



UNIVERSITY OF
STRATHCLYDE

Wish you were here? Tourism and the Structural Funds

IQ-Net Thematic Paper 5(2)

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***IQ-Net
Improving the Quality of Structural Fund
Programming through Exchange of
Experience***

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Preface

IQ-Net: Networking to improve the quality of Objective 2 programmes

Launched in early 1996 and managed by the *European Policies Research Centre* (EPRC) at the University of Strathclyde in Glasgow, the network *IQ-Net* facilitates exchange of experience in the development, implementation and evaluation of Objective 2 programmes. Funded by a consortium of 13 Objective 2 areas and the European Commission (DG XVI), the network meets twice a year to examine issues of practical relevance to programme-makers and share examples of good, innovative and distinctive practice from across the EU. The sixth and most recent meeting was held in Semmering, hosted by the Lower Austrian government. Meetings provide the opportunity to discuss the results of a structured programme of applied research and debate, steered by the network's partner regions.

- Steiermark and Niederösterreich, Austria
- Norddjylland, Denmark
- Päijät-Häme and South Karelia, Finland
- Aquitaine, France
- Nordrhein Westfalen and Saarland, Germany
- Ångermanlandskusten and Fyrstad, Sweden
- Industrial South Wales and Western Scotland, UK

Previous meetings have been held in Glasgow, in association with Strathclyde European Partnership (February 1996), in Cardiff, hosted by the Welsh Office and Welsh Development Agency (September 1996), in Gelsenkirchen, Nordrhein Westfalen, hosted by the Land Government of Nordrhein Westfalen (April 1997), in Fyrstad, hosted by the Fyrstad Objective 2 secretariat, and in Bordeaux, hosted by the Aquitaine SGAR and Regional Council.

IQ-Net Thematic Papers

This document contains the fifth series of thematic papers, produced by EPRC in spring 1998 as part of *IQ-Net*'s applied research programme and presented at the Semmering conference:

- 5.1: The new Structural Fund Regulations – preparing for the new Programmes
- 5.2: Wish you were here? Tourism and the Structural Funds
- 5.3: Objective 2 Programming in Austria: Lower Austria and Styria

Previous papers in the series have been on the following themes:

Series 1: Cardiff	Series 2: Nordrhein Westfalen
1.1: Managing the Structural Funds, Institutionalising Good Practice	2.1: Interim Evaluation
1.2: RTD/Innovation Policies in Objective 2 Programmes	2.2: Synergy between the ERDF and ESF
1.3: Generating Good Projects	2.3: The Environment in Objective 2
1.4: Monitoring and Evaluation	2.4: The Nordrhein Westfalen Objective 2 Programme

Series 3: Fyrstad	Series 4: Aquitaine
3.1: The Evolution of Objective 2 Programmes	4.1: The new Structural Fund Regulations – Current Debates
3.2: Integrating Equal Opportunities into Objective 2 Programmes	4.2: Employment and the Structural Funds – Making a Good Job of making Jobs

- | | |
|---|--|
| 3.3: Meso-Level Partnerships and Structural Fund Implementation | 4.3: Thinking Strategically – RTD and Objective 2 Programmes |
| 3.4: Objective 2 Programming in Fyrstad, Sweden | 4.4: Objective 2 Programming in Aquitaine, France |

Focusing on topics selected by the network's partner regions, each paper places issues in their international context, raises questions for debate and highlights distinctive and innovative practices. For the convenience of readers, executive summaries are included in French, German and English.

Papers are first drafted on the basis of field research (encompassing interviews with Objective 2 programme managers and partners at regional, Member State and Commission levels) and substantial desk research. They are then modified to reflect the discussions of the *IQ-Net* meeting and the comments of network sponsors. The papers are distributed to a wide group of people nominated by the sponsors. The EPRC welcomes comment and feedback on them.

Readers are reminded that the content of the papers does not necessarily represent the official position of either the partner regions or the Commission, and that errors of fact or interpretation are the responsibility of the authors alone.

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Further Information

Additional copies of papers and further information on *IQ-Net* can be obtained from John Bachtler and Sandra Taylor, managers of the network, at EPRC. The papers are also summarised in the '*IQ-Net Bulletin*', a newsletter co-financed by DG XVI and available from EPRC. Information about Objective 2 and *IQ-Net* is also available on the *IQ-Net* website at <http://www.eprc.strath.ac.uk/iquet/>.

Wish you were here? Tourism and the Structural Funds

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Executive Summaries

*Wish you were here?
Tourism and the Structural Funds*

Le Tourisme et les Fonds Structurels

Tourismus und die Strukturfonds

1. WISH YOU WERE HERE? TOURISM AND THE STRUCTURAL FUNDS

1.1 Introduction

The European Commission recently charged a High Level Group on Tourism and Employment to examine the conditions under which this sector could make a greater contribution to growth and stability in European employment. Their report, completed in October 1998, highlighted the potential economic impact of tourism as well as main constraints to growth. One of the key areas viewed by the EC as central to future competitiveness is tourism development in less developed areas of the Union. This provides a challenging framework for the promotion of tourism in Objective 2 areas. Tourism is a frequent component of programmes and is pursued in regions with diverse underlying characteristics. This summary focuses on particular features, trends and challenges of tourism support in these regions. The full paper provides more detail on the role of tourism in Objective 2 programmes, its strategic direction and implementation.

1.2 Diversity of Tourism Support

Tourism was defined by the High Level Group as *'a complex of services and products, provided to meet consumer, business and public sector demand for domestic and foreign travel. It is largely decentralised and woven into the economy due to the mobility and variety of tourists' needs and because tourism-related products and services are bought before, during and occasionally after the journey'*. This definition embodies considerable complexity and a correspondingly wide range of areas which could qualify for tourism support. This is reflected in the diverse way in which the sector is integrated into Objective 2 programmes – usually as a complementary strand in combination with other sectors or activities. Culture and environment are commonly linked to tourism at priority level, and the sector also often appears as a sectoral target under wider economic development or infrastructure measures. Within this diversity, two overall approaches can be identified.

First, tourism can be viewed as part of *a holistic approach to improving the overall attractiveness of a region*. This is deemed possible because of the way in which tourism is woven into the economy and is designed not only to benefit tourism related prospects but also to improve living conditions for the local population and provide a basis for wider economic development and investment. A more holistic view can also be motivated by the desire to attract inward investment and support business development – although some evaluations have expressed caution about the appropriateness of such a link.

Second, tourism support can target *specific thematic foci*. This is becoming increasingly common within the Structural Funds, related in part to the limited availability of resources. Targeting of measures can be relatively broad, eg. eco- or youth-tourism, which can support a variety of actions, or more specifically focused on a particular type of attraction or activity. Business tourism also has a growing profile with objectives ranging from increasing the level of conference business to encouraging existing business travellers to stay longer or spend more in the region. Clearly, thematic targeting carries dangers

if the market shifts or the supported attraction is only a relatively small part of the overall tourism experience. Sound demand analysis and integration with wider development strategies are ways of combating such risks.

1.3 Integrated Projects

Integrated initiatives bring together a range of individual components and projects under a common heading and provide a strong marketing handle for promotion at regional, national and international level. A number of practical examples exist for this type of project. The *Alpentour cycle path* in the Styrian region of Austria, for example, focuses on a mountain biking path 350 km in length, which passes through several administrative districts including the Objective 2 area. In addition to the specific promotion of cycling, other areas of economic activity are encouraged along the route including accommodation, gastronomy, walking and sightseeing tours. The project is marketed via a dedicated Internet site which provides a range of information about the route, accommodation and restaurant listings for the main points along the way, travel information on accessing the route and tips for mountain biking. The site also includes a 3D model with the possibility to 'fly' the route and gain an impression of gradient, appearance etc. Further planned developments include a direct booking function over the Internet, a CD Rom version of the site for marketing purposes and overall quality improvements.

The *Lakeland* initiative in Finland brings together four regions (North and South Savo and North and South Karelia) with a common interest in the lakes. It is a branding concept designed to strengthen the regions' new identity as specialists in nature tourism and act as a framework for development of specific product packages such as cottages and holiday villages, activity holidays, conferences, boats and cruises, festivals and Christmas events. The Lakeland concept is targeted at tour operators who then market it to their customers. It being handled by professional tourist organisations and includes investment in products, marketing, infrastructure, computer reservation systems and quality improvements. Eventually it is hoped that the initiative will cover the entire Finnish lake district.

1.4 Issues for the Future

The word 'integration' perhaps best summarises the future direction of tourism support. Tourism, more than many other economic development activities, relies on the integrated and sustainable development of an area and its people. Networks of businesses providing a range of services including accommodation, food and drink, transport, leisure and cultural activities are required and the effectiveness of developments in one area will be lessened if the other areas are neglected. Tourism development must be sustainable in an economic, environmental and social sense. Integration is an important condition of progress in this sector and is also increasingly the method of support, bringing together individual components under common themes and approaches.

Against this background, key recommendations can be highlighted.

- *Definition and targeting* is particularly important within a limited development framework such as the Structural Funds. These programmes

offer the potential for innovative approaches and new ideas and sound definition at the outset can help effectively to target and implement the available resources.

- *Integration into the wider economic development framework and compatibility with wider tourism strategies.* The High Level Group commented that an important part of improving the tourism market is to improve the overall business environment. Their recommendations include the development of more effective consultation and co-operation between representatives of the tourist industry and key national and regional decision-makers on activities likely to affect tourism development. The Structural Fund framework is one method of achieving this and positive experiences in consultation and partnership can embed themselves as standard practice.

Positive examples of this already exist in practice. The Tourism Masterplan, developed for the Land of Nordrhein Westfalen, for example, provides a strategy with associated projects and organisational structures which can best encourage tourism in the Ruhr area. Key building blocks were identified on the basis of detailed supply and demand analysis which draw on regional strengths and the interests of key target markets. An integrated approach was then taken to linking and marketing identified project initiatives and a new organisational structure was created to combat the previously fragmented approach to development. A similar exercise was undertaken in Industrial South Wales, but directly within the framework of the Objective 2 programme. An external consultancy firm undertook demand analysis and identified two product themes as the most suitable development foci for the tourism measures of the programme. To ensure that the selected projects met the likely tourist demand, conditions were applied to each type of project relating to size, location and accessibility.

- *The use of appropriate monitoring indicators* is a key issue given the particular difficulty in identifying effective indicators in the tourism field. Clear definition of goals, supported by strong underlying socio-economic analysis, can help to establish the aims of the tourism-related support and therefore the areas in which evaluation indicators should be sought. Tourism interventions have job-creating effects, but the nature of investments, often associated with significant multiplier effects, makes accurate measurement problematic. Greater differentiation of indicators would also help to understand the effects of tourism eg. type of jobs (short-term, skill level etc.). The monitoring and evaluation difficulties are greatest in specific types of tourism project eg. destination marketing or image branding – although such actions might be very important in regions where the tourism image is less immediately apparent. It is important to try and identify appropriate indicators for such projects, perhaps moving more towards a greater use of qualitative methods, benchmarking etc. Methodologies for the evaluation of tourism do exist, and it may be useful where there are significant tourism priorities to draw more widely on experience from outside the Structural Funds. This could provide starting points to derive overall tourism indicators or methodologies for cases where, for example, specific large-scale events are being supported.

- *The importance of training* in the tourism field is sometimes neglected given that the nature of the jobs (short-term or seasonal and often low-skilled) often does not encourage private firms to invest heavily in this area. Equally, it can be difficult for firms to identify their training needs and know how to have them met. Quality, however, is becoming an increasingly critical component of competitiveness and the training of human resources to ensure high quality standards is a key issue in what is a labour-intensive and people-delivered industry.

2. LE TOURISME ET LES FONDS STRUCTURELS

2.1 Introduction

La Commission Européenne a récemment chargé un Groupe de haut niveau délégué au tourisme et à l'emploi d'examiner les conditions dans lesquelles ce secteur pourrait effectuer une plus grande contribution envers la croissance et la stabilité de l'emploi en Europe. Leur rapport, soumis en octobre 1998, a souligné l'impact économique potentiel du tourisme ainsi que les principaux obstacles à la croissance. L'un des domaines clés considérés par l'UE comme étant primordial pour une compétitivité future est le développement du tourisme dans les zones les moins développées de l'Union. Cette structure constitue un défi pour la promotion du tourisme dans les zones d'Objectif 2. Le tourisme fait souvent partie intégrante de programmes, se manifestant dans des régions ayant diverses caractéristiques sous-jacentes. Ce résumé se concentre sur certains aspects, tendances et défis offerts aux structures de soutien du tourisme dans ces régions. Le document de référence offre de plus amples informations sur le rôle du tourisme dans les programmes d'Objectif 2, sur son orientation stratégique et sur la façon dont il est mis en oeuvre.

2.2 Diversité des Structures de Soutien du Tourisme

Le tourisme a été défini par le Groupe de haut niveau comme étant *"un ensemble de services et de produits fournis pour répondre à la demande du consommateur, du secteur commercial et du secteur public en matière de déplacements sur le territoire et à l'étranger. Il est en grande partie décentralisé et intégré à l'économie étant donné la mobilité et la variété des besoins exprimés par les touristes et parce que les produits et services liés au tourisme sont achetés avant, pendant et parfois après le voyage effectué"*. Cette définition fort complexe englobe une vaste gamme de domaines susceptibles de bénéficier des structures de soutien au tourisme. Ceci est reflété dans la diversité des moyens par lesquels ce secteur s'inscrit dans les programmes d'Objectif 2, généralement en tant que composante auxiliaire combinée à d'autres secteurs ou activités. La culture et l'environnement sont fréquemment liés au tourisme en terme de priorité et ce secteur constitue souvent également un objectif de secteur dans le cadre de mesures plus globales concernant le développement économique ou les infrastructures. Au sein de cette diversité, il est possible de distinguer deux approches générales.

Premièrement, le tourisme peut être considéré en tant que *mesure holistique destinée à améliorer dans son ensemble l'attrait d'une région*. Ceci est considéré comme étant une possibilité, étant donné la façon dont le tourisme fait partie intégrante de l'économie, le but étant non seulement de profiter aux activités directement liées au tourisme mais également d'améliorer les conditions de vie de la population locale et de jeter les bases d'un développement économique et d'investissements ayant un rayonnement plus large. Une approche plus holistique peut également être motivée par le désir d'attirer des investissements sur le territoire et de soutenir l'expansion commerciale, bien que certaines évaluations aient émis des réserves quant à la justification de cette corrélation.

Deuxièmement, les mesures de soutien au tourisme peuvent avoir des objectifs à *thèmes spécifiques*. Ceci devient de plus en plus courant au niveau des fonds structuraux étant donné en particulier la somme limitée de ressources disponibles. Les objectifs ciblés peuvent être relativement larges, par exemple, éco-tourisme ou tourisme des jeunes, qui peuvent être à l'origine de diverses actions ou d'actions plus particulièrement centrées sur un type particulier d'activité ou d'attraction. Le tourisme d'affaires est également en hausse, ses objectifs allant d'un accroissement du nombre de conférences à des mesures destinées aux personnes se rendant déjà dans la région pour affaires pour les inciter à prolonger leur séjour ou à dépenser davantage d'argent. Il est cependant clair que ce type de ciblage thématique comporte des dangers si le marché évolue ou si l'attraction qui est promue ne représente qu'une partie relativement restreinte de l'expérience touristique générale. Il est possible d'amoindrir ces risques en entreprenant une analyse rigoureuse de la demande et en intégrant ces objectifs au sein de stratégies de développement d'ensemble.

2.3 Projets Globalisés

Les initiatives globalisées regroupent divers projets et composantes individuels sous la même rubrique et fournissent un outil marketing de poids en termes de promotion aux niveaux régional, national et international. On peut citer un certain nombre d'exemples pratiques illustrant ce type de projets. Par exemple, *la piste cyclable d'Alpentour* dans la région autrichienne de la Styrie se concentre sur une piste cyclable pour VTT de 350 kms de long qui traverse diverses régions administratives, dont la zone d'Objectif 2. Outre la promotion spécifique du cyclisme, d'autres zones d'activité économique sont encouragées le long de ce parcours, dont celles liées à l'hébergement, à la gastronomie, à la marche et aux excursions. Ce projet est commercialisé sur un site Internet spécifique qui fournit diverses informations sur ce parcours, des listes de lieux d'hébergement et de restaurants jalonnés le long de cette piste, des renseignements sur la façon d'y accéder ainsi que des conseils pratiques pour la pratique du VTT. Ce site comprend également une maquette en 3D offrant la possibilité de 'survoler' la piste et de se faire une idée des côtes et descentes, du paysage, etc. Parmi les projets à venir figurent une fonction de réservation directe sur Internet, une version CD Rom du site pour la promotion commerciale et une amélioration globale de la qualité.

L'initiative *Lakeland* regroupe quatre régions finlandaises (Savo du Nord et du Sud et Karelia du Nord et du Sud) ayant un intérêt commun dans les lacs. Une marque est ainsi forgée dont le but est de renforcer la nouvelle identité de ces régions en tant que spécialistes du tourisme naturel, ce concept de marque fournissant une structure de développement pour des ensembles de produits spécifiques tels que locations de maisons, villages de vacances, vacances thématiques, conférences, croisières et locations de bateaux, festivals et activités de Noël. Le concept Lakeland cible les tours-opérateurs qui à leur tour le présentent à leurs clients. Il est administré par des organismes de tourisme professionnels et implique des investissements dans les produits, la commercialisation, les infrastructures, les systèmes de réservation informatiques ainsi que des mesures pour l'amélioration de la qualité. L'idée est qu'à terme cette initiative englobe toute la région des lacs finlandais.

2.4 Questions à résoudre

Le terme 'intégration' est sans doute celui qui convient le mieux pour résumer la direction à venir des mesures de soutien au tourisme. Le tourisme, dans une plus grande mesure que bien d'autres activités de développement économique, dépend du développement assimilé et viable d'une région et de ses habitants. Il est nécessaire d'avoir des réseaux commerciaux offrant une gamme complète de services au niveau de l'hébergement, de la restauration, des transports, des loisirs et des activités culturelles, l'efficacité des développements entrepris dans un domaine étant amoindrie si les autres domaines sont négligés. Le développement du tourisme doit être viable aux niveaux économique, environnemental et social. L'intégration est une condition importante pour qu'il y ait progrès dans ce secteur, ce concept étant de plus en plus à la base des méthodes de soutien, regroupant différentes composantes sous des thèmes et pratiques communs.

C'est dans ce contexte, que les recommandations suivantes sont effectuées:

- *La définition et le ciblage* sont particulièrement importants au sein d'une structure de développement limitée telle celle des Fonds structurels. Ces programmes offrent la possibilité de mesures innovatives et d'idées novatrices et une définition juste dès le départ peut contribuer efficacement au ciblage et à l'exploitation des ressources disponibles.
- Intégration au sein de la structure générale de développement économique et compatibilité avec les stratégies touristiques au sens large du terme. Le Groupe de haut niveau a fait remarquer que pour améliorer le marché du tourisme il est important d'améliorer l'environnement commercial dans son ensemble. Parmi leurs recommandations figurent le développement de meilleurs modes de collaboration et de consultation entre les représentants de l'industrie du tourisme et des décideurs clés influant aux niveaux national et régional sur des activités susceptibles d'avoir des répercussions sur le développement du tourisme. Les Fonds structurels constituent un moyen d'agir à ce niveau, des expériences positives de consultation et de collaboration pouvant dès lors constituer la norme.

Il existe déjà dans la pratique des exemples positifs de cette pratique. Le schéma directeur pour le tourisme, mis au point pour Westphalie du Nord offre, par exemple, une stratégie dans laquelle s'inscrivent des projets associés et des organisations structurelles destinées à favoriser le tourisme dans la région de la Ruhr. Des composantes clés ont été identifiées à la suite d'une analyse détaillée de l'offre et de la demande, ces composantes ayant été établies à partir des points forts de la région et des intérêts des marchés clés ciblés. Une approche globale a par la suite été adoptée afin de mieux lier et commercialiser les projets identifiés et une nouvelle organisation structurelle a été mise sur pied afin de combattre les pratiques fragmentées qui avaient auparavant caractérisé le développement du tourisme. Des pratiques similaires ont été adoptées dans le sud industriel du Pays de Galles, mais ceci directement au sein de la structure du programme de l'Objectif 2. Une société d'experts-conseils externe a effectué une analyse de la demande et identifié deux produits thématiques comme constituant l'objectif de développement le plus porteur pour la composante touristique du programme. Afin de garantir que les projets

sélectionnés répondaient bien à la demande anticipée des touristes, des conditions ont été attachées à chaque type de projet au niveau de l'ampleur du projet, de sa situation et de sa facilité d'accès.

- *L'utilisation d'indicateurs de contrôle appropriés* constitue un problème clé, étant donné la difficulté d'identifier des indicateurs sûrs dans le domaine du tourisme. Une définition claire des objectifs, corroborée par une analyse socio-économique fiable, permet d'établir les objectifs des infrastructures liées au tourisme et par là même les domaines dans lesquels il convient d'identifier des indicateurs d'évaluation. Les interventions touristiques ont des répercussions au niveau de la création d'emplois, mais la nature des investissements, fréquemment associée à d'importants effets multiplicateurs, rend toute évaluation problématique. Une plus grande différenciation des indicateurs permettrait également de mieux comprendre les effets exercés par le tourisme, par exemple le type d'emplois créés (à court terme, niveau de compétence requis, etc). Les difficultés de contrôle et d'évaluation sont accrues pour des types spécifiques de projets touristiques, par exemple, commercialisation d'une destination ou promotion d'une image de marque, bien que ces mesures puissent être particulièrement importantes dans des régions où l'image touristique est moins prééminente. Il est important d'essayer d'identifier des indicateurs appropriés pour de tels projets, en évoluant peut-être davantage vers une plus grande utilisation de méthodes qualitatives, l'établissement de repères, etc. Il existe des méthodes d'évaluation du tourisme et lorsque des priorités touristiques importantes sont identifiées, il pourrait être utile de faire davantage appel à l'expertise existante en dehors des fonds structuraux. Ceci pourrait constituer un point de départ à partir duquel pourraient être élaborés des indicateurs d'évaluation générale du tourisme ou des méthodologies dans les cas où, par exemple, des événements spécifiques à grande échelle sont en cause.

L'importance de la formation dans le domaine du tourisme est parfois négligée étant donné que la nature des emplois (à court terme ou saisonniers, et souvent peu qualifiés) n'encourage souvent pas les entreprises privées à investir dans ce domaine. Il peut être également difficile pour les entreprises d'identifier les formations requises et de savoir comment y pourvoir. La notion de qualité devient toutefois de plus en plus cruciale au niveau de la compétitivité et la formation des ressources humaines pour offrir un service de haute qualité revêt une importance toute particulière dans une industrie qui fait appel à une main d'oeuvre importante et qui est régulièrement en contact avec le public.

3. TOURISMUS UND DIE STRUKTURFONDS

3.1 Einführung

Die Europäische Kommission beauftragte vor kurzem eine Hochrangige Arbeitsgruppe für Tourismus und Beschäftigung damit zu untersuchen, wie dieser Sektor einen größeren Beitrag zum Wachstum und zur Stabilität der europäischen Beschäftigungssituation leisten könnte. Ihr Bericht, der im Oktober 1998 fertiggestellt wurde, beleuchtete die potentielle Wirtschaftskraft von Tourismus sowie die hauptsächlichen Wachstumsbeschränkungen. Einer der Hauptbereiche, die nach Ansicht der Europäischen Kommission im Mittelpunkt zukünftiger Wettbewerbsfähigkeit steht, ist die Entwicklung von Tourismus in weniger entwickelten Gebieten der Union. Dies liefert einen anspruchsvollen Rahmen für die Förderung von Tourismus in Ziel 2 Gebieten. Tourismus ist häufig eine Programmkomponente und wird in Regionen mit unterschiedlichen Grundcharakteristiken verfolgt. Diese Zusammenfassung konzentriert sich auf besondere Eigenschaften, Trends und Herausforderungen der Tourismusförderung in diesen Regionen. Die vollständige Studie gibt mehr Einzelheiten über die Rolle des Tourismus in Ziel 2 Programmen, seine strategische Richtung und Umsetzung.

3.2 Diversität der Tourismusförderung

Definiert wurde Tourismus durch die Hochrangige Arbeitsgruppe als ein 'Komplex von Dienstleistungen und Produkten, die auf Nachfrage der Konsumenten, des Geschäfts- und des öffentlichen Sektors für Reisen im In- und Ausland bereitgestellt werden. Er ist weitgehend dezentralisiert und mit der Wirtschaft verwoben aufgrund der Standortunabhängigkeit und Vielfältigkeit von Touristenbedürfnissen und weil tourismusverwandte Produkte und Dienstleistungen vor, während und gelegentlich nach der Reise gekauft werden.' Diese Definition ist recht komplex und umfaßt einen entsprechend weiten Bereich von Gebieten, die für Tourismusförderung in Frage kommen. Reflektiert wird dies durch die unterschiedliche Integration des Sektors in Ziel 2 Programmen - gewöhnlich als Komplementärstrang in Verbindung mit anderen Sektoren oder Aktivitäten. Kultur und Umwelt sind im allgemeinen in erster Linie mit Tourismus verbunden, und der Sektor erscheint auch oft als sektorales Ziel unter allgemeineren Wirtschaftsförderungs- und Infrastrukturmaßnahmen. Innerhalb dieser Diversität können zwei allgemeine Ansätze identifiziert werden.

Erstens kann Tourismus als Teil eines ganzheitlichen Ansatzes zur Verbesserung der Attraktivität der Region insgesamt betrachtet werden. Dies scheint möglich aufgrund der Art, wie Tourismus mit der Wirtschaft verflochten ist und nicht nur tourismusverwandten Projekten nützen sondern auch die Lebensbedingungen für die lokale Bevölkerung verbessern und eine Basis für allgemeinere Wirtschaftsförderung und Investition bieten kann. Ein mehr ganzheitlicher Ansatz kann auch vom Wunsch motiviert sein, ausländische Investitionen und unterstützende Unternehmensförderung anzuziehen - obwohl in einigen Evaluierungen eine gewisse Vorsicht angesichts der Eignung einer solchen Verbindung ausgedrückt wurde.

Zweitens kann Tourismusförderung auf spezifische thematische Kerne abzielen. Dies geschieht immer häufiger innerhalb der Strukturfonds, was teilweise mit der beschränkten Verfügbarkeit von Ressourcen zusammenhängt. Die Ausrichtung von Maßnahmen kann relativ weitgefaßt sein, wie z.B. Öko- oder Jugendtourismus, und eine Vielfalt von Aktionen unterstützen oder sich spezifischer auf eine besondere Art von Attraktion oder Aktivität konzentrieren. Geschäftstourismus gewinnt ebenfalls an Profil - von der Erhöhung des Volumens von Konferenzgeschäften bis zur Ermunterung von Geschäftsreisenden, sich länger in der Region aufzuhalten oder dort mehr auszugeben. Eine thematische Ausrichtung bringt zweifelsohne Gefahren, wenn der Markt sich verschiebt oder die unterstützte Attraktion nur ein relativ kleiner Teil des gesamten Tourismuserlebnisses ist. Vernünftige Nachfrageanalyse und Integration mit weitergefaßten Entwicklungsstrategien können solche Risiken eventuell beseitigen.

3.3 Integrierte Projekte

Integrierte Initiativen bringen eine Reihe einzelner Komponenten und Projekte unter einem gemeinsamen Titel zusammen und liefern eine starke Marketinghilfe zur Förderung auf regionaler, nationaler und internationaler Ebene. Für diese Art Projekt gibt es eine Reihe praktischer Beispiele. Der *Alpentour Radfahrweg* in der österreichischen Region Steiermark konzentriert sich auf einen Radweg für Mountain Bikes von 350 km Länge, der durch mehrere Verwaltungsbezirke einschließlich des Ziel 2 Gebiets führt. Zusätzlich zu der spezifischen Förderung des Fahrradfahrens werden andere Bereiche wirtschaftlicher Aktivität auf der Strecke gefördert, wie das Herbergsgewerbe, Gastronomie, Wander- und Ausflugstouren. Das Projekt wird über eine besondere Internetseite vermarktet, die eine Reihe von Informationen über die Strecke, Unterkünfte und Restaurants unterwegs gibt, sowie Zugang zur Route und Tips fürs Mountain Biking. Die Website enthält auch ein dreidimensionales Modell mit der Möglichkeit die Strecke zu 'überfliegen' und einen Eindruck von der Steigung, Erscheinung usw. zu gewinnen. Geplant sind außerdem Direktbuchung über das Internet, eine CD Version der Strecke für Marketingzwecke und allgemeine Qualitätsverbesserungen.

Die *Seeland-* Initiative in Finnland bringt vier Regionen mit einem gemeinsamen Interesse an den Seen zusammen (Nord- und Süd- Savo sowie Nord- und Süd-Karelia). Es handelt sich dabei um ein Werbekonzept, das die neue Identität der Regionen als Spezialisten in Naturtourismus stärken und als Rahmen für die Entwicklung spezifischer Produktpakete wie Ferienhäuser und -dörfer, Aktivitätsurlaub, Konferenzen, Boots- und Kreuzfahrten, Festivals und Weihnachtsveranstaltungen dienen soll. Die Seelandidee ist auf Tourveranstalter ausgerichtet, die es dann an ihre Kundschaft weiterverkaufen. Es wird von professionellen Touristenorganisationen gehandhabt und umfaßt Investitionen in Produkte, Marketing, Infrastruktur, Computerbuchungen und Qualitätsverbesserungen. Man hofft, daß die Initiative einmal den gesamten finnischen Seedistrikt erfassen wird.

3.4 Themen für die Zukunft

Das Wort 'Integration' faßt vielleicht am besten die zukünftige Richtung der Tourismusförderung zusammen. Tourismus hängt mehr als viele andere Wirtschaftsförderungsaktivitäten von der integrierten und nachhaltigen Entwicklung eines Gebiets und seiner Bevölkerung ab. Erforderlich sind Unternehmensnetze, die eine Reihe von Dienstleistungen bereitstellen, wie Unterkunft, Nahrungsmittel und Getränke, Transport, Freizeit- und kulturelle Aktivitäten; die Effektivität der Entwicklungen in einem Bereich wird geschmälert, wenn die anderen Bereiche vernachlässigt werden. Touristenförderung muß im wirtschaftlichen, umweltverbundenen und sozialen Sinne nachhaltig sein. Integration ist eine wichtige Bedingung für Fortschritt in diesem Sektor und ist auch mehr und mehr die Unterstützungsmethode, die individuelle Komponenten unter gemeinsamen Themen und Ansätzen zusammenbringt.

Vor diesem Hintergrund können folgende wichtige Empfehlungen hervorgehoben werden:

- *Definition und Zielsetzung* sind besonders wichtig in einem so beschränkten Förderungsrahmen wie den Strukturfonds. Diese Programme bieten das Potential für innovative Ansätze und neue Ideen, und eine vernünftige Definition zu Beginn kann dabei helfen, die verfügbaren Ressourcen effektiv auf ein Ziel auszurichten und umzusetzen.
- *Integration in den weiteren Wirtschaftsförderungsrahmen und Kompatibilität mit allgemeineren Tourismusstrategien.* Die Hochrangige Arbeitsgruppe kommentierte, daß ein wichtiger Teil der Verbesserung des Tourismusmarkts die Verbesserung des allgemeinen unternehmerischen Umfelds ist. Zu ihren Empfehlungen gehören die Entwicklung effektiverer Konsultation und Kooperation zwischen Vertretern der Touristenindustrie und maßgeblichen nationalen und regionalen Entscheidungsorganen bei Aktivitäten, die wahrscheinlich die Tourismusförderung beeinflussen werden. Der Strukturfondsrahmen ist eine Methode, um dies zu erreichen, und positive Erfahrungen mit Konsultation und Partnerschaft können sich als Standardpraxis etablieren.

Positive Beispiele hierfür bestehen bereits in der Praxis. Der Tourismus-Generalplan, der für das Land Nordrhein-Westfalen entwickelt wurde, liefert z.B. eine Strategie mit verwandten Projekten und Organisationsstrukturen, die den Tourismus im Ruhrgebiet am besten fördern können. Maßgebliche Bausteine wurden auf der Basis detaillierter Angebots- und Nachfrageanalysen identifiziert, die sich an regionaler Stärke und den Interessen der maßgeblichen Zielmärkte orientieren. Danach wurde ein integrierter Versuch unternommen, um die identifizierten Projektinitiativen zu verbinden und zu vermarkten, und es wurde eine neue Organisationsstruktur geschaffen, um den zuvor fragmentierten Entwicklungsansatz zu bekämpfen. Eine ähnliche Übung wurde im Industriellen Süd-Wales unternommen, doch direkt im Rahmen des Ziel 2 Programms. Eine externe Beratungsfirma unternahm eine Nachfrageanalyse und identifizierte zwei Produktthemen als die geeignetsten Entwicklungskernpunkte für die Tourismusmaßnahmen des Programms. Um sicherzustellen daß die gewählten Projekte der

wahrscheinlichen Tourismusnachfrage entsprechen, wurden auf jede Projektart Bedingungen angewandt bezüglich der Größe, des Standorts und der Zugänglichkeit.

- *Die Verwendung geeigneter Begleitindikatoren* ist ein wichtiges Thema angesichts der besonderen Schwierigkeit bei der Identifizierung effektiver Indikatoren im Bereich des Tourismus. Eine klare Definition der Ziele, unterstützt durch starke ihr zugrundeliegende sozio-ökonomische Analysen, kann dabei helfen, die Ziele tourismusbezogener Unterstützung festzustellen und damit die Bereiche, in denen Evaluierungsindikatoren gesucht werden sollten. Interventionen durch den Tourismus haben arbeitsplatzschaffende Wirkung, doch macht die Art der Investitionen, die oft mit bedeutenden Multiplikationsfaktoren verbunden sind, genaue Messungen problematisch. Eine größere Differenzierung der Indikatoren würde auch dabei helfen, die Wirkung von Tourismus zu verstehen, wie z.B. Art der Arbeitsplätze (kurzfristig, Fachniveau usw.). Die Begleit- und Evaluierungsschwierigkeiten sind am größten in spezifischen Arten von Tourismusprojekt, wie z.B. Marketing eines Reiseziels oder Imageschaffung - obwohl solche Aktionen sehr wichtig in Regionen sein könnten, in denen das Tourismusimage weniger offensichtlich ist. Es ist wichtig, geeignete Indikatoren für solche Projekte zu identifizieren, wobei man vielleicht zu einer stärkeren Verwendung qualitativer Methoden, wie Benchmarking usw., übergehen sollte. Es gibt Methoden zur Evaluierung des Tourismus, und es ist vielleicht nützlich, wo bedeutende Tourismusprioritäten bestehen, allgemeiner auf Erfahrungen von außerhalb der Strukturfonds zurückzugreifen. Dies könnte Ansatzpunkte liefern, um allgemeine Tourismusindikatoren oder Methoden für Fälle abzuleiten, wo z.B. großangelegte Ereignisse unterstützt werden.

Die Bedeutung von Ausbildung im Tourismusbereich wird manchmal vernachlässigt, angesichts der Tatsache, daß die Art der Arbeitsplätze (kurzfristig oder saisonal und oft mit wenig Fachausbildung) Privatfirmen häufig nicht gerade dazu ermuntert, viel in diesem Bereich zu investieren. Es kann ebenso schwierig sein für Unternehmen, ihre Ausbildungsbedürfnisse zu identifizieren und zu wissen, wie sie erfüllt werden könnten. Qualität wird jedoch mehr und mehr eine kritische Komponente der Wettbewerbsfähigkeit und die Ausbildung humaner Ressourcen zur Gewährleistung von Qualitätsnormen ist ein wichtiges Thema in einer arbeitsintensiven 'personalabhängigen' Industrie.

Thematic Paper

*Wish you were here?
Tourism and the Structural Funds*

Wish you were here?

Tourism and the Structural Funds

1. INTRODUCTION

Tourism is a common component of current Objective 2 programmes. It is highly diverse in the nature of its inclusion: tourism support is provided through single, dedicated priorities, through measures or sub-measures or, at the other end of the scale, as one of a number of sectoral target areas under wider ranging development aims. Tourism is more relevant to some Objective 2 regions than others, although it occurs in programmes with a wide range of underlying characteristics.

This paper compares and contrasts tourism support among Objective 2 areas and highlights specific features and trends in this area. It focuses selectively on certain key characteristics, illustrated through specific case study material. The paper begins by briefly examining the importance of the tourism industry in Europe and within Objective 2 regions. Aspects of the approach to tourism within the strategy development and implementation phases of Objective 2 programming are then highlighted before moving the focus to a number of key areas evident in the nature of tourism support in these regions. Some provisional conclusions on this under-researched area are drawn in the final section.

2. THE TOURISM INDUSTRY

Tourism is an important European industry. Tourism activities employ nine million people, or six percent of the total EU workforce, and account for over five percent of total GDP. The industry grew by 4.6 percent in 1996 and, by 2000, it is estimated that travel and tourism jobs will account for over nine percent of total employment in the European Union¹. EU Member States account for 12 of the 40 top tourist destinations in the world and accounted for 40 percent of world tourism arrivals, 38 percent of receipts and 42 percent of expenditure in 1996. International tourist flows are growing faster than domestic tourism, and international arrivals in Europe are expected to increase by 57 percent to 527 million in 2010².

A shift in the tourism 'product' itself has been witnessed over the last decade with increasing interest in more peripheral, remote or unusual locations³. There is growing demand for new products which go beyond the traditional search for sun, sea and sand, offering potential opportunities for development

¹ Commission of European Communities (1997) *Report from the Commission on Community Measures Affecting Tourism (1995-96)*, Brussels

² High Level Group on Tourism and Employment (1998) *European Tourism – New Partnership for Jobs*, Report to the European Commission, October 1998

³ Baum, T, Bachtler, J, Downes, R, and Rooney M L (1998) *Evaluation of Tourism Support in Lower Austria*, Report to the Lower Austrian Government, European Policies Research Centre/Scottish Tourism Research Unit, University of Strathclyde, Glasgow

in a wider range of destinations. The wide diversity of natural environments, urban areas and recreational activities within Europe means that this shift represents significant opportunities for growth in the tourism sector. However, it also presents a series of important challenges to policy makers and developers. These include, for example, the requirement to identify new innovatory approaches to tourism, to widen the range of products and heighten awareness levels among target markets and to improve the quality of attractions and services. The European Commission recently charged a High Level Group on Tourism and Employment to examine the conditions in which tourism could make a greater contribution to growth and stability in employment in Europe. Their report, submitted to the Commission in October 1998, commented that:

“the growth potential of European tourism can only be fully exploited if appropriate framework conditions are provided by public authorities at all levels. In addition, it is essential that business and policy makers combine to remove structural barriers to growth”.

Three principal constraints to the growth of European tourism are identified by the Group:

- lack of strategic knowledge of the tourist demand and the use of this information in operational terms;
- poor application of quality control and quality management techniques in the production, marketing and provision of tourist services; and,
- insufficient appreciation of the richness and diversity of attractions available in Europe which could be the basis for new and original tourist products.

These factors are, if anything, even more evident in Structural Fund areas because of their additional structural and economic development constraints and provide a challenging framework for the promotion of tourism within Objective 2 programmes.

3. THE EUROPEAN UNION AND TOURISM SUPPORT

The European Union operates a range of support frameworks for European tourism including a Community Action Plan for the area, a Tourism Advisory Committee and complementary support through other programmes such as the Structural Funds. Given both the role of tourism in the European economy but also the constraints to growth in this sector, the competitiveness of the European tourism industry is an issue of key concern. Within the range of Community support for tourism, four main areas are considered central to ensuring future competitiveness⁴:

- fair competition among tourism enterprises;
- modernisation of the tourism industry and improving the quality of tourist services through workforce training and qualification;

⁴ see Commission of European Communities (1997) op. cit.

- tourism development in less developed areas of the Union; and,
- encouraging quality-led tourism policies in third country partners.

The Commission Communication on a European strategy for encouraging local development and employment initiatives in 1995 also highlighted the tourism sector as one of 17 areas offering untapped job creation potential.

The third area above, tourism development in the less-developed areas of the Union, is achieved principally through Structural Fund intervention - both in mainstream Structural Fund programmes and through Community Initiatives. According to the DGXIII report, 'Tourism and the European Union: A Practical Guide', the Structural Funds are the largest source of European Union funding for tourism projects. Tourism is included within the Structural Funds due to its potential as a growth economic sector. The Sixth Annual Report states that tourism has the potential to create jobs and for many regions has a role to play in economic diversification.

Structural Fund allocations for tourism vary between countries. Broken down by Objective, it can be seen from Table 3.1, that Objective 5b has the highest proportion of tourism support. In terms of actual resources, Objective 1 dedicates most to tourism with 3,313 MECU, in comparison to 458 MECU in Objective 2 areas (1994-96) and 736 MECU in Objective 5b areas, but proportionately more is spent on tourism under Objective 5b, where tourism allocations amount to 12 percent. Under Objective 2, 6.4 percent of the current programmes is dedicated to tourism, and only 3.5 percent of the current Objective 1 programmes.

The broad picture from statistics provided in official European Commission documentation (see sources of Table below) shows that in some countries tourism receives higher priority as a sector to be supported than in others. Under Objective 1, Austria spends the highest proportion of its Structural Fund allocation on tourism projects with 23 percent. The Netherlands and Finland allocated higher amounts to tourism than other countries under Objective 2, whereas Luxembourg, the Netherlands and Denmark gave tourism relatively high priority under Objective 5b with allocations of 50, 41 and 37 percent respectively. In other countries, mainly Spain but also Germany, tourism does not receive as much attention under the Structural Funds. In Spain, only 2.1 per cent of Objective 1 allocations go to tourism projects and under Objective 2 and Objective 5b there is no tourism funding at priority level.

Specifically under Objective 2, tourism is included relatively widely within the programmes, although its relative importance differs. In the 1994-96 period, 25 percent of SPDs had no specific tourism priorities or measures - although clearly projects undertaken by tourism firms would also be eligible under, for example, general investment assistance measures. In over one third of SPDs, tourism accounted for up to ten percent of total Structural Fund expenditure, with the 5-10 percent bracket accounting for 27 percent of those cases⁵. A further 28 percent of SPDs had tourism expenditure of between 10-20 percent, with c. ten percent of SPDs spending in excess of 20 percent in this area.

⁵ Bachtler, J, Taylor, S and Kearney, C (1996) *Extended Synthesis of Agreed SPDs in Objective 2 Areas*, EPRC Report to European Commission (DGXVI), University of Strathclyde, Glasgow.

Some of the highest regional totals include Gibraltar (69 percent of Structural Fund expenditure), Val d'Aosta in Italy (42 percent), Plymouth and Bremen (25.5 percent) and Lower Austria (21.5 percent). In national terms, the average tourism allocation for the 1994-96 programmes was 6.8 percent (calculated at measure level), but Denmark, the UK, Italy and the Netherlands all had allocations in excess of ten percent.

Table 3.1: Structural Fund tourism allocations (percent) by Objective

	Objective 1	Objective 2		Objective 5b
Country	1994-99	1994-96	1997-99*	1994-99
Austria	23**	--	7	14***
Belgium	4	6	7	2.3
Denmark	--	9	13	37
Finland	3**	--	22	4
France	5	8	8	0
Germany	0	2	1	0
Greece	5	--	--	--
Ireland	6	--	--	--
Italy	6	8	11	0
Luxembourg	--	0	0	50
Netherlands	3	11	43	41
Portugal	4	--	--	--
Spain	2	0	0	0
Sweden	9**	--	8	11***
UK	4	10	8	20
EU 15	3.5	6.8	6.4	12

-- not eligible for fund at time

Source: Sixth Annual Report on the Structural Funds (*The New Regional Programmes 1997-99 under Objective 2 of the Community's Structural Policies; ** Communication of Commission on the Implementation of EU Regional Policies in Austrian, Finland and Sweden, *** Seventh Annual Report on the Structural Funds)⁶

Although no similar in-depth comparison at measure level is available for the 1997-99 period, allocations for tourism at priority level experienced only a slight reduction. The 6.8 per cent allocation to tourism for the 1994-96 programmes was reduced to 6.4 for the current programming round.

⁶ CEC (1995), Sixth Annual Report on the Structural Funds, Brussels:Luxembourg COM (95), CEC (1998) The New Regional Programmes 1997-1999 under Objective 2 of the Community's Structural Policies – focusing on job-creation, Brussels, CEC (1996), Communication of the Commission on the Implementation of EU Regional Policies in Austria, Finland and Sweden, Brussels COM (96) 316 final, CEC (1996), Seventh Annual Report on the Structural Funds, Brussels:Luxembourg COM (96) 502 final.

4. TOURISM IN OBJECTIVE 2 AREAS: STRATEGY DEVELOPMENT

The overall process of strategy development within Objective 2 programmes varies by country and region based on a range of factors such as institutional structures, experience with the Structural Funds and the operation of the regional partnership. Distinct elements of the strategy are often formulated in conjunction with regional experts, although the relative importance of the area clearly influences the degree to which external input is drawn in. Ensuring synergy with existing regional development strategies is an important part of the strategic development process within Objective 2 programmes, partly to avoid 're-inventing the wheel' and partly to ensure that Objective 2 funding complements wider development efforts. Further, for demand analysis to be accurate and insightful, areas have to be used which reflect actual tourist behaviour: visiting patterns and Objective 2 areas are often too small or focused for this to be the case.

The use of wider tourism strategies is a particular characteristic of the development of the tourism support elements within the current Objective 2 programmes. This reflects the apparent greater availability of distinct tourism strategies at regional and/or national level in European countries. Tourism agencies operate in most countries at national and also often at regional level and the dedication of single agencies to the development of one sector is a structure which lends itself to the emergence of distinct strategies. Among the *IQ-Net* regions, a range of wider strategies were used, some national and some regional in scope. The *Tourism Strategic Plan for Wales 2000* and the *Scottish Tourism Strategic Plan* count among the former while the *High Coast Structure Plan* (Ångermanlandskusten, Sweden), the *1998-2000 Strategic Plan* of the Midt-Nord Regional Tourism Development Agency (North Jutland) and the *Niederösterreich 2001* strategy represent examples of the latter. The Box below illustrates one of these strategic initiatives – the *Tourism Masterplan* of the Tourism Commission in NRW⁷.

The main obvious use of wider strategies is to provide the broad planning and directional context for specific Objective 2 measures. In cases where a national strategy is used as the basis, a significant degree of regionalisation may be required to tailor the Objective 2 measures to regional requirements. This was certainly the case for Industrial South Wales, as the Welsh Tourism Strategy, drafted in 1994, does not contain a specific regional dimension. The Tourism Strategy is, in fact, currently being updated to focus on four sub-regions, although these regions are not contiguous with Structural Fund eligible areas.

Regionally rooted tourism strategies can be used more directly to inform and guide Objective 2 measures. Regional strategies will contain more directly relevant material, both for the economic development profile in the SPD and in terms of actual measures and development options. This is particularly true where the strategy undergoes a regular process of updating eg. the *High Coast Structure Plan* in western Sweden, originally drafted ten years ago but updated

⁷ Tourismus Kommission (1997) *Masterplan für Reisen ins Revier*, Bericht für Ministerium für Wirtschaft und Mittelstand, Technologie und Verkehr des Landes Nordrhein Westfalen, Düsseldorf

on a three yearly basis. Wider, pre-existing tourism strategies have been used to improve the coherence and direction of Objective 2 tourism measures. It is interesting, however, to see that the reverse sometimes occurs in regions where the Structural Fund requirements have led to a more integrated and collaborative approach to tourism support in the regional context. One example of this can be found in Aquitaine (see Box).

Tourism Masterplan Nordrhein-Westfalen

A Tourism Masterplan has been formulated in NRW by a Tourism Commission created by the *Land* Ministry of Economy, Technology and Transport. The task was to create a strategy with associated projects and a proposal for organisational structures which could best encourage tourism in the Ruhr area. The aim of the undertaking was to exploit the overall increase in tourism in Germany to the benefit of the region where the growth in this sector has been relatively weak.

The Masterplan provides the basis for tourism in the region including:

- Attractions in NRW which are also numerous in other regions (eg. castles, attractive landscape)
- Attractions unique to NRW (eg. industrial culture and landscape)
- Areas of particularly high supply in NRW
- Areas which set NRW apart from other regions
- Areas of particular potential in NRW *vis à vis* other regions (eg. entertainment, shopping)

The Masterplan identified three building blocks upon which to base future tourism projects:

- Industrial culture
- Entertainment
- Unusual cultural attractions

The target market for development in these areas is private visitors, an area less reliant on overall economic conditions than the business travel market. Clearly, however, improvements necessary to attract private tourists would also increase the attractiveness of the area for business trips and conferences.

The Masterplan includes a list of projects which were already in development during the drafting process, divided into three categories: projects ready for implementation; projects at feasibility study stage; projects at conceptualisation stage. The Masterplan is also used as a strategic context for the assessment of Objective 2 tourism projects.

On the organisational side, a new tourism organisation called *Reisen ins Revier GmbH* has been created. This organisation is designed to combat the current fragmented approach to marketing and development based on a range of individual public and private sector agencies. It brings the interests of these organisations together with large scale private sector players and is 51% public and 49% private sector owned. The organisation is responsible for joint marketing and tourism development in the region and the coordination of projects proposed in the Masterplan. Its creation was EU co-financed.

Tourism Strategy Development Process Aquitaine

The drafting of the tourism component of the current Objective 2 SPD drew to a large extent on Objective 5b experience. In both programmes, the *Délégation au Tourisme* (the principal state tourism development organisation in the regions) worked intensively from the outset with relevant partners to define a solid framework for the tourism support measures. The strategy development exercise encompassed the direction and rationale of support, which organisations and actors were to be involved and how projects would be selected.

The partners worked from an initial framework proposed by the *Délégation*. Importantly, they did not bring pre-existing projects to the table but focused on more open-ended discussions about overall strategic direction. In the case of the Objective 2 programme, 3-4 meetings were required to harmonise views, building on more intensive parallel work already undertaken within the framework of Objective 5b.

This process of policy development, which was introduced purely as a result of the Structural Fund programmes, enabled the identification of real priorities within the region. This has had two advantages. First, all the relevant partners held a common position on the priorities from the start of the programme and felt that they each had 'ownership' of them. Second, it established a coherence between the Objective 2 and 5b programmes, increasing effective targeting and helping to avoid wasteful duplication.

5. TOURISM IN OBJECTIVE 2 AREAS: IMPLEMENTATION

Similar to the process of strategy formulation, the implementation of tourism priorities and measures is diverse. Comparability is complicated by the fact that tourism is integrated at a wide range of different levels within Objective 2 programmes. This section focuses on two areas of implementation in particular – project selection and monitoring and evaluation – and highlights key themes for each area.

5.1 Project selection

Common practice in the selection and evaluation of tourism projects within Objective 2 programmes involves the use of a range of criteria applicable to all co-financed projects with the addition of a number of tourism-specific criteria. Basic criteria vary between programmes but usually contain factors such as job creation, improved business development within firms, increased quality of investment/training etc. Tourism-specific factors can include the following criteria types, drawn from the current range of programmes:

- Does the project:
 - extend the tourist season?
 - increase the quality of the tourism firm?
 - increase employment or turnover within the tourism sector?
 - enhance the attractiveness of the overall area?
 - involve co-operation with regional industry?
 - increase the quality, market responsiveness or professionalism of the accommodation on offer?

- take a medium-term view of marketing or target marketing to specific niches?
- have any effect on the wider tourism environment?
- support the regional history and traditions?

The tourism department of the Lower Austrian government has developed a thorough scoring system for tourism projects (see Box). While this procedure is linked to its own tourism measures, a number of these measures are used to co-finance Objective 2 programmes and the overall principles of the method are applicable within a Structural Fund framework.

Tourism Project Scoring System Lower Austria

A new system of project selection, developed by the tourism department of the Lower Austrian government in 1997, ranks every project initially on the basis of four factors: concept; location; management; and financial viability. These areas are weighted and the total points score determines whether or not the project will receive the basic level of support (8% in assisted areas, 4% in non-assisted areas) or whether its quality deserves a higher rate of award.

Where the quality is considered high enough and the project is of a sufficient size, a more detailed evaluation is undertaken on the basis of a series of in-depth checklists for different types of projects. In hotel and gastronomy projects, for example, issues include:

- | | |
|--|---|
| • Is the firm/project innovatory and able to provide wider regional impulse? | • How environmentally sustainable is the project? |
| • Is there an underlying longer-term development concept? | • Does the project conform to the Lower Austrian tourism development strategy? |
| • Is there a synergy effect through links to existing tourism products or joint use of tourism infrastructure? | • What is the labour market effect – for new job creation but also within the existing firm |
| • To what extent are clear regional characteristics integrated in the proposal? | • Is there clear reason why project notably better than competitors? |
| | • Is there a clear rationale for project? |

The checklist requires detailed investigation of the project and results in a second score which determines the rate of award. This more detailed assessment also allows further discussions with the applicant and the tailoring of projects to improve quality or direction. The overall indicators, but not the more detailed sub-criteria, are listed in the guidelines of the assistance measure.

The new system has had a number of positive ramifications including the wider publication of the strategic aims of tourism support and the type of quality projects being encouraged. Further, it has acted as a form of training for the staff of the tourism department, increasing their know-how and specialism and ability to identify and fine-tune quality projects.

An important element in the selection of individual tourism projects is their link to the strategic aims of the priority or measure. Project selection is not a stand-alone process but should ideally fit within a wider circular progression from strategy development, through programme marketing, project assessment and selection, monitoring of implementation, and evaluation⁸. Specific project selection criteria can be chosen to ensure that projects maintain a strategic coherence as well as fulfilling more general goals. Equally, clear strategic direction is very important in the selection of quality projects which aim to

⁸ Fitzgerald, R and Promé, C (1996) *Generating Good Projects*, *IQ-Net Thematic Papers*, Series 1:3, European Policies Research Centre, Glasgow

achieve a wider overall impact than the direct investment by an individual firm. In South Karelia, tourism-related applications are submitted to the Regional Council, and, if there appears to be a high degree of fragmentation, a tourism expert from the Council identifies the optimal way to ensure that tourism projects have strategic coherence, and, where possible, encourages co-operative projects. Tourism experts are used quite extensively in the Finnish Objective 2 regions to follow through the tourism projects under programmes; they sit on tourism boards and management committees and ensure that the overall structure of the project portfolio is balanced.

Scoping Study for Tourism Measure Industrial South Wales

The scoping study for the SPD's tourism priority was undertaken by an external consultancy firm, Tourism Development International. The study, which comprised desk research, interviews and consultation with over 40 organisations and targeted original market research, was designed to provide an overview of the existing tourism product in ISW, tourism activity, markets and trends, and to generate proposals for new developments and suitable levels of public sector investment.

The market research identified *culture* and the *environment* as the two product themes most likely to result in product development relevant to emerging South Wales growth markets. The final strategy was designed to be flexible enough to respond to any difficulties that larger-scale projects might experience in securing matching funding.

Flagship attractions were to provide the vital cornerstones and were defined as having

“the ability to directly influence the market and attract tourists in their own right, whilst providing leadership and profile to the region and other attractions due to their status and reputation for quality. They will be designed and operated in an environmentally sustainable manner and be able to provide a unique experience that reflects the place or destination in a manner which positively influences perceptions of that place. They must be accessible to markets capable of using a range of different means of transport”.

A series of conditions were associated with the size, location, accessibility and capacity of the flagship attractions. On the basis of the strategic results of the scoping study, the following flagship projects were identified for implementation under Objective 2. Funding of £1.5 million was allocated to each.

Culture	Environment	Tourism Transport Corridors
<ul style="list-style-type: none"> Rugby stadium Council project on Snowdonia 	<ul style="list-style-type: none"> National Botanic Gardens Millenium Coastal Park 	<ul style="list-style-type: none"> Cycle path Brecon and Monmouth canal

The study proposed that investment in other supporting projects should either be targeted to create a thematic or geographical critical mass or add value to existing or planned investment. Accessibility and locational conditions were again proposed eg. location within five miles of a flagship attraction, or a 30-minute drive from either Swansea or Cardiff. Transport routes or linkages such as cycleways, canals or long distance trails were regarded as products in their own right.

It could be assumed that the availability and use of wider tourism planning exercises (see section 4) would facilitate this process of ensuring wider strategic cohesion. Indeed, it is clear from many of the *IQ-Net* regions that a key component of the project selection process is ensuring compatibility with wider tourism strategies. The main tourism-specific criteria in the Ångermanlandskusten Objective 2 programme, for example, is a requirement for the projects to contribute to the objectives of the High Coast development plan. Similarly in North Jutland, the strategic plan of the Midt-Nord Tourism Development Agency is one of the first assessment frameworks to be applied to potential tourism projects. The experience in this region is that proposals submitted have moved increasingly in line with the strategic direction as

private and public actors have become more acquainted with the development plan and its strategic direction. In NRW, projects under the tourism marketing measure must be linked to the integrated strategy of the Ruhrgebiet Tourism Commission or to the tourism campaigns of other tourism organisations. This takes into account that strategic tourism activities are potentially underway in the region in areas other than the Objective 2 programme and attempts to harmonise the overall approach.

In Industrial South Wales, a specific strategic planning exercise was undertaken in relation to the tourism measure ‘Strategic Tourism Development’ (see Box above).

A separate scoping study was undertaken, initially at the request of the European Commission, to provide a strategic context specific to the region as a framework for project selection⁹. This was partly in response to concern that tourism development over the previous decade had been fragmented and piecemeal in nature. The output of the measure was specified as three flagship projects and up to 140 supporting attractions or facilities. The study not only provided the context for support and identified key thematic areas for development but also recommended the type of projects which would classify as ‘flagship’ or ‘supporting’ in order to try and maximise the benefit of tourism support for the region as a whole. A particularly important element of the scoping study was the wide-ranging demand analysis which identified the actual and realistic tourist market – focused in the ISW case on short break holidaymakers for whom the region was not the destination of their principal annual holiday. This understanding was key to targeting tourism projects more accurately.

It is difficult to generalise about the types of tourism project which have been funded under Objective 2 programmes because of the wide diversity in focus and direction of tourism priorities and measures. A number of overall comments can be made, however, in relation to the challenges facing the financing of tourism projects.

First, the selection of tourism projects, particularly larger and higher-profile investments, can be the subject of considerable political pressure. The support of a new tourism attraction or the upgrading of tourism or related transport infrastructure is highly visible for the local population and therefore of greater political importance. In the promotion of how public money has been spent in a region, the notion of ‘tourism’ is easier to use than some other, less visible or immediately relevant areas such as RTD or business support. This again highlights the potential political relevance of such projects. The existence of an external strategic study, based on solid supply and demand-side analysis, can help to root project selection in more objective criteria. However, especially for key investments, political influence is unlikely to be eliminated completely and results, for example, in the need to spread key investments evenly geographically.

Second, two trends can be identified in project types:

⁹ Tourism Development International Ltd (1997) *Tourism Scoping Study – a strategy for the tourist attraction sector in Industrial South Wales*, Final Report for the Welsh European Programme Executive, Cardiff

- *Investment in infrastructure projects.* This is related, in part, to the fact that infrastructure projects are typically more expensive and thus can be used to absorb available money within the Structural Fund programming period. In North Jutland, for example, the largest share of resources under the tourism priority is dedicated to (semi) public infrastructure development, which differs from the pattern for manufacturing and services which focuses much more on knowledge projects and training. This concentration on basic tourism infrastructure is seen as a necessary pre-condition for efforts to extend the tourist season in the region.
- *Support of marketing initiatives.* Specific marketing measures can be seen, for example, in the SPDs for Styria, NRW, Industrial South Wales and Western Scotland and marketing-type projects are also supported more widely under other tourism measures. In NRW, the marketing measure is seen as both supplementary and complementary to the infrastructure measure. It aims to encourage the active marketing of the region and its tourist attractions, throughout Germany and particularly with the Netherlands, which shares a common border with NRW and is the current source of 20-30 percent of the region's visitors. The type of initiatives supported under this measure include information, reservation and booking systems, image campaigns and information services for tourism organisations and firms, and the formulation and testing of a marketing concept for large regional tourism events.

Third, there are some specific challenges associated with the identification of high quality tourism projects. Project applications put forward under this heading do not always imply wider benefits for the sector or the region, and the integration of tourism projects into the wider economic and social structure of the region is becoming an increasingly important aspect of support in many regions. In Western Scotland, for example, a 'Winter Shopping in Glasgow' initiative was proposed by the private sector. This was considered by the programme executive to be more about shopping than tourism and was not linked, for example, to any transport campaign to attract people into the centre of the city. The focus of support in the Western Scotland programme is moving more towards projects linked to sustainability – defined as sustainable non-inflationary economic growth, social cohesion through access to all for employment and a high quality of life and enhancement and maintenance of the environmental capital on which life depends.

5.1.1 *Monitoring and evaluation*

The monitoring and evaluation of tourism measures presents specific difficulties over and above the normal challenges of this area. A range of different methodologies exist for the evaluation of tourism more generally, but the adequate use of many of these is impossible within the time and resource constraints of a Structural Fund programme. This is particularly true where the tourism component of the programme is relatively small.

The Standard International Classification of Tourism Activities (SICTA)¹⁰ include a range of supply and demand side indicators including:

¹⁰ Baum *et al* (1998) *op. cit.*

Supply side

- accommodation stock by type and quality
- stock of attractions
- tourism facilitation facilities
- access transport capacity
- transport management facilities (car parking places etc.)
- local transport capacity
- direct employment by type of work, duration
- indirect employment
- employee satisfaction indicators (labour turnover)
- training/ HRD facilities
- waste disposal requirements
- investment by public and private sectors

Demand side

- number of visitors by type of stay (overnight, day trippers)
- average duration of stay by type of accommodation (bednights)
- origin of visitors/ usual domicile (domestic, international by country/ region)
- demographic profile of visitors
- purpose of visit (business, leisure, VFR)
- means of access travel (air, sea, road, train)
- visitation profile (use of attractions, facilities, local transport)
- estimated destination spend (per day, per visit)
- first time, repeat visitation
- level of visitor satisfaction - cost, quality of product, quality of service, value for money, level of complaints
- marketing/ market research information - demand for brochures, vacation choices

As can be seen from Table 5.1, commonly used indicators within the Structural Fund programmes are more strongly supply than demand-side oriented. Job creation remains a key indicator, probably more because of the overall focus of Structural Fund programmes on employment impact rather than its suitability for the evaluation of tourism specifically. There is, however, some evidence for the job creation potential of tourism. A French national study has shown, for example, that one direct job created in the tourism sector leads to a further job being created indirectly in another sector. The Finnish experience shows that tourism projects have had a strong job preservation effect in more rural areas providing an additional source of income for farmers who might otherwise have lost their livelihood. This is relevant both for current Objective 2 areas with a more rural character and for the future make-up of the new Objective 2 regions. The quality of jobs in tourism, however, is often more debatable and can be of a short-term, seasonal or low-skilled nature. The use of more detailed job creation information in the monitoring and evaluation of tourism measures would be useful in this context, but is far from universal in practice.

Table 5.1: Structural Fund tourism indicators under SITCA classification

SITCA Classification	Type of SF Output Indicators	Type of SF Impact Indicators
Supply-side	<ul style="list-style-type: none"> • Increase in provision of beds (sometimes with quality proviso) • Number of created or safeguarded jobs • Number of new companies established • Number of attractions and events assisted (new or existing) • Number of recreational routes, cycle paths • Additional infrastructure space for tourism activities • Marketing activities • Improved information system 	<ul style="list-style-type: none"> • Number of created or safeguarded jobs • Investment in tourism infrastructure • New tourism facilities • Networking of attractions • Marketing activities
Demand-side	<ul style="list-style-type: none"> • Increase in visitor numbers (at attractions, exhibitions, events) • Number/increase of overnight stays • Increase in visitor expenditure • Length of stay 	<ul style="list-style-type: none"> • Increase in visitor/guest numbers • Number/increase of overnight stays

There is no use in the Structural Fund programmes of indicators classed under the SITCA 'Community' heading eg. use of public facilities, local taxation levels, utilities consumption (water, electricity) etc. Such indicators aim to measure the cost of tourism to the local community rather than the positive economic impact made by tourism in the local economy. Given the overall purpose of Structural Fund programmes, it is unsurprising that supply and demand side indicators are more suitable for the task than Community ones. The exception may be where tourism measures are included in the SPD as a way of increasing the attractiveness of the local area for tourism, but also for overall investment and quality of life. In this case, an indication of whether investment in this sector is having any negative impact might be relevant.

Some Structural Fund programmes use indicators which are difficult to classify under the SITCA classification and more reflect the wider aims of the programme. These include, for example, the number of co-operation projects or thematic partnerships supported, the diversification of economic structures and environmental impact. In many cases, such indicators are incorporated when tourism is integrated in the programme more as a means to other economic goals than the support of the tourism sector in its own right.

Certain types of tourism projects, eg. destination marketing or image branding initiatives, present particular difficulties in terms of monitoring and evaluation. This is relevant given the trend in some regions towards this type of project. Output indicators for such measures may be easier to identify, including even simple criteria such as how many campaigns have been carried out or how many people have 'visited' an Internet site etc. However, measuring the subsequent impact of such a campaign, or differentiating the impact of a single initiative against overall economic development in an area, is significantly more difficult. Where regions favour this type of project, the existence of sound economic background analysis and a definite strategic direction is important to ensure that such projects which are more difficult to evaluate, or

where job creation effects are less tangible, do not get pushed out in favour of 'harder' projects with more immediate impacts.

5.2 Distinctive Features of Tourism Support

In analysing how tourism is supported under Objective 2 programmes, a number of distinctive features emerge. This section highlights three areas in particular: the diversity and range of tourism support; the increase in integrated projects; and the link between tourism and training.

5.2.1 Diversity of Tourism Support

Tourism is a common component of Objective 2 programmes but the way in which it is integrated and the strategic direction and rationale for support varies considerably between programmes. This is related in part to the nature of the industry, defined by the High Level Group as

'a complex of services and products, provided to meet consumer, business and public sector demand for domestic and foreign travel. It is largely decentralised and woven into the economy due to the mobility and variety of tourists' needs and because tourism-related products and services are bought before, during and occasionally after the journey'.

This definition illustrates how difficult it is to separate tourism as a distinct set of activities from its surrounding economic context as well as implying the considerable range of areas which could be encompassed under tourism support. It also highlights the monitoring and evaluation challenges associated with the sector.

In general, tourism tends to be a complementary strand of the Objective 2 programmes rather than a mainstay. The integrated nature of the tourism industry within the regional economy means that tourism projects can often help to support other components of Structural Fund programmes, raising issues of whether or not tourism should be considered as a distinct priority or regarded more as an integrated part of other priorities. Indeed, tourism rarely appears in priorities and measures purely on its own and is more often either linked with other sectors or activities or found as one of the vertical or sectoral target areas under wider priorities. Table 5.2 illustrates this range of approaches across the spectrum of current Objective 2 programmes, showing the areas linked to tourism at priority level and the broader priorities under which tourism appears as a sub-area.

The Table shows the diverse interpretations of tourism, although some clear key directions emerge. In terms of tourism at priority level, culture and environment are the most common links. Culture or cultural industries have a logical link to tourism given that the history, heritage and culture of an area is one important base for a tourism product. It also suggests that the measures are trying to tap into an area of growing local demand, particularly where specific cultural events such as festivals are supported. In the case of the environment, nature and landscape again comprise another clear basis for a tourism product, including in some Objective 2 areas. The link between tourism and environmental measures is also an important recognition of the need to ensure the sustainability of development.

Table 5.2: Sectors associated with tourism in Objective 2 programmes

Region (Country)	Sectors linked to tourism (whole Priorities)	
Steiermark (Austria)	Industry	
Marche (Italy)	Potential of historic centres	
Piemonte (Italy)	Culture	
Greater Manchester (UK)	Cultural industries	
Western Scotland (UK)		
Thanet (UK)	Cultural activities	
West Midlands (UK)	Cultural and heritage industries	
Fyrstad, Norrlandskusten (Sweden)	Environment and culture (measure under wider priority)	
Veneto (Italy)	Environmental improvement	
Zuid-Limburg (NL)	Environment	
Groningen-Drenthe (NL)	Environment – tourism environs and urban economy	
Arnhem-Nijmegen (NL)	Urban economic environment	
Liguria (Italy)	Revitalisation of urban centres	
Ängermanlandskusten (Sweden)	Services	
Bergslagen (Sweden)	Regional identity - measure under wider priority	
Gibraltar (UK)	SME development	
	Tourism as a sub-component	
	Measure	Tourism component
Finnish national programme	Infrastructure, environment and culture	‘Development of culture, tourist infrastructure and other attractions’
Bayern (Germany)	Development of endogenous potential	‘Strengthened use of tourism potential of Schweinfurt’ (given as impact indicator)
Bremen (Germany)	Strengthening the service sector	‘Tourism’
NRW (Germany)	Support for technology and innovation, advice and other software activities	‘Support for tourism marketing’
NRW (Germany)	Creation/expansion of economic infrastructure, esp. for SMEs & start-ups	‘Tourism infrastructure’
Saarland (Germany)	Research and technology landscape, infrastructure	‘Business-related infrastructure including tourism’
Lazio (Italy)	Improving area	No. of tourism components including area marketing
Umbria (Italy)	Diversification and exploiting local potential	No. of tourism components
Bergslagen (Sweden)	Production environment	‘Tourism infrastructure’
Bergslagen (Sweden)	Business development	New firm creation and SME competitiveness, including in tourism sector
Fyrstad (Sweden)	Business environment	‘Tourism, environment and culture’
Bergslagen (Sweden)	Community development	‘Tourism and regional identity’
East Midlands (UK)	Strengthening SME development	‘Developing tourism, culture and the art industries’
Limburg (Belgium)	SME support	‘Tourism’
Alsace (France)	Economic conversion of the eligible area	Diversification particularly through tourism
Aquitaine (France)	Employment development through support of existing and new activities	‘Better structuring and diversification of tourism product’
Auvergne (France)	Support local economic development	‘Culture, tourism and leisure’
Centre (France)	Facilitate economic development	‘Ensure balanced development by supporting artisanat, commerce and tourism’
Champagne-Ardenne (France)	Local development	‘Development of local tourist and cultural potential’
Languedoc Roussillon (France)	Economic development for reconversion, competitiveness and job creation	‘Tourism’
Pays de la Loire (France)	Physical regeneration and diversification	‘Actions favouring tourism development, heritage and culture’
Poitou-Charentes (France)	Exploit assets of eligible area	‘Support for development of tourism activities, heritage and cultural activities’
East Midlands (UK)	Strengthening SME development	‘Developing tourism, culture and arts industries’
Yorkshire and Humberside (UK)	Targeted strategic development	‘Tourism poles’
NE England (UK)	Strategic economic development	Sectoral packages

Tourism relies on the appeal and quality of the overall environment, including urban and former industrial environments, and thus environmental measures are an important link to ensure the continued attractiveness of the area.

Overall, economic development and infrastructure are two of the more common wider priorities under which tourism comprises a sectoral target. The development of the tourism sector is commonly viewed as one way of diversifying the economy and providing new options for development in areas of industrial or economic decline. Tourism-related development can provide a range of short-term rewards and requires low levels of technology and easily met training requirements. In Fyrstad, one of the explicit uses of tourism is as a way of absorbing some of the lower skilled labour force pool traditionally employed within the large industries now in decline. Given the difficulty and time lag involved in providing sufficient re-training options for this group, the tourism sector offers one source of at least initial employment. Zuid Limburg in the Netherlands also recognises the potential of the tourism sector to absorb important components of the labour market pool such as the lower skilled and shift workers.

The range of activities and sectors associated with tourism in the Objective 2 programmes points to diversity in the approach of tourism actions. It is not easy to make clear classifications, but a number of illustrative examples can be drawn out.

- *Thematic focus*

The incorporation of a thematic focus to tourism development is becoming increasingly common. This may reflect a number of factors, including the availability of limited resources which are best spent in a targeted and strategically coherent manner and the possibility of developing more integrated development and marketing initiatives under a single thematic heading. Targeting of measures can take a relatively broad form where a range of development possibilities exist within the overall heading (eg. youth tourism or eco-tourism). Alternatively, it may be more specifically focused on a particular type of attraction or activity eg. castles/historic buildings or golf.

Business tourism is a theme which is taking on greater importance and moves away from the more traditional view of this sector. A number of regions which are quite different in underlying structures have focused on this area, including urban centres in Aquitaine and NRW, and Ångermanlandskusten in northern Sweden. In Aquitaine, business tourism is seen as one way of helping to prolong the tourism season and exploit attractions of the more urban centres of Pau, Bordeaux and Biarritz. Following analysis of the relevant areas, strategic efforts focused on the development of conference business in the 300-700 people category. Similarly, seminar and congress tourism are highlighted in the Saarland Objective 2 programme as areas of potential successful growth. In NRW, it is recognised that while the region is heavily used for business trips and conferences, the associated entertainment programmes are generally organised outside the region. Encouraging such business to stay in the region for the whole trip or conference would have significant economic benefits for the area.

While thematic tourism development can offer important opportunities to focus resources, promote integration or provide ways of lengthening the tourism season, it is also important to recognise potential drawbacks. The most obvious one is the danger of ‘putting all your eggs in one basket’ or targeting a market which could change in the future. Particularly where the theme is relatively narrow or specialised, the market could shift or the attraction will only comprise a relatively small part of the overall tourism experience. Rooting thematic foci within a wider development strategy is one way of combating this potential danger.

- *Season length*

The tourism activities of certain programmes have the overall aim of extending the length of the tourist season or targeting certain types of tourist market related to length of stay. In North Jutland, for example, extending the season is seen as the key aim of tourism development in the region. It is recognised that an all-year season is unrealistic, but that more focus on the regional strengths could still provide wider and longer-lasting options. An extended season is viewed as important in terms of creating new employment patterns with longer-term jobs, attracting higher skilled labour and increasing the quality of the product to encourage return visits. More tourists would provide funding to make further improvements, thus creating a virtuous cycle. The specific goal of seasonal extension, therefore, is seen as the crucial first step in the region’s bid to extend its share in an increasingly competitive international market.

The Lower Austrian strategy for tourism development, currently being renewed, introduces a focus on day trips and short stay tourism, moving away from the traditional emphasis on encouraging longer stays. This is based on an understanding of the strengths and opportunities of the region and the fact that, in the Austrian or European context, it is not likely to become a longer stay destination. The ramifications of such a focus include, for example, the construction of the new ski lift in Semmering to the highest carrying capacity permitted under Austrian regulations. This reflects the fact that the weekend demand for the lift from day trippers and weekend visitors will be very high (50 percent of guests come to the resort at weekends) rather than having a more even spread of usage throughout the week. Similarly, the scoping study for the tourism measure in Industrial South Wales states that the region has particular attraction for ‘short break and secondary holidays, business tourism and day trips’.

- *Holistic approach to the attractiveness of a region as a whole*

Tourism measures and actions are used in some regions and programmes as a method of improving the overall attractiveness of the region. This is considered possible because of the way tourism is woven into the regional economy and is designed not only to improve tourism related prospects but also to provide favourable living conditions for the local population and a basis for wider economic development and investment. The Dutch Objective 2 programmes are particularly strong in this direction. The SPD for Zuid Limburg, for example, states that a regional development policy which excludes the improvement of the regional image cannot bring about sufficient

structural change. Decisions related both to living and working environments are not purely dependent on economic circumstances, but are influenced equally by the perception of the regional image. In this context, a strong tourism product is seen to contribute to the overall living and working environment and enhance the attractiveness of the region in general.

Where this kind of approach and rationale to tourism exists, the target market for measures is not just visitors to the region but also the local population. In NRW, for example, the tourism measures aim to improve the image of the region both visually and psychologically to give the local population a sense of positive regional identity. Equally, the improvement of the regional surroundings and local tourism product could encourage the local population to stay in the region during leisure time with corresponding economic multiplier effects. In the NRW case, four million of the 61 million German holidaymakers in 1996 came from the Ruhr area and a further nearly four million travel outside the region for short breaks. If even a small proportion of this total could be encouraged to stay in the region, the economic benefits could be significant.

One key reason for many regions taking a more holistic approach to tourism and regional image measures is the motivation to attract inward investment and business development. This is an implicit aim in many Objective 2 programmes, but some make the link more explicit. In Fyrstad, tourism projects are specifically designed to develop the region's image to attract inward investment. One of the largest projects in the region, 'Innovatum', is a foundation established in the 1970s by the Trollhatten municipality, trade unions and private property owners to develop the closed Nohab factory site. Innovatum provides business accommodation for new start-ups and promotes the region's emerging high-tech industries. The tourism component comprises a major new visitor centre in the old Nohab factory displaying through interactive multi-media exhibits and material, the way the factory operated in the past and the region's role in innovation and industrial development.

While the link between tourism and the attraction of inward investment is relatively common in Objective 2 programmes, some evaluation exercises have expressed caution about the appropriateness of the link. The *ex ante* evaluation for the Objective 2 programme in Greater Manchester, Lancashire and Cheshire, for example, stated the following:

“Although the approach of combining tourism and inward investment has been applied in other Programmes, the two activities do not sit comfortably together. Tourism is an SME activity, while inward investment is targeted at a small group of larger companies. The needs of inward investors, and the facilities which attract them primarily relate to sites and premises, access to qualified labour and transport links. These are entirely different to the factors which attract tourists. Although overall ‘image’ is important the rationale for combining the two is weak”.

The degree to which this comment is justifiable depends to some extent on the nature of the tourism development in the region and how it is being approached. Large-scale, integrated projects with a specific business

orientation may have a more justifiable link to inward investment attraction than a more fragmented, SME based approach. However, the proviso should be taken into account in considering the direction and motivation of tourism support.

5.2.2 *Use of integrated projects*

Focusing tourism support on thematic areas is one way of targeting resources and achieving a degree of coherence. The greater introduction of integrated projects or development initiative is an extension of this approach and is a trend identifiable in Objective 2 programmes. It also reflects a response to the challenge summarised in Baum *et al* (1998)¹¹: “Tourism policy and its implementation through product innovation, development and marketing in many European countries does not appear to recognise the threatening reality that no-one owes European tourism a living, despite the strength of its cultural and heritage product”.

Integrated initiatives bring together a range of individual components and projects under a common heading. This attempts to ensure greater linkage and coherence between individual smaller-scale initiatives as well as providing a strong marketing ‘handle’ for promotion regionally, nationally and internationally. There are three examples of this type of initiative from *IQ-Net* regions, illustrated in the boxes below.

One aspect of this integrated development is a greater use of technology and IT – although this trend is also more universally evident. The Styrian bike route, for example, uses a sophisticated system of 3D models linked to information and booking systems covering the entire route. In North Jutland also, IT projects are encouraged, (although applications have been difficult to generate) and support includes placing firms on the Internet, creating joint booking systems to link firms and organisations within the region and the Internet promotion of the region as a tourist destination. Support is also available for IT-related training, and the programme administration is actively encouraging firms to develop projects which could enhance their competitiveness in this area.

Objective 2 financing has also been used in some regions to tap into the wider national IT systems for tourism information. The Finnish Tourist Board operates a system called PROMIS (Professional Marketing Information System) which is an Internet-based online travel guide providing an English language databank of tourism information covering the whole country. Objective 2 co-financing has been provided to the regional tourist offices to help development the regional level input to the databank. Similarly in France, the national federation of tourism offices has developed a national system of information, adopted regionally by the regional tourism agencies and Objective 2 funding in Aquitaine has been used for related investment.

¹¹ Baum *et al* (1998) op. cit.

Alpentour Styria, Austria

Alpentour is an initiative based on an integrated approach to regional and tourism development. The central focus of the project is a mountain biking path covering 350 kilometres and a total height of 8800 metres. The route passes through several administrative districts including the Objective 2 area. Based around the cycle path is the promotion of areas along the route, including walking and sightseeing options from given points. The wider aim is to stimulate population stability and employment through the use of local people as guides, and economic diversification through initiatives such as the encouragement for farmers to use farmhouses and other premises along the route for tourism purposes.

One of the most innovative aspects of the project, which combines tourism marketing with new technology, is the Internet site designed specifically for the *Alpentour*. It provides information on the route comprising a number of elements:

- Special offers for cyclists planning to undertake the journey.
- A map of the route.
- Accommodation and restaurant lists for the main points along the route.
- Tips for mountain biking.
- General *Alpentour* information including highest points and information on areas along the route.
- Travel information for getting to the route.
- Other mountain biking events.

One of the most attractive features of the web-site is a 3D model of the route with the possibility to 'fly' over it to get an impression of the overall gradient, appearance etc.

Developments planned for the future include direct booking possibilities through the internet site, CD Rom versions of the route for marketing purposes and overall quality improvements along the route.

Lakeland Finland

Tourism in Finland is built on the exploitation of its natural assets with the development of cultural and nature tourism. The 'Lakeland' initiative reflects this context and the shared interest in the lakes of the four participating regions (North and South Savo and North and South Karelia). The initiative is a joint marketing and branding concept (funded jointly under Objectives 2, 5b and 6) which aims to strengthen the region's new identity as a specialist in nature tourism and act as a framework for the development of specific product packages including:

- cottages and holiday villages
- activities and adventures
- festivals and culture
- Lakeland winter and Christmas
- conferences and incentives
- boats and cruises
- coach tours
- spas and health tours fly-drive.

The branding project is being handled by professional tourist organisations, and will include investments in products, marketing and infrastructure, computer reservations systems and quality improvements. The Lakeland concept is targeted at tour operators, rather than directly at tourism and feedback from these operators is designed to help improve its delivery.

The main rationale behind the concept was the recognition that single tourism projects are often ineffective and that joint cooperative infrastructure/traffic/cultural effort produce better economic effects. There are plans for the initiative eventually to cover the entire Finnish lake district.

Development of the Basque Interior Aquitaine

Aquitaine has elaborated a tourism initiative to develop the rural Basque interior, an area neglected in comparison to the popular Basque coast but still with considerable tourism potential. The initiative, based on market research, aims to attract higher spending tourists to stay in a dense network of small and comfortable hotels offering high quality accommodation and a 'flavour' of the Basque country. This 'regional concept' capitalises principally on the rich cultural heritage of the area.

The initiative will be implemented through grants to small-scale accommodation providers in the target area. These grants will finance quality improvements, along common lines, with the overall aim of improved profitability from participation in joint marketing as part of the 'regional concept'. Accommodation providers participating in the initiative have to comply with specified standards of comfort, and with architectural and design norms based around traditional Basque textiles and building design. The potential benefits for participants include cost savings through, for example, bulk procurement of traditional fabrics required for the improvements.

The project has already involved 150-200 projects and created or improved 1,000 beds. It has been successful in mobilising small firms around clear, common objectives. The accommodation development phase will be followed up by collective marketing, focused on the quality and style of the available facilities. A key innovation of the initiative is the fact that a network of participating has effectively been established without the requirement for firms to link themselves directly with potential competitors. If the initiative proves successful, however, the future positive dynamics of such a network can be expanded.

5.2.3 *Tourism and training*

The issue of tourism and training is an interesting area. Tourism is a 'people delivered activity'¹² and therefore training should, in theory, be an important consideration for the tourism sector. However, the nature of the jobs which can be available through tourism ie. short-term or seasonal and often low-skilled are not those which encourage private firms to invest heavily in staff training and development. Equally, it can be more difficult for firms to identify what their training needs are and know how to have them met. In response to such challenges, the Mid-Nord Regional Tourism Development Agency in North Jutland has established a training committee as a medium- to long-term step. The committee comprises private sector representatives to produce a demand analysis which can then be used in talks with public sector training providers.

The issue of integrating ERDF and ESF projects within the tourism sector is beset with the same institutional problems that face projects in other areas. Again in North Jutland, multi-fund projects are given priority as a way of promoting synergy. However, in the face of relatively few projects, the project administration began to send out both ESF and ERDF forms to all prospective applicants in an attempt to stimulate awareness and joint ideas.

In Scotland, the Tourism Training Scotland (TTS) initiative has been established to encourage development in this area. TTS was set up in 1992 and is a public/private partnership led by the managing director of one of the largest luxury hotels in Scotland. TTS has developed a strategy and action plan in consultation with industry. The overall aim is to engage fully with the education and training sector and improve links at all levels to promote a higher awareness of the tourism industry and the employment opportunities within it. Over 30,000 people have now completed the basic customer care course, Welcome Host, and the follow-up course, Scotland's Best, has attracted over 6,000 tourism managers and employees. TTS is co-financed by the Structural Funds.

5.3 **Conclusions and Recommendations**

Tourism is likely to remain an integral part of Structural Fund programmes in the next programming round. Indeed the integration of rural and urban areas may increase the relevance of this sector to the new Objective 2 programmes. In the light both of changing trends in demand for tourism 'products' and the constraints to growth in this sector, careful consideration of how tourism can best be promoted within the Structural Fund context is important as strategic planning begins for the next seven years.

The word 'integration' perhaps best summarises the future direction of tourism support. Tourism, more than many other economic development activities, relies on the integrated and sustainable development of an area and its people. Networks of businesses providing a range of services including accommodation, food and drink, transport, leisure and cultural activities are

¹² See High Level Group on Tourism and Employment (1998) op. cit.

required and the effectiveness of developments in one area will be lessened if the other areas are neglected. Tourism development must be sustainable in an economic, environmental and social sense. Integration is an important condition of progress in this sector and is also increasingly the method of support, bringing together individual components under common themes and approaches.

Against this background, a number of initial recommendations can be drawn out.

➤ **The importance of definition and targeting.**

Tourism is a very broad concept and is no longer synonymous simply with mass package holidays to the sun. Some form of tourism could be promoted in every region – a recent European Commission document on investing in culture¹³ comments that: *“Europe’s cultural heritage provides a means of redressing the balance of land-use, since, whereas industrial and agricultural activity is concentrated in certain areas, our cultural heritage is encountered everywhere: in cities, towns and villages, in the north as in the south”*

Within this spectrum, however, resources remain limited and a clear definition of the particular strengths of the region and the type of tourism which can optimally be targeted is important for their effective deployment. This requires a good understanding of the pre-conditions of the region and an honest appraisal of where the strengths and weaknesses lie. Definition and targeting of the possible approach to tourism support is important in a number of areas such as:

- *Length of stay*: what is most appropriate for the opportunities present in the region? Day trippers, weekend or short breaks, longer stay holidays?
- *Target market*: is the business or private traveller the key target? Are there sub-groups within these broad definitions which could be identified eg. conference versus regular business visitors or particular groups of private tourist eg. sporting groups, shoppers?
- *Thematic focus*: is there a particular strength in the region which could be promoted as a thematic focus?

This type of targeting is particularly important within a limited development framework such as the Structural Funds. These programmes offer the potential for innovative approaches and new ideas and sound definition at the outset can help effectively to target and implement the available resources.

➤ **Integration into the wider economic development framework**

Targeting of Structural Fund programme resources specified for tourism is important, but integration with the wider development framework should not be neglected. This requires not only the consideration of existing national or regional tourism strategies and concepts, but also of more general economic development plans and support. Good consultation with key regional development players is important to ensure that tourism support fits in with wider plans for infrastructure and business development. The High Level

¹³ CEC (1998) *Investing in Culture: An Asset for All Regions*, European Commission, Luxembourg

Group commented that an important part of improving the tourism market is to improve the overall business environment. Their recommendations include the development of more effective consultation and cooperation between representatives of the tourist industry and key national and regional decision-makers on activities likely to affect tourism development. The Structural Fund framework is one method of achieving this and, as can be seen from the Aquitaine example among others, positive experiences in consultation and partnership can spread to become more common regular practice.

➤ **Tourism in Objective 2 strategies: utilisation of best practice**

The role of tourism within the Structural Fund framework is under-researched and, despite its common inclusion in programmes, little clear guidance or support appears available to help structure and best exploit tourism related development options. Tourism has less ‘kudos’ than other areas such as RTDI, the support of new firm formation or company networking, despite its potential when used effectively to contribute to regional economic development. This issue is highlighted at a broader level in the High Level Group report which states that *“despite the clear evidence of the importance of tourism in economic and social terms, and of its undisputed prospects for future growth over the next decade, tourism has had serious difficulties in gaining the political recognition in line with its contribution and potential”*.

Despite the lower overall profile of tourism and the lack of theoretical guidance, at a practical level there is a considerable amount of innovative and forward thinking activity being carried out within the regions. This provides a wealth of experience and ideas, and the wider dissemination of such good practice raise the profile of tourism and contribute to the strategic planning process in this area. There are a range of examples from *IQ-Net* regions, some of which are elaborated in the text.

- The scoping study for the tourism measure in Industrial South Wales, providing strategic context for the identification of quality projects tailored specifically to the regional conditions. Many regions also make use of specific studies to improve the quality of larger tourism projects eg. the Pau conference centre in Aquitaine.
- The shift in emphasis in Western Scotland towards marketing and the current promotion of ‘Glasgow City of Architecture and Design 1999’ including a year-long programme of promotional events, festivals, lectures, tours etc. incorporating a wide range of community based projects.
- Integrated initiatives to encourage the development of a range of individual projects under a single heading with advantages of synergy, common marketing etc. Examples include the bike route in Steiermark, proposals for ‘theme’ development such as the ‘wine route’ in Lower Austria or ‘Lakeland’ in Finland, and the development of the Basque interior in Aquitaine.
- Use of IT in a range of regions to link projects, promote the region via the Internet or create integrated booking systems for accommodation and attractions

➤ **Use of appropriate monitoring indicators**

Investment in the identification of good monitoring indicators is a particularly difficult task in the tourism field and the move towards integrated projects is not likely to make this area any easier. Clear definition of goals, supported by strong underlying socio-economic analysis, can help to establish what the aims of the tourism related support are and therefore in what area evaluation indicators should be sought. Job creation indicators, for example, may be very difficult to apply to projects such as marketing initiatives and other supplementary indicators may need to be found. Greater differentiation of data would add to the understanding of the effect of tourism eg. type of jobs (short-term, skills level etc). Equally, greater consideration might be given to wider impacts of tourism support such as displacement and multiplier effects.

Methodologies for the evaluation of tourism do exist, and it may be useful where there are significant tourism priorities to draw more widely on experience from outside the Structural Funds. These could prove useful as starting points for the suggestion of overall tourism indicators but also as methodologies for cases where, for example, specific large-scale events are being supported. The use of more qualitative indicators or the wider application of benchmarking are other options – although clearly discussions with the Commission would be required to ensure that indicators acceptable to both parties could be identified.