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Part I: Tourism Regional Development, Access and Impacts

Public and Private Partnerships

Tourism Regional Balance
OLD SKILLS IN NEW HERITAGE: AN ANALYSIS OF SKILLS SUPPLY, DEMAND AND UTILISATION IN THE UK’S HERITAGE SECTOR

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ABSTRACT

There is considerable anecdotal evidence to suggest that aspects of heritage in the UK have been adversely affected by skill shortages of one form or another. Yet, with some important exceptions, the skills of staff and volunteers have not been an important focus for those examining capacity issues within the sector. Where research has been undertaken, it has tended to focus on individual professional-level groupings rather than on sector-wide challenges. Further, while a growing number of academics with an interest in tourism have become concerned with management issues associated with the heritage sector, few have - or have been able to because of the dearth or inaccessibility of data - examined issues relating to the utilisation of skills.

This paper examines key issues arising from a major study of skill supply, demand and utilisation in the UK's heritage sector. More specifically, it explores important areas of skill shortfall, and their determinants, and the implications for developing capacity in heritage and in particular for training provision. This is more complex than it may seem initially for the sector is very diverse and characterised by a mix of often highly specialised and high-level knowledge, and practical and generic skills which can be applied in employment activities outside heritage. It is further complicated by a lack of consistency in how skills, skill use, and skill shortfall are seen or understood by many working in the sector.

Following a discussion of the problematic notion of 'heritage skills', the paper considers the findings of data gathered from interviews with more than forty organisations with an interest in heritage, three National Training Organisations (NTOs), almost fifty purposively selected case study organisations [of varying size, focus, location and ownership characteristics (private/public)] and a postal questionnaire survey of training providers. In addition, it draws on available quantitative evidence relating to training and other labour market data.

Although the picture that emerges is indeed complex, the project found evidence of substantial rigidities across the sector as a whole that might be addressed by private and public sector partnership at a regional and/or national level. Our analysis points to a number of difficulties relating to a skill supply-demand imbalance. In particular, the following are examined: the constraints on supply; ineffective utilisation of available skills; weak management processes within many heritage organisations; ineffective mediation processes in the heritage 'labour market'. The paper concludes by suggesting several 'cross-stakeholder' policy measures to overcome current skill constraints.

Although the research focused on England, Wales, Scotland and Northern Ireland, the issues raised by our analysis are likely to be relevant in other settings and should, therefore, resonate with a wider international audience.
INTRODUCTION

Our review of past literature has also shown that this is the first study to attempt to look at, and inter-relate, skill supply and demand across the whole sector. This constituency is broad and includes:

- Cultural heritage activities - including museums, galleries and other cultural heritage collections;

- Natural heritage - including land, countryside and environmental conservation activities within other parts of natural heritage;

- Built heritage - including all renovation, conservation and associated heritage activities in historic buildings, monuments and sites, and other elements of built heritage;

- Industrial heritage - including a mixture of activities with transport, maritime and conservation, promotion and management activities in other industrial heritage.

In practice, it is not easy to isolate 'the heritage sector' or separate its constituent parts. Hence, we sought to identify skill demands from three different perspectives: (i) by employers in a sub-sector of economic activity which is wholly or predominantly concerned with the development, delivery or preservation of heritage; (ii) employers (and the self-employed) who are part of a sub-sector whose economic activity is in construction, land-based, engineering or other sectors, but whose specialism or market segment are wholly or closely aligned with heritage - for example, architectural practices whose main activity is centred on conservation, or builders or craftsmen who have specialist building preservation skills; (iii) employers in these or other sectors where working in heritage is an occasional or incidental focus or requirement. This would include, for example, a roofer employed by a general building practice engaged on a site requiring specialist slate roofing replacement or lead gully work, a skill only very occasionally needed by the individual or the firm.

This is a very simplistic way of representing a complex picture. It is further confused by the fact that, in the first two groups, a significant amount of skills demand is met through volunteer labour. In both cultural and land-based heritage, volunteers are a key resource, providing around a half of the workforce to the cultural heritage sector, and in both areas a pathway into ‘mainstream’ employment. The context is further complicated by the fact that demand for heritage skills is highly fragmented, with a plethora of often very small employers in sub-sectors, which themselves lack homogeneity.

This assessment characterises the problems faced in building up - and maintaining - a picture of heritage skill shortfalls, and how they are changing. Crucially, it means that we are dealing with a sectoral labour market that does not fit many of the ‘rules’ for how skill supply and demand should work. This is an important issue in understanding...
skills imbalance and its origins in the sub-sectors, and how these might be responded to.

**Understanding skill shortfall**

There is confusion among key agencies and employers about the nature of skill shortfall. This is based on more than simply conflicting views; it stems from considerable differences in the profile of skills and training issues in many of these agencies. Skill shortfall is, consequently, an issue that needs greater clarity. Our approach distinguished between:

- **Skill shortages:** These exist where there is evidence in the accessible labour market of a genuine lack of adequately skilled individuals entering or available to specific functions (and levels). As such, it is a supply constraint to the recruitment or sub-contracting needs of heritage employers. Skill shortages are likely to be readily identified by looking, over time, at the recruitment experience of specific employers and through changes in measures such as vacancy-application, or application-recruitment ratios, and putting this in the context of changing influences on skill supply. Thus, what may be reported as skill shortages may have little or nothing to do with shortage of skill supply. A recurrent problem, however, may be the quality of available skills and, in particular, the weakness of practical skills among 'experienced practitioners' in areas which require a high level of underpinning theory, interpretation and knowledge, with strong practical skills (e.g. in artefact conservation). Some of these issues are explored later in this paper;

- **Skill gaps:** These occur where employers feel that all or part of their currently employed workforce have lower or inappropriate skill levels than are necessary to meet the goals of the organisation. Skill gaps are likely to be less transparent than skill shortages in the heritage sector. In particular, employers' needs and use of heritage skills may change, but their recognition of the implications of this for changing the skill mix for staff and volunteers may not be apparent. Even where managers are well aware of changing demands, adaptation may be held back by rigid and inflexible practices. The result could be skill gaps existing in the workforce which, to employers, are often hidden or poorly understood;
Other recruitment difficulties: These would cover all other forms or causes of recruitment difficulty or related problems in skill utilisation. Our review of past research (Parsons et al, 2000) suggest a wide range of such issues - poor image of the employer or activity, uncompetitive remuneration or benefits, ineffective recruitment or selection practices, or poor terms and conditions of employment. These are not genuine skill shortages or gaps, although to the recruiter they may often appear as such. The difference is important, because in these circumstances employers may report what they see as skill shortfalls or gaps in a situation when actual supply is adequate or even plentiful. Any remedial strategies or other improvements to supply or use of skill are unlikely to affect the underpinning cause of such recruitment problems.

Vacancies or posts going unfilled, or being inadequately filled, for any of these reasons can be highly damaging to the heritage capabilities of an employer, but the origins - and the scope for addressing these - are very different. Our research has focused on isolating the effects of the first two from the third and in doing so follows an approach to skill shortfall analysis established by the UK government's National Skills Task Force (NSTF, 1998).

RESEARCH DESIGN AND METHODOLOGY

The research strategy for the project consisted of three stages. First, the past research and experience of selected key agencies in relation to heritage skills needs were reviewed. This included interviews with key informants from more than 40 national and specialist agencies (see Appendix A), together with a review of available quantitative skills supply and demand data from three National Training Organisations (NTOs) which, at the time, were the focus for the sector: the Cultural and Heritage National Training Organisation (CHNTO), which incorporates the former Museums Training Institute, Construction Industry Training Board (CITB), and the Land-based National Training Organisation (LANTRA).

The second stage consisted of an assessment of skill demand, utilisation and training innovations within a cross-section of heritage employers. This took the form of in-depth work with 46 purposively selected employers, their employees and volunteers, with the aim of understanding their approaches to VET policy and practice, skills utilisation, and their experience of skills shortfall and their responses to any difficulties. The selection of case study organisations reflected a concern to provide experience from a cross-section of contexts (including size of organisation, sub-sector, location, and public/private ownership) and was likely to reflect innovation in responding to skills needs. The employers were not seen then as representative of wider employment practice, where levels of innovation were likely to be lower.

Interviews with selected employers: Following a briefing of lead contacts, interviews were conducted using a generic semi-structured interview checklist. This typically involved a mixture of face-to-face and structured telephone interviews with up to eleven managers in any one organisation.
Employee/trainee group interviews: Focusing on employer experience alone would provide only a part of the picture of skill demand and utilisation. Some information on staff experience - paid and unpaid - was available from NTOs, but as this was limited we supplemented the employer assessment of skill needs with group discussions with relevant employees and/or volunteers. The aim of this was not to establish a representative picture of employee/trainee perspectives on skills and qualifications, but to collate a range of experiences and issues to compare with the evidence of employers.

Although not discussed here at length, the final stage of the project involved an evaluation of the ‘supply’ side. This included a review of vocationally orientated courses in further and higher education, and commercial providers, materials suppliers, professional bodies and specialist interest groups. It examined the characteristics of provision, access issues, processes for identifying and responding to the sector’s needs, and the destinations of those undertaking training.

SKILL SHORTFALL AND GAPS

The existing evidence of skill shortfall in heritage is limited. What emerges from our review of available data is extensive anecdotal evidence from key agencies, but it is rarely backed up by survey or related works, resulting in a lack of appropriate quantitative evidence. In general, most agencies were concerned that there were skill shortages, although not all were in a sound position to distinguish between shortages or gaps.

In the few situations where such work has been conducted, it has stemmed from professional bodies or specific interest groups whose heritage activities are usually very narrow or focused on particular specialisms (e.g. field archaeologists, rare books conservators). This provides some rich evidence, but inevitably presents a very patchy and fragmented picture, with each project using different definitions and approaches to assessing skill shortfall and related training needs. The emphasis of such studies has usually been on matters such as wider training needs or continuing professional development, with skill shortfall and its determinants been only peripheral issues. As a result, the data is often simplistic and, almost without exception, fails to unpick the differences between skill shortage, skill gaps and other recruitment difficulties. As such, the limited quantitative data that is available probably over-estimates genuine skill supply-related shortages in heritage activities.

Official data is of little or no value in filling this gap or in providing a heritage-specific context. The classification of key sources such as the economic activity and qualified manpower sub-sets of the Census of Population provide little value to the sector. Here, most of the detailed categories of the Standard Occupational Classification relate to primary functional groups that say little about specific heritage skills.1

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1 The only exception is for ‘archivists and curators’ (SOC91.271). All other heritage-related occupations and skills are lost within general categories (e.g. architects, bricklayers and masons, etc) or in catchall ‘other - not elsewhere classified’ categories.
Equally, otherwise useful data from the Labour Force Survey and the Skills in Britain Survey are of no value to the levels of occupational analysis needed. This means that survey and related evidence from the NTOs is especially important for quantitative data on skill shortage and training needs in heritage. Their research shows that, in general, the NTO data available is up-to-date and robust, but is geared to the specific needs of their own sectors.

Probably the first tangible evidence across the whole sector of wider skill shortfalls came from HLF’s unpublished consultation with the sector in 1998. Early in that year, through MORI, it conducted a large-scale omnibus consultation, which included a general review of the training challenges facing the sector. The feedback gave cause for concern. Of some 1,500 organisations and individuals replying to the general consultation, nearly one in three envisaged training and related problems. The issues they identified (Table 1) were diverse, but strongly emphasised what were seen, as unmet VET needs.

Table 1 Heritage skills and training: Overview of 1998 consultation

<table>
<thead>
<tr>
<th>Number</th>
<th>Per cent*</th>
</tr>
</thead>
<tbody>
<tr>
<td>VET and related needs/resourcing</td>
<td>430</td>
</tr>
<tr>
<td>Education links and skills</td>
<td>97</td>
</tr>
<tr>
<td>General skills, training issues</td>
<td>132</td>
</tr>
<tr>
<td>Community-based training to promote local heritage</td>
<td>50</td>
</tr>
<tr>
<td>Education and training should not be a priority</td>
<td>13</td>
</tr>
<tr>
<td>Not enough jobs for those in training</td>
<td>10</td>
</tr>
<tr>
<td>No comment, no view, etc</td>
<td>4</td>
</tr>
<tr>
<td>Non-skills/training related comments</td>
<td>44</td>
</tr>
</tbody>
</table>

* Percentages do not add up to 100 because of multiple response.

Valid cases = 474

Source: Unpublished HLF consultation

The development issues raised by respondents were very diverse. Examined in more detail (Table 2), the main clusters seemed to focus on skills in built heritage. Skills in particular aspects of conservation were also a common concern, although the individual disciplines raised were too diverse to provide for any robust analysis.

2 These are based (respectively) on household and enterprise samples that are too small to provide a distinct picture for heritage.
Table 2: VET and related needs/resources: Overview of 1998 consultation

<table>
<thead>
<tr>
<th>Skills etc in physical heritage, museums, archaeology etc</th>
<th>Number</th>
<th>Per cent*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skills etc in natural heritage, countryside/coastline etc</td>
<td>62</td>
<td>14</td>
</tr>
<tr>
<td>Skills etc in construction and heritage maintenance etc</td>
<td>36</td>
<td>8</td>
</tr>
<tr>
<td>Skills etc in conservation etc</td>
<td>208</td>
<td>48</td>
</tr>
<tr>
<td>IT/telematics skills</td>
<td>99</td>
<td>23</td>
</tr>
<tr>
<td>Finance for training</td>
<td>25</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>93</td>
<td>22</td>
</tr>
</tbody>
</table>

* Percentages do not add up to 100 because of multiple response.

Valid cases = 430

Source: Unpublished HLF consultation

This data needs to be interpreted with some caution since it is based on a broad consultation, which was not expected to produce robust evidence on skill shortfall, or training needs. However, by any standards, the strength of feedback is persuasive. Many of those providing more detailed commentary suggested that, in specific areas, heritage organisations were often facing severe skill capacity problems. Many felt that recent trends in the organisation and resourcing of heritage activities meant that individual organisations were in a weak position to tackle these issues, and that this threatened the development of capacity in an expanding sector.

CHNTO has recently concluded a labour market assessment of the cultural heritage sub-sector. Although it embraces some actions which may fall outside HLF’s specific definition of activity, it nonetheless provides a timely overview and a rare opportunity to quantify some of the issues surrounding skills needs and shortfalls. This data has not yet been published but is being widely disseminated within relevant agencies. They show:

- A diverse range of identified shortfalls in over 1,600 museums, galleries and other cultural heritage establishments replying that just over one in five were experiencing skill shortages early in 1999;

- These were most widely reported in ‘generic’ occupations - administration, fundraising, and technical/engineering activities - but also among volunteers. These difficulties were experienced in establishments of all sizes and activities, but most extensively in London and the South East;

3 The review - based on a survey conducted and analysed by The HOST Consultancy - sampled some 3,500 cultural heritage enterprises and not-for-profit employing organisations. The scope of the project embraced most aspects of industrial heritage and some elements of built heritage where these were represented in publicly accessed collections such as open-air museums.
Shortages for specialist heritage skills - in conservation, book/manuscript restoration, archaeology, etc - were reported by under two per cent of establishments, and predominantly among small organisations;

Future shortfalls were expected to follow a similar pattern but the majority of the cultural heritage sector did not expect to be skill constrained in terms of filling new posts and vacancies.

Our discussions with key agencies were able to cast some light on this data, and allowed us to extend the analysis into heritage activities not covered by the CHNTO constituency.

For many of the agencies there was an acknowledgement of the role played by volunteers - especially in cultural and natural heritage - but a sense that heritage employers were often confused about how to respond effectively to identified skill shortages and gaps in occupations where they played a major role. Volunteers probably constitute around a half of the workforce in cultural heritage. Key agencies identified only a handful of local pilot initiatives\(^4\) in this area and, for some, there was a concern that training was held back by cost pressures and inflexible provision from key sources (e.g. further education), but also a lack of managerial awareness of good practice in this area.

Smaller organisations found it difficult to track the supply of specialist training in heritage skills. A number of agencies in cultural heritage were concerned about the quality of provision, emphasising that development seemed to be led mainly by individual (and not employer) demand. Where employer/in-service-centred courses have been set up, there are some notable successes (e.g. in architectural conservation) but some apparent failures where costs were prohibitively high for not-for-profit organisations, or where course content was ‘too theoretical’. There are concerns that craft level provision for built heritage in particular may not be available locally and small employers and the self-employed are deterred by charges levied at market rates.

Some regional initiatives on specific aspects of heritage skills have also been held back by a low profile for new courses and poor institutional marketing. Other training initiatives were said not to be in the right location, or to have flexible access for those in employment. Examples of good practice and innovation were cited but these are often difficult to sustain when they stem from short-term funding.

\(^4\) The most extensive of these seem to be the numerous short courses - over 120 run annually (many on a recurring basis) by the British Trust for Conservation Volunteers (BTCV). A recent initiative has also been funded by DCMS to support training provision for volunteers in cultural heritage and this is being co-ordinated by the Museums and Galleries Commission through the Area Museums Councils.
There was concern in natural heritage that the responsiveness of further education in addressing specific training needs was weak, with many colleges reluctant to contemplate new courses unless they could be linked to assessed qualification and preferably to S/NVQs. This seems to be a response to funding pressures and particularly to outcome-related funding of colleges.

There was some evidence of collaborative responses to meeting specific training needs, notably by some of the professional bodies and interest groups in parts of cultural heritage. Much of this was based on in-service provision but seems to have varied in incidence and depth. However, some agencies felt that employer involvement was nominal.

A common theme across the sub-sectors was the need to develop understanding of heritage skills and their application among decision-makers who might be senior managers, trustees, councillors or owners of properties and sites. The concern here was partly with broader issues of heritage education, but more specifically with educating the specifiers and buyers to make more informed decisions about using appropriate levels of skills for conservation or renovation projects. Some intermediary agencies were identified who could inform this process (e.g. the Building Preservation Trusts for built heritage), but too often these have little or no input to early stages of specification.

**Insights from the employer case studies**

As was noted earlier, our approach made an important distinction between skill shortages and skill gaps. Although there are important differences between the four sub-sectors of heritage, some general conclusions emerge from the employer case studies about skill shortages and gaps, and how these are being addressed.

Outside built heritage there is little evidence of widespread or numerically large skill shortages in any of the heritage activities, although some specific shortages were observed for highly specialised posts and about the practical skills and experience of conservators in a range of activities.

Where difficulties arose, they generally related to the experience of staff rather than a lack of initial skills supply from further or higher education. For example, galleries and studios were concerned about shortages of picture conservators with structural or particular analytical experience not found in recent qualifiers. The most commonly reported skill shortages were for specialist support staff from professional and other activities widely used by other sectors (e.g. marketing, fund-raising or external relations staff), and where heritage organisations felt they had distinctive needs but were often in a poor position to compete with non-heritage recruiters. Many of the aforementioned problems were in London and the Home Counties. In built heritage, there is evidence of more widespread problems with skill shortages, for in particular banker masons, roofers and roof conservators using asymmetric materials and traditional thatchers. Some of these difficulties are particularly acute where they require practical experience of regional traditions or local materials.
In some cases, employers and agencies felt that initial supply of some specialist skills were in dramatic over-supply, providing weak career opportunities for those recently qualified.

One contribution to the observed shortages in heritage seems to have little to do with lack of supply, and more to do with the relative attractiveness of the working opportunity offered. This is particularly important in the structure of working opportunities in some of the occupations and an increasing focus on fixed-term grant-funded developments and projects, and consequently more widespread use of short-term contracting. This also detracts from the willingness or scope for employers to engage in in-service training, further reducing the attractiveness of posts, along with adjustment possibilities where the quality of applicants is weak, and adds to skill gaps. In built heritage, the way in which competitive tendering is organised for larger heritage projects also holds back effective supply of skills especially in built heritage where many of those with specialist and traditional skills may be effectively excluded from the process by being self-employed or by being very small employers. Others with a range of built heritage skills have the higher costs often associated with the use of traditional skills and find it difficult to compete with general contractors and suppliers where costs - and skill levels - are lower.

Another feature seems to be concern with identifying and responding to emerging skill shortages for heritage. Many of these concerns focus on skills that are becoming - or have become - redundant to mainstream practice, particularly in natural and built heritage. For example, supply of specialist skills for conservation and maintenance in industrial heritage (e.g. Victorian textile machines). In some cases the shortage has been a consequence of loss or shortages of materials - or use of substitutes (e.g. stone slate roofing in Scotland; long-straw comb thatching in England). These problems are particularly acute for heritage skills with a regional tradition (e.g. stone dyking in the Scottish Highlands).

Skill gaps seem to be more common than skill shortages. In cultural heritage, for example, there is little concern about shortages of new entrants coming into managerial or curatorial positions (except for some highly specialised posts) but extensive concern over the focus and capabilities of those in post to manage changing needs, especially in local and regional museums and galleries. The most common skill gap is for IT skills; although some heritage employers have specialised needs for IT skills in database management, for most the gap is about keeping up with routine IT application skills among managers, professional and support staff.

**Employer responses to skill needs**

An important feature of the research has been to go beyond looking at the problems, and to review how employers in heritage have been responding to current or anticipated needs. We have found limited innovation but some valuable illustrations of what can be done.
Heritage employers have occasionally collaborated to support or influence new provision to respond to changing skill needs, but this is uncommon. Many see themselves as lacking the links with further or higher education, or to be too small to have the capability to do this. The quality of the ‘market’ messages going into publicly funded VET is consequently often weak.

Some of the most imaginative responses to new skill supply have been from those employers with close links to further or higher education, or from entrepreneurial museums or other employers who have set up their own commercially-orientated short courses.

There is a widespread acknowledgement of the role played by volunteers - especially in cultural and natural heritage - but also in parts of the other two heritage sub-sectors. However, among employers and key agencies, there is confusion about how to respond effectively to identified skill gaps in activities where they play a major role. Volunteers constitute around a half of the workforce in cultural heritage. In natural heritage, the proportion is probably smaller (no reliable data is available) but their role in site and habitat conservation, and also wider development and conservation, education and promotion activities is often strategic and extensive. The skills and training needs of volunteers are widely neglected, particularly among smaller employers. This apparent inertia among heritage organisations has recently attracted development funding for cultural and industrial heritage, but in natural and built heritage we have identified only a handful of mainly experimental or pilot initiatives in this area.

Even among innovative employers, volunteer training and the effective use of their skills was held back by a combination of lack of line management awareness or willingness to support more effective use of volunteers or their training, and a reluctance of individuals to pursue (or travel to) available courses.

A common theme across the sub-sectors seems to be the need to develop understanding of heritage skills and their application among decision-makers. Indeed, there is some evidence that without action in this area, skill use in the sector is likely to be held back because of a lack of demand for the skill that is available rather than poor supply of skill to those who wish to apply it.

The evidence is of widespread imbalance between supply and demand, but it emphasises skill gaps rather than shortages. There is very little tangible evidence of how this directly impacts on heritage although there is no shortage of anecdotes. However, here, the causality between shortages or skill gaps and the loss of heritage seems obscure. Loss of opportunity to promote heritage due to skill gaps seems a wider issue.

EVALUATION

The concerns raised in HLF’s early consultation about training and skills in heritage have been widely echoed by those involved in the various stages of our research. The review of skills demand and utilisation among ‘innovative’ employers has helped to
unpick some of these apparent contradictions, and to provide more robust evidence of the shortages and gaps, their causes and impact. It has also provided insights into a range of innovations by these employers aimed at addressing the aforementioned problems. Put together with our assessment of the supply of skills-based training, the employer experience suggests a number of underpinning problems in skills supply-demand imbalance. Together, we suggest that these amount to a sector failure to develop and sustain specialist skills within the heritage sector, and a serious capacity constraint to the preservation and promotion of heritage in the UK. The four characteristics of this are reviewed below.

Constraints on skill supply

It is far too simplistic an analysis to suggest that current skills difficulties stem wholly, or even largely, from the weak supply of traditional or other skills from colleges, universities, professional institutions etc. It is nonetheless an important facet, in which the providers have often shown slow or flawed responsiveness to the emerging needs of the sector.

In general, responsiveness has been stronger among the commercial training providers (including provision by some of the more innovative heritage employers) but has emphasised full-cost short courses. These may often be beyond the reach of small firms, independent entrants, and the self-employed. Such initiatives may have arisen from an entrepreneurial approach adopted by some in cultural or natural heritage to exploit a market opportunity for gaining revenue from expertise within the organisation or, more occasionally, from employer or employer-agency partnerships aimed at addressing common skills problems.

In further and higher education, there has also been extensive course development, especially at postgraduate level in built and cultural heritage. Here, the funding processes of post-16 VET (and their traditions) have emphasised student rather than employer demand. There has consequently been no lack of innovation by these providers. What is been questioned is the relevance of it. Certainly, the vocational focus of many of the new courses in heritage has been commonly questioned by the employers we talked to - and some of the key agencies - and in some of the more popular areas for development such as heritage management. All the evidence points to dramatic oversupply. The result seems to have been course developments, which in scale and content have too often been poorly related to what skills and aptitudes employers need.

The primacy of student demand has also led to strategically important courses being closed, while many are under the threat of closure. It has also seen potential supply responses not being pursued in some aspects of heritage skills because there is thought to be too little demand in the region or sub-region. In Northern Ireland, and to a lesser extent in Wales and Scotland, this has had an adverse effect on providing for ‘local’ skills supply and may have accelerated the erosion of traditional craft skills, particularly in built and natural heritage.
Employers must themselves accept some of the responsibility for what seems to be often weak responsiveness in the publicly funded sector. In many aspects of built and cultural heritage, the links between the sector and providers have often been weak, and messages from employers about their skills needs have been obscure and poorly articulated. This is largely due to the fact many lack the management infrastructure or capacity to address these issues. The problem is probably most acute for industrial and transport heritage where there is a poor institutional base for addressing emerging skills needs.

One important aspect of supply is the scope for the S/NVQ infrastructure to provide a climbing frame of opportunity and essentially work-based assessment to fill skill shortages and gaps. This infrastructure continues to evolve but seems already well placed to meet these challenges. What is not in place is sufficiently widespread employer commitment - or the assessment capacity - to enable this.

Looked at in this way, it is clear supply problems are rooted in wider difficulties within the sector. In part, the research for this project will go some way towards providing stronger intelligence on trends and needs which publicly funded providers require. However, better information alone is unlikely to address the supply constraints. Targeted initiatives which bring together employers unilaterally or as development-centred networks of smaller employers, with key providers - or groups of providers - will be needed to provide urgent and appropriate responses to some of the skill gaps. Not all of these will be able to be addressed within existing F/HE or other public funding mechanisms, and especially those concerned with more practical skills and intensive training provision.

**Ineffective skills utilisation**

To skill supply constraints, we must add poorly specified (or weakly developed) demand for those skills that are often available to meet specific needs. This is a complex issue, but our evidence suggests that in some areas - notably built and natural heritage - the promotion and preservation of heritage is held back more by a lack of awareness of skills needs by many of those specifying, supervising or paying for work.

There are many facets to this, including poor capacity in personnel and training management within organisations, and weak information about skills availability (see below). To this we can add fragmented career paths for those qualified, a rising tendency by some to emphasise concepts and knowledge over practical skills in activities which are inherently dependent on both, and diversification or indistinct responsibility for quality within projects.

Many of the smaller employers have also shown great inflexibility in relating their skill specifications for posts to the external availability and/or the salaries, terms and conditions offered. One particularly important feature is the effective use of volunteers and their skills in a sector which is reliant on their unpaid labour, but which undervalues their existing skills, knowledge and development.
Some of the more radical innovations that we have seen have begun to tap this capability, but for most heritage employers, volunteers remain an essentially peripheral and widely under-utilised source of labour.

To this need to be added market mechanisms which also undervalue skill levels. This seems to be most acute in built heritage where craft-level skills in particular have seen substantial and general de-skilling in the last 20 years. There are, however, many reasons for this decline. One is project funding which leads to short-term contracting of employment and consequently often fails to attract higher quality or more appropriately skilled personnel. Another, is the way that compulsory competitive tendering processes are implemented. Competitive tendering processes of them are not an impediment to the effective use of skill. Where the processes fall down is in the selection criteria, administration of the process, selection of tenderers and quality assurance processes. All parts of heritage are affected, but most especially built heritage. The major problem seems to be ‘best value’ criteria that emphasise low cost and minimum quality, which both acts against specialist suppliers of traditional skills (or their use as subcontractors).

Heritage is already affected by the loss of some traditional skills, particularly at craft level. Based on this analysis, it seems that the under-utilisation of available skills may in the future lead to redundancy by reinforcing or further de-skilling some of the inputs that are needed. They also hold back responses by some of the more enlightened providers, who cite employers having little incentive to support post-experience training to address skill constraints against a background of ‘minimum quality’ tendering, cost-cutting and other pressures.

Tackling this will be a very complicated issue. Structured stimulus to the training of volunteer ‘cores’ in those organisations where they are, or could be, a numerically important part of the workforce could be one method of addressing this issue. However, this will do little to affect the wider issue of ‘incentivising’ purchasers and employers to place greater value on some of the specialist skills. Grant mechanisms could be adapted to build in supplier restrictions that favour the better qualified - but at present this is not commonly applied (although Historic Scotland is developing some procedures).

**Weak management processes**

Skills need and options for addressing difficulties seem to be too often poorly understood by heritage employers. This is a complex issue that combines weak management capacity in many small (and not so small) heritage organisations, with an often-low priority given to staff (and volunteer) development issues. Management in the diverse sector seems to be predominantly site and asset focused, paying lip service only to the role of ‘human capital’ investment. At the same time, management processes within many of our case study organisations often seem to be outdated and inflexible at a time when the wider labour market, cost, market changes and other organisational development needs are stressing training as a cornerstone in change management and flexibility. As these organisations were selected - often with some
difficulty - as being more responsive to skill shortage issues and skill gaps, it suggests that other heritage employers are more likely to have even weaker management capability.

These problems are not new to heritage organisations. The Holland report in cultural heritage set the scene for what were observed as complex but often deep-seated inefficiencies built into the management of museums. A recurrent issue here was what was seen as a narrow and inward-looking professional focus of senior managers, and curators. Although not a feature of the Holland report, it is a step toward recognising that these issues of management capability and responsiveness are a very real barrier to tackling supply-demand rigidities.

Levels of training investment, even among our ‘innovative’ employers, are consequently low, personnel or training capacity is not available (or is remote to the user or ineffectively used), and links between an organisation's development needs and planning and staff training are often poorly developed. Some of those in natural heritage seem to be notable exceptions to this pattern - perhaps under the stimulus of the greater take-up of the Investors in People Standard.

Put together, these issues of weak needs analysis capability and low prioritisation of training as an investment have many consequences. These include little and ineffectively focused training by employers, which might otherwise contribute to building the skills of individuals in shortage areas, weak or non-existent succession or capability planning, rigidities in available skills (or their use) which do not support multi-skilling, a diminishing capacity to contribute to appropriate in-house training, and a growing reliance on qualified and experienced people in recruitment.

One area that is clearly being affected is the development of post-qualification experience in junior practitioner posts or internships. This affects all sectors (albeit at different levels of skill) but seems to have particularly damaging consequences for the development of specialist conservation skills in cultural heritage, where competent staff need a combination of broad theoretical knowledge with a range of advanced practical skills. The outcome seems to be that structured opportunities for developing practical skills and experience among recently qualified people are diminishing at the same time as recruitment trends are placing a greater emphasis on experienced staff over new entrants.

These observations raise some fundamental questions for grant assessment and awards. If grants were to be limited to those organisations which can demonstrate adequate capacity in defining and meeting such skill needs - and/or through some ring-fencing approach that resources skill strategies linked to projects - the prospect for smaller or voluntary organisations achieving funding would be adversely affected. Such a move would certainly disadvantage a large part of the heritage sector.

5 The 1997 review for the Museums Training Institute - the predecessor of CHNTO - of management training and development in this part of the cultural heritage sector.
Ineffective mediation

All sectoral labour markets rely on some mediation processes to better relate demand for skills with supply. Some of these mediators may be found within organisations via well-informed HR practitioners, or knowledgeable and experienced professionals or line managers. However, external mediation also plays an important role, and the more complex the sector (and the use of skill within it), the more diverse these external mediation processes are likely to be. Our analysis suggests that, although there are important contrasts within it, the heritage sector seems to have particularly weakly developed external mediation.

This is best illustrated by considering what might be done to better align skills needs with supply (or additional training needs). There seem to be at least four areas where external mediation is poorly developed or fragmented:

*External expertise to guide specification:* Extensive knowledge of skill needs is available among key agencies, but those able to supply it are often not well understood by specifiers or are inaccessible to them. The heritage sector is well endowed with specialist interest groups, professional bodies and others which often have a wealth of practical experience about skills needs and the context in which they are applied, and they sometimes have experience of training provision. Few have the capacity to be sufficiently proactive on skills development issues.

*Process mediators:* The recruiters, managers and purchasers of specialist skills often do not have the detailed understanding of the context in which specific skills need to be applied to be able to specify them. One consequence - although this is difficult to substantiate - is over-specification of skill and experience levels for posts. This suggests the need for process mediators (for example, specialists in particular traditions of built heritage, in specific aspects of habitat, fauna or flora conservation, or in conservation of particular types of artefacts) to help others unpick the actual skill need within context and draw on current knowledge and modern conservation methods. Such individuals may be in external development agencies, professional bodies, academic bodies or in consultancy. These individuals play an important role in shaping skill supply in small organisations. It is questionable if there are enough of such specialists in heritage, but our evidence gives us a clearer picture that, even where they exist, they have little or no impact on the process of acquiring or using the skill. In part, this may be because the people who need such mediation are not aware of the need or of the consequences of not specifying appropriate skill levels, or do not know where to go for it.

*Buyers' guidance on practitioners:* The need for external mediation may be very simple. In built heritage, for example, there seems to be a range of suppliers of traditional crafts and specialist professional knowledge, but too few of those commissioning conservation or renovation work know about them. Some local initiatives - by Building Preservation Trusts and others - have sought to compile lists of specialist suppliers, but even here they quickly become out of date or those developing them find difficulty in distinguishing between an ‘approved’ list (which requires
coherent and well-resourced quality control and some protection from liability), and simple directories of firms and individuals who are self-defined as providing such skills. Some of these skills are also supplied on a regional or national basis and are not well supported by localised initiatives. What seems to be missing here is a simple reference frame — quality assured or otherwise — for owners or others commissioning work, for contractors looking for specialist sub-contractors, and for those who can access it for prospective suppliers or tenderers. It is probably true that skill levels for project work in heritage are most appropriately met in highly specialised areas or well defined localities where ‘buyers’ know well the handful of specialist firms or individuals who can conduct particular conservation work. In most areas of heritage, however, needs are less easy to distinguish and require a more systematic approach.

Mapping of available vocational courses: Our fourth mediation issue is in helping individuals and employers to understand available course provision. Although there are unquestionably important gaps in available courses for some specific skill needs, our analysis suggests that provision is much more extensive than many seem to realise. We have found employers who berate providers for not providing courses in specific areas or modes, yet courses exist which would sufficiently meet their needs. In some cases, this provision gap has more to do with accessibility, based notably on costs or location.

However, it often reflects the difficulty that heritage organisations - small and large - have with understanding what is available and where they might meet their training needs.

In some parts of cultural and built heritage, professional bodies are well placed to support this. Even here, however, knowledge was lacking where organisations were looking for short courses that might fall outside the remit of professional accreditation or continuing professional development schemes. Others have recognised this need and have attempted to respond to it, including an early but very ineffective attempt supported by the European Social Fund. The ESF experience shows the difficulty of drawing together diverse and fast-changing (in short courses) information. Historic Scotland has recently taken an initiative that is cross-sectoral in approach (and UK in coverage) and this might usefully be built on to fill in gaps and enhance the availability of courses. This might go a long way towards addressing some of what employers see as provision gaps, and to addressing the skill gaps which might be tackled through short course provision.

Weak mediation seems to have a particularly adverse effect outside the Home Counties, and especially in Northern Ireland. The latter lacks appropriately robust links with some of the key national agencies, and yet is particularly dependent on small organisations and suppliers whose needs for such support in skills specification and utilisation are most acute.

Concluding comments

An important objective for this project has been to propose areas where action within the sector might be taken to address significant skill constraints. Our analysis shows
that problems of accessing and using skills cannot be accounted for wholly (or even largely) by weak supply of traditional or other skills from colleges, universities, professional institutions and others. The supply problem seems to be more one of imbalance in the vocational orientation of some of the existing course content and in the distribution of courses, which seem to result in oversupply in some areas and little (or no) provision in others.

Some of these ‘problems’ have themselves stemmed from quite rational responses of individual universities and colleges to their own funding systems. Any sector-level responses will consequently need to look at just how to refocus institutional attention from the needs of students to those of employers; a responsiveness issue which other sectors with more refined relationships between employers and higher education have found difficult to address and sustain.

The challenge goes much deeper than this and it is difficult to escape the conclusion that many of the skill problems in the sector are self-inflicted through weak management capacity, marginal commitment from employers to in-service training, poor links to VET providers and ineffective mediation in a very complex labour market. Responses that look at the skill imbalances and fail to address some of these more fundamental sector-level rigidities will have very little impact on the overall skill problem in heritage. What seems to be called for is a more comprehensive response across stakeholders.
References


Appendix A: Key Agencies

SCOTLAND
Glasgow Building Preservation Trust
Scottish Heritage
Scottish Natural Heritage
Scottish Stone Liaison Group
Scottish Civic Trust
Scottish Records Office

WALES
National Library of Wales

NORTHERN IRELAND
RSPB, Northern Ireland
Dept Environment And Heritage for Northern Ireland
Northern Ireland Area Museums Council
Ulster Architectural Heritage Society

ENGLAND (London)
Museums and Galleries Commission
Countryside Commission
Conference on Training of Architectural Conservation
The Society for Protection Of Ancient Buildings
The National Trust
The Wildlife Trusts
Victoria and Albert Museum
The British Library
English Heritage
Museums Association
Committee of the Area Museums Councils
National Council for Voluntary Organisations
Public Records Office

ENGLAND (Other)
Ancient Trees Forum
British Trust for Conservation Volunteers
British Association of Friends Of Museums
Building Conservation Trust
Council for British Archaeology
Dry Stone Walling Association
Field Studies Council
Groundwork Trust
Historic Libraries Forum
Institute of Historic Building Conservation
Institute of Leisure and Amenity Management
Local Government Association
Museum of Science and Industry in Manchester
National Historic Ships Committee
Railway Heritage Trust
Rural History Centre
Roofing Alliance
Textile Conservation Centre
ABSTRACT

In Greece the emphasis on tourism development has traditionally been in coastal related or coastal neighbouring areas. Thus, both infrastructure and facilities have been developed with a heavy concentration in the tourist resorts, and governments, in their effort to promote tourism as a source of foreign exchange, have supported with their own policies this developmental inequality. In this way, the touristic image promoted and understood by tourists for Greece has been the well-known model of “sun, sea, and sand”.

The recent development of so called alternative and sustainable forms of tourism, both as an effort to counter-act the mass tourism model and to disperse tourist activity to as yet, touristically un-developed areas, has given rise to the development of tourism inland and in mountain areas. Rural tourism has been promoted in the last few years, but the efforts have been primarily localized, without an overall integrated development strategy.

However, the reduction in foreign tourism in the mid-nineties, brought about an interest in domestic tourism, short break holidays, and the development of other destinations, not only on the coastal zone. Thus, in the last few years, related to the planning for utilization of European Structural Funds the government has undertaken an effort to select such planning and development scenarios that would integrate existing local economic activities and neighbouring (where available) tourism activities, in such a way that environment, sustainability, local traditions and cultural aspects would be maintained.

It is these strategies and criteria that the proposed paper examines. The paper draws particularly from three detailed studies related to the development of “mountain” regions in Greece, in which the authors participated: the first is the Study for the Locational Distribution and Prospects for Development of Mountain Tourism in Greece (1995-96); the second is the Study for the Development of Mountain Areas in the Region of Central Greece (1998-00); the third is the Study for the Development of Rodopi Mountain Area in the Region of Eastern Macedonia – Thrace (1999-00).

The aim of the paper is to identify the principal development goals that brought about the interest in mountain tourism and to provide methodological (and actual) examples for the process of planning tourism development in mountain areas.

Drawing from the studies, the paper will examine three aspects/areas:

- a series of criteria for the selection of pilot implementation areas are presented, showing the particular emphasis given to the relationship of the planning process to an integrated development approach;
- different strategies are identified, aiming to bring together and satisfy both the goals of sustainability of the natural resources and the benefit from existing nearby coastal tourism activity;
particular examples of proposed interventions in delineated specific sub-areas are presented, to show how the various local actors both of the public and the private sector may interact to achieve desired tourism development goals.

In addition to theoretical examples, specific sub-areas will be identified and the actual planning process and proposals will be indicated, with presentation of maps, pictures and development interventions.

INTRODUCTION

Tourism planning methodology is a very easy process, ... in theory, if you have the chance to start from a “zero” base. Then, you select the resources you want, you position them as you desire, you build the infrastructure and facilities you want, you direct your visitors to follow the route you have designed and designated for them. However, as we all know, real life is not like that, and, in a sense, it may be better, since we have the opportunity to apply methodologies, review alternatives and make selections based on criteria schemes.

This is because, in real life, you are given elements: the geographical characteristics, the past tourism flow, the existing tourism facilities, the developed and undeveloped resources, the accessible or inaccessible attractions, and so on.

Mountainous areas have traditionally been associated with the “less” impact and the “more” sustainable of tourism activities. So, usually, tourism development, with the exception of skiing resorts, is likely to be for a smaller number of tourists, but offering a better quality of and more specialised environmental product, allowing also for individual or small group tourism.

The European models for tourism development in the Alps

In the process of facing the challenges for establishing strategies for mountain areas, it is useful to examine the development of tourism activity in the Alps, which has been going from strength to strength over the last 40 years.

In the Alpine areas we can distinguish two different development strategies: one that was applied in the French Alps and another that was applied in the Austrian Alps, more particularly in the Tyrol area.

The major changes in the mountain populations in the Alps took place in the second half of the 19th century, as a result of the industrial development of the valleys and the plains, where more jobs were offered, in parallel with the improvement of transport systems. Therefore, the populations of the higher elevations moved to lower levels, in settlements closer to the industrial developments.

Additionally, the settlements of the middle elevations experienced a de-population effect when tourism development was unable to retain sufficient activity, because the snowfall was insufficient for a prolonged winter season.

However, the Alps are the most important mountain range in the world and particularly as far as winter tourism is concerned, they include over 15,000 ski lifts, of which on the French side alone the capacity exceeds three million persons.
The tourism forms that developed in the Alps followed a staged process, which is shown in Table 1.

**TABLE 1: STAGES IN TOURISM DEVELOPMENT IN THE ALPS**

<table>
<thead>
<tr>
<th>TOURISM FORM</th>
<th>PERIOD DEVELOPMENT STARTED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alpinism (climbing)</td>
<td>1865 Conquest of most peaks</td>
</tr>
<tr>
<td></td>
<td>1860-1870 Various Alpine Clubs being formed</td>
</tr>
<tr>
<td>Spa tourism</td>
<td>Early 19th cent. Spa resorts serving the European aristocracy become fashionable</td>
</tr>
<tr>
<td>Health tourism</td>
<td>1870 to 1930 Health residence resorts without specific treatment</td>
</tr>
<tr>
<td>Lake tourism</td>
<td>2nd half of 19th cent. Aristocracy drawn by the good weather and the clarity of the waters</td>
</tr>
<tr>
<td>Cosmopolitan tourism</td>
<td>2nd half of 19th cent. Developed as a result of second homes (villas) by personalities and aristocracy</td>
</tr>
<tr>
<td></td>
<td>1864 Skiing first started in Saint Moritz (coming from Scandinavia)</td>
</tr>
<tr>
<td></td>
<td>1881-1886 First ski trails developed</td>
</tr>
<tr>
<td></td>
<td>1896 Ski Clubs are formed</td>
</tr>
<tr>
<td></td>
<td>1907 French Club Alpin organises a ski race</td>
</tr>
<tr>
<td></td>
<td>1920's First ski lifts built</td>
</tr>
<tr>
<td></td>
<td>1924 First Winter Olympics in Chamonix</td>
</tr>
<tr>
<td></td>
<td>1936 First ski school in Valloire, France</td>
</tr>
</tbody>
</table>

The "Austrian" model in Tyrol

The Austrian model can be, in general, characterised as a “soft” development model.

The main element of this model is the decision to have a harmonious co-existence of agricultural and tourism activities. This dual function resulted:

a) in multiple activities for the farmer families, where the farmer is at the same time the owner of accommodation facilities or a ski instructor, the administrator of a ski lift, or a mountain guide, and

b) in an overlap of the agricultural and tourism operations, where there is no spatial discrimination between the two, the tourism facilitates must thus comply to the traditional architectural characteristics of the agricultural buildings

c) in the creation of important collaborative organisations where the operators (farmer-tourism) cluster together, implement promotion activities, maintain the “mountain station” and draw financial resources.

The Austrian model succeeds in having a quality tourism product offering, a reduction in the degradation of the agricultural economy, a slow-down of the de-population and a degree of environmental protection.

The accommodation establishments under this model experience a longer season than their French counterparts, and also function as support facilities for winter skiing activities during the rest of the year.
Of course there are disadvantages:
- these "tourism stations" are more tuned to summer tourism
- the ski resorts are smaller and less developed and less equipped
- the farmers get used to the tourism benefits and start to give less emphasis to the purely agricultural activities.

The "French" model

The French model is different from the Austrian model on one hand because it is specially constructed and has not developed as a result of multi-activities, and, on the other hand, because it is a fairly recent development having only been built after World War II.

The characteristics of the French "mountain tourism stations" are:
- the French "stations" are built at higher altitudes, and thus further away from the traditional residences of the agricultural population;
- the stations often were designed and built by specialist companies, not familiar or not dependent on the economic and social character of the mountain populations;

In antithesis, the French stations have advantages:
- they are built for financial success (economic return);
- they are built to satisfy the needs of the skiing tourism market;
- the development of stations in the lower altitudes reversed the depopulation effect of the agricultural areas;
- the building of the stations created many new employment positions;

The advantages, however, breed disadvantages as well, namely:
- the French stations are by design physically and psychologically detached from the mountain populations;
- some stations with extensive accommodation facilities (over 10,000 beds) resemble an urban development and have lost any form of traditional style;
- the operational management of these stations is often based away from the location of the station, thus not cognisant of the local conditions;
- the increase in value of the land on which the development took place benefited the developers and not the farmers who sold agricultural land;

Of course after 30 years, there is a certain integration of the local populations with the stations, and in a number of cases the original developers are no longer the present owners or operators. However, the locational detachment remains.
A brief assessment

An evaluation of the two models cannot disregard that the two developments were started based on different goals and with different socio-economic realities.

The French model is an example of an outside intervention in an effort to solve local problems, while the Austrian model is a situation where the local residents are directly involved. The French model has brought higher economic returns but has affected the socio-economic structure.

In the present day neither of the two models can be looked at as a single solution strategy. Today, the polymorphy of the requirements and prerequisites for tourism development, involves many considerations.

1. An “integrated strategy” for tourism development

In looking at the economic dimension in the mountain regions, we see that they have experienced a decline due to the change in the types of employment needs; this was caused, initially, from the expansion of the secondary sector over the primary, and subsequently, the expansion of the tertiary sector. The populations moved to the areas of employment demand and then remained there, without returning back to their original locations, thus the de-population effect.

Therefore, the internal development of the mountain area requires the creation of new forms of employment— which were mainly in the primary sector — which are either insufficient or non-existent. Tourism is of course a preferred development process and has been seen as the “solution from many evils” because it is labour intensive.

If, however, we are to follow the Austrian model of “soft” interventions, taking due consideration of the environmental concerns, which pose development constraints, then we would not gain as many positions of employment as with the French model. It is obvious that the desired optimum may lie between the two models, leaning towards one or the other, depending on the more particular characteristics of the area under examination.

This, “overall” type strategy should look at all the aspects of development and select (and propose) interventions and projects that take into consideration a wide variety of factors.

The example that follows is an effort to apply this sort of single integrated strategy, considering the particular characteristics of the Rodopi mountain area.

- **Example from the area of Rodopi Mountain in Thrace in North-eastern Greece**

The Region of Thrace, in North-eastern Greece is one of the most problematic areas of the country. The problems, however, that characterise the area did not come from the recent socio-economic changes experiences in other areas of the country.

The Region of Thrace, in a sense, has always been an area with developmental problems, which have been identified. Efforts were always underway to overcome them, with incentive schemes for business investments, increased public spending, etc.
Among the three Prefectures of the Region, the Rodopi Prefecture is the most underdeveloped. The location of the Prefecture is shown in Map 1.

MAP 1
LOCATION OF RODOPI PREFECTURE IN GREECE

This continuing “underdevelopment” has been part of the character of the area as opposed to being a circumstantial problem. An important role has been played by the geographical location, in that it is at the centre of a number of political relations, for example the cold war, the fluctuations in Greco-Bulgarian and Greco-Turkish relations. The population structure, with a major Muslim element and the deriving socio-cultural and educational differences, affect and delay all development processes, although the interventions particularly through the CSF Package I and II did improve the situation.

The particular characteristics include the following elements:

- The local economy depends to a far greater extent on the primary sector (some sub-areas depend 100% on the agricultural production)
- The lack of secondary sector activity, with exception of packaging of the agricultural produce, with a major dependency on tobacco crops
- The high degree of under-development of the extensive natural resources
- The constitution and structure of the local population
- The insufficiency of transport infrastructure
- The low educational level and the lack of skilled labour (including a high degree of illiteracy)
- The low average per capita income (based on the 1991 census it was 26% below the country average).

However, the recent political changes in Eastern Europe have influenced the area, and, indeed, are giving it an unexpected development potential, particularly since the border with Bulgaria is soon expected to open with the ascension of new nations to the EU.

The Prefecture includes an important mountain area, the southern face of the Rodopi mountain range (the northern face is located in Bulgaria, the mountain is on the border). In winter the area is one of the coldest, but in the summer the waters and natural beauty are impressive. The road network is rather small and in the upper half of the Prefecture the settlements are few and small.

The geographical layout is seen in Map 2, where the area under examination by the *Study for the Development of the Mountain Areas of Eastern Rodopi*, is marked.

MAP 2

NORTHEASTERN RODOPI MOUNTAIN AREA

The Study was awarded as part of the government planning for utilization of European Structural Funds. The Study team identified the following guidelines and has put emphasis on:

a) Giving value to the natural resources in the area
b) Correlating the economic activities of the area with the rest of the region
c) Support of new economic activities
d) Reducing the social isolation
To achieve these, and in developing the strategy, the Study team identified the following elements as “prerequisites” for the desired tourism development:

- Improvement of the road network
- Development of necessary infrastructure
- Establishment of social facilities
- Support for the establishment of new forms of tourism activities
- Connection of the settlements and the surrounding forests
- Integration of the area in its greater milieu

Following the analysis and evaluation of the internal characteristics, a number of specific interventions/projects were proposed, in line with valorising the resources of the area and the potential tourism activities. The most representative of these are listed below:

- Integration of the historic monuments in a visit-able network that would include additional visits or activities of a complementary nature for the tourist
- Development and extension of the existing European mountain path E6
- Development of riding stables and stud farms (there are already wild horses roaming free); breeding mules for use in organised day excursions with local guides (in less accessible natural areas)
- Creation of small size pamphlets particular to a sub-area and its attractions (to include pictures and descriptive texts)
- Establishment of “Information Stations” in each community to provide relevant information and to assist visitors
- Relevant signposting on the major road networks to “direct” the visitors to particular attractions
- General visitor sign posting to assist internal mobility of visitors in the area
- Promotion and marketing of the particular monuments in relation to the other natural resources to specific market segments (such as hiking clubs, environmental organisations, etc.)
- Regular programme for cleaning, clearance and maintenance of smaller monuments and attractions, and for the guarding of monuments (where necessary)
- Building or restoring access roads and paths to many historical and natural attractions particularly those in locations with accessibility difficulties
- Road network maintenance
- Listing, restoring and maintenance of the old paved walk paths used by the locals for inter-settlement communication
- Repair and maintenance of arched bridges (there are quite a number in the area)
These projects are expected to be part of the application of the Structural Funds III Package (2001-2006). It is hoped they will reduce the area’s isolation.

- **A “3-Zone strategy” for tourism development**

Another approach to tourism planning is to consider the spatial characteristics of the tourism activity. Under this approach, where the type of activity takes place and where the support facilities are located becomes the important element in examining the possibilities for tourism development in an area.

Mountain areas usually being less built up than their level plain counterparts, also include more “natural” sites and resources. They are also, less densely populated and have more accessibility problems.

The Region of Sterea Ellada in central Greece comprises of five Prefectures, and is a representative mountainous region, with over 75% of the area being at a higher elevation (mountainous and semi-mountainous).

The concept of a “zoning” strategy for tourism development was initially advanced by Dr. Klaus Lukas, of Austria (Lukas 1995). After studying the characteristics of the Region, and based on the experience of mountain area tourism development in Austria, suggested as tourism planning guidelines the delineation of three zones for tourism development in the Region. The three zones would be zones of differing development concentrations, as follows:

- **Zone A** to be a zone where existing tourism faculties and activities were underway; in this zone planning should be directed to improving the infrastructure, adding to the facilities and the accommodation.
- **Zone B** to be a zone carefully delineated with the scope to develop sustainable and low impact tourism forms, where the interventions would take into consideration both the maintenance of the traditional settlement characteristics and the restoration of existing buildings and monuments, and
- **Zone C** to be a “protected” zone covering the mostly un-inhabited areas and the undeveloped mountainous areas; in this zone only accessibility interventions would be allowed, the natural characteristics should be left unchanged and no accommodation building should be permitted.

In taking the concept further, we can consider the inter-relationship of the Zones as being based on two elements:

a) The reference to “support settlements” for local population and visitors

b) The dynamic flows of visitors in and between the zones

The first element considers the towns, urban concentrations and areas of density in population as being the main centres for visitor stays and the main spatial environments for the ancillary facilities for the visitors (terminals, airports, conference centres, etc.); this refers mostly to Zone A.
The second element considers the need for movement of the visitors in order to take advantage and to enjoy the resources offered or available in the area. Thus, the particular flows, such that different points of entry and exit can exist for the two zones of lesser development intensity; this refers mainly to Zones B and C.

Under this strategy, those areas that have already commercial and secondary and tertiary sector activity, and developed tourist activities will be included in Zone A. In this Zone "hard" activities may be planned such as ski resorts, golf courses, tennis courts, water athletics, riding clubs, etc.

In this Zone hotels and other facilities can be located without violating the aesthetics of the environment. From Zone A individuals will have access to Zones B and C.

Those areas where "mild" activities can take place and where there are villages and cultivated land mixed with virgin nature. At present, in this Zone little or no tourist activity is taking place will be included in Zone B.

From Zone B tourists will have access to Zone C.

Zone C is the area where human intervention is at its minimum, if at all present. Zone C is intended for naturists, for persons with nature interests and as protected refuges for animals. The human "users" of this Zone are residing in the other two Zones.

Development will be planned in the three Zones A, B, C, in a way that the relevant development density will be different. The aim of a development plan in Zone B is to preserve the culture of the population residing therein. Therefore, for Zone B, the development recommendations are:

- preservation of the character of the villages
- conservation and renovation of old buildings whose architecture is characteristic of the architectural style of the area
- building of small hotels and rooming houses
- restaurants attractive to tourists, specialising in local cuisine
- creation of infrastructure for activities of leisure, such as bicycle parking, horses, river swimming, starting points for hiking, and excursions to the mountains
- information material concerning the cultural and artistic treasures of the area
- nature instruction paths
- small museums on geology, fauna and flora, history and customs
- information sites

It should be noted that Zone B is often the space of transfer between Zone A and Zone C.

In Zone C those areas that are uninhabited (and in undeveloped natural state) are included. Zone C has virgin nature, water resources, a rich variety of fauna and flora and ranges of mountain peaks with varying altitudes. Zone C is the point of destination.
Tourism Destination Planning

for tourists who stay in Zones A and B, and, as such, little if any at all, building activity is permitted, except for shelters.

As far as activities are concerned, these can include:

- Network of hiking paths that start in Zones A and B or at parking facilities in these zones
- Mountain bicycling
- Rafting, canoeing
- Hunting and fishing
- Nature instruction paths, etc.

In the example below the differentiation among the Zones is indicated in an actual situation.

*Example from Evritania Prefecture in Central Greece*

The example area under consideration is within the Administrative Region of Sterea Ellada; the Region is located north of the Peloponnese and Northwest of Athens; the Region is divided into five Prefectures, namely Fthiotida, Fokida, Evritania, Viotia and the island of Evia. Our example is specifically the Evritania Prefecture, whose location is shown in Map 3.

**MAP 3**

LOCATION OF EVRYTANIA PREFECTURE IN GREECE

![Map of Greece showing the location of Evritania Prefecture](image)

Of the total area of the Region, 15,580 km², 47% is mountainous, i.e. has an altitude of over 800 metres, and 32% is semi-mountainous. Evritania Prefecture, in particular, is 100% mountainous, with 53% of its total area of 1,871 km² higher than 1000 metres.
Its capital, Karpenisi, is at an altitude of 960 meters in the foothills of Velouhi Mountain, where a ski resort is located. The per capita income in Evritania is among the lowest three of all the Greek Prefectures (which are 52).

On the other hand, compared to the other prefectures of the Region, Evritania exhibits one of the highest employment rates in the tertiary sector, at 48.5%. This shows that the primary and secondary sectors in the prefecture are very weak. In fact, in Evritania employment in the primary sector fell between 1981 and 1991 by 58% and increased in the tertiary sector by 23%.

Tourism development has come late to Evritania, having in total a little over 2000 beds, out of which 60% are in the capital, Karpenisi, this is due to the proximity of the Velouhi ski resort nearby (10 kms). The rest of the beds are distributed in approximately 12 settlements – which are communities with small living units.

Evritania has majestic nature and can be used as a model for the development of tourism all year round. The aim of the tourism development is to reverse the trend of de-population of the mountainous communities, to raise the level of, and diversify economic activity, and rejuvenate the countryside. The geographical characteristics of Evritania are shown in Map 4.

MAP 4
PREFECTURE OF EVRITANIA

The Zone delineation has been designated as follows:

- Zone A: the area of Karpenisi township up to and including the Velouhi ski resort
- Zone C: Zones C-1 and C-2 in the Northern area of the Prefecture, Zone C-3 south of Karpenisi, bordering with the Prefecture of Fokida
- Zone B: the rest of the Prefecture is designated Zone B, and includes all the small settlements where the rest of the beds are located.

The criteria used to designate the Zones were:
A study was undertaken to identify some characteristics of the "typical" Evritania tourist. The typical tourist is a professional with an average age of 35, average income; he/she has difficulty due to professional obligations to follow the typical summer holiday model of 3-4 weeks, but, having developed interests in specialty tourism activities, prefers to take many short break holidays during the year.

The study also identified some additional segments:

- Pensioner holiday takers
- Religious visitors (Evritania includes the frequently visited Monastery of Proussos)
- Families on car holidays
- Trekkers – mountaineers who either hike or climb in the mountains
- Younger tourists who comprise the largest segment of the "adventure" tourism clients.

Evritania seems to be a prime example of successful mountain tourism development, provided it retains its "virginity" and does not opt for the mass tourism market, beyond the already existing (but not in too large numbers) skiing market.

**A "criteria grading" strategy process for mountain tourism development**

The example of Evritania is applicable in situations when we already have an area, region, or location, delineated and have to select the strategy best suited to effect the tourism development.

In many occasions, however, we have to make a choice among two or even more candidates in order to select where to apply the (generally limited) funds available in order to obtain the best or the most desirable result.

A strategy that allows a "selection process" proposed herewith and applied in the *Study for the Locational Distribution and Prospects for Development of Mountain Tourism in Greece* sets a series of criteria. The candidates are then graded based on a predetermined system, in order to obtain a relatively objective assessment of otherwise not easily comparable alternatives.
In the particular study, which covered the whole of Greece, the mandate demanded that five pilot areas be selected and detailed recommendations be given, so as to provide for a type of "benchmark" for other areas.

The study team was then faced with the difficult task of selecting five pilot areas, while applying a methodology that would provide justification for the areas selected, as well as to provide a guide for future selections (i.e. offer some bases for comparison).

The criteria process applied to all the country, included four stages that would select the Prefectures where pilot project areas might be located:

1) In the first stage certain Prefectures and smaller areas were excluded by virtue of either being islands or having an extensive coastal tourism activity;

2) In the second stage the remaining 33 (out of a total of 52) Prefectures were ordered based on the percentage of their mountainous and semi-mountainous areas (elevations above 600 metres) and 19 were identified having over 75% mountainous area; the 75% limit was selected arbitrarily, but on the basis that a Prefecture has to have a substantial mountainous area to be included in the pilot project selection list;

3) In the third stage a set of 15 criteria were applied to the 19 Prefecture candidates remaining after the stage two selection process;

In order to determine the criteria, six main goals / objects of the pilot implementation were identified and considered; these were:

1) The intent to achieve the widest possible distribution of pilot projects in the country;

2) The implementation of tourism development with the least possible (realistically) impact on the environmental character of the area;

3) The avoidance of over-development, that is to avoid supporting further environmental impact in already developed areas;

4) The potentiality of a multiplier effect in the results of the development implementation of new tourism activities;

5) The feasibility for support of a particular tourist identity / image of the area selected in the context of mountain tourism;

6) The support of local activities in a way that would assist or reverse the de-population effect.

The above "goals" were used as guidelines in selecting 15 specific criteria against which each one of the 19 candidates was to be assessed. The criteria of the third stage process are described in Table 2, below.
### TABLE 2
CRITERIA FOR SELECTION OF MOUNTAIN TOURISM PILOT PROJECT AREAS

<table>
<thead>
<tr>
<th>No</th>
<th>Criteria title</th>
<th>Reasoning for selection of criterion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Population density</td>
<td>Emphasis on the Prefectures with less density since they are better suited for low impact tourism development</td>
</tr>
<tr>
<td>2</td>
<td>Agricultural population</td>
<td>Emphasis on the Prefectures with higher percentage because tourism development is targeting increased agricultural income</td>
</tr>
<tr>
<td>3</td>
<td>Population outside Prefecture capital city</td>
<td>Emphasis on Prefectures with a greater distribution of population all over</td>
</tr>
<tr>
<td>4</td>
<td>Unemployed per 1000 families</td>
<td>Emphasis on the Prefectures with higher number unemployed per family (not in relation to total population) because of interest to increase family income and to retain family members at home</td>
</tr>
<tr>
<td>5</td>
<td>Relation of local (Prefecture) GNP to country average</td>
<td>Emphasis on Prefectures with lower GNP than country average</td>
</tr>
<tr>
<td>6</td>
<td>Accommodation bed density per 1000 population</td>
<td>Emphasis on Prefectures with lower bed density (i.e. less developed facilities) since higher density is an indication of existing tourism activity</td>
</tr>
<tr>
<td>7</td>
<td>Beds in the “mountainous” areas</td>
<td>Emphasis on the Prefectures with some basic facilities in their mountainous areas, showing a lesser concentration of tourism facilities in the urban and coastal areas</td>
</tr>
<tr>
<td>8</td>
<td>Bed nights (domestic and foreign) per bed</td>
<td>Emphasis on the Prefectures with an existing base of tourism activity (flows) since they already attract a tourism market</td>
</tr>
<tr>
<td>9</td>
<td>Percentage of number of students to local population</td>
<td>Emphasis on the Prefectures that have more young people expecting to enter the market place, in order to reduce future un-employment</td>
</tr>
<tr>
<td>10</td>
<td>Ability to put together a “mountain” tourism identity (image)</td>
<td>Emphasis on Prefectures having “more” or “better” tourism resources (whether already developed or potential)</td>
</tr>
<tr>
<td>11</td>
<td>Proximity to populous urban centers</td>
<td>Emphasis on Prefectures that can more easily draw prospective clients from the residents of neighboring large urban centers</td>
</tr>
<tr>
<td>12</td>
<td>Existing tourism development or activity</td>
<td>Emphasis on Prefectures that already have a “mountain tourism market”</td>
</tr>
<tr>
<td>13</td>
<td>Existence or potential tourism resources that can be developed or promoted</td>
<td>Emphasis on Prefectures that have more resources that can become potential “tourist attractions”</td>
</tr>
<tr>
<td>14</td>
<td>Demographic characteristics of the Prefecture population</td>
<td>Emphasis on Prefectures with larger active population, in the sense that new facilities could also be used by the locals in “day activities” (such as swimming pools, athletic facilities, etc)</td>
</tr>
<tr>
<td>15</td>
<td>Transport accessibility to the area</td>
<td>Emphasis on the areas with good transport availability and accessibility (of any sort)</td>
</tr>
</tbody>
</table>

The 19 candidate Prefectures were “graded” in each of the 15 criteria (grades 1-2-3 based on a specific pre-agreed scale) and the first 10 Prefectures (in actuality there were
because No. 10 and 11 had the same total grade) were studied in depth as to their potential in order to finally select among them the five pilot project areas.

In the final selection, Stage Four of the process, the specific characteristics (geographical, tourism, locational) of the candidate pilot project areas were considered, so that the final 5 were not similar and were distributed all over the country. Out of the five, one is presented in the example following.

**Example from the North Mainalon Mountain Area in the Peloponnese**

Among the five pilot project areas we selected as an example was the North Mainalon Mountain Area in central Peloponnese, in the south of Greece. The area is part of the Prefecture of Arcadia, the most central of the Peloponnese (see Map 5 below), and includes a number of traditional villages, forests, and a small ski resort. It also has a strong historical heritage from the period of the Hellenic War for Independence, which took place in the early 19th century.

**MAP 5**

**LOCATION OF ARKADIA PREFECTURE IN GREECE**

The particular pilot project area in Mainalon Mountain includes a number of traditional settlements, a small ski resort, a number of archaeological and historic monument sites, good natural resources including a dense forest, caves, and a river gorge. It is also on the road from Athens to Olympia and in the last 4-5 years can be easily accessed through the Corinth – Tripoli national road (2 ½ - 3 hours from Athens). The geomorphology of the area is shown in Map 6.
Mainalon Mountain is the main mountain in central Peloponnese and covers the area north of the Prefecture capital, Tripoli, the second largest city in the Peloponnese, after Patras port, in the northwest. The area is well known and carries many remnants of its role in the Greek War of Independence in the 1820’s and many residents of the Athens area have their origins in the villages and communities of the region.

The area’s de-population was particularly strong after World War II and the subsequent Greek Civil War, when many residents left for the large towns to avoid both the poverty and the danger stemming from the war and settled there.

After examination of the tourism activity, resources and other characteristics of the area, the Study team considered the feasible tourism markets. The main tourism market segments selected are presented in Table 3.

<table>
<thead>
<tr>
<th>MARKET SEGMENT</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week-end tourism</td>
<td>Short visits in “healthy” and “clean” environment with possibilities to participate in specialist activities</td>
</tr>
<tr>
<td>Area nearest large urban area</td>
<td>Athens metropolitan (4,5 M)</td>
</tr>
<tr>
<td>Nature tourism</td>
<td>Support of local environmental associations Visits to forests, river gorge</td>
</tr>
<tr>
<td>Conference – Meeting tourism</td>
<td>Possible for small groups due to proximity to Athens</td>
</tr>
<tr>
<td>Pensioners</td>
<td>Relaxing in natural and healthy environment</td>
</tr>
<tr>
<td>Activity – adventure tourism</td>
<td>Rafting, canyoning, mountain climbing, speleology, mountain bike activities are possible</td>
</tr>
<tr>
<td>Second home tourism</td>
<td>Residents of Athens metropolitan area originating from the area and others interested to have a second home in nearby area</td>
</tr>
</tbody>
</table>
In relation to these market segments, the Study team recommended general interventions and some specific projects to enhance the tourism product offering. These specifics are listed, along with their spatial position in Table 4.

### TABLE 4
**SPECIFIC INTERVENTIONS IN PILOT PROJECT AREA**

<table>
<thead>
<tr>
<th>PROPOSED INTERVENTION</th>
<th>LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restoration of AKOVA Castle Museum of Modern History</td>
<td>Village of Tropaia area</td>
</tr>
<tr>
<td>Areas for Day visits</td>
<td>At the water source in the Mainalon Forest</td>
</tr>
<tr>
<td>Camping grounds</td>
<td>Edge of Lousios River gorge</td>
</tr>
<tr>
<td>Agro-tourist rooms</td>
<td>Municipality of Lagkadia</td>
</tr>
<tr>
<td>Reconstruction of existing traditional buildings into accommodation</td>
<td>Municipality of Trikolonon – Stemnitsa</td>
</tr>
<tr>
<td>Photography and view points</td>
<td>Lousios River gorge</td>
</tr>
<tr>
<td>Rafting Station</td>
<td>Lousios River gorge near old Monastery Philosophou</td>
</tr>
<tr>
<td>4 X 4 mountain roads</td>
<td>In Mainalon Forest area</td>
</tr>
<tr>
<td>Mountain Refuge</td>
<td>On Mainalon Mountain, area between Ski Resort and</td>
</tr>
<tr>
<td></td>
<td>Municipalities of Vitina and Dimitsana</td>
</tr>
</tbody>
</table>

Since the study was completed a couple of years ago, it is interesting to note that a number of these interventions have already been put into effect, primarily from private sector operators and are servicing the tourism market successfully.

### Conclusions

We have presented three different, yet possibly complementary strategic approaches for selecting and implementing tourism development in mountain areas, based on the experience obtained from three different governmental planning studies in Greece.

We cannot proclaim that one methodology is better than another, since, as can be identified in the examples described, however briefly, each strategic approach can be better applied under different conditions.

Of course each strategy requires a different amount of information and in the case of the grading criteria, it is important to either have the comparative data or a personal understanding of the area under consideration, in order to be able to grade realistically.

We also feel that in certain cases a multiple strategic approach may be better suited to obtain desired results.
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DEVELOPING CITY TOURISM IN EUROPE - THE DETOUR EXPERIENCE

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ABSTRACT

The paper presents the main lessons from an eighteen-month study of developing tourism in six compact cities, funded by the ECOS-OUVERTURE programme. The study brought together representatives from municipalities, the private sector and the higher education institutions in the cities to develop a model for developing tourism strategies. This identified a number of core values, which are the premises on which tourism strategies will be developed in the cities.

The paper will review the key values and the model for strategy development proposed by the DETOUR project. It will draw on the experiences of the cities to demonstrate how this model has worked in practice. The six cities were: Derby, U.K.; Gent, Belgium; Kaunas, Lithuania; Maribor, Slovenia; Patras, Greece; and Veszprém, Hungary. All the cities shared what became known as the 'tourism bypass' problem as they have attractive destinations close by. For the presenters this was the rival attraction of Lake Balaton in Hungary and the Peak District in the UK. The strategies have, therefore, sought to look at how the cities can retain more of the tourists' time and expenditure within the cities. This has meant extensive reviews of the touristic offer in the cities and innovative approaches to packaging and repackaging the cities.

DETOUR has identified a sustainable approach that enshrines the quality of life of the local citizens at the heart of tourism development, as well as insisting on the continuous improvement of the touristic experience. The city partnerships have been central to driving the tourism strategies forward and the paper will address the challenges involved in establishing such partnerships, especially where resources are limited and power concentrated in one institution. One dimension of the strategy that seeks to address this has been the identification of the role of a Tourism Forum. They suggest this would bring together the stakeholders in tourism development throughout the city and would seek to bring a unified approach to the cities tourism whilst ensuring that all the voices within the city are heard and recognised.

The DETOUR Urban Tourism Strategy Framework

The DETOUR strategy for urban tourism development has been produced through a series of workshops in the six cities. It was conceived as a process model of strategy and, therefore, the framework includes not only the stages of strategy formulation but also implementation, monitoring and evaluation. The project was designed around a series of reciprocal visits, where the host city presented an introduction to the tourism offer available and highlighted key issues within what was known as a Seminar and Evaluation Week (SEW). The delegates from the other five cities were responsible for contributing to a critical review of the city and these have been produced as City Case
Studies, which formed the basis for returning to the issues of strategy. Alongside these meetings, there were also Management Capacity Workshops (MCWs) which developed particular themes, such as partnership working, welcome training and the strategy model itself. Cities brought teams representing the various sectors from within the tourism industry. Municipalities fielded both politicians and officers, drawn from Tourism and Economic development. Chambers of Commerce were represented by officials and by leading members of hotel associations and tourism operators. There were also representatives from the local universities and colleges.

One of the key aspects of the project was how these people came together both at the level of the city and within the project. It was noticeable that the reports on the city became more focussed and more reflective as the project progressed.

The urban tourism strategy model was put together through the seminar and evaluation weeks and the management capacity workshops, which focussed the discussions with the partners in the project. It has been based upon a wide range of academic literature to inform the aspects of the model. This has included the work of tourism specialists (Tribe, 1997; Harrison and Husbands (eds.), 1996; Poon, 1996) and has also drawn upon research from the business and management fields (Wheelen and Hunger, 1995; Bourgeois, 1996; Byars, 1992; Luffman et al, 1996; Higgins and Vincze, 1993). There are elements of the model, which will be recognisable from previous approaches to the subject, but it has a distinctive flavour as it has emerged from the actual experiences of tourism development in the six cities. The original draft was presented to the first ever seminar and evaluation week in Derby and re-presented in Patra in the third management capacity workshop. It has been necessary to identify the characteristics of what makes tourism a distinctive field for development and to ensure that the complexity of the industry is captured within the strategy development model.

The aim was not to produce six identical strategies for all of the cities but the attempt was to produce a framework, which would help the cities to identify their own specific circumstances and orchestrate their own arrangements for strategy development appropriate to their own requirements. This will mean that there are certain characteristics held in common across the cities but that there will also be significant differences within the strategies when they are compared because of the proper consideration and recognition of the local differences.

The model is presented as a sequential process but it should be remembered that the boxes across the bottom of the diagram have been designed to ensure that the model is not seen as a simple linear approach to strategy development. It is recognised that there has to be continuous informed feedback throughout the process, which allows communication to move throughout the industry and involve all the stakeholders.

However, in order to present the model briefly, it is necessary to present the boxes as though they are discrete areas of the process, even though they cannot actually be separated in practice. This will then give rise to the vision and the mission for tourism development in the cities. These are seen as being the product of the processes of consultation and dialogue within the cities and not as a top down imposition by the
tourism authorities. The project modelled its own process and adopted a mission statement for itself and this has guided our actions since the meeting in Patras. It reads:

**DETOUR MISSION STATEMENT**

To develop and apply a sustainable tourism strategy model to enable all partners to offer a quality package which is highly attractive to tourists whilst maximising benefits to the city and all of the citizens in an inclusive, sympathetic and dynamic way.

The statement clearly reflects the priorities for the project, with its emphasis on:

- Sustainable tourism
- Partnership
- Quality
- Inclusivity
- Sympathy
- Dynamism

It presents a difficult challenge to the cities but one that will help to shape their approaches to developing tourism products, infrastructure and policies. The mission statement emerged from our collective discussions and was prompted by a workshop session on the role of values in strategy formation, which led to the formulation of the key values for the project.

**Key Values**

The most important aspect of using a process model is that it necessitated clear thinking about the values that underpin the DETOUR approach to tourism development. After much debate and lengthy discussions the project team agreed a list of eleven key values:

- Tackling the by pass and pass through issues
- Promoting sustainability for the next generation: environmental, economic, social and cultural
- Enhancing the quality of life for citizens and tourists
- Ensuring integration and coherence across policy sectors and strategy levels
- Maintaining diversity and distinctiveness
- Promoting economic prosperity
- Increasing social inclusion and targeting of benefits
- Establishing and sharing best practice with common standards for training and education (including higher education)
- Realising the benefits of tourism for businesses and individuals
- Developing effective partnerships
- Incorporating continuous consultation and two way dialogues

These values were underpinned by a constant and ever present need to ensure that the tourism developments were of the correct quality and informed by an understanding of
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The virtues of continuous improvement. They were constant drivers of the way the project developed and the framework that took shape.

The mission statement was designed to inform and guide our deliberations on the rest of the strategy model. It also informs the idea of critical success factors as the overall assessment of the strategy has to be tied into how it helps to move the cities closer to their own vision and mission.

**Purpose**

The first box is labelled ‘Purpose’. This concerns the reason(s) for developing the tourism strategy and from where these reasons have emerged. It is clear that in some countries there is a mandate from central government to establish a local or regional tourism strategy, whilst in others the decision is made locally. This will affect the constraints placed on the development, and will often influence the control over the levels of resources available for the development and implementation of the strategy.

A key input of this part of the model must be the identification of what the project refers to as “stakeholder” expectations. This is an inclusive term and is indicative of the approach used in the model. The purpose of the tourism strategy as outlined in the key values is to include as many people in the benefits of tourism development. The term “stakeholder” allows individuals and groups to be included. It is a broader concept than found in traditional terms such as interest groups or community development literature. It is designed to include those who have a direct influence on the development but also to recognise that there will be others who are directly affected by the development, whether they have been included in the development process or not. We, therefore, are including not only the legislators and the planners from the local regional and national tourism organisations and the various sectors of the tourism and tourism-related businesses, but also the members of the local communities who are involved in the municipalities. This builds upon the sustainable tourism demand that local communities are involved in but goes beyond that by insisting that sections of the community who may have no interest in the developments but who will be affected by them are directly involved in the two-way dialogue also. We believe that this is essential to ensure that tourism develops the quality of life of all local people as well as developing a quality tourism product in the cities.

We tried to identify groups of stakeholders, and ended up dividing them into four groups according to their interests. The four groups are the following:

1. **Businesses:**
   - Hotels
   - Cafés, bars
   - Carriers
   - Travel agents
   - Entertainers
   - Attractions
   - Festival organisers
   - Coach companies
Taxi firms
Business clubs
Trade unions
Banks

These are the businesses that are more or less directly involved with tourism. There are indirect tourism businesses. These are also supplementary services, which would include laundries, garages, post offices, hairdressers, etc. The providers of these services do not always contact tourists directly, and not all tourists require these services. However, they are necessary elements of a good quality tourism product.

2. Citizens
In this group we defined three further sub-categories:

- people who are directly affected by tourism (e.g. those who earn their living from tourism)
- people who suffer from the negative impacts of tourism (these people are the ones which usually object to developments or events)
- ethnic groups can be a third sub-category in some cities

There are always people who will object to tourism developments, for various reasons, but this should not prohibit the tourism product from developing. Maribor has an annual festival and some local residents complain about the level of noise, while others are very supportive of it. Those that complain are given a grant towards a holiday, which can be taken for the duration of the festival. No citizens should be excluded. In Derby ethnic minorities would be included as they add to the tourism product in the city. In Veszprém the gypsy population has a similar role to play.

3. Public Bodies
This includes local authorities, tourist boards, chambers of commerce, chambers of trade, development agencies, training agencies, employment agencies and universities.

The following bodies were put in this group:

- Chambers of Commerce, Industry, Crafts
- Development Agencies
- Educational Institutes
- Employment Agencies
- Training and Enterprise Councils
- Universities and colleges

4. Voluntary Sector
- Community Associations
- Environmental interest groups
- Cultural and Sports Associations
When discussing the role of the various stakeholders, we agreed that the roles should be based on the level of engagement with the strategy development process. The entire stakeholder group should be represented but not necessarily to the same level. The widest layer of people should be involved at the level of consultation, a smaller group that we called indirect beneficiaries should be involved at certain stages of strategy development. Those who are directly affected should, however, be involved during the whole development process.

The expectations of the different groups of stakeholders can be identified through their involvement in the aforementioned process. Some of the expectations of the different groups overlap. The various stakeholders expect the following:

- business
- jobs
- better quality of life (through improved facilities)
- investments
- involvement (especially at the beginning of the process)
- competitive advantage
- increase membership (Chambers)
- politicians will expect that the strategy will further their career, or at least help them to be re-elected.

However, we distinguished two types of involvement:

- involvement in tourism
- involvement in developing and implementing the strategy

**Involvement:**

- consultation
- indirect beneficiaries
- directly involved.

The level of influence will depend on the aspirations of the stakeholders and the power structures within the cities. This will vary in different cities. We agreed that the influence of the different groups of stakeholders should not depend on the level of involvement, as the dominance of any of the interest groups should be avoided. The interest of the individual stakeholders should not unduly influence the development of the strategy nor should it depend on the level of involvement. It should be remembered the whole is greater than the individual parts.

We must differentiate between stakeholders that should be involved and those that should only be consulted. Different people can be consulted in different ways, and also at different times, for example during preparation, implementation, and/or monitoring. How stakeholders are consulted may vary according to the stage of development. It is important, however, not to be too prescriptive. We need to be aware that stakeholders should be involved in some way during all stages of the development model. Organisations' roles and remits do vary from country to country and it is up to individual cities to decide which stakeholders are consulted and at what level.
It is these consultations that create the platform for the grounded mission statement to be prepared. The purpose of the analysis is to identify where the city is but the analysis need not remain neutral. The analysis forms the basis for identifying a range of competitive advantages (and conversely disadvantages) for the city. It is important for the cities to be able to identify what they do well and what they think gives them a competitive advantage over their rivals. The identification of who the rivals are is, of course, an aspect of the base line audit and one which may vary according to the market segment(s) being discussed.

Distinctive competencies are the areas where the city can argue that it excels and exceeds the expectations of the tourists. We have seen a great deal of distinctiveness in the cities, and we have seen how the strategies have been designed to harness and enhance these features. It is not always the case that strategy is designed to build on the distinctive competencies of the city, as the policies devised often concentrate on the weaknesses in the tourism product to offset potential damages rather than building upon the recognised and perceived strengths.

**Identifying Competitive Advantages**

The key tasks for the cities were to define:

- Competitors
- Markets
- Product
- Success Factors

This can be reviewed by addressing a series of key issues – i.e. reviewing the key markets both in terms of existing product and target:

- Empty Nesters
- Short break market
- Business/Conference
- Youth groups possibly linked to sporting events
- Culture and history
- Day visitors.
- New markets from festivals or other ideas.

It was decided that it was also important to identify the markets that should not be targeted, for example the family market.

A constant theme throughout the project was what was actually known about the level of tourism and the state of the tourism offer. Here there was a concern that cities should:

- Look at the available tourism data – occupancy rates, revenue, visitor numbers
- Examine investment and growth within the city
- Look at published reports on development of sport, culture and education
- Commission surveys of visitors to the competition
- Media reaction to the products
Other projects

- Use the promotional literature from the competition for comparison
- Use known indicators to compare the competition
- The small business register will provide evidence of diversification in business. Hence, more than just the high street chains can be identified.

The reviews of the cities suggested certain areas where the six cities had performed well or had potential to do well:

- Good locations and transport links
- The size is attractive and attractions are easily linked, allowing for half-day/full day itineraries. Compact cities can also use zoning or quartering
- They are good at attracting visitors – keeping them is the problem
- Promotional literature is good but a close watch must be kept on providing relevant information
- The cities have the capacity to provide good regional links for mutual benefit.

Analysing existing markets for expansion or identifying new ones:

- Certain data needs to be taken into consideration, national trends, local data, etc.
- Look at local investments
- Gather information on the competition- why are they successful? Should we copy or differentiate?
- A proper impact analysis will determine the sustainability of the strategy

Options for establishing feasibility of potential attractions

- Impact analysis/ sustainability issues
- Stakeholder analysis
- Relevance to the city – does it fit into the cities character?

We then reviewed the alternatives for competitive advantage. These are traditionally seen as:

- The price/product placement.
- Promotion of your own product by deriding the competition
- Co-operation strategies.
- Lead on service quality
- Complimentarity with rivals/competitors
- Regular updates of products

The cities then identified the opportunities for competitive advantage:

- Service quality/ added value
- Promotional activities
- Market research
- Product development
- Distinctiveness
- Alternative scenarios for existing products and imaginative thinking
We envisage this section of the process will allow cities to identify a set of strategic objectives for themselves, which the values and the mission of the city inform, and which recognise the major features established in the baseline audit. These objectives are crucial for mapping out the direction of the next stages of the process and for setting out the parameters around the tourism development strategy.

The products could be the following:
- heritage tourism (cultural background)
- cultural tourism (activities, events, entertainment)
- water tourism
- meeting tourism (not only conferences!)
- a product based on sports facilities
- a product based on gastronomy, wine

The motto should be 'Experience the city!' – not only see the various attractions but experience the whole city with its lifestyle, etc.

- We have to know if the products identified are competitive in the different markets. We also need to know where the various products have a positive or a negative image, where that image comes from and how to handle it (especially if it is a negative image).

We also have to know how the city is seen by the present and potential markets (the tourists' concept of the city) and how that image is different:
- locally
- regionally
- nationally
- internationally

We need to reposition the city if the gap between the image we hold of our city and how the tourist perceives it is to be relevant.

For successful positioning, we need to have information on competing cities as well. Based on this information we have to decide how to deal with rivals:
- co-operation (combined packaging)
- complementary strategy
- extra event as a distraction

**Decisions on the market**

As a next step we have to make decisions on the markets:
- to penetrate new ones or
- to better exploit the old ones

In both cases, we have to decide if we want to:
- create a new product
- take an old product and improve on it
- take the old product and offer it at a better price
Identifying the strategies
After positioning or re-positioning the city, we have to decide, based on seasonality, if we want to concentrate on one product only – i.e. focus on one product in the summer and on a different one in the winter, or if we want to have a hybrid strategy i.e. concentrate on several competitive products. If we decide on the latter option, we have to know how to create a coherent strategy, which focuses on different products.

- We also have to consider the differences between the competitor cities, i.e. we may have to deal with different rivals in a different way.
- In addition, different positioning strategies are required for the different market segments.
- Moreover, positioning and repositioning strategies require different elements.

This, however, then requires two further steps within the process. There has to be a commitment to the active and systematic review of those alternatives that have been generated. This is seen to include rigorous feasibility studies, paying particular attention to the rounded definition of sustainability included in the values of the project and, therefore, not meaning a simple cost benefit analysis of the alternatives. We believe that this is another aspect that should involve the key stakeholders and could become a cornerstone of a strong and effective tourism partnership within the cities. It is one of the key roles for the proposed Tourism Forum.

An essential part of discussing the alternatives has to be consideration of where the city sees itself, at present and in the future. This positioning needs to encompass not just a sense of the product(s) but also of the markets in which the city could be operating. This definition of the competitive positioning of the city has proved to be particularly challenging for cities, which have not historically defined themselves as tourism destinations but which have developed tourism alongside other concerns. It is apparent that clarity is needed in the positioning of the cities in order to target effort and expenditure effectively and efficiently.

Finally in this box, we come to the actual decision making, with the final decision about which opportunities to develop and support with financial and human resources. This selection will also mean the deselecting of the other alternatives that are not supported. This will test the strength of the partnership as certain stakeholder interests will be valued as more immediate priorities than others. One of the strengths of a working partnership we have seen is the sharing of the common sense of purpose within the city and this may help to offset the disappointment about a specific project, where the benefits to the city can be shared between the stakeholders.

Once the alternatives have been chosen and the direction agreed it is necessary to identify a range of performance indicators that will allow progress to be monitored. Again, these will vary from city to city and from market to market but it is a vital stage in the process to ensure that they are established and shared within the partnership.
**Action Planning**

This part of the model takes the idea of strategy into the realm of implementation and looks at the ways in which the strategic objectives can be met and the selected alternatives developed.

We discussed the need to:
- identify how long each initiative would take to complete. Two time frames were mentioned. First, the length of the overall programme. Second, the period for individual projects. As regards the former, it was observed that the programme should be regularly reviewed. It was important to identify the order and time frame for actioning different elements of the tourism strategy;
- build in key dates: (such as, when do politicians meet, when is a good time to make an announcement, when will the initiative begin, and how long will it last);
- involve the stakeholders – and certainly, those who will be involved in developing and implementing the strategy and its various initiatives;
- prioritise actions and initiatives;
- take account of annual funding constraints;

Generally, we agreed that it was important to establish a critical path analysis for the programme that would clearly highlight:
- start dates;
- finish dates;
- key actions.

In terms of action plans for individual projects, we agreed the need to establish clearly:
- targets;
- outputs;
- milestones;
- other key dates relevant to the programme and the project;
- partners;
- funding (where it will come from and at what stage?).

Marketing was seen as an important activity in its own right but also one that needed to be integrated appropriately with other projects in the action plan/time schedule. The group distinguished between marketing initiatives that would promote "tourism" projects and public relations, which would promote the overall "vision" the strategy and various initiatives. The latter being targeted at key stakeholders (including local people) such as politicians to ensure support.

We discussed the concept of "critical moments" as well as "milestones". It was argued that critical moments were key events that would have important ramifications for implementing a strategy. One example given was if a local or national election affected the political landscape and changed the relationship between central and local government. For instance, an election leading to the City's Mayor being from the same party as the ruling party at national level.
Linked to the concept of milestones were discussions about incorporating targets and outputs into the Action Plan. It was argued that there could be overlap between these concepts. For instance, the achievement of an output or target could itself be a milestone. Equally, just as milestones can be identified, so outputs and targets and their timing should be specified at an early stage.

We then had a wide-ranging discussion to identify important milestones that could form key stages of a strategy's implementation. The following milestones were highlighted:

- "First milestone is when the Action Plan is approved and the second is when implementation begins";
- Approval, start and finish dates of key projects;
- If works need to be completed by a certain date then these are important milestones. Monitoring events can also be important milestones;
- There was also discussion about the importance of having early "visible" successes for a strategy. This was seen as a key milestone. It was important for ensuring continued support from politicians and other stakeholders.
- Key fixed dates that are integral to the strategy – for instance a major cultural or sporting event.
- Key dates relating to funding (applications, dates of receipt and spending time limits) - however, the group pointed out that funding and reporting deadlines can distort the development process.

**Highlighting resource issues**

Key resource issues identified by the group focussed on money, people and infrastructure - including IT skills and equipment. Within these broad categories, resources identified by the group included "in-kind" resources being contributed by the partners. For instance, it was argued that experience and know-how of organisations and individuals can be a resource that can improve the quality of a scheme.

We discussed that consideration should also be given to identifying opportunities for synergy in the Action Plan. Potential areas for synergy were identified as:

- strategic collaboration between partners;
- creating a critical mass of activity, events or products;
- collaborative marketing ventures with the region;
- joint work on initiatives between different organisations.

Finally, in this section, it was observed that successful networks and partnerships can be considered a resource - especially when they have the capacity to generate more resources, and support strategic and project initiatives.

**Building in flexibility**

Action Plans should be clear coherent and well specified. There was a consensus that they should be flexible enough to respond to changing circumstances.

Flexibility was needed when:

- new opportunities arose;
new threats emerged;
the process or an initiative was not working or was not working as well as it could do.

It was noted that the flexibility of specific initiatives should be considered in risk assessment at the feasibility stage of the project.

Equally, the monitoring and evaluation process should pick up not only specific project problems but also external threats or opportunities. In other words, there should be an awareness of “what is going on and how this affects projects, initiatives and strategic objectives”

As we have been working on a process model, we have also considered the role of action planning. The workshops in Kaunas, Maribor and Veszprém have all included sessions devoted to action planning of the local tourism strategy. These discussions have focused on the timing of the proposals and the short and medium term goals identified. There is still work to be undertaken at the more detailed level in producing action plans for the financing of the selected alternatives, the human resources issues, the infrastructure, the information, and the marketing. All of these areas require detailing for the cities to move forward.

It was clear in these plans that the role of partnerships was critical to the success of the tourism development initiatives. No one sector could carry forward the suggestions, let alone implement the strategy in isolation from the other key stakeholders in the tourism enterprise. This is not to deny the role of leadership within the process but it is necessary to underline the need for effective cooperation if the tourism strategy is to be developed and implemented successfully.

**Monitoring and evaluation**
The workshops have reinforced the very important distinction between the way in which the monitoring of the strategy process can be undertaken and the nature of evaluation. The two terms have become almost inseparable but we have to be able to distinguish between them, both in terms of the content but also in terms of whose responsibility it is to carry out the two sets of functions.

**Performance measures**
One of the tasks that we addressed in the cities was to look at the range and types of performance measures that could be adopted to review urban tourism strategies. There was a great deal of common agreement about the lack of unified performance measures and the problems of identifying performance indicators that actually captured the implementation and action planning. Furthermore, it was noted that very little attention had ever been given to evaluating the actual process used for the development of the strategy itself. Given the key values of DETOUR and the emphasis on partnership and inclusivity, the project was concerned that both quantitative and qualitative indicators allow the monitoring of involvement in the process itself and not just the specific developments initiated by the strategy.
This would include the range of stakeholders involved as well as their perceptions of how valuable their participation was.

Review processes are seen as constant reminders that the strategy process is ongoing. There is a need to ensure that there is continual reference to the mission statement and the key success factors within the process. The two-way dialogue and the constant feedback should ensure that the monitoring and evaluation of the strategy is comprehensive and coherent.

Monitoring has to be an ever-present factor, which adheres to a constant set of processes for data collection throughout the development and implementation of the strategy. The project has identified a number of key indicators, with the recognition that these should include hard quantitative data and also more qualitative responses. The systems in place within the tourism industry should allow for data to be generated and collated easily. It is recognised that sometimes the partners may not want to share information of a commercially sensitive nature with potential competitors or the fiscal or regulatory authorities, but the sense of purpose and partnership has to be used to overcome this.

This area was the most difficult and was seen to underpin everything that was being discussed in the strategy and its implementation.

- **Start with Key Values** - as they drive the whole process. There should be constant monitoring of the key values. This will have the added benefit of promoting the ability of partners to reflect professionally on what they are doing.

- **Gathering information**  
  Steering group should meet regularly, perhaps monthly - to monitor and evaluate the information:  
  - Set up a separate monitoring group within the Steering Group to collect data.  
  - IT - (Information Technology) could be useful to support individual tasks.

Indicators that are quantifiable are often seen, as the easiest to use but there is value in qualitative information as well.

- **Set Strategy Standards** - Strategy may need reviewing over time but the timing is crucial. Key dates need to be kept (up to everyone to meet timescales). This will require the development of systems indicators that can be set and reviewed, for instance, at the quarterly meeting of partnership groups. Continued assessment is necessary and provides officers and other team workers with the chance to interpret the hard data.

- **Partners** - Partners must be involved in the monitoring process, as they have the access to the sources of raw data and the opinions of the tourists.

Evaluation has been seen as the reflective and responsive reaction to the information that is collected and presented about the development and implementation of the
strategy. It is not possible to undertake evaluation without monitoring, but monitoring is not evaluation. The data cannot speak for itself; it must be interpreted by the key stakeholders and those interpretations must be shared openly within, we would suggest, the Tourism Forum. It is only through this interpretation that the results can come to have any significance, as the context of the evaluation will challenge and influence how the figures are understood. For example, a 5% increase in tourists visiting the city may look like a positive figure, until it is reviewed in the context of a 20% increase in the numbers of tourists to the region over the same period. The monitoring information has to be understood within the context of the key values and the strategic objectives, which have been set for the development of tourism. These establish the framework for the evaluation of what is significant in the monitoring figures that have been produced.

The context for evaluation has to be set in the first stage of the process model and it is why clarification of the values and the mission statement is central to the project. Those early discussions identify the key success factors for the development of tourism in the city, and, therefore, establish the criteria by which progress can be judged.

**DETOUR MANAGEMENT CAPACITY WORKSHOP ON PARTNERSHIP**

The DETOUR MCW on Partnership explored in more depth the issues raised in the preceding Seminar and Evaluation weeks. The workshop:
- provided opportunities for mutual learning of how the partner cities organise, develop and utilise their local partnerships
- highlighted best practice and policy lessons for local partnerships
- provided guidance on constructing and maintaining effective local partnerships.

In order to investigate how different professional cultures approach partnership, delegates representing the public, the private and the academic sector examined a series of key partnership issues from their own particular perspective. These issues included:
- general attitudes to partnerships
- what is needed to make partnership worthwhile
- what they would want tourism partnerships to achieve
- the obstacles (practical, cultural or philosophical) to involvement and how to overcome them
- what they could contribute to partnerships for tourism
- what they would expect from other partners.

**While exploring the partnership development process, delegates sought to**
- identify the essential elements for establishing and implementing effective partnerships
- identify options for organisational structures for partnerships.

**Partnership conclusions**

The MCW and the collaboration between the different partners generated a wider and deeper understanding of tourism partnership issues. Crucially, it highlighted the
influence of historic traditions, cultural contexts and the socio-economic climate on how tourism partnerships can develop and what form they might take in the different cities.

Together they pointed to defining prerequisites that effective tourism partnerships would need to meet. These included the importance of:

- establishing trust and effective communication between partners
- effective leadership, usually from the Municipality
- ensuring that key tourism actors are involved
- the importance of “joined up thinking” that embraces tourism, cultural, sporting and economic development agendas
- identifying a clear partnership purpose and agenda
- setting achievable goals
- ensuring concrete and measurable achievements
- having the resources to ensure the partnership work to implement its agenda
- utilising the skills and resources that exist within the cities.

When developing the DETOUR framework strategy, one of the crucial issues involved defining the possible partners and the organisational arrangements needed to develop and implement tourism strategies in each city.

**Which partners should be involved and at what level?**

All stakeholders should be involved in developing the strategy. The stakeholders should be grouped according to their common interest and each group should be represented in the Tourism Forum. However, the involvement of the various stakeholders should vary from group to group.

A pre-requisite of effective partnership is the involvement of:

- local tourism actors and stakeholders at regional and national levels;
- funding bodies (both public and private);
- special advisory groups and;
- NGO's as partners.

**Organisational structure of partnership:**

The DETOUR delegates’ discussions were based on the issues that had been raised during the preceding Partnership Workshop, and it resulted in expressing the necessity of a Tourism Forum that would drive the tourism agenda forward in the individual cities.

A tourism forum could be an ideal way to develop and implement the strategy. This should not be an open forum but should be based on representation - we have to make sure that each stakeholder group is represented at every forum held.

**Responsibilities of the different partners:**

Rights and responsibilities have to be set at the very beginning when we know who the partners are. The local authority, however, has the greatest responsibility as it represents the citizens;
it is the main funding body.

The main subsets of the forum are the following:
1. Board
2. Strategy Group
3. Technical Group

Definitions:
1. The Board is the main decision making body, it creates a balance between the different interests of the various stakeholder groups. It has a director that represents the forum.
2. The Strategy Group is external, it functions are as an advisory body of the Board (suggests how the different ideas can be implemented, etc).
3. The Technical Group is formed from various subsets responsible for different fields such as Finance, HR, IT, Marketing, Infrastructure, Data Collection and Analysis. This subset is responsible for the implementation.

Resources and back-up

Most of the financial resources should be supplied by the public sector though the private sector should contribute as well. Back up is expected from the representatives of all sectors—the human resources of the university are particularly significant but the knowledge and expertise of the private sector are important to.

Decision-making:

The representatives of the stakeholders present their ideas, and initiatives to the Board, which, with the help of the Strategy Group, evaluates the initiatives, and makes decisions on which ones to put forward. Finally, the Technical Group is responsible for the implementation of the strategy.
The Tourism Forum

Tourism Partnership in Veszprém

In Veszprém, it was the DETOUR project that gave rise to the formation of partnerships. Before the start of the project, there were links between individual partners, while the various stakeholders formed partnerships for specific, short-term projects or activities. The different links, however, did not result in the formation of larger networks. The project has brought together the Municipality, the University, and the Chamber of Commerce and partners representing the various parts of the private sector that became involved in tourism development. Following the abolition of compulsory membership, however, the role of the Chamber of Commerce has declined for the time being, but the partners involved in the DETOUR project expressed their wish to continue the team work in order to ‘join forces’ for successful tourism development. As a step forward, there were attempts to organise a local tourism forum as proposed in the DETOUR framework strategy. Although the forum has not been established yet, the informal meetings involving the representatives of all stakeholder groups have reinforced the necessity for a formal organisation that could implement the city’s tourism strategy.

The local partnership would resemble the forum discussed as part of the framework strategy but would have city-specific elements.
Ad hoc committees
To implement the various projects, ad hoc committees could be formed that would focus on one task only. These committees should be drawn from the Tourism Forum and should invite additional stakeholders, depending upon the initiative.

About the Forum:

The membership of the Tourism Forum would be optional, however, the city should encourage the various partners to become part of the network. The Municipality should offer incentives like free advertising for members in the brochures published by Tourinform (TIC) and on the website of Tourinform.

The budget of the Forum should draw on funds, which are already committed to tourism, and new funds identified for new developments.
- Contribution of the Municipality: - Running costs of TIC
  - Visitor tax
- Contribution of the members by subscription (details yet to be worked out).

Tasks of the Forum:
- the primary role is to implement the Tourism Strategy
- monitoring and evaluation of the Tourism Strategy
- debating initiatives concerning tourism development
- advising on the tasks of the tourism co-ordinator and Tourinform Veszprém
- co-operating and integrating tourism development with other committees of the Municipality
- maintaining contact with the regional and national tourism authorities
- informing and involving the settlements of the immediate region.

Tourism partnerships in the DETOUR cities – best practice:

One of the most important outcomes of the DETOUR project was the exchange of ideas as the partner cities had the possibility to critically reflect on good or best practice from each other. The cities of the former socialist countries and Patras could especially gain ideas from Derby and Gent on how tourism partnerships can work effectively. Derby organises two Tourism Industry meetings a year, which offer an opportunity to comment on the Visitors’ Guide and marketing activities and to discuss any particular relevant issues. For those who are not able to attend the meeting(s) a twice-yearly newsletter is produced to keep industry representatives informed. The involvement of the local industry in marketing initiatives is another good example to follow.

In Gent, the Committee for Tourism, which includes members from the local Council, political parties and representatives of the tourism sector, meets four times a year to discuss any relevant issues concerning tourism. Another important local partnership is the Gent Promotion Fund for Tourism, Culture, Economy and Hotels, whose main task is to stimulate longer visits to the city. The partnership tries to promote Gent by inviting journalists, tour operators, coach companies and congress organisers to the city. The financial contribution of municipality to the partnership is a fixed amount,
whereas the contribution of the private sector is offered in kind, i.e. overnight stays in hotels and meals in restaurants.

**Conclusion**

The strategy framework has been designed to allow the maximum participation and involvement by the stakeholders in the tourism development process. It is not an academic exercise as the cities involved have already demonstrated by putting the framework into practice. It does require adapting to the specific conditions of the city as revealed by the audit and the directions of the stakeholders will influence it. However it does offer a useful guideline for cities looking for a framework within which to develop their strategy. As a process model, it emphasises the need to be clear about the purpose and the values underpinning the desire for tourism and the selection of the alternatives to be pursued.

The idea of creating a Tourism Forum to give a focus to stakeholder involvement has found a great deal of support within the cities, and appears to help to ensure the involvement and recognition of the partners in tourism development. The feedback, monitoring and evaluation of the activities and strategic developments are also informed by the values of the city and the city’s stakeholders. DETOUR has suggested a number of key values which we believe are vital to the development of tourism in a sustainable and sympathetic way, which we hope will be taken up by other cities as the framework is disseminated more widely.

There is much for cities still to do in operationalising the framework. There will need to be baseline audits of the tourism product and the infrastructure. There may need to be research about the potential markets and market segments. There will need to be indicators identified to capture the progress of the strategy, as well as systems put into place to ensure that this information can be collected and collated as quickly and easily as possible to as many stakeholders as possible. Evidence of success will have to be tied to the key values and the critical success factors identified in the cities and should be carefully assessed by the stakeholders.

The DETOUR framework cannot guarantee a successful tourism strategy but it can help to ensure that the strategies developed are informed by clearly identified key values and that these key values inform the developments which come forward. By also concentrating on the involvement of the broadest possible range of stakeholders, the framework draws attention to one of the main challenges facing tourism. We argue strongly that the benefits of tourism to the local communities as well as to visiting tourists must be stressed. The commitment to environmental, economic, social and cultural sustainability is supported by the other values that reinforce the local area and the need to protect and enhance diversity and differentiation within the city.
References
Achieving Regional Balance
HERITAGE AND CULTURAL LANDSCAPE INTERPRETATION AND SUSTAINABLE TOURISM DEVELOPMENT IN REMOTE RURAL AREAS: A CASE STUDY IN THE PENEDA GERÊS NATIONAL PARK

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ABSTRACT

Serious social and economic problems are common in remote rural areas, making it difficult for poor rural producers to survive by continuing their traditional activities. Recent studies have shown that community-based heritage and cultural tourism is regarded as a key contributory factor for sustainable development in such areas. Heritage tourism seeks to preserve the cultural and natural heritage of a region, while simultaneously revealing the special features of that heritage for the enjoyment of visitors. Heritage tourism lets visitors to an area learn about the past, by visiting cultural sites or participating in cultural activities and by enjoying the natural environment of an area, while at the same time promoting economically profitable and environmentally sustainable activities that generate modern employment opportunities.

This paper sets out to advance a sustainable tourism development model, which acknowledges that local tourism planning works well when it involves efforts that include local community agents as well as external supporting actors. This model, which is based on the traditional knowledge and practices of mountain communities of the Peneda-Gerês National Park (Portugal), proposes strategies for local sustainable tourism through heritage and cultural interpretation.

KEY WORDS

Eco-tourism, sustainability, interpretation, heritage, culture, conservation, community-based development, protected areas, local knowledge, nature tourism
INTRODUCTION

Tourism - when soundly and responsibly developed - can become a powerful force for creating more jobs, combating poverty, and simultaneously, protecting the natural and cultural environment (de Villiers, 1999). The interaction of man with nature in the shaping of our landscape has resulted in a rich natural and cultural heritage that we today are desperately trying to preserve and protect for future generations. But what do we mean by heritage? The word “heritage” is applied in a wide variety of contexts (Tunbridge & Ashworth, 1996). Heritage in its broader meaning is “something transferred from one generation to another” (Nuryanti, 1996: 249). In the cultural context, heritage describes both material and immaterial forms, e.g. artefacts, monuments, historical remains, buildings, architecture, philosophy, traditions, celebrations, historic events, distinctive ways of life, literature, folklore and education.

In the natural context, heritage includes landscapes, gardens, parks, wilderness, mountains, rivers, islands, flora and fauna (Nuryanti, 1996).

In order to minimise any negative effects, the ideals of sustainable tourism need to be promoted. But the notion of sustainability is a very complex one and it has many ramifications (Mowforth & Munt, 1998).

Academics and policy-makers alike have struggled with what the precise definition of sustainability should be. It is now generally accepted that sustainable development recognises the validity of three interests - the environment (natural and built), the economy and socio-cultural concerns (Macgillivray and Zadek, 1995). Sustainable tourism allows visitors to enjoy an attraction, community or region with a volume and impact in a way that the local culture and environment are unimpaired (Hill, 1992). The term “sustainable tourism” has come to represent and encompass a set of principles, policy prescriptions and management methods which chart a path for tourism development such that an area’s environmental base (including natural, built and cultural features) is protected for future development (Lane, 1994). Similarly, Farrell (1992) interprets sustainable development as the need to find a balance in the development system between economy, environment and society, such that no single aspect is regarded as more important than others.

Ecotourism has been lauded as an attractive sustainable development alternative to mass tourism because it is perceived to have fewer negative impacts on natural resources that conserve and potentially enhance the very resources it is so dependent on (Farrell & Runyan, 1991; Wight, 1993). Ecotourism, as well as terms such as: green tourism, ecological tourism, sustainable tourism, nature based tourism, alternative tourism, and adventure tourism, have recently been used to designate tourism that is developed in natural and cultural settings. At first glance, they may appear to be the same, but it is not always the case. Terms such as sustainable and responsible tourism for example are synonymous with ecotourism, yet others have their own characteristics, principles and practices. Among the various terms, however, ecotourism is the one, in which the concept, principles and criteria of sustainable development are most evident (Marques, 2000).
Ecotourism is often defined as sustainable nature-based tourism. Shore (1999) defines nature-based tourism as a broad category of tourism where a major attraction for the trip is the natural environment. Seeing or experiencing nature is part of the expectation of the traveller. Lindberg and Hawkins (1993) add that ecotourism is “responsible travel to natural areas that conserves the environment and sustains the well being of local people”. This definition of ecotourism also incorporates social and cultural dimensions, where visitors interact with local residents (in national parks or remote areas). Shores (1999) claims that the proper definition of ecotourism is ecologically sound tourism. Ecologically sound tourism will only achieve its full potential if all the partners who have an interest and who bring value-added benefits are actively involved in the process. To benefit local communities and be socially sustainable, ecotourism must foster environmental and cultural understanding, appreciation and conservation. Ecotourism can assist with sustaining traditional cultures in natural settings; ecotourism benefits host communities; and ecotourism contributes to an independent and sustainable lifestyle for the local residents (Zeppel, 1997). In effect, ecotourism blends community involvement and tourism under the environmental umbrella.

Concepts of conservation and sustainable development are now, normally, included in heritage interpretation (WTO, 1993). The central challenge in heritage tourism is to structure the past in the present through interpretation (Nuryanti, 1996). Heritage and cultural landscape interpretation and sustainable tourism development in remote rural areas is the subject of an international project, titled RAINBOW, funded by the European Union, under the INTERREG II, Atlantic Area Programme. It involves inter-regional co-operation between three European countries: Portugal, UK and Ireland. In Portugal, the area of study is the Peneda-Gerês National Park.

Tourism in the Peneda-Gerês National Park

The Peneda-Gerês National Park was created in 1971, and was the first region in Portugal to be designated a protected area. It is located in the Northwest of Portugal (map 1), covering a mountainous area of about 72,000 hectares, over five administrative districts. It extends along some 80 km, bordering with the Natural Park of Baixa Limia-Serra do Xures in Spain (Map 2).

Together they form one of the first cross border parks in Europe, which develop cooperation schemes regarding conservation and nature protection on both sides of the border. The human occupation of the territory, which started around 5000 BC, has centred around the river valleys rather than in the uplands, where life is more difficult, given rise to a landscape that is deeply influenced by man, and the presence of extremely valuable forms of culture.
There are about 114 villages in the peripheral zone of the park, totalling about 10,000 inhabitants. These mountain communities, tucked away in the valleys or isolated on the plateaus, and separated from one another by difficult mountain paths, have had to be self-sufficient. They have developed activities and created a social organisation that enables them to overcome the hostile conditions of their environment. These people have from remote times carried on a life ritual in which pasturage and livestock play a predominant role. From this way of living came knowledge and experience, represented in customs and rituals, which in many cases still exist today.
Since the beginning of the century, tourism has developed in this region mainly due to the existence of a spa in the Vila do Gerês. Even before becoming a protected area,
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there were already quite a significant number of tourists coming to the region every year, particularly in the summer months. With the designation of the National Park, visitor numbers have increased, particularly to the Gerês area. Although no market research has been done to determine tourist motivations for visiting the region, it is argued that other market segments come to the Gerês area because it is deemed a fashionable destination. The upper classes have come for the same reason since the beginning of the century. Pilgrimages to S. Bento da Porta Aberta (nearby to Gerês) is seen as another attraction for visiting the region. The fact that the region was integrated into the national park adds to the number of market segments.

The national government passed legislation creating nature tourism, specifically for protected areas. Known under a variety of names, nature-based tourism is promoted by the travel industry as a unique opportunity to see and experience natural environments and local customs in ways not available to participants of mass tourism. Nature tourism is developing a popular following. It is being touted as a solution to chronic under-funding of National Parks and other protected areas. Others see it as one of the central elements in sustainable economic development. Nature tourism is supposed to bring national and international tourists to visit natural and cultural sites; provide local employment for rural populations; preserve ecosystems and cultures; and generally solve the ecological, economic, social and political woes that hinder sustainable rural development (Shores, 1999). The decision to launch (and regulate) the development of nature tourism as a tourist product resulted from the increased number of visitors to protected areas, which has had some effect on the economic development of the regions.

To take advantage of this initiative by the national government, the National Park became a candidate to the European Charter for Sustainable Tourism in Protected Areas in 1999. This Charter seeks to adhere to international priorities, as expressed in the recommendations of Agenda 21, adopted at the 1992 Earth Summit in Rio de Janeiro and the EU’s 5th Action Programme for Sustainable Development. The Charter was developed by a European group representing protected areas and the tourism industry, and in 1991 led to the publication of the report “Loving them to Death”. The Charter is also one of the priorities in the World Conservation Union’s action programme “Parks for Life”. There is a commitment, expressed by the signatories, to implement a local strategy for “sustainable tourism” defined as: “any form of development, management or tourism activity which ensures the long-term protection and preservation of natural, cultural and social resources and contributes in a positive and equitable manner to the economic development and well-being of individuals living, working or staying in the protected area”. The Charter asserts that tourism development should be based on criteria of sustainability: “it must be ecologically sound in the long term, economically viable, as well as ethically and socially equitable for the local communities”. The Charter on Sustainable Tourism stresses the vital importance of recognising that protected areas cannot co-exist with communities that are hostile to them for long. It also acknowledges that local people are important stakeholders with whom managers of protected areas must seek to co-operate with (De Villiers, 1999).
Another National Park strategy being proposed is the creation of five visitor facilities throughout the national park, in co-operation with local authorities. The plan is in accordance with the suggestions included in the WTO publication “Guide for Local Authorities on Developing Sustainable Tourism” (1993), which considers that the best approach to development of visitor facilities is to concentrate the major facilities in one area as an integral well-designed complex in the form of a visitor centre. The facility zones are typically located near the park entrances for the convenience of visitors and preclude the need to provide large-scale access to the interior of the park. In addition to the exhibits explaining the park features, they should also emphasise the importance of conservation, the types of conservation measures being applied in the park and appropriate conservation-oriented use of the park by visitors. Interpretive signs, rest stations, viewing sites and other small scale facilities can be located at appropriate places in the park.

The idea for the visitor facilities, or “Doors to the Park” as the project has been labelled, was first introduced in a report published in 1973 by the OECD, where the visitor centres are referred to as “essential in order to achieve a correct tourism planning and management process”. Because visitor facilities typically allow for development of campgrounds and picnic areas, a visitor centre and recreation facilities located at the park entrances for the convenience of visitors, it thus precludes the need to provide large-scale access to the interior of the park (WTO, 1993). It is suggested that this approach will serve to keep visitors away from environmentally sensitive areas, e.g. mass tourism and day visitors, and permit the more responsible ecotourists to visit those areas. The “Doors to the Park” project proposes the creation of five visitor facilities in five different entry points into the national park. Each facility is to have a specific theme for interpretation, according to the most relevant characteristic of the region. The five themes are (1) History of Occupation of Territory; (2) Nature Conservation; (3) Water; (4) Civilisations; and (5) Landscape.

Experience from the Peneda-Gerês National Park has shown that the infusion of external management (top-down approach) controlled from distant places has not had much success. The very administrative structure of the National Park is generally considered to be geographically distant from its purposes and objectives. That is, the main and regional offices are located outside the Park. In fact, the main office is not located in one of the five municipalities that integrate the Park, it is in fact about thirty minutes drive from the nearest entry point to the Park and about two hours to the farthest point (Map 3).
One could argue that the distance is too great and that one of the reasons for many of the problems faced by the National Park is the lack of interaction between the experts (scientific knowledge) and locals (traditional knowledge). There is no recollection of public meetings and little, if any, effort has been made to bring the two sides into a mutual effort of co-operation.

Noticias da Barca (n° 657, 03-02-2001), a local newspaper, published an article where the project for one of the Doors to the National Park was presented. Representatives of local parishes that are located in the National Park immediately began asking what information will be given? (No mention was made of interpretation at this meeting). How will the parishes benefit with the Doors to the National Park? How will visitors know what to look for and what it represents? There were many questions placed by key local stakeholders whom were not satisfied with the answers. As one said, “more investment should be made on what individual parishes have to offer”.

In the past, other projects related to interpretation and information were never implemented. An eco-museum was to be created that covered some villages of the eastern part of the park. This region (Barroso) has a very particular history and culture, with very unique landscapes and traditions. There are villages that seem to be lost in time, keeping their traditional granite houses and a very traditional way of life. The objective for the eco-museum was to preserve and to interpret local cultural heritage. But this intention never went from paper to practice. Some of the villages remain as interesting as they were in the past, mainly because of their uniqueness in
terms of preserved examples of a particular humanised landscape, and for their culture
and traditions. Another project that never got off the ground was the introduction of
multimedia information posts in the existing interpretation centres. The objective was
to install modern electronic equipment (interface) that would allow visitors to get up-
to-date and useful information about the national park, including activities and subjects
of particular interest.

Local authorities are cautious and show little enthusiasm for project proposals initiated
by the National Park and, unfortunately, in remote areas, many, if not most, local
public officials and community leaders are part time and/or volunteers with limited
experience or knowledge of recently enacted economic development or growth
management practices. The lack of experience and time to become acquainted with
such practices often means that relatively little community development planning
occurs (Walzer and Deller, 1996: 9-10). This factor leads to little or no planning and
development taking place or dependency on other entities for planning, e.g. National
Park, or just plain bad planning. Representatives of regional organisations at meetings
of Rainbow argued that due to a lack of planning, tourism development has probably
done more harm than good in the National Park.

There is a legacy of conflicts between park authorities and local people, as economic
development has not benefited many of the communities that reside in the national
Park. Development projects are seen to fail because the National Park is unwilling to
incorporate the traditional knowledge of the local people. This traditional knowledge,
which relates to their close connection to the lands they live on, has been passed from
one generation to another through oral traditions, observation and practice of activities.
It is important to note that all their knowledge and traditions ensure the conservation of
the local environment. But the Park has always taken a more scientific approach to
conservation. Studies even suggest that protection has enhanced conservation. But
local people, whom have traditionally depended on natural and land resources for
subsistence, argue that “if there is a preserved landscape it is because for centuries our
families conserved the land. If it were not so, today this would not be a national park.
We are the best protectors of the landscape. But no importance or credit is given to
us”.

All too frequently, sustainable tourism is discussed without reference to sustainable
development, or the latter is defended solely as meeting today’s needs without
compromising the ability of future generations to do likewise (WCED, 1987 in Hunter
1997), as if this somehow provides an end point for discussion rather than the
people value and choose often differs from what the outside professionals expect. This
can lead to great misunderstanding between experts and those they seek to serve (Lean,
1996). Sometimes experts forget that people are the real actors in any initiative and
their welfare should be at the top of the agenda. Developing sustainable tourism offers
local people the opportunity to meet their material needs, which can contribute to the
preservation of the landscape and the environment. Community participation is one of
the greatest principles of sustainable tourism (Fernandes & Rassing, 2000). The
success of tourism development projects very often depends on how well people with a
stake in the community are involved. It is suggested that the planning process needs to involve those people who live, work, own property, or own businesses in the community and should include the organisations and institutions in the planning process.

This strategy of interpreting the life-style of each individual community in the “Five must see sites of Portugal’s only national park” interlink all the communities and create a regional product of the national park (Figure 1).

Figure 1:

Community-based eco-tourism (“Five must see sites”)

Community-based development can lead to sustainable development as it originates from the local up to the regional level. Community based tourism is based on the premise that each community offers unique attractions, such as the people, the heritage, special events or natural resources (Alarilla, 2000).

A regional organisation, i.e. the National Park, can facilitate the exchange of information between communities, encouraging an extensive network among businesses, and use information technology and marketing for tracking regional tourism activity, as well as local products and crafts. This technical support could serve to strengthen the skills and knowledge necessary to maintain traditional activities and stimulate incentives for tourism-related investments. The people living in these communities become the product, and the attraction. It is suggested that encouraging the development of an authentic cultural tourism and heritage tourism product will serve to satisfy modern day tourists seeking authentic experiences and more interaction with the host communities.

National Park development policies are, however, seen as outside to inside strategy, with characteristics suggesting a top-down approach to development. Communities have not been involved or consulted in respect to local development decisions for areas in which they live. There is a reluctance to include local knowledge and the integration of local communities into tourism planning. Clearly the national park has not fully
grasped the idea that tourism is strategically important to the economy of its communities and that it may contribute to environmental and cultural understanding, appreciation and conservation, sustaining traditional cultures in natural settings. The absence, or rapid erosion, of the conditions associated with sustainability reflects the unsustainability. In other words, unsustainability implies the loss of prospects of inter-generational equity (due to the system's inability to maintain/enhance performance), or the reduced range and quality of (production/welfare) current options for generation compared to preceding ones (Jodha, 1993). Evidence suggests that unless the necessary plans, policies, actions and resources are put in place to develop tourism in the National Park, tourism will continue to be a missed opportunity.

The Rainbow Model

The RAINBOW approach focuses on a cultural landscape interpretation of specific communities within the National Park. RAINBOW proposes an inside/out approach by adopting a strategy of “Five/Six must see sites in Portugal’s only National Park”. By having close contact and consultation with local residents, the latter approach suggests bottom-up development, associated with Agenda 21 objectives, and principles of sustainable development.

In establishing and promoting grass-roots mechanisms, capacity building and empowerment, we are inducing a community-driven approach to sustainable development. In this context it is critical to view community economic development as a long-term process that fuses community control and direction with specific tools and outcomes (Zdenek, 1987). It also places emphasis on the requirement that the management of the community should fit harmoniously into the integrated preservation standards for protected areas.

The Rainbow model proposes that local knowledge and practices be used as the basis for resident mobilisation by instilling a sense of community pride that will possible result in stronger communities. Strong communities are more determined to take action. Local knowledge is essentially the information that local people hold as a result of the attachment to the land and dependence on local resources, which are deeply, rooted characteristics of their cultural heritage.
Indigenous knowledge reflects an elaborate interrelationship between information and culture, and as such can vary in detail and complexity from group to group and region to region (Simon in Hansen, 1994). These traditional knowledge systems, also known as "indigenous knowledge", "local knowledge", "traditional environmental knowledge", "traditional ecological knowledge" and "traditional cultural knowledge", are not merely collections of fact. Working with indigenous knowledge shows a commitment to a process that respects it as a knowledge system that cannot be separated from the cultural context within which it operates (Simon in Hansen, 1994).

The continued relationship of people and land needs to be encouraged. The vast traditional knowledge that communities possess from their experience in close interaction with the land is an essential source of information about the natural environment and conservation methods.

It is precisely through their natural and cultural heritage that includes the knowledge related to the management of their environment, that these communities can use tourism to encourage a sustainable future based on the promotion of local skills and products, while conserving and enhancing the built and natural environment through sustainable regeneration. Local knowledge of weaving, art, story telling, festival traditions, herbal healing and ecological conservation can enhance and broaden the tourist’s experience and interest. At the same time, tourist revenues may provide a mechanism for valuing traditional knowledge about culture and conservation (Godde, 1998). Through tourism, these communities have a means of expressing, and hence preserving, their knowledge and values of mountain environments. Local knowledge of weaving, art, story telling, festival traditions, herbal healing and ecological conservation can enhance and broaden the tourist’s experience and interest. Essential to this process are the introduction of policies more friendly to subsistence agriculture and the reinforcement of community technical support for economic diversification and pluriactivity that create employment opportunities.
While economic activity in communities in the PNPG are becoming more diversified, at the same time they are seeking to balance these activities with their desire to maintain values and traditional lifestyles attached to the land and the agricultural way of life. Regarding tourism, the absence of adequate tourism education and training has contributed to the perception among the local people that tourism refers only to people travelling around and staying in hotels. The general lack of awareness of the wider opportunities offered by tourism, and the fact that training has had a low priority, effectively limits meaningful participation in the development of tourism. Invariably, if training does not improve, people will not improve. Technical support is another factor that needs to be addressed. There is a general lack of information that could enable local people to take advantage of entrepreneurial opportunities provided by tourism and the financing currently available through national and EU structural funds. Infrastructure needs improvement and the PNPG should focus more on the needs of the visitors. Market research is necessary to analyse visitor motivations for going to the National Park. That information must be made available to residents and all agents considered to be stakeholders in the development process. Also, if heritage and culture preservation is a priority, farming in these remote areas has to be profitable. Incentives
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should be created for maintaining and fostering continued productive rural landscapes that have a long history of human occupancy.

Heritage and cultural landscape interpretation

Interpretation seeks to achieve three basic objectives. The first is to assist the visitor in developing a keener understanding and enjoyment of the area visited. The second objective is to accomplish management goals. Interpretation can encourage thoughtful use of the resource on the part of the visitor and can reinforce the idea that public spaces are special places requiring special behaviour. Interpretation can also be used to minimise adverse impact on the resources by keeping people and facilities away from sensitive areas. The third objective is to provide public understanding of a particular organisation and its programmes (Sharpe, 1992: 82-83).

Interpretation is a process that communicates to people the significance of a place so that they can enjoy it more, understand its importance, and develop a positive attitude towards conservation. Interpretation is used to enhance the enjoyment of a place, to convey symbolic meanings, and to facilitate attitudinal or behavioural change (Prentice, 1996).

A distinction should be made between interpretation and information. Information is often used to assist publicity, and may give interesting facts about a place or thing, but interpretation gives explanations and shows inter-relationships, and should lead to pleasurable and beneficial understanding. Information, as such, is not interpretation. Interpretation is revelation based upon information. But they are entirely different things. All interpretations, however, include information (Tilden, 1977: 9). Thus, interpretation is not simply the transfer of information, but rather it is an instrument for processing information. Interpretation aims to provoke and stimulate attitudes in both the host community and the visitors in order to create a passion for conservation, heritage, culture and the landscape. Training people to effectively communicate the value of the heritage and cultural landscape may awaken people to the need to respect and conserve the environment. Interpretation does not only describe historic facts, but creates understanding or emotional response, increases appreciation, awareness and enjoyment (Herbert, 1989).

The Techniques of Interpretation

Successful interpretation and effective presentation of a cultural site begin with a vision and a plan, one that makes as its starting point a consideration of the visitors. Who are they? What are they looking for? What does management want them to see, learn and enjoy? The plan must then specifically describe all interpretative elements—written materials, visual and graphic displays, exhibits, sensory and hands-on opportunities. The plan must also aim to communicate particular themes and concepts that in the opinion of site administrators and staff convey the essence of the site’s significance (ICOMOS, 1993). This approach often leads to the production of a wish list of desirable features or principles, which can be summarised as the want to satisfy the needs and desires of tourists (demand), the needs and desires of private and public
tourism industry operators (promotion/supply), the needs and desires of the local host community, and the protection of the (natural, built and cultural) resource base for tourism (Bramwell and Lane, 1993; Cater, 1993; Cronin, 1990; Forsyth, 1996; Unwin, 1996 in Hunter 1997).

In the PNPG, studying the landscape requires a thorough understanding of traditional subsistence patterns mainly through agriculture and livestock keeping; the importance of kinship as a principle of organisation of community life; the religious organisation of the community; social interaction within the community, between different villages and between neighbouring parishes. The interpretation of the agricultural cycle includes mountain pasture and all the heritage involved, including granite-stone walls and herders protection cabins, the strategy against the wolf (called fojo do lobo), the importance of maize to the local economy and the link to watermills, granaries, the often complicated irrigation system, etc. The Rainbow research team outlined factors which should be considered:

1. Turn nature and heritage trails into exercises of interpretation, marked and explained by means of plaques specifically designed by the RAINBOW research team;
2. Turn an existent under-utilised 13th century castle into an interpretation centre, with exhibitions and audio-visual material;
3. Turn traditional local buildings into mini-interpretation centres (specific themes and linked to the main Centre) throughout the three villages of the parish. For example, one watermill, a grouping of the granaries, a wine cellar, a typical farmer’s house with all the farming utensils;
4. Include in the interpretation centre workshops and/or the possibility of watching craftsmen at work;
5. Design thematic routes for various market segments (cultural trails based on folklore events, crafts routes, farmers markets, exhibitions, reservoirs routes, etc.)—“on the heritage trail” and “on the nature trail”, starting at each of the five selected sites.
6. Re-introduce the monthly open-air market. This market has not been held in the community of Lindoso in over forty years. It was held on the second Sunday of each month. The market is essential for marketing local products and crafts. A network of farmers markets could be established Park-wide.

7. Use of culture in a tourism related community slogan and logo geared both to instil community pride in local residents and businesses and for attracting visitors to the community. The slogan can impact the community’s recognition and image, and can aid in tourism development. It is proposed that the slogan and logo should be included in all promotional material.

8. Promote the production and marketing of local products. In a local organisation, the example was set on how local products could be marketed and made available to visitors. The interpretation centre at the castle could be used in the same manner.

9. Promote training for potential entrepreneurs. The same local organisation has agreed to carry out training, funded by EU structural funds.

10. Establish an annual award for linking tourism and conservation.

11. For marketing purposes, establish a regional label, “Made in PNPG”

12. Establish a code of conduct for visitors, tour operators and local businesses as a way to promote responsible tourism attitudes and actions

13. Introduce certification of ecotourism.


To carry out the interpretation, a great variety of instruments can be used. Techniques of interpretation of nature, archaeological/historic and other heritage sites must be applied in an imaginative manner to educate visitors and make the site more interesting to them. Interpretation of heritage features has become highly developed in recent years and includes such varied techniques as conventional guide services, audio-visual presentations, sound and light shows, interactive exhibits, re-enactment of historic places and events, information signs along self-guided walking tours and many others (WTO, 1993). The instruments proposed are:

1. Simple printed publications, such as booklets, leaflets, books, maps;
2. Signage: highway directional, signs around and on site, emergency signs
3. Exhibition, interactive multimedia presentation and selling of local products in the interpretation centre;
4. Recorded auto tours which visitors can purchase locally;
5. Guides: site-employed guides, outside guides, route guides, etc.
6. Use of information technology, e.g. interactive multimedia presentation and webpage.
7. After-hours information boards/outdoor panels.
8. Plaque specifically designed by the Rainbow Project team. The plaque is innovative in the sense of materials used to withstand the rigorous mountain climate conditions.

Naturally, creating an Interpretation Centre is essential. Interpretation Centres are a very important educational tool as they provide a global environmental view of the
tourism attractions while simultaneously emphasising the concept of conservation and therefore enhancing the quality of the tourist experience (deBergallo, 1997). The Interpretation Centre needs to be an integral part that links the conservation of the environment and heritage, managed and used most effectively for sustainability and the improvement of the quality of life of local communities. Integrated into the Interpretation Centre could be workshops and other opportunities for community-based artisans to develop their craft skills. Young people should be trained in the art of crafts making, while tourists should be given the opportunity to watch artisans at work. Local small businesses could benefit from the activities of the Centre through the flow of new visitors, the employment created and the training offered. The Centre must be community-based, that is the local community should play a direct role in managing and operating the Centre, providing opportunities for local people to use the facilities to launch, display and sell their work, local products and crafts.

Interactive multimedia was identified as a central need and possible interpretational tool that could promote the concept of community-based ecotourism by creating a greater awareness on the often neglected resources that local communities can offer (Alarilla, 2000).

A web-site is being created along with a CD-ROM, for a continuous presentation in the interpretation centre as well as for selling to visitors. It has been stressed that success in retail trade used to be based on one thing “location, location, location”. But now its “webpage, webpage, webpage”. The highly interactive webpage is intended to be both informative and is intended to contribute to community pride. To attract visitors, the community itself must have a strong sense of pride of place (Alarilla, 2000). It will include information about heritage and cultural attractions, geographic information, links with other web-sites related to the region, local services, orders for local products and the facility to make reservations online. Of course, information technology can strengthen communities only if local groups and individuals know how to use it effectively. A local organisation, working with the Rainbow Project, is carrying out training to encouraging people to develop interest and acquire knowledge about the tourism industry, which includes the necessity to acquire information technology skills.

In developing a regional tourism product, it is suggested that the webpage should include a local map that directs visitors to the PNPG where they can purchase locally-made food products, as well as operate an online farmer’s market, for taking orders online. Visitors can, thus, help to preserve local culture by purchasing local food products and crafts.

The local population going about their everyday life is as much a manifestation of the culture as the ‘special event’ displays of folk dancing or handicraft sales. In going about their every day life they effectively act as the unpaid attractions and workforce of the tourism industry (Edwards et al, 2000). Visitors want people to continue doing what they would be normally doing at any given time or they believe that the cultural landscape will cease to be authentic and they will conclude that it is staged.
Conclusions

In this paper it was argued that through proper use of local resources, a sustainable future can be built for local communities. The Peneda-Gerês National Park was used as the case study to show how sustainable development strategies can deal with a legacy of unsustainable development. It was shown that there is a need to define policy, planning and the research agenda that supports more fully the interests, needs, values, rights, wishes, identity and culture of the people living within the National Park. Evidence supports the argument that not getting local people involved, not actively promoting the economic needs of communities, and not creating new jobs for pursuing a better quality of life for local residents can lead to degradation of the natural and cultural environment.

Other than a management plan, introduced nearly twenty-five years after the area was officially designated, as Portugal’s only National Park, there is no long-term development plan. Long-term development commitments are, currently, non-existent. Yet sustainable development may contribute to the long-term well being of local people and help to build strong communities. There is much rhetoric about sustainable tourism development, but in reality there are no established guidelines for pursuing sustainable development in the region. Experience from other interventions by the National Park provides clear lessons of what works and does not work in community development.

Recent literature suggests that inspiring community participation, better economic conditions, improved management that reflects local needs, values and resources is fundamental for the success of sustainable development. Efforts are needed to encourage tourism planning to support conservation and make tourism and conservation compatible. The ultimate goal of local tourism should be sustainable development and empowerment of the local community. The main beneficiaries of tourist destinations should not be the tourists or the developers, but the members of the community (Nuque in Alarilla, 2000). Through a combination of scientific advice and traditional knowledge, the Peneda Gerês National Park could contribute to the preservation of local cultures so that local cultures can better contribute to the conservation of the environment.
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"STARTING FROM SCRATCH". DEVELOPING SUSTAINABLE TOURISM IN THE REMOTE AND MOUNTAINOUS COMMUNITY OF LIVADIA GREECE.

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ABSTRACT

This case involves several issues related to the regeneration of a historic community totally deserted in the past due to historical and other reasons. Livadia, a mountainous community, in Central Macedonia, Greece, considers sustainable tourism development as a lever for local development, together with other traditional agricultural activities. The paper presents strategies and all-important "synergy factors" that the local authority of Livadia believes will lead to the target.

KEY WORDS

Sustainable Tourism Development, Master Development Plan, SWOT analysis, Livadian Diaspora, Synergy Factors.

INTRODUCTION

The Community of Livadia is located in Central Macedonia in the North of Greece, at a height of 1250 meters on the Plateau of Paiko Mountain. The Community is 100 km northwest of Thessaloniki, the country's second biggest urban center with a population of 1 million people. It is, also, only 50 km away from Kilkis, the local prefecture's capital. The first settlers of Livadia were Vlachs (Vlachophone speaking Greeks) who came from Moschopolis, a major city of Upper Macedonia at that time. Back in 1770, after the demolition of Moschopolis by the Ottomans, a large number of its inhabitants moved to a plateau on the top of Paiko Mountain and built the town of Livadia. The location for the town was chosen for two reasons: it was at a high altitude and isolated enough to provide safety for its inhabitants during turbulent times; additionally, the surrounding area was appropriate for tending sheep and goats, the primary occupation of the settlers. At the beginning of the 19th century, more Vlachs from other animal farming areas of Central Greece (mostly from the Pindus mountain area) moved to Livadia.

Until 1944, the Livadia community was flourishing and the population reached 5,000. The town was established as a local economic center due to its surrounding agricultural area. In the spring of 1944, during the Second World War, the town was totally
destroyed and most of its inhabitants were dispersed all over Central Macedonia. However, the village survives today, as a mountain community, with a population of approximately 1,200 at peak summer season. A locally elected communal council today governs the community. It is estimated that the second and third generation Livadians that live in various places in Greece, number from 15,000 to 20,000. Many of these Livadians often visit the village, mainly for tourism purposes.

Out of the 1,200 inhabitants of Livadia, only 20% are permanent residents, the rest are part-time residents, who only stay at the village during the summer (mostly from May to September). Of the permanent residents, approximately 70% are arable farmers and the remaining 30% are engaged in breeding goats and sheep. Most of the farming is related to growing potatoes: approximately 20,000 tonnes of top quality potatoes due to favorable climatic conditions are produced every year. In addition, up to 6,000 goats and sheep are bred in the community.

During the summer, apart from the part-time residents, a large number of visitors come to Livadia for day trips from many places in Central Macedonia (but mainly from the surrounding cities of Thessaloniki, Yiannitsa, Edessa and Kilkis).

The community's breathtaking scenery, the beautiful countryside and the excellent climate attract visitors to Livadia. Pilgrims visit Livadia for the local religious celebrations of the Apostles (Sum Ketrout) and the Assumption of Virgin Mary (St. Maria).

The crisis in Rural Economy

Remote mountainous areas of Greece, like many other areas of the European periphery, suffered over the last number of decades from depopulation and economic problems. The radical reform of the common European Agricultural Policy, the introduction of the single European Market and the Uruguay Round of the General Agreement on Tariffs and Trade (GATT), are some of the factors that affected in an negative way many rural economies in Europe.

European and national governments' response to this situation has been the development of renewed rural development policies. The European policy is outlined in the document The Future of Rural Society (CEC 1988). This document puts forward the idea of the promotion of a "European Rural Development model" based on the promotion of family farms and balanced regional planning (CEC 1988). It argues that in order to preserve the fabric of rural society there must be support for a wide range of activities besides farming (O'Hara and Commins 1991). Suitable economic diversified activity recommends, among others, the development of tourism in rural areas.

Sustainable Tourism Development

In the last two decades, extensive theoretical literature has been produced concerning sustainable tourism development with views extending from the extreme ecocentric to
the far anthropocentric. Also various typologies of sustainable tourism operationalisation have been introduced using different terms like green tourism, alternative tourism, responsible tourism, and rural tourism.

The issue of sustainability in tourism has become a major concern in Europe, although some of the issues involved have been debated for a long time in the context of world tourism, mainly from a social, cultural, and economic point of view. The Fifth Action Programme on the Environment of the European Union with the title «Towards Sustainability» identifies tourism as one of the priority sectors (CEC, 1993 and see also YPEHODE, 1994).

In Beyond the Green Horizon (Tourism Concern, 1992) it is argued that sustainable tourism development requires further connection to the broader economic, political, and social environment. Tourism cannot be isolated from other forms of economic activity and must be part of integrated rural development plans, without dominating other activities. Sustainable tourism must respect its resource base and work together with other interested parties (government, environmentalists, development agencies, local communities and other groups).

Contesting meanings of sustainable tourism development

Although some have perceived the application of the principles of sustainable tourism development as a panacea for the industry (Poon, 1993), the concept is not fully understood (Croall, 1995). Depending on the critical elements that are used to define sustainable tourism (e.g. ecological maintenance, local community, tourist satisfaction, inter-generation equity, etc), we can come to various definitions and contested meanings. An ecocentric approach can be one that excludes, for instance, people from particular vulnerable areas (national parks). Alternatively, a political view of sustainability can set priorities like regional reduction of poverty and social isolation of remote mountainous or island areas, alongside ecological maintenance. Tourism with Insight Working Group (1992) identifies several important factors that can lead to sustainable development: a. economic health b. subjective well being, c. unspoilt nature d. Healthy culture, e. optimum satisfaction of guests requirements.

Sustainable tourism development in Greece

Greece is a tourist destination affected by mass tourism, especially in the last three decades. Eighty five percent of international tourist arrivals are handled through mass tourism packages directed towards thirty per cent of the country’s tourism zones (NTOG Report, 1997). The implications of this situation are devastating in terms of environmental pollution and damage, unsatisfactory services, imbalances between economic activities and geographical areas as well as the prevalence of a "globalised-western style culture" over local cultures.

Since the beginning of the 1980's the Greek government, through its National Tourism Organisation attempted to adopt principles of sustainable development derived from the Rio Summit and Agenda 21. This seemed to encourage "sustainable tourism" activities
in the form of financing private sector low scale investments in so-called "agrotourism" or rural tourism. The outcome was limited to minor intervention in restoring traditional homes or building rooms for tourist accommodation in rural areas.

Tourism in rural areas and emergent tourism destinations

Tourism in rural areas can have significant beneficial effects, contributing in job creation and income opportunities, raising standards of living and public awareness of the need to promote local cultures. Rural tourism, in addition, can also create awareness about environmental protection for remote areas. Also, problems can be identified like unbalanced economic development, and ethical issues like, the limited access of remote areas to basic economic and social goods, like security, health services, etc.

The World Tourism Organisation's (1993) principle clearly states that 'if a community has the right type of resources it may then have the opportunity to develop tourism which can bring substantial benefits to the community and its residents. To succeed, tourism in the community must be planned and managed to improve the quality of life for residents and to protect the environment'. For the remote mountainous areas of Greece, tourism is seen as an important development tool. In the last decade new rural tourism destinations have emerged although certain problems exist concerning local tourism strategies. It is widely accepted that 'local tourism strategies must have clear aims, seek the perspective of the tourist, be responsive to residents and identify roles for the tourism players' (Long, 1994).

The Base for sustainable tourism development
Accessing Livadia’s resource base

In 1997, a project with a title "Local Development Plan of Goumenisa Region" (Peonia County) where Livadia administratively belongs, was launched by Anaptixiaki Kilkis (1997) the Prefectures official Development Company. The expected outcomes of the project were to identify the profile of the area, in terms of natural and human environment, population trends and local employment.

A few years earlier, a team of researchers carried out a project from the Department of Agriculture Economy, of the Aristotelian University of Thessaloniki, under the title "Development of Agrotourism at the Mountainous Communities of the Peonia County" (Iakovidou, O & Ananikas, et al. 1992). This project was financed by the LEADER 1 E.U. program. The research also revealed that Livadia has the proper resource base to develop tourism as a diversified economic activity, in addition to that of potato cultivation, and sheep breeding. Those encouraging findings led the Livadia Communal Council to order, in 1999, a private research company to justify Livadia’s perspective on tourism development. The outcome of the research was the Livadia Master Development Plan (Mentor Consultants, 2000).
The Livadia Master Development Plan (LMDP)

The Livadia Master Development Plan examined the existing situation in terms of natural resources, local employment and economy, and infrastructures. It also gave an insight into the potentiality for tourism development related to both natural and cultural resources. The project made a comparative study showing present advantages and disadvantages of the area and made suggestions for sustainable forms of tourism development.

A SWOT analysis revealed the following situation (Table 1):

Table 1

<table>
<thead>
<tr>
<th>LIVADIA MASTER DEVELOPMENT PLAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strengths, Weaknesses, Opportunities, Threats</td>
</tr>
</tbody>
</table>

(SWOT Analysis)

<table>
<thead>
<tr>
<th>STRENGTHS</th>
<th>WEAKNESSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rich environment and natural resources</td>
<td>Remoteness of the area</td>
</tr>
<tr>
<td>Diversified local &quot;cultural product&quot;</td>
<td>Lack of basic infrastructures</td>
</tr>
<tr>
<td>Variety of local products</td>
<td>Lack of institutions to support tourism locally</td>
</tr>
<tr>
<td>&quot;Livadian Diaspora&quot;</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPPORTUNITIES</th>
<th>THREATS</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Tourism Preferences (The &quot;New Tourist&quot;)</td>
<td>Damages on Natural Environment</td>
</tr>
<tr>
<td>Proximity of Thessaloniki Market</td>
<td>Construction &quot;Anarchy&quot;</td>
</tr>
<tr>
<td>European Union Funding Programs</td>
<td>Competition with other established and emerging Destinations</td>
</tr>
<tr>
<td>Ministry of Agriculture &quot;Integrated projects for mountainous and less developed areas&quot;</td>
<td></td>
</tr>
<tr>
<td>National policy for more balanced tourism development</td>
<td></td>
</tr>
</tbody>
</table>

Source: Livadia Master Development Plan
Mentor Consultants

STRENGTHS

1. Environmental and Natural Resources

Livadia's natural environment is of prime interest. The entire Livadia area is a member of the "NATURA 2000" European Network (Code No. GR 1240003). The "NATURA 2000" Network aims to preserve the fauna and indigenous flora of a number of rural areas all over Europe. Almost 90% of Lividia is covered by forest. Half of the forest area consists of beech-trees, while the rest is formed of oak, plane, cedar, lime and
black pines. A large number of springs and mountain streams can be found. A complex of small man-made lakes creates a local wetland system. Local fauna is also interesting. There are a variety of birds in the area. The surrounding forests are home to wild boar, roe deer, and wildcat (felis sylvestris). Two important pan-European paths (E4 and E8) pass through the area. The climate of Livadia is cool and mountainous. During the summer the average temperature does not exceed 20° C. While during wintertime there is plenty of snow with temperature ranging from -15 to 10 degrees Celsius.

2. Local Diversified "Cultural Product"

Livadia is famous all over Central Macedonia for its rich heritage and cultural assets. Community residents are Hellenovlachs, a group of people that they also speak a Latin based language idiom and are well known for their own rich cultural identity. During the summer period, certain festivals take place that attract not only the Livadian Diaspora but also many visitors from all over Greece.

3. Variety of Local Products

Due to climatic conditions, Livadia produces local products of excellent quality. Livadia potatoes are well known all over Greece for their taste although the product is suffering from marketing imperfections (lack of brand name, sorting and packaging). "Batzos" cheese, a locally produced cheese from sheep milk, is of excellent quality. In addition, the well-known Vlach pies made in various ways and filled with various fillings are also well known all over Greece.

4. Livadian Diaspora

Second and third generation Livadians most of whom live in the nearby urban centers, form an asset for the Community of Livadia. A conservative estimation shows they number between 15 to 20,000 people. Organising their cultural associations became a driving force for the revival of their hometown. With their activities, they have created a constant awareness of issues and problems related to the development of their hometown. In many cases, they act as a "lobby" that encourages political decisions related to funding projects in the area.

Another important element is that over the last 10 years, there is an increasing flow and return of Livadians to the area. It is believed that most of them will stay on a permanent basis.

WEAKNESSES

1. Remoteness of the area

The isolation and remoteness of the area, especially in wintertime, was a basic problem for the development of the area. The road system was not easily accessed, with major improvements needed to them. This was especially so for the last 23 km of the mountain route to Goumenissa, the nearest to Livadia town.
2. Lack of basic infrastructures

Lack of basic infrastructures included an obsolete irrigation system, a partially constructed sewage system, and a total absence of inner town road systems. In addition, it was noticed there was a lack of any accommodation facilities for the visitors.

3. Lack of Institutions to support tourism

The lack of institutions to support local tourism as well as lack of awareness over issues like environmental protection and tourism development was realised as a major weakness. Discussions with the locals about tourism as another supplementary economic activity in the area, most of the times were treated with doubt and hesitation.

OPPORTUNITIES

1. New Tourism preferences - The "New Tourist"

The shift of the tourist preferences to more "green", "alternative" and "rural" type of activities was realized as a great opportunity to develop tourism in the area. The area is an ideal place for alternative forms of tourism compared to that of mass tourism.

2. Proximity of Thessaloniki market

Thessaloniki, the second biggest urban center of Greece with more than one million inhabitants is a potential market for the area. The proximity of the city (less than 100 km) with the E1 National Highway gives easy access to the mountainous area.

3. European Union funding programmes

A number of E.U. funds are available for the area. LEADER plus programme, as well as INTEREG III programme (programme targeted to promote transborder co-operation in the area) is seen as an excellent opportunity for the area.

4. Ministry of Agriculture: "The Integrated Project for mountainous and disadvantaged areas"

As stated earlier, remote mountainous areas in Greece, like many others in the European periphery suffered from depopulation and economic problems in the 90's. In 2000, the Ministry of Agriculture selected the 30 most disadvantaged mountain areas of Greece and initiated a research project for every single area. Among them was Paiko Mountain. The "Integrated Project for the Development of Mount Paiko" will finance projects ranging from basic infrastructures to subsidising private rural tourism investments in the area.
5. General national policy for more balanced tourism development

Mount Paiko area is on the opposite side of an axis that connects Thessaloniki with Chalkidiki, one of the most developed resort areas of Greece. The over development of such areas resulted in negative environmental and social effects. This led to various national policy agencies like the National Tourism Organisation, the Ministry of Environment, Planning to Public Works and the Ministry of Development, redefining and reorienting tourism policy and planning towards mountainous areas with interesting resource base. The objective was to keep a balance in tourism development, creating conditions for multidimensional tourism policies through the development of rural alternatives to mass forms of tourism. The specific Paiko area appears as the alternative proposition for tourism activities compared to the Chalkidiki resort area.

THREATS

1. Natural Environmental damages

Minimising environmental damages due to human intervention and activities becomes a primary concern. Over grazing, over use of chemical plant protection and fertilizers, as well as increased visitor numbers, exceeding carrying capacities of the area, may create irreversible negative effects to the environment. The lack of a Local Environmental Management Plan may lead to future serious environmental damage.

2. Construction "anarchy"

Increased tourism activity may lead to construction "anarchy" in terms of construction of buildings that do not respect local architecture. The nearby Chalkidiki area gives an excellent example of how to avoid such a perspective.

3. Competition with other destinations

Competition from other emergent destinations or other already developed areas remains one of the major threats. Nympheon, Seli as well as other mountainous destinations of the entire Macedonian region offer a variety of agrotourism activities for the visitor, similar to those the area can offer.

4. The Tourism potential for the area

The research of the Livadia Master Development Plan grouped tourism potentiality of the area into two categories - natural resources and cultural resources. Results appear on Tables 2 and 3.
Table 2
LIVADIA MASTER DEVELOPMENT PLAN
Tourism development potential for Livadia related to natural resources

<table>
<thead>
<tr>
<th>Resource</th>
<th>Potential for development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>Campsites, picnic areas, water scenic areas, fishing activities</td>
</tr>
<tr>
<td>Topography</td>
<td>Scenic walking routes, mountain bike, horse riding, scenic photography</td>
</tr>
<tr>
<td>Vegetation</td>
<td>Forests, photography, autumn foliage areas, walking routes</td>
</tr>
<tr>
<td>Wildlife</td>
<td>Bird watching, wildlife observation, hunting, wildlife photgraphy</td>
</tr>
<tr>
<td>Climate</td>
<td>Cross country skiing, athletic and recreational activities, a cool alternative during the hot Greek summer</td>
</tr>
<tr>
<td>Local products</td>
<td>Potatoes, cheeses, local food</td>
</tr>
</tbody>
</table>

Source: Livadia Master Development Plan
Mentor Consultants

Table 3
LIVADIA MASTER DEVELOPMENT PLAN
Tourism development potential for Livadia related to cultural resources

<table>
<thead>
<tr>
<th>Resource</th>
<th>Potential for Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>History</td>
<td>Exhibits and customs related to the historic city of Moschopolis and other historic areas of Pindus mountain</td>
</tr>
<tr>
<td>Ethnicity</td>
<td>Cultural centre for Vlach speaking Greeks</td>
</tr>
<tr>
<td>Entertainment</td>
<td>Vlach festivals, folk music, religious celebrations</td>
</tr>
</tbody>
</table>

Source: Livadia Master Development Plan
Mentor Consultants

Strategies for local tourism development

The Livadia Communal Council, after the results of the research was revealed took certain steps to create awareness of the area amongst anyone who would be considered a strategic partner or stakeholder.

During this two-year process, the council realised that certain strategic steps should be taken in order:

- To create local institutions that they would support long term sustainable tourism development of the area.
- Identify "synergy factors" or strategic stakeholders in the area that could get involved in the development process. Each one of those factors could play a critical role in this process.

The result was the creation of certain local institutions that would assist tourism development. The following Institutional Bodies were founded (table 4):
Table 4
Strategies by the Livadia Communal Council for the support of local sustainable tourism development

<table>
<thead>
<tr>
<th>STRATEGY</th>
<th>AIM</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Establishment of Institutions</td>
<td>The institutions will support the tourism development process</td>
</tr>
<tr>
<td>2. Key stakeholders Identification</td>
<td>Key partners with their involvement can play a critical role towards local tourism development</td>
</tr>
</tbody>
</table>

1. The Livadia Development Company

The aim of this profit-oriented communal company is to manage in the most profitable way the community’s own property. They also co-operated with private investors in similar projects related to the creation of local hospitality infrastructures. They also got involved in any other form of co-operation, that would enhance local economic activity within the sustainability framework.

2. The Livadia Cultural Centre

The scope of this institutional body is to organise and promote the local "cultural product" through the organisation of such infrastructures like library, local history and songs, documentations and cultural festivals.

3. The Livadia Athletic and Recreation Centre

This institution will work to promote Livadia as an ideal place for various athletic and other recreational activities. Its primary duty, co-operating with the Development Company, is to create and manage proper infrastructures for this ever-increasing market.

4. The Livadia Environmental Centre

The purpose of this centre is to create awareness of environmental protection issues among the locals, as well as, the visitors, and to register and promote local flora and fauna. The centre will co-operate with other national environmental bodies like the Hellenic Wetlands Centre, the national co-ordinator of the "Natura 2000" network, as well as with other non-government organisations working for the preservation of the natural environment in the area (Table 5):
## Table 5
Institutions and their role for Livadia sustainable tourism development

<table>
<thead>
<tr>
<th>Institution</th>
<th>Role</th>
</tr>
</thead>
</table>
| 1. LIVADIA DEVELOPMENT COMPANY | - initiate local research projects  
- manage communal property  
- participation in business schema with private investors in the area (Moschopolis Guest House) |
| 2. LIVADIA CULTURAL CENTRE | - Organise local "cultural product"  
- promote local "cultural product"  
- create proper infrastructures (museum, conference center, library) |
| 3. LIVADIA ATHLETIC AND RECREATION CENTRE | - promote Livadia as an athletic and recreation destination  
- create and manage athletic infrastructures |
| 4. LIVADIA ENVIRONMENTAL CENTRE | - create awareness of sustainability and environmental protection  
- Register and promote local flora and fauna  
- establish and manage the local Environmental Camp  
- cooperation with other environmental agencies in common projects |

### Partnership for local sustainable tourism development in emergent tourism destinations

As it is clearly stated in Local Agenda 21, the pursuit of sustainable tourism development encompasses a number of stakeholders in order to offer an inclusive approach for local policymaking. This participation of a number of important partners can either follow a top-down or bottom up approach. The top-down approach is usually driven by government or national authorities, while the bottom-up approach involves decision making at local level, which is driven by local authorities, communities etc.

Partnership is another term that also describes cross-sector interactions between parties, based on at least some agreed rules intended to address a common issue or to achieve a specific policy or goal. As early as 1987, the Brundland Report raised the requirement for collaboration and partnership building as an integral part of the route to sustainable development. Partnerships are now seen as having a special role in bringing together national and local authorities, business developers and conservation interests, tourists and local communities.

According to Jamal and Getz (1995:96), 'emergent tourism destinations are characterised by the presence of numerous organisations and lack of well defined intra-organisational process'. In some cases, there is a lack of institution to support tourism as well as lack of awareness over such issues like sustainability etc. The various key stakeholders or partners bring different or very incompatible values, interests and perceptions. In some cases, individuals and organisations act independently and frequently compete with each other. Outcomes are unanticipated and the tourism system is considered highly fragmented (Shaw and Williams, 1994). Since planning
for tourism in isolation from environmental and social considerations is a misguided approach (McKercher, 1993), collaboration and shared decision making between key stakeholders becomes a key-element for the planning process (Jamal and Getz, 1995; Selin and Beason, 1991; Hunter, 1997). Collaborative decision-making is defined as a process of joint decision making among autonomous key stakeholders to resolve planning problems and to manage issues related to the strategies, planning and development (Jamal and Getz, 1995).

National authorities are an example of a synergy factor that plays an important role for the areas’ sustainable development, also included are local authorities, environmental and development bodies as well as local community (table 6 and fig. 1).

Table 6
Synergy factors for Livadia sustainable tourism development

<table>
<thead>
<tr>
<th>Synergy factors</th>
<th>Roles</th>
</tr>
</thead>
</table>
| National authority : Region of Central Macedonia | - produce policy
    - interpreting policy into practice by financing basic infrastructures
    - irrigation and sewage system
    - road system
    - Partial financing of Moschopolis Traditional Guest house
    - financing of the construction of Livadia Cultural Centre |
| Local authority : Communal Council of Livadia     | - produce policy and create awareness for the area
    - co-financing of Moschopolis Traditional Guest House
    - mobilise locals and create awareness of new practices concerning local agricultural activity
    - strategic partnerships with neighbouring Goumenissa and Exaplanatos Municipalities |
| Development Bodies :
  - Anaptixiaki Kilki & Pella
  - Local Businessmen           | - undertake research projects in the area
    - co-ordinators of LEADER projects
    - Management of Moschopolis Traditional Guest House
    - Interest for common Projects with communal council
    - Interest to implement LEADER projects |
| Environmental Bodies
  - Forests of Goumenissa and Aridea
  - Local environmental Neos | - Protect, enhance and manage natural environment
    - Protect and enhance natural environment
    - Create awareness over environmental issues |
| Local Community
  - Permanent Residents of Livadia
  - Livadian Diaspora | - participation and involvement in local decision making
    - participation in local business initiatives |
Synergy factors for sustainable Tourism Development

National authorities:

National authorities (central government and other government agencies) always play an important role for local development, not only because they can produce policy, but also because they have the means to translate policy into practice by funding various projects. The Secretary of the Region of Central Macedonia represents national authorities in the area. Certain projects like irrigation and sewage systems, as well as upgrading of the community's internal road system were financed. In addition, the Region is financing two major research projects, concerning the upgrading of traditional elements of the central square, and the planning of the infrastructures of the Livadia Athletic and Training center. The last two major projects are expected to change the community's future development.

Local authorities

Local authority represented by the Livadia Communal Council can play an important role for local sustainable town development. The council realised that could act as a lever for local development. Through the Livadia Development Company they co-financed the construction of "Moschopolis" the Livadia Traditional GuestHouse a 13 room 35 bed Hotel with a traditional cafe and tavern. Livadia Development Company through various activities is trying to create awareness of new environmental and consumer acceptable practices regarding potato cultivation, and sheep breeding. In addition, through the organisation of various cultural activities it promotes the local cultural product. Livadia City Council formed with other two neighbouring municipalities (Goumenissa and Exaplatanos) "Paikon" an inter-municipal
development company in order to promote in the area initiatives from both private and public sector, taking a holistic approach over the development of the entire Paikon geographical area.

**Development Bodies**

Development bodies in the area include various private and public agencies that have a direct interest in the area. Anaptixiaki Kilkis and Pella are two local development agencies financed by both the private and public sector that undertake research projects in the specific area. They are also the sole co-ordinators of the LEADER E.U. programme for the development of rural areas. Private investors have also shown an increasing interest over the last few years. This is reflected in the increased mobility of the buying of land for future business activities. Private sector is already involved in local business activity through the management and operation of the "Moschopolis". Certain businesspersons are already ready to get involved in local business, taking advantage of the new LEADER plus E.U. programme, as well as through other government financed projects.

**Environmental Bodies**

The protection of the environment, the base for every tourism activity, is of prime concern due to its fragility when it comes to noise, pollution, increased visitor numbers, illegal hunting etc. The Forestry of Goumenissa and Aridea are in charge of conserving and upgrading the area's environment. In addition, a number of environmental non-government organisations meet in the area, playing a key role for the protection of local flora and fauna. The area frequently becomes a theater of conflict between ecocentric to far anthropocentric concepts of the various stakeholders.

**Local community**

Local community involvement in decisions that will shape the future of the area becomes an indispensable part for any sustainable development effort. Although local communities with traditional values, are always skeptical to anything new, over the last three years there has been ongoing discussions about new forms of diversified economic activity. Organic cultivation and sheep breeding as well as developing sustainable tourism in the area are constantly on the agenda.

We cannot realise sustainable development without the involvement of the local factor, and the "Livadian Diaspora", who although live far away for most of the time it is realised they, are part of the local community. Round tables, seminars, and lectures are some of the techniques the council uses to promote, create awareness and mobilise locals.

The importance of community involvement in tourism planning is justified in many ways. A Tourism Policy Forum held at George Washington University in 1991 identified a number of major trends that participants believed would shape the future of tourism policy for the coming years. One of the top policy trends identified by a group
of approximately 100 experts was that community demands for active participation in the setting of a tourism agenda and its priorities for tourism development and management, cannot be ignored (Hawkins et. al., 1991).

Sustainable tourism planning requires community involvement of local people in terms of:
- participation in decision making
- responsible attitude to protection of the resource base
- local ownership
- economic benefits remain locally (Gilbert et al., 1994).

Community involvement in decision-making is of major importance when certain environmental practices like e.g. zoning (area classification for certain of use or non-use) imposes limits on the local economic activity. Thus, a basic problem for the locals becomes the denial for the community to develop its local economy if a zone protects the naturalness of an area. In addition, we must not ignore those policies, which encourage community involvement in small-scale development of tourism projects like LEADER, the European Union’s initiative for rural development of less advantaged regions of Europe, are often treated as optimal solutions. While this initiative has positive benefits it is argued that the smallness of scale often creates viability problems due the creation of higher overhead costs (Gilbert, 1993). In any case, community involvement remains an important element in sustainable tourism planning.

Conclusion

It is widely argued that tourism in rural areas can have significant beneficial effects on many levels. Rural tourism activities have created sensitivity of environmental protection issues in remote areas among the public. It has also brought the problems of rural areas to the attention of society. The direct positive effects of tourism contribute to creating employment and income opportunities, raising standards of living in rural mountain areas, and raising public awareness of the need to promote local cultures.

In this context developing tourism as a sustainable community resource is expected to contribute to Livadia's development. The local ecosystem and culture is the base on which tourism activity can be built upon.

Starting from scratch, and developing sustainable tourism in areas with characteristics similar to those of Livadia, becomes a challenge for anyone involved in this process. On top of the synergy factors, I put local authority and local community because they have to persuade others of the viability and sustainability of such an attempt. They must encourage government and business developers to invest in the area. They must properly communicate the message that disadvantaged areas have the ability to regenerate and participate through tourism economic development thus putting them on the map.
References:

Tourism Concern (1992), Beyond the Green Horizon, WWFUK.
EVALUATION OF IMPACTS OF THE EUROPEAN REGIONAL DEVELOPMENT FUND ON TOURISM DYNAMICS IN PORTUGAL – IN SEARCH OF THE RIGHT SPATIAL BALANCE

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ABSTRACT

The most substantial financial aid made available for tourism development in Portugal is provided by the EU’s structural funds, mainly from European Regional Development Fund (ERDF). The ERDF to contribute to the correction of regional imbalances within the EU is used in three major ways: (i) direct investment in tourism facilities; (ii) investment in infrastructure directly linked to the tourism sector and (iii) investment in projects to upgrade the cultural and historical resources.

Although it’s difficult to assess exactly the EU’s total contribution to tourism because other structural interventions also have an indirect influence, this paper attempts to make a comprehensive evaluation of the spatial patterns and investment composition of ERDF resources directly allocated to tourism projects, in the period from 1994 to 1999. Further, impacts of these investments on the geographic distribution of the tourism activity in Portugal are studied.

To accomplish this objective, statistical data on tourism projects supported by the ERDF (nature, location, and size of the grant and jobs created) was related to supply and demand side indicators that measured some regional implications of tourism dynamics. The methods used were spatial and location measures (location quotient, coefficient of localization and localization curve) and shift share analysis.

The results confirm the existence of fundamental regional tourism imbalances in Portugal - a strong polarisation by a restricted group of regions (Algarve, Madeira, Lisbon and Oporto), while in the remaining territory small-scale tourism prevails. An homologous geographical pattern appears when analysing the resources available to cope with this and other structural problems, despite the role of EU funding in diminishing these regional disparities. The ERDF tourism grants map, for the period in question and under the II Community Support Frameworks, overlaps with the general map of tourism dynamics producing and reproducing a reinforcement and putting sustainable tourism development process in question.
Tourism Destination Planning

KEYWORDS
Tourism, State intervention, financial instruments, EU’s structural funds - European Regional Development Fund (ERDF), Community Support Framework 1994-99, spatial patterns, Portugal

1. Tourism, State and requirements for interventionism

Southern Europe has become the playground of Europe. It best epitomises the concept of a continental playground (L. Hudman, 1994) and Portugal emerges as one of the best performing tourist destinations. In the 1980s, Portugal was Europe’s fastest growing tourism area, registering an average annual increase of around 11%. Moreover, WTO figures for 1999 in terms of international arrivals in Europe show an increase of 2.7% over the previous year, with Southern Europe (5.5%), Spain (9.2%), Greece (9.9%) and having a good year. Portugal increased its arrivals by 2.7% - to 11600 thousands - despite the 11% growth posted in 1998 as a result of Expo’98.

These notable results signify that tourism now contributes around 8% to the Portuguese GDP – more than textiles, civil construction or the financial sector. International tourism receipts of 4814 million Euro, in 1999, were expected to be enough to cover almost 40% of Portugal’s trade deficit.

However, in order to understand the Portuguese tourism dynamic, it is necessary to adopt an approach based on the reading of this reality in light of state voluntary intervention. Whilst there has been a reluctance for governments to involve themselves in an area which is considered to be a mainly private sector, the growth of tourism has meant an increasing level of State involvement and, in Portugal, it has been playing a key role in the production of national tourism space(s) (Malta, 1996).

The intervention of the State in modern societies makes it one of the most important agents responsible for certain spatial processes. In general, state intervention in strategies of tourism development and “touristification” of space can assume different levels of involvement. It can either use indirect intervention where the State is limited to the regulation of agents or creators of external economies, or it chooses to participate more actively by either promoting tourism activities or by becoming an economic agent. These forms of intervention are put into practice by the use of a varied set of mechanisms classified in three basic categories: institutional, legal and economic and financial instruments.

It is only by analysis of the institutional, legal, economic and financial instruments put in action to promote tourism development that the level of state involvement can be evaluated. Thus, the purpose of this study is to analyse some aspects related to state voluntary intervention embodied in the economic and financial instruments, used in Portugal to promote tourism development.
The overall aim of economic and financial instruments granted by the State to support tourism development is to influence the decision making process of economic agents, while its selective use allows the State to control tourism supply in order to stimulate a certain pattern of tourism development. This includes any type of aid that benefits the economic agents in order to modify their decisions and behaviours. According to Bodlender & Ward (1987), economic and financial incentives granted by the State fall into four basic categories:

- Financial incentives include subsidies and loans. This is where the State commits itself by providing finance from its own resources;
- Quasi-financial incentives include loan guarantees, subsidies and exchange rate guarantees, where the cash outlay from public funds is reduced, or are nil, but government clearly states its confidence in the project;
- Fiscal incentives include tax holidays and reductions, preferential energy tariffs and similar measures, all of which either preserve or increase profits during operation, or reduce initial costs;
- Other incentives include the provision of training facilities, marketing, repatriation of foreign earnings, etc.

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6 Other typologies using other criteria – such as area of impact - categorise investment incentives into two separate headings (Wanhill, 1989; Joppe, 1989a, 1989b, Vellas & Becherel, 1995):
- incentive measures whose objective is the reduction in the cost of investing, in particular initial investment. These generally include: tax exemption; fiscal benefits; loans at preferential interest rates; and direct capital subsidies.
- incentive measures whose aim is the reduction of operating costs. These include tax exemptions, return of duty on equipment, modernisation subsidies, training grants, and other modalities.

7 Subsidies or grants are sums of money awarded to the contractor of the tourism project by the government, which do not have to be repaid; the main advantage of grants is to reduce the cost of investments and, often, the size of loans (Vellas & Becherel, 1995)
The use of some form of financial incentives as part of a national or regional tourism development strategy is fairly widespread in most countries. This is linked to the extremely capital intensive nature of tourism investments, because of the high cost of superstructure and equipment and the fact that capital is tied up for long periods and returns on investment are slow. Whilst the application and effect of investment incentives will differ according to the category, the end objective is to encourage particular forms and patterns of development which would not otherwise have taken place or to discourage them altogether. The subsidy system is currently used in many countries - namely the EU Member States - and subsidies are granted to different activities within the tourism sector. Although some authors argue that the simple availability of cash is far from being the only factor in constraining development (Bennett, 1994), others like Bodlender & Ward (1987: 11) consider that “grant aid is the best method of ‘seeding’ tourism projects, as it has an immediate effect upon the realisation of a project”.

The history of government involvement in tourism in EU Member States is varied. Portugal, contrasting with recent governmental involvement in other countries, has a long tradition revealing a direct action in many dimensions of the tourism system. Nowadays, related to the importance of tourism and its role in the economic and social development model pursued by a country, evidence suggests a high level of state involvement in Portugal. This intervention is justified by the need to optimise tourism positive impacts – namely the fact that tourism has contributed and is still contributing substantially to the growth of income and employment – and to minimise the negative consequences. In spite of tourism’s importance in the Portuguese economy, the sector is faced with intrinsic structural problems, in particular, problems relating to the need to improve international competitiveness and unequal geographical distribution of tourist activities. As has been noted elsewhere (Williams & Shaw, 1988: 263) the “very nature of tourism – with its heavy spatial and seasonal polarization – usually requires some form of interventionism”.

Furthermore, since 1986 state intervention was an object of reinforcement due to the Portugal’s accession process to the European Community. As a fast growing activity, with a high degree of geographical concentration in the low-income countries, tourism is seen as a force of economic and social convergence in the framework of the European Union (EU). In this context, evidence suggests that the most substantial financial aid made available for tourism development in Portugal should be provided by the EU’s European Regional Development Fund (ERDF).

It is difficult to assess the EU’s total contribution to tourism because other structural interventions also have an indirect influence. This paper, however, attempts to make a comprehensive evaluation of the spatial patterns and investment composition of ERDF.
resources directly allocated to tourism projects under the II Community Support Framework (CSF) (1994 – 1999). The impacts of these investments on the geographic distribution of tourism activity in Portugal have been studied further.

2. EU measures affecting tourism – the regional policy and the role of the EU’s structural fund European Regional Development Fund

As has been noticed by many authors, it is somewhat surprising, given the acknowledged economic, social and cultural magnitude of tourism to the member states, that within the EU there is no specific basis for a legal action on tourism. Indeed, the importance of tourism for Europe conflicts with the traditional low priority bestowed to this sector at EU level. This is reflected in the fact that there has never been a specific EU policy or any long-term program for tourism.

Putting aside the subsidiary argument, Forbes (1994) advances a powerful explanation for the position of marginality and non-visibility of tourism on the EU political agenda when commensurate to its importance: “the failure of the EU to get to grips with tourism at all until the early 1980s is undoubtedly in part a reflection of the low status given to tourism by the public sector in some member states, especially the more economically developed ones”. It was only since the 1980’s, at a time when many other economic activities where either experiencing difficulties or simple declining, that the growing economic magnitude of tourism attracted the attention of EU administrators and policy-makers, for whom economic growth and employment creation were major objectives (Davidson, 1998). This late awakening, after the sudden increase of tourism’s relative importance to the EU economy, proceeds from the co-ordinate effect of two factors: Not only did the EU expansion process introduce a number of countries in which tourism is a major force – Greece (1981), Portugal and Spain (1986) – but it also coincided with a period of rapid expansion in other member states (UK, Germany, France, Italy). Other arguments related to tourism potential to achieve economic convergence and its redistribute role provide the foundations upon which EU involvement in tourism is undertaken. However, while the rationale for EU interventions in tourism is essentially driven by economic considerations, tourism can also be a vehicle of social integration and a means of implementing sustainable development. In connection to the above and despite there being little agreement on the part of the member states “whether tourism should be given any specific sectoral, political or legal status at all” and “while member states debate the subject, there are already several areas where EU action has a direct bearing on the industry” (Downes, 1997: 74).

When answering the question “does the low political profile and lack of a specific legal basis prevent an EU action on tourism?” the idea that tourism has a broader range of support within EU actions and programs, than might at first be thought, emerge. Reviewing the initiatives undertaken with considerable impact on tourism, a major distinction must be made between direct/specific and indirect/non-specific community measures affecting tourism (Figure 1).
Since the early 1980s, the EU structures intervened increasingly in tourism, bringing about a series of measures actively and specifically targeted at the sector. Although the rationale behind those actions is based on the principle that the EU's role within an overall framework to assist tourism must not take the form of heavy intervention, some examples of those deliberate actions aimed at assisting tourism can be counted. These include the European Year of Tourism (1990); the Community Action Plan to Assist Tourism, which represents the most significant tourism-specific measure launched at EU level; Philoxenia, a Multiannual Program to Assist Tourism 1997-2000.

And yet, there are many more indirect than direct EU measures which have a significant impact on tourism development within member states. “Indirect support has come through Community programmes covering such fields as the environment, culture, consumer protection, structural funds, trans-European networks, education and vocational training, common transport policy, policy for enterprise, research and development, establishment of the internal market and the application of rules governing competition” (Davidson, 1998: 39).

One of the policies not aimed exclusively at tourism and yet has a strong impact on the sector in general is the regional policy. The aim of strengthening cohesion within the Community by encouraging more balanced economic and social development has become one of the major priorities of the EU since 1970, when the Common Regional Policy was first implemented and financed. The Structural Funds, i.e., the European Regional Development Fund (ERDF), the European Social Fund (ESF), the European Agricultural Guarantee and Guidance Fund (EAGGF – Guidance Section) and the Financial Instrument for Fisheries Guidance (FIGF), finance most European Union structural actions. They are used to improve infrastructures, raise the education level, stimulate R&D and support productive investment. No specific sectors are targeted, but tourism figures prominently because of its potential for economic growth and employment. Tourism development is one of the means selected for advancing the objectives of the structural funds in virtually all EU regions. As a result, the most
significant financial aid made available for tourism development comes through the structural funds (Davidson, 1998: 51).

Structural funds have been created during different stages of the Community, but only gained significant importance after the reform of Structural Funds in 1988. The reform that implemented the principles of concentration, partnership, and programming and additionally, doubled the resources in real terms between 1987 and 1993, in the context of the single market and the Delores I package. Since the first Structural Funds period (1989-93) assistance has been organised by objectives\(^9\) concentrating most of the funds on Objective 1, which is to promote the development and structural adjustment of regions whose development is lagging behind. A region is eligible for Objective 1 assistance if, at the beginning of the programming period, the average GDP per capita of the last three years is lower than 75% of the Community average, which is the case for the whole territory of Portugal, Ireland and Greece. Community co-financing in Objective 1 regions can be up to 75% of total costs. Programming is prepared by a Regional Development Plan – to be presented by the Member State – and decided on the basis of a Community Support Framework (CSF) which is a plan developed by the Commission, the Member States and the Regions concerned. This identifies the priorities for Community funding, specifying the development strategy, the financial plan (level and duration of Community support) and the operational programmes including the different interventions and measures. They are initiated by the Member States and represent around 90% of the Structural Funds.

For the second structural funds period covering the years 1994 to 1999, a further increase of resources was decided in the context of Delors II package. The main motive behind the repeated increases in the structural funds was to allow the less favoured regions within the Community to catch up in the face of possible negative impacts of the single market on peripheral regions. Although eligibility to the structural funds is widely spread across the regions of the Community, more than 70% of the available EU funding is earmarked for Objective 1 regions, two thirds of which allocated to the cohesion countries. Evidence shows that over the whole period 1994-99, the structural funds amount to ECU 14.5 billion at 1992 prices and the resources for the four cohesion countries – Portugal, Ireland, Spain and Greece – are doubled in real terms from 1992 to 1999.

The new regulations governing Structural Funds for the period 1994-1999 have provided a basis for a stronger integration of tourism within the Fund’s programming process. The Structural Funds are used in three main ways to enable the

\(^9\) Structural Funds contribute to the achievement of the six priority objectives of the structural policies: Objective 1: economic adjustment of regions whose development is lagging behind; Objective 2: economic conversion of declining industrial areas; Objective 3: combating long-term unemployment and facilitating the integration into working life of young people and of persons excluded from the labour market; Objective 4: facilitating the adaptation of workers to industrial changes in production systems; Objective 5(a): adjustment of the processing and marketing structures for agricultural and fisheries products; Objective 5(b): economic diversification of rural areas; and Objective 6: development of sparsely populated areas.
underdeveloped regions strengthen the basis for indigenous regional development through their tourism activities (Davidson, 1998: 53):

- Direct investment in tourism projects: co-financing facilities like hotels, marinas, conference centres;
- Investment in infrastructure directly linked to the tourism sector: co-financing transport, environmental and communications projects that improve accessibility;
- Investment in projects to upgrade the cultural and historical resources of less developed regions, making them more attractive to tourism demand.

The financial provisions of the existing regional policy for tourism development in Objective 1 regions are mainly allocated in the ERDF, which general objectives are:

- productive investments to permit the creation or maintenance of permanent jobs;
- investments in infrastructure;
- support to local development initiatives and the activities of SMEs;
- investments in the field of education and health (in objective 1 regions) contributing to the structural adjustment;
- measures in the field of research and technological development;
- productive investment and investment in infrastructure aimed at environmental protection, in accordance with the principles of sustainable development.

Of the total ERDF allocation to Objective 1 regions, 5.6% can be clearly identified as contributing to tourism development and with Portugal being one of major beneficiaries (Table 1).

Table 1 - ERDF contributions to tourism under CSF 1994-99 in Objective 1 regions

<table>
<thead>
<tr>
<th>Member States</th>
<th>ERDF assistance (millions of ECUs at 1994 prices)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>32</td>
</tr>
<tr>
<td>Germany</td>
<td>0</td>
</tr>
<tr>
<td>Greece</td>
<td>683</td>
</tr>
<tr>
<td>Spain</td>
<td>538</td>
</tr>
<tr>
<td>France</td>
<td>99</td>
</tr>
<tr>
<td>Ireland</td>
<td>354</td>
</tr>
<tr>
<td>Italy</td>
<td>775</td>
</tr>
<tr>
<td>Netherlands</td>
<td>4</td>
</tr>
<tr>
<td>Portugal</td>
<td>571</td>
</tr>
<tr>
<td>UK</td>
<td>118</td>
</tr>
<tr>
<td>Total</td>
<td>3 174</td>
</tr>
</tbody>
</table>

Source: EU

Community assistance to Portugal has a long tradition: loans on favourable terms were already granted in the 1970s and pre-accession aid was started in 1980. After Portugal’s accession to the European Community in 1986, specific programmes for social and economic development were launched, which were later integrated into the structural funds programmes.

Structural assistance increased significantly after structural fund reforms in 1988 making the whole territory of Portugal eligible for Objective 1 assistance and raising structural fund commitments from 2.1% of Portugal’s GDP in 1988 to an average of 2.7% for the period 1989-93, and to almost 3% for the period 1994-99. Including all sources of finance (structural funds, EIB loans, national and private co-financing), the II CFS 1994-99 had a volume of ECU 24900 million (in 1994 prices).

The framework against which the Portuguese Regional Development Plan was drawn and the consequent 1994/99 CSF agreed with the European Commission defines “three strategic options”: (i) “to prepare Portugal for the new European context”; (ii) “to prepare Portugal to compete in a global economy”; (iii) “to prepare Portugal for an enhanced quality of life”. Tourism is largely designed in the framework of the strategic option “to prepare Portugal to compete in a global economy”. Tourism is seen as a sector able to make a significant contribution to the strengthening of the Portuguese economy, the enhancement of the competitive position of its productive fabric and the reduction of regional disparities. Moreover, it is acknowledge that tourism can contribute to a more efficient use of natural resources and to an increase in the effectiveness of regional differentiated characteristics. Nevertheless, the weaknesses of existing evolutionary trends in the sector, together with the increasingly competitive context in the tourism sphere as well as the changing patterns of demand in relevant tourism markets, require a purposeful policy intervention. Although the strategic role that tourism plays in the Portuguese economy is significant – it has increased value added and employment creation -, weaknesses had emerged. Tourism represented only some 3.5% of EU export share, a proportion lower than that of Greece and lagging far behind those of Spain, Italy and France. It is highly dependent on a single product and few markets – notably Spain and the UK -, seasonally – the third quarter of the year – and is geographically concentrated the Algarve, the Lisbon area and Madeira, which account for 75% of the total. In addition decreases in the average stay and expenditure pointed to possible quality deficiencies on the supply side, especially with regard to human resources.

In this context the measures put into place for enhancing the competitiveness of tourism development were concentrated on increasing the capacity and quality in tourism and its diversification in order to gain competitiveness in the global markets that used the financial assistance provided by the CSF.
In the 1994/99 CSF for Portugal, the majority of the funds allocated for tourism projects, in particular those related to the ERDF, came under the “Development priority axis 2. This reinforced the factors of competitiveness of the economy “ which by being organised by main programmes essentially corresponding to broad sectors, allows the identification of the Program “Tourism and cultural heritage” (Table 2).

Table 2 – CSF 1994-1999 for Portugal. Financial assistance by axis (in million ecu 1993)

<table>
<thead>
<tr>
<th>DEVELOPMENT PRIORITY AXIS</th>
<th>OBJECTIVE</th>
<th>MAIN PROGRAMMES</th>
<th>TOTAL COST (of which structural funds commitments)</th>
<th>% of total cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Qualifying the human resources and promoting employment</td>
<td>- Education</td>
<td>4160 (3060)</td>
<td>16.7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Science and technology</td>
<td>1732 (1299)</td>
<td>6.9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Vocational training &amp; employment</td>
<td>525 (376)</td>
<td>2.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Total</td>
<td>1903 (1385)</td>
<td>7.6</td>
</tr>
<tr>
<td>2</td>
<td>Reinforcing the Factors of competitiveness of the economy</td>
<td>- Transport</td>
<td>13938 (6306)</td>
<td>55.9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Telecommunication</td>
<td>2453 (1389)</td>
<td>9.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Energy</td>
<td>550 (276)</td>
<td>2.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Agriculture</td>
<td>912 (322)</td>
<td>3.7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Fisheries</td>
<td>3217 (1764)</td>
<td>12.9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Industry</td>
<td>347 (220)</td>
<td>1.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Tourism and cultural heritage</td>
<td>4460 (1661)</td>
<td>17.9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Total</td>
<td>1160 (390)</td>
<td>4.7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Trade and services</td>
<td>838 (284)</td>
<td>3.4</td>
</tr>
<tr>
<td>3</td>
<td>Improving quality of life and social cohesion</td>
<td>- Environment</td>
<td>1774 (1264)</td>
<td>7.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Urban renovation</td>
<td>347 (260)</td>
<td>1.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Health</td>
<td>487 (299)</td>
<td>2.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Economic and social integration of disfavoured groups</td>
<td>495 (371)</td>
<td>2.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Total</td>
<td>445 (334)</td>
<td>1.8</td>
</tr>
<tr>
<td>4</td>
<td>Strengthening the regional economic base</td>
<td>- Rural and local development</td>
<td>4870 (3144)</td>
<td>19.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Regional incentives</td>
<td>165 (106)</td>
<td>0.7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Specific re-equilibrating actions</td>
<td>745 (272)</td>
<td>3.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Regional programs</td>
<td>322 (217)</td>
<td>1.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Total</td>
<td>3638 (2549)</td>
<td>14.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Monitoring, evaluation, control, information, etc.</td>
<td>180 (140)</td>
<td>0.7</td>
</tr>
<tr>
<td>Total CSF</td>
<td></td>
<td>- Total</td>
<td>24925 (13914)</td>
<td>100</td>
</tr>
<tr>
<td>Community initiates</td>
<td></td>
<td>- Total</td>
<td>1913 (1041)</td>
<td>-</td>
</tr>
<tr>
<td>Cohesion Fund</td>
<td></td>
<td>- Total</td>
<td>4026 (2657)</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>- Total</td>
<td>30864 (17612)</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: European Commission, Portuguese Authorities
Many more direct and indirect actions can be identified under any of the other three development priorities; as an example and in addition to the mainstream funding available under the national programme, the regional operational programmes are important sources of financing for tourism initiatives. Apart of this, complementary aid is also available and provided through some special programmes and community initiatives\textsuperscript{10} Interreg II, Konver, Regis II, Urban, SME and Leader+.

However, this analysis focuses the attention on the interventions undertaken in the framework of the Tourism and Cultural Heritage Programme only. The Tourism and Cultural Heritage Programme is made up of a series of measures, of which the following were financed by the ERDF:

Measure 1 – Modernisation and diversification of tourism: this measure provides aid to firms, individuals or groups in the private sector, covering hotel improvements, investments in structures for tourism events, restoration of architectural, historical or cultural heritage of tourist potential
Measure 2 – Tourism accommodation in historic buildings
Measure 4 – Restoration of cultural heritage
Measure 5 – Museums and other cultural buildings
Measure 6 – Tourism for young people

3.1 - Regional distribution of projects financed under the Tourism and Cultural Heritage Programme of 1994-99 CSF: untrue signs of changing geography

Analysis of financial support specifically allocated to tourism projects under the Tourism and Cultural Heritage Programme pointed at a global cost of €1,160 million, in terms of an estimated budget, of which €390 million was structural fund commitments (Table 2). An ex-post evaluation shows that the financial allocations were subject to a small-scale reinforcement of €1,210 million.

Considering the investment component linked to the structural assistance supported by ERDF and its segmentation by measures, an uneven pattern appears; a range of different types of projects was supported, but the bulk has been for Measure 1 – Modernisation and diversification of tourism: approximately 83% of the investment was done under this measure, while Measure 6 – Tourism for young people - was responsible for only 2% of global investment (Figure 2).

\textsuperscript{10} Community initiatives are invitations from the Commission to the Member States to submit programmes for co-financing in areas that are of significant interest to the Union as a whole. The underlying idea is to provide added-value to the CSF by favouring innovation, co-operation, exchange of information between regions, development of know-how and economic restructuring of regions which are specially badly hit by a specific economic problem.
Figure 2 - Investment distribution per measures within the Tourism and Cultural Heritage Program


On a spatial basis, the regional distribution of some indicators - number of approved projects, eligible investment\(^{11}\) and corrected incentive\(^{12}\) - highlights that not only a non-homogeneous pattern appears but also strong inequalities emerge (Table 3). In absolute terms, “Lisboa e Vale do Tejo” was the major recipient: from 1994 to 1999 as this region had the largest number of approved projects (195), the investment was 30.97% of all commitments and incentive totalled €153,034,403. The Northern Region, was responsible for 23% of total approved projects and eligible investment and for 28% of the incentive. It was the second largest net earner.

\(^{11}\) Eligible investment is the amount of the investment financed via ERDF.

\(^{12}\) Corrected Incentive is the total financed investment, independent of the entity that provides the grant (either the European Union or the Member States).
While these two regions together accounted for more than 50% of eligible investment and approximately 60% of all incentive for this period, little sums went the Azores, which had the lowest percentage allocations. In short, the striking feature of this table is the uneven regional distribution observed in the application of the 1994-99 CSF Tourism and Cultural Heritage Programme.

Table 3 - Regional distribution of approved projects under the 1994-99 CSF Tourism and Cultural Heritage Program

<table>
<thead>
<tr>
<th>Regions</th>
<th>Projects</th>
<th>Eligible Investment</th>
<th>Incentive</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Total (Euro)</td>
<td>%</td>
</tr>
<tr>
<td>Norte</td>
<td>164</td>
<td>248,216,061</td>
<td>22.98</td>
</tr>
<tr>
<td>Centro</td>
<td>106</td>
<td>90,065,562</td>
<td>8.34</td>
</tr>
<tr>
<td>Lisboa e Vale do Tejo</td>
<td>195</td>
<td>334,521,451</td>
<td>30.97</td>
</tr>
<tr>
<td>Alentejo</td>
<td>70</td>
<td>87,165,276</td>
<td>8.07</td>
</tr>
<tr>
<td>Algarve</td>
<td>77</td>
<td>137,515,540</td>
<td>12.73</td>
</tr>
<tr>
<td>Açores</td>
<td>28</td>
<td>40,576,492</td>
<td>3.76</td>
</tr>
<tr>
<td>Madeira</td>
<td>78</td>
<td>141,970,838</td>
<td>13.15</td>
</tr>
<tr>
<td>Total</td>
<td>718</td>
<td>1,080,031,220</td>
<td>100.00</td>
</tr>
</tbody>
</table>


In fact some interesting results appear from calculating other indicators. Even a crude index of regional concentration of for example densities - either the amount of investment per km$^2$ or the incentive per km$^2$ - clearly shows the strong variations in ERDF financial assistance in terms of its geographical distribution throughout the Portuguese regions. The highest levels are found in Madeira – this region received €22,351 per km$^2$ - contrasting with the lowest level of €1,930 per km$^2$ found in region “Centro” (table 4).

But the correct evaluation, in terms of spatial location, requests the utilization of other indicators. For this purpose some localisation measures, namely the location quotient and the coefficient of localisation are used. These localisation measures - by relating two or more variables, whose regional distribution is confronted - provide a more accurate image of the regional inequalities. The location quotient is an index that relates the relative importance of a certain indicator within a region with the relative importance of that indicator in all the regions considered. And yet, according to Isard et al. (1998: 24), in the construction of a location quotient the analyst may find it desirable to use a different base. For example, he may use as a base a measure of geographic area – km$^2$ - to see which regions are over represented and which under-represented in terms of this base. So, in this analysis the formalisation of the location quotient (ql) is as follows:
\[ QL_{ij} = \frac{x_{ij}}{x_j} \times \frac{S_j}{S} \]

Table 4 - Densities, Investment/Incentive Location Quotients and Investment/Incentive Coefficients of Localization

<table>
<thead>
<tr>
<th>Regions</th>
<th>Density (values in Euro)</th>
<th>Location quotient</th>
<th>Coefficient of localization</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment / Incentive/</td>
<td></td>
<td>Investm.-surf.</td>
</tr>
<tr>
<td></td>
<td>surface</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Norte</td>
<td>11,665</td>
<td>7,030</td>
<td>1.00</td>
</tr>
<tr>
<td>Centro</td>
<td>3,805</td>
<td>1,930</td>
<td>0.32</td>
</tr>
<tr>
<td>Lisboa e Vale do Tejo</td>
<td>28,038</td>
<td>12,827</td>
<td>2.38</td>
</tr>
<tr>
<td>Alentejo</td>
<td>3,237</td>
<td>2,403</td>
<td>0.28</td>
</tr>
<tr>
<td>Algarve</td>
<td>27,564</td>
<td>10,008</td>
<td>2.55</td>
</tr>
<tr>
<td>Açores</td>
<td>17,415</td>
<td>7,473</td>
<td>1.25</td>
</tr>
<tr>
<td>Madeira</td>
<td>182,248</td>
<td>68,036</td>
<td>13.15</td>
</tr>
<tr>
<td>Total</td>
<td>11,751</td>
<td>5,803</td>
<td>1.00</td>
</tr>
</tbody>
</table>

When the analysis is extended to take into account the location quotient, once again a very clear pattern of regional polarization appears: the highest investment location quotients (13.5) and incentive location quotients (9.94) - much superior to the unit - are experienced in Madeira. This is a pattern consistent with the empirical evidence presented above. In second place, Algarve and “Lisboa e Vale do Tejo” are the regions that most polarised the financial aid provided by ERDF under the 1994-99 CSF.

The full use of this localisation measure can be found in its simplicity. Isard et al. (1998) consider that its simplicity is a useful device in the exploratory stages of research, so in addition to this quotient, the coefficient of localization has been employed in a number of occasions. In this study the formalization used of this measure was:
The regional patterns that emerge from the estimation of the coefficients of localization are basically in line with regional distributions provided by the previous analysis: a strong geographical concentration of incentives in the three most important tourism destinations – “Algarve”, “Lisboa e Vale do Tejo” and “Madeira” (Table 4).

To summarize, “Lisboa e Vale do Tejo” and “Norte” were the two major regional recipients of the financial support allocated to tourism projects under the Tourism and Cultural Heritage Program. However, if location measures are used a new geographic pattern emerges, where the dominant positions are occupied by the traditional and most important Portuguese tourism destinations: the regions of “Madeira”, “Lisboa e Vale do Tejo” and “Algarve”.

\[ Cl_{ij} = \frac{x_{ij}}{x_j} - \frac{S_i}{S} \]

i corresponds to Norte, Centro, Lisboa e Vale do Tejo, Alentejo, Algarve, Açores e Madeira regions
j corresponds to investments or corrected incentive
\( X_{ij} \) eligible investments or corrected incentive in the region i;
\( X_j \) eligible investments or corrected incentive concretised at national level
\( S_i \) surface of region i in km²
\( S \) surface of the country

The higher the resulting coefficient of localization the greater the concentration.
3.2 - The impact of Portuguese Community Support Framework (1994-1999) in spatial distribution of tourism

In 1994, at the beginning the 1994-99 CSF, the spatial distribution of tourism was:

- in terms of accommodation capacity in hotel establishments, Algarve was in the dominant position (41% of total accommodation capacity), followed by “Lisboa e Vale do Tejo” and “Norte” (Table 5). These regions were responsible for 78% of the total accommodation capacity in hotel establishments.
- in terms of demand, a similar spatial pattern can be drawn i.e. the three traditional tourism destinations – “Algarve”, “Lisboa e Vale do Tejo” and “Madeira” - attracted more than 80% of total bednights.

The idea of partial concentration of the tourism dynamics in Portugal is well observable when the importance of “Algarve”, “Lisboa e Vale do Tejo” and “Madeira” in terms of their surface, is analysed: they represent only 19% of national territory. Its therefore clear that in 1994 tourism in Portugal suffered strong geographical structural inequalities.

Table 5 – Indicators of tourism supply and demand (1994-99)

<table>
<thead>
<tr>
<th>Regions</th>
<th>Accommodation capacity in hotel establishments</th>
<th>Bednights in hotel establishments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1994 Number</td>
<td>%</td>
</tr>
<tr>
<td>Norte</td>
<td>24751</td>
<td>13.28</td>
</tr>
<tr>
<td>Centro</td>
<td>15893</td>
<td>8.53</td>
</tr>
<tr>
<td>Lisboa e Vale do Tejo</td>
<td>44151</td>
<td>23.70</td>
</tr>
<tr>
<td>Alentejo</td>
<td>5594</td>
<td>3.51</td>
</tr>
<tr>
<td>Algarve</td>
<td>75726</td>
<td>40.64</td>
</tr>
<tr>
<td>Açores</td>
<td>3300</td>
<td>1.77</td>
</tr>
<tr>
<td>Madeira</td>
<td>16914</td>
<td>9.08</td>
</tr>
<tr>
<td>Total</td>
<td>186329</td>
<td>100</td>
</tr>
</tbody>
</table>

Comparing some indicators in 1999 to their situation in 1994 reveals some minor changes. In 1999, the major structural regional inequalities persist. In other words, the uneven regional distributions were consistent throughout this time period: strong concentration of tourism supply and demand still exists. However, an important change is the drop of the Algarve, reducing its share, hand in hand with an increase of shares of “Madeira” and the “ Açores”. In fact, analyzing the evolution of accommodation capacity, empirical evidence suggest an average global increase of 16.37% while the most important tourism destination in Portugal (Algarve) grew below the average (12.38%) (Table 6). On the other hand, the “Alentejo” and “Centro” were the regions that had highest rates of increase.
Another important aspect is the idea that in terms of bednights there was a similar evolution; however the global increase was at faster rates (25.07%).

Table 6 – 1994-99 growth rates

<table>
<thead>
<tr>
<th>Regions</th>
<th>Global increase of accommodation capacity</th>
<th>Global increase of bednights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Norte</td>
<td>15.09</td>
<td>24.34</td>
</tr>
<tr>
<td>Centro</td>
<td>23.83</td>
<td>30.67</td>
</tr>
<tr>
<td>Lisboa e Vale do Tejo</td>
<td>17.68</td>
<td>25.48</td>
</tr>
<tr>
<td>Alentejo</td>
<td>34.30</td>
<td>16.85</td>
</tr>
<tr>
<td>Algarve</td>
<td>12.38</td>
<td>20.71</td>
</tr>
<tr>
<td>Açores</td>
<td>19.36</td>
<td>39.45</td>
</tr>
<tr>
<td>Madeira</td>
<td>19.17</td>
<td>38.44</td>
</tr>
<tr>
<td>Total</td>
<td>16.37</td>
<td>25.17</td>
</tr>
</tbody>
</table>

Applying the same methodology used before – density, location quotient\(^\text{13}\) and coefficient of localisation\(^\text{14}\) – the strong regional inequalities show up again (Tables 7 and 8).

Table 7 – Location measures

<table>
<thead>
<tr>
<th>Accommodation capacity</th>
<th>Tourism density (n° beds)</th>
<th>Location quotient</th>
<th>Coefficient of localisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regions</td>
<td>Beds/surface</td>
<td>Beds/surface</td>
<td>Beds-Surface</td>
</tr>
<tr>
<td>Norte</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Centro</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lisboa e Vale do Tejo</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alentejo</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Algarve</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Açores</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Madeira</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\[^{13}\] \text{QL}_{ij} = \frac{x_{ij}}{x_j} \frac{S_i}{S} \quad \text{i corresponds to Norte, Centro, Lisboa e Vale do Tejo, Alentejo, Algarve, Açores and Madeira regions}

\[^{14}\] \text{Cl}_{ij} = \frac{x_i}{x_j} - \frac{S_i}{S} \quad \text{X}_{ij} \text{ accommodation capacity or bednights in the region i;}

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In 1994, the national average accommodation density was of 2.03 beds/Km². However, “Madeira” exceeds this value (21.7 beds/km²). The second position was occupied by the Algarve with 15.18 beds/km² and all other regions, except for “Lisboa e Vale do Tejo” (3.7 beds/km²), are situated below the national average. The more extreme cases were “Alentejo” (0.21 beds/km²) and “Centro” (0.67 beds/km²). In these regions, there was not one bed by Km². Em 1999, little changes occurred: all regions experienced an increase. The fastest rate was visible in Madeira.

In terms of accommodation demand, it can be concluded that the same regions (“Madeira”, “Algarve” and “Lisboa e Vale do Tejo”) had highest density levels both in 1994 and in 1999, being Madeira the more dynamic region.

When the location quotient and coefficient of localization are used, it is observed that the results reinforce the thesis that tourism in Portugal shows a high degree of spatial inequality and is geographically highly concentrated.

Table 8 – Location measures

<table>
<thead>
<tr>
<th>Regions</th>
<th>Tourism density (n° bednights)</th>
<th>Location quotient</th>
<th>Coefficient of localization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Norte</td>
<td>113.18</td>
<td>140.73</td>
<td>0.4</td>
</tr>
<tr>
<td>Centro</td>
<td>62.98</td>
<td>82.30</td>
<td>0.22</td>
</tr>
<tr>
<td>Lisboa e Vale do Tejo</td>
<td>486.59</td>
<td>610.57</td>
<td>1.71</td>
</tr>
<tr>
<td>Alentejo</td>
<td>24.86</td>
<td>29.05</td>
<td>0.09</td>
</tr>
<tr>
<td>Algarve</td>
<td>2396.52</td>
<td>2892.72</td>
<td>8.42</td>
</tr>
<tr>
<td>Açores</td>
<td>159.90</td>
<td>222.98</td>
<td>0.56</td>
</tr>
<tr>
<td>Madeira</td>
<td>4420.67</td>
<td>6120.00</td>
<td>15.49</td>
</tr>
<tr>
<td>Total</td>
<td>284.49</td>
<td>356.10</td>
<td>1</td>
</tr>
</tbody>
</table>
Conclusions

The tourism development process, the removal of its structural deficiencies and its contribution for a more balanced regional development is not solely the outcome of structural funds projects. It is also the result of other factors and interventions. But on a desegregated level of development priorities, it is almost impossible to isolate the impact of structural funds measures from other determinants. Therefore, the previous analysis showed the performance of several indicators about tourism development process between 1994 and 1999 – the period the second CSF for Portugal was implemented –, without claiming that it is exclusively due to Community assistance although it is frequently a large part of the explanation. But the results presented make it possible to conclude that during the period when Portugal received funds from the II Community Support Framework there were not large changes in the terms of spatial distribution of the tourism activity.

In 1999, tourism continues to present a high level of spatial concentration, with only the decrease of the relative importance of the main tourism region of the country (Algarve) being highlighted. This is a very interesting situation which requires further research in order to be completely understood, given that taking into account the investment and the incentive by km2 of the program analyzed (Tourism and Cultural Heritage), this region was one of the most benefited.

However, everything indicates that actually tourism in Portugal, particularly in the Algarve, is suffering the consequences of the tourism development model that was prevalent in the last decades, especially in the decade of 80s. This model is responsible for the occurrence of some structural weaknesses, which actually mark the sector, namely a strong geographic, and temporal concentration and consequently, an excessive dependency on “Sun and Beach Tourism”.

It seems that the increase of tourism competition in Portugal should be enhanced by a more balanced spatial spread of the activity (Eusébio, 1998). EU incentives constitute an important tool for reaching this goal.

The distribution of subsidies with large potential for developing tourism to regions with minor tourist flows should be a priority. It is hoped that those responsible for the management and application of III Community Support Framework will realise this objective.
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