

report

XV Annual Conference of the Mediterranean Commission
of the European League for Economic Cooperation -ELEC-
**PROMOTING BLUE TOURISM
IN THE MEDITERRANEAN**



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PROMOTING BLUE TOURISM IN THE MEDITERRANEAN

30-31 October 2019, Parliament of the Balearic Islands, Palma de Mallorca (Spain)

On 30 and 31 October 2019, the European Institute of the Mediterranean (IEMed) and the European League for Economic Cooperation (ELEC), with the support of the Euroregion Pyrenees Mediterranean, organised the 15th Annual Conference of the Mediterranean Commission of the ELEC, “Promoting Blue Tourism in the Mediterranean”, which took place at the Parliament of the Balearic Islands, in Palma de Mallorca (Spain). The conference aimed to exchange ideas on the issue of blue tourism, offering practical solutions to the challenges ahead by engaging experts from the region to nourish the debate on the ways towards a sustainable tourism sector in the Mediterranean.

The following report summarises the discussions and outcomes of the conference, which was designed around four sessions notably tackling the role of tourism in the Mediterranean economies, the opportunities offered by digitalisation, the challenges posed by climate change to the sector and finally the benefits of a cross-fertilisation between coastal and rural tourism.



Opening remarks

The conference was opened by Vicenç Thomas, President of the Parliament of the Balearic Islands and host of the event, Francesc Homs, President of the Spanish Committee of the European League of Economic Cooperation, Xavier Bernard-Sans, Director General of the Euroregion Pyrenees Mediterranean, and Senén Florensa, President of the Mediterranean Commission of the ELEC, and of the Executive Committee of the IEMed. They opened the conference stating that there could not be a more suitable place than the Balearic Islands to tackle the issue of blue tourism in the Mediterranean. Indeed, as one of the world's leading tourism destinations, the case of the islands is as illustrative of the reliance of the Mediterranean coastal areas' economy on this industry as the need to reinvent the mainstream tourism model to cope with the impact of climate change, reduce its negative externalities and achieve the sustainable development goals (SDGs).

With this perspective, speakers shared their hopes that policy-makers and the tourism sector in the Mediterranean would interiorise the need to adopt a clear agenda to accelerate the transformation of the blue economy in a more sustainable, competitive and resilient way.

Following the opening remarks, Amb. Nasser Kamel, Secretary General of the Union for the Mediterranean, and Francina Armengol, President of the Government of the Balearic Islands, were invited to set out their visions of an issue particularly relevant to the institutions they represent.

As conveyed by Amb. Nasser Kamel, who mentioned some of the most striking conclusions of the MedECC¹ assessment report, climate and environmental change will significantly affect the Mediterranean region. Its implications for the Mediterranean tourism sector are manifold. The sea level rise, the increase in temperatures and decrease in rainfalls, and more frequent extreme events (heat waves, droughts, floods and fires), will threaten the sustainability of the tourism

¹ MedECC: Mediterranean Experts on Climate and Environmental Change

sector, which is highly climate and environment dependent. In turn, the current tourism model is also significantly contributing to climate change with increasing greenhouse gas emissions, while putting enormous stress on land use, water resources and ecosystems.

Yet, coastal tourism is considered the jewel in the crown for countries of the Mediterranean Basin for its capacity to generate employment (11.5% of the total) and wealth (11.3% of regional GDP in 2015). Therefore, the transition towards a low-carbon and zero-waste tourism, respectful of the environment and local populations, needs to be carried out with the goal of safeguarding the sector's competitiveness and high economic value. The sustainable tourism model takes up this challenge as a response not only to climate change and environmental degradation but also as a promise of economic development, job creation and social inclusion.



From left to right: Nasser Kamel, Secretary General of the Union for the Mediterranean; Francina Armengol, President of the Government of the Balearic Islands; Senén Florensa, President of the Mediterranean Commission of the ELEC

As stated by Francina Armengol, President of the Government of the Balearic Islands, there is a growing consensus among policy-makers that adopting a new approach to blue tourism is the only way forward to guarantee a sustainable future for the Mediterranean coastal regions. There is indeed a real and unanimous awareness around the need to transform the coastal and

maritime tourism sector (cf. UfM Ministerial Declaration on the Blue Economy, 2015). Yet, according to both Amb. Kamel and President Armengol, not enough has been done to translate this into mitigation and adaptation policies that allow a sustainable tourism to emerge. If strategic approaches have been defined and small-scale projects have successfully been implemented, now is the time for greater and concrete actions by replicating projects to create synergies and alliances. Indeed, it was stressed that, facing transversal and regional challenges, no territory can tackle them on its own.

They concluded with an invitation to the participants of the conference to explore opportunities for concrete and innovative actions, share successful experiences, and offer practical solutions to promote and implement a sustainable blue tourism in the Mediterranean.

The Role of Tourism in the Mediterranean Economies

As previously stated, the Mediterranean constitutes the leading tourist destination in the world: the region represents 30% of global tourism flows. Moreover, the Mediterranean tourism sector is in full expansion: while the number of International Tourist Arrivals (ITA) registered in the Mediterranean reached 314 million in 2014, this figure was expected to double by 2030. However, ITA are not equally distributed among the Mediterranean countries. Indeed, France (86.9 million ITA in 2017), Spain (81.8 million) and Italy (58.3 million) take the lion's share of Mediterranean tourism (2/3 of the ITA in the region) while Southern and Eastern Mediterranean (SEM) countries account for about 22% of the flows, with a significant potential for growth.

Consequently, tourism takes a central role in the Mediterranean economies, being a major engine for growth (especially in SEM countries with the exceptions of Libya and Algeria) and employment (19.8 million direct and indirect jobs) as mentioned in the introductory session. In addition, tourism is a significant positive contributor to the balance of payments and represents one of the most efficient ways to redistribute wealth between territories.

In order to better grasp the huge economic importance of the Mediterranean Sea, speakers suggested taking into account the Gross Marine Product (GMP): marine assets in the Mediterranean generate \$450 billion annually, representing 20% of the GMP worldwide, for a sea that covers only 1% of the total water surface of the earth. Most of the wealth generated by the Mediterranean is due to coastal and marine tourism, which accounts for 92% of the Mediterranean GMP, according to the World Wildlife Fund.

However, these massive figures do not reflect the negative externalities that tourism brings about in the region. Overuse of natural resources (especially water), generation of marine and beach litter, tourism concentration and seasonality – with its negative effects on employment –, savage urbanisation and coast artificialisation, pressures on ecosystems, lands and biodiversity,

and finally greenhouse gas emissions are the main negative environmental impacts of tourism in the Mediterranean.

In turn, studies show that climate change will seriously impact the Mediterranean tourism sector and will lead to a decline in its contribution to national GDPs. Environmental crises and pollution are also affecting the very volatile tourism flows. Maintaining a successful tourism industry, which highly depends on attractive environmental assets, therefore requires a new sustainable model of tourism. This does not only represent a strategy for survival but offers potential for higher socioeconomic benefits. Indeed, sustainable tourism is based on three pillars: social justice; economic development; and environmental integrity.

Panellists were unanimous in considering that public authorities have to take the leadership in promoting sustainable tourism, fostering initiatives providing transformative and adaptive solutions, introducing legislative tools to regulate, and providing incentives for the adoption of sustainable practices in the tourism sector.

The adoption of strategic policy frameworks setting the objectives and principles of sustainable tourism is considered to be the first step in this regard. The Mediterranean Strategy for Sustainable Development (2016-2025), adopted by the Barcelona Convention COP 19, or the policy agenda “Promoting Sustainable Tourism in the Mediterranean Regions” (2018), endorsed by regional authorities of the Intermediterranean Commission of the Conference of Peripheral Maritime Regions (CPMR), were two significant examples mentioned by the panellists. Indeed, the latter advocates the adoption of an integrated approach to the co-evolution of human activities and natural ecosystems in coastal and maritime areas and the coordinated action of public administrations at all levels to achieve sustainable tourism.

Public authorities, especially at a local level, can play a role in the development of blue tourism by implementing Destination Management Organisations

(DMO). DMOs constitute holistic and coordinated approaches to ensure that tourism has a net positive effect on the destination and its residents' well-being. With this model of tourism management, the focus is placed on tourism development rather than tourism growth: it includes a collective and consultative bottom-up approach integrating social, economic and environmental aspects.

The participants also advocated a bold and strong public intervention through regulation policies to put an end to the current excesses of mass tourism and encourage more sustainable practices. Tourist taxes and bans on tourist apartments were evoked as regulation tools that deserve to be considered by tourism management bodies.

Finally, access to green finance must be improved for the actors of the tourism sector willing to embark on a transition to a more sustainable model. While multilateral development banks and international financial institutions have claimed their objective to increase green finance, commercial banks have yet to channel them to the tourist facilities.



The Transformations of the Mediterranean Tourism Sector in the Digital Era

Digitalisation is affecting and transforming all sectors of our economies. The tourism industry is no exception. Nowadays, digitalisation is essential to the life cycle of a travel experience: tourists use digital tools for the conception of their trip (inspired by social media and online searches), during the decision stage (online bookings) and their stay per se (using connected devices to pay, using transportation, finding and carrying out activities), as well as for the dissemination of their experience (on social media, reviews etc.). Such data generated by tourists does represent a great source of knowledge and, because information is power, it could benefit the entire tourism sector if it is appropriately exploited by the industry.

Furthermore, digitalisation is disrupting the value chain of the tourism sector. By breaking down barriers, it allows for the emergence of new actors that have been able to take advantage of the opportunities offered by digitalisation. Through innovation, they have been boosting competition to the tourists' advantage, forcing old-fashioned businesses to adapt or disappear (as illustrated by Thomas Cook's bankruptcy). In addition to the fragmentation of the value chain of the sector, digitalisation has also led to its expansion and to an increase in its capacity to generate wealth and employment.

Against this background, the speakers of the session debated to what extent the tourism sector could take advantage of digitalisation in order to respond to the challenge of sustainability and achieve the following objectives: an increased sustainability and resilience; a lower degree of seasonality; a shift from mass tourism to profitable tourism; a better social acceptance; and more job security.

First, experts emphasised that, through the collection of both transactional and behavioural data taking into account all aspects related to sustainability, big data technologies contribute to an optimised management of the sector. In an increasingly complex environment, the entrepreneurs and public authorities will indeed be provided with new and precious indicators enabling them to better

grasp the dynamics of tourism. This will allow them to take better informed strategic and operational decisions. Big data technologies will also offer them the opportunity to measure and monitor the impacts of their decisions with the aim of designing and creating products adapted to the real needs and demands of tourists. Finally, these digital tools will also help them respond to uncertainty and tourism volatility (e.g. the impact of climate change, security and political crisis) through the creation of forecast models.

However, experts warned that, for the Mediterranean tourism industry to really benefit from digitalisation for more sustainability, it must first undertake a behavioural change. They indeed stressed that technology is just a tool and will follow the adoption of a new approach to the tourism model by all the stakeholders (public administrations, private sectors, and tourists).



From left to right: Rafael Guinea (TIRME); Jérémie Fosse (Eco-Union); Antoni Vicens (Government of the Balearic Islands); Irene Estaún (Menorca Biosphere Reserve); Magali Outters (SCP/RAC)

Finally, for the Mediterranean tourism industry to fully take advantage of the opportunities offered by digitalisation, major obstacles must be acknowledged and overcome. Indeed, a panellist highlighted that the Mediterranean tourism sector is still not able to generate value through the use of new technologies. This is mainly due to two weaknesses: 1) the low degree of technological penetration and sophistication of the tourism companies; 2) the shortage of talent and inability to generate high-skilled employment in the sector. Cooperation between public administration, researchers, educational bodies, and the tourism private sector, is therefore essential to support innovation through, as suggested during the session, the creation of labs, platforms and innovation ecosystems in areas such as data, statistics, and ITC application. It would definitely help unleash the full potential of digitalisation for a more sustainable Mediterranean tourism sector.

The Impact of Climate Change: Building a Resilient and Sustainable Tourism Sector

As mentioned in the introductory session, the effects of climate change will severely hit the Mediterranean. Coastal erosion, sea level rise, heat waves or droughts will not only threaten the integrity of ecosystems or human security but will also endanger the sustainability of certain economic activities, foremost among which is blue tourism. As tourism depends on healthy environments, damage to local biodiversity or climate instability would certainly lead to an increased vulnerability of Mediterranean destinations, including a loss of attractiveness and higher costs putting the survival of the sector at stake.

Given the significant contribution of tourism to climate and environmental change (notably through CO₂ emissions, various kinds of pollution, pressures on ecosystems, and the overuse of natural resources), the best way to ensure the sector's resilience and sustainability is to reverse this self-destructive tendency by adopting mitigation and adaptation strategies to looming climate change challenges. The speakers of the session presented a number of concrete actions and initiatives to reduce the impact of tourism on its environment and, vice versa, the impact of climate change on tourism.

In the face of the challenges posed by the exponential growth of tourism and the degradation of the environment in Mediterranean countries, speakers invited public authorities to step up their efforts to promote and advance a sustainable agenda in the tourism sector. According to them, implementing strategic action plans at regional, national and local levels should be the first priority. Indeed, despite the existence of regional frameworks such as the 1971 Barcelona convention or the Mediterranean Strategy for Sustainable Development (2016-2025), national as well as local authorities have still to implement efficient plans setting the framework for public actions to promote a sustainable tourism sector.

The experts of the session evoked a number of concrete policy measures that are likely to provide concrete results in the future. One of them is the adoption of planning instruments designed to manage human activities in marine areas

while taking into account the ecosystems, the landscapes and their interactions. Their aim is to improve environmental resilience and prevent overflow of tourism. Green taxes penalising harmful practices for the environment, eco-labels or sustainable tourism indicators are some of the already existing policy instruments to regulate and promote sustainable practices.

Tourism, moreover, is not only dependent on a healthy environment but also on the welfare of the local populations. While mass tourism usually negatively affects the well-being of local residents, sustainable blue tourism comes with the promise to improve the socioeconomic development of local territories and communities. Indeed, by decoupling environmental degradation from economic growth, the adoption of sustainable consumption and production practices (SDG 12) by the tourism industry would make it more socially and economically inclusive. The revenues generated by the sector would be better redistributed to all sectors of the value chain and the society, from agriculture to transport and energy production.



Jérémie Fosse (Eco-Union) addressing the audience during the session devoted to the impacts of climate change on tourism

The Menorca Biosphere Reserve is particularly illustrative of this approach. Other than safeguarding the local ecosystems, the reserve aims to develop a

circular economy in the island, putting emphasis on short marketing circuits, waste management and renewable energies, while promoting low-carbon tourism and sustainable livelihood.

On the way to a more resilient and sustainable tourism sector, education will play a crucial role. As some of the speakers claimed, raising the environmental awareness of locals, visitors and the industry is fundamental to change bad practices and lay down the basis for more resilient societies.

Promoting Inclusive Tourism Strategic Plans: Cross-Fertilisation between Coastal and Rural Tourism

The steady growth of tourism nowadays does not only harm the environment and its delicate ecosystems. With unsustainable practices, mass tourism and its spatial concentration can imperil the resilience of the entire tourism sector and beyond. As a striking example, the last session introduced the case of the city of Carcassonne, in southern France. This medieval fortified city receives 2 million visitors every year (50 times the local population) over an area of 10 hectares, thus leading to its frequent saturation.

These numbers, although lucrative for the economy, can disrupt the local society if accommodating policies are not put in place. In the rest of coastal Europe, where the largest level of tourism is concentrated, local communities are often unable to cope with the elevated numbers of visitors. With inadequate waste and water management facilities, uncontrolled and concentrated mass tourism can bring the sector to saturation while exacerbating social tensions and environmental problems.

Therefore, as the speakers argued, it is in the best interest of public administrations to promote and switch towards a tourism model that better distributes the flows of visitors, both in time and space. Policy-makers, in collaboration with academic institutions, financial bodies and the private sector, can achieve this through the diversification of the range of tourism.

For instance, through inclusive territorial development approaches, public authorities could expand the economic potential of tourism in rural areas, diverting some of the pressure off the coast. The private sector, including financial bodies, also has its part to play in this regard. This was illustrated by Caixa Bank's programme to finance the development of rural tourism in Spain. With specialised teams spread across the peninsula, it provides finance to small rural concerns that wish to renovate or enlarge their tourism businesses. The Bank's action in favour of the development of rural tourism also includes the promotion of rural tourism establishments through the creation of rural tourism awards.

However, diversification should not only imply increasing the number of destinations but also changing the way tourism is conceived. As some speakers suggested, it is time to focus on quality rather than quantity, reaching a compromise between ecology, sustainability and economic profitability. Investing in and promoting other types of tourism like eco or cultural tourism can serve this objective. At the European level, a number of initiatives are already taking place. Implemented by the European Cultural Tourism Network, projects like Cult-RIng or Cult-CreaTE aspire at switching the current paradigm, contributing to the development of a sustainable cultural and heritage tourism that respects and benefits local communities and their environment. Building on innovative and digital media, capitalising on the potential of cultural routes as well as on the cultural and creative industry, these initiatives aim to promote the emergence of a “smart tourism” model.



Senén Florensa, President of the Mediterranean Commission of the ELEC, and Francesc Homs, President of the Spanish Committee of the ELEC, concluding the conference.

Conclusions and Recommendations

The Mediterranean blue tourism model is facing unprecedented challenges. While being one of the main engines for growth and creating wealth and jobs in Mediterranean coastal areas, the mainstream tourism model is increasingly called into question. The negative externalities generated by a sector in constant expansion – from its significant contribution to climate change and environmental degradation to the pressures exerted on local communities – urge public administrations and the public sector to reconsider their approach to mainstream mass tourism. As the impacts of climate change will affect its capacity to create wealth, there is no doubt that a shift towards a more sustainable and resilient model has never been more urgent and necessary. In addition to preserving the environment and safeguarding its own future, sustainable tourism offers a considerable potential for socioeconomic development through cost reductions, energy savings, and increasing revenues that benefit local communities. Sustainable tourism is also a promise of prosperity.

Although public administrations and the tourism private sector are increasingly aware of the challenges that lie ahead, the speakers agreed that, while the clock is ticking, concrete actions are still lacking. With this in mind, they offered important insights, shared their experiences, and evoked opportunities and best practices that could serve as a basis for policies to achieve the transition towards a greener blue tourism.

Among the key messages shared throughout the different sessions, they advocated a stronger leadership of the public authorities, notably through the adoption of strategic action plans to set frameworks in which sustainable tourism policies could be implemented.

The participatory approach of DMOs was considered a good practice integrating social, economic and environmental aspects. Because local communities know best what their problems and needs are, they must be included in the design of tourism policies. Some policy and planning

instruments were also suggested, such as green taxes, the creation of Biosphere reserves or Marine Spatial Planning, with the aim of ensuring that human activities and ecosystems can co-evolve in a sustainable way.

However, digitalisation was highlighted as an important breakthrough that, if used to the best of its capabilities, can help to better manage the sector and create innovative eco-friendly products.

Rethinking the tourism industry goes hand in hand with reconsidering how we consume. Applying sustainable consumption and production practices – mainly integrated in a circular economy approach – to the tourism sector would therefore ensure that the impact of the industry on its environment is the lowest possible while generating socioeconomic benefits for the entire local economic and social ecosystems.

Finally, in face of the damages induced by mass tourism in Mediterranean coastal areas, the development of sustainable rural and cultural tourism offers ways to rebalance not only the dynamics of tourism but also territorial imbalances and enhance the welfare of coastal and rural local populations.

Quality rather than quantity will be the key word of the Mediterranean sustainable tourism model.

