

Restarting cultural Tourism in the ADRION region.

*The economic impact of the pandemic and the strategies
for the restart. A contribution to the debate.*

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Executive summary

The scope of the report is to present a first assessment of the impact of the crisis and to discuss the strategies and tools for the restart of cultural tourism in the six countries of the THEMATIC partnership. The report is based on a survey among the stakeholders.

The impact of the crisis

According to the current forecasts made by stakeholders, the return to the pre-COVID activity level will not happen before the second semester of 2021. Considering the seasonality of activities, most of the cultural tourism GDP in 2020 will be lost.

In the cultural sector the **permanent losses of production capacity** could be especially severe, because of the structural constraints, the financial fragility of the small companies, the large presence of the informal economy that might not survive a year long collapse of demand.

Measures for the recovery and restart on the supply side.

In the cultural tourism economy, the emergency measures adopted at European and national level to support private companies to survive the crisis do not present the same feasibility and efficacy. The importance of tailored measures to target the smaller companies and those in the informal tourist economy was stressed. According to the stakeholders, the most urgent measures could be those that provide direct support to the current revenue of companies and employees.

Among measures for the restart the support to investments for the structural adjustment to the new safety measures, and the innovation of cultural tourism products were considered the most relevant. New technologies and formats for virtual tourism and web streaming of cultural events could prove specially important for the preservation of the human capital in the cultural system and for the promotion to the international audience of the return to the tourism in person.

Measures for the recovery and restart on the demand side.

The measures adopted aim to the restoration of damages to consumers and to the fast restart of tourism. The reimbursement of consumers for cancelled tourist services using **vouchers** has received mixed appreciation from stakeholders. According to them, the preservation of consumer trust can be more important than the financial relive produced by vouchers. In the cultural tourism sector, where the unicity of experiences makes less probable the replacement of planned trips with other destinations, the vouchers system could play a larger role.

However, for an effective and long term innovation of the reservation systems, including reimbursements, a strong technical and financial support to the smaller entities is needed.

The proposal of subsidies and investments to promote **domestic tourism** are considered just as short term, emergency measures, not adequate for the restart of the cultural tourism. In fact, most partners countries in the Mediterranean Area depend on international tourism for large shares, up to the 50-80%, of the total turnover, not replaceable by internal demand.

The system of **safe corridors**, initially perceived as a useful tool to accelerate restart, presents strong limits, due to the uncertainty of the pandemic evolution. Bilateral agreements could even backfire, increasing uncertainty among consumers, if new infections will appear in destinations declared “safe” on uncertain scientific bases. The best option seems the return to international tourism based on common international health safety standards.

The role of the European Territorial cooperation in the strategies for the restart.

The ETC can represent the most effective framework for the design and implementation of strategies for the restart of cultural tourism. In particular, ETC can offer a tested platform for: Joint Designing and testing of innovations for safe and sustainable cultural tourism.

Transferring good practices to accelerate adoption of innovations at European level.

Designing and implementing of joint strategies for the promotion of new cultural tourism.

Sommario

Lo scopo della relazione è presentare una prima valutazione dell'impatto della crisi e discutere le strategie e gli strumenti per il riavvio del turismo culturale nei sei paesi del partenariato THEMATIC. Il rapporto si basa su un sondaggio tra gli stakeholder.

L'impatto della crisi

Secondo le attuali previsioni delle parti interessate, il ritorno al livello di attività pre-COVID non avverrà prima del secondo semestre del 2021. Considerando la stagionalità delle attività, la maggior parte del PIL del turismo culturale nel 2020 andrà persa.

Nel settore culturale le **perdite permanenti della capacità produttiva** potrebbero essere particolarmente gravi, a causa dei vincoli strutturali, della fragilità finanziaria delle piccole imprese, della grande presenza dell'economia informale che potrebbe non sopravvivere a un crollo della domanda lungo un anno.

Misure per il recupero e il riavvio dal lato dell'offerta.

Nell'economia del turismo culturale, le misure di emergenza adottate a livello europeo e nazionale per sostenere le società private per sopravvivere alla crisi non presentano la stessa fattibilità ed efficacia. È stata sottolineata l'importanza di misure su misura per le imprese più piccole e quelle nell'economia turistica informale. Secondo gli stakeholder, le misure più urgenti potrebbero essere quelle che forniscono sostegno diretto alle entrate attuali di aziende e dipendenti.

Tra le misure per il riavvio, il sostegno agli investimenti per l'adeguamento strutturale alle nuove misure di sicurezza e l'innovazione dei prodotti del turismo culturale sono stati considerati i più rilevanti. Nuove tecnologie e formati per il turismo virtuale e lo streaming web di eventi culturali potrebbero rivelarsi particolarmente importanti per la conservazione del capitale umano nel sistema culturale e per la promozione al pubblico internazionale del ritorno al turismo di persona.

Misure per il recupero e il riavvio dal lato della domanda.

Le misure adottate mirano al ripristino dei danni ai consumatori e al rapido riavvio del turismo. Il rimborso da parte dei consumatori dei servizi turistici cancellati tramite **voucher** ha ricevuto apprezzamenti contrastanti dalle parti interessate. Secondo loro, il mantenimento della fiducia dei consumatori può essere più importante della rivalutazione finanziaria prodotta dai buoni. Nel settore del turismo culturale, dove l'unicità delle esperienze rende meno probabile la sostituzione dei viaggi programmati con altre destinazioni, il sistema dei buoni potrebbe svolgere un ruolo più ampio.

Tuttavia, per un'innovazione efficace e a lungo termine dei sistemi di prenotazione, compresi i rimborsi, è necessario un forte sostegno tecnico e finanziario alle entità più piccole.

La proposta di sussidi e investimenti per promuovere il **turismo domestico** è considerata come misure di emergenza a breve termine, non adeguate per la ripresa del turismo culturale. In effetti, la maggior parte dei paesi partner nell'area del Mediterraneo dipende dal turismo internazionale per quote elevate, fino al 50-80%, del fatturato totale, non sostituibili dalla domanda interna.

Il sistema di **corridoi sicuri**, inizialmente percepito come uno strumento utile per accelerare il riavvio, presenta forti limiti, a causa dell'incertezza dell'evoluzione della pandemia. Gli accordi bilaterali potrebbero persino ritorcersi contro, aumentando l'incertezza tra i consumatori, se nuove infezioni appariranno in destinazioni dichiarate "sicure" su basi scientifiche incerte.

L'opzione migliore sembra il ritorno al turismo internazionale basato su standard internazionali comuni di sicurezza sanitaria.

Il ruolo della cooperazione territoriale europea nelle strategie per la ripresa.

L'ETC può rappresentare il quadro più efficace per la progettazione e l'attuazione di strategie per il riavvio del turismo culturale. In particolare, ETC può offrire una piattaforma testata per:

Progettazione e sperimentazione congiunta di innovazioni per un turismo culturale sicuro e sostenibile.

Trasferimento di buone pratiche per accelerare l'adozione di innovazioni a livello europeo.

Progettazione e attuazione di strategie comuni per la promozione di nuovo turismo culturale.

Резиме

Циљ извештаја је да се представи прва процена утицаја кризе и да се разговара о стратегијама и алатима за поновно покретање културног туризма у земљама шест партнера THEMATIC пројекта. Извештај се заснива на анкети међу заинтересованим странама.

Утицај кризе

Према тренутним прогнозама заинтересованих страна, повратак на ниво активности пре COVID-а неће се догодити пре другог семестра 2021. С обзиром на сезонски тип активности, највећи део БДП-а културног туризма у 2020. години биће изгубљен.

У културном сектору **неповратни губици производних капацитета** могу бити посебно озбиљни због структуралних ограничења, финансијске крхкости малих компанија, великог присуства неформалне економије која можда неће преживети годину дана колапса потражње.

Мере за опоравак и поновно покретање на страни снабдевања.

У економији културног туризма, хитне мере усвојене на европском и националним нивоима за подршку приватним компанијама да преживе кризу не представљају исту изводљивост и ефикасност. Наглашена је важност прилагођених мера за мање компаније и оне у неформалној туристичкој привреди. Према заинтересованим странама, најхитније мере могу бити оне које пружају директну подршку тренутним приходима компанија и запослених.

Међу мерама за поновно покретање, сматра се да су најрелевантније подршка инвестицијама за структурно прилагођавање новим безбедносним мерама, и иновативност културних туристичких производа. Нове технологије и формати за виртуелни туризам и веб стриминг културних догађаја могли би се показати посебно важнима за очување људског капитала у културном систему и за промоцију међународним гледаоцима повратак туризму са личним присуством.

Мере за опоравак и поновно покретање на страни потражње.

Усвојене мјере имају за циљ обнављање штете за потрошаче и брз поновни почетак туризма. Накнада потрошачима за отказане туристичке услуге коришћењем ваучера изазвала је различиту реакцију заинтересованих страна. Према њима, очување поверења потрошача може бити важније од финансијског ефекта издавања ваучера. У сектору културног туризма, где јединственост искустава чини мање вероватном замену планираних путовања другим дестинацијама, систем ваучера могао би да има већу улогу.

Међутим, за ефикасну и дугорочну иновацију система резервација, укључујући надокнаде, потребна је снажна техничка и финансијска подршка мањим ентитетима.

Предлог субвенција и инвестиција за промоцију **„домаћег туризма“** сматра се краткорочним, хитним мерама, недовољним за поновно покретање културног туризма. У ствари, већина партнерских земаља у Медитеранском простору великим делом зависи од међународног туризма, од 50-80% укупног промета, који се не може заменити унутрашњом потражњом.

Систем **сигурних коридора**, који се у почетку доживљава као корисно средство за убрзање поновног покретања, представља снажне границе због несигурности развоја пандемије. Билатерални споразуми могу чак резултирати повратном реакцијом, повећавајући

неизвесност међу потрошачима, уколико се нове инфекције појаве на дестинацијама које су проглашене сигурним на бази неизвесних научних процена. Најбоља опција се чини повратак међународном туризму на основу заједничких међународних стандарда здравствене заштите.

Улога европске територијалне сарадње у стратегијама поновног покретања.

ЕТЦ (European Territorial Cooperation) може представљати најефикаснији оквир за осмишљавање и примену стратегија за поновно покретање културног туризма. Конкретно, ЕТЦ може понудити тестирану платформу за:

- Заједничко пројектовање и тестирање иновација за сигуран и одржив културни туризам.
- Пренос добрих пракси за убрзано усвајање иновација на европском нивоу.
- Дизајн и примена заједничких стратегија за промоцију новог културног туризма.

1 Introduction

All THEMATIC partner countries, Italy, Albania, Croatia, Greece, Serbia and Slovenia have been deeply affected by the Covid 19 crisis and overall tourism, as it is one of the most vulnerable economic sectors. For tourism, the impact was amplified by the very nature of the tourism activity, that should produce, leisure, emotions, cultural experiences, and cannot be enjoyed in a climate of health hazard.

Shortly after the pandemic was proclaimed, *“...borders and all schools were closed, ... all services connected to tourism stopped ... all events were cancelled ... first growth of unemployment was noticed.... In the beginning of the Covid crisis, when public life stopped, tourism stakeholders were in shock and they were aware that a lot cannot be done”*. We think this synthesis, provided by a partner report, could hardly be clearer about this new – unprecedented – situation.

THEMATIC project started just in these months and had immediately to catch up with this challenge, focusing in particular on the necessity to rapidly draw a new baseline upon which to address properly the foreseen activities, in view to achieve the expected results.

This report is the result of a widespread inception research, based upon interviews the partners held with their stakeholders, in view to outline the principal – mostly critical – facets of the crisis, addressing in particular the damages to local tourism systems, the foreseen loss in tourism capacity as well as the actions that are considered necessary in view to start over, paying attention to the actions to be taken both on the demand and the supply side. Special attention is paid to the role of Structural Funds, in view of the shortcoming 2021 – 2027 new programming period.

Results of the interviews provide a framework that’s hard to describe: the closure of rather all the tourism-related activities, unemployment, wide bankruptcy risk, especially for the smaller business, reduction in tourism carrying capacity due to the safety restrictions and – maybe one of the worst effects – the destruction of customer’s trust, the most important social capital asset, supporting the tourism sector.

The list of demands for support – in particular to address unemployment, infrastructure upgrade, liquidity crisis – is very long as wide is the solutions proposed and implemented by national government, in view to support a sector that provides a very relevant share of national GDPs, enterprise turnover and families income.

As the lack of sufficient data and information about the spread and exact duration of Covid-19 pandemic does not allow for statistically based forecasts, the suggestions of the report should be considered as a snapshot of the current situation and not as definitive conclusions. Indeed, in the tourism industry and hence for suggestions established on accurate quantitative data.

Shyly and still limited to some local and regional contexts, cultural tourism is recovering altitude: in the framework of ETC THEMATIC’s job should be the making of best use of this crisis, making of it the opportunity to become a field for experimentation of shared practices and solution to catch up with the crisis as well as (mainly?) a laboratory for innovations in contents and methods of

cultural offer, taking advantage of the crisis as an opportunity for designing new, safer and more sustainable solutions.

2 The Methodology

The survey was carried out with in person interviews (via video conferences) to experts, policy makers, representatives of tourism services entrepreneurs, members of the local administrations. The interviews included an open discussion of Interviewed experiences and comments on the current crisis, followed by a common set of questions about 10 discussion points.

The questions/discussion points aimed to the collection of experts assessment of the structural and economic impacts of the pandemic crisis, on expectations on the future dynamic of the tourist sectors, and on technical opinion on the impact of recovery policies that could be designed at central or regional level.

The answers were elaborated by the partner that produced a country report, and then the present synthesis.

The estimations of impact, expected long term damage, duration of recovery, were carried out as simple averages of the individual answers.

Most of the quantitative forecasts are based on estimations by the interviewed that were presented as ranges of possible outcomes, more than exact figures. E.g. in the opinion of the experts the full recovery of the tourist services can be expected between the 3rd and the 4th quarter of 2021. Nobody at the moment is able to make a stricter forecast.

In fact, nobody has the sufficient, objective elements that are needed to make statistically testable forecasts on the impact of COVID. The current pandemic is new and incomparable in its size and in its nature to any other natural or anthropic disaster that affected the world economy in modern times.

All relevant comments, proposals and ideas on the policy measures and strategies for the recovery were discussed in the final report, and are presented as contributions to the debate, more than normative prescriptions.

The questionnaire used for the interviews is attached to this report. (annex 1)

2.1 The interviewed: roles, competencies and experiences.

The pool of stakeholders was identified taking in to account the national and regional specificities, with the objective of creating a set representative of all components of the private and public bodies of the cultural tourism system.

Categories of interviewed stakeholders	% on the total
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Representatives of entrepreneurs in the tourist services sector (members of collective organizations or single entrepreneurs with outstanding experience and backgrounds)	30%
Directors and managers of public cultural institutions (museums, etc)	20%
Members of Local administrations (majors, council members)	10%
Directors of Regional departments responsible for tourism, cultural industries etc	20%
Experts in the tourism and cultural tourism economy	20%

The results of the interviews were elaborated and reported first by each partners, then were further elaborated to draft this joint report.

3 The impact of the pandemic in the cultural tourism system in the ADRION region

The Global pandemic is producing an unprecedented loss of product in the tourism system and a substantial decrease in production capacity, still uncertain in its size but already measurable as the largest loss ever experienced in modern history.

A deeper understanding of the nature and distribution of these losses is basic for the design of a sustainable strategy for the recovery and relaunch of the entire sector.

3.1 Most relevant losses of GDP of cultural tourism services.

All over the Adriatic Ionian Region, the pandemic is producing a loss of most of the product of the tourism services, including cultural tourism, that in the first two quarters of 2020 appears unrecoverable. According to the almost unanimous opinion of the interviewed experts, the loss will last at least until the first quarter of 2021.

The pandemic impact on economic activities has been amplified by the strong seasonality of tourism services in all the ADRIONS regions. As a consequence, at least 70-80% of 2020 GDP in the sector will be lost.

In fact, the crisis happened in the worst possible moment in the annual cycle of the tourism economy. In February the companies have already signed most of the contracts with their providers, and also the seasonal employee are already recruited. E.g., in Croatia, July and August make up 46% of annual arrivals (and 59% of overnight stays) – a seasonal imbalance that has been pointed out for years, as a factor of vulnerability.

The losses in the single regions can vary according to specific cases and conditions. The higher the seasonality of tourism activities, the closer the coincidence with the main planned cultural events and the stronger the impact to be expected.

Cultural events appear to be maybe the most significant “victim”, as the pandemic forced the postponement by one year or more, - or even the cancellation - of all the large events planned for the current year. These events represent a substantial part of the cultural tourism activities in the Adriatic Ionian region and a basic catalyser of the production of tourism services.

The direct economic damage of the pandemic on the public bodies owning and/or operating cultural sites, museums, historical locations, has been different in the two main cases that can be identified:

- Public bodies that manage locations and cultural institutions that do not produce revenues.
- Public bodies that manage locations and cultural institutions that produce revenues, from the payment of tickets and/or from the offer of other secondary services, like bookshops, cafeterias, etc.

In the case of public bodies managing “non-revenue-generating” cultural and tourism services, the financial resources for the operation are provided by public transfers from the state budget. Also in the case of public bodies producing “revenue-generating” services, the revenue from tickets and secondary services is just a component of the total of the budget, that includes public transfers, but, still, the impact of the pandemic is different for those institutions that are totally independent from revenues from consumers.

In both cases the social benefits for the local communities depend also on the secondary expenditures of tourists for the services used, like transport, accommodation, restaurants. Furthermore, the public administrations that operate these structures have secondary sources of tax revenues, from tourist expenditures, income taxes of companies and employees that operate in the tourist services. E.g. In Italy, the municipalities in touristic destination receive substantial tax revenues from the “tasse di soggiorno” (taxes paid per night of stay in hotels by non residents), local taxes paid by commercial and tourist activities, etc.

In the ADRION region, and in the countries of the THEMATIC partnership in particular, the share of the cultural tourism bodies producing direct revenues is small.

As a consequence, the direct impact of the pandemic has been less dramatic than for the private bodies, because public transfers continued, at least in the emergency period, avoiding at least the loss of jobs.

On the other hand, the impact could be much stronger in the medium and long term, because many of these bodies, organizations, institutions, could become not sustainable for the state and regional budget.

In fact, the enormous increase of expenditures for other emergency economic and social policies, could lead to a reduction of public transfers to these institutions.

Furthermore in case of a substantial and persistent decline of tourists arrivals, the social benefits generated by the cultural activities will shrink in the same proportion, and the local government could lose interest and capacity to finance them.

All over the regions of the THEMATIC Partners the impact observed is similar.

The main permanent loss suffered by the **Basilicata region** deals with all the activities planned as follow up of Matera European Capital of Culture 2019. Another permanent damage is the interruption of the creation of regional networks of micro museums, historical sites and the launch of a joint calendar of immaterial traditional events (ACAM). Due to the fragility of the bodies that manage these cultural resources, a year-long interruption of this process of institutional building could lead to its permanent disruption.

A similar trend is being observed in **Greece** with the translation on a broadcasted TV channel of the Attica – Epidauros summer festival, usually attracting miles of people. The same is occurring in **Slovenia**, with the cancellation of the Medieval festival of the Julian Alps. In general, as many cultural events are concentrated in the spring - summer season, a complete loss of the usual revenue in 2020 is to be expected and - because of the seasonality of activities - the recovery will start not earlier than in spring 2021.

On the other hand, particularly critical appears the situation in **Croatia** where, beside the Covid lockdown that affects in particular the Adriatic coast (e.g. Zadar, Split, Dubrovnik, Istria, etc.), a significant earthquake hit the city of Zagreb by the end of March, damaging or destroying several cultural building, e.g. the iconic cathedral as well as many museums, that won't be in condition to re-open neither when the lockdown will come to a full end.

On the side of the nature-linked tourism, **Slovenia** – in particular the Gorenjska region with the Julian Alps – is suffering a critical situation as the core-business activities – e.g. trekking and climbing in the Triglav NP, canoe, rafting along the Soca/Isonzo river or the leisure activities at the Bled and Bohinj lakes – are to be held mostly in spring and summer, after the touristic “dead” phase of January/February. The impact could become particularly serious as tourists and travellers usually come in large part from abroad, from European countries, Germany, Austria, Italy, the Netherlands and also from Russia and America: a flow that is presently impossible to fully recover because of the still lasting border closing, apart of a climate of a general “lack of trust” whose recover may last beyond the border re-opening.

As far as **Serbia** is concerned, the information provided stresses that the enforced measures (social distancing and isolation, ban of public gathering, etc.) lead to the closing of any activity related to tourism, cultural tourism included. Companies and association who work in this domain closed their activities, and gathered no income at all. All workforce from this domain basically couldn't work, or at least, work less than 10% of their regular tasks and duties”.

Nevertheless, as re-start is getting ahead, there is the hope there will be no long-term loss, given the campaign to get to know your country. What is lost through income from foreign tourists will be compensated through income from domestic population / tourists. On the other hand, as safety measures are being softened, cultural tourism, although reduced in numbers, is slowly getting back to normality.

3.2 Expectations on the duration of the COVID related economic downturn.

Although we are presently in a phase of gradual “restart”, duration and intensity of the economic downturn still shows a high grade of uncertainty. Current trends are just partially useful to make robust forecasts, first of all because there is no clear agreement among experts on the risk of a second wave, and also because sudden hotspot of infections continue to emerge in all countries. However, after some months from the start of the pandemic, the forecasts are becoming more robust, because they are based on the simultaneous use of the information on the pandemic and on the knowledge of structures of cultural tourism, the characteristics of supply and demand sides in each country, as well as the first observations on the behaviour of entrepreneurs and consumers in the new scenario.

Some help to the forecast on the time length of the recovery can come from the observations on the trends of the reservations for the next months, the cancellation or postponement of business and cultural events, the estimation of the time that will be needed for the of the structural adjustments of the tourism infrastructures to the new health safety changes.

At this respect, most of the stakeholders interviewed expects a full recovery far in the future: as a general expectation, the return to at least 70-80% of the pre-Covid performances can be foreseen not before the second quarter of 2021.

Some touristic destinations, thanks to structural characteristics that simplify the adjustment to the new requirements, could open at least in part their activities earlier, starting in the second

semester 2020. Among them leisure / naturalistic parks, archeological parks, open spaces for theatre, music shows. However, they could face external constraints, specially due to the difficulties to adapt to the new framework by the companies providing the hospitality services (specially small hotels, restaurants) and transport (specially local public and private transports).

Italy/Basilicata and Slovenia stakeholders also signal the impact of the complete stop and cancellation in 2020 of the tourism flows to cancellation of school trips, study visits, school events. Unfortunately, the actual restart of this segment of the market is out of the control of the institutions and enterprises operating in the cultural and naturalistic destinations.

As a general consideration, especially relevant for marginal areas and micro-locations, the return to the pre-COVID levels of activities will substantially depend on the restart of cultural and leisure activities in public spaces and with free access.

Unfortunately, this is a complex process, depending on the design of new safety procedures by public authorities, on the restart of school activities and educational services and, last but not least, on the recovery of public trust in the health safety of travel and tourist services.

Making a preliminary aggregation of the single forecasts provided by partners, the most probable scenario is that of a year-long loss of product in 2020 – a -80% in GDP, compared to 2019 - and a slow, probably incomplete recovery in 2021.

According to some experts, in 2021 the loss of product compared to 2019 could amount to 50% in the first quarter, -40% in the second and -30% in the third. Obviously, the margin of error of these forecasts are relevant because of the total novelty of the scenario and the absence of historical cases upon which to build reliable estimations.

Not least, in the last weeks some partners have signalled that they have to revise in negative direction their forecasts, due to the growing number of infections hot spots in the region.

Table 1 Expected trends of recovery in the tourism economy

	Stakeholders expectation on trend of recovery of tourism services GDP in the next quarters (same quarter 2019 = 100)				
Quarter:	III 2020	IV 2020	I 2021	II 2021	III 2021
Region/location					
Basilicata region (Italy)	-80%	-80%	-50%	-40%	-30%
City of Matera (Basilicata, Italy)	-90%	-80%	-60%	-50%	-30%
Preko (Croatia)	-70%	-70%	Difficult to foresee	Difficult to foresee	Difficult to foresee
Kranj / Gorenjska region (Slovenia)	-75%	-75%	-75%	-65%	-60%
Mediana City of Nis (Serbia)	-60	-60%	-40%	-40%	-40%
Zlatibor region (Serbia)	-50%	-50%	-40%	-40%	-30%
City of Tirana (Albania)	-50%	-50%	-50%	-40%	-40%
Attica - (Greece)	-50%	-50%	-30%	-30%	-30%
Epirus region (Greece)	-60%	-70%	-30%	-30%	-30%

3.3 Permanent or long term loss of production capacity for the tourism services.

According to a medium-long term perspective, the risk of a permanent loss of production capacity in the tourism related services is an almost unique character of the COVID pandemic. The whole system and in particular companies providing tourist services in historical centres, cultural tourism destinations, naturalistic areas, may experience significant, structural, losses of production capacity due to one or more of the following four main factors:

- 1- Reduction in tourism carrying capacity. For many public locations as for private structures, the pre-Covid level of congestion will not be sustainable under the new health safety rules (e.g. Matera, some Adriatic and Ionian Islands, etc). As the return to normality is uncertain in the future and depending on numerous factors (first, the discovery of a vaccine), the loss of carrying capacity could become permanent.
- 2- Loss of accessibility to cultural heritage locations not complying to the new safety standards. Archaeological sites, historical centres and building, are protected by strict preservation rules, and cannot undergo the structural adjustments that could be needed to comply to the new prescriptions, including social distancing of visitors, availability of services for visitors, air cleaning systems.
- 3- Exclusion from the new tourism market of small and micro locations. In marginal areas, and smaller cultural tourism centres, public and private entities could not be in the technical or

financial conditions to afford the needed investments in infrastructure and/or and in capacity building for the human resources.

- 4- Liquidation of companies due to the financial crunch. Many small companies, but not just them, will not survive the financial impact of the crisis. In fact the duration of the lock down is pushing to the edge of bankruptcy many companies in the touristic sector, and the loss of carrying capacity due to the closures of companies is already considered unavoidable by many experts.

All four factors are present in the countries of THEMATIC partners, but the situation is heterogeneous, even inside any single partner regions, due to the extreme variety of the cultural and naturalistic systems. A basic description of these scenario is provided in the table 2.

Most successful tourism destinations, that in pre-COVID period experienced high number of visitors and guests, are suffering the worst impact of the crisis for their carrying capacity. On the contrary, the minor destinations, that in pre-COVID received small numbers of guests or visitors, will easily adjust to the new rules.

Structural constraints are especially binding in historical centers and buildings and in archaeological sites, because of the impossibility to intervene with structural adjustments or the construction of new infrastructures. The same constraints are less relevant in areas of naturalistic tourism, like natural parks, wild-life conservation centers, open space touristic attractions, because there it will be easier to adjust visitors' spaces and to regulate flows.

Table 2 Synopsis of COVID crisis impact on the regions of THEMATIC partnership

	Expected impacts of COVID crisis on the productive capacity (mild, moderate or severe)			
Type of impact	Reduced tourism carrying capacity due to new health safety standards	Reduced accessibility of tourism location due to structural constraints	closures of small and micro tourism locations due to non-sustainable health safety rules	Bankrupts of companies due to liquidity crunch after revenue losses
Region/location				
Basilicata region (Italy)	mild	mild	moderate	severe
City of Matera (Basilicata, Italy)	severe	severe	severe	severe
Preko (Croatia)	severe	moderate	//	moderate - severe
Kranj / Gorenjska region (Slovenia)	moderate - severe	moderate - severe	severe	severe
City of Nis (Serbia)	moderate - severe	severe	//	severe
Zlatibor region (Serbia)	mild	moderate	//	severe
Albania	mild	mild	mild	moderate - severe
Attica (Greece)	moderate - severe	mild	severe	severe
Epirus region (Greece)	severe	moderate	severe	severe

Source: survey among stakeholders.

While major cultural destinations will face the stronger impact of the new safety rules on the structural adjustment and operation, they are in a better position than the smaller ones when we consider the economic sustainability of the needed investments.

In fact the smaller touristic destinations, especially those located in marginal areas, are surviving with just the financial support from public sources, and the direct incomes, if present, are just sufficient for the ordinary operation.

The problem of liquidation of companies due to the financial crisis triggered by lockdown is a common problem for all private companies operating in areas of cultural tourism. The smaller companies are usually more financially fragile than the larger ones, but the unprecedented size and duration of the financial crisis is putting at risk also the larger companies.

The simultaneous impact of the factors described above, leads to a strong heterogeneity of the impact of the crisis among the regions of the THEMATIC partnership. However, the most common treat of permanent damage comes from the risks of bankrupt or liquidation of companies that will not survive the long crisis. For them the sustainability of the new tourism model after COVID, could become irrelevant.

4 Actions for the restoration of economic damages and restart of the tourism economy

The enormous and unprecedented scale of the economic downturn has demanded an equally unprecedented public intervention, on the supply and on the demand side.

On the supply side, the recovery of the full capacity will need substantial interventions on two sides. First, to reduce and to make sustainable the economic losses suffered by the companies. Second, to support the companies in making the investments that will be needed to adjust to the new safety standards.

On the demand side, the damage due to the lock down imposed to the families, is amplified by the loss of confidence of the consumers in the health safety of touristic services. This loss of confidence could last much longer than the actual duration of the pandemic, even if nobody can make clear forecasts, due to the absence of comparable historical cases.

The need for emergency assistance in the tourism sector, is amplified by the timing of the crisis. Because of the seasonal nature of most of tourist activities in the Adriatic-Ionian region, the crisis could wipe out a whole economic year, even if the sanitary emergency could last less.

4.1 Measures supporting recovery and restart on the supply side.

Public authorities, from the European to the local level, are using a range of instruments for the economic emergency. A large set of instruments is used for three main scopes:

- the restoration of losses due to the forced closures of tourist services,
- the support to the employees for the sudden loss of income due to suspensions, forced leaves and layoffs.
- the assistance for the investments needed for the recovery and the restart of cultural tourism services.

Private entities are the first target of these intervention, but in the cultural tourism sector public bodies, local institutions, territorial administrations quite often own and operate public infrastructures for cultural tourism. Also for them, recovery will be difficult without emergency assistance.

In the following sections we will try to outline a classification of the measures adopted, and discuss the potential impact on the tourism sector.

4.1.1 Support to private entities for the losses of revenue.

The support measures that are being implemented in all countries in Europe belong to four main categories:

- Grants to the companies for the restoration of unrecoverable losses of revenue.
- tax exemptions on current and future incomes.
- Interventions to reduce the liquidity crunch: subsidies and/or public guarantees, to ensure facilitated access to bank credit, lower interest rates and /or extended loans duration.
- unemployment subsidies to the employee and to self-employed to avoid layoffs and closures of activities.

All four typologies of instruments are being used in Europe, as in the countries of the THEMATIC partnership.

In Italy the company were offered first a support to ease the liquidity crunch, with 100% public guarantee for small loans to SMEs, and close to 100% to larger companies. The second main intervention was that of unemployment subsidies, offered to all employees, and to self-employed in the form of lump sums (600-800 Euro) per month. Other assistance was provided with suspension of loans instalments. The main tax exemption implemented in the last months consisted in the cancellation of a regional tax on economic entities, private and public (IRAP).

The Greek Government is providing companies with the option to apply for the Greek state to cover the interests on their business loans for the second quarter 2020 (months April, May and June) while some tourism professional are also suggesting the hypothesis of a VAT reduction from 01/06/2020 to tourism related services as well as the suspension of the advancement payments of income tax for 2020.

The Slovenian and Serbian governments are addressing the crisis through a diversified toolbox made of urgent measures belonging to all the four categories: financial repayment of the income loss (i.e. real fix costs e.g. rents, heating...). Special credit lines, e.g. loans without interests for microcredits 1.000 - 40.000 €. Moratorium on loans (for at least for 12 months). Compensations and subsidies for employees (full time and part time) that cannot work (salary repayment), accompanied by empowerment and virtual trainings.

In Western Serbia, grants linked to the speed of restart were proposed. Grants for infrastructure preservation and subsidies for maintenance of culture sites activities.

This proposal was unique among partners and introduces an interesting use of grants, not only to subsidize the tourism economy but also to speed up restart.

4.1.2 Support to public bodies and local administrations managing cultural tourism.

The demand for public support to face the current emergency is different in the case of bodies “revenue generating” and of those “not generating revenue”.

In the case of public bodies not generating revenues, the immediate need for support is smaller. In fact all governments are continuing the current transfer of resources, the payment of salaries, the provision of services, not only for the aim to preserve these activities, but also to avoid additional layoffs and disruption of the macroeconomic scenario.

In the second case, that of **cultural institutions depending at least in part on revenue generating activities**, the losses and the need of subsidies is similar, if not equal, to that of private entities. The advantage for the public revenue generating bodies is that at list a part of the expenditures is paid by transfers from the state budget.

4.1.3 Technical and financial feasibility of the emergency measures for the supply side.

The feasibility and impact of the economic measures are not the same in the tourism and cultural services as in other sectors, and further differences exist between countries, due to the peculiarities of their tourism sectors.

Some characteristics of appear specially significant in determining the impact of the emergency measures:

- **Share of micro-enterprises in the sector.** Micro-companies are usually more exposed to the liquidity crisis, and the less prepared to access the financial market. Also, the share of informal and precarious jobs is larger than average in the micro firms, making more difficult the access to the salary subsidies.
- **Specialization of the local economy in the tourist activities.**

The tourism sector has been the most affected by the crisis. The larger this sector is in the local economy, the stronger the impact at macro-economic level, and the stronger the multiplier effects in the whole economy.

- **Share of the informal economy in the tourist sector.** The informal economy has less or no access to the public policies envisaged for the crisis. If the informal sector represents a large share of the tourism economy, the recovery measures can be not effective just because they don't reach the target.

Experts and stakeholders unanimously underlined the need to take in to account the structural specificities of the tourism sector when designing and implementing emergency policies. Their opinions on the effectiveness of the emergency measures in the cultural tourism economy is summarized in the table 3 below:

Table 3: Effectiveness of emergency policy measures according to the stakeholders

	Effectiveness of emergency policies for the private entities in the tourism sector. (Mild, moderate, strong)			
	Grants to companies for restoration of losses of revenue	tax exemptions to companies on past and current revenue.	Subsidies for long term loans to avoid liquidity crunch	Unemployment subsidies to employees to avoid layoffs
Basilicata region Italy	strong	mild	moderate	strong
Matera Basilicata Italy	Strong	mild	moderate	strong
Preko Croatia	Strong	moderate	moderate	strong
Kranj region Slovenia	Strong	Strong	strong	strong
City of Nis Serbia	Strong	moderate	strong	strong
Zlatibor region Serbia	Strong	moderate	moderate	Strong
Tirana – Albania				
Attica - Greece	moderate	strong	strong	moderate
Region of Epirus- Greece				

Sources: Survey among stakeholders.

In most of the interviewed opinions, the best option, and the most urgent, is that of grants, possibly paid cash and with the simplest possible administrative procedures. In the tourist sector, the revenue losses are produced by cancellations and not by postponements of purchases, as it could happen in other sectors. Therefore only a partial restoration of the losses can help the survival of the companies involved. two experts from Basilicata recommended to pay a lump sum, calculated as the 10-15% of the 2019 turnover of the company

Many experts and stakeholders underlined the imminent threat of bankruptcy, in Italy, Greece, Croatia, and other countries, especially for the smallest companies, and for the self-employed workers. For them, the provision of grants is considered the most urgent and most effective instrument.

A specific difficulty that was signalled for the implementation of these measures in the tourist sector is the size of the informal sector, with micro companies and non commercial activities (short term house rents) that could not qualify for the assistance.

In Italy, according to some experts, the emergency measures are excluding many micro and family companies not complying to the eligibility criteria. E.g., the self-employed workers that operate B&B structures in their own houses/apartments, are not considered commercial entities. In all countries of the Adriatic Ionian region the houses rented through the international web platforms like AirBnB, Vrbo, could become not eligible to most of the emergency measures.

The second preferred measure is that of the unemployment subsidies, paid to employees and to self-employed, especially to the second, that are very numerous in the tourist and cultural services.

In Serbia, stakeholders specially recommended the provision of subsidies for unemployed persons who work part-time during the tourist season or tourist guides, state grants that will enable to work for the large part of the seasons in 2020 and 2021.

The main weakness of this measure is the large extent of the informal sector, that makes not eligible many workers of the tourist sector, leaving them not protected, or pushing them to depend on other forms of social assistance.

Third form of assistance, in the explicit or implicit preference of stakeholders, appears that of financial support measures. These can be in the form of suspension of loans instalments, subsidies for the interests, public guarantees, extensions of the reimbursement periods.

The liquidity crunch was among the worst effect of the crisis in the sector, due to the sudden drop of the demand, that left the companies unable to comply to their financial obligations. However, the extreme urgency of liquidity made most of the financial instruments not effective for the companies. Further more, in the tourism sector, the large share of micro and family businesses in the tourism sector,

The least preferred set of measures is that of tax exemption or tax reduction. These measures are similar to grants for their impact on the net income, but there is a huge difference in the time horizon in which tax reductions will produce their visible impact on the companies balance sheets. Most of the experts consider this time too long, and not sustainable.

4.1.4 Support to structural investments for the restart of tourism services.

Structural investments for the restart of cultural tourism are demanded for three main objectives:

1. upgrading public and private infrastructures to the new health safety standards that will stay in the long term.
2. creating new infrastructures and cultural products, based on cultural and naturalistic resources, to promote new sustainable forms of tourism.
3. creating new cultural tourism products, accessible through multimedia networks, to promote cultural tourism and cultural products from marginal territories and smaller destinations.

The majority of respondents believe that the current aid measures have had very significant effect and have helped to a certain extent. However, in the current situation, tourism will be the last to recover, because the restrictions related to movements, gathering, distancing, etc. will remain in force for a long period. In this scenario, long term strategies and structural investments will be needed for a complete restart and return to a sustainable development.

Because of the size of the demand for structural investments, there is an imminent risk that the crisis will enlarge inequalities between main destinations and marginal ones, cultural Institutions (public and private) directly producing revenues, and public entities totally depending on transfers from the state budget.

At the same time, grants for the maintenance and upgrading of public infrastructures for transport and other services for the tourism sector will be needed, and the availability and timing of these investments will conditionate the competitiveness of the whole system, specially of those destinations that depend on public services.

Innovation in tourism product offer is considered as key for restart, addressing both the material/infrastructural side and the “soft” side. This is an aspect that calls for a better coordination between the job of the private and public sectors, the latter expected to support strongly the former, as a key actor for attracting tourists and creating innovative proposals.

Presently, although claimed by the many, this is an issue that is directly addressed only in Slovenian public policy, in the attempt to prevent the full stop of any activity of renovation of tourism facilities and infrastructures or the development of new products.

4.1.5 Preservation of human capital for the restart of cultural activities.

In the cultural sector, all revenue and non-revenue public bodies present additional needs and constraints for the preservation of their potential and capacities.

First of all, they need to preserve the connection with their audience and guests, to avoid the long term decline of demand.

Second, they need to preserve the human capital that produces the cultural services and represent the irreplaceable ingredient for their restart.

The first objective, the preservation of the connection with the international audience of the cultural services, cannot be achieved just with the ordinary promotional tools of industrial tourism.

One possible option is the launch of multimedia products to allow the virtual access to the audience from remote sites, the virtual visit to museums and historical centres, to watch video recording of live shows in concert halls and theatres.

Actually many stakeholders proposed to develop these multimedia products to be launched on virtual platforms, in Italy, Greece, Serbia, Croatia the stakeholders proposed promotion of virtual tourism, digitalization of the cultural tourism heritage, cloud services, cloud virtual tours, virtual concerts and events.

The second objective, the preservation of the human capital of artists, musicians, dancers, performers, is even more urgent and difficult to be achieved.

In fact many artists and professionals in music, theatre, cinema, visual arts, cannot be satisfied by a simple subsidy to replace the lost salary. This is obviously necessary, but they also need services and infrastructures to continue to practice their arts, and to ensure a continuous interaction with their public to preserve their creative capacity.

The best option would be the continuation of cultural events, artistic performances, creative productions, even with a small number of audiences in person.

As second option, many public authorities are proposing the creation of multimedia products and virtual recording of live shows and performances, that will ensure a double result, preservation of the artistic capacities and the continuation of at least a virtual interaction with the audience.

In Basilicata, associations of theatre companies are producing virtual performance to replace shows that were cancelled because of the pandemic.

In Greece many cultural institutions have moved exhibitions and shows from the real to the virtual space. E.g. for the “Attica Epidaurus Festival” that was suspended because of the pandemic, the activities have been moved to “virtual” channels, which broadcast the festival events and are visible without costs for the public.

4.2 Actions on the demand side: restoring consumers trust and willingness to enjoy tourism.

On the demand side the first impact was produced by the interruptions of transport services, and the closures of borders. The consumers experiences immediate losses, due to the disruption of planned holidays, and to cancellation of transport services, closures of hotels, cancellation of events. The second, dramatic impact is the longer term perception of the risks associated to the touristic activities, that could last for much longer than the pandemic. The consequence could be a long term reduction of the demand for tourist services, specially in destination depending on international demand.

A vivid debate on the possible strategies to counter both factors of crisis is happening among experts and stakeholders.

4.2.1 Restoring consumer losses to preserve demand potential. Reimbursements, vouchers, flexible reservations policies.

The crisis, has produced an enormous volume of consumers credits due to cancelled reservations for transport, accommodation, tourist services. In the current scenario, the usual international and European regulations on consumer protection appear non feasible, or feasible at a cost of many bankrupts among tourist services companies.

According to the stakeholders, in some cases the cash refunds were simply impossible because the revenues from reservations had been already used to pay for services and other inputs bought by the companies.

Following UNWTO slogan *“don’t cancel, postpone; stay home, but travel tomorrow”*, specific measures are being promoted to address the enormous amount of payments for reservation that were cancelled because of the pandemic, reducing the obligation of cash refunds.

The option of vouchers replacing cash reimbursement is the most suitable for the immediate risk of insolvency of the companies. However, the “vouchers” are not free of side effects, first of all the loss of trust by consumers, that could lead to the reduction of volume, and postponement in the touristic season, of future reservations.

In order to make really viable and effective the system of vouchers, the EC issued a recommendation¹, after acknowledging that the ordinary regulation on consumer rights is not applicable in the current situation:

¹ EUROPEAN COMMISSION COM(2020) 550 final Communication From The Commission To The European Parliament, The Council... Tourism and transport in 2020 and beyond. Brussels, 13.5.2020

.... Vouchers should be protected against the insolvency of the carriers and organisers and refundable after one year if not redeemed. Operators should also combine certain characteristics to make vouchers attractive for passengers or travellers. For example, vouchers should provide flexibility on the range of services for which they can be used and their transferability.....

However, in the opinion of some experts vouchers can only be considered the “last option” for companies, just better than bankruptcy. For them, the preservation of the “consumer trust” is the most important immaterial capital of the tourist companies.

For public and private bodies that operate cultural institutions, like museums, archaeological and historical sites, natural parks, the situation could be slightly more favourable to the use of vouchers.

These destinations could be seen by tourists as “places to visit at least once in life”. For the tourist that had made a reservation to visit one of these unique destinations, the voucher could be easily accepted. In all cases, however, the voucher should be accompanied by those services and guarantees recommended by the EC.

A secondary support to the demand was recommended by some experts, like Serbian stakeholders, in the form of reduction of tickets prices and opening of new public locations and events in the cultural tourism networks, generating multiplying effects on the demand of private services and promoting demand.

4.2.2 Subsidies to support the recovery and long term growth of demand in the cultural tourism services.

The main challenge that tourism destinations are facing is the recovery of the tourism flows to the pre-crisis level, trying to restart tourism in the second part of 2020 already, avoiding permanent losses of companies and jobs that could be produced by a year long crisis.

The many proposals and initiatives in this field could be classified into two main categories.

1- strategies that are based on the promotion of “proximity tourism”

2-initiatives that look at the creation of “safe corridors”, mainly bilateral flows between regions of outflows and inflows of tourism, that are showing better resilience to the pandemic.

Proximity tourism is the tourism practiced in the closest destinations from the original residence of consumers, privileging the local resources to the most exotic or popular at international level. Proximity tourism is seen as a viable option for a quick restart of the tourism economy, based on the assumption that inside the country the lock down and the limitations to travel will be lifted earlier than on the international borders, and also because the consumers trust could be higher in national destinations. Proximity tourism is advocated also as a new, more sustainable model of tourism, that will reduce the environmental impact of long distance transport and highly congested international destinations²

Many countries in the Adriatic Ionian Region are promoting proximity tourism for the restart of tourism economy.

Italy is planning a “Bonus Vacanze”, an amount of 500 euro to be used by Italian families to pay for hotel services in Italy, the Bonus will be in the form of a tax credit that will be later used by the company. Also in Italy, a coordinated effort is being made by education institutions and local administration to restart school travels, study tours, in the form of proximity tourism.

² Francesco Romagosa (2020): The COVID-19 crisis: Opportunities for sustainable and proximity tourism, Tourism Geographies, DOI: 10.1080/14616688.2020.1763447

In Croatia, the Cro-Card is a debit card, introduced before the COVID crisis, to promote internal tourism. After the crisis, it is seen as a useful instrument to subsidize the demand for proximity tourism. The employers will be able to pay to their employee, with a system of tax exemption, the amount of 2500 HRK, approximately 330 euro. This amount will be usable only for the payment of tourist services in Croatia.

Slovenia is planning similar measures for domestic market promotion. In Serbia the stakeholders proposed to support citizens to spend holidays in their country or visit the rich cultural and historical heritage

However, the strategy based on proximity tourism is criticised by some stakeholders, because it could prove ineffective specially in countries where the international flows represent the largest part of the total. Actually this is a common character of most of the countries of the Thematic Partnership. In destinations where most of the tourists where international, the local demand could be inadequate for a significant restart of activities, and the structural adjustments needed to attract the national demand could be even counterproductive in the near future, reducing the appeal for international guests.

Safe tourism corridors. The proposal recommends planning the reopening of borders to tourists travels starting from bilateral connections between regions of origin and destination that show little or no presence of COVID infections. According to a recent paper that has defined a formal model for this proposal³, the whole European Territory could be split in a grid of regions, distinguishing red (infected) and green (clean) regions. Allowing bilateral trade and tourism between green zones (safe corridors) could help not only the green zones themselves, but the entire European tourism, accelerating a gradual and safe restart.

The EC has opened to the approach of tourism corridors, ensuring at least a temporary emergency exception to the single market principles. In its communication on the 13th of May⁴, the EC recommends that *in line with the Joint European Roadmap, within the EU, restrictions on travel should first be lifted in areas with a comparable epidemiological situation and where sufficient capabilities are in place in terms of hospitals, testing, surveillance and contact tracing capacities....*

The opening of the Commission to bilateral agreements represents a novelty that could leave a long lasting impact on the European market for tourism services, and in general on the implementation of the principles of the single market.

The partner countries have been adopting or rejecting this proposal mainly depending on their current progress in controlling the pandemic.

In Slovenia the stakeholders foreign markets specific promotion (within “safe” countries), that are clearly inspired to the concept of “corridors”. Public support is widely considered as necessary to restore trust of tourists.

Croatia and Greece have been negotiating with Central Europe countries for bilateral agreements. Italy has fought the idea, fearing the permanent loss of market shares.

Serbia has proposed the promotion of cooperation with flight companies, that will be the first to open flight connections.

³ Miquel Oliu-Barton; Bary Pradelski (2020) Green-zone travelling: A pan-European approach to save tourism
EsadeEcPol Policy Insight #10 | May 2020

⁴ EUROPEAN COMMISSION COM(2020) 550 final Communication From The Commission To The European Parliament, The Council... Tourism and transport in 2020 and beyond. Brussels, 13.5.2020

The relevance of the strategy of safe corridors has been quickly declining in May and June, because the European Countries have been lifting restrictions at a fast pace, and a complete reopening of the borders was considered possible by the summer months, or the latest by Autumn. Unfortunately, the last weeks have seen sudden local returns of infections, in the Western Balkans, in Italy, in Spain. Therefore, the approach of safe corridors could gain new attention in Europe.

4.2.3 Communication for a new start of tourism demand.

Communication was unanimously considered a fundamental tool to restart tourism. Apart the general demand for stronger investments in promotion and communication to recover demand losses, the current crisis has produced a specific need to communicate and promote tourism products and destinations in order to rebuilt consumer trust and interest.

The opinions and proposals on the content of this communication are heterogeneous. The proposed strategies can be classified in two main directions:

1. To communicate the permanent, or re-established safety of the touristic destinations, in order to re-establish trust and attract the return of tourists.
2. To communicate the image, the culture and the values of the touristic destinations, to maintain connection with former and potential future guests, until when the restart will be possible.

The first model is somehow complementary to the approach of the “safe corridors”, and should be based on strong investments in sanitary safety of the tourist destinations.

Many countries, and regions, specially those that in the first months appeared less hit by the pandemic, have started to communicate according to the first strategy.

Slovenia is promoting measure packages encouraging domestic visitors/tourists and foreign tourist to come to destinations (e.g. vouchers for spending vacations, for overnight stay, for visiting cultural sites, to take part into events), operating both in domestic and – in close cooperation with the national diplomacy – in foreign markets to countries considered as “safe”. A specific field of action addresses schools, with the provision of instructions for the organization of school excursions and travel and sport days in safe locations.

Croatia, has discussed with North European countries bilateral agreements for safe tourism and promotes international tourism as essential for the recovery.

Serbian ZRDA proposes a wide package of support actions, e.g. strong and constant promotion of safe visits to cultural sites, to be held in close coordination with the ministries of Trade, Tourism and Communications and of Culture and Information, within a framework of a strengthened connection of the business entities and the delivery of incentives for public-private partnership.

Nevertheless, opinions about the opportunity to organize – at the present day – cultural tourisms and events with the participation in person are divided.

A relevant quote of operators consider that, regardless of modern technologies and possibilities, personal contacts are irreplaceable, while others think that cultural events that have a large number of participants in person should be avoided. This also applies to trade fairs and business meetings (encourage video conferencing and virtual meetings).

The second communication strategy is complementary to the approach of virtual tourism, and should be based on investments for the development of high quality multimedia products.

In some measure the two strategies can be used in parallel. However, the second could be closer to the needs and constraints of cultural tourism.

Some stakeholders and experts propose to use multimedia instruments to offer to the consumers virtual substitutes to the tourism experiences. In the sector of cultural tourism these proposals could be especially relevant.

In Croatia the experts recommended the digitalization of the sector, Cloud services, Cloud virtual tours, Virtual concerts and events

In Greece, the streaming initiative of the “Attica Epidauros Festival” which broadcasted festival performances for free.

In Italy many public and private bodies have launched multimedia products to offer virtual tours to tourists. In Basilicata some experts pinpointed the option of multimedia production specially to support art and cultural professionals, musicians, theatre actors, dancers.

5 Role of Territorial Cooperation for the recovery and the restart of cultural tourism.

European Territorial Cooperation could be play a central role for the design and implementation of strategies for the restart after the Covid-19 global crisis.

The global nature of the crisis demands global solutions. International cooperation can be more effective than competition in the design of a new model of development.

The internal and external borders have been at the centre of the crisis. The long closure of trade and travels has produced damages to both sides of the tourism market, in countries net exporters and net importers of tourism services. The effective restart of the cultural tourism economy can only be based on a strong cooperation for the return to a safe and sustainable international tourism.

The crisis will most probably produce an increase of differences and inequalities, between the major tourism suppliers, and the smaller ones, the main tourist destinations, and the marginal ones. Territorial cooperation can help find the synergies and complementarities to help the marginal territories to design innovative policies for a more balanced development. In front of the strong need to harmonize and coordinate the economic answers to the emergency, European Territorial cooperation could provide a unique support, especially to those private and public bodies that miss the financial and the human resources to make the investments and the capacity building for the restart.

At the same time a concern has been expressed about the damages produced by the emergency to the same ETC, because of the interruption of direct (face-to-face) cooperation.

Therefore also ETC will needs to innovate it's working methods and instruments, to find new tools for the joint work and interaction among partners.

5.1.1 Joint Design and testing of innovations for safe and sustainable cultural tourism

In accordance with the recommendations of the World Tourism Organization and the World Health Organization, the identification of new standards for health safety, in view to overcome the mistrust from guests, should be promoted at European level.

Pooling capacities and experiences for designing innovative infrastructures for health safety in cultural centres and tourism destinations.

Joint development and testing of soft and hard innovations for cultural services management, according to new safety standards.

New safety standards should be on top of the priorities within a recovery strategy, in view to achieve both protection of travellers and simplicity in implementation.

5.1.2 Transferring good practices to accelerate adoption of innovations at European level.

Transnational cooperation can help accelerating the identification and transfer of process and product innovations, to promote new standards of safe sustainable tourism.

Benchmarking of the policy measures can be encouraged and transfer of best practices can be facilitated in an interregional cooperation framework.

Promoting interregional partnership for capacity building in the cultural tourism can be essential to offer sustainable training services to the small institutions and companies in the marginal areas, reducing the risk of growing inequalities.

5.1.3 Designing and implementing joint strategies for the promotion of the new cultural tourism.

Joint strategies for the creation of new tourism products and services can exploit synergies among regions that are facing the same crisis and have the same objective of capitalizing the resources of the cultural heritage.

Joint communication strategies can be more effective to rebuild consumers trust in the international market for cultural tourism, offering a common standard for a new safe and sustainable tourism, and helping private and public entities to adapt to the European and national health safety rules.

6 Conclusions and policy recommendations

The outcome of the survey can be transferred in some recommendations for an effective strategy for recovery and restart of cultural tourism in the ADRION region.

1. Improving monitoring of local economic impact of the pandemic for tailored interventions to companies and workers of the cultural tourism systems, to prevent permanent losses of capacity and jobs.
2. Preserving the human capital in the cultural services. Ensure economic and technical support to artists and professionals of cultural services and institutions, to preserve their capacities and creative potentials.
3. Supporting investments in innovative services and infrastructures for the restart of tourism in marginal areas and micro tourism destinations. Support to investments and capacity building for health standards. Assistance for innovative planning and reservation systems.
4. Promoting virtual cultural products. Supporting the creation of innovative products of virtual cultural tourism to facilitate access to international tourism market of smaller destinations, to reduce congestion of major tourist destinations and promote cultural tourism sustainable development.
5. Promoting the Use of European Territorial Cooperation to avoid destructive competition for the reduced demand among countries and regions of the cultural tourism, encouraging exploitation of complementarities and synergies for the design of new standards and new products of cultural tourism.