Support for Tourism Development in the Balkan Region after the Pandemic

Teodora Rizova

Keywords: COVID-19 pandemic; Transport; Tourism; Economic consequences; New forms of tourism

Abstract: The article analyses tourism peculiarities of the Balkan region in Europe and the untapped potential for the development of specialised types and forms of tourism. There are measures suggested to support the tourism sector in the modern post-COVID conditions. The support of the new approaches to the management of tourism activity in the EU has been envisaged for the 2021 – 2027 programming period through the implementation of a total of 11 programmes varying in their orientation, ultimately related to carrying out better and more adequate tourism management. The main strategic directions in supporting the tourism business in the Balkans are outlined.

1. INTRODUCTION

At the outset of the initial measures to combat the pandemic, it has become clear that unless the public authorities provide the necessary support, the tourism business in the EU countries will not be able to recover and take the place it used to have in national economies before the pandemic restrictions.

Within the working process, both at the EU and national level, various approaches related to the support of tourism have been developed taking into consideration different hypotheses related to the development of the epidemic situation and its impact on national economies. Despite the variety of proposals in this area, the national support measures in the EU countries render different results. This is related not only to the difference in the significance of tourism activity in the economies of individual countries but also to the scope of the tourism business, the availability of its own reserves funds and the impact of many factors beyond the pandemic.

Thus, one cannot fail to note the impact on the tourist business of Russia’s military aggression against independent Ukraine, as well as the expected and justified measures related to the introduction of sanctions to Russia. These factors have a direct impact on the tourism business, especially on tourism in the countries near the conflict, as is the case with Bulgaria, Greece and Romania (Economist, 2022a). Consequently, the particular tourism support measures have to be considered in the context of regional characteristics, the impact of individual factors on tourism and the economy of individual countries or groups of countries, as well as the development prospects of the tourism markets. It is the regional approach that can be significantly more effective in choosing the appropriate support measures and in selecting its most appropriate forms.

1 New Bulgarian University, Sofia, Bulgaria
2. THE STATE OF TOURISM IN THE BALKANS

One of the tourism sectors most affected by the consequences of the pandemic is those of the countries of the Balkan region. This is due both to the grave development of the situation in individual countries like Bulgaria and Greece and to the importance of tourism for the national economies of the countries of the region. Although some European economies like those of Italy, France, Germany, etc. also suffered serious losses in the tourism industry, they had an opportunity to compensate for the losses for their national economies through the development of the industrial sector and the sector of other services. However, in countries like Bulgaria and Greece, a substitution of such nature is not possible due to the relatively limited nature of the national economy.

Special attention should also be paid to the peculiarities of the administration and management of the state aid characteristic of the majority of the member states of the Balkan Peninsula. In most cases, the well-known and established management practices that exist in most of Western Europe lack them. Even without considering the corruption factor, the very model of managing these funds is quite cumbersome and bureaucratised. Moreover, tourism requires an even greater degree of flexibility on the part of both the entities engaged in this field and the controlling authorities, especially in providing immediate financial support.

Tourism in the Balkans also has purely peculiarities related to its products. The region is characterised by its rich history which unites in many ways the peoples of the countries there. Although some of them are members of the EU, while others are not part of the Union, their history, population and culture are closely intertwined. Therefore, the preferences of many tourists are related to visiting not only a country of the region but several, within one tourist trip.

Along with this, it can be noted that both the management and financing of the relevant tourist destinations and their support within the post-pandemic period have been poorly coordinated. The reasons are due to both the weaknesses of the relevant public bodies in individual countries regulating tourist activities and the entities of the tourism business that direct the issue of assistance to the national regulatory bodies and, to a relatively low degree, draw on the experience of neighbouring countries.

One of the characteristic features of the tourist business in the Balkans is that, in most cases, the individual companies working in this area have a relatively weak interaction with the representatives of the local authorities and lack jointly implemented programmes for the development of both tourist activity and the development of the region.

In the Balkans, there is also untapped potential for developing certain types of tourist activities, especially rural, culinary, sports, and many other types of tourist activities. However, their development is relatively limited due to the lack of sufficient resources, both financial and professional, capable of starting the business in the relevant direction.

The pandemic, which had gripped the Balkan Peninsula for two years, took a serious toll on tourism. Practically, individual economic entities exhausted those operating reserve funds that existed within the first year. The weaker coherence of the fiscal policy and the policy of some of the public agents did not make it possible to limit the relatively constant costs of the companies concerned and, what’s more, their income was extremely limited. The low degree of interaction...
between tourist companies in the individual countries of the region created serious difficulties in the process of regulating tourist flows after the end of the pandemic restrictions.

In practice, immediately after lifting the restrictions on the tourist business in the region, Russia’s aggression against Ukraine began to have an extremely unfavourable impact. The fact that the military conflict practically also includes the waters of the Black Sea creates additional uncertainty and concerns on the part of tourists. The proximity of most Balkan countries makes it difficult enough to plan and manage tourism during the conflict. It is expected that after its completion, the consequences will have an adverse impact on the tourism industry for a long time.

An additional consequence of the military conflict is the drastic reduction of tourists from two established and well-developed markets of the countries like the markets of Ukraine and Russia. Tourists from these two countries occupied their specific product-price niche, which in modern conditions can hardly be filled (at least in the short term) by tourists from other countries (Economist, 2022b).

The above-mentioned peculiarities of tourism in the region should be taken into account when determining measures to support the tourism industry, as well as for its orientation in those areas which, due to the circumstances, will become promising shortly.

### 3. POSSIBILITIES TO SUPPORT TOURISM IN THE CURRENT CONDITIONS

As practice shows, the opportunities and programmes used before the pandemic and the war can no longer satisfy the needs of the countries of the region in supporting tourism. The new conditions require a search for new approaches, which, on the one hand, is to change the approach to the management of the tourist activity itself and, on the other hand, is to provide opportunities to find new forms of support.

According to the opinion expressed by the European Court of Auditors (2021), new conditions require a new approach, first of all to the tourist product, which can be applied in the countries of the Union. The new tourism products should meet some basic requirements including the following:

- The new tourist products should be based on personalised travel. It implies the choice of both a specific place of accommodation and an individualised travel programme to meet the individual needs of the tourists concerned;
- The possible tourist trips should be based on the well-being of both the tourists and the enterprises that offer the relevant tourist services. Well-being is precisely that factor due to which high-quality tourist products can be realised;
- One of the main characteristics of European tourism is its sustainability. This implies the development of tourist products in such a way that they not only satisfy the needs of tourists and meet the economic profiles of tourist companies but also take into account the development needs of the regions, natural features, environmental standards, etc.;
- Tourist products should be focused on closer destinations, increasing the security of tourists on the one hand, and, on the other, providing the opportunity to reduce transport, administrative and other risks that may arise during the trip;
- Tourist products should guarantee the health and safety of tourists, and to this end, standards that take into account the conditions of the trip and the possibility of preserving the health of tourists to the greatest extent are developed;
• When offering tourist products, the informatisation and digitalisation of the tourist trip should be of leading importance, providing tourists with maximum and complete information about the features and conditions of the trip and staying in the respective tourist destination. The tourist product should be accompanied by relevant information products that meet the highest standards in the field of digitalisation (Xiang et al., 2022);

• The new tourist products should be based on cultural events, as well as those that emphasise the local identity of the tourist region. In this case, special attention should be paid to the specific forms of tourism like event, cultural, religious, gastronomic and other types of tourism, which to the greatest extent can integrate the characteristics of the local population and region. In the process of organisation and carrying out the tourist activity, it is recommended to integrate the local authorities as well as non-governmental and non-profit organisations from the region to the maximum extent.

Following the new requirements for tourist products, changes should also be made to the organisational structures that relate both directly to the organisation of tourist activities and to the interaction of tourist organisations with public administration bodies and non-governmental organisations.

Fiscal policy, as well as public administration bodies, should create conditions for the implementation of new types of tourist products, as well as for their promotion on the domestic and international markets.

The support of the new approaches to the management of tourism activity in the EU has been envisaged for the 2021 – 2027 programming period through the implementation of a total of 11 programmes varying in their orientation, however, ultimately related to carrying out better and more adequate tourism management. These programmes include the following:

a) Funds received under the Recovery and Resilience Mechanism. The funds provided under this mechanism are within the responsibility of the national governments and are determined by the relevant national programmes. In the Republic of Bulgaria, such a national programme is the Strategy for the Sustainable Development of Tourism in Bulgaria 2014-2030 (Ministry of Economy and Energy, 2014), which defines the main priorities in the development of tourism, especially areas such as:
• development of tourist products;
• development of the country’s national infrastructure, including the one directly related to the service of tourist activity;
• tourist zoning;
• institutional framework.

Naturally, its premises were based on certain conclusions drawn before the pandemic and the aggressive actions of Russia in the region, presupposing that a significant part of it has to be updated and is to be subjected to further amendment.

b) European Regional Development Fund (ERDF) and Cohesion Fund (CF).

The main emphasis on the financial support of the tourist activity is placed in the process of financing by the CF. The projects that are financed from this source are related to the development of tourism. Although the ERDF is mostly aimed at overall regional development, for
Support for Tourism Development in the Balkan Region after the Pandemic

countries such as the countries of the Balkan Peninsula, these funding sources often refer specifically to tourism infrastructure and better interaction between local authorities and tourism companies.

c) European Social Fund Plus (ESF+). The financing offered by the fund is related to the development of employment, the main emphasis being placed on accompanying environmental projects, as well as those that are directly related to the digital transition. Although in this case, it is not directly about the support of the tourism activity, the projects of the fund affect such an essential element as the training of the staff for tourism.

d) European Maritime, Fisheries and Aquaculture Fund (EMFF). The funds provided by EMFF are intended for the development of eco-tourism, fishing tourism, gastronomic tourism, as well as other types of marine tourism. Funds are also earmarked to support various partnerships involved in coastal tourism.

e) LIFE programme is designed to finance tourism projects based on sustainable ecological principles as well as projects that combine the adaptation of tourism to climate change.

f) Horizon Europe makes it possible to finance innovative and ecologically sustainable projects that are related to cultural tourism.

g) Creative Europe programme encompasses the European Capitals of Culture project and many other projects that are related to festival and cultural tourism, the development of the fashion industry, as well as targeting event tourism and the implementation of various other projects uniting tourism with the manifestations of culture.

h) Just Transition Fund makes investments in fixed capital or intangible assets of tourist enterprises whose main focus is the presentation of the cultural heritage in the respective destination. An important aspect of the fund’s activity is the support of the tourist business in the process of adaptation to the changing market conditions.

i) The Digital Europe Programme focuses on setting up a pan-European data space for the cultural heritage of the countries of the Union. The most complete digital transformation of cultural heritage in all member countries is of leading importance. The main focus of the programme is in the field of cultural tourism, but in the presence of specific projects, other types of tourism activities can benefit from the funds of the programme, such as, for example, religious tourism, congress tourism and many others.

The extent to which the member states can benefit from the above-mentioned depends on the work of the specific planning structures and the level of financial discipline in the public administration bodies.

4. MAIN STRATEGIC DIRECTIONS IN SUPPORTING THE TOURISM BUSINESS IN THE BALKANS

Starting from the current state of tourism in the Balkans and from the main challenges facing tourism, several strategic guidelines can be outlined in which tourism activity can be supported, including the following:
a) Creation and administration of tourist projects of a transnational nature

As already stated, there are numerous common points between the countries of the Balkan region, uniting the peoples of the region through their history and culture. This feature should be used for the development of particular tourist products to be carried out via the participation of business entities from several countries. Thus, it is possible to increase the quality of the tourist product based on competitive offers and to use the potential of the tourist market in more than one country.

The basis of such a proposal should be the overall diversity of the cultural heritage of the peoples of the region. At the same time, no limitation should be allowed solely based on cultural artefacts and, accordingly, the realisation of cultural or recreational-cultural tourism.

Significant reserve funds in this regard can be sought in the development of new types of tourist activities, such as culinary and sports tourism, and the study of various traditions and customs of the peoples of the region.

The development of tourist activity within the framework of religious tourism which has not received sufficient development yet, especially in the peripheral regions of the Balkan countries, should not be neglected.

The creation of integrative tourism products with a high degree of individuality, oriented towards relatively small groups of users, who have a high degree of interest in receiving an individualised product is of great significance. This is the way to go in the development of small tourism businesses that are flexible enough to offer relevant customised tourism products.

In the creation of such tourism products, not only member countries, but also other countries of the region should be included, thus using funding from different sources, using different financial programmes both of the EU and those that are built at the national level.

In the development of projects with transnational participation, setting up associations of small enterprises, including those from different countries, should be encouraged in every possible way to develop standards for the activities of tourist enterprises in individual types of tourist activity. The functions of such associations should also include activity on on-the-ground forecasting of the possibilities for development and improvement of the relevant tourist products, as well as the development of new, unique tourist products, the basis of which can be the culture of the peoples of the region.

b) Changes in the relationship between the tourism business and public administration bodies

This aspect of the assistance should include both a significant simplification of administrative procedures, a reduction in the service time of tourist enterprises, and a serious shortening of the procedural chain that tourist enterprises go through when receiving assistance (both financial, informational and administrative) by the national governing bodies and by the EU institutions.

An important aspect of the work of the administration should be not only the implementation of control and administrative functions but also the process of information and communication support for the tourism industry, especially for its small enterprises. Active use should be made
of the possibilities of the state and municipalities related to advertising individual types of tourist products both in the country and abroad, interaction in the field of qualification and retraining of personnel, orientation of the transport and information infrastructures to the needs of the small tourist businesses and introduction of new tourism products.

c) Development of electronic services and activity in the field of e-tourism

The remaining strategic support models are difficult to implement in the traditional information and communication environment. Therefore, one of the main tasks related to supporting tourism is the active development of digital services.

One of the forms in which the tourist business from the Balkans can be supported is the creation of products in the so-called e-tourism. E-tourism is an online platform providing sales of tourism products to end users of tourism services and bringing together manufacturers, tour operators and intermediaries.

In the framework of e-tourism, a preliminary opportunity is included to acquaint tourists with the relevant sights of the destination they will visit. They can take a virtual tour of the destination, familiarize themselves with the sights they will meet during their tourist trip, independently assess the optimal routes for them, and choose additional services or animation during their trip. An essential aspect of today’s tourism is the possibility, through e-tourism, for tourists to be aware of the risks that may arise during their trip and how these risks can be avoided (Hassan, 2022).

Setting up such an integrated system is not within the capabilities of individual business entities from the tourism sector in the Balkan region, but it has to be carried out thanks to the commitment of the public administration. Various EU funds can also be attracted as the efficiency of such a system will allow a significantly higher degree of flexibility for both large and small business entities working in tourism, and this, accordingly, is to increase user satisfaction.

5. CONCLUSION

The proposed measures to support tourism in the post-COVID-19 period will stimulate the use of the potential of tourist destinations and develop specialized types and forms of tourism. The Balkans as a European region needs the implementation of the eleven programs of the European Union with the aim of adequate management, promotion of tourist destinations and expansion of tourist markets.

References
