



\ Report 1.2.

“Culture and Tourism as driving force of job creation”

May 2022





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Introduction and general context

Main objectives of the current report:

- identification of problems and intervention priorities from the labour market perspective;
- developing analyses at territorial level so that problems and priorities in the two sectors can be located (mapped) at EUSDR Member State level - focus on employment and labour market features;
- correlating the problems and priorities identified with the actions and priorities in the Action Plan approved by the European Commission, allowing them to be located (mapped);
- correlating the problems and priorities identified with those concerning the territorial development of the different categories of territories at European level;

Economic overview of the Danube macro-region

Economic development

Gross Domestic Product

GDP per inhabitant is one of the most commonly used metrics to depict the socio-economic development of a country or region, due to its ability to capture the value of goods and services produced within a territory and by a certain number of people. However, it is far from depicting the entire socio-economic landscape of the territory, being unable to capture aspects such as drivers of economic growth or well-being, the quality of life or the extent to which an economy offers enough opportunities for people to live there.

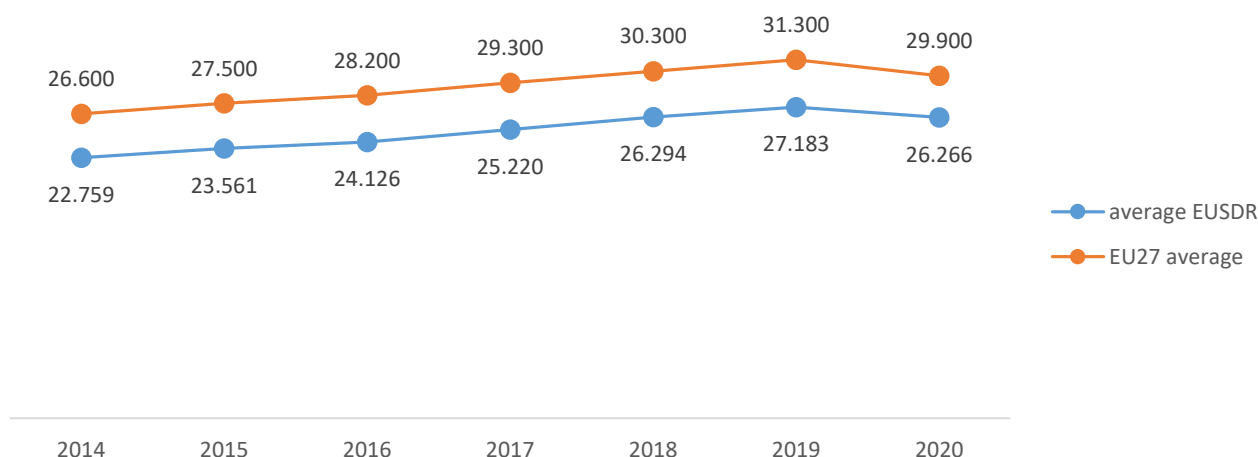
According to the Danube Programme Territorial Strategy¹, which covers a longer period of time, the territory covered by EUSDR has a moderate socio-economic performance and development. However, in the last 15-20 years, the 30% growth rate was notably higher in the Danube macro-region compared to the EU27 or EU28 average (25%), as well as compared to the Euro-zone (EU15 - 22%). Also, compared to 2003, the progress was annual, with GDP per capita growing almost six times in the Danube macro-region, compared to only 1.5 increase in the EU15 area.

¹ Analysis of territorial challenges, needs and potentials of the Danube Region and strategic options in view of the Transnational cooperation for the period 2021-2027



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FIGURE 1 EVOLUTION OF AVERAGE GDP/CAPITA (PPS) IN THE DANUBE MACRO-REGION



Source: own calculation based on Eurostat data

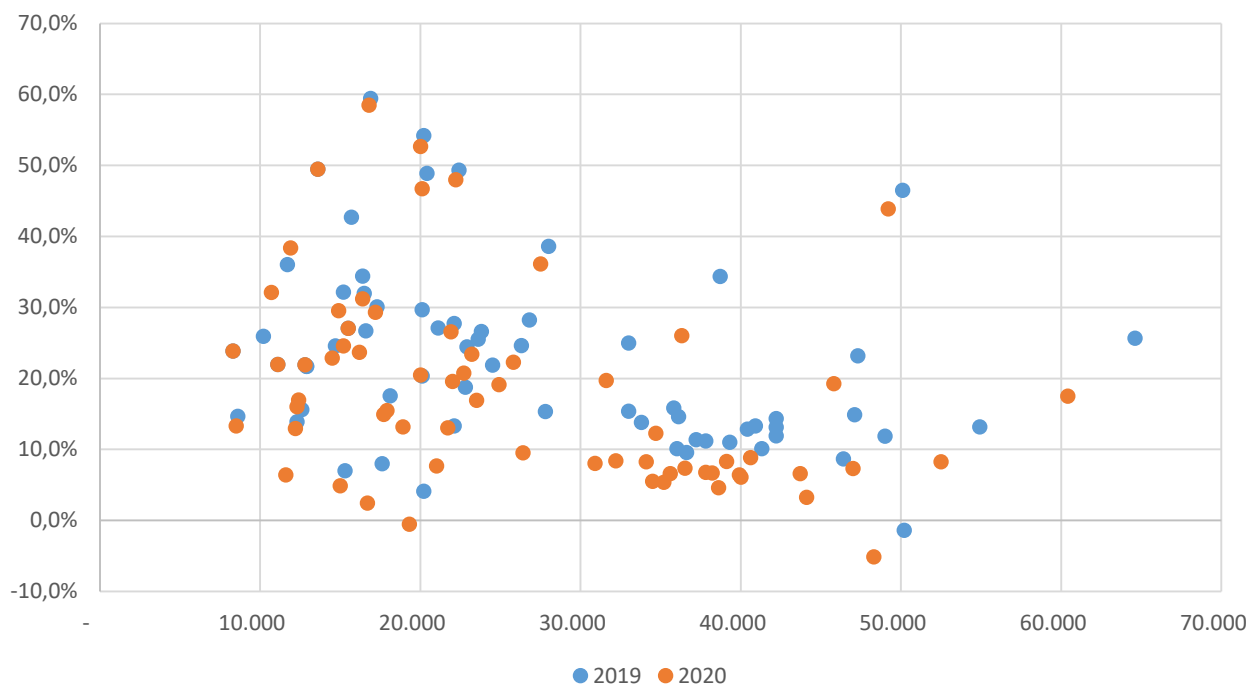
Despite the impressive progress, data evidence shows still existing East/West disparities in regards to GDP per capita, with the largest value (64,600 EUR/inhabitant in 2019 in Prague region) being 8 times higher than the lowest value (8,300 EUR/inhabitant in 2019 in Southern and Eastern Serbia). In 2020, the same disparities persist, despite the GDP decline caused by the pandemic and lockdown measures on economic activity. Disparities have slightly increased, despite the existing convergence process, given that the range between the lowest and highest GDP per capita values was 7 times in 2014. As outlined in the figure above, the EUSDR territory average remains below the EU27 average in terms of GDP per capita throughout the period, although the evolution is relatively similar.

Another distinguishing feature of the EUSDR region is that it is neighboured by wider territories with relatively homogeneous development levels, either on the positive side - the Western and Northern Europe regions, or on the more negative, transition side - the Balkans and the Eastern part of Europe. This results in a macro-region with regional economies being influenced by and following different development paths and potentials. The high fragmentation of development levels and productivity levels shows different paths in terms of recovery and resilience. However, on a long term, economic fluctuation is an uncertainty factor for the Danube Region. It is still a question, whether the region could maintain sustainable growth, and how crisis-proof it would be in case of an upcoming economic downturn. A lot depends of the actual level of economic cohesion; the stronger the cohesion is the less vulnerable the related states are, and the more effective the concerning economies are in taking advantage of their development potentials on the long term. As such, additional attention should be given to those economic sectors that can help unlock additional economic development potential on the longer term, and culture and tourism play an important role.



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FIGURE 2 COMPARATIVE CHART - GDP (EUR PPS)/ INHABITANT IN 2019 AND 2020 (X-AXIS) VERSUS GROWTH RATE 2014-2019/2020 (%)



Source: Eurostat, own calculation

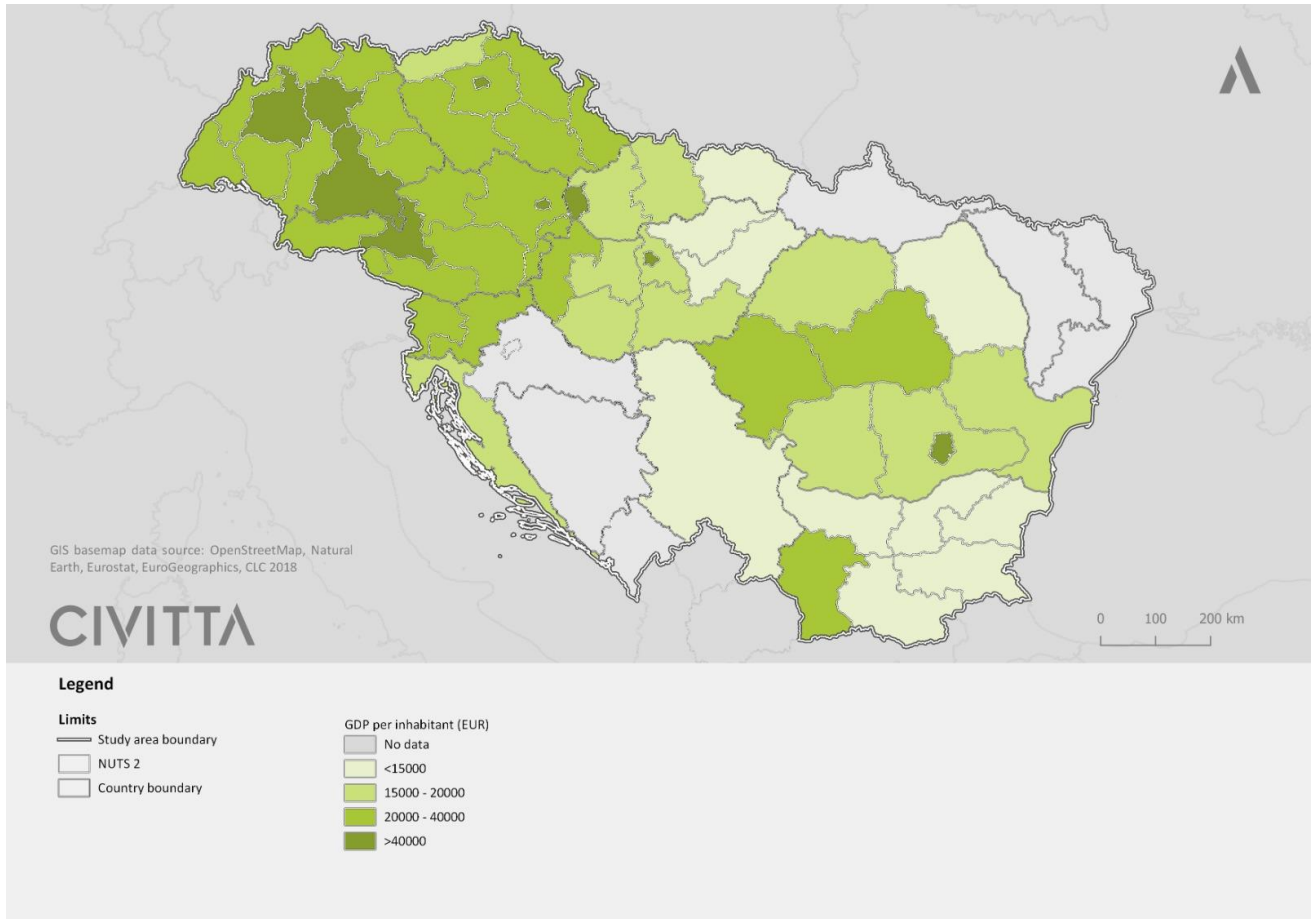
Each point in the scatterplot represents a NUTS2 region GDP / capita in 2019 and 2020

The chart above depicts the comparative picture of the GDP per capita and its evolution since 2014. Despite the economic crisis triggered by the lockdown measures imposed by the COVID-19 pandemic in 2020 (the orange dots), it can be noticed that those regions with a lower GDP per capita in 2014 had the largest growth, both in 2019 and in 2020, while those with an already high GDP per capita had a slower evolution. This suggests that a convergence process is in place at the macro-regional level, indicating a better integration of the territory across the last decade.



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FIGURE 3 DISTRIBUTION OF GDP / INHABITANT (PPS), 2019, EUR



Source: Eurostat, own calculation

According to the Danube Programme Territorial Strategy², the **spatial distribution of the GDP** is very uneven **within the macro-region**. GDP production is still concentrated to major metropolitan areas, capital cities. Aside from Linz-Wels and Böblingen, all the NUTS3 regions with the highest GDP levels have at least half a million inhabitants. Thus, GDP production is in strong correlation with population distribution as well. In the last years, the regional differences have only changed slightly. The lists of leading and lagging regions have not changed significantly. Economic activity is low in Ukraine and Montenegro, in the case of many Bulgarian, Croatian, Romanian and due to their small sizes, Slovenian regions. Positive changes have taken place in dissolving the solid monocentric development pattern; however in many cases it appeared to be the surrounding agglomeration that could receive development impulses, not the peripheries. Except for Germany, Austria and the Czech Republic polycentric spatial structure of GDP production has not been realised.

² Idem 1



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Between 2014 and 2019, one of the most relevant changes was the fast-paced catching-up of the Romanian regions. Six out of the eight Romanian regions ranked first in terms of GDP per capita growth rates, ranging between 25% and 46%. Other regions with high catching up potential are found in Bulgaria, Hungary and Croatia, however their recent growth requires capitalizing on longer term on competitive advantages in order to maintain their growth trajectory. Thus, the macro-region has to tackle with the sustainability of recent growth, the further spread of development impulses to less competitive regions and the catching-up and crisis management of some southernmost and easternmost regional economies.

Economic activity in the private sector

Regional economic growth is at least partially attributed to the economic activity of private sector companies, whose density and ability to generate revenues, jobs and paid taxes contributes to the overall attractiveness of regions and to the ability to generate wealth for the population. Private companies are usually regarded as economic engines - both competitive and collaborative forces between companies in different sectors contribute to better products and services and higher opportunities for job creation and increased value added. Also, agglomeration effects help support entrepreneurship and economic diversification, as well as an increased complexity of products and services. A significant economic activity from the private sector is largely associated with an increased ability to attract investment, capital resources and to drive innovation, regardless of the sector. As such, an important metric for economic development is the density of local units, measured as the number of enterprises by 1000 inhabitants in a territory.

In the EUSDR territory, there are more than 4.5 mil. local units in 2019, out of the 25.9 mil. companies in the EU (around 17%). The density of local units is, on average, around 49 /1000 inhabitants, with 28 regions having a higher value in 2019. There are significant disparities across the territory in terms of local units' density, indicating large variations in terms of economic performance and potential to sustain growth. Naturally, the highest density is found in urban centres - in Prague (over 200 local units/1000 inhabitants), Bratislava (170 local units / 1000 inhabitants), and Budapest (113 local units / 1000 inhabitants). The surrounding areas of these urban centres also display large values, indicating high agglomerations and high concentration of economic development areas.

At the opposite end, most regions are placed below the macro-regional average, with Romanian, German and Bulgarian regions scoring lowest (18-30 local units/ 1000 inhabitants). There are many factors explaining this situation - mostly, the ecosystem for business development and growth is quite unfavourable, with lack of capital, low accessibility to larger markets, market size and difficult labour market conditions negatively affecting economic performance.

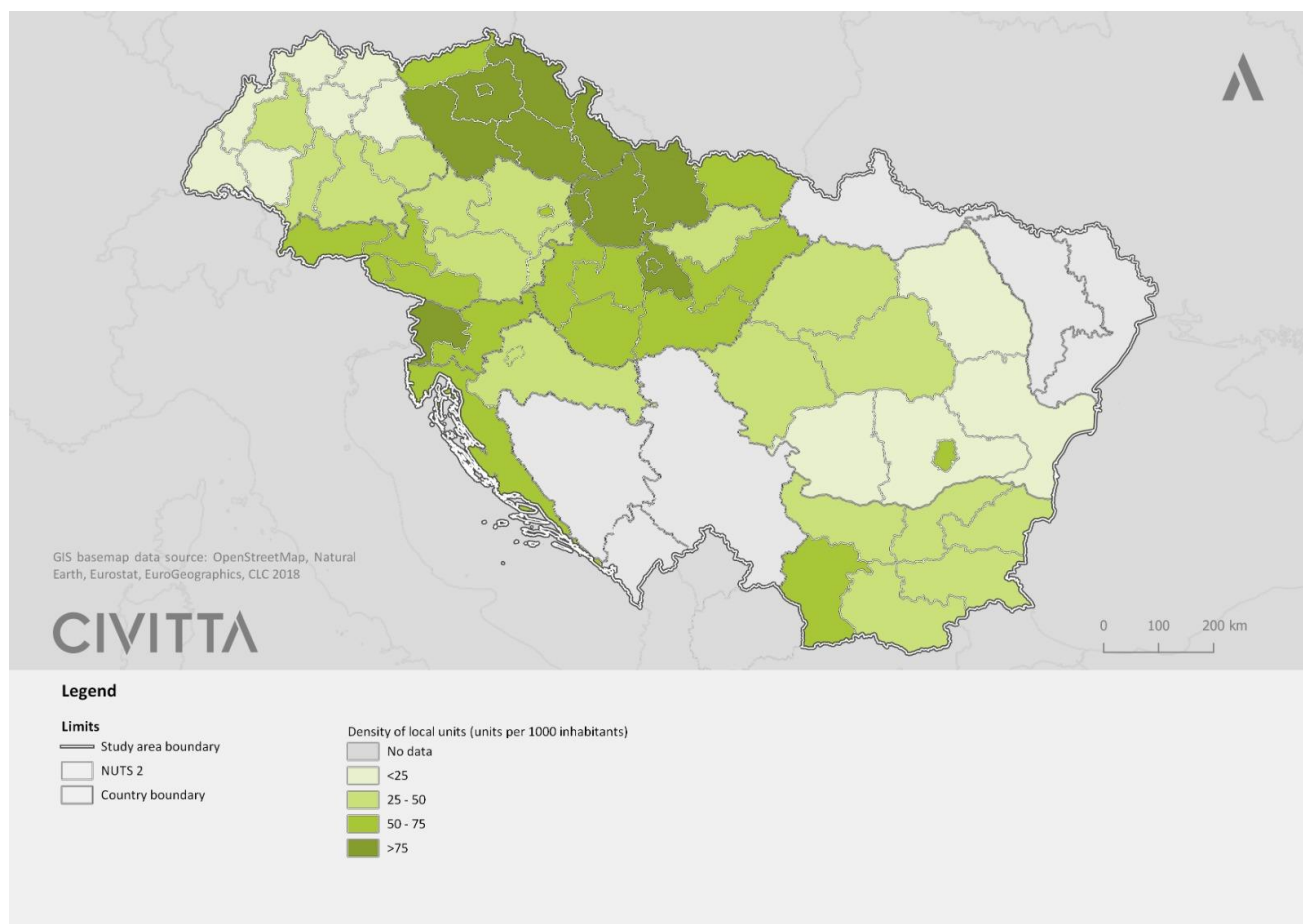
What is also rather discouraging is that, despite the low density of local units in certain regions, significantly low evolution rates are also registered, or even a decline in the number of active local units between 2014 and 2019. Austria, Hungarian and Croatian regions displayed the highest growth rates in the number of local units in the same period.





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FIGURE 4 DENSITY OF LOCAL UNITS - LOCAL UNITS / 1000 INHABITANTS, 2019



Source: Eurostat, own calculation

Economic structure

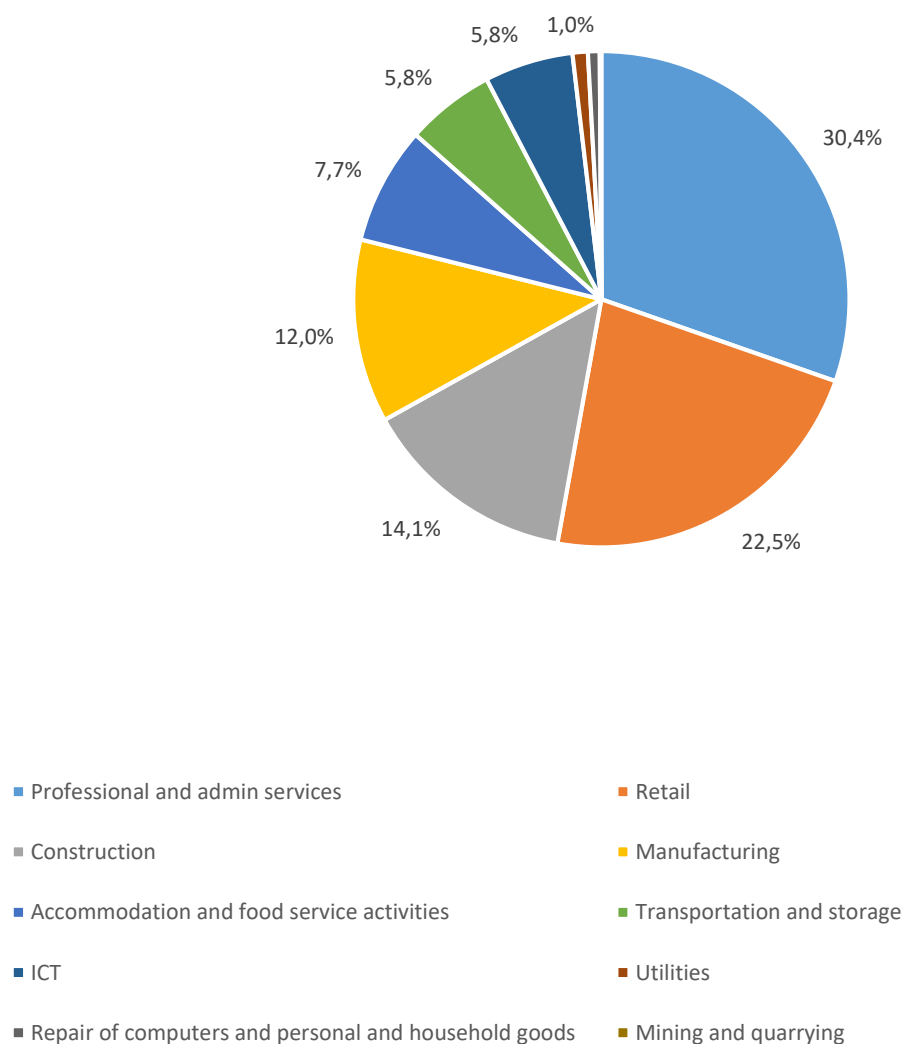
The distribution of local units by main economic sector at the EUSDR territory level shows that services and retail account for the largest share of total activity (over 50%), followed by construction (14%) and manufacturing (12%). At the same time, the manufacturing sector is usually characterized by a lower number of companies, since they are usually larger and more difficult to establish, whereas retail and services are some of the most attractive sectors for entrepreneurs. This also shows the tendency of transformation of the industrial core of the macro-region, which is reflected into the variation of sectoral mix by region. However, the Danube macro-region has had permanently lower share of services (59.85% in 2017) compared to the rest of Europe, especially when it comes to financial, business and advisory services, and EU Member States (EU15: 67.3%; EU28: 66.65%). It indicated that services play significantly lower role in the economies situated outside of the EU integration.³

³ Idem 1



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FIGURE 5 DISTRIBUTION OF LOCAL UNITS BY MAIN ECONOMIC SECTOR, 2019



Source: Eurostat, own calculation

The spatial distribution of sectors shows that:

- Local units in professional and administrative services, including real estate activities, are highly concentrated in regions in Germany, as well as in capital city regions, with over 40% of the total number of local units, while in Romania and Bulgaria, the share of these sectors accounts for less than 20% of the total activity;
- Manufacturing is still present to a large extent in the industrial core of the macro-region - mostly in the Czech Republic and Slovakia, accounting for around 18-21% of total activity by the number of local units;
- Retail is dominant sector in Bulgarian and Romanian regions, with 30-50% of total local units;



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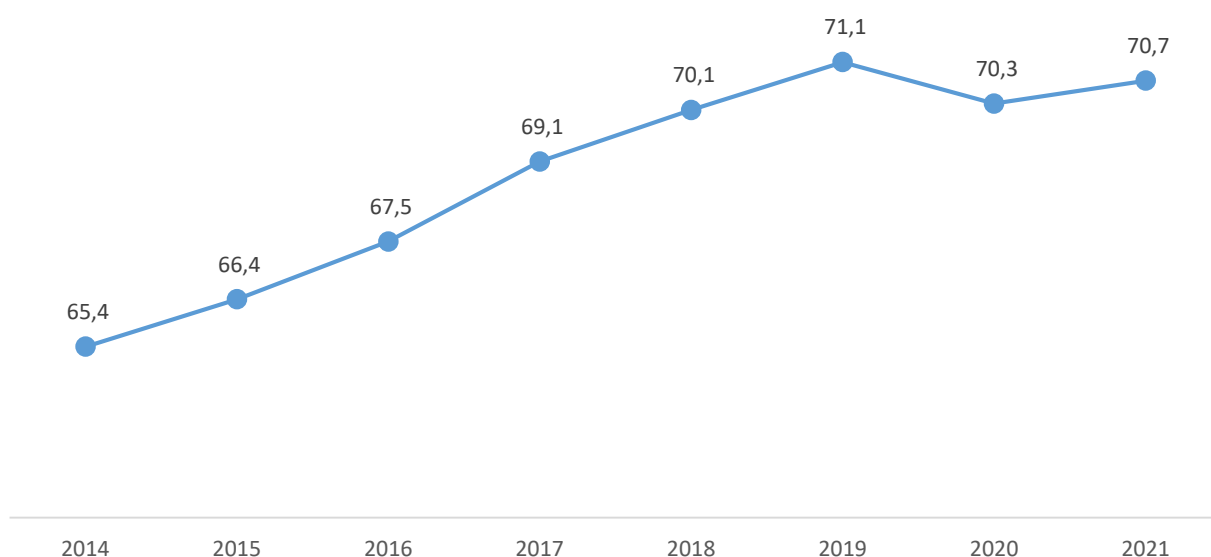
Labour market in the Danube macro-region

Overview of labour market conditions

Employment

The employment rate indicates how many people in the age group 15-64 are employed. It had a steady growth starting with 2014, following the recovery from the 2008-2009 financial crisis globally, reaching 71.1% in 2019. In 2020-2021, following the economic downturn caused by the COVID-19 pandemic, the employment declined by around 1%, a low number given that the economic activity was only temporarily halted.

FIGURE 6 EVOLUTION OF THE AVERAGE EMPLOYMENT RATE IN THE EUSDR TERRITORY, %



Source: Eurostat, own calculation

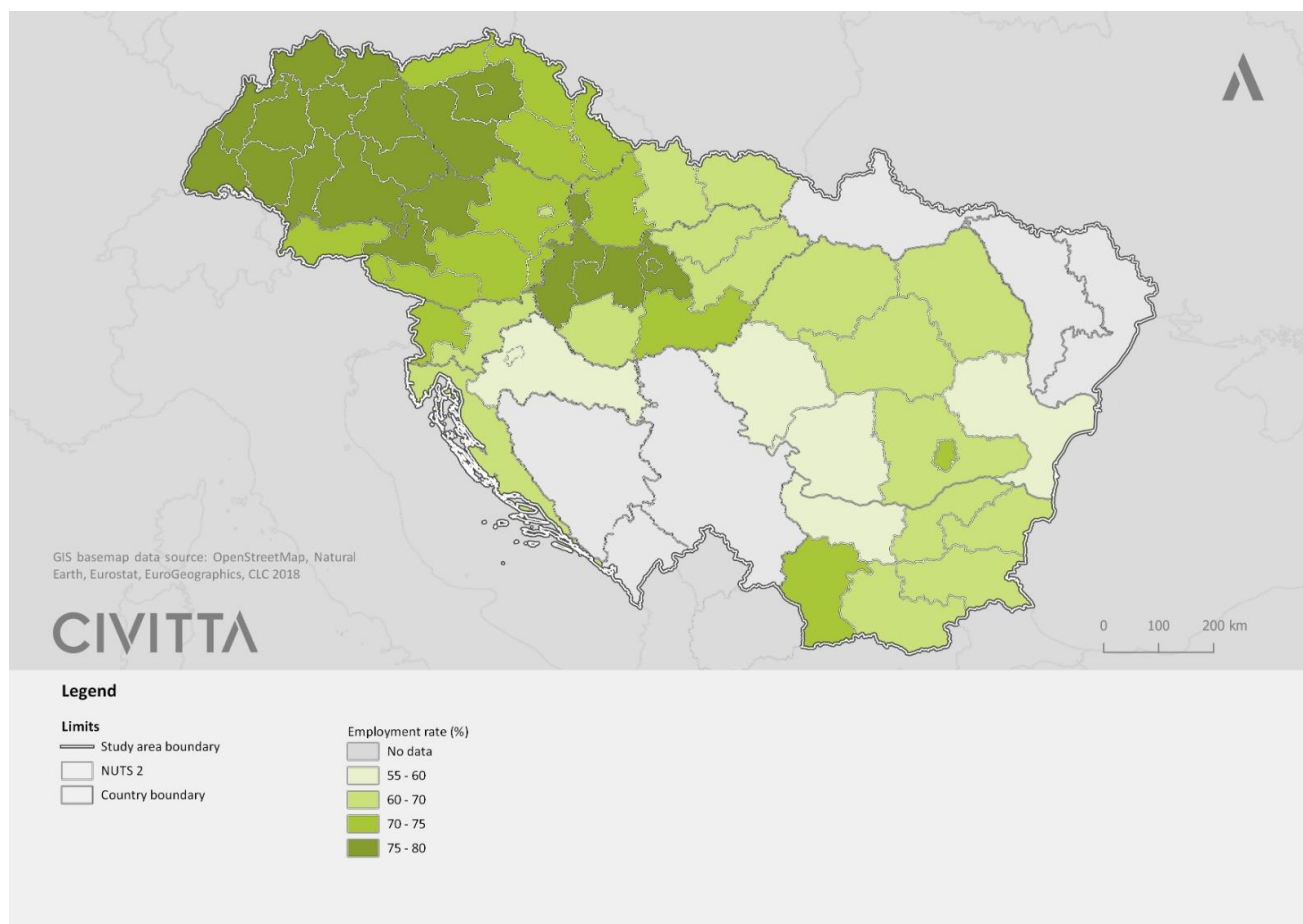
By regions, highest employment rates are found in the German part of the territory - 79-80%, the most attractive for migrants and commuters. These regions are followed by highly attractive capital city regions across the territory - both for migrants and commuters from neighbouring territories alike. Very low levels of employment are found in those regions where emigration and commuting to other large metropolitan or urban centres is common, such as in Sud-Vest Oltenia or Sud-Est regions in Romania (55-56% employment rate).





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FIGURE 7 EMPLOYMENT RATE, %, 2019



Source: Eurostat, own calculation

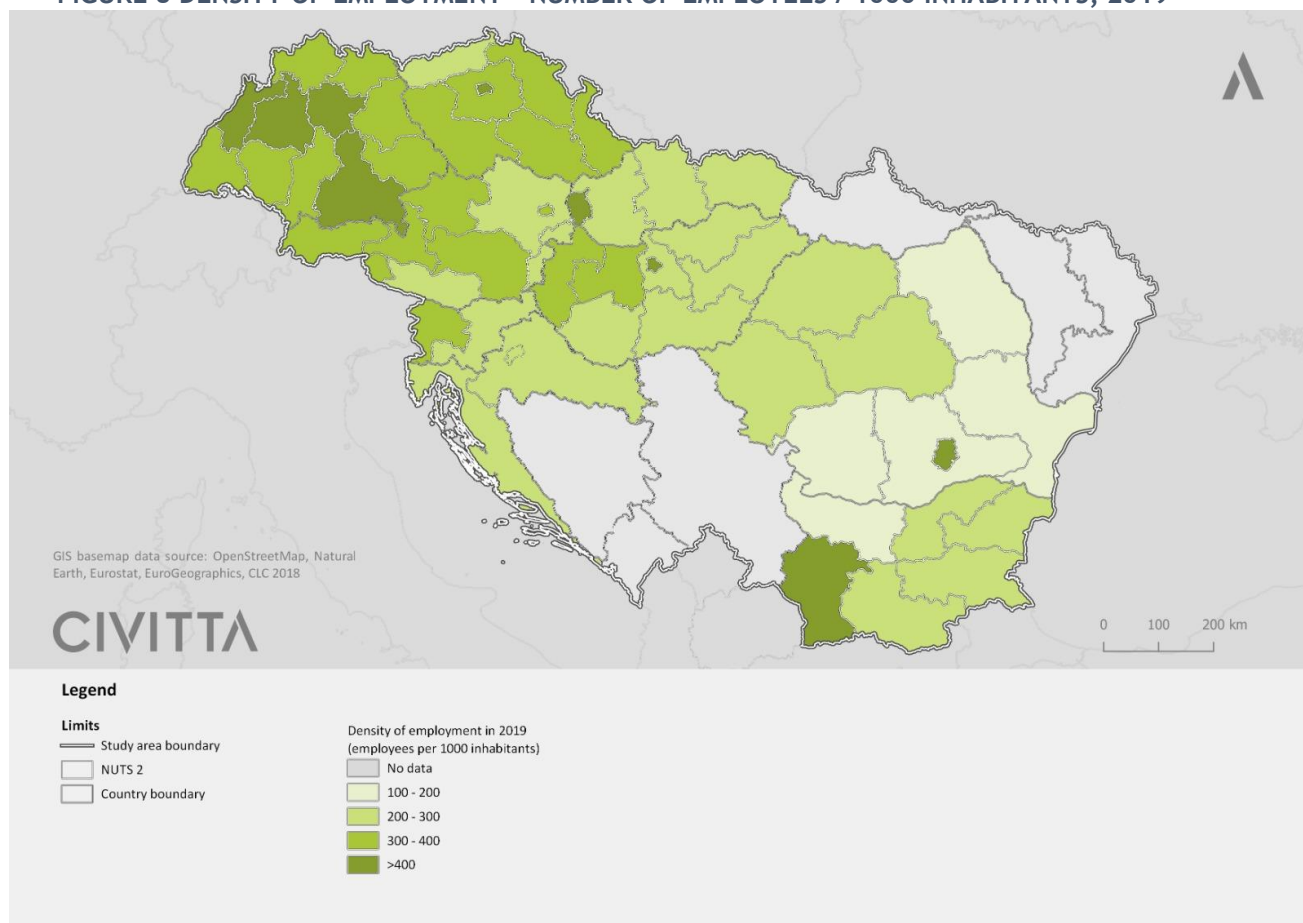
The level of employment is another indicator showing the socio-economic strength of regional economies. It is a metric to depict the attractiveness of the region, as well as to show the capacity of regions to offer job opportunities, in relation to the level of wages and complexity of work. Capital city regions are the most attractive areas for employees across the territory, with values of over 600 employees/1000 inhabitants in Bratislava and Prague, and notably high-density values for other capital city regions, such as Budapest, Bucharest and large German city areas (Bayern) - over 400 employees / 1000 inhabitants.

Most regions recorded an increasing number of employees in 2019 compared to 2014, although the growth rates vary greatly from one region to the other. As such, regions in Hungary, Germany and Slovenia registered the highest growth rates (18-23%), while regions in Romania and Bulgaria had the lowest growth rates, and even showed a decline in the number of employees - South-East in RO and the North-Western region of BG. These two regions are among the least economically developed regions in the territory, facing multiple challenges, including depopulation, brain drain, unemployment and informal work.



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FIGURE 8 DENSITY OF EMPLOYMENT - NUMBER OF EMPLOYEES / 1000 INHABITANTS, 2019



Source: Eurostat, own calculation

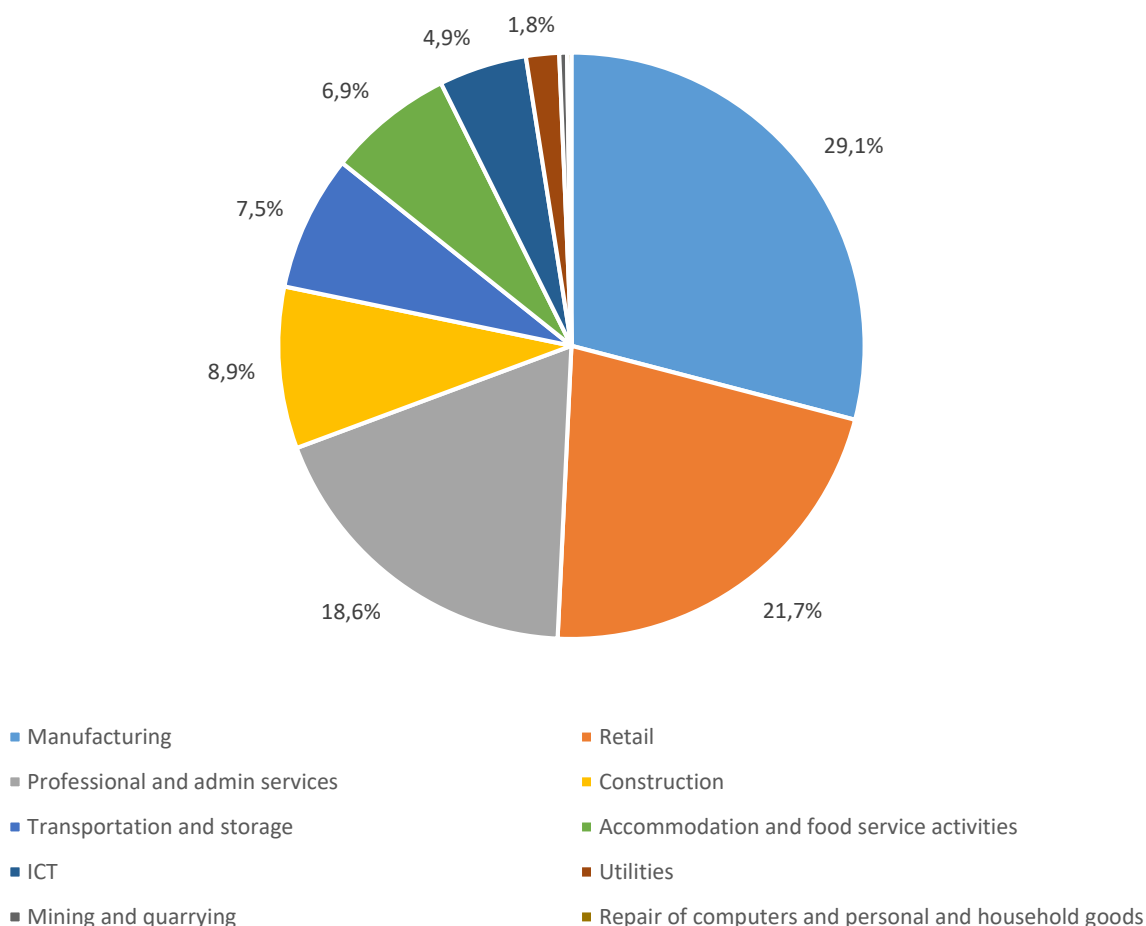
Most employees in the Danube macro-region are concentrated in two main sectors: manufacturing (29.1%) and retail (21.7%). The spatial distribution of employment by sector shows that:

- Employment in manufacturing as share of total employees is highest in regions in the Czech Republic, Bulgarian and Hungarian regions (over 40%), and lowest in capital city regions in Romania, Austria and Hungary (under 12%);
- The opposite is true for professional and administrative services - which are largely concentrated in capital city regions - Bratislava, Budapest, Vienna, Prague, Bayern and Bucharest - 26%-33%;
- More added value activities, such as ICT, is a major employer in Budapest, Ljubljana, Bucharest and Vienna - 10-11% of employment in these regions. This aspect, together with the high employment in services, shows distinctive competitive advantages of these regions, in terms of attractiveness of the youth, job opportunities, and spillover effects to other sectors.



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FIGURE 9 DISTRIBUTION OF EMPLOYMENT BY MAIN ECONOMIC SECTOR, 2019



Source: Eurostat, own calculation

Unemployment

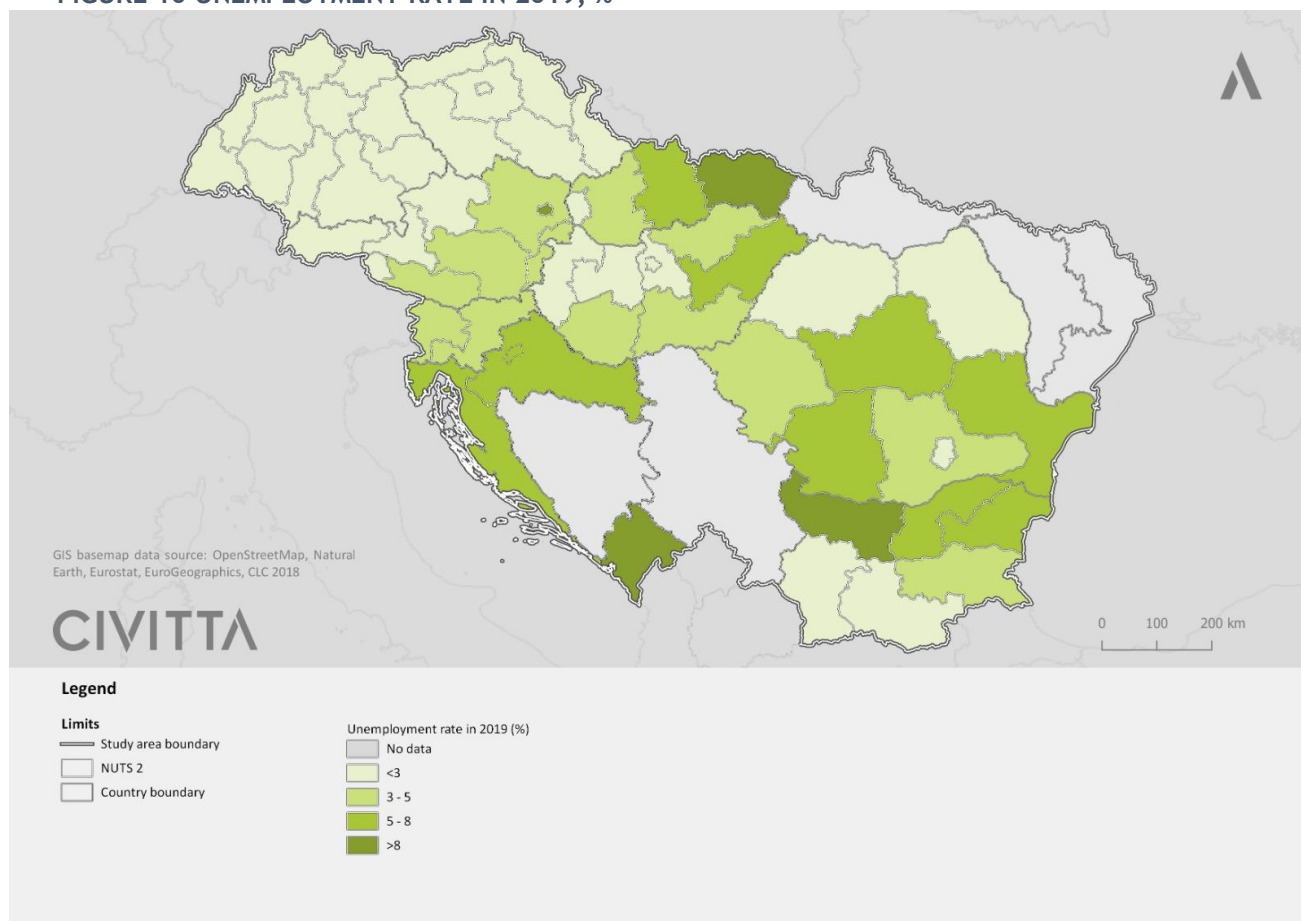
Unemployment rates, measured as share of unoccupied people that are of still in the active population and have the capacity to be employed, has shown a steady decline in the 2014-2019 period, from over 8% in 2014 to half this value in 2019. In the context of the COVID-19 pandemic in 2020 and 2021, the unemployment rate has increased to over 5%.

The unemployment rates vary greatly across the territory, both in terms of level of unemployment and in terms of decline rate. In 2019, the highest unemployment rates were found in Montenegro (15.1%, down from 18% in 2014), regions in Serbia (13%, down from over 22% in 2014), but also in Wien (around 9%). At the same time, regions in the Czech Republic and Hungary display low rates of unemployment - around 1-2%, the natural unemployment rate.



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FIGURE 10 UNEMPLOYMENT RATE IN 2019, %



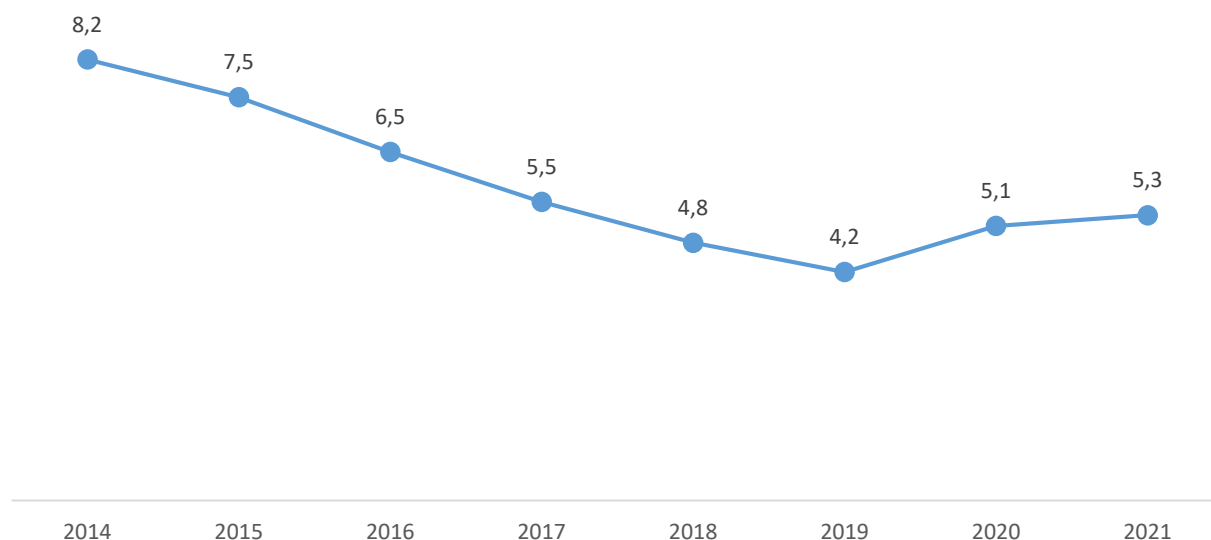
Source: Eurostat, own calculation

On the one hand, high unemployment, aside from the negative social effects, can indicate a high attractiveness for investment, given the larger pool of people that would be available for employment. However, in practice, it is not only the availability of people that matters, it is also the quality and skills that these people have and could be used in an economic activity. Usually, regions that face large unemployment are also having issues with the quality of education or unemployment in the age groups that are harder to reskill/upskill (over 40 years).



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FIGURE 11 EVOLUTION OF THE UNEMPLOYMENT RATE IN THE DANUBE MACRO-REGION, %



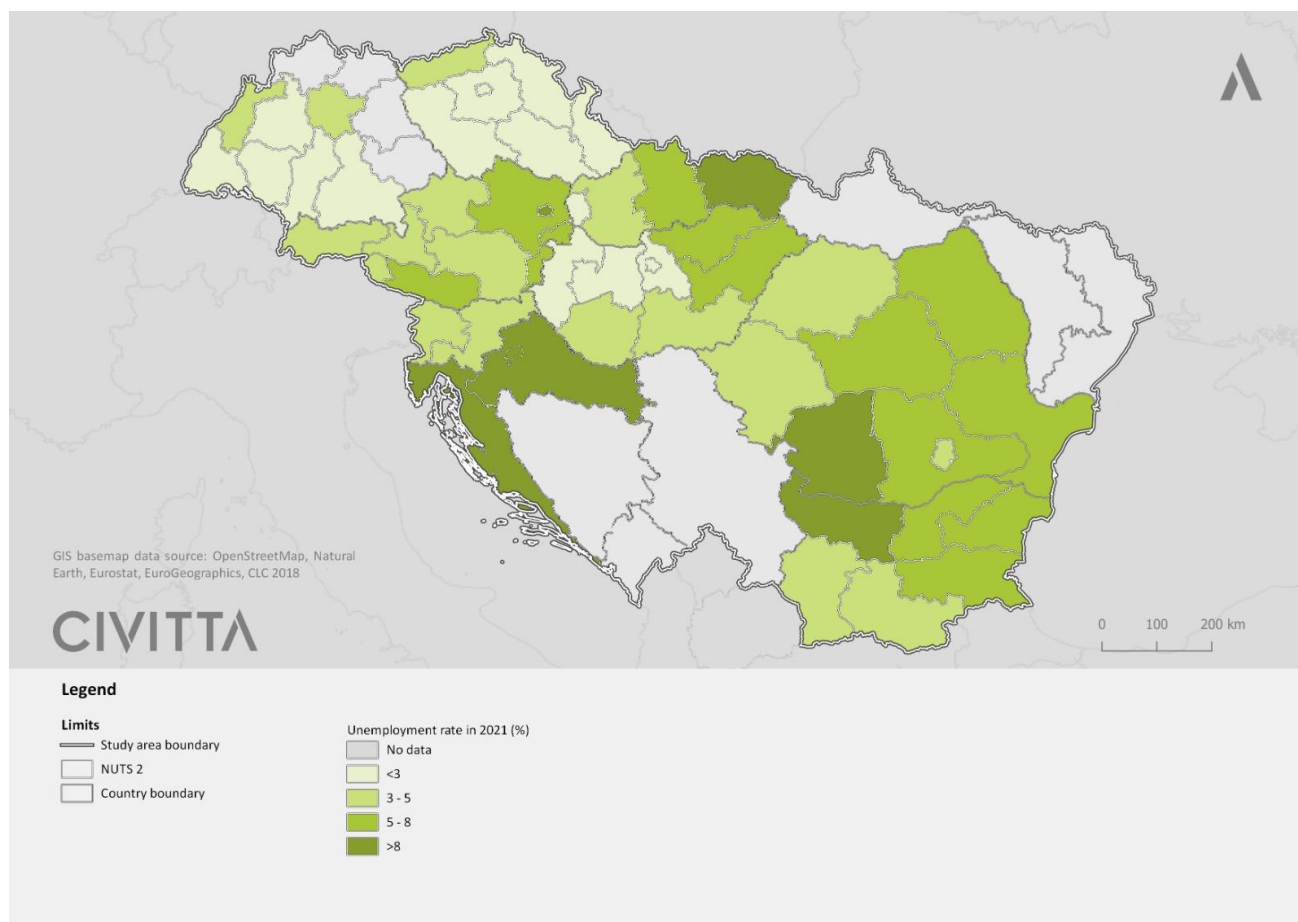
Source: Eurostat, own calculation

In 2020 and 2021, which saw a rise in the unemployment rates all around the world, regions where unemployment was over 1.5-2% higher compared to 2019 were those with large industrial facilities, severely affected by the lockdown measures. However, these are the regions which have shown great resilience over time, the situation being largely dependent on the economic situation at a certain moment, rather than facing structural challenges, as it is the case in less economically developed regions.



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FIGURE 12 UNEMPLOYMENT RATE IN 2021, %



Source: Eurostat, own calculation

Wage level⁴

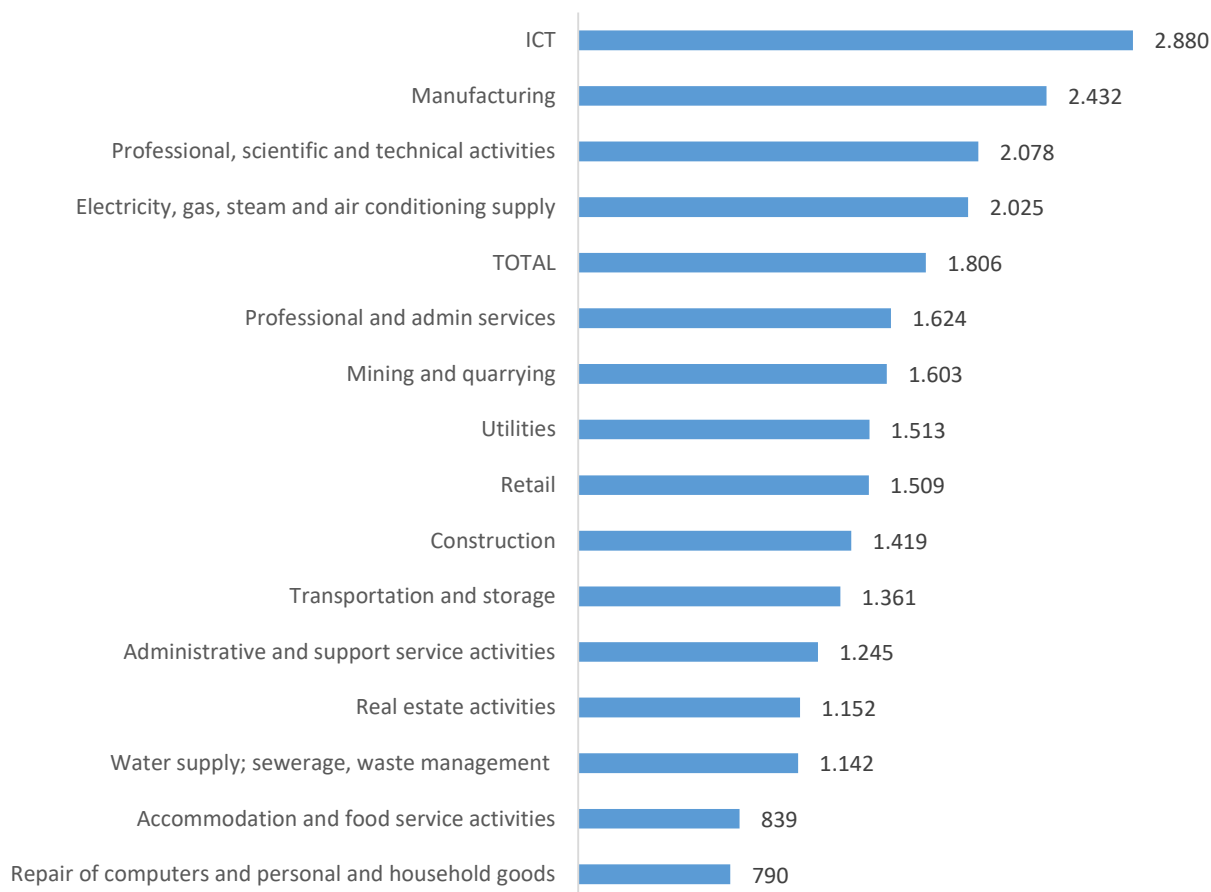
Wages reflect the level of productivity of an economy, therefore it is an indicator that reflects the value added and the complexity of the goods and services produced in a regional economy. On average, the wage per employee in a month in the EUSDR territory is around 1800 EUR in 2019. Between sectors, it ranges between nearly 3000 EUR in ICT and 790 EUR in the repair of computers and other household goods. Four sectors have wages higher than the macro-regional average: ICT, manufacturing, professional and scientific services and public utilities. These sectors require the highest number of highly-skilled employees (e.g. engineers). At the opposite end, sectors such as retail or accommodation and food services usually employ low-skilled staff, therefore the wage level is proportionally lower.

⁴ The average value of wages was obtained by dividing the total value of wages paid in a sector to the total number of employees within a sector



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FIGURE 13 DISTRIBUTION OF AVERAGE WAGES BY SECTOR IN THE DANUBE MACRO-REGION, 2019



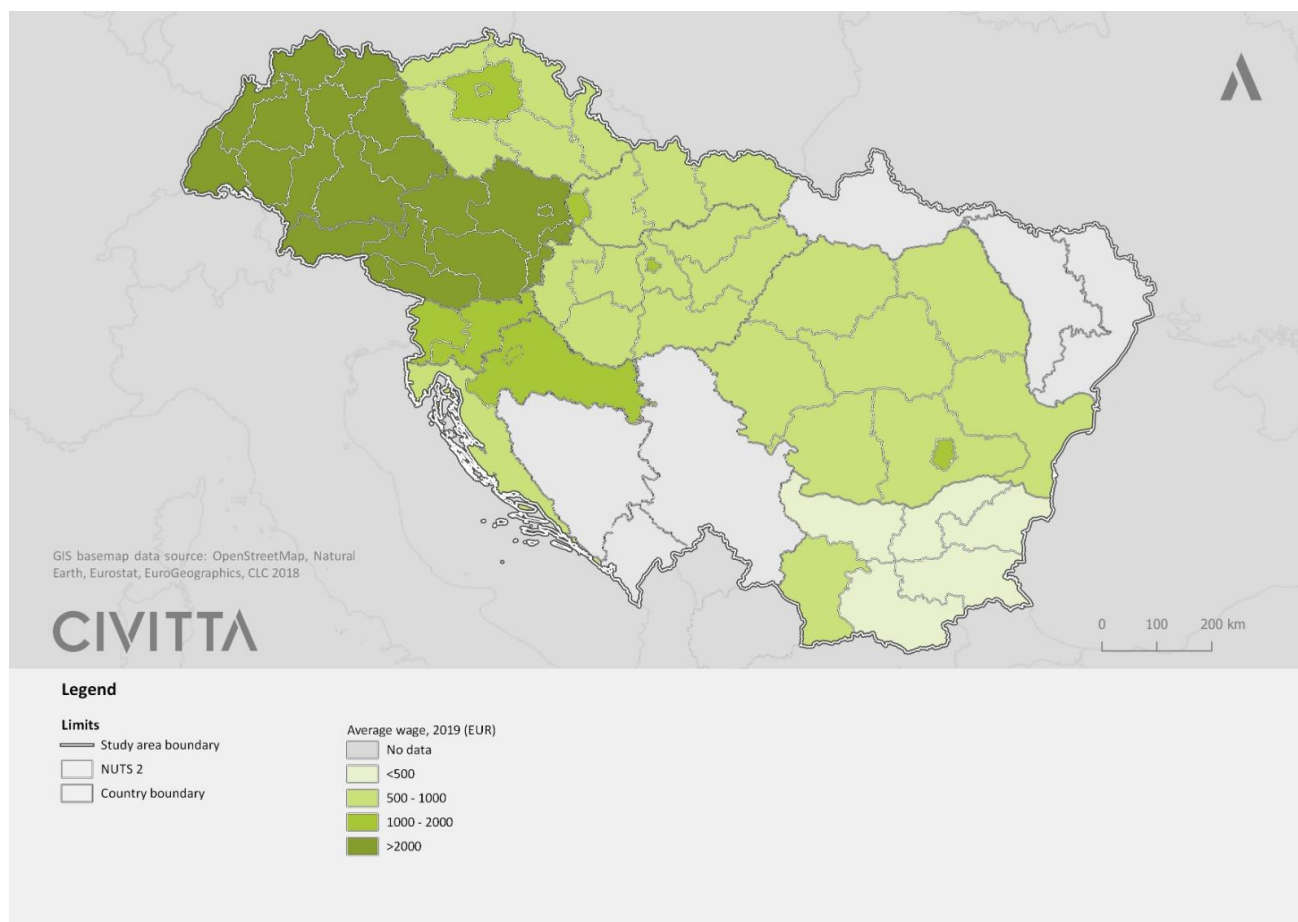
Source: Eurostat, own calculation

Most German and Austrian regions provide wages that are higher compared to the macro-regional average of 1800 EUR. The same regions show 2-3 times higher wages depending on the sector, for example in manufacturing and ICT. As such, they are highly attractive for specialists and young people across the EU, not only within the EUSDR region. Bulgaria has the lowest wage level, 9-10 times lower compared to German regions (300-400 EUR), in some sectors even lower (211 EUR in the accommodation and food sector, or 188 EUR in the utilities sector).



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FIGURE 14 AVERAGE WAGES IN 2019, EUR



Source: Eurostat, own calculation

To highlight the contribution of tourism to regional economies, an analysis of local active units and entrepreneurship in selected sectors has been performed. According to Santos et al. (2020, p. 34), data related to economic activity in the accommodation industry and in the food and beverages services can act as a reliable proxy to understand the disparities in terms of tourism-related employment and dynamics, while Eurostat suggests a broader list of economic sectors which capture both direct and indirect activities related to tourism. These sectors can be found in Table 1 below:

TABLE 1 NACE ACTIVITIES RELATED TO TOURISM

NACE Sector name	Tourism-related
Land transport and transport via pipelines	Partially
Water transport	Partially
Air transport	Mainly



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Accommodation	Mainly
Food and beverage service activities	Partially
Rental and leasing activities	Partially
Travel agency, tour operator and other reservation service and related activities	Mainly

Source: Own adaptation based on data availability based on "Regional impacts of the COVID-19 crisis on the tourist sector, Final Report, 2021"

Labour force in the Culture & Tourism sectors

Employment in Culture and Tourism

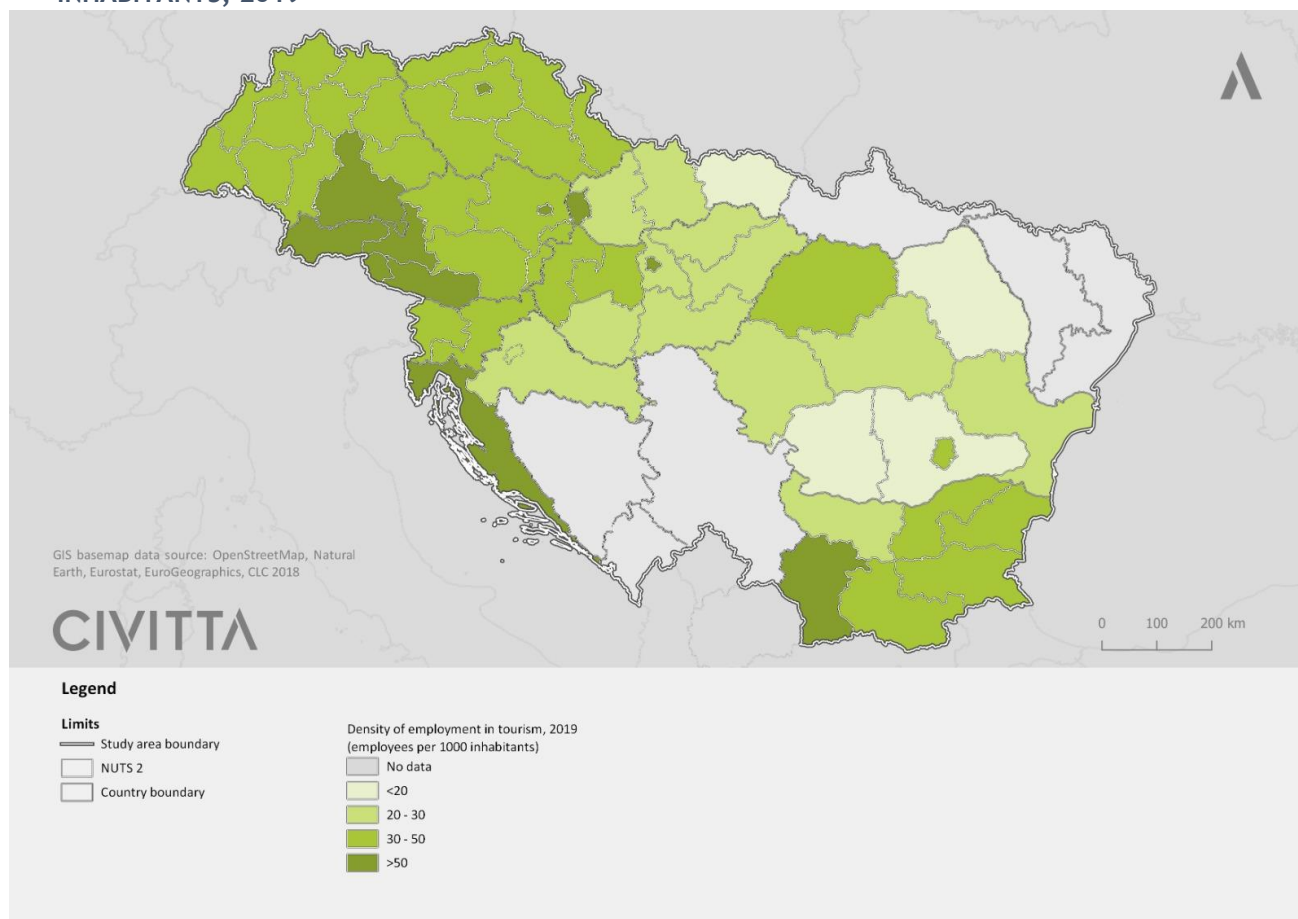
Tourism hires over 3.5 million people in the EUSDR territory in 2019, with almost 600,000 more people compared to 2014. 80% of them are working in sectors which are partially related to the touristic activities, such as food and beverages, rental and leasing activities, or transport. In total, tourism-related employment accounts for 2.4% of total employment in the macro-region.

In total, the highest density of tourism-related employment by 1000 inhabitants is found in Austrian regions in the Alps (over 90 employees / 1000 inhabitants), followed by Prague, the Dalmatic coast, Bayern and Budapest (over 60 employees/1000 inhabitants). Lowest density of employment is found in regions with a low touristic potential - in Romania, Slovakia and Bulgaria (less than 20 employees / 1000 inhabitants). On average, there are nearly 39 employees / 1000 inhabitants working in the tourism sector in 2019, compared to 32.2 in 2014.



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FIGURE 15 DENSITY OF EMPLOYMENT IN TOURISM - TOTAL, NO OF EMPLOYEES IN TOURISM / 1000 INHABITANTS, 2019



Source: Eurostat, own calculation

A similar territorial distribution is found when it comes to persons employed / 1000 inhabitants in activities mainly related to tourism, however the values are lower, ranging from over 30 employees / 1000 inhabitants in highly touristic regions and 1-3 employees / 1000 inhabitants in the less endowed regions. The average at the EUSDR territory level is 7.5 employees / 1000 inhabitants, compared to 6.4 employees in 2014.

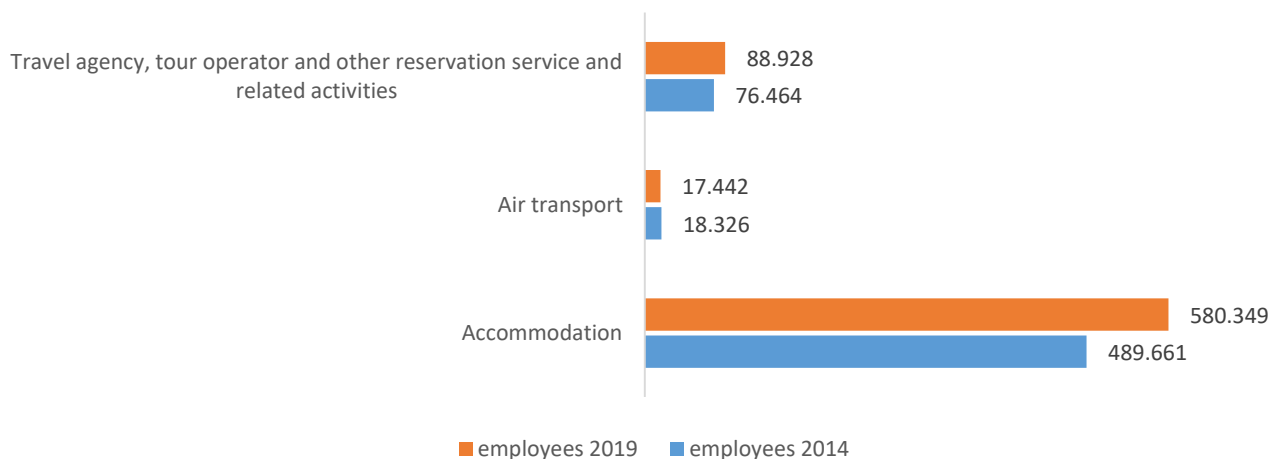
In terms of employment in economic sectors partially related to tourism, the territorial distribution is slightly different, with capital city regions such as Prague, Bratislava, Budapest and Wien displaying value above 50 employees / 1000 inhabitants. This is mainly due to the high touristic activity in the capitals all year-round, especially in the food and beverages sector. The average employment density is 31.3 employees / inhabitants in 2019, compared to 25.8 in 2014.

Over 80% of total employment in the sectors mainly related to tourism is found in the accommodation sector, followed by far by the activity of travel agencies and tour operators. Compared to 2019, in all three sub-sectors there was a positive evolution of employment.



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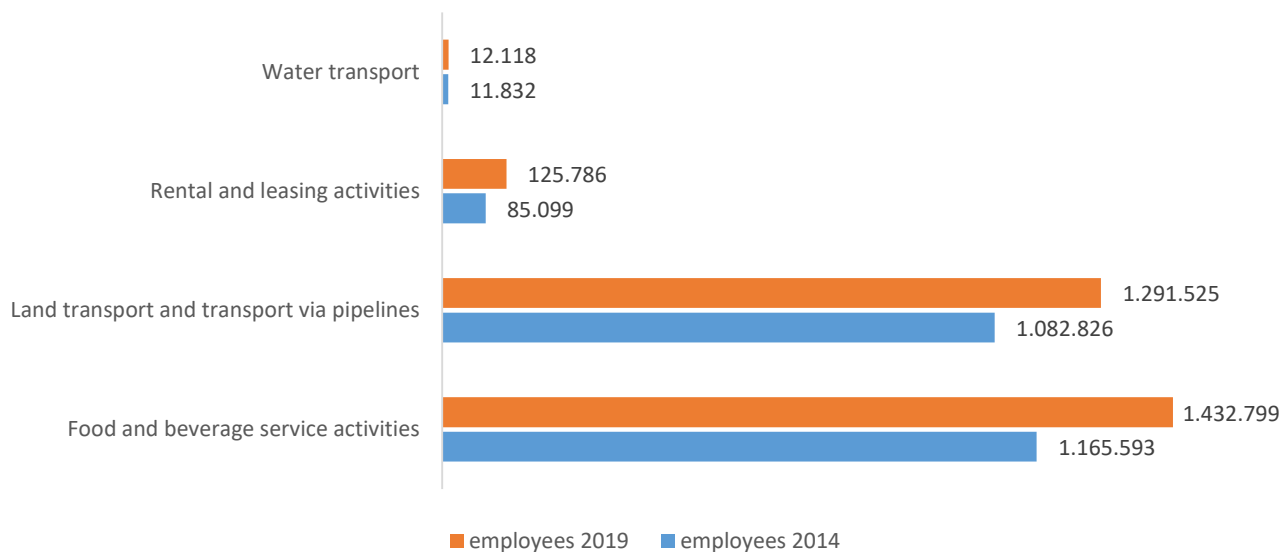
FIGURE 16 EVOLUTION OF EMPLOYMENT IN SECTORS MAINLY RELATED TO TOURISM



Source: Eurostat, own calculation

When it comes to the sectors partially related to tourism, employment is divided almost equally between food and beverages activities and land transport, while rental activities and water transport bring a very marginal contribution overall. In terms of evolution, all sub-sectors increased their staff over the 5-year period. However, despite the encouraging numbers across the regions, too, there is a continuous challenge to attract and retain staff, especially in those regions where there is high seasonality and low wages overall (e.g. Romania, Bulgaria).

FIGURE 17 EVOLUTION OF EMPLOYMENT IN SECTORS PARTIALLY RELATED TO TOURISM



Source: Eurostat, own calculation

Most employment contracts in the sector are with unlimited duration, regardless of the sub-sector and country and the situation remained rather stable across the years.





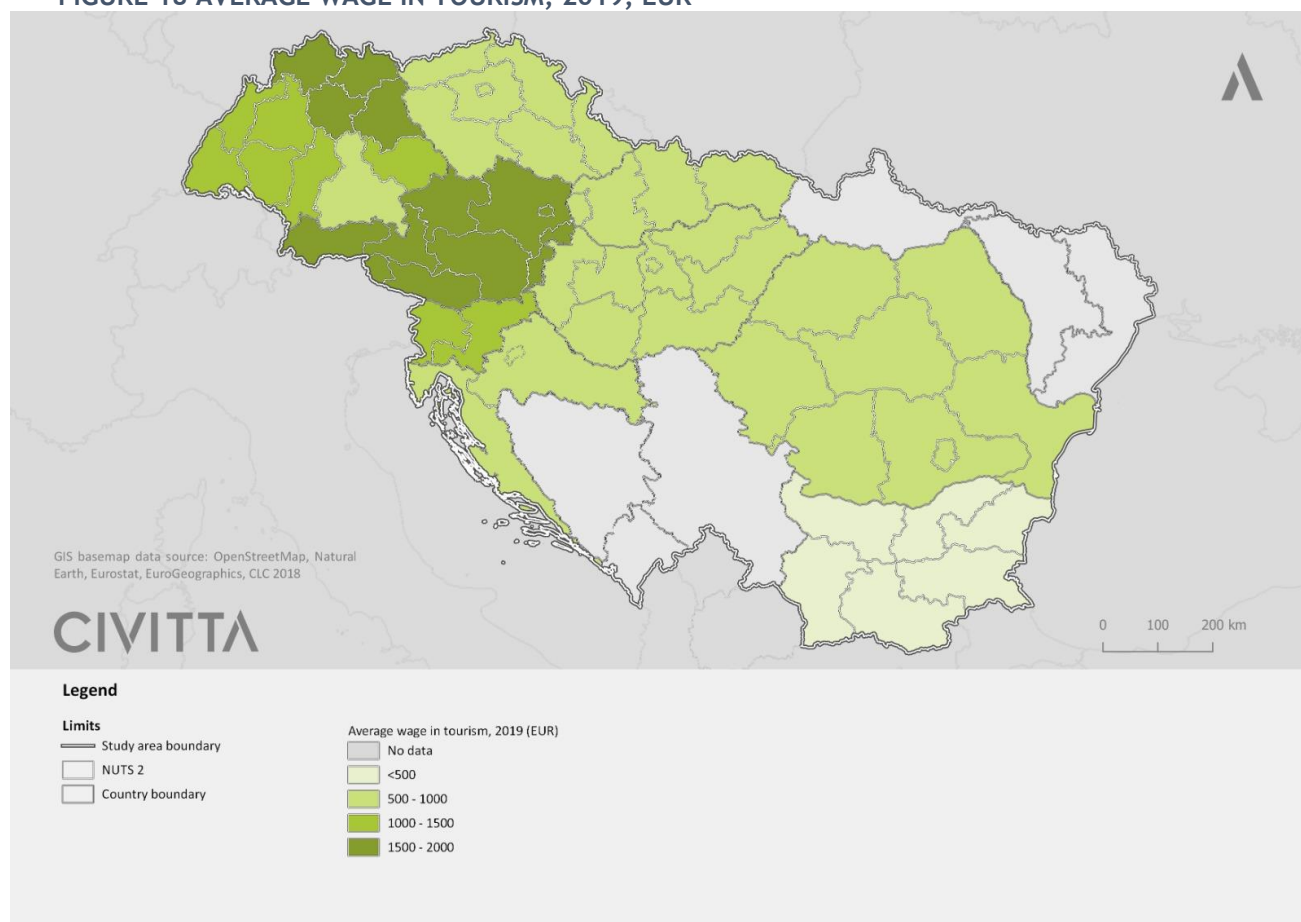
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Wages in Culture and Tourism

Wages in the tourism-related activities is around 1000 EUR, slightly higher (1200 EUR) in mainly tourism-related sectors and lower (980 EUR) in partially-related activities. Compared to other sectors, tourism is fourth lowest paid, with partially-related activities scoring even lower. Compared to the average wage, it accounts for around 56%.

From a territorial perspective, it ranges between almost 2000 EUR in the Alpine regions in Austria, and under 300 EUR in Bulgarian regions. Overall, the level of wages seems to follow the same territorial distribution as the overall level of wages, despite the high differences in the touristic activity and potential. For mainly related touristic activities, wages range between 2400 EUR and 274 EUR, while for partially-related activities they range between 2016 EUR and 246 EUR.

FIGURE 18 AVERAGE WAGE IN TOURISM, 2019, EUR



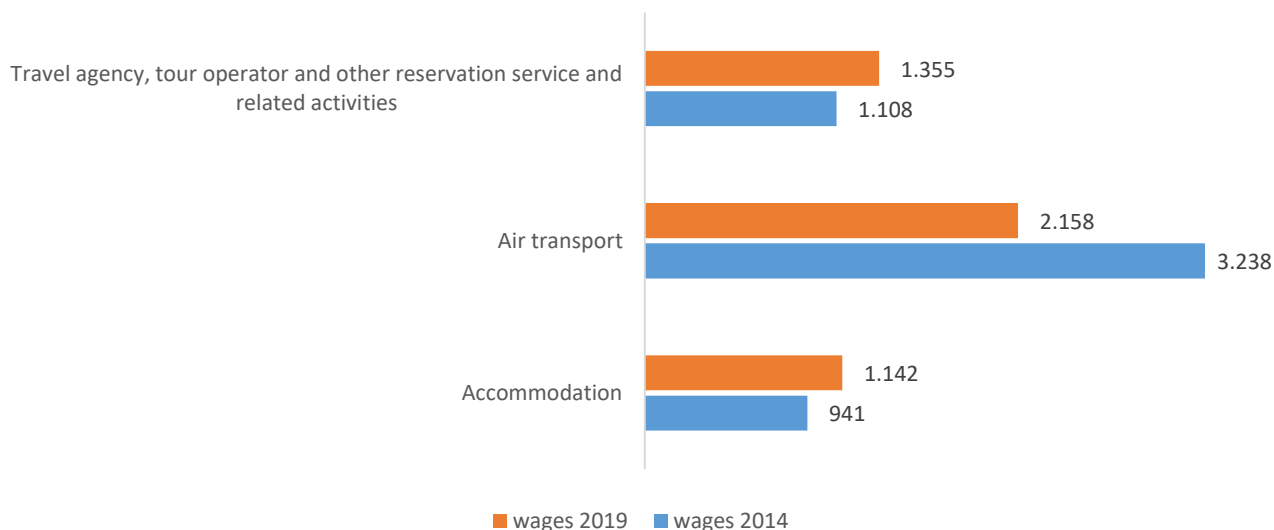
Source: Eurostat, own calculation

Except for air transport, all wages in the mainly and partially related sectors to tourism have increased compared to 2014. Highest values are found in the air transport sector, despite the decline, as well as in rental and leasing activities, which makes these sectors rather attractive, but also highly competitive. On the other hand, the food and beverages services are still among the most underpaid across the territory, due to the low complexity and skillset required for staff.



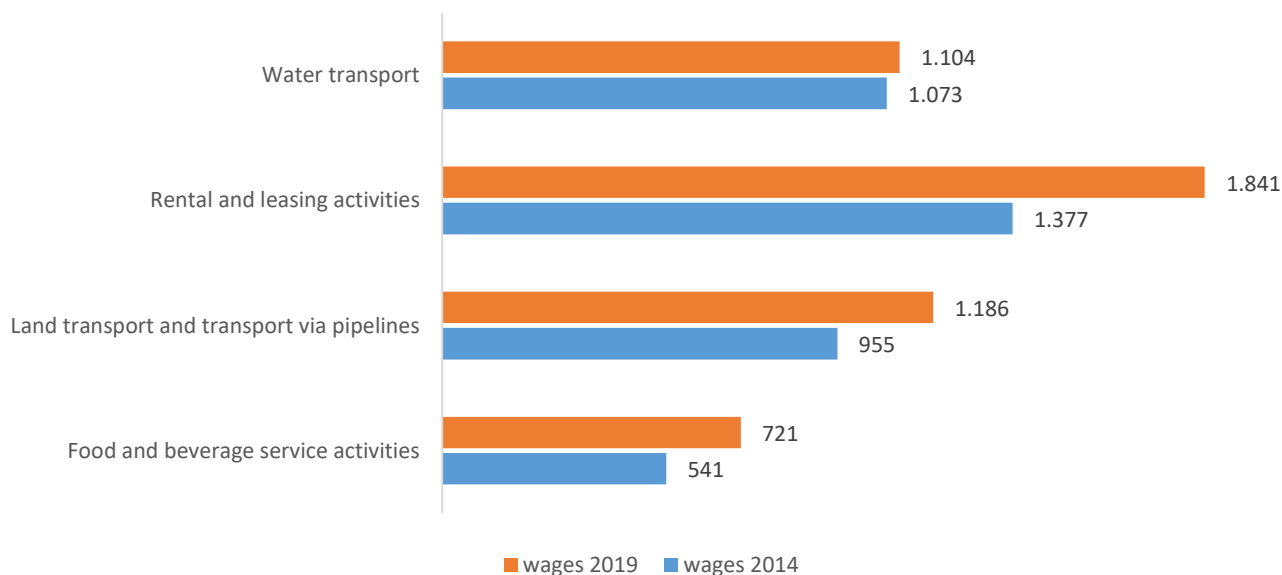
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FIGURE 19 EVOLUTION OF WAGES IN SECTORS MAINLY RELATED TO TOURISM



Source: Eurostat, own calculation

FIGURE 20 EVOLUTION OF WAGES IN SECTORS PARTIALLY RELATED TO TOURISM



Source: Eurostat, own calculation

Preliminary Conclusions

Economic development

- The territory covered by the EUSDR was characterized by a moderate socio-economic performance, however in the past years, the evolution of GDP and GDP / capita showed





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increasing convergence to the EU27/EU28 average. This means that there is a source of untapped potential in relation to economic growth: higher revenues for the citizens, better economic outcomes (i.e. disposable income, larger available capital for investment).

- Despite the growth, evidence shows still existing disparities between the eastern and western part of the territory, as well as between emerging and existing EU countries. This poses challenges in relation to wage levels, incomes, market opportunities for business growth and development, capital invested, etc.
- The EUSDR territory is surrounded by rather homogeneous territories in terms of economic development - more economically developed regions towards the North and West and less economically developed areas towards East and the Balkans. This results into different patterns of development, with different factors, threats and enabling conditions being needed to unlock the economic potential. However, culture and tourism represent key sectors that can help overcome challenges in terms of socio-economic imbalances, by having a place-based approach, deeply rooted in the local and regional potential to provide business opportunities and employment.
- In the EUSDR territory, regional economic growth is at least partially attributed to the economic activity of private sector companies, whose density and ability to generate revenues, jobs and paid taxes contributes to the overall attractiveness of regions and to the ability to generate wealth for the population. The distribution of local units by main economic sector at the EUSDR territory level shows that services and retail account for the largest share of total activity (over 50%), followed by construction (14%) and manufacturing (12%). However, the Danube macro-region has had permanently lower share of services (59.85% in 2017) compared to the rest of Europe, especially when it comes to financial, business and advisory services, and EU Member States (EU15: 67.3%; EU28: 66.65%). The services sector is also distributed in an unbalanced manner across the territory: higher in Germany and capital city regions and lower in Romania and Bulgaria.

Labour market conditions and specific to the Culture & Tourism sectors

- Employment rates and employment density reflect as well the socio-economic strength of regional economies. While employment (in total and compared to working age population) increased on average, there is an uneven distribution of growth rates and density - with larger metropolitan or other urban centres displaying the highest attractiveness. This results in challenges related to depopulation, brain drain, unemployment (especially for the youth and the vulnerable groups) and informal work.
- The unemployment rates vary greatly across the territory, both in terms of level of unemployment and in terms of decline rate - the COVID-19 lockdown measures significantly increased unemployment rates across the EU (and in the EUSDR area as well), with medium and long-term impact still being under question.
- Wage levels vary, too, by region and they are interlinked with the economic structure and situation. Sectors such as retail or accommodation and food services usually employ low-skilled staff, therefore the wage level is proportionally lower.
- In general, employment related to tourism and culture is closely correlated with touristic potential - indicating that the market has adapted over time to meet the economic needs and potential.





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- Despite the 5-year growth of employment in the sectors partly and mainly associated to tourism, the challenge of attracting and retaining staff is still persisting. This is mainly the case in those regions where there is high seasonality and low wages overall (e.g. Romania, Bulgaria).
- Compared to the average wage at the EUSDR level, salaries in the tourism and cultural sectors are, on average, at 56% - this is mainly due to the low complexity and skillset required for staff.

Impact and recommendations related to the EUSDR Action Plan - PA3: Culture, Tourism and People to People

PA3: Culture, Tourism and People to People	ACTION 1: Promote sustainable tourism in the Danube Region and capitalise on EUSDR projects in the areas of culture, nature and tourism
	ACTION 2: Support and promote cultural tourism in the Danube Region
	ACTION 3: Invest in sustainable quality products, services, innovative forms and infrastructure in the fields of tourism and culture, promote skills, education and creating jobs in the related areas
	ACTION 4: Develop a "Smart Destination Danube"
	ACTION 5: Promote and encourage the development of the cultural activities and creative sectors
	ACTION 6: Promote cultural heritage in the Danube Region

Priority Area objectives:

I. Developing sustainable tourism (Actions 1-3)

- Develop sustainable forms of tourism, including green tourist products and sustainable mobility solutions along the Danube Region;
- To ensure the sustainable preservation, conservation, socialization and contemporary interpretation of cultural heritage and natural values;

II. Science, research and new technologies in culture, tourism and people to people contacts (Actions 4-5)

- Support the implementation of a harmonised monitoring system dedicated to sustainable tourism and cultural/natural heritage, able to provide comparable statistical data in the Danube Region;
- Promote the exchange of practices and networking in the field of a.) Arts incl. contemporary arts b.) Support the creation of linkages and synergies between the cultural and creative sectors and the tourism sector;

III. Valorising, promoting and protecting the cultural heritage (Action 6)

- Establish the Danube Region as important European tourist destination and further develop and strengthen the Danube Brand for the entire Danube Region;
- Establish the Danube as a transnational multicultural treasury cultural and natural travel route;





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- To create a 'Blue Book' on Danube cultural identity/Build on cultural diversity and heritage as the strength of the Danube Region both for the well-being of the local inhabitants and as tourism resources; and for promoting and preserving cultural identity of local communities along the Danube;
- Promote the development of quality products, infrastructure and innovative forms of tourism and culture by SMEs and public private partnerships;
- Promote skilled labour workforce, education and skills development in the areas of tourism and culture for sustainable jobs in the region

Conclusion point 1: Performing the territorial analysis highlighted important limitations with respect to data gaps between EU and non-EU countries and regions. This has the potential to impact joint efforts in the monitoring and data-driven decisions, however it opens new ways for transnational cooperation to support joint data collection efforts.

Recommendation 1: Develop a macro-regional tool / observatory with data related to the key points analysed:

- Economic performance related to tourism and culture (business activity, types of companies involved etc.)
- Labour market situation - employment in the sectors, formal/informal work etc.
- Touristic performance - although data is quite consistent, details are missing at a sub-regional level.

Recommendation 2: Develop a sub-regional / functional approach to data collection and monitoring.

- While not all regions that show a great touristic and cultural potential are homogeneously endowed with resources, but rather the administrative boundaries of touristic / cultural cities or localities are crossed by resorts, touristic paths, heritage sites etc, data should be collected, displayed and used by functional typology of the area.
- This would enable the easier development of data-driven decisions and public policies, reflecting the areas' potential and socio-economic situation and performance.

Recommendation 3: Use data as a promotion tool for increasing visibility at the macro-regional level. Encourage stakeholders to submit any types of initiatives and projects developed that are connected to the tourism and cultural field.

Conclusion point 2: Tourism and culture are sectors deeply rooted in the natural landscape and in the local traditions and specificities, regardless of the level of development of the region (i.e. contribution of tourism and culture to the economic activity or touristic performance). Even when regions do not have a touristic or cultural hotspot, as shown in the analysis, they still have touristic and cultural resources of national, regional or local importance, which can be supported by a place-based approach to territorial development.

At the same time, as locally sourced resources, tourism and culture can provide business and employment opportunities aside from the sectors mainly and partially related to tourism - in the valorisation of local products, crafts, provision and transfer of skills locally sourced, digital or remote access to heritage sites etc.





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Recommendation 4: Support the creative and cultural industries at the sub-regional level by tailoring campaigns, information repositories and awareness raising in rural and small urban centres.

Recommendation 5: Identify and support local promoters of specific local resources (natural heritage or tangible/intangible heritage) in various fields by targeted measures - guidelines to access funds from programmes that contribute to the achievement of PA 3 goals, incentives to apply for funding, knowledge exchanges etc.

Recommendation 6: Support the enhancement of local and regional-level partnerships in the fields of culture and tourism, as well as with connected sectors (digital, sustainable mobility, environment - nature-based solutions etc.) to capitalise on synergies arising from better and more efficient dialogue at the local level.

Conclusion point 3: In some regions, there is an overlap between the contribution of tourism to local business environment and the featuring of tourism as a RIS3 priority. However, not all highly performing regions in terms of tourism included it in RIS3.

Recommendation 7: Support dialogue and awareness with respect to tourism's importance in the regional economies in order to enhance the strategic alignment and improved coherence. This is mainly true in the case of entrepreneurship support in the touristic / cultural and creative sectors that can further enhance tourism development, but priorities and approaches should be coherent with regional strategies and plans, either directly or indirectly.

Conclusion point 4: Tourism is one of the sectors that provide lower wages compared to other economic sectors. The sector is mainly associated with a low skillset level and with limited growth opportunities.

Recommendation 8: Support education and awareness related to the job and enhance participation to qualification courses and professionalisation opportunities. Support staff exchanges and learning from peers between eastern and western providers of touristic services.

Conclusion point 5: Cultural and velo routes are a key element for increasing the visibility and attractiveness of touristic areas. However, they have been developed in an unbalanced way across the territory.

Recommendation 9: Continue supporting cultural and other types of routes (e.g. thematic routes, velo routes) at different territorial levels, aiming to further integrate them in a large, comprehensive macro-regional network.