



Erasmus+ KA2 project STORIE

Development of capacities of rural businesses to design and promote sustainable tourism products based on intangible cultural heritage

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Intellectual Output 3: STORIE Insights & Experiences

Policy Brief

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1. Introduction

The Erasmus+ project STORIE aims to improve the competitiveness of small rural companies by developing their skills and capacities to design and promote sustainable tourism products based on intangible cultural heritage. The project introduces an innovative Learning Programme and an online Learning Tool, facilitating the development of local business communities and test pilot tourist experiences in partner regions.

The direct target group is STORIE are small rural companies (managers and employees) belonging to or related to tourism sector, which implement activities related to the following NACE codes:

- I55 Accommodation,
- I56 Food and beverage service activities,
- C10 - Manufacture of food products
- C11 - Manufacture of beverages
- N79 Travel agency, tour operator and other reservation service and related activities
- R93 - Sports activities and amusement and recreation activities
- R91 - Libraries, archives, museums and other cultural activities

The other potential target groups include rural companies that are considering their future involvement in tourism sector or cooperate with the primary target group in developing tourism products:

- A1 - Crop and animal production, hunting and related service activities
- A3 - Fishing and aquaculture
- C13 - Manufacture of textiles
- C14 - Manufacture of wearing apparel
- C15 - Manufacture of leather and related products
- C16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials
- C32 - Other manufacturing
- G47 - Retail trade, except of motor vehicles and motorcycles

STORIE stakeholders are:

1. Associations that represent the companies of rural (tourism) sector.
2. VET organisations on all levels (from lower-secondary to tertiary) that provide training (formal and non-formal) to the companies of rural tourism and related sectors.
3. Policy makers and public bodies in the field of tourism and related areas.
4. People living in local rural communities (in their role as safeguards and transmitters of intangible cultural heritage).

The project has developed 3 Intellectual Outputs:

- O1 - STORIE Learning Programme
- O2 - STORIE Learning Tool
- O3 - STORIE Insights and Experiences

The STORIE insights and Experiences guides are targeted guides, manuals, recommendations supporting the wider take-up and roll-out of the project. Each guide targets a specific group of stakeholders in the project, with the final goal of supporting the small rural businesses in the creation and development of rich tourist experiences using the inspiration from the pilot experiences implemented in the framework of STORIE:

1. STORIE Rural Tourism Experiences, is a collection of rural tourism experiences created and tested using the STORIE Learning Tool in partner countries, and aims to serve as a guide for the development of further experiences in partner and other countries. It is directed towards both the direct target groups of STORIE as well as all relevant stakeholders.
2. STORIE Guide for Educators contains lessons and recommendations for development of training programmes for small businesses in the rural tourism sector. It considers informal training programmes, as well as a possible roadmap for integration into formal education on different levels. This guide is aimed at VET organisations.

3. STORIE Guide for Policy-makers contains recommendations for policy makers related to the support in development and marketing of rural tourism experiences based on intangible cultural heritage.

The present guide is thus part of a wider set of stakeholder insights and experiences within STORIE.

2. Target group

The present Policy Brief is aimed at policy makers, policy influencers and public body staff on local, regional and national level, related to policies and strategies in the field of tourism and tourism training.

It will increase their understanding and encourage the support to the development and promotion of sustainable rural tourism products based on intangible cultural heritage.

Adopting the STORIE approach and results in their territories they will benefit through increased skills and competencies of people in the rural tourism sector, which will have a positive knock-on effect on more businesses, more jobs, and lower rates of unemployment. It will also result in a better safeguarding and responsible use of intangible cultural heritage in tourism, positive impact on a local and regional level

3. STORIE: the project

The present guide has been developed within the framework of the Erasmus+ Strategic Partnership project STORIE, implemented between 2018 and 2020.

Rural tourism addresses the village depopulation issues, encourages environmental conservation and enhancement, helps retain “traditional” skills, increases community strength and local identity. A well-managed rural tourism can be a great tool for safeguarding and promoting cultural heritage and enrich the lives of enormous numbers of people.

Some of the observed trends in rural tourism in the last few years include growing interest in unique authentic experiences and increased quality expectations. However, the rural tourism offer remains extremely fragmented. It consists of a large number of regionally dispersed mostly family-owned and operated businesses that offer a warm welcome to tourists but there is a great lack of consistency with regard to the quality of service and limited integration of different services into a complete tourism product.

While sustainable tourism is promoted in most EU countries, it makes just a fraction of the overall tourism market and a lot of potential remains unexploited. Most rural tourism entrepreneurs do not have much product development knowledge and skills, nor the time or financial resources to obtain them.

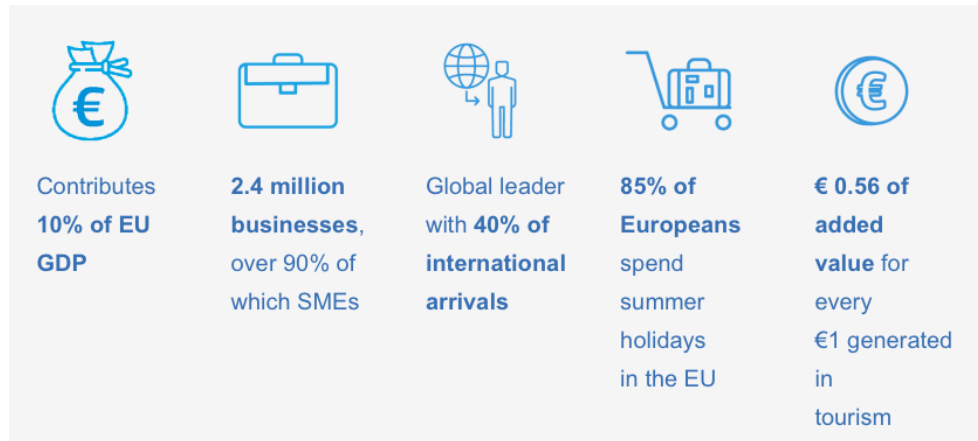
Growing interest in rural and eco-tourism creates new business and regional development opportunities, however only for those with relevant strategies and abilities. The fierce competition among tourism destinations requires new knowledge, skills and joint effort at all levels - from policy makers to micro companies. Development of an attractive tourism product can be facilitated by cooperation, coordination and support, as well as understanding of how to use the unique features of the region to create a memorable tourist experience.

STORIE project improves the competitiveness of small rural companies by developing their skills and capacities to design and promote sustainable tourism products based on intangible cultural heritage (handicrafts, culinary practices, music, stories, customs, etc.). The designed learning programme provides a comprehensive view about cultural tourism product development, about the competencies and tasks required for effective and sustainable product design and encourages cooperation among small rural companies and facilitates development of local business communities.

4. Cultural Heritage Tourism and Policies in Europe

4.1 Introduction

Europe is the most visited tourist destination in the world and tourism is at the centre of a huge ecosystem of businesses that contribute substantially to prosperity and jobs in all Member States. Some relevant data from tourism business in the European Union:

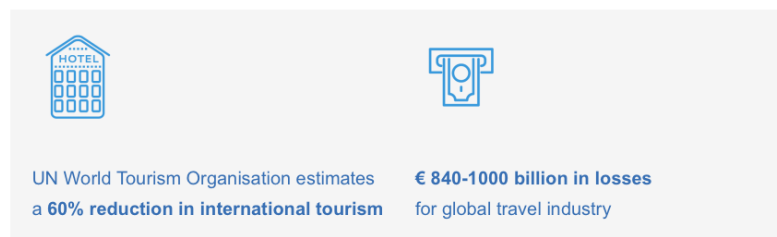


Source: European Commission (2021)

Tourism business involves large numbers of small and medium-sized enterprises (SMEs) in Europe and it cuts across many activities: services to tourists include hotels and other accommodation, gastronomy (for example, restaurants or cafes), transport operators, professional tour-guides and a wide range of cultural and recreational facilities (for example, theatres, museums, archaeological sites, leisure parks or sport related facilities).

The current tourism situation in the European Union is undeniably going through a difficult time due to the consequences of the COVID-19 pandemic. As shown in the infographic below, COVID-19 has a wide impact on the European income of tourists.

Impact on global tourism



Impact on EU tourism



The Member States in the partnership that are highly dependent on tourism are (as % of GDP): Croatia (25%), Cyprus (22%) and Spain (15%). Tourism accounts for less than 10% of GDP in Hungary and Lithuania, so although they are less dependent on tourism, it still represents a considerable percentage of the national economy.

In this context, the STORIE project, with the aim of developing the skills and competences of small rural enterprises to ideate and develop sustainable tourism experiences based on the Intangible Cultural Heritage, is addressing a complex challenge. However, in this same context, it is important to stress the importance of this type of training, since small rural enterprises need to develop new skills and abilities to boost their competitiveness now more than ever, as well as meet the needs of their customers as far as possible.

The main tourism policies implemented within the European Union in recent times are set out below, as well as for each country within the STORIE consortium.

4.2 European policies in the field of cultural heritage rural tourism

In accordance with the interests and objectives of the STORIE project, some of the most relevant policies, funding programmes and initiatives of the European Union are summarised below.

Funding programmes:

- **COSME** was the EU programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises and ran from 2014 – 2020, with as main aim is to facilitate access to finance for SMEs throughout the different phases of their life cycle. The programme co-funded sustainable transnational tourism products, and funded activities to promote low-season tourism. Find more information: [COSME. Europe's programme for small and medium-sized enterprises. | Internal Market, Industry, Entrepreneurship and SMEs](#)
- **LEADER** (Liaison among Actors in Rural Economic Development) was created over 20 years ago with the purpose of supporting rural development, designed to encourage support for local businesses by supporting their industrial, business, entrepreneurial and labour fabric, etc. Therefore, this programme also has a direct impact on the development of regional tourism in EU member countries, with Rural Tourism being one of its main areas of action.
- The **European Recovery and Resilience Mechanism** (2021): Tourism Sustainability Plans, which help the promotion and renewal of mature tourism destinations, whose budget is increased by 83% for the 2021 campaign thanks to the Recovery and Resilience Mechanism, from 59 to 683 million euros.

Initiatives:

- **EDEN – European Destinations of Excellence** aims to promote a sustainable tourism development model across the EU, having drawn attention to the values, diversity and common features of European tourist destinations. The initiative is based on annual national competitions and promotional campaigns for sustainable tourism development models that result in the selection and promotion of a tourist 'destination of excellence' for each participating country. Find more information: [EDEN - European Destinations of Excellence | Internal Market, Industry, Entrepreneurship and SMEs](#). Watch the following video to discover some awarded destinations: [EDEN: discover Europe's hidden sustainable tourist destinations](#).
- **EU Tourism Quality Label**: Quality labels are a well-established phenomenon within the tourism sector worldwide, particularly in hospitality, and they are intended to provide benchmarks on which consumers can make purchasing decisions. Sustainability labels can cover a number of different characteristics or practices, including: the unique characteristics of a location; the need to protect vulnerable landscapes, ecosystems, environments; the specific organisational behaviours; the quality of environmental amenities, or the designation or branding of an entire region as sustainable.

For the coming years, it is also appropriate to take into account the trends and concerns that will greatly influence the situation of the tourism sector in the EU Member States.

TRENDS THAT WILL LEAD EUROPEAN TOURISM IN 2021:

Overcoming the latent mistrust of the possibility of leisure travel.

Sustainability and competitiveness within the European tourism sector, both rural and locally.

Revenue management

BREXIT

Public aid and Eurofunds

Green transformation & Digitalization

5. Examples: local/regional authorities supporting rural tourism experiences based on intangible cultural heritage

5.1 HUNGARY

In Hungary, the government treats the issue of tourism as a priority, so its supervision and management belongs directly to the Prime Minister's Office. The Prime Minister's Chief of Staff is responsible for tourism and hospitality as a member of the government. A special ministerial commissioner will organize the relations with domestic and foreign enterprises and economic actors involved in the development of tourism in Hungary, and will monitor the implementation of the National Tourism Development Strategy 2030, the management of tasks and the relations between the actors involved. The Hungarian Tourism Agency (www.mtu.gov.hu) provides the professional management of tourism, from strategic planning to implementation support. This agency is a state organization with national competence. Its responsibilities include the organization of training programs, workshops or the professional supervision of tourism workshops organized by others (like the one from KONTAKT), e.g. product development as well. In this regard, the "National Tourism Development Concept 2014-2024" initiative pursues the horizontal principles of highlighting and strengthening national values such as uniqueness, sustainability, environmental consciousness, safety, and social and professional responsibility. The document includes a situation analysis of tourism in Hungary, and objectives for the 2014-2024 period. The objectives of the tourism development concept are an innovative, creative, high-quality product and supply development; the development of an environment improving competitiveness; job preservation and creation; establishment and strengthening of tourism management organizations; and the international and eastern opening of the Hungarian tourism sector. The strategy includes some general aspects of slow, green, healthy and sustainable tourism.

Another strong and state-owned actor is the Hungarian Tourism Association Foundation (www.magvarturisztikaiszovetseg.hu). This is an umbrella organization, which brings together 37 large tourism associations in Hungary. Performing training and development skills and competencies is also some of his main aims. Actually it is now offering online courses, but along 2021, it will also provide workshops and training opportunities. This Association, working as an "association of associations", is an opportunity for stakeholders in different segments of tourism to coordinate their information, training and further training needs and not to launch parallel developments, but to create a platform that provides to all their member organizations, ultimately to Hungarian tourism's valuable services.

In addition to these, there is one organization that deals specifically with rural tourism, the National Association of Rural Tourism (www.falusiturizmus.eu). However, this is an advocacy organization.

Local and regional Tourism Destination Management (TDM) organizations are also involved in the development of tourism actors, encouraging cooperation, organizing training, conferences or workshops. There are a lot of Tourism and Destination Management (TDM) organizations in Hungary, these are compressed by the Hungarian TDM Association (www.mtdmsz.hu).

5.2 CYPRUS

In Cyprus, tourism is a very important sector of the economy, so the vision of the National Tourism Strategy 2030 is to develop Cyprus tourism in a sustainable way, which positively impacts the economy, society and the environment. The strategic focus is to establish Cyprus as: a) a year-round destination; b) a quality destination; c) a digitally smart destination; d) a place where all residents can benefit from tourism. The ten-year strategy aims at a 30% increase in income and a rise in the number of visitors from 4 million to 5.15 million in 2030. The strategy has many actions which will be implemented in cooperation of different Ministries and Departments and the Deputy Ministry of Tourism has a coordinating role.

The **Deputy Ministry of Tourism** ([Home Page](#) | [Visit Cyprus - Deputy Ministry of Tourism](#)) is the strategic and supervisory authority of the tourism sector in Cyprus, being in charge of the development of national strategy for tourism, promotion and projection of Cyprus as a tourist destination, as well as implementation of tourism legislation. The ministry has a number of offices around the island that also act as tourism information centres.

Local authorities, both municipalities and communities, are responsible for promoting the towns as tourist destinations. Larger municipalities employ full time tourist officers, and, in some areas, several municipalities and communities unite in common tourist associations to promote their area or district.

Cyprus Agrotourism Company was established by Cyprus Tourism Organisation, aiming to coordinate rural tourism activities on the island. The Company started with only 7 members and had over 80 members (owners or renovated rural houses adapted for tourism), 100 traditional houses and boutique hotels in 60 villages around Cyprus in 2019. The organisation has a website that allows the tourists to explore the available rural tourism options and book their holiday accommodation and experiences: www.agrotourism.com.cy.

Cyprus Sustainable Tourism Initiative (CSTI) [The Cyprus Sustainable Tourism Initiative \(CSTI\)](#) is an independent organization that was established in 2006. CSTI aims to harness tourism demand (tour operators, agents) with the supply of tourism resources (small producers and their communities) so as to develop a sustainable approach to tourism in Cyprus. Offering a memorable experience for the tourist, this approach also provides a clear economic benefit to villages marginalized by mass tourism, while minimizing adverse socio-economic and environmental impact.

5.3 LITHUANIA

In Lithuania there are several organizations who support rural tourism and intangible cultural heritage products. Lithuania Travel is the national tourism development agency responsible for Lithuania's tourism marketing and promotion, acting under the Ministry of Economy and Innovation. The strategic goal of Lithuania Travel is to raise awareness of the country's attractive destination for tourists and to encourage inbound and domestic travel. On the other hand, it also means to enhance international competitiveness of the national tourism sector while creating added value for the Lithuanian economy ([Lithuania Travel: Tourism Lithuania](#)).

The other one is the Council for the Safeguarding of Ethnic Culture, who is an expert and an advisor to the Government of the Republic of Lithuania on strategic issues of state safeguarding and policy development of ethnic culture and protection of intangible cultural heritage. Also, this organization ensures the implementation of state safeguarding of ethnic culture embedded in the national legal system of the Republic of Lithuania and they promote the development of ethnic culture. The aim of the Council is to strengthen the state safeguarding of ethnic culture, preserve national self-awareness and ensure the viability of ethnic culture and the equal participation of Lithuania in the cultural life of world nations. This council organizes seminars, contests for the best ethnic homesteads in Lithuania and other different activities ([Etninės kultūros globos taryba](#)).

Another important organization is the Ministry of Agriculture, Rural Development Department of National Heritage and Training Division. This department gathers all Lithuanian certified craftsmenships, spreads and promotes information about them, arranges learning sessions for them, etc. Find more about it : [About national](#)

[heritage | Lietuvos Tautinis Paveldas](#). Following the previous idea, the Government of the Republic of Lithuania, with the aim to foster traditional crafts in national level, approved a program of protection, development of national crafts and their market, for the years 2012-2020. The Ministry of Agriculture of the Republic of Lithuania, Ministry of Culture, Ministry of Economy, Ministry of Environment, Lithuanian State department of tourism under the Ministry of Economy, municipalities and other institutions took part in implementing the above-mentioned program.

Other relevant organizations are the following:

- Lithuanian Council for Culture. This council's mission, in accordance with culture policy priorities, is to enable diversified culture and arts development and dissemination, ensuring rational and reasonable use of allocated funds; to implement culture policy based on competence; to analyze culture and arts processes influencing culture policy. Even if they cover all cultural events in Lithuania, not only rural tourism and intangible cultural heritage sectors but this institution occasionally allocates funds for projects in the field of intangible cultural heritage. In 2021, they have issued a call for projects which will be devoted to save and encourage national heritage and intangible cultural heritage in the country ([Lithuanian council for culture](#)).
- Lithuanian Association of National Heritage Producers and Creators - a non-governmental, independent and independent public legal entity, on a voluntary basis, uniting natural and / or legal entities engaged in national heritage activities. The mission of the association is to unite the producers and creators of Lithuanian national heritage in order to preserve the old traditions, arts and culture of Lithuania. The association thus seeks to educate the public and communicate about the authenticity and values of products and crafts marked with national heritage marks.
- Lithuanian Countryside Tourism Association - the Lithuanian partner within the consortium STORIE. The entity is completely related with rural tourism, as it puts a lot of effort into making small rural entrepreneurs visible and competitive in the country. LCTA had a handful of projects which were totally related with intangible cultural heritage – one was “Local taste” and the other was “Local crafts”. These both projects presented Lithuanian traditions, food, crafts, ethnographic regions and people of it. Discover more: [Skonių kelias | skoniukelias.lt / Crafts](#)

5.4 CROATIA

The Ministry of Tourism is the state administration body responsible for drafting policies, strategies and legislation concerning tourism on national level, along with the Tourism Committee of the Croatian Parliament. Plus, national tourism promotions lie on the Croatian National Tourist Board (CNTB). However, at regional and local levels there are also administrative offices responsible for tourism and hospitality. Here, it's possible to point out one main initiative, which was the “**Tourism Development Strategy of the Republic of Croatia until 2020**”, aimed to enhance attractiveness and competitiveness within the tourist sector throughout the improvement of resources management which meets the requirements of the basic economic, social and aesthetic criteria for sustainable trading in the long-term, as well as growth of prosperity, preservation of cultural integrity and vital ecology systems and bio- diversity.

Other national policies to be stressed are:

- The **Croatia 365** programme, being established to reduce seasonality pursues the development of an attractive and competitive value- added destination offer in the pre- and post-season. The project focuses on six product areas: culture, wine and gastronomy, cycling, business trips, wellness and health and active holidays, thus intangible cultural heritage is included.
- The **Croatia 365 Gourmet** is a digital platform developed by the CNTB to promote Croatian gastronomy regions (as well as wineries, restaurants and oil production).

Other relevant public bodies are: Regional Self-Government Units, Croatian Chamber of Economy, County Tourism Board, Tourist Board of the Towns, Municipalities and Cities, County Chamber of Trades and Crafts, non-profits organizations, Development Agency VTA, etc.

Regionally, for instance, the “**Tourism Development Master Plan for the Region of Istria 2015-2025**” shows up as an important policy in recent times. The aim of the document is to offer pragmatic solutions to the

previously defined visions and priorities, though recently also a marketing plan has been added. The master plan defines the development priorities and, according to them, specific measures have been elaborated that deal with accommodation development mostly concerned with improving and increasing the categorization of existing accommodation capacities and the development of small thematic hotels. Measures have also been established for infrastructure development and an adequate sports infrastructure. Furthermore, EU funding should contribute to the realization of key projects for raising the attractiveness and competitiveness of Istria as a tourism destination. Most of these touristic projects can contribute to the development of sustainable tourism because they are based on experiencing traditional ways of life, local Istrian products, culture and nature (LAG Istria Personal Communication, 2017).

5.5 SPAIN

The State Secretary for Tourism, which depends on the Spanish Ministry of Industry, Trade and Tourism, is the highest public authority in the field of tourism. It is ultimately responsible for defining policies and strategies relating to national tourism. Turespaña is an autonomous body, responsible for the marketing of Spain as a tourist destination (<https://www.tourspain.es/es-es>). Its Strategic Marketing Plan 2018-2020 implies a change of paradigm in the national tourism sector, putting the focus on the tourist instead of the product/offer. Another body is SEGITTUR responsible for promoting innovation in the Spanish tourism sector, both in the public sector (new models and channels of promotion, management and creation of intelligent destinations, etc.) and in the private sector (support for entrepreneurs, new models of sustainable and more competitive management, export of Spanish technology). As digitalization is one of the main axes of tourism related policies for 2021, SEGITTUR's annual budget experienced a 92% increase, to promote the Intelligent Tourist Destinations model, and the Digital Transformation and Innovation Plan for companies in the sector.

The main national policies are:

- Spanish Tourism Plan Horizon 2020: its main objective is to strengthen the competitiveness of the national tourism strategy by advocating issues such as sustainability, the promotion of Spain's rich cultural heritage, the specialisation and differentiation of the tourism products and experiences offered, etc. [Plan del Turismo Español Horizonte 2020](#)
- Sustainable Tourism Strategy 2030: is constituted as a national tourism agenda to face the challenges of the sector in the medium and long term, promoting the three pillars of sustainability: socio-economic, environmental and territorial. To this end, a participatory process has been promoted in which the sector and the autonomous communities are involved. It is governed by the fundamentals of: socio-economic growth, preservation of natural and cultural values, social benefit, participation and governance, permanent adaptation to changes in the sector and reinforcement of Spain's leadership as an international tourist destination. [Ministerio de Industria, Comercio y Turismo - Estrategia de Turismo Sostenible de España 2030](#)

In addition, at regional level there are various Tourism Departments, which specialise in promoting tourism in the Spanish Autonomous Communities. Likewise, there are many similar administrations at a provincial, regional or local level. In Extremadura, the regional Tourism Council is an advisory and consultative body on tourism matters. It is also worth mentioning the work of [Patrimonio Inmaterial de Extremadura](#), which has recently started to work (January 2021) and aims to protect Extremadura's intangible assets by promoting their study, making them known and documenting their nature. In order to achieve its objectives, a website and an App have been developed to allow access to information on traditions, legends, popular festivals or information on regional gastronomy, clothing or music. In Extremadura, the "Hidden Treasures of Extremadura" initiative plays an important role in strengthening rural cultural tourism in the region ([Tesoros Ocultos](#)), although in this case the focus is on tangible cultural heritage.

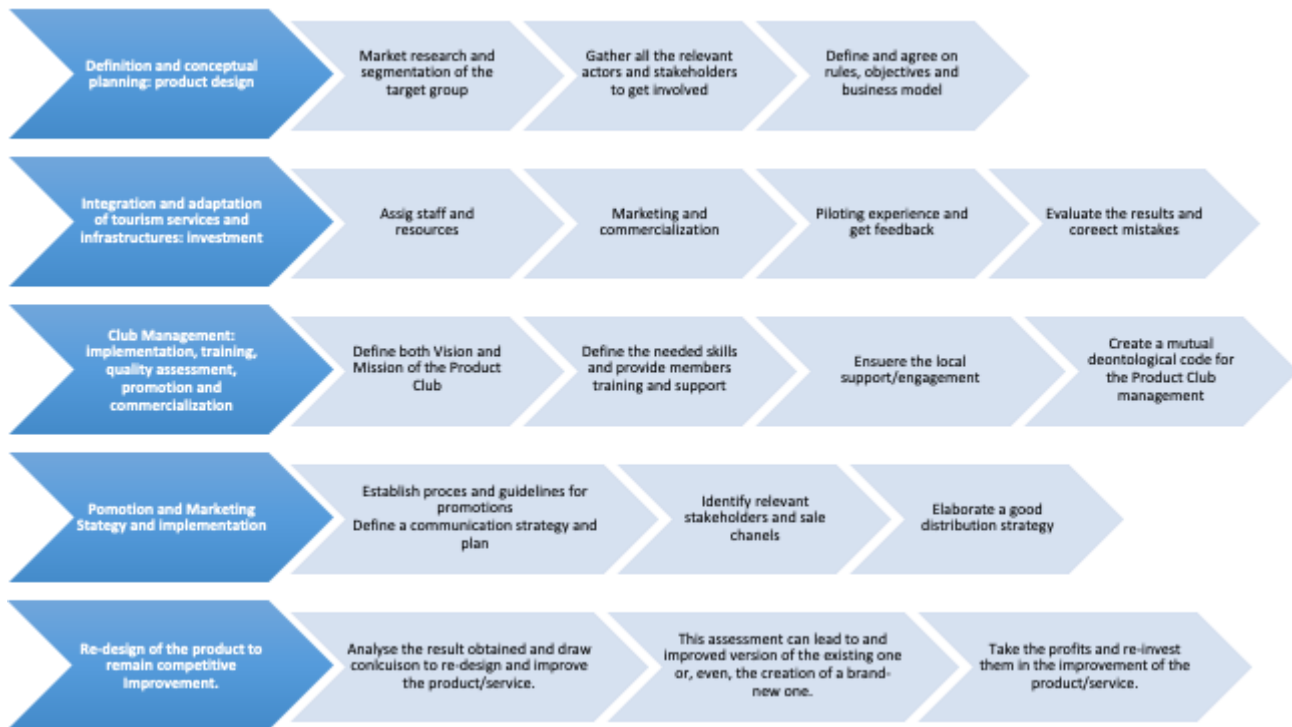
6. Product Club Insights

A Product Club is a joint ideation, planning and management tool that includes the participation of several public authorities, private organisations, associations or relevant parties, with the aim of designing new products or adding value to existing products/initiatives through their collaboration. Ideally it has the support

of a public administration or a public organisation and/or support of strong organisations, as sponsors or ambassadors of the product club

In the specific case of a Tourism Product Club, the participating organisations work around a common idea, project or initiative in order to promote a tourist destination through a specific product or service. In any case, any Product Club must follow a set of rules and processes respected by all its members, such as, for example, that the common interest prevails over the individual. It's also recommended that the collaboration and integration process is extended and to involve local communities, administrations and businesses, creating added value synergies and partnerships, and acting as a whole.

The phases to be followed in the creation of a Product Club are the following:



Further information and real examples can be found in the STORIE IO2 - Product Club Methodology documentation.

Watch this video by the European Commission on [Tourism product club](#).

7. Rural tourism in (post)COVID time

As explained in previous sections of this document, the crisis resulting from COVID-19 and the related mobility restrictions have caused a severe blow to European tourism. European tourism growth is expected to remain below 2019 levels until 2023. During the first four months of the year 2020, Europe saw a dramatic 44% decline in international tourist arrivals compared to the same period in 2019 – a decrease in line with global performance. Tourism job losses in Europe in 2020 could be monumental, ranging between 14.2 million to 29.5 million. Uncertainty still dominates and the duration of pandemic restrictions will be key in order to determine the losses in the sector (source: [Tourism | Fact Sheets on the European Union](#), 2021).

The European Commission is making efforts to ensure the free movement of citizens, goods and services, in full compliance with health and safety measures. In order to alleviate these effects and strengthen the situation of the tourism sector, the EU has taken measures such as the implementation of the European recovery plan "Europe Next Generation", which seeks to build a more sustainable, resilient and just Europe by accelerating

the energy and digital transitions. Another of the initiatives is the creation of the [Re-Open EU](#) platform where it is possible to find updated information about the mobility restrictions existing in the European territory, as well as information regarding the restoration of connectivity and transport and recommendations on security and health measures.

In the following sections, the situation for the STORIE partner countries is provided.

7.1 HUNGARY

Tourism provides a livelihood for thousands, as 420,000 people work in this industry, and represents 13% of GDP in Hungary, but it has been in serious trouble since March 2020 and a significant part of society is affected by the COVID restrictions. Hungarian tourism is in great need of the help, so the Hungarian Government immediately recognized the gravity of the situation and was among the first to announce an action plan to support tourism and hospitality, which was exemplary at the European level as well. Economic protection measures included a credit moratorium, contribution rebates, loan programs, wage subsidies, or reduced taxes, as well as applications to support tourism developments. The primary aim of the measures was and still is to save jobs and keep businesses alive. The Hungarian Tourism Agency has launched a large marketing campaign to boost domestic tourism. The aim of the one-and-a-half-month campaign launched on June 1 is not only to increase tourism during the summer high season, but also to restart Hungary's domestic tourism after the epidemic. More than 500 accommodation, restaurant, spas and other tourist service providers and attractions have joined the campaign with discounted offers. After a reopening in the spring domestic tourism achieved in Hungary unprecedented results, "the domestic tourism became the new foreign tourism", July-August surpassed the 2019 figures.

In the second wave of the epidemic the government once again took immediate action to help the sector. The only condition for the aid is that the workers are not made redundant and that the workers are paid for this period. But due to the second wave Budapest was reset to zero again with the border lock, and the countryside was also in a difficult situation. The hotel industry will remain in a serious crisis for a long time. According to experts even in the best case scenario it should take at least ten months for the sector to reach pre-epidemic levels. In the current situation the basic goal is to prepare as best as possible for the arrival of guests.

7.2 CYPRUS

According to Paphos Hotels Association, 2020 was the most difficult year in recent times for tourism after the devastating effect of the Covid-19 pandemic. The flow of tourists to Cyprus was extremely low, and the hotels needed to respect measures and protocols, which made operating them extremely hard. In 2020 tourism industry's revenues declined by about 85%. So, a number of measures to the tourism sector aiming to support companies affected by COVID-19 crisis is in place from Spring 2020. For example, businesses forced to suspend operations entirely or partially because of the pandemic can receive payroll subsidisation schemes, and special allowances are offered to self-employed whose income has suffered a substantial decline because of restrictions related to the pandemic. In June 2020, a new scheme was launched to support aviation, providing incentives to airlines to operate flights even with low numbers of passengers. Furthermore, VAT for accommodation services was reduced from 9% to 5% for a period of 6 months. In the second half of 2020, 98 hotels and other accommodation providers joined the autumn offers scheme that presented attractive rates and packages for local tourists. It was subsidised by the Deputy Ministry of Tourism, aiming to extend the tourism season and support tourism businesses by increasing the number of visitors in some areas of the island.

Thus, the new plan of the Deputy Ministry of Tourism for the recovery of the sector is based on three pillars: marketing and promotion, improving infrastructure and strengthening special forms of tourism as well as improving the competitiveness of rural, mountainous and remote areas of Cyprus. As announced in January 2021, the Ministry for Tourism will launch the biggest digital campaign ever, aiming to promote tourism. On the second pillar, the Ministry will implement in 2021 various upgrading schemes for cycling, diving, culture sites and beaches, wine roads, religious tourism sites, etc. and will also implement other incentives for special forms of tourism such as cruises, conferences and trips to acquaint people with the country's tourist product. The Ministry will promote ten quality signs such as special routes, Cyprus breakfast, nature trails and "taste Cyprus".

Moreover, a digital platform will be constructed for monitoring tourist reputation both for Cyprus as a destination as well as service providers, which will be monitored by the ministry and actions will be taken to improve the tourism product. Specific projects will be implemented in 2021 that will improve the provision of authentic experiences on the island, including an authentic route totaling 300 kilometres which connects all communities. In addition, Cyprus was the first EU country to announce it would allow unconditional entry to vaccinated tourists from March 2021.

Plus, in January 2021, the European Commission announced that it has approved, under EU State aid rules, a €86.6 million Cypriot scheme to support companies active in the tourism sector (including organisers of package travel, hotel businesses, and car rental companies) affected by the coronavirus outbreak. The public support will take the form of public guarantees which aim at covering vouchers issued by the beneficiaries to either consumers or organisers of package travels for cancelled travel packages or individual touristic services booked prior to 31 October 2020.

7.3 LITHUANIA

Even though the COVID restrictions have had an effect on the European Union as a whole, regarding Lithuania the most important observation is that rural tourism providers had a really good 2020 summer, because most of the people travelled inside the country during holidays. Of course, a lot of events were cancelled, so bigger players in the sector had more wastage than small tourism providers. Those who adapted to the situation and requirements (offered services for small groups and families) survived best.

It is important to mention that Lithuanian government initiated a special fund for the tourism sector to prevent COVID damage. The idea was to encourage innovative activities in the tourism sector and to help this sector to adapt to the current situation. A lot of companies applied for this support and they had great opportunity and financial support to diversify their products. Some organizations created new websites, others created virtual apps, a lot of companies organized seminars in marketing and other fields.

The second wave of COVID led to stricter restrictions in almost all business fields in Lithuania. Tourism sector is almost completely suspended since the middle of December till the end of February and maybe even longer. A lot of companies – hotels, museums, restaurants, homesteads, etc. took the country subsidy and closed their companies during the pandemic. National tourism survey shows that 95% hopes and believes that restrictions in Lithuania will go away only in 2021 May and they will be able to work in the most popular season – summer. 87% believe that most of the tourists in 2021 summer of 2021 will be local people and, unfortunately, 30% think they will need to close their business due to bankruptcy.

7.4 CROATIA

The Ministry of Tourism and Sport of the Republic of Croatia has taken measures to alleviate the consequences of COVID-19 on the national tourism sector, which is one of the most important for the country's economy. In this sense, it is possible to highlight some measures aiming to alleviate the financial impact such as:

- In 2020, persons providing hospitality services in a household or family farm are exempt from paying half of the annual sojourn tax flat-rate sum, which they would be obliged to pay for the main bed and accommodation unit at the camp or camping site. Furthermore, such persons are completely exempt from paying sojourn tax for spare beds for the entire 2020.
- Exemption from paying the variable part of the concession fee for 2019 for concessions on tourist land which is located in camps. Payment deferral of the fixed part of the concession fee for 2020 for concessions on tourist land which is located in camps. In addition, it's also been approved the exemption from paying the variable part of the concession fee for 2019 for concessions on tourist land which is owned by the Units of Local Self-government. Payment deferral the fixed part of the concession fee for 2020 for the concession on tourist land which is owned by the ULS's.
- The Ministry of Tourism and the Croatian Bank for Reconstruction and Development have concluded an "Agreement on business cooperation regarding the implementation of liquidity measures for entrepreneurs in the tourism sector", which made it possible for direct interest-free loans from CBRD to be approved. The signed agreement stipulates that the Ministry of Tourism will provide funds in the amount of 26 million HRK to subsidize the interest rate of up to two percentage points for liquidity lending to entrepreneurs

involved in tourism activities as part of the COVID - 19 Measure. The COVID-19 Measure for SME entrepreneurs involved in tourism activities is implemented as a temporary measure within the working capital lending program, and is applied to requests which were received and approved by CBRD until 31/12/ 2020, or until the secured funds have been exhausted. Credit entitlement does not exist, rather the CBRD adopts a special decision regarding each request.

More information on Government policies: [Measures of the Ministry of Tourism to help the economy due to the coronavirus epidemic](#)

However, a recent study on the national rural tourism situation, Dr. Tubić¹ from the high school in Virovitica, claims that the lack of clear policy guides in tourism and joint promotion has an important effect on Croatian tourist sector. As said in the aforementioned study *“It is clear to all stakeholders in the rural tourism system, public or private, that there is no strategy for the development of rural tourism as a necessary document for future, strategically oriented development. Creators and co-creators of national tourism policy have recognized the importance and necessity of mutual coordination and connecting related stakeholders in interest association to overcome the shortcomings of individual entities. By establishing successful cooperation both vertically and horizontally, equally on all three lines of cooperation, the interest association as a model of sustainable competitiveness contributes to many benefits and are opinions of creators and co-creators of national tourism policy (which does include: creating common product/services, creating a supportive business environment, more innovative business cooperation and active networking with the public and educational sector, etc.)”*.

7.5 SPAIN

The tourism sector represents approximately 12% of the national GDP. In addition, this sector employed 13.6% of the total number of Social Security affiliates in our country at the beginning of 2020. It is therefore clear that the value chain of the tourism sector in Spain has been one of the most affected by the COVID crisis.

The number of international tourists arriving in Spain up to September 2020 was 16.83 million, thus suffering a loss of 43 million tourists in 2020. In the first eight months of 2020, Spain received only 15.7 million tourists, 73% less than in the same period in 2019, when 58.1 million tourists arrived, according to the National Statistics Institute (INE). For its part, during the first eight months of 2020, total expenditure by international tourists also fell by 73.8% compared to the same period last year, reaching 16,747 million euros.

The Spanish Government designed a *Plan to Boost the Tourism Sector: Towards Safe and Sustainable Tourism post-COVID* policy in the summer of 2020. The programme constitutes a compendium of measures and policies of economic, labour and fiscal content to alleviate the negative consequences in the sector. The main objective is to maintain tourism activity and the jobs that depend on it, as well as to strengthen its competitiveness and boost the sector's recovery as soon as possible within the framework of a new normality. Find more information: [Plan To Boost the Tourism Sector in Spain](#)

In Extremadura, just as in the rest of the country, the decrease in the number of visitors to the region and, therefore, its important economic income, has been remarkable along 2020, especially during the summer campaign. In order to reactivate and boost the tourism sector, the main public authorities in the region have taken the following measures, among others:

- **Plan to Reactivate the Tourism Sector:** which means a public subsidy worth 7 million euros aimed at reactivating rural tourism in the region of Extremadura during the de-escalation and new-found normality phases following the first wave of COVID. This investment will take the form of aid to maintain SMEs in the tourism sector (hotels, restaurants, services, etc.) by issuing loans to provide the sector with liquidity.
- **Tourist Voucher Programme:** as part of the Recovery Plan and in order to encourage local tourism demand and improve its competitiveness, tourism packages and services will be offered to the region's citizens to be enjoyed until March 2021. These vouchers, with a budget of two million euros, have been promoted through an intense campaign on social media under the title *"Extremadura te espera"* (which means *"Extremadura is waiting for you"*), and include experiences within the framework of initiatives such as *"Extremadura Gourmet. Summer Gourmet Experiences"*.

¹ Dr. Tubić (2017), Quality assessment of the institutional framework for the development of agritourism in Croatia

Likewise, in the second half of 2020, Extremadura's public administrations have confirmed that they are working on the development of new tourist products and services (such as, for example, gastronomic routes through the best restaurants in the region or the promotion of the Way of Saint James 2021, the year of Saint James), as well as updating previous initiatives such as the aforementioned Hidden Treasures.

8. Concluding remarks

STORIE Learning Tool provides knowledge to business owners, managers and staff on how to improve their activity and how to develop new sustainable tourist experiences based on Intangible Cultural Heritage (ICH). STORIE Product Club Methodology supports the creation and management of a tourism Product Club in a collaborative way between public bodies, local enterprises and relevant stakeholders aiming to promote and vindicate their region as a tourist destination. On the other hand, STORIE Insights provides relevant information to policy makers, educators and tourism businesses. Thus policy makers, policy influencers and public body staff on local, regional and national level, related to policies and strategies in the field of tourism and tourism training may use STORIE materials and results to work toward a more competitive business in their region, especially when it is such a relevant economic sector in the partnership countries which has been hugely affected by COVID since March 2020.

- To better prepare the local/regional, rural tourism sector for the challenges ahead and to take advantage of trends in the tourism sector within the EU, as being able to identify the most urgent challenges in the sector and possible solutions through collaborative partnerships with companies and stakeholders. The IO3 Policy Brief allows policy makers to be aware of different policies and decisions aimed to alleviate the current crisis.
- Make the sector more competitive, generating more businesses, more employment and more resilient enterprises. Sustainable tourist products/services based on intangible cultural heritage will improve a tourist destination, reinforcing its businesses' activity as well.
- Product Club methodology will encourage cooperation and lead to a better position in promoting tourism destinations.

9. Relevant links

- [The EU helps reboot Europe's tourism | European Commission](#)
- [Mapping of Cultural Heritage actions in European Union policies, programmes and activities](#)
- [Inventory of Policies related to Sustainable Tourism](#)
- [Sustainable tourism: an opportunity for regions to benefit from their cultural and natural heritage](#)
- [Cultural heritage in EU policies](#)
- [Research for TRAN Committee - European Tourism Labelling](#)
- [European Union Tourism Trends](#)
- [Hacia un ecosistema turístico europeo sostenible, innovador](#)
- [Tesoros ocultos](#)
- https://www.lamoncloa.gob.es/serviciosdeprensa/notasprensa/industria/Documents/2020/20062020_PlanTurismo.pdf
- [Measures of the Ministry of Tourism to help the economy due to the coronavirus epidemic](#)