

The economic dimensions of sustainable tourism. Reflections from a Mediterranean Community of projects.

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Abstract

Sustainable tourism encompasses various economic dimensions that aim to balance economic growth with environmental and social responsibility. The economic dimensions of sustainable tourism aim to create a positive impact on local economies while minimizing negative consequences for the environment and local communities. Sustainable tourism practices strive for a balance that ensures long-term economic benefits without compromising the well-being of the destination. This article presents the contribution of the projects selected under the Interreg-MED Thematic Objective of Sustainable Tourism during the 2014-2020 period in re-thinking and re-focusing tourism development in Mediterranean coastal destinations in relation to their socioeconomic objectives. Taking into account the cross-cutting nature of the tourism sector, the analysis revealed that the integration of the socioeconomic dimension is an integral part of any effective strategies and actions.

Keywords: sustainable tourism, Interreg-MED, Mediterranean

1. Introduction

Tourism and its interconnections with other sectors is placed amongst the highest income generators in the Mediterranean, especially in terms of generating gross value added and employment. However, the emerging global sustainability challenges demand for re-thinking and re-positioning the tourism model to meet the demands for differentiation, innovation, cost optimization and the tourists' growing sustainability expectations (Economic Commission for Europe, 2022, UNECE & ESCAP, 2021). It has become widely acknowledged by policymakers, developers and tourism corporations, that policies and planning for the development of tourism should take into account the concepts of "sustainability" or "sustainable development" (Bianchi, 2010). In both developed and developing countries, sustainable tourism strives to achieve a balance between preserving the environment, upholding cultural integrity, establishing

social justice, and promoting economic benefits (Mitchell & Hall, 2005). In the meantime, the growing acceptance of the notion of sustainable development as a means of resolving economic-environmental conflict has significant consequences for the form and trajectory of economic restructuring (Gibbs, 1996). Encouraging sustainable consumption principles, offering new tourism services and achieving a competitive advantage by meeting the needs and welfare of local communities and addressing the sustainable development priorities of tourism destinations can be the means to resolve potential implications and address the issues related to re-orienting the tourism industry towards sustainability (Streimikiene et al., 2020).

2. Methodology

In this light, the present paper focuses on the INTERREG MED Community of projects under the *Sustainable Tourism* Thematic Objective (TO). During the course of the 2014-2020 programming period, 30 projects were selected under the Sustainable Tourism TO, focusing on enhancing the development of a sustainable and responsible coastal and maritime tourism in Mediterranean coastal areas. Although the thematic focus of the projects is clearly on tourism issues, the projects tackle a wide range of socioeconomic, environmental and governance dimensions through their thematic objectives and related activities. Niavis et al. (2022) identified the most common 12 thematic objectives targeted by the projects, covering all four dimensions of tourism sustainability. For the needs of this paper, 6 out of the 12 thematic objectives that are classified under the socioeconomic dimension are taken into account. More specifically, the thematic objectives under the socioeconomic dimension are:

- Generating employment
- Increasing Gross Value Added (GVA)
- Diversifying & differentiating the tourism product
- Promoting clustering/innovation
- Improving social well-being
- Improving accessibility

Taking into account the average funds invested by the projects on the 12 policy objectives, the results show that 41% of the total budget was allocated to the 6 socioeconomic objectives while 59% was allocated to environmental and governance

priorities. Most resources were invested in activities related to the diversification and differentiation of the tourism product and the improvement of social well-being.

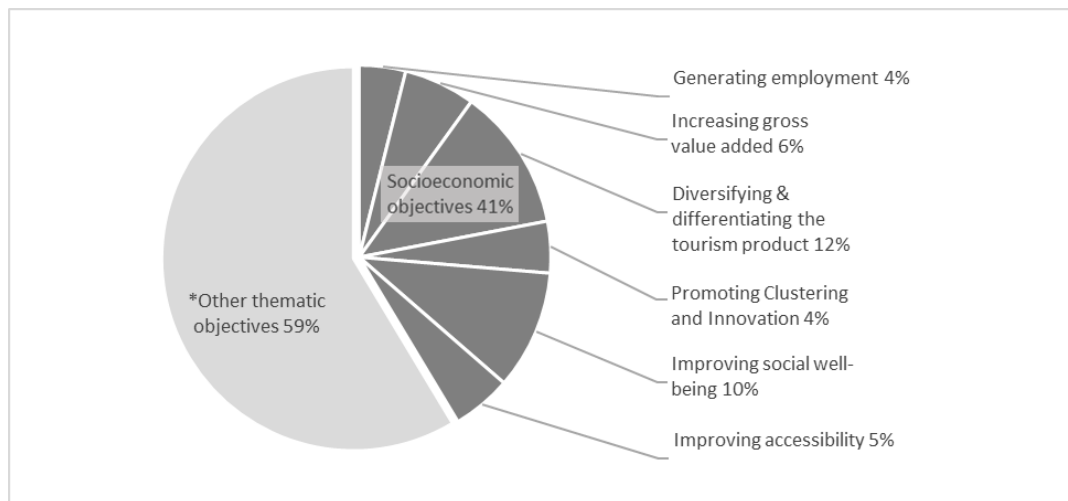


Figure 1: Average funds invested by the projects in socioeconomic objectives

Source: Own elaboration

Moreover, out of the 60 eligible Mediterranean coastal areas, the objective to diversify and differentiate the tourism product was counted in 46 regions, followed by the objective to improve social well-being (44 regions), to increase the gross value added (39 regions), to promote clustering and innovation and improve accessibility (33 regions) and, finally, to generate employment (32 regions).

3. Results and Discussion

The results clearly highlight that the socioeconomic dimension is an integral part for effective sustainable tourism strategies and actions. To this end, all 30 projects of the Sustainable Tourism Community directly or indirectly take into account and plan for restructuring local economies and societies towards sustainable tourism development. Their activities take the form of strategies to promote alternative tourism products, action plans and tools to valorise and monitor water and energy usage in public and private sector, circular tourism tools applying the principles of circular economy in the tourism industry, business models to enhance the sustainability of the cruise value chain etc.

4. Conclusions

In conclusion, the linkages between tourism and economic development is evident and versatile, either directly in the form of generating employment or indirectly in the form

of stimulating the development of basic infrastructure to improve accessibility. The results of the Interreg MED Sustainable Tourism Community highlighted that tourism development needs to be approached in an innovative and sustainable way so that the local communities can take full advantage of its potential while preserving the natural and cultural heritage resources.

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