



Stakeholder Seminar on Blue Economy

“Towards a Common Maritime Agenda for the Black Sea”

19 March 2019 in Istanbul

Concept paper

Workshop 3: An attractive Black Sea region: sustainable coastal and maritime tourism



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Concept paper

Workshop 3

An attractive Black Sea region: sustainable coastal and maritime tourism

Chapter 1

Introduction

This Stakeholder Seminar stems from the 2018 Burgas Ministerial Declaration¹, where the participating countries² committed to work on the setting up of a Common Maritime Agenda for the Black Sea in 2019. The Burgas Declaration lists the possible cooperation areas to be further developed under the Common Maritime Agenda. The purpose of the seminar is to gather input from the stakeholders in the region in the shaping of the Maritime Agenda.

The seminar is being organised by the Facility for Blue Growth project in cooperation with the European Commission and with the support of the Permanent International Secretariat of the Organisation of the Black Sea Economic Cooperation (BSEC PERMIS).

Experts for the region and beyond will share their vision and experience in developing actions and projects in the Black Sea, with a focus on six blue economy thematic areas. These areas in line with the priorities listed in the Burgas Ministerial Declaration and will be discussed during six parallel workshops. The workshop sessions will be highly interactive and will be flanked by a plenary opening session and a closing discussion. Workshops topics:

- ▶ 1) Research and Innovation
- ▶ 2) Connectivity
- ▶ 3) Tourism
- ▶ 4) Sustainability
- ▶ 5) Fisheries and Aquaculture
- ▶ 6) Blue Skills and Careers

The purpose of this paper is to help guide the discussions during the seminar. The next chapter (2) will provide a brief overview of the blue economy in the Black Sea. The final chapter (3) will present the gap analysis and list of indicative questions to be discussed by the participants during the workshop sessions.

¹ https://ec.europa.eu/maritimeaffairs/sites/default/files/burgas-ministerial-declaration_en.pdf

² Bulgaria, Georgia, Republic of Moldova, Romania, Russia, Turkey, Ukraine.

Chapter 2

Background: challenges and opportunities for blue growth in the Black Sea

The blue economy includes all economic activities related to oceans, seas and coasts³. It is an essential contributor to the national economic growth and job creation. The competitiveness and sustainability of the blue economy depend on the ability of the stakeholders to embrace and support innovation. Thus, the established activities⁴ need to be adapted to the current market demands and the environmental standards. At the same time the emerging sectors, which have significant growth potential, need to be supported.

The Facility for Blue Growth in the Black Sea (Facility) has analysed the state of the blue economy in the Black Sea sea-basin through a desk review of available secondary sources⁵. This analysis⁶ has been discussed, expanded upon, and validated through a series of workshops held with stakeholders across the Black Sea coastal countries, as reported on the Facility website⁷.

The outcomes of the national workshops⁸ confirmed that there is a significant potential for more and more sustainable blue growth and jobs through in the Black Sea. For example, only in Romania and Bulgaria combined the gross added value (GVA) of the blue economy in 2016 was EUR 2 billion. This resulted in about 200,000 jobs in those countries⁹. These figures could well increase in the future if the development of the blue economy is further promoted politically and supported with adequate public and private funding and investment¹⁰.

The performance in GVA and jobs creation strongly varies across the various maritime economic activities. Striking differences emerge when comparing activities among countries with respect to the: i) current levels of GVA and job generation (activities such as tourism, fisheries, and shipping are the most relevant today), as well as ii) expected improvements of such performance in the future (tourism may still remain relevant, but other emerging

³ A recent definition by the European Commission ([The 2018 annual economic report on the EU blue economy](#)) divides the sectors in the blue economy into: *i) marine-based activities*, that are directly undertaken over or under the oceans, seas and coastal areas (e.g. capture fisheries, aquaculture, offshore oil and gas, offshore wind energy, ocean energy, desalination, shipping and marine transport, marine and coastal tourism), and *ii) marine-related activities*, that use or produce material products and services related to the oceans and seas (e.g. seafood processing, marine biotechnology, shipbuilding and repair, port activities, communication, equipment, marine insurance and marine surveillance). The blue economy also includes those parts of the public sector with direct coastal and ocean responsibilities (national defence, coast guard, marine environmental protection, etc.) as well as marine education, research and observation.

⁴ for instance, fisheries, maritime transport maritime and coastal tourism

⁵ Based on a targeted analysis of Strengths, Weaknesses, Opportunities and Threats (SWOT) of the maritime sectors and marine and coastal capital at national and regional level (national administrations, regional studies in particular the scoping mission in support to [the development of Blue Economy and Integrated Maritime Policy in the Black Sea](#)).

⁶ [Regional assessment of the Blue Economy](#)

⁷ <https://blackseablueeconomy.eu/publication-categories/deliverables>

⁸ <https://blackseablueeconomy.eu/our-events>

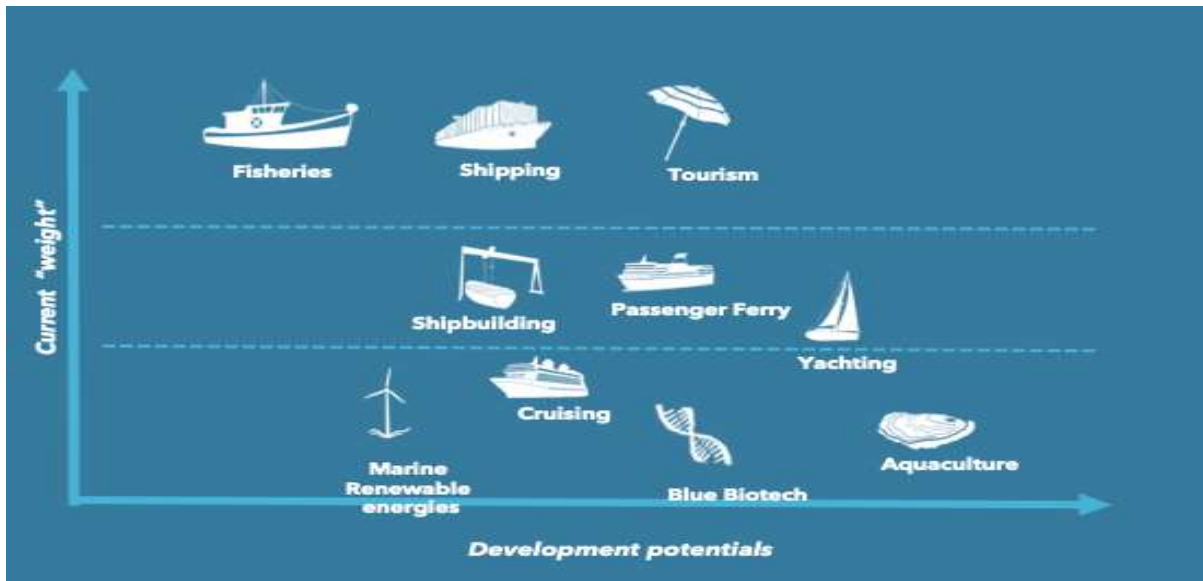
⁹ [2018 annual EU Blue economy report](#)

¹⁰ Innovation /education (for emerging sectors) or adaptation/training (for existing sectors)

activities such as yachting or aquaculture, which are expected to grow exponentially in the next years).

An overview of such heterogeneity regarding the weight of the sectors (GVA and jobs) and their potential of development is presented on figure 1. This will be the basis for discussion during the workshop aimed at identifying tailored support actions.

Figure 1. Overview of the state of play of the maritime economic activities in the Black Sea



Source: BGBS Facility (based on secondary sources and inputs shared during national workshops held in 2018)

Furthermore, discussions held during the workshops organised by the Facility pointed to a number of challenges. These challenges need to be addressed in order to ensure an economically, socially and environmentally sustainable blue growth in the Black Sea:

- **Established activities in relatively 'established' and large economic sectors are not fully sustainable. Innovation should be fostered to maximise their positive impact for local communities and ecosystems.** Relatively established maritime economic activities such as tourism, fisheries, shipbuilding, shipping, ferries require strong adaptation and innovation within existing business models and services offered in accordance with international standards (e.g. Ports services) or to meet customers demand regarding sustainability (e.g. ecotourism) to fulfil their economic potential and become more resilient. This would allow for the maximisation of their potential to boost local economic returns and provide for more stable and high-quality jobs (e.g. in tourism, in shipping).

- **Emerging activities, currently representing a limited share of the overall GVA and jobs for the blue economy in the region. Those activities require greater support to fulfil their development potential.** There are specific and valuable niche markets with large potential in the Black Sea - small-scale yachting, cruising and aquaculture - which could be instrumental in the diversification of above-mentioned ‘traditional’ sectors based on the re-use of the skills between their value chain (fisheries and aquaculture or fisheries and yachting (pescatourism)).
- **Underdeveloped economic activities have still uncertain potential, due to the lack of availability of essential and applied marine research data. Hence further basic research is required to boost their growth in a sustainable manner.** Such sectors include renewable marine energy (e.g. offshore wind) and biotechnologies, for which further research would allow for assessment of their actual potential and prospective pre-commercial opportunities.

Building on this analysis, the regional seminar aims to provide the stakeholders from various maritime and marine sectors a forum to discuss the main challenges and opportunities for blue growth in the Black Sea. The participants will be asked to identify strategic joint actions to address the bottlenecks. To do so, structured exchanges will be held through a series of “thematic workshops”.

Chapter 3

1. Objectives to be achieved in the Black Sea

What are the objectives foreseen to develop sustainable and resilient blue tourism in the Black Sea?

Objective 1: Foster the development of sustainable products and services with low ecosystem impact

In an era of strong global competition, the Black Sea **should maximize the potential offered by its valuable cultural and environmental resources by investing in the development of sustainable products and services across the sea-basin.** A number of areas of opportunity for sustainable innovation have been identified for the tourism sector as a whole (UN-WTO 2018)¹¹, which also apply to coastal and maritime tourism across the region. The Black Sea should further exploit a unique combination of common features and high diversity which characterizes its regional ecosystem. Importantly, to make economic returns sustainable through time, **it should do so by maximizing the generation of value for touristic purposes while ensuring a sustainable exploitation of its natural and underwater heritage.**

¹¹ UN-WTO 2018

Objective 2: Scale-up local practices in emerging “niches” to the national and regional levels

Building on the strong cultural dimension of the Black Sea, based on centuries of shared history, **a range of tourism “niches” could be fostered (cultural, wine, city, rural, pescaturism, etc.), by supporting local good practices that could be further scaled-up to national and regional (cross-border) levels.** For example, greater value-added products can be developed by **further promoting existing local offers for underwater cultural heritage and setting-up new regional itineraries** (e.g. small-scale cruising/yachting, diving, eco-tourism).

Objective 3: Support the uptake of new technologies (Tourism 4.0) to improve the image of the sea-basin

Greater adoption of technological innovation and new business opportunities for marketing and product development, for example as offered through the Tourism 4.0 concept (big data analytics, artificial intelligence, etc.), would also allow for fostering of the image and identity of the Black Sea as a whole as a distinctive, valuable and appealing tourism destination. Such developments would also allow **strengthening of cooperation amongst sustainable tourism operators existing across the Black Sea, so as to improve cross-marketing and cross-selling of innovative and sustainable blue tourism offers** across the sea-basin. Also, greater uptake of big data and ICT services would allow for tailor-made marketing services (to attract, for example, a growing number of regional/global visitors interested in sustainable eco-tourism).

Objective 4: Foster greater support for cooperation amongst practitioners in the region

The tourism sector in the Black Sea comprises stakeholders with different levels of expertise and capacity, including different experiences and expertise within and across countries, resulting in a very diverse level of capacity of professionals across the sea-basin. Therefore, it is important to **further explore the possibilities for future cross-regional twinning, exchange of good practices and training on key aspects of tourism innovation**, to foster a more evenly distributed level of capacity across sectoral stakeholders across the Black Sea.

2. Challenges

What are the specific challenges and gaps to be addressed to achieve such objectives?

Challenge 1: The sector is largely dominated by traditional business models which are not sustainable in the long term as they pose severe threats to the local ecosystems

The Black Sea is an increasingly attractive tourist destination. It possesses remarkable cultural and ethnic diversity, rich historical and architectural heritage, as well as diverse natural resources and a unique ecosystem¹². The tourism sector as a whole has been in fact steadily growing in the region throughout the past decade (6% per year on average), attracting nearly 9% of world tourists annually and 19% of Europe's arrivals, with the prospect for more sustainable, innovative and diversified tourism offers¹³. Recent statistics indicate that the region welcomed 115 million international tourists (overnight visitors) in 2016, with a return of EUR 51 billion in international tourism receipts last year, an estimated 5% of global receipts (UN-WTO 2018)¹⁴. Stakeholders across the sea-basin are increasingly endorsing a sustainable approach to the blue economy, with sustainable coastal and maritime tourism being identified as one of the key assets for regional growth¹⁵. However, visits are often to inland and city-based destinations and the sector remains dependent on a relatively limited number of well-known hotspots (coastal cities and attractions), with **an offer which is mainly focussed on seasonal and traditional services and products which are not always fully sustainable (economically, socially and environmentally) for local communities**¹⁶. Moreover, the mainstream model for the tourism industry in the region often remains based on mass tourism and peaks of seasonal visits in a limited number of main attraction areas. This persisting model may limit the valorisation of regional cultural and ecosystem assets, while fostering environmental degradation, resulting in a decline in interest by regional and global visitors in the longer term¹⁷.

Challenge 2: A number of innovative initiatives are emerging in "niches" markets, but they require greater support to be able to gain an adequate critical mass and scale-up to the regional level

Importantly, a number of innovative practices have strengthened the sustainability of the tourism model, for example a series of projects have been funded under the EU Cross Border

¹² https://www.researchgate.net/publication/256807349_The_Black_Sea

¹³ http://iacudit.org/journal/volumes/v1n2/v1n2_23-29.pdf

¹⁴ <https://www.e-unwto.org/doi/pdf/10.18111/9789284419524>

¹⁵ Burgas Ministerial Declaration for Blue Growth in the Black Sea

¹⁶ <https://emerging-europe.com/after-hours/unsustainable-tourism/>

¹⁷ http://iacudit.org/journal/volumes/v1n2/v1n2_23-29.pdf

Cooperation Black Sea Programmes¹⁸. Sustainable small-scale cruising and yachting for example are areas with development potential for blue tourism in the Black Sea. However, **even if some initiatives emerge at the local level, their full development and scale-up to the regional level requires smarter connectivity, greater cooperation amongst regional operators, researchers and local institutions and ports, as well as better access to private investments** for local operators and other small-scale organisations in the sector¹⁹.

Challenge 3: The high fragmentation of sectoral data and a limited uptake of new technologies (Tourism 4.0) makes it difficult for the Black Sea to improve its image more globally

A clearer assessment of the market potentials, and the current patterns of visits and preferences by tourists at the regional level, is essential for sound marketing activities. In spite of this, such an assessment is not possible for the time being due to a highly fragmented range of data across providers and countries and a limited use of new technologies to overcome such barriers. In this respect, **greater adoption of ICT, social media and other high-end technological innovation would be instrumental not only to boost new services, marketing approaches and access to global niches of visitors, but would also allow a better understanding of market trends and future potentials²⁰, as well as the fostering of tailor-made marketing approaches**. Greater uptake of big data and Tourism 4.0²¹ approaches would allow combination of tourism mobility data with other available data (i.e. accommodation capabilities, resources available, population density, traffic pollution, etc.), in order to monitor the touristic trends throughout seasons in order to identify areas (both local and regional) where peaks are and thus identify possible strategies for diversification and new marketing approaches. Therefore, it will allow for development of more tailored offers and marketing approaches, in order to promote a more even spread of tourist flow or plan a more effective distribution of flows over time – hence maximizing economic returns while reducing environmental and social pressures²².

¹⁸ <https://blacksea-cbc.net/projects/our-projects/> for instance with CULTOUR-BSB which aims at joint development and promotion of the cross-border business opportunities in the tourism sector with an emphasis on the cultural segment of the market within the Black Sea Basin. The project is to develop a sustainable joint strategy for cross-border tourism promotion that will cover the eligible programme territory of Bulgaria, Romania, Georgia, Ukraine and Turkey

¹⁹ https://blackseablueeconomy.eu/sites/default/files/workshopreport_smallscalecruise_georgiasept2018_0_0.pdf

²⁰ https://www.researchgate.net/publication/295594839_ENVIRONMENTAL_SUSTAINABLE_TOURISM_WITHIN_THE_BLACK_SEA_REGION

²¹ <https://www.tourism4-0.org>

²² <https://www.sciencedirect.com/science/article/pii/S026151771830044X>

Challenge 4: Coordination amongst practitioners in the sector is limited (within and across countries)

Although the number of cooperation initiatives across the Black Sea is growing, as experienced in the recent Black Sea Cross-Border Cooperation²³ calls, **the sector still remains largely based on national and even local communities of practices.** A number of initiatives to set up shared platforms across the Black Sea has been limited to some countries, for example in the case of the Sea Network for Sustainable Development²⁴, with no clear assessment of results and achievements so far.

An area of growing cooperation, with great success for the sector, is certainly that of the Danube Delta area and the related Danube Delta Tourism Cluster²⁵, but unfortunately this success-story has not yet resulted in greater spill-over effects across the sea-basin. **The limited circulation of practices, the inexistent regional twinning initiatives and the lack of regional innovation platforms for the sector is preventing a greater spur of innovation,** due to an uneven distribution of know-how and capabilities that persists for the sector across the Black Sea.

²³ <https://blacksea-cbc.net/projects/our-projects/>

²⁴ <https://www.keep.eu/project/15854/creation-of-a-black-sea-network-for-sustainable-tourism-development-in-bulgaria-romania-ukraine-moldova-and-georgia>

²⁵ <https://www.clustercollaboration.eu/cluster-organisations/danube-delta-cluster-clusterul-delta-dunarii>

3. Discussions and intervention input

The discussions in this panel will try to identify opportunities to boost innovative and sustainable coastal and maritime tourism as an engine for local growth in the Black Sea region, as well as debate ideas about how to foster greater innovation and diversification of touristic services and products. Part of the debate will also focus on how to promote greater synergies between inland, coastal and maritime tourism, by exploring for instance underwater cultural heritage itineraries and the development of the cultural dimension of tourism.

A set of questions is now proposed, as a basis for discussion during the panel:

- How is it possible to foster greater **innovation and diversification of touristic services and products** (e.g. maximise the potential offered by local attractions, respond to the increasingly elaborate needs of visitors, and address the challenges posed by climate change)?
- Which are the main actions needed to promote greater **synergies between inland, coastal and maritime tourism** (e.g. sun-related, leisure and sport-related, as well as cultural tourism offers)?
- How can we further promote **underwater cultural heritage itineraries and the development of the cultural dimension of tourism** (e.g. small-scale cruising/yachting, pesca-tourism, eco-tourism)?
- How can we boost the overall **profile and visibility** of the sector (e.g. through better promotion, cross-selling and marketing activities across the region, as well as cooperation amongst sustainable operators), and how could operators **fully exploit Tourism 4.0 opportunities** in this respect?
- Which are the most **promising projects** to be supported in order to address the questions above?

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