

TOURISM AND THE EUROPEAN UNION – A BRIEF OVERVIEW.

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ABSTRACT

Tourism is one of the key economic sectors in Europe and Europe is the worlds no 1 tourist destination. At a European level the support and guidance given to the sector has been slow to materialise in spite of the growing evidence that it is failing to maintain its competitive edge or address the economic social and environmental consequences of its impact. This article traces some of the main developments, in terms of European policy and guidance, and looks at some emerging key initiatives

KEY WORDS: tourism, European Union, tourism industry, economic sector

RESUMEN

El turismo es un sector económico clave en Europa, y Europa es la número 1 en el ranking de destinos turísticos. A nivel europeo el apoyo y orientación que este sector recibe a tardado en materializarse a pesar de la creciente evidencia para mantener su ventaja competitiva o de hacer frente a las consecuencias sociales, económicas y medioambientales que su impacto provoca. Este artículo muestra algunos de los principales desarrollos, en términos de políticas y orientación europeas, y analiza algunas iniciativas emergentes claves.

Palabras clave: turismo, Unión Europea, industria turística, sector económico

RESUM

El turisme és un sector econòmic clau a Europa, i Europa està situada la número 1 en els rànquings de destinacions turístiques. A nivell europeu s'ha produït un lent procés de materialització del suport a aquest sector, malgrat les creixents evidències sobre els problemes per mantenir-se com un sector competitiu i dels impactes socials, econòmics i mediambientals que això provocava. Aquest article mostra alguns dels desenvolupaments més importants, en termes d'orientacions i polítiques europees, i presenta iniciatives emergents.

Paraules clau: turisme, Unió Euroepam industria turística, sector econòmic.

1. Context

In spite of the difficult economic situation being experienced in Europe it is still the world's number one tourist destination. An additional 20million international arrivals were received in 2011 and tourist arrivals are now in excess of 380 million per annum (UNWTO 2012, European Travel Commission 2012).

Tourism is the third largest economic sector in Europe after the trade and distribution and construction sectors and generates, indirectly, more than 10% OF Europe's gross national product and provides jobs for more than 12% of the labour force. It is an activity that affects every Member State.

Even though tourism is now one of the most significant economic activity sectors in Europe and continues to grow there are increasing concerns about its quality, effectiveness, competitiveness and sustainability.

For such a significant sector little has been done to promote improved quality management, to improve competitiveness or to provide the staff working in it the skills to work comprehensively and sustainably.

Individual processes have been devised to raise the standard of destination management services but these have been applied sporadically across Europe and there is seemingly no consistency of effort.

2. Europe's response to the challenge

For an industry with such far reaching economic and social impacts it is very surprising that, until relatively recently, it was not considered as one of the European Commission's core competencies. In the treaty establishing the European Community (Treaty of Rome 1957) tourism receives an oblique mention and was not considered as a key area of activity for involvement and intervention in the same way that, say, transport or the environment were.

The original framework for tourism set out in 1957 remained largely unchanged for over 30 years even though the world of tourism had begun to change dramatically. By the 1980's there was an increasing recognition that tourism was becoming a more significant and integral part of the social and economic fabric of a vast range of destinations.

In response to the changing economic environment for tourism the Commissions involvement in the sector, in co operation with the European Council, the European Parliament and the Committee of the Regions, has gradually increased. That involvement

has included a variety of measures from working groups, consultation processes, specific studies and resolutions of Parliament.

Following an extensive period of analysis and review the Commission produced its Communication 'Working Together for the Future of European Tourism' in 2001. This is seen as an important milestone in the recognition of the role and impact of tourism activity in Europe.

The document advocated a number of new initiatives many of which are still considered to be relevant today including:

- Promotion of a dialogue with the tourism industry through an annual tourism forum
- Fostering networking services and support functions e.g. observatories and research centres at the national, regional and local level.
- Maximising the use of the EU's financial and non financial instruments for the benefit of the tourism industry.
- Promoting sustainable development.
- Defining and disseminating assessment methods and tools e.g. quality indicators and benchmarking for monitoring the quality of tourist destinations and services.

This was followed in 2003 by the Communication 'Basic orientations for the Sustainability of European Tourism' which marked a move away from the wholehearted concentration on tourism employment and competitiveness to a more comprehensive approach embracing the three pillars of sustainability – social, economic and environmental.

Following the establishment of the Tourism Sustainability Group in 2004 the development of new initiatives in relation to the Commission's engagement with Tourism continued apace with the publication of the Communication 'A renewed EU Tourism Policy: Towards a stronger partnership for European Tourism (2006)', the TSG's Action for More Sustainable European Tourism (2007) and the Commission's 'Agenda for a More Sustainable and Competitive European Tourism' (2007)

Activity in relation to Tourism has been enhanced considerably since adoption of the Lisbon Treaty as this provides the European Parliament with a specific competence to work in the sector. This is covered in Article 176b of the Treaty on the Functioning of the European Union. The resolution firmly establishes the move towards a more comprehensive view of tourism activity based around competitiveness and sustainability. It marks a significant change in the direction of EU policy.

In responding to its new position in relation to tourism the Commission produced a further Communication (352) in 2010 – ‘Europe, the worlds No 1 tourist destination – a new political framework for tourism in Europe’. This sets out four priorities:

- Stimulate competitiveness in the European tourism sector – mainly concerned with strengthening the sector and stimulating growth.
- Promote the development of sustainable, responsible and high quality tourism – dealing with responsible management of resources, sustainability indicators and quality labels.
- Consolidate the image and profile of Europe as a collection of sustainable and high quality tourist destinations – about stimulating demand and increasing the profile of European destinations.
- Maximise the potential of EU financial policies and instruments for developing tourism – i.e. recognising the impact of other EU policies on tourism and the need to integrate policies better.

The Communication was endorsed by the European Parliament in September 2011 and has now become the Commissions working policy document and the basis for its current work programme. Updates of progress, in relation to the Implementation Rolling Plan and the 4 action points, are provided from time to time.

3. Relevance at the destination level

To many working at the destination level the workings of the European Commission and Parliament might seem to be far removed from their day to day activity. Yet increasingly the initiatives that have and are emerging are likely to have more and more impact and relevance.

Already a number of smaller, non traditional destinations have gained significantly from involvement in the European Destinations of Excellence (EDEN) initiative. This was designed to help such destinations to engage with the principles of sustainable destination management and to highlight and share good practice. Over 100 destinations who have been involved in the programme are now part of the EDEN network and are actively engaged in sharing best practice, knowledge and experience.

Interestingly many of the principles of sustainable destination management still being used and developed by many emerged from the three guides to Integrated Quality Management prepared for the Commission in 1999.

Of more direct relevance is the work initiated by the Tourism Sustainability Group into the development of Sustainability Indicators at the Destination level.

Over 40 indicators were originally identified and over the last three years work has been undertaken to test their relevance and validity. Over the summer of 2012 a series of indicator workshops were held in 10 pilot destinations which were designed to test out an indicator system that could be applied to all types of destination.

The intention is to provide destinations with an indicator system that is relatively simple to use, can be tailored to fit the particular needs of a destination and can be used for comparative benchmarking.

As the areas covered by the indicators reflect the need to take a more comprehensive view of the way a destination is performing, implementation of the system provides a unique opportunity to engage with other groups and organisations that have an impact on the functioning of a destination but don't, maybe, normally engage in the management process.

At the heart of the system will be a set of core indicators which, it is felt, are the minimum that destinations will need to collect to be able to realistically understand their performance and approach towards sustainability.

A tool it is also being developed to provide destination managers with the information that they will need to be able to engage with the system.

The system will be launched at a special conference and workshop to be held in Brussels on the 22nd February 2013.

4. Virtual Tourism Observatory

Running in parallel with the development of the indicator system has been the feasibility testing for the creation of a Virtual Tourism Observatory for Europe. The work follows on directly from the 2010 Communication which said that the Commission would promote the implementation of a 'virtual tourism observatory' to support and coordinate research activities, to provide socio economic data on tourism at the European level and to provide a policy watch.

Whilst most of the data available is likely to be at national or regional level, extracted mainly from Eurostat sources, the research and policy watch sections could potentially be of value at the regional and local level.

In carrying out the feasibility study it was clear that the work of many of the other European Directorates such as Transport, Environment, Education and Culture and

Employment have a direct and indirect impact on tourism activity down to the individual enterprise level. A policy watch function should allow people working at all levels to have an improved awareness of emerging policy initiatives, legislation and trends.

Similarly it should be possible to highlight existing and emerging funding streams that could be used to support tourism based initiatives.

In recognition of the importance to tourism businesses and organisations of the whole range of policy and funding issues across all Directorates, the Commission has just released a report (European Commission (2012) *Study on the impact of EU and the measures undertaken in their framework on tourism*, DG Enterprise and Industry) that examines the policy influences of the key Commission Directorates and sets out the potential sources of funding for tourism type projects from across the whole range of Commission financial support measures.

Completion of this study fulfils one of the earlier Commission aims to maximise the use of the EU's financial and non financial instruments. It also provides users with an extremely useful, comprehensive review of funding opportunities together with a clear policy context for tourism in relation to all the relevant Directorates that impact directly or indirectly on the sector.

5. Quality

The issue of quality has been a continuing concern at the European, National and local level for some considerable time. Various individual initiatives and quality labels have been developed but there is still an overall lack of consistency and comparability and no single recognised standard. As a consequence the Commission is looking at the development of a quality label for tourism and at a Charter for sustainable and competitive tourism.

In recognition of the increasing significance of Tourism as a key economic sector a decision was taken to provide 'A sectoral reference document for tourism in Europe' as part of the Community Eco Management and Audit Scheme (EMAS).

Whilst concentrating mainly on the Accommodation and Food and Beverage sectors the reference document does also cover the issue of best environmental practices for tourism organisations, including those involved in destination management.

6. Conclusions

The inclusion of tourism as a sector alongside more traditional industrial ones such as construction and agriculture is an important move forward but one that is long overdue. Much is made of the significance of the tourism sector in terms of its economic value and the fact that Europe is the world's no1 tourist destination but not enough has yet been done to consolidate and grow that position.

The hugely fragmented nature of the tourism industry based significantly on small to medium sized enterprises is both strength and a weakness. A strength in that it has great flexibility and a weakness in that it is extremely difficult to co-ordinate quality improvements.

In spite of the difficulties considerable progress has been made by the EU, particularly over the last few years, to champion the tourism industry as a key economic sector in Europe i.e. getting people to accept the reality of its size, significance and impact.

The emerging initiatives of the VTO and the Indicators system will provide people with the opportunity to engage more fully with the data, research and policy issues relating to the tourism sector.

The EMAS audit system and the Indicators system should go some way towards helping destinations to understand their performance to help them move towards more effective and sustainable destination management. It will also allow destinations to monitor their performance against other similar destinations and to help them learn from best practice.

Whilst progress is being maintained there is still a concern that the plethora of existing and still emerging quality and indicator systems operating at different levels across Europe causes confusion and leads to inconsistencies. This helps to reinforce the view that tourism as an economic activity lacks cohesion, vision and organisation and is ambivalent in its approach towards sustainability.

Through improvements in knowledge and the visibility of tourism activity it should be possible to co-ordinate the various existing initiatives and provide interoperability between the different initiatives in a way that is easily understood by the users.