the cultural and natural environment. If urban destinations are to be successful in all these areas, they must take a global approach that is based on the principles of sustainable development and is recognised and supported by public policies at all levels, including the European level.

²⁶ See also COM(2006) 134 final, p. 6-7

²⁷ The Protocol on Tourism to the Alpine Convention is an example of framework instrument that can stimulate and coordinate the contribution of stakeholders at regional and local level.

4. CONCLUSIONS

This Communication is the official launching and endorsement of a medium-long term Agenda in which all stakeholders should undertake the necessary steps to strengthen the contribution of sustainable practices to facilitate the competitiveness of Europe as the most attractive tourism destination.

The European Commission counts on political support to this initiative from the other EU institutions and will present its evaluation of the progress made in 2011.